

Lowellville Local School District

Fiscal Year
2025
May

**Five Year
Forecast
Report**



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Forecast Purpose/Objectives

Ohio Department of Education and Workforce's purposes/objectives for the five-year forecast are:

1. To engage the local board of education and the community in the long range planning and discussions of financial issues facing the school district.
2. To serve as a basis for determining the school district's ability to sign the certificate required by O.R.C. §5705.412, commonly known as the "412 certificate."
3. To provide a method for the Department of Education and Auditor of State to identify school districts with potential financial problems.

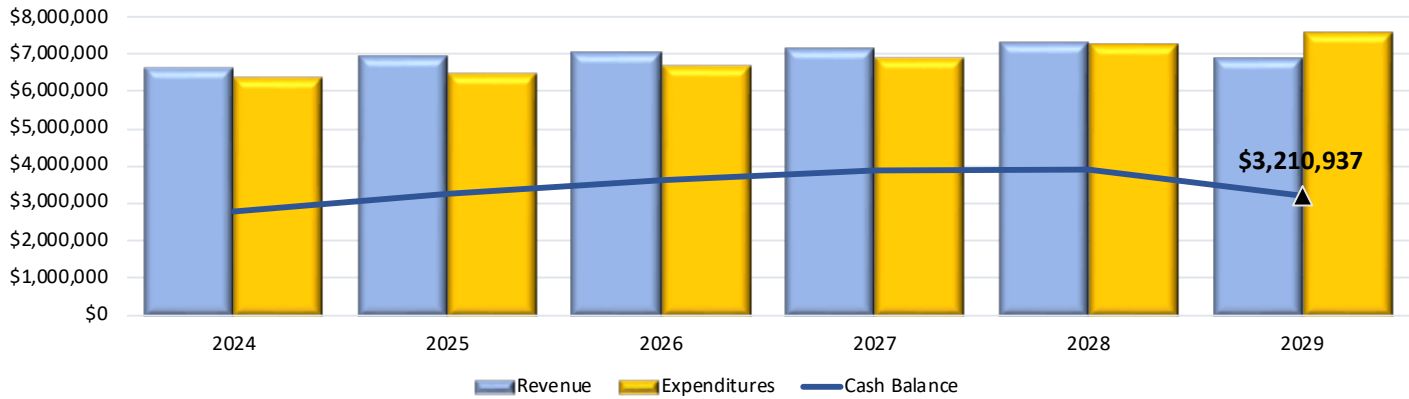
Forecast Methodology

This forecast is prepared based upon historical trends and current factors. This information is then extrapolated into estimates for subsequent years. The forecast variables can change multiple times throughout the fiscal year, and while cash flow monitoring helps to identify unexpected variances, no process is guaranteed. The intent is to provide the district's financial trend over time and a roadmap for

Forecast Summary

Lowellville Local School District

Projected Revenue, Expenditures, and Cash Balance



Financial Forecast Summary

	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029
Beginning Balance (Line 7.010) <i>*Includes Renewal/New Levy Revenue, see Disclosures</i>	2,788,487	3,256,849	3,615,129	3,872,072	3,909,951
+ Revenue	6,905,410	7,030,022	7,140,108	7,285,587	6,848,890
- Expenditures	(6,437,048)	(6,671,742)	(6,883,164)	(7,247,708)	(7,547,904)
= Revenue Surplus or Deficit	468,362	358,280	256,943	37,879	(699,014)
Line 7.020 Ending Balance with Renewal/New Levies	3,256,849	3,615,129	3,872,072	3,909,951	3,210,937

Financial Summary Notes

Expenditure growth is projected to outpace revenue change. By the end of 2029, the cash balance is projected to increase by a total of \$422,450 compared to 2024. For fiscal year 2029, expenditures are currently projected to exceed revenue, resulting in a revenue shortfall the final year of the forecast period.

For revenue, projected change is expected to be less than the historical average. Over the past five years, revenue increased by 3.23% (\$188,826 annually). However, it is projected to increase by 0.85% (\$52,633 annually) through fiscal year 2029. Notably, State Funding, is expected to be \$377,084 less per year compared to history, and is the biggest driver of trend change on the revenue side.

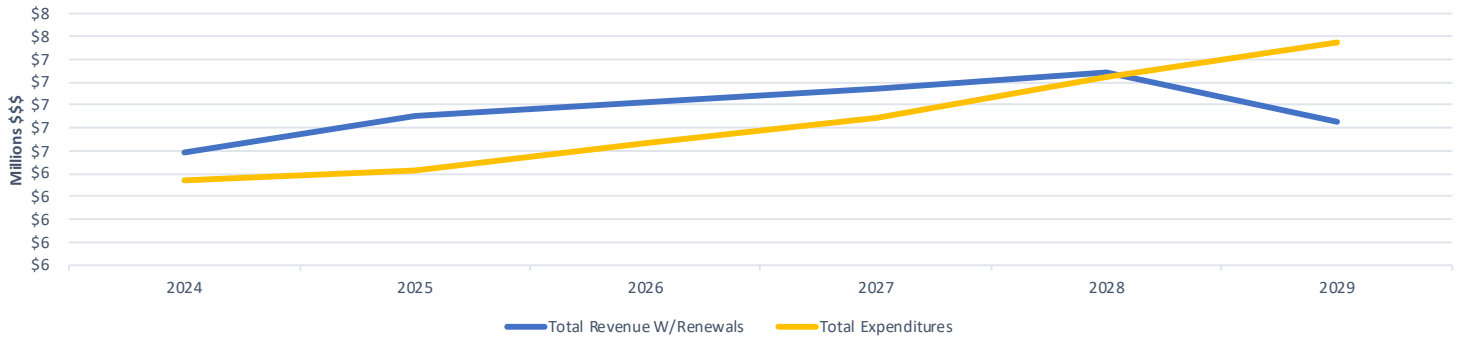
For expenses, projected change is forecasted to increase at a faster pace than the historical trend. Expenditures increased by 2.37% (\$135,927 annually) during the past 5-year period, and are projected to increase by 3.55% (\$241,203 annually) through 2029. The forecast line with the most change on the expense side, Salaries, is anticipated to be \$72,294 more per year in the projected period compared to historical averages.

Disclosure Items:	2025	2026	2027	2028	2029
Modeled Renewal Levies - Annual Amount	-	-	-	-	-
Modeled New Levies - Annual Amount	-	-	-	-	-
Encumbrances (not subtracted from Cash Balance)	-	-	-	-	-

Forecast Analysis

Lowellville Local School District

Revenue Compared to Expenditures

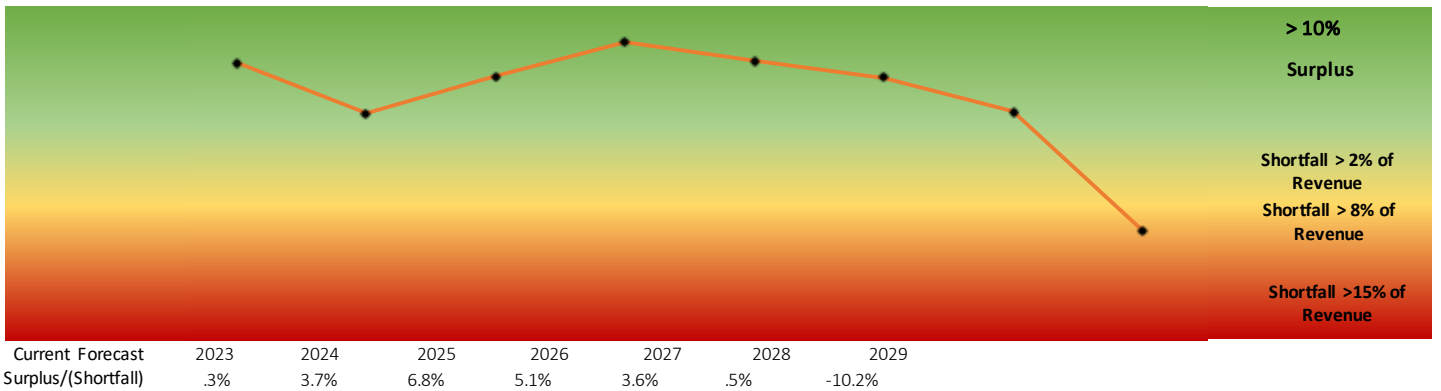


From 2025 to 2029, total revenues are projected to change by 0.85%

Expenditure change is expected to outpace

From 2025 to 2029, total expenses are projected to change by 3.55%

Revenue Surplus/(Shortfall) as a Percentage of Revenue

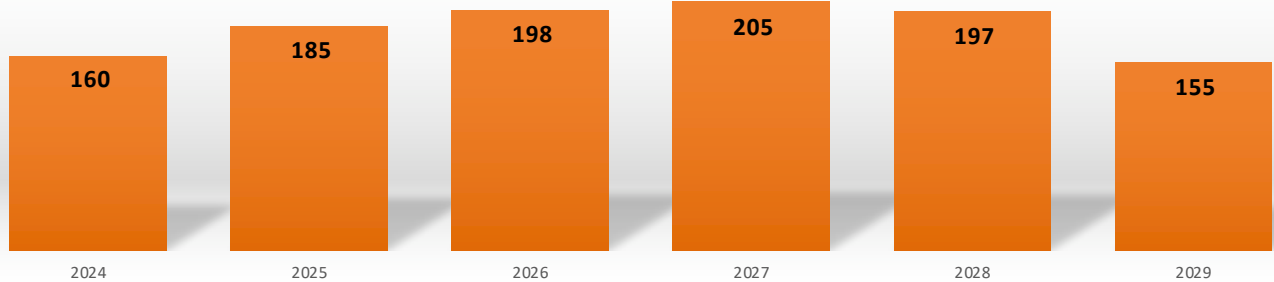


The district is trending toward revenue shortfall with the expenditures growing faster than revenue.

A revenue increase of 10.21% is needed to balance the budget in fiscal year 2029, or a \$699,014 reduction in expenditures.

- The largest contributor to the projected revenue trend is the change in State Funding.
- The expenditure most impacting the changing trend is Salaries.

Days Cash on Hand at Fiscal Year-end

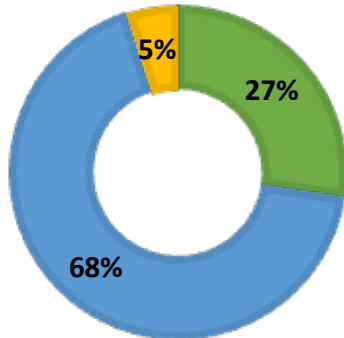


*based on 365 days

Revenue Overview

Lowellville Local School District

Revenue Sources



Local Taxes

Real Estate Tax	11.78%
Public Utility Tax	15.57%
Income Tax	0.00%

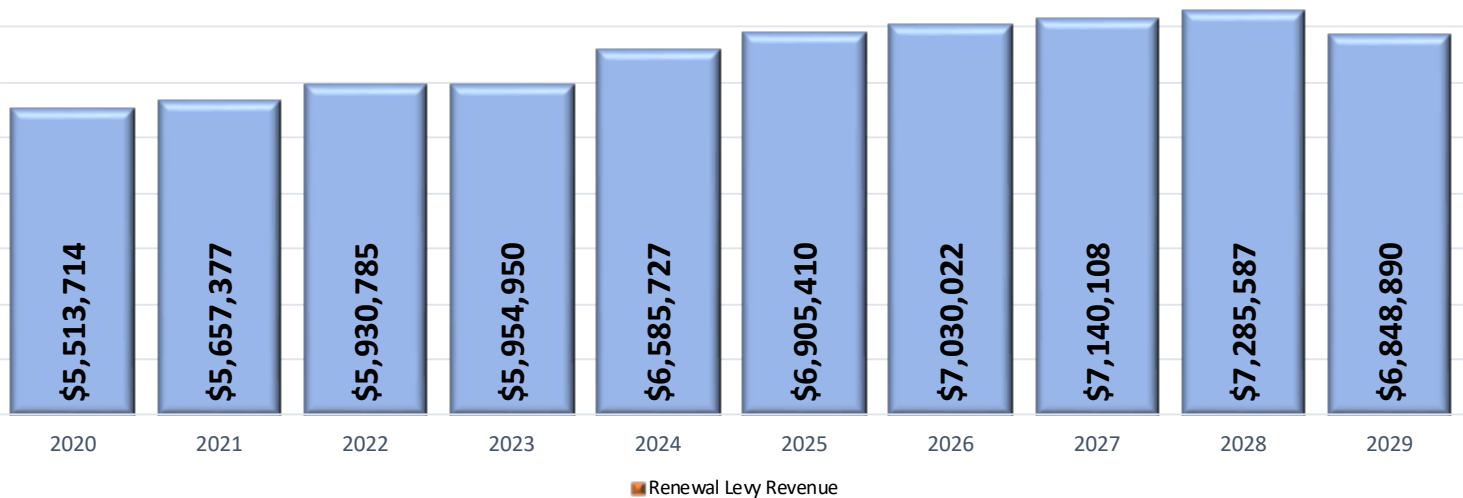
State Sources

State Funding	59.24%
Restricted Aid	6.59%
State Share of Local Tax	1.81%

All Other Revenue

Other Revenue	5.00%
Other Sources	0.01%

Annual Revenue Actual + Projected



Historic Revenue Change versus Projected Revenue Change

	Historical Average Annual \$\$ Change	Projected Average Annual \$\$ Change	Projected Compared to Historical Variance	Over the past five years, revenue increased by 3.23% (\$188,826 annually). However, it is projected to increase by 0.85% (\$52,633 annually) through fiscal year 2029. Notably, State Funding, is expected to be \$377,084 less per year compared to history, and is the biggest driver of trend change on the revenue side.
Real Estate	\$35,595	\$29,912	(\$5,683)	
Public Utility	\$35,193	\$28,848	(\$6,345)	
Income Tax	\$0	\$0	\$0	
State Funding	\$409,295	\$32,211	(\$377,084)	
State Share of Property Tax	\$1,895	\$4,901	\$3,006	
All Othr Op Rev	(\$294,421)	(\$42,024)	\$252,397	
Other Sources	\$1,270	(\$1,215)	(\$2,485)	
Total Average Annual Change	\$188,826 3.23%	\$52,633 0.85%	(\$136,194) -2.38%	

For Comparison:

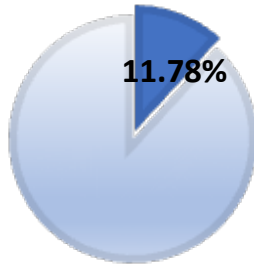
Expenditure average annual change is projected to be >

\$241,203

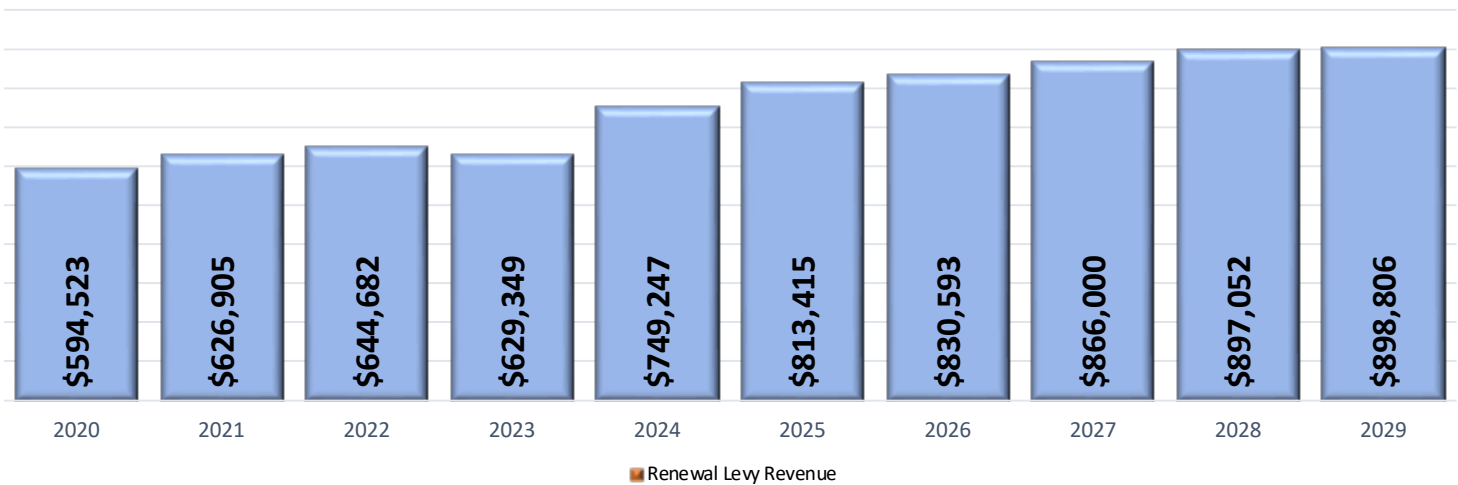
On an annual average basis, expenditures are projected to grow faster than revenue.

1.010 - General Property Tax (Real Estate)

Revenue collected from taxes levied by a school district by the assessed valuation of real property using effective tax rates for class I (residential/agricultural) and class II (business).



Real estate property tax revenue accounts for 11.78% of total district general fund revenue.



Key Assumptions & Notes

Values, Tax Rates and Gross Collections							
Tax Yr	Valuation	Value Change	Class I Rate	Change	Class 2 Rate	Change	Gross Collection Rate Including Delinquencies
2023	46,063,890	10,918,200	20.00	-	30.30	-	98.0%
2024	46,041,040	(22,850)	20.00	0.00	30.30	0.00	100.0%
2025	46,133,040	92,000	20.00	(0.00)	30.30	(0.00)	100.0%
2026	49,900,040	3,767,000	20.00	-	30.61	0.32	100.0%
2027	49,992,040	92,000	20.00	-	30.61	(0.00)	100.0%
2028	50,079,040	87,000	20.00	-	30.61	(0.00)	100.0%

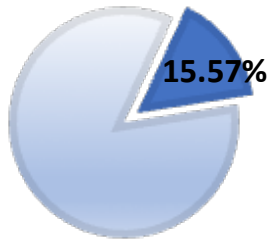
Class I, or residential/agricultural taxes make up approximately 85.42% of the real estate property tax revenue. The Class I tax rate is 20.00 mills in tax year 2024. The projections reflect an average gross collection rate of 100.0% annually through tax year 2028. The revenue changed at an average annual historical rate of 5.80% and is projected to change at an average annual rate of 3.74% through fiscal year 2029.

The school district anticipates an increase in property tax revenues in Fiscal Years 2024 and 2025 as a result of the county-wide property reappraisal conducted in Tax Year 2023, which led to a 18.85% increase in overall assessed property values.

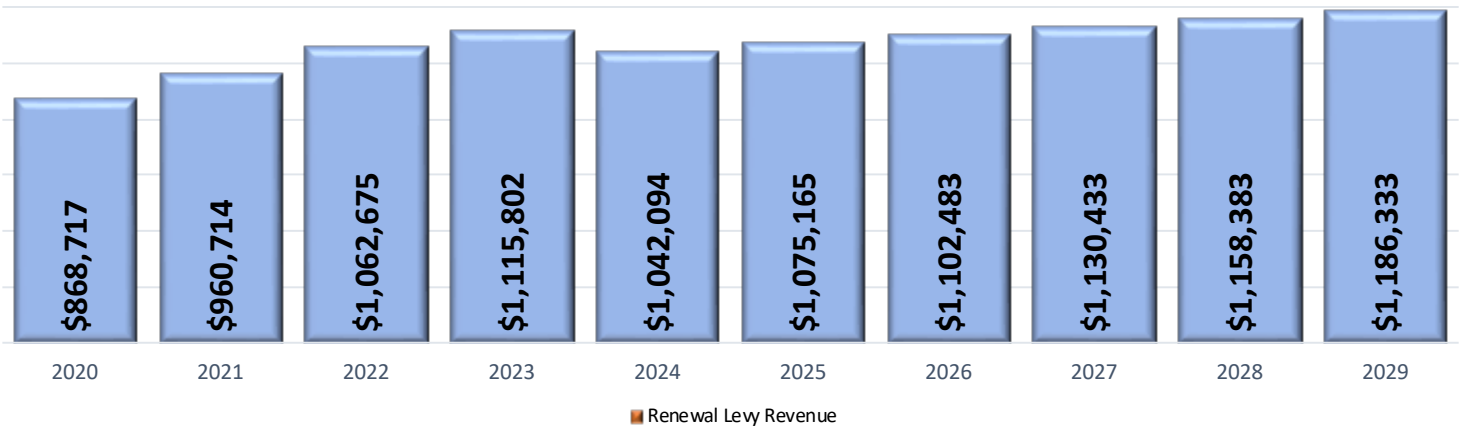
Future fiscal year revenue projections are based on property tax collections under current law. However, several pieces of proposed legislation currently under consideration in both the House and Senate could impact the district's future property tax revenue projections. Should any of these legislative proposals be enacted and found to affect the district's millage rate or tax collections relative to current law, adjustments to real estate revenue projections will be necessary.

1.020 - Public Utility Personal Property

Revenue generated from public utility personal property valuations multiplied by the district's full voted tax rate.



Public Utility Personal Property tax revenue accounts for 15.57% of total district general fund revenue.



Key Assumptions & Notes

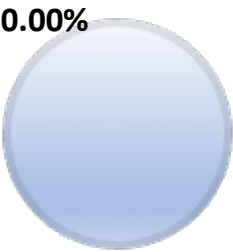
Values and Tax Rates					Gross Collection Rate Including Delinquencies
Tax Year	Valuation	Value Change	Full Voted Rate	Change	
2023	18,967,210	(605,640)	55.90	-	100.0%
2024	19,467,210	500,000	55.90	-	100.0%
2025	19,967,210	500,000	55.90	-	100.0%
2026	20,467,210	500,000	55.90	-	100.0%
2027	20,967,210	500,000	55.90	-	100.0%
2028	21,467,210	500,000	55.90	-	100.0%

The public utility personal property tax revenue is generated from the personal property values, additions, and depreciation reported by the utility companies. The property is taxed at the full voted tax rate which in tax year 2024 is 55.90 mills. The forecast is modeling an average gross collection rate of 100.00%. The revenue changed historically at an average annual dollar amount of \$35,193 and is projected to change at an average annual dollar amount of \$28,848 through fiscal year 2029.

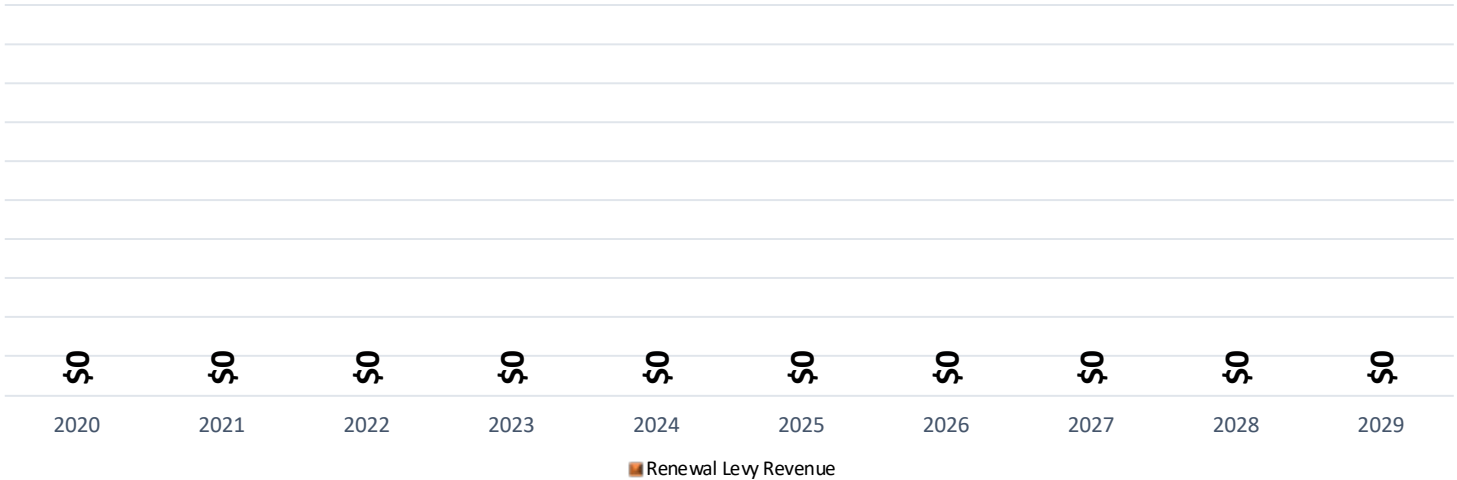
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1.030 - School District Income Tax

Revenue collected from income tax earmarked specifically to support schools with a voter approved tax by residents of the school district; separate from federal, state and municipal income taxes.



The district does not have a School District Income Tax levy.

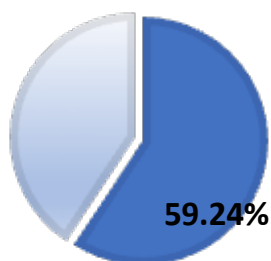


Key Assumptions & Notes

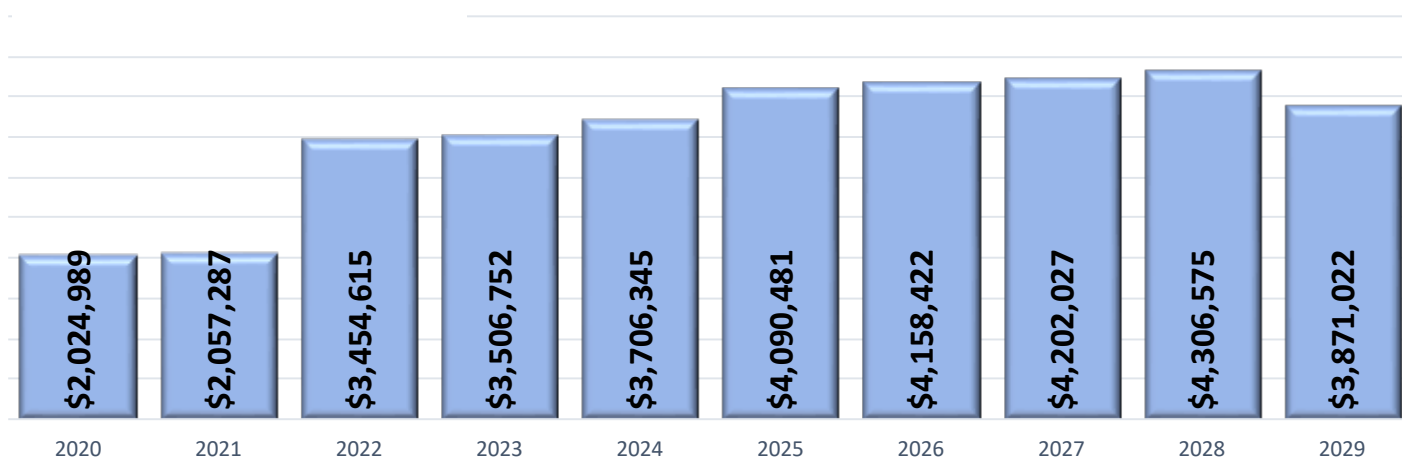
The district does not have an income tax levy.

1.035 - Unrestricted Grants-in-Aid

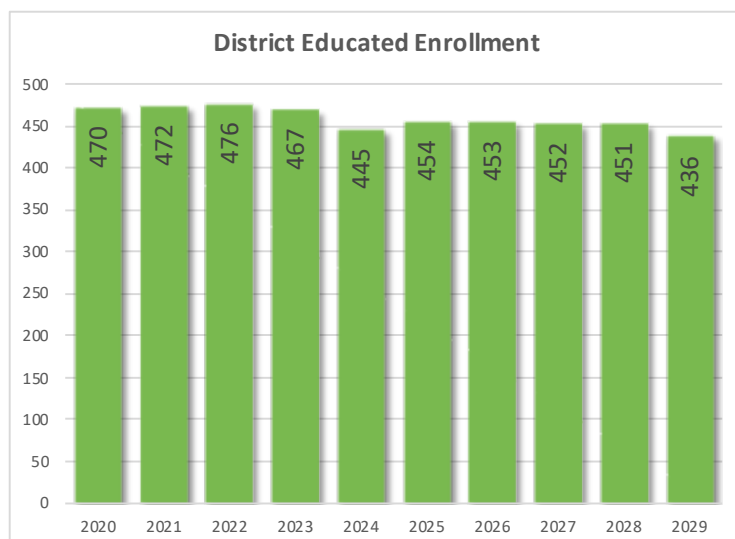
Funds received through the State Foundation Program with no restriction.



Unrestricted State Aid revenue accounts for 59.24% of total district general fund revenue.



Key Assumptions & Notes



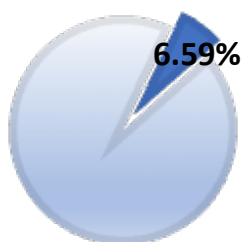
Beginning in fiscal year 2022, Ohio adopted the Fair School Funding Plan (FSFP). Funding is driven by a base cost methodology that incorporates the four components identified as necessary to the education process. The Base Cost is currently calculated for two years using a statewide average from historical actual data.

The State of Ohio is currently going through the legislative process for the 2026-2027 biennial budget. At the time of print of this forecast, the Governor's proposed budget, as well as, the proposed budget from the House has been released. The district is currently awaiting the Senate's proposed budget and ultimately the final legislation that will become law on July 1st.

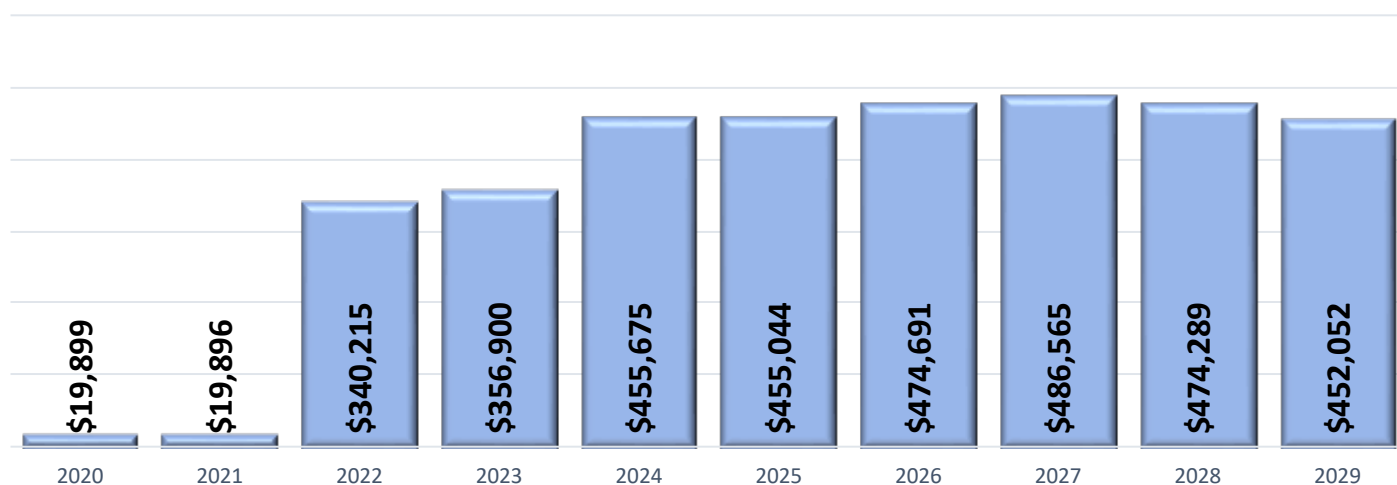
These forecast projections are based on the House's proposed budget for 2026 and 2027. Furthermore, 2028 and 2029 state funding projections assume minimal increases in state funding levels, since it is currently unknown what funding formula will be used for fiscal years outside of the biennial budget (2026 and 2027). Please reference the back of this forecast to see how the variance funding proposals could impact the district.

1.040 & 1.045 - Restricted Grants-in-Aid

Funds received through the State Foundation Program or other allocations that are restricted for specific purposes.



Restricted State Aid revenue accounts for 6.59% of total district general fund revenue.



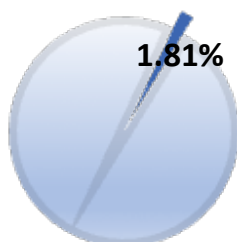
Key Assumptions & Notes

Restricted aid is the portion of state per pupil funding that must be classified as restricted use. Historically the district's restricted state aid changed annually on average by \$145,260 and is projected to change annually on average by -\$725. Restricted funds represent 6.59% of the district's total revenue. Starting in fiscal year 2022, the district's Success & Wellness funding became restricted; the state's share of this funding recorded as restricted is \$318,926. This funding has implications on general fund expenditures in that certain spending now occurring in a fund external to the general fund could shift to the general fund. The expenditures in this forecast are adjusted to reflect this change.

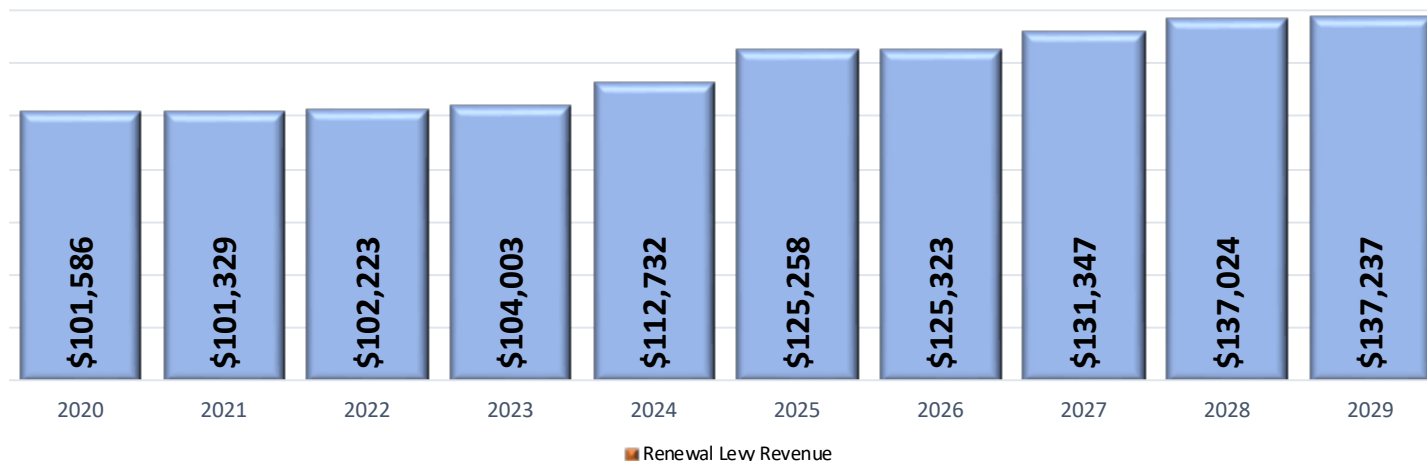
As noted on the previous page, these forecast projections are based on the House's proposed budget for 2026 and 2027. The House budget provides for a 2025 guarantee, in addition to the 2020 funding guarantee. Furthermore, 2028 and 2029 state funding projections assume state funding levels (unrestricted combined with restricted state revenue) will remain the same as ("2025 guaranteed") at the 2027 levels, since it is currently unknown what funding formula will be used for fiscal years outside of the biennial budget (2026 and 2027).

1.050 - State Share of Local Property Taxes

Includes funds received for Tangible Personal Property Tax Reimbursement, Electric Deregulation, Homestead and Rollback.



State Share of Local Property tax revenue accounts for 1.81% of total district general fund revenue.



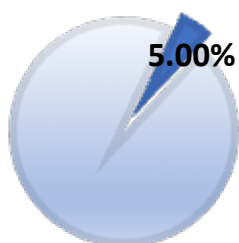
Key Assumptions & Notes

State Share of Local Property Taxes primarily consists of reimbursements from the state of Ohio for local taxpayer credits or reductions to their tax bill. The state reduces the local taxpayer's tax bill with a 10% rollback credit, and 2.5% owner-occupied rollback credit, plus a homestead credit for qualifying taxpayers. In fiscal year 2025, approximately 11.9% local residential property taxes will be reimbursed by the state in the form of rollback credits and approximately 2.8% will be reimbursed in the form of qualifying homestead exemption credits.

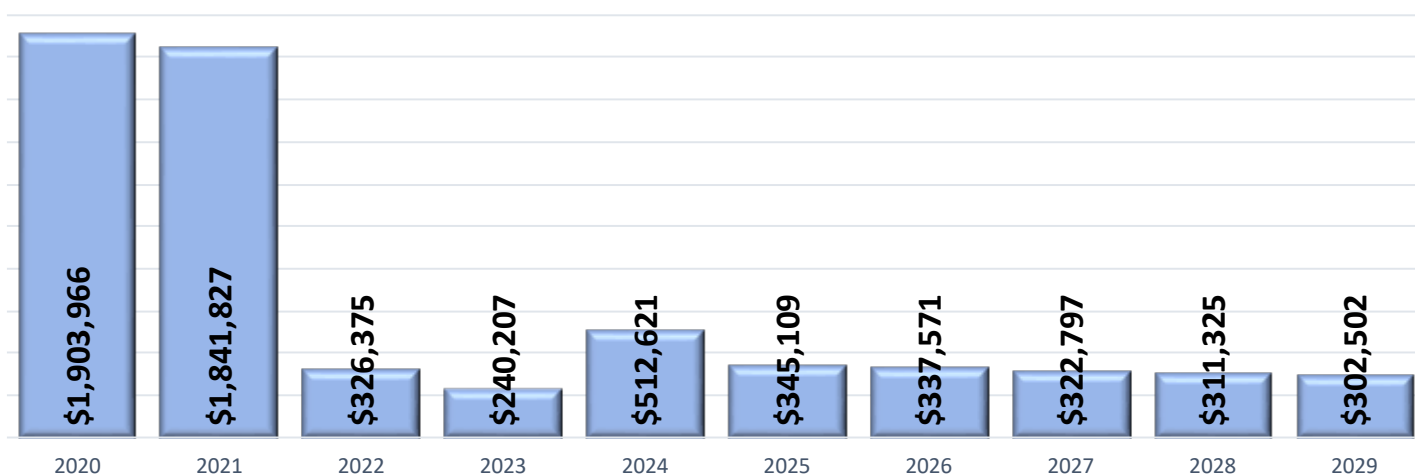
The increase in real estate property tax revenue as a result of the county-wide reappraisal, noted on page 6 of this report, also impact homestead and rollback payments from the state. As shown above, the district will see increases in these forms of state payments in 2024 and 2025, and then again during the triennial update that is to occur in tax year 2026, effecting Fiscal Year 2027 and 2028.

1.060 - All Other Operating Revenues

Operating revenue sources not included in other lines; examples include tuition, fees, earnings on investments, rentals, and donations.



All Other Revenue accounts for 5.00% of total district general fund revenue.



Key Assumptions & Notes

Other revenue includes tuition received by the district for non-resident students educated by the district. It also includes interest income, payments in lieu of taxes, and miscellaneous revenue. The historical average annual change was -\$294,421. The projected average annual change is -\$42,024 through fiscal year 2029.

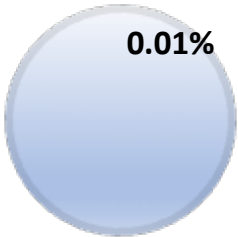
FY24 marks a rebound year with elevated revenues across all categories, particularly miscellaneous receipts. From FY25 onward, the forecast assumes stable recurring receipts with no additional one-time surges.

Miscellaneous revenue is expected to drop from \$223K in FY24 to \$147 K in FY25 and remain at the FY25 level for future fiscal years.

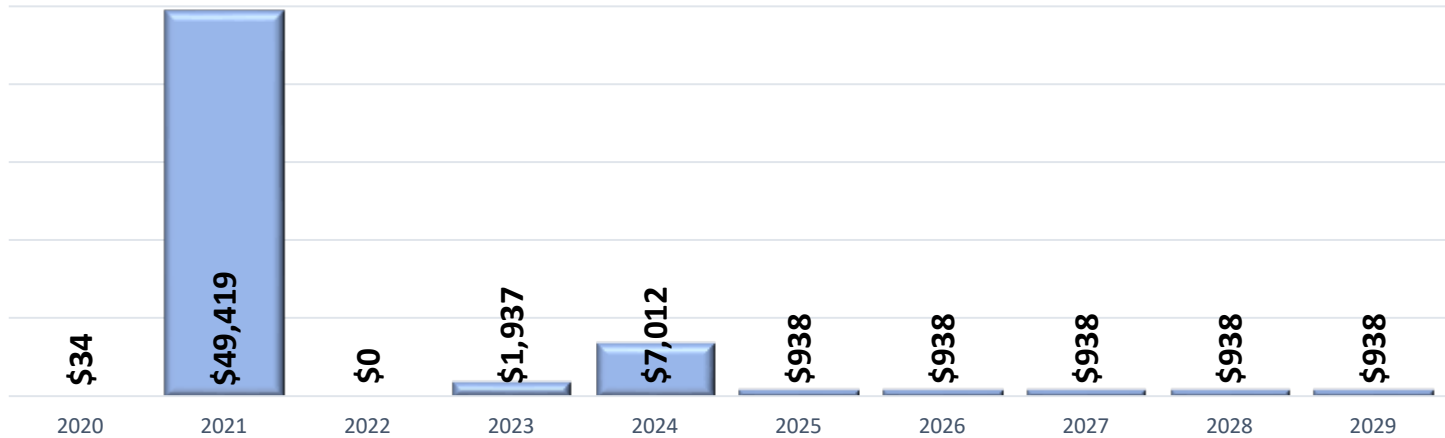
Investment income is projected to decline steadily, going from \$109 K in FY24 to \$91 K by FY29, reflecting cautious assumptions about interest rate trends or lower reserve levels.

2.070 - Total Other Financing Sources

Includes proceeds from sale of notes, state emergency loans and advancements, operating transfers-in, and all other financing sources like sale and loss of assets. and refund of prior year expenditures.



Other Sources of revenue accounts for 0.01% of total district general fund revenue.



Key Assumptions & Notes

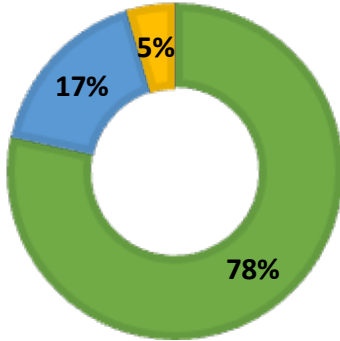
	FORECASTED					
	2024	2025	2026	2027	2028	2029
Transfers In	-	-	-	-	-	-
Advances In	-	-	-	-	-	-
All Other Financing Sources	7,012	938	938	938	938	938

Other sources includes revenue that is generally classified as non-operating. Return advances-in are the most common revenue source. In 2024 the district receipted \$0 as advances-in and is projecting advances of \$0 in fiscal year 2025. The district also receives other financing sources such as refund of prior year expenditures in this category. The district is projecting that all other financing sources will be \$938 in 2025 and average \$938 annually through 2029.

Expenditure Overview

Lowellville Local School District

Expenditure Categories



Personnel Costs

Salaries	55.88%
Benefits	22.49%

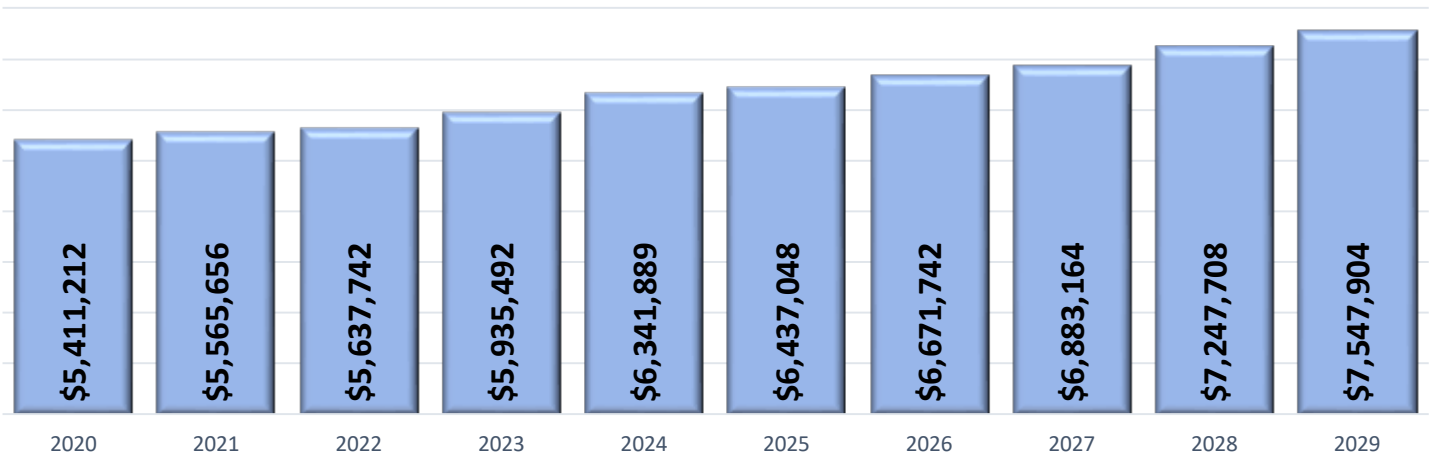
Purchased Services

17.00%

All Other Expenditures

Supplies, Capital, Debt, Other Obj	3.47%
Other Uses	1.17%

Annual Expenditures Actual + Projected



Historic Expenditures Change versus Projected Expenditures Change

	Historical Average Annual \$\$ Change	Projected Average Annual \$\$ Change	Projected Compared to Historical Variance	Expenditures increased by 2.37% (\$135,927 annually) during the past 5-year period, and are projected to increase by 3.55% (\$241,203 annually) through 2029. The forecast line with the most change on the expense side, Salaries, is anticipated to be \$72,294 more per year in the projected period compared to historical averages.
Salaries	\$51,560	\$123,854	\$72,294	
Benefits	\$15,958	\$85,756	\$69,798	
Purchased Services	\$48,583	\$16,774	(\$31,809)	
Supplies & Materials	\$24,038	\$8,911	(\$15,128)	
Capital Outlay	(\$4,792)	\$910	\$5,702	
Intergov & Debt	\$0	\$0	(\$0)	
Other Objects	\$7,159	(\$2)	(\$7,161)	
Other Uses	(\$6,580)	\$5,000	\$11,580	
Total Average Annual Change	\$135,927 2.37%	\$241,203 3.55%	\$105,276 1.18%	

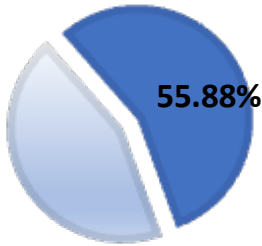
For Comparison:

Revenue average annual change is projected to be >

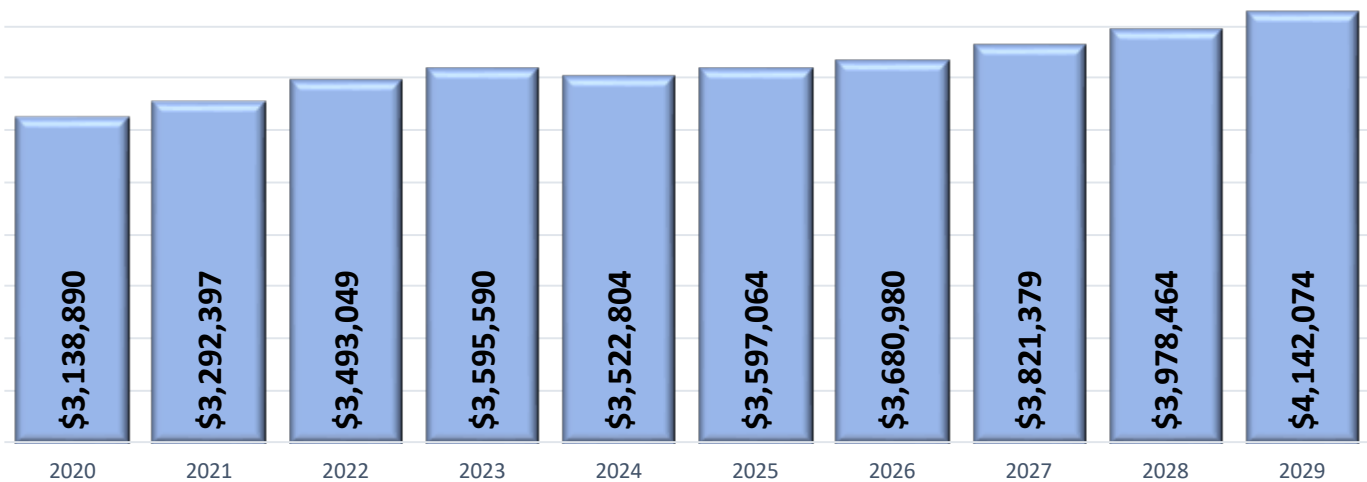
\$52,633 On an annual average basis, revenues are projected to grow slower than expenditures.

3.010 - Personnel Services

Employee salaries and wages, including extended time, severance pay, supplemental contracts, etc.



Salaries account for 55.88% of the district's total general fund spending.



Key Assumptions & Notes

Salaries represent 55.88% of total expenditures and increased at a historical average annual rate of 1.61% (or \$51,560). This category of expenditure is projected to grow at an annual average rate of 3.30% (or \$123,854) through fiscal year 2029. The projected average annual rate of change is 1.69% more than the five year historical annual average.

In the current fiscal year, the district's salary expenditures reflect a \$65 K increase in Certified Salaries due to the return of positions previously funded through Federal ESSER Funds. Offsetting these increases, the district achieved approximately \$70,000 in salary savings through retirements/reductions in positions for certified salaries, \$28 K in classified salaries and \$25K in administrative salaries. Additionally, the district issued one-time stipends related to science and reading initiatives, which are expected to be fully reimbursed by the state.

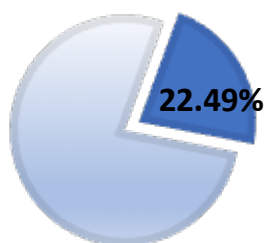
Looking ahead to FY26, the district is projecting an additional \$74.5 K in salary-related cost savings from certified retirements/replacements.

Future salary estimates include increases in base wages, per the terms of the collective bargaining agreements and step (longevity) increases annually.

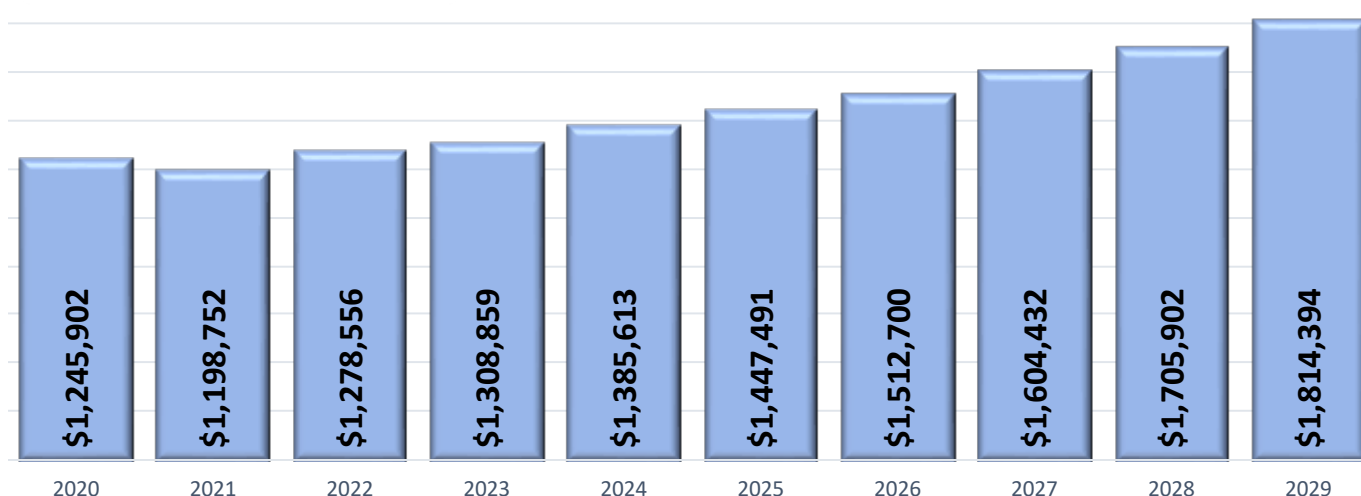
All other funds that provide fundings for non-General fund salaries, such as Federal funds, are expected to remain at current levels. Should these allocations be reduced in future fiscal years, the General Fund salary projections would need to be adjusted accordingly.

3.020 - Employees' Benefits

Retirement for all employees, Workers Compensation, early retirement incentives, Medicare, unemployment, pickup on pickup, and all health-related insurances.



Benefits account for 22.49% of the district's total general fund spending.



Key Assumptions & Notes

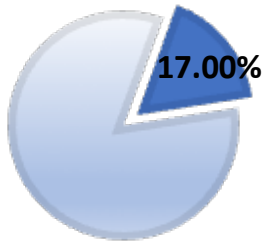
Benefits represent 22.49% of total expenditures and increased at a historical average annual rate of 1.30%. This category of expenditure is projected to grow at an annual average rate of 5.54% through fiscal year 2029. The projected average annual rate of change is 4.24% more than the five year historical annual average.

Retirement and other non-healthcare, salary-driven fringe benefits are projected at 18.09% of total salary costs throughout the forecast period. For FY25, healthcare costs are estimated at approximately \$790 K. This amount reflects a 8% increase in insurance premiums.

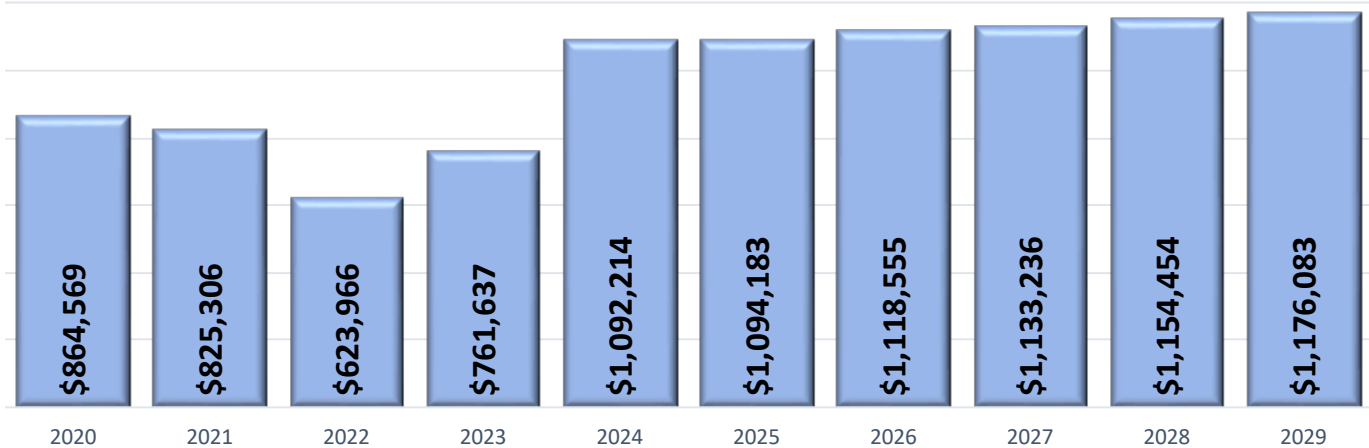
In FY26, healthcare premiums are expected to increase by 7%, with 8% annual increases projected for each of the following years.

3.030 - Purchased Services

Amounts paid for services rendered by personnel who are not on the payroll of the school district, expenses for tuition paid to other districts, utility costs and other services which the school district may purchase.



Purchased Services account for 17.00% of the district's total general fund spending.



Key Assumptions & Notes

Purchased Services represent 17.00% of total expenditures and increased at a historical average annual rate of 7.67%. This category of expenditure is projected to grow at an annual average rate of 1.49% through fiscal year 2029. Starting in 2022, the Fair School Funding Plan (State Funding) only accounted for district educated enrollment, thereby reducing district tuition costs for open enrollment 'out,' community schools, STEM, and scholarship students. This change resulted in lower district costs, but also less per pupil state revenue since per pupil funding is now paid directly by the state to the district students attend.

From FY24 to FY29, purchased service expenditures are projected to grow steadily following a significant increase in FY24. This growth is primarily driven by rising costs in professional and technical services (410), which increase from \$723K in FY24 to \$772K by FY29, reflecting continued reliance on contracted expertise.

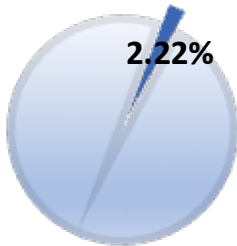
Property services, including repair costs, increased from \$179 K in FY24 to \$227K in FY25. For FY26, these costs are expected to return to FY24 levels and grow slightly each year due to inflationary pressures.

Other categories such as utilities and communications remain relatively stable, with minor annual increases that align with inflation and operational needs.

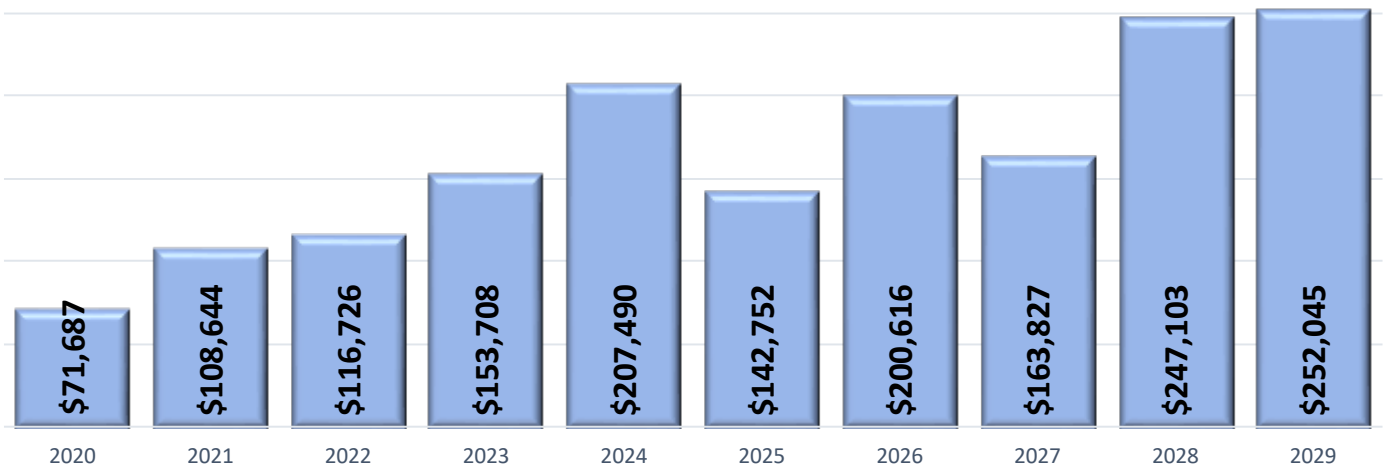
Overall, the forecast assumes stable, sustainable service investments, supporting long-term operational priorities without major fluctuations.

3.040 - Supplies & Materials

Expenditures for general supplies, instructional materials including textbooks and media material, bus fuel and tires, and all other maintenance supplies.



Supplies and Materials account for 2.22% of the district's total general fund spending.



Key Assumptions & Notes

Supplies & Materials represent 2.22% of total expenditures and increased at a historical average annual rate of 21.56%. This category of expenditure is projected to grow at an annual average rate of 8.77% through fiscal year 2029. The projected average annual rate of change is 12.79% less than the five year historical annual average.

From FY25 onward, supply expenditures are projected to grow steadily, with the exception of textbook and curriculum material expenses, which spike in FY26, FY28 and FY29 due to the curriculum adoption cycle.

General supplies (510) remain the largest and most consistent category, growing from \$56,792 in FY24 to \$67,472 in FY29, reflecting ongoing instructional and administrative needs.

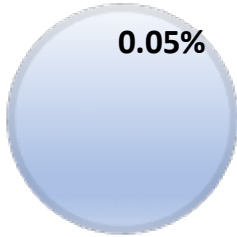
Supplies for maintenance and repair (570) see minimal growth, going from \$44 K in FY24 to \$48 K by FY29. Motor vehicle repair supplies (580) also remain stable, totaling \$21 K in FY29 compared to \$20 K in FY24.

Textbooks (520) is the most volatile expense in this category going from \$85K in FY24 to \$30 K in FY25, \$71K in FY26, \$32K in FY27 and then increasing to \$112K in FY28 and FY29 as a result of the curriculum adoption cycle.

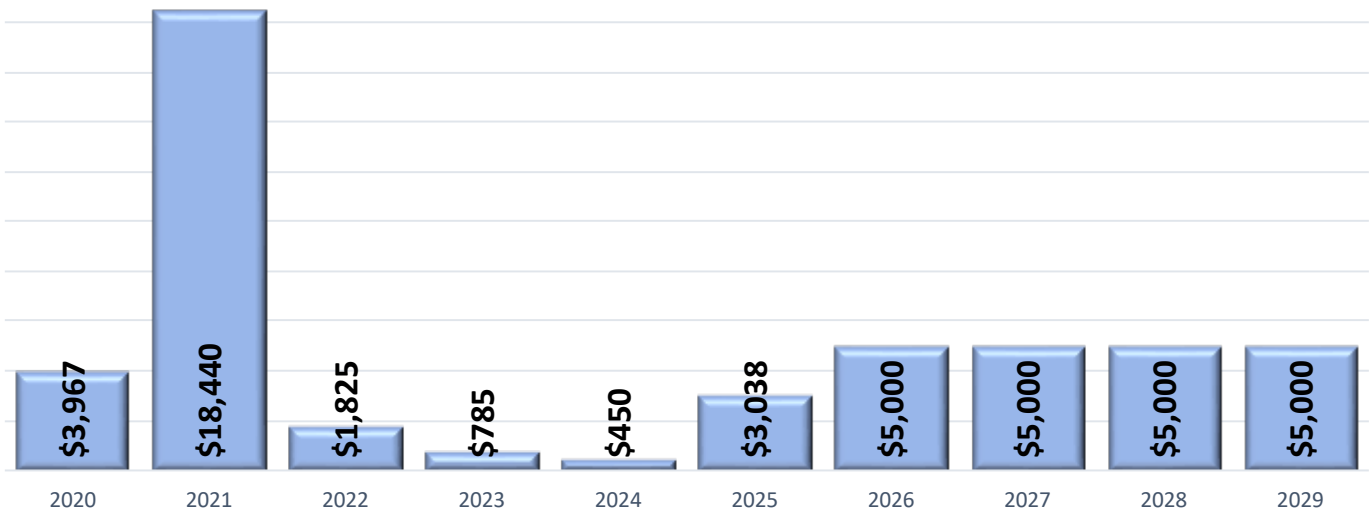
Overall, the forecast reflects a shift toward infrastructure and operational support, with moderate increases across all categories to keep pace with inflation, maintenance demands, and programmatic growth.

3.050 - Capital Outlay

This line includes expenditures for items having at least a five-year life expectancy, such as land, buildings, improvements of grounds, equipment, computers/technology, furnishings, and buses.



Capital Outlay account for 0.05% of the district's total general fund spending.



Key Assumptions & Notes

Capital Outlay represent 0.05% of total expenditures and decreased at a historical average annual amount of \$4,792. This category of expenditure is projected to grow at an annual average rate of \$910 through 2029. The projected average annual change is more than the five year historical annual average.

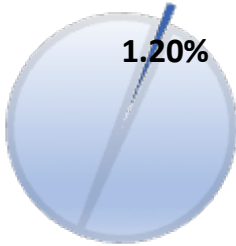
Category	Percentage
Other	0.00%

[illegible]

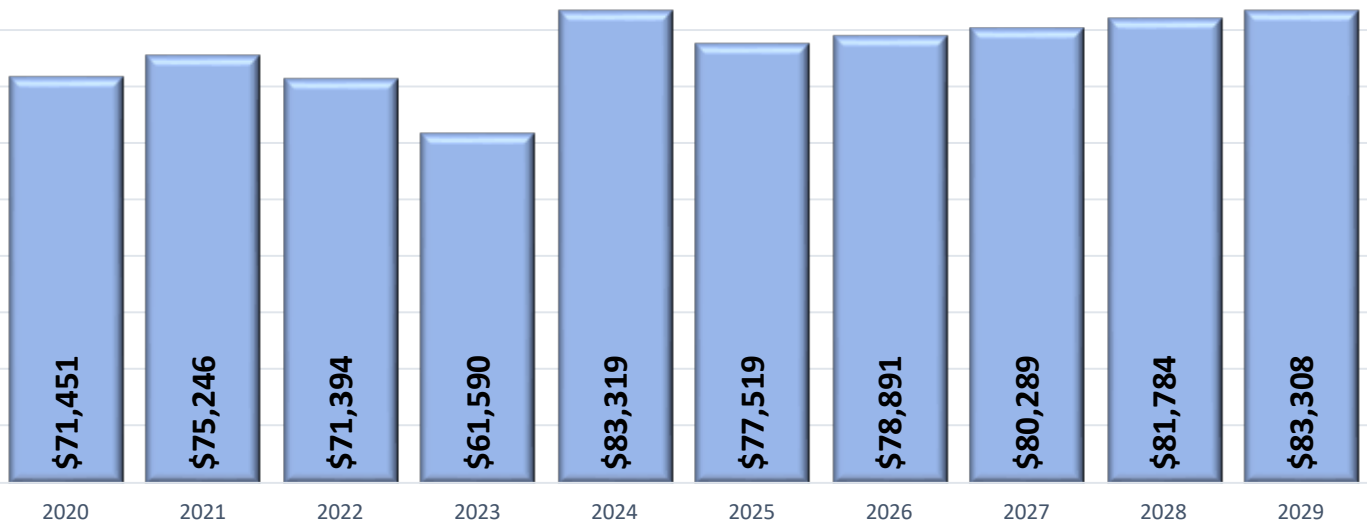
The Intergovernmental/Debt expenditure category details general fund debt issued by the District.

4.300 - Other Objects

Primary components for this expenditure line are membership dues and fees, ESC contract deductions, County Auditor/Treasurer fees, audit expenses, and election expenses.



Other Objects account for 1.20% of the district's total general fund spending.

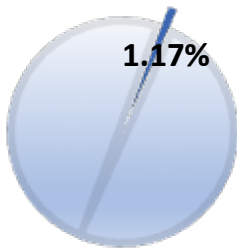


Key Assumptions & Notes

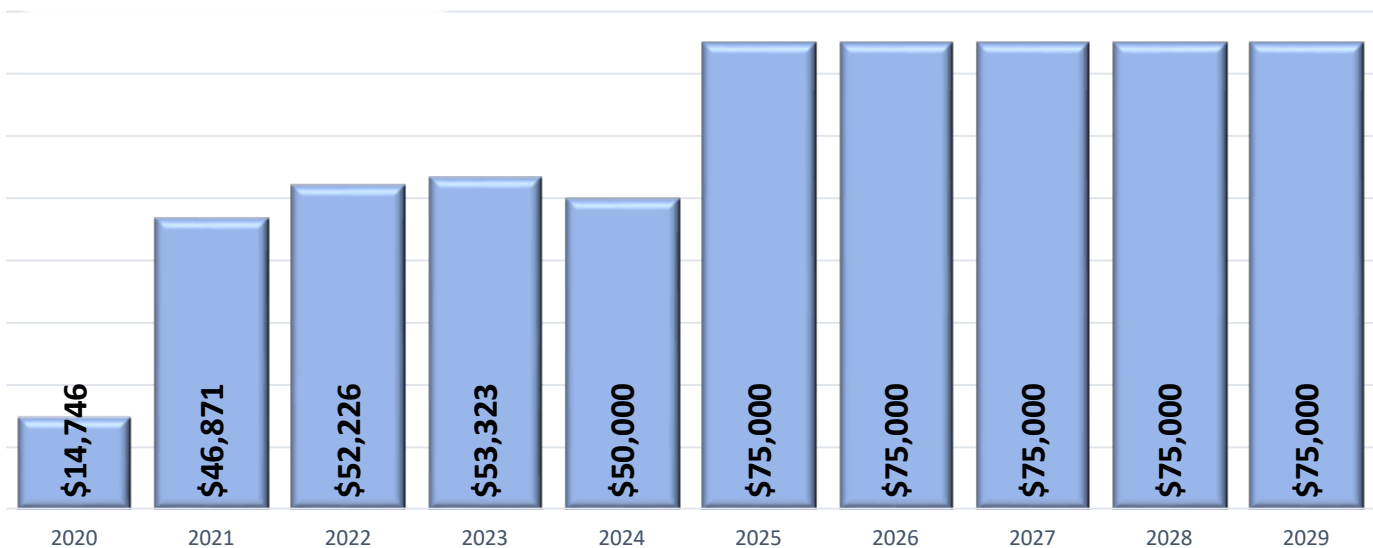
Other Objects represent 1.20% of total expenditures and increased at a historical average annual rate of 14.42%. This category of expenditure is projected to grow at an annual average rate of 0.06% through fiscal year 2029. The projected average annual rate of change is 14.36% less than the five year historical annual average.

5.040 - Total Other Financing Uses

Operating transfers-out, advances out to other funds, and all other general fund financing uses.



Other Uses account for 1.17% of the district's total general fund spending.



Key Assumptions & Notes

	FORECASTED					
	2024	2025	2026	2027	2028	2029
Transfers Out	50,000	75,000	75,000	75,000	75,000	75,000
Advances Out	-	-	-	-	-	-
Other Financing Uses	-	-	-	-	-	-

Other uses includes expenditures that are generally classified as non-operating. It is typically in the form of advances-out which are then repaid into the general fund from the other district funds. In 2024 the district had no advances-out and has no advances-out forecasted through fiscal year 2029. The district can also move general funds permanently to other funds, and as the schedule above presents, the district has transfers forecasted through fiscal year 2029. The table above presents the district's planned advances and transfers. The district can also have other uses of funds which is reflected in the table above.

Lowellville Local School District

Five Year Forecast

May Fiscal Year 2025

Fiscal Year:	Actual	FORECASTED				
	2024	2025	2026	2027	2028	2029
Revenue:						
1.010 - General Property Tax (Real Estate)	749,247	813,415	830,593	866,000	897,052	898,806
1.020 - Public Utility Personal Property	1,042,094	1,075,165	1,102,483	1,130,433	1,158,383	1,186,333
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	3,706,345	4,090,481	4,158,422	4,202,027	4,306,575	3,871,022
1.040 - Restricted Grants-in-Aid	455,675	455,044	474,691	486,565	474,289	452,052
1.050 - State Share-Local Property Taxes	112,732	125,258	125,323	131,347	137,024	137,237
1.060 - All Other Operating Revenues	512,621	345,109	337,571	322,797	311,325	302,502
1.070 - Total Revenue	6,578,715	6,904,472	7,029,083	7,139,169	7,284,648	6,847,952
Other Financing Sources:						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	-	-	-	-	-	-
2.050 - Advances-In	-	-	-	-	-	-
2.060 - All Other Financing Sources	7,012	938	938	938	938	938
2.070 - Total Other Financing Sources	7,012	938	938	938	938	938
2.080 - Total Rev & Other Sources	6,585,727	6,905,410	7,030,022	7,140,108	7,285,587	6,848,890
Expenditures:						
3.010 - Personnel Services	3,522,804	3,597,064	3,680,980	3,821,379	3,978,464	4,142,074
3.020 - Employee Benefits	1,385,613	1,447,491	1,512,700	1,604,432	1,705,902	1,814,394
3.030 - Purchased Services	1,092,214	1,094,183	1,118,555	1,133,236	1,154,454	1,176,083
3.040 - Supplies and Materials	207,490	142,752	200,616	163,827	247,103	252,045
3.050 - Capital Outlay	450	3,038	5,000	5,000	5,000	5,000
Intergovernmental & Debt Service	-	-	-	-	-	-
4.300 - Other Objects	83,319	77,519	78,891	80,289	81,784	83,308
4.500 - Total Expenditures	6,291,889	6,362,048	6,596,742	6,808,164	7,172,708	7,472,904
Other Financing Uses						
5.010 - Operating Transfers-Out	50,000	75,000	75,000	75,000	75,000	75,000
5.020 - Advances-Out	-	-	-	-	-	-
5.030 - All Other Financing Uses	-	-	-	-	-	-
5.040 - Total Other Financing Uses	50,000	75,000	75,000	75,000	75,000	75,000
5.050 - Total Exp and Other Financing Uses	6,341,889	6,437,048	6,671,742	6,883,164	7,247,708	7,547,904
6.010 - Excess of Rev Over/(Under) Exp	243,838	468,362	358,280	256,943	37,879	(699,014)
7.010 - Cash Balance July 1 (No Levies)	2,544,649	2,788,487	3,256,849	3,615,129	3,872,072	3,909,951
7.020 - Cash Balance June 30 (No Levies)	2,788,487	3,256,849	3,615,129	3,872,072	3,909,951	3,210,937
		Reservations				
8.010 - Estimated Encumbrances June 30	-	-	-	-	-	-
9.080 - Reservations Subtotal	-	-	-	-	-	-
10.010 - Fund Bal June 30 for Cert of App	2,788,487	3,256,849	3,615,129	3,872,072	3,909,951	3,210,937
Rev from Replacement/Renewal Levies						
11.010 & 11.020 - Renewal Levies	-	-	-	-	-	-
11.030 - Cumulative Balance of Levies	-	-	-	-	-	-
12.010 - Fund Bal June 30 for Cert of Obligations	2,788,487	3,256,849	3,615,129	3,872,072	3,909,951	3,210,937
Revenue from New Levies						
13.010 & 13.020 - New Levies	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	2,788,487	3,256,849	3,615,129	3,872,072	3,909,951	3,210,937

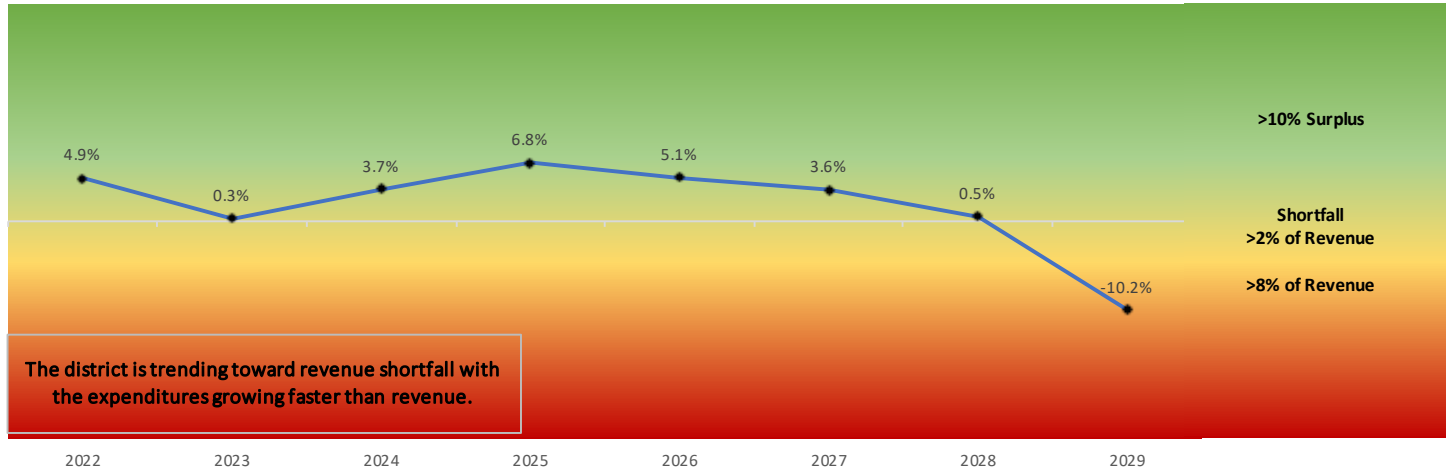
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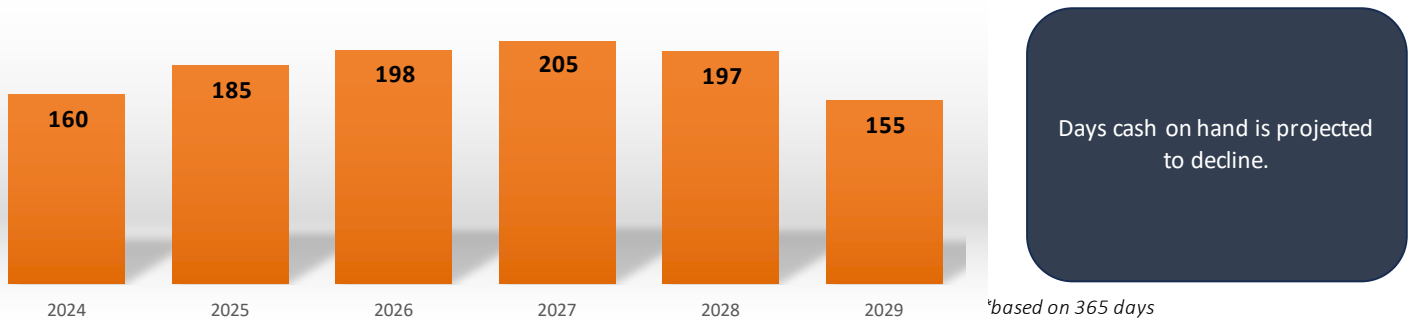
Financial Health Indicators

Lowellville Local School District

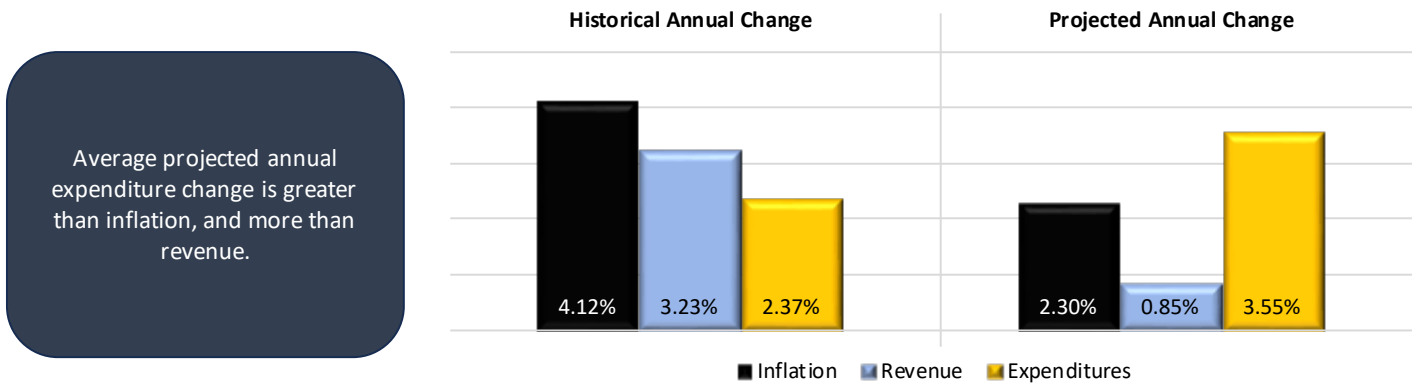
Revenue Surplus/(Shortfall) - Current Forecast



Days Cash on Hand - Current Forecast



5-Year Average Annual Change - Inflation, Revenue and Expenditures

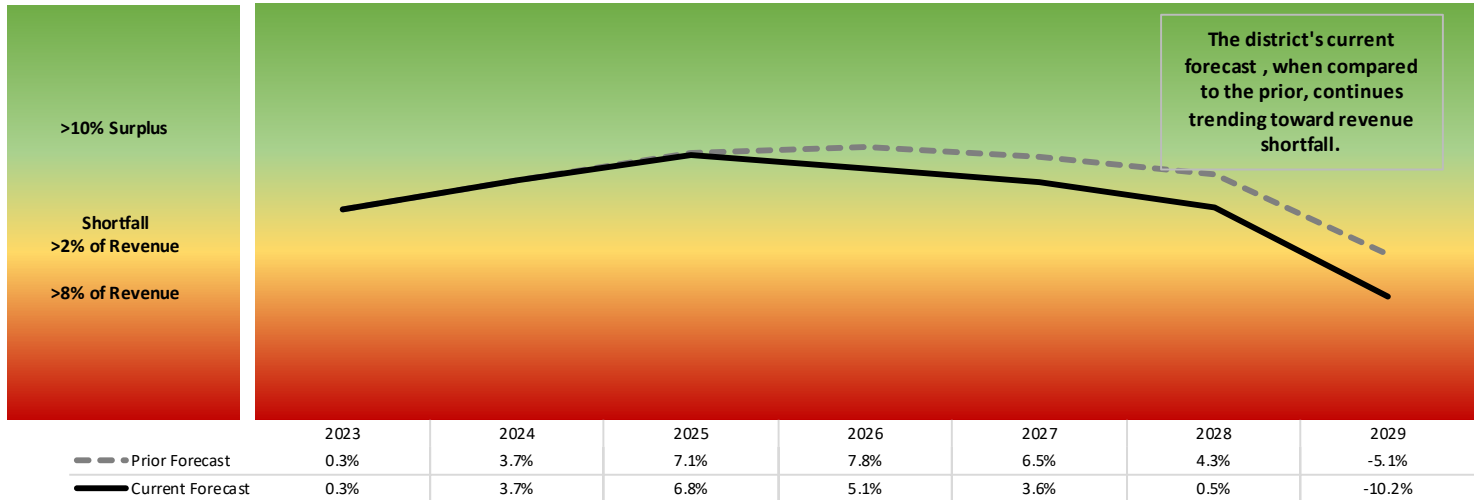


CPI (Inflation) Source: Federal Reserve Bank of St. Louis (January 1, 2025)
<https://alfred.stlouisfed.org>

Current to Prior Forecast Comparison

Lowellville Local School District

Revenue Surplus/(Shortfall) - Current Compared to Prior Forecast



Current Year Variance - November Forecast compared to Current Forecast

Compared to the forecast filed in November, the district is expecting total revenue collections to be \$177 K or 2.6% more than the November revenue estimates. State Funding revenue coming in higher (\$200 K) than the November projections, with Public Utility Tax revenue (\$51 K) and Other Revenue (\$31 K) coming in lower than the forecasted amounts.

Expenses are expected to come in approximately \$74 K or 1.2% higher than the November forecast. This is primarily due to the certified salaries exceeding November forecast estimates.

Revenue and Expenditure Variances - Current Compared to Prior Forecast

Revenue Variance	
Cumulative Unfavorable Revenue Variance	-6.17% (\$2,315,105)
<u>Largest Revenue Variances</u>	
1.035, 1.040 State	-4.24% (\$1,590,514)
1.060 All Other 2.xx Other Sources	-1.87% (\$702,293)
1.01 Real Estate	-0.06% (\$21,587)
All Other Revenue Categories	0.00% (\$711)

The current revenue forecast is down by 6.17% compared to the prior forecast.

NET cumulative forecast impact for the forecast period 2025 - 2029 of Revenue and Expense variances is -2.83% (or -\$1,115,048).

The current forecast for expenditures is down by 3.33% compared to the prior forecast.

Expenditure Variance

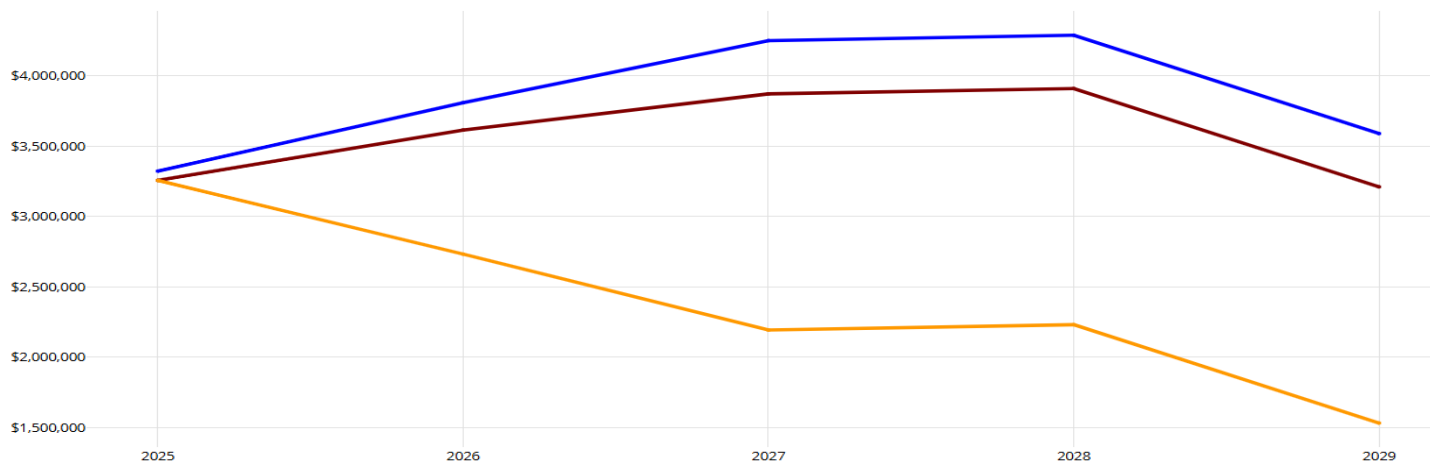
-3.33% **(\$1,200,058)**

Largest Expenditure Variances

-1.10% (\$394,578)	3.03 Purchased Serv.
-0.89% (\$321,705)	3.04 Supplies
-0.85% (\$304,372)	3.01 Salaries
-0.50% (\$179,403)	All Other Expenditure Categories

Cumulative Favorable Expenditure Variance

Projected General Fund Cash Balance



May FY25 Forecast - Governor's Budget

Proposed Forecast - May FY25 Forecast - House Budget with No Cash Balance Cap

May FY25 Forecast - House Budget with 30% Cash Balance Cap

As the State of Ohio is going through the biennial budget process at the time of printing this forecast, it is not possible to know what the final legislation will entail when it is voted into law this June or July. Therefore, the district has prepared three financial forecast scenarios using different variations of possible state funding formulas for the projected years. The graph below illustrates forecasts based on the Governor's Proposed Budget, the Proposed May Forecast (which uses the House Budget and maintains the 2025 Guarantee in 2028 and 2029), and the House Budget with no 2025 Guarantee in 2028 and 2029.

Governor's Budget

This forecast scenario includes the school funding formula proposed in the Governor's budget. This formula would continue the phase-in of the Fair School Funding Plan and reduce the 2020 and 2021 guarantee by 5% in 2026 and 10% in 2027. It is assumed that the 10% guarantee reduction in 2027 would continue (but not increase) in 2028 and 2029.

Proposed Forecast – House Budget without Cash Balance Cap

This forecast scenario uses the school funding formula proposed in the House budget for 2026 and 2027. It includes a base funding supplement of \$20 per student in FY 2026 and \$30 per student in FY 2027. Additionally, this proposal stipulates that no district will receive less funding than in FY 2025, providing stability amid enrollment changes. Minimal increases are projected for 2028 and 2029, since these years are outside of the budget and it is not determined what type of funding formula will be used.

The proposed bill also includes a provision that districts with carryover balances exceeding 30% of their annual operating budget may face property tax rate reductions, which could substantially impact the fiscal stability of the district. This stipulation is not included in the proposed forecast.

House Budget with 30% Cash Balance Cap

This scenario mirrors the Proposed Forecast, however, it applies the 30% cash balance cap noted above.

Conclusion

At this time, the state's school funding formula remains uncertain, as the final biennial budget legislation has not yet been enacted. Because funding levels and policy provisions may change during the legislative process, the current financial forecast reflects the assumptions from the most recent proposal, which is from the House. If the final legislation enacted into law results in significant changes to state funding or other key components of the district's forecast, an updated five-year forecast will be prepared and presented to the Board of Education for approval in July.