CAMPBELL CITY SCHOOL DISTRICT

Five-Year Forecast Assumptions

FY25-FY29

REVENUES

1.010 – General Property Tax (Real Estate)

With heartfelt gratitude to the citizens of the City of Campbell, the District's Emergency Levy, totaling $989,711, was renewed on March 19, 2024. The vital support echoes the previous renewal on May 7, 2019. The Mahoning County Auditor's office has certified the property tax millage at the rate not exceeding 9.31 mills for each $1 of taxable value which amounts to $326 for each $100,000 of the county auditor's appraised value for ten years.

1.020 – Tangible Personal Property Tax

The phased elimination of the tangible tax base began in fiscal year 2007 due to House Bill 66 and was to continue through 2017. Consequently, personal property taxes were reduced. Through this phase-out, the State was to hold harmless school districts through 2010 and make up the lost revenue to the district during that period of time. The State has eliminated the remaining reimbursements beginning in FY 18.

1.030 – Income Tax – N/A

1.035 – Unrestricted Grants-in-Aid

The District's unrestricted foundation payments have experienced a slight increase in FY25. However, this increase has been offset by greater reductions in the State's restricted funds, resulting in an overall decrease in state revenue. Additionally, the District is no longer offsetting staff wages with federal ESSER dollars, as the final allocation of these funds was utilized during the first quarter of the current fiscal year.

District bi-weekly foundation payments continue to experience deductions due to EdChoice and College Credit Plus programs. There is significant concern about the potential adverse effects of the EdChoice expansion on the District's financial stability. Despite these challenges, staffing levels have been carefully maintained, with ongoing reviews to determine if and when a reduction in force (RIF) might become necessary. Currently, teacher-to-student ratios remain within—and in many cases, below—the recommended benchmarks outlined in the Fair School Funding Formula. The District is hopeful for future increases in weighted funding, particularly considering the high population of economically disadvantaged students, which was not previously prioritized due to ESSER disbursements.

In addition, the District faces rising costs for purchased services, maintenance, and general utilities, which further strain the operating budget. With ESSER funds now exhausted, the District anticipates relying heavily on unrestricted funds to maintain current operations and sustain essential programs across its schools. This situation underscores the importance of prudent financial planning to navigate growing fiscal

pressures while continuing to prioritize the quality of education and services provided to students.

1.040 – Restricted Grants-in-Aid

The District serves a diverse economic population, strategically allocating restricted funds to meet the comprehensive needs of all students. With a significant percentage of English learners, students with special needs, and a growing number requiring counseling services—especially post-pandemic—the District is dedicated to enhancing support. Notably, restricted funds also extend beyond the regular school day, providing opportunities for extended-day and year-round programs. These initiatives are crucial in bridging the achievement gap within the student population.

The funding components in this category include Student Wellness and Success, Disadvantaged Pupil Impact Aid (DPIA), English Learners, Gifted, and Career Technical Education.

1.050 State Share of Local Property Taxes

The State reimburses the school district for the loss of real property taxes as a result of the homestead and rollback tax relief programs.

1.060 – All Other Revenues

All other revenues include Ohio Medicaid School Program reimbursements, SF-14 tuition of non-handicapped pupils and SF-14H tuition of handicapped pupils, donations, property rentals, interest, and miscellaneous receipts.

2.050 – Advances-In

Advances-in are usually caused by Federal grants or other funds running into a deficit balance at the end of the previous fiscal year. The General Fund advances the necessary funds to avoid a deficit and is reimbursed when more money becomes available.

EXPENDITURES

3.010 – Personal Services

The District has concluded negotiations with the Campbell Education Association, culminating in a new contract settlement spanning three years, effective from July 1, 2024 to June 30, 2027. The agreement entails a 2% base increase in FY25, a 2.5% base increase in FY26 and a 3% base increase in FY27. The projected salary figures for FY25-FY29 encompass personnel advancement on their corresponding salary schedules, as well as allowances for substitutes and overtime.

3.020 – Employees Retirement/Insurance Benefits

Retirement costs are based on the contribution rate of 14% of salaries payable to STRS or SERS.

Also included in this category are Medicare, workers' compensation, unemployment, and insurance benefits consisting of medical, prescription, dental, vision, and life.

The School District is a member of the Mahoning County School Employees Insurance Consortium to provide employee medical, prescription drug, dental and vision benefits. The Consortium is administered by Anthem effective July 1, 2017. The Board will continue to pay 89% of the premium applicable for all full time employees, spouses and eligible dependents as per the negotiated agreements with the CEA and OAPSE. Beginning in FY25, the MCSEIC plans to implement an 8% premium increase.

3.30 – Purchased Services

This line includes utilities, legal fees, and any contracted service. According to the Ohio Department of Education's Foundation Settlement Report dated November 8, 2024, the following annual amounts will be deducted from the District's foundation payment for FY24:

- MCESC Services - $ 476,473.12
- Oher adjustments - $ 98,687.28

The final payment for the OFCC construction bonds was paid on 10/31/22. As a result of the payoff of the bonds, the District will no longer be receiving the annual Half Mill Equalization payment in the amount of $65,978.24 into the Maintenance Fund (Fund 034). Consequently, for FY25-FY29, additional funds may need to be allocated from this line item to cover maintenance expenditures that would have otherwise been paid from Fund 034.

3.040 – Supplies and Materials

Supplies and materials include instructional supplies, other consumables, and expenditures related to maintenance and transportation, such as fuel. We are projecting a 5% annual increase for FY25-FY29.

3.050 – Capital Outlay

Anticipated capital expenditures include a maintenance vehicle in FY25 and a transit van in FY26.

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4.050 – Principal –HB 264 Loans

In October 2013, the Board of Education approved for the issuance and sale of Energy Conservation Improvement Bonds in the amount of $592,000. The final payment will be due on 12/1/2028.

4.055 – Principal –Other

Starting in FY24, this line includes repayments for the Certificates of Participation equipment lease. In prior years, it also covered the principal repayment for the OASBO School Pool lease, with the final payment made on 12/28/22.

4.060 – Interest and Fiscal Charges

Interest from the HB 264 loan and the Certificates of Participation lease is included in this line.

4.300 – Other Objects

This line item includes general dues and fees, State Auditor charges, county tax collection fees and bank charges with assumed increases of 4% in each year of the forecast.

5.020 – Advances-Out

Advances are needed to cover deficit balances in grants at fiscal year-end.

5.030 – All Other Financing Uses

The 0% Qualified Zone Academy Bonds (QZAB) repayment schedule consists of 15 annual payments in the amount of $600,000 beginning 1/1/2019 through 1/1/2033.

6.010 – Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses

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8.010 – Estimated encumbrances as of June 30.