

**FAIRVIEW PARK CITY SCHOOL DISTRICT-CUYAHOGA COUNTY
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES
IN FUND BALANCES FOR THE FISCAL YEARS ENDED
JUNE 30, 2022, 2023, and 2024 ACTUAL
FORECASTED FISCAL YEARS ENDING
JUNE 30, 2025, THROUGH JUNE 30, 2029**



**Forecast Provided By
Fairview Park City School District
Treasurer's Office
Mr. Robert Showalter, Treasurer
May 20, 2025**

Fairview Park City School District

Cuyahoga County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2022, 2023, 2024 Actual;
Forecasted Fiscal Years Ending June 30, 2025 through 2029

	Actual				Forecasted				
	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Average Change	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029
Revenues									
1.010 General Property Tax (Real Estate)	\$19,339,950	\$19,530,124	\$19,263,685	-0.2%	\$19,801,550	\$20,382,038	\$20,052,154	\$20,102,080	\$20,151,004
1.020 Public Utility Personal Property Tax	649,542	781,806	861,452	15.3%	851,885	854,486	886,422	884,944	884,582
1.030 Income Tax	0	0	0	0.0%	0	0	0	0	0
1.035 Unrestricted State Grants-in-Aid	2,472,132	2,489,364	2,488,776	0.3%	2,600,501	2,601,961	2,603,432	2,604,932	2,606,448
1.040 Restricted State Grants-in-Aid	144,982	129,173	220,718	30.0%	260,622	132,670	132,670	132,670	132,670
1.045 Restricted Federal Grants-in-Aid	0	0	0	0.0%	0	0	0	0	0
1.050 State Share of Local Property Taxes	2,437,324	2,404,601	2,367,093	-1.5%	2,444,298	2,447,283	2,391,544	2,398,659	2,406,239
1.060 All Other Revenues	856,931	1,361,165	1,948,163	51.0%	2,138,186	1,929,251	1,751,657	1,600,702	1,472,390
1.070 Total Revenues	\$25,900,861	\$26,696,233	\$27,149,887	2.4%	\$28,097,042	\$28,347,689	\$27,817,879	\$27,723,987	\$27,653,333
Other Financing Sources									
2.010 Proceeds from Sale of Notes	0	0	0	0.0%	0	0	0	0	0
2.020 State Emergency Loans	0	0	0	0.0%	0	0	0	0	0
2.040 Operating Transfers-In	0	0	0	0.0%	0	0	0	0	0
2.050 Advances-In	100,852	90,000	47,650	-28.9%	49,557	50,000	50,000	50,000	50,000
2.060 All Other Financing Sources	500	3,689	4,239	326.4%	378	500	500	500	500
2.070 Total Other Financing Sources	\$101,352	\$93,689	\$51,889	-26.1%	\$49,935	\$50,500	\$50,500	\$50,500	\$50,500
2.080 Total Revenues and Other Financing Sources	\$26,002,213	\$26,789,922	\$27,201,776	2.3%	\$28,146,977	\$28,398,189	\$27,868,379	\$27,774,487	\$27,703,833
Expenditures									
3.010 Personal Services	\$13,470,350	\$13,693,757	\$12,603,636	-3.2%	\$14,850,116	\$15,551,679	\$15,973,457	\$16,434,953	\$16,909,828
3.020 Employees' Retirement/Insurance Benefits	4,698,283	5,031,435	5,049,888	3.7%	5,272,780	5,545,101	5,795,530	6,051,822	6,321,015
3.030 Purchased Services	2,786,873	3,225,046	3,672,059	14.8%	3,887,500	4,276,250	4,703,875	5,174,263	5,691,691
3.040 Supplies and Materials	443,236	458,626	383,632	-6.4%	642,121	493,478	518,153	544,060	571,263
3.050 Capital Outlay	5,308	2,921	9,055	82.5%	6,700	6,000	6,000	6,000	6,000
3.060 Intergovernmental	0	0	0	0.0%	0	0	0	0	0
Debt Service:				0.0%					
4.010 Principal-All (Historical Only)	0	0	0	0.0%	0	0	0	0	0
4.020 Principal-Notes	0	0	0	0.0%	0	0	0	0	0
4.030 Principal-State Loans	0	0	0	0.0%	0	0	0	0	0
4.040 Principal-State Advancements	0	0	0	0.0%	0	0	0	0	0
4.050 Principal-HB 264 Loans	0	0	0	0.0%	0	0	0	0	0
4.055 Principal-Other	0	0	0	0.0%	0	0	0	0	0
4.060 Interest and Fiscal Charges	0	0	0	0.0%	0	0	0	0	0
4.300 Other Objects	372,813	392,939	330,030	-5.3%	327,038	343,390	360,560	378,589	397,519
4.500 Total Expenditures	\$21,776,863	\$22,804,724	\$22,048,300	0.7%	\$24,986,255	\$26,215,898	\$27,357,575	\$28,589,687	\$29,897,316
Other Financing Uses									
5.010 Operating Transfers-Out	\$1,485,000	\$1,700,000	\$1,700,000	7.2%	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
5.020 Advances-Out	90,000	47,650	49,557	-21.5%	50,000	50,000	50,000	50,000	50,000
5.030 All Other Financing Uses	0	0	0	0.0%	0	0	0	0	0
5.040 Total Other Financing Uses	\$1,575,000	\$1,747,650	\$1,749,557	5.5%	\$2,050,000	\$2,050,000	\$2,050,000	\$2,050,000	\$2,050,000
5.050 Total Expenditures and Other Financing Uses	\$23,351,863	\$24,552,374	\$23,797,857	1.0%	\$27,036,255	\$28,265,898	\$29,407,575	\$30,639,687	\$31,947,316
Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Uses	\$2,650,350	\$2,237,548	\$3,403,919	18.3%	\$1,110,722	\$132,291	(\$1,539,196)	(\$2,865,200)	(\$4,243,483)
Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	\$15,224,530	\$17,874,880	\$20,112,428	15.0%	\$23,516,347	\$24,627,069	\$24,759,360	\$23,220,164	\$20,354,964
7.010 Cash Balance June 30	\$17,874,880	\$20,112,428	\$23,516,347	14.7%	\$24,627,069	\$24,759,360	\$23,220,164	\$20,354,964	\$16,111,481
8.010 Estimated Encumbrances June 30	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
Reservation of Fund Balance									
9.010 Textbooks and Instructional Materials	0	0	0	0.0%	0	0	0	0	0
9.020 Capital Improvements	0	0	0	0.0%	0	0	0	0	0
9.030 Budget Reserve	373,830	373,830	373,830	0.0%	373,830	373,830	373,830	373,830	373,830
9.040 DPIA	0	0	0	0.0%	0	0	0	0	0
9.045 Fiscal Stabilization	0	0	0	0.0%	0	0	0	0	0
9.050 Debt Service	0	0	0	0.0%	0	0	0	0	0
9.060 Property Tax Advances	0	0	0	0.0%	0	0	0	0	0
9.070 Bus Purchases	0	0	0	0.0%	0	0	0	0	0
9.080 Subtotal Reservations of fund Balance	\$373,830	\$373,830	\$373,830	0.0%	\$373,830	\$373,830	\$373,830	\$373,830	\$373,830
10.010 Fund Balance June 30 for Certification of Appropriations	\$17,501,050	\$19,738,598	\$23,142,517	15.0%	\$24,253,239	\$24,385,530	\$22,846,334	\$19,981,134	\$15,737,651

Fairview Park City School District

Cuyahoga County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2022, 2023, 2024 Actual;
Forecasted Fiscal Years Ending June 30, 2025 through 2029

		Actual			Average Change	Forecasted				
		Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024		Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029
Revenue from Replacement/Renewal Levies										
11.010	Income Tax - Renewal	0	0	0	0.0%	0	0	0	0	0
11.020	Property Tax - Renewal or Replacement	0	0	0	0.0%	0	0	0	0	0
11.300	Cumulative Balance of Renewal Levies	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
<i>Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations</i>										
12.010		\$17,501,050	\$19,738,598	\$23,142,517	15.0%	\$24,253,239	\$24,385,530	\$22,846,334	\$19,981,134	\$15,737,651
Revenue from New Levies										
13.010	Income Tax - New	0	0	0	0.0%	0	0	0	0	0
13.020	Property Tax - New	0	0	0	0.0%	0	0	0	0	0
13.030	Cumulative Balance of New Levies	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
14.010	Revenue from Future State Advancements				0.0%	-	-	-	-	-
15.010	Unreserved Fund Balance June 30	\$17,501,050	\$19,738,598	\$23,142,517	15.0%	\$24,253,239	\$24,385,530	\$22,846,334	\$19,981,134	\$15,737,651

Fairview Park City School District – Cuyahoga County
Notes to the Five-Year Forecast
General Fund Only
May 20, 2025

Introduction to the Five-Year Forecast

A forecast is a snapshot of today based on historical trends, what we know, and future assumptions. That snapshot, however, will be adjusted because the further into the future the forecast extends, the more likely it is that the projections will deviate from experience. Various events will ultimately impact the latter years of the forecast, such as state budgets (adopted every two years), tax levies (new/renewal), salary increases, enrollment variances, or businesses moving in or out of the district. The five-year forecast is a crucial management tool and must be updated periodically. The five-year forecast enables district management teams to examine future years' projections and identify when challenges will arise. This helps district management to be proactive in meeting those challenges. School districts are encouraged to update their forecasts with the Ohio Department of Education and Workforce (ODEW) when events materially change their forecast or, at a minimum when required under the statute.

In a financial forecast, the numbers only tell a small part of the story. For the numbers to be meaningful, the reader must review and consider the Assumptions of the Financial Forecast before drawing conclusions or using the data as a basis for other calculations. The assumptions are fundamental to understanding the rationale of the numbers, particularly when a significant increase or decrease is reflected.

Since the preparation of a meaningful five-year forecast is as much an art as it is a science and entails many intricacies, it is recommended that you contact the Treasurer/Chief Fiscal Officer of the school district with any questions you may have. The Treasurer/CFO submits the forecast, but the Board of Education is recognized as the official owner of the forecast.

Here are three (3) essential purposes or objectives of the five-year forecast:

- (1) To engage the local board of education and the community in 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 Ohio Department of Education and Workforce and the Auditor of State to identify school districts with potential financial problems.

O.R.C. §5705.391 and O.A.C. 3301-92-04 require a Board of Education (BOE) to file a five-year financial forecast by November 30th and May 31st each fiscal year (July 1st to June 30th). The five-year forecast includes three years of actual and five years of projected general fund revenues and expenditures. The first year of the fiscal forecast is considered the baseline year. Our forecast is updated to reflect the most current economic data available for the updated May 2025 filing.

May 2025 Updates:

Revenues FY25

The overview of revenues shows that we are substantially on target with original estimates at this point in the year. Total General Fund revenues (line 1.07) are estimated to be \$28.1 million or 1.3% higher than the November forecasted amount of \$27.7 million. This indicates that the November forecast was 98.7% accurate.

Line 1.01 and 1.02 - Property tax revenues represent our most significant source of revenues at 73.5% and are estimated to be \$20.6 million, which is \$33 thousand lower for FY25 than the original November estimate. Our estimates are 99.8% accurate for FY25 and should mean future projections are also on target.

Line 1.035 and 1.04 - State Aid continues the implementation of the Fair School Funding Plan (FSFP), which has caused significant changes to the way our state revenues are calculated. We are estimating our state aid to be \$2.8 million, which is \$35 thousand higher than the original estimate for FY25. We are pleased that we were able to be 98.8% accurate for FY25. We are currently on the guarantee and are expected to remain as a guarantee district for FY26 through FY29.

Line 1.06 - Other revenues are up \$321 thousand over original estimates, primarily due to interest revenues received by the district, which are somewhat unpredictable from year to year.

All areas of revenue are tracking as anticipated for FY25 based on our best information at this time.

Expenditures FY25

Total General Fund expenditures (line 4.5) are estimated to be \$25 million for FY25, which is \$517 thousand lower than the original estimate of \$25.5 million in the November forecast, which is roughly 98% on target with initial estimates. The expenditure line most significantly under projection is Purchased Services (line 3.030) which decreased by \$201 thousand.

All other areas of expenses are expected to remain on target with original projections for the year.

Unreserved Ending Cash Balance

With revenues increasing from estimates and expenditures decreasing, our ending unreserved cash balance June 30, 2025, is anticipated to be roughly \$24.6 million. The ending unreserved cash balance on Line 15.010 of the forecast is anticipated to be a positive accumulative balance through 2029 if assumptions we have made for property tax collections, state aid in future state budgets, and expenditure assumptions remain close to our estimates.

Forecast Risks and Uncertainty:

A five-year financial forecast has risks and uncertainty not only due to economic delays noted above but also due to state legislative changes that will occur in the spring of 2025 and 2027 due to deliberation of the following two (2) state biennium budgets for FY26-27 and FY28-29, both of which affect this five-year forecast. We have estimated revenues and expenses based on the best data available and the laws currently in effect. The items below give a short description of the current issues and how they may affect our forecast in the long term:

- I. Property tax collections are the largest single revenue source for the school system. The housing market in our district is stable and growing. We project growth in appraised values every three (3) years and new construction growth with modest increases in local taxes. Total local revenues, which are predominately local taxes, equate to 81.1% of the district's resources. We believe there is a low risk that local collections would fall below projections throughout the forecast.
- II. Cuyahoga County experienced a sexennial reappraisal in the 2024 tax year to be collected in 2025. The 2024 reappraisal increased overall assessed values by \$117.2 million or an increase of 24%. A triennial update will occur in tax year 2027 for collection in 2028. We anticipate Class I and II property values to increase \$12 million, or 2%; however, there is always a minor risk that the district could sustain a reduction in values in the next appraisal update, but we do not anticipate that at this time.
- III. SB271 passed in 2024 that created a Joint Committee on Property Taxation and Reform. This action was in response to the historic property valuation increases. The committee's mission was to review Ohio's property tax system and to make recommendations to the General Assembly on property taxation. The committee released their report to the General Assembly on January 2, 2025. The report outlined twenty-one (21) recommendations on actions that could be taken to restrict local tax growth for Ohio school districts.

As a result of the numerous recommendations in the report there are currently 14 pending pieces of legislation in the Ohio Legislature that seeks to limit growth of local property taxes in several different ways. The most egregious is HB96, which could impact every district in the state of Ohio. HB96 seeks to limit school district ending carry over

cash balances to 30% of their prior year's expenditures and to allow county budget commissions to suspend voter approved property tax levies and the 20-mill floor in order to reduce district reserves to the 30% target. HB96 has several severe consequences for school districts in terms of financial stability, loss of local control which will likely result in increased levy requests to district taxpayers. It is unclear at the time of this forecast whether HB96 will continue on through the Ohio Senate and be signed into law July 1, 2025. The district will be watching carefully for the final outcome of HB96 and several other legislative proposals that would limit property tax growth. Several of these proposals in addition to HB96 could be a very significant risk to future local tax growth for our district. We will update the forecast when factual data is available.

- IV. The state budget represented 18.9% of district revenues, which means it is a significant risk to the revenue. The future risk comes in FY26 and beyond if the state does not fund the last two (2) years of the Fair School Funding Plan in the FY26-27 biennium budget. In this forecast, there are two unknown future State Biennium Budgets covering FY26-27 and FY28-29.

The state legislature has shown little interest in equitably funding the current formula. The Governor's proposed budget recommendation in HB96, dated February 3, 2025, reduced funding for public schools by -\$103.5 million over FY26-27. The legislative process will continue with uncertainty through June 30, 2025, which is after the forecast must be approved. This is an area of elevated risk to district funding long-range through FY29. We have projected our state funding in FY25 based on HB33, our current state budget, which expires June 30, 2025. We will adjust the forecast for state aid in future years as we have reliable data to make an informed decision.

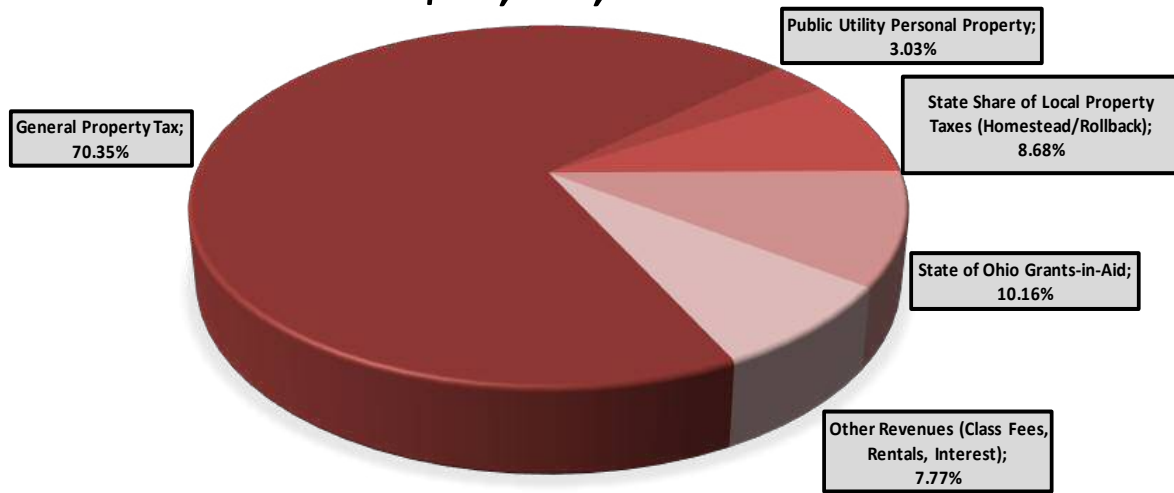
- V. HB33, the current state budget, continues to phase in what has been referred to as the Fair School Funding Plan (FSFP) for FY24 and FY25. FY25 reflects 66.67% of the implementation cost at year four of a six-year phase-in plan, which increases by 16.66% each year. FY25 will result in 66.67% funding of (FSFP), however, the final two years of the phase-in are not guaranteed and are dependent on legislative actions for the FY26 and FY27 state biennium budget, which as of this forecast do not appear favorable. We have used the most recent simulations published by the Department of Education and Workforce for our forecasted revenues in FY25.
- VI. HB33 directly pays costs associated with open enrollment, community and STEM schools, and all scholarships, including EdChoice Scholarships. These costs are no longer deducted from our state aid. However, education option programs such as College Credit Plus, Excess Costs and various tuitions continue to be removed from state aid, increasing costs to the district. Expansion or creation of programs not directly paid by the state of Ohio can expose the district to new expenditures currently outside the forecast. We closely monitor any new threats to our state aid and increased costs as new proposed laws are introduced in the legislature.
- VII. Labor relations in our district have been amicable with all parties working for the best interest of students and realizing the resource challenges we face. We believe that as we move forward our positive working relationship will continue and will only grow stronger.

The significant lines of reference for the forecast are noted below in the headings to make it easier to relate the assumptions made for the forecast item and refer back to the forecast. It should assist the reader in reviewing the assumptions noted below in understanding the overall financial forecast for our district. If you would like further information, please contact Mr. Robert Showalter, Treasurer.

Revenue Assumptions
All Operating Revenue Sources General Fund FY25

FY25 - WHERE THE MONEY COMES FROM:

\$28,146,977



General Property Tax (Real Estate) – Line #1.010 (70.35%)

Property Values – These are established each year by the County Auditor based on new construction, demolitions, BOR/BTA activity and complete reappraisal or updated values. Cuyahoga County experienced a sexennial reappraisal for the 2024 tax year to be collected in FY25. Residential/agricultural values increased 26.3%, or \$114.7 million, due to the update, led by an improving housing market. Commercial/industrial values increased 4.9%, or \$2.5 million, in the update.

For tax year 2024, new construction in residential property was up 0.4% or \$1.8 million in assessed value and commercial/industrial values remained constant. Overall values increased by \$117.2 million, or 24%, which includes new construction for all classes of property.

A triennial update will occur in 2027 for collection in 2028, for which we are estimating a 2% increase in residential and a 1% increase for commercial/industrial property. We anticipate Residential/Agricultural and Commercial/Industrial values to increase \$12 million, or 2%, overall.

The following table shows the recent assessed valuations of property subject to ad valorem taxes levied by the School District. ([Source: County Fiscal Officer](#))

Collection Year	Real Property	Public Utility	Total Assessed Valuation
2019(a)	402,415,890	5,625,260	408,041,150
2020	402,026,340	6,040,490	408,066,830
2021	400,640,380	6,341,500	406,981,880
2022(b)	483,535,720	6,786,630	490,322,350
2023	487,111,840	8,258,950	495,370,790
2024	486,793,620	8,997,010	495,790,630
2025(a)	604,030,410	9,374,690	613,405,100

(a) Reflects sexennial reappraisal.

(b) Reflects triennial update

Operating Levy - On November 3, 2020, a new continuous operating levy for 7.9 mill was passed. This levy began generating \$1.6 million in FY21 and \$3.2 million annually starting in FY22.

Fixed-Sum (Emergency) Levy - The district successfully renewed its \$2.69 million fixed-sum (emergency) levy on the November 8, 2022 ballot for a period of 10 years. Renewing this levy that was set to expire at the end of 2023 was critical to the financial stability of the district's operations. Renewing this levy did not increase taxes.

Tax Rate Assumptions

The county auditor sets tax rates for each levy voted on to provide tax revenues for the school district. Ohio law provides for "reduction factors" of all voted property tax levies to adjust the millage rates lower for the levy to not increase from inflation of property values for the taxes received by a district to that of the actual amount of the levy at the time of the election. The reduction factors are applied separately to Residential/Agriculture (Class I) and Commercial/Industrial (Class II) resulting in different effective millage rates. The district-voted rate for all levies is 90.57 mills while the Class I effective millage rate is 30.58 mills, and the Class II effective millage rate is 50.13 mills. The Ohio law has a provision that the reduction factors cannot lower the total millage rate for each class less than 20 mills, which includes both the voted and the non-voted millage rates; this is called the "20-Mill Floor". Currently, our district is not on the floor for either Class I or Class II. Any emergency levy that is voted on is not included in the 20-mill floor, the district has one emergency levy of 5.85 mills that was voted on for an annual amount of \$2.69 million of taxes, as the values increase the millage rate will decrease to only collect the annual amount that was approved by the voters.

Public Utility Personal Tax – Line #1.020 (3.03%)

Public Utility-Personal Property Tax (PUPP) revenue is generated from telephone, natural gas, electric and water lines and equipment. PUPP values are determined by the Ohio Department of Taxation. PUPP values decreased by \$178 thousand in tax year 2024. The district expects PUPP values to increase by \$275 thousand for FY25-29.

School District Income Tax – Line#1.030 (0.00%)

No school district income taxes are modeled in this forecast.

Renewal and Replacement Levies – Lines #11.010-11.030

Tax levies that are not continuous by law cannot be included with the property taxes; therefore, there are no levies that will appear in this line until FY34 when the emergency levy will need to be renewed. Thank you to the community for their continued trust and support.

New Tax Levies – Lines #13.010-13.030

No new levies are modeled in this forecast.

State Foundation Revenue Estimates – Lines #1.035, 1.040 and 1.045 (10.16%)

Current State Funding Model per HB33 through June 30, 2025

Unrestricted State Foundation Revenue – Line #1.035

HB33, the current state budget, continued the Fair School Funding Plan for FY24 and FY25, which funds students where they are educated rather than where they live. We have projected FY25 funding based on the most recent 2025 foundation settlement and funding factors.

Our district is currently a guarantee district in FY25 and is expected to continue to be on the guarantee in FY26-FY29 on the Fair School Funding Plan (FSFP).

For a detailed overview of how foundation funding is calculated please visit the Ohio Department of Education and Workforce at: <https://education.ohio.gov/Topics/Finance-and-Funding/Overview-of-School-Funding>.

State Funding Phase-In FY25 and Guarantees

The Fair School Funding Plan was presented as a six (6) year phase-in plan, the state legislature approved the first two (2) years of the funding plan in HB110 and extended the plan in HB33 for FY24 and FY25. The FSFP does not include caps on funding; instead, it consists of a general phase-in percentage for most components of 66.67% in FY25.

The funding formula includes three (3) guarantees: 1) "Formula Transition Aid," 2) Supplemental Targeted Assistance, and 3) Formula Transition Supplement. The three (3) guarantees in both temporary and permanent law ensure that no district will get fewer funds in FY24 and FY25 than they received in FY21.

Future State Budget Projections beyond FY25

Our funding status for FY26-29 will depend on unknown two (2) new state budgets. There is no guarantee that the current Fair School Funding Plan will be funded or continued beyond FY25; therefore, our state funding estimates are reasonable, and we will adjust the forecast when we have authoritative data to work with. For this reason, funding is held constant in the forecast for FY26 through FY29.

Casino Revenue

On November 3, 2009, Ohio voters passed the Ohio casino ballot issue. This issue allowed four (4) casinos to open in Cleveland, Toledo, Columbus, and Cincinnati. Thirty-three percent (33%) of the gross casino revenue will be collected as a tax. School districts will receive 34% of the 33% of Gross Casino Revenue that will be paid into a student fund at the state level. These funds will be distributed to school districts on the 31st of January and August each year, beginning for the first time on January 31, 2013.

The casino revenue has recovered from the pandemic from closing the casinos in 2020. Total funding in FY24 was \$114.18 million or \$65.44 per pupil. In FY25, the funding totaled \$114.30 million or \$65.99 per pupil. We expect the Casino revenues to have resumed their historical growth rate and are assuming a 1.5% annual growth rate for the remainder of the forecast.

Restricted State Foundation Revenue – Line #1.040

HB33 has continued Disadvantaged Pupil Impact Aid (formerly Economic Disadvantaged Funding) and Career Technical funding. In addition, new restricted funds have been added under "Restricted Categorical Aid" for Gifted, English Learners (ESL), and Student Wellness. We have estimated FY25 revenues for these new restricted funding lines using current May #1 funding factors. The amount of DPIA was limited to a 50% phase in growth for FY24 and 66.67% in FY25. We have flat-lined funding at FY25 levels for FY26-FY29 due to uncertainty on continued funding of the current funding formula.

In FY25, HB33 set aside funds state-wide to subsidize the Science of Reading initiative. The district will be reimbursed for teacher in-service and associated fringe benefits upon proof of training and certified reimbursement request. It is estimated that the district will receive \$120,000 from this one-time subsidy in FY25 and is required to maintain documentation as to how the funds were spent. The district also received an additional increase for Highly Qualified Instruction Materials (HQIM) of \$873.04. Due to the nature of these funds, we will continue to monitor, and update should future biennium budgets include one-time restricted funding from the state.

State Share of Local Property Taxes – Line 1.050 (8.68%)

Rollback and Homestead Reimbursement

Rollback funds are reimbursements paid to the district from the State of Ohio for tax credits given to owner-occupied residences. Credits equal 12.5% of the gross property taxes charged to residential taxpayers on levies passed before September 29, 2013. HB59 eliminated the 10% and 2.5% rollback on new levies approved after September 29, 2013.

Homestead Exemptions are credits paid to the district from the state of Ohio for qualified elderly and disabled. In 2007, HB119 expanded the Homestead Exemption for all seniors 65 years or older or disabled, regardless of income. Effective September 29, 2013, HB59 changed the requirement for Homestead Exemptions. Individual taxpayers who still need to get

their Homestead Exemption approved or those who did not get a new application approved for the tax year 2013 and who become eligible after that will only receive a Homestead Exemption if they meet the income qualifications. Taxpayers who had their Homestead Exemption as of September 29, 2013, will not lose it and will not have to meet the new income qualification. This will generally reduce homestead reimbursements to the district over time, and as with the rollback reimbursements above, the state is increasing the tax burden on our local taxpayers.

All Other Operating Revenue – Line #1.060 and Other Financing Sources – Lines #2.010-2.060 (7.77%)

All other local revenue encompasses any revenue that does not fit the above lines. The primary sources of revenue in this area have been; interest on investments, tuition for court-placed students, and rental income. Since FY22, any open-enrolled students since have been counted in our Enrolled ADM numbers for state funding and are not separately funded.

Interest income is based on the district cash balances and increased interest rates due to the Federal Reserve raising rates to curb inflation. The Federal Reserve Bank cut interest rates by 50 basis point in September 2024 and an additional 25 basis points in December 2024. While interest income in FY25 should remain steady due to laddered investment strategies, the rate cuts will begin to have an impact on earnings in FY26 and future years. We will continue to monitor the investments for the district.

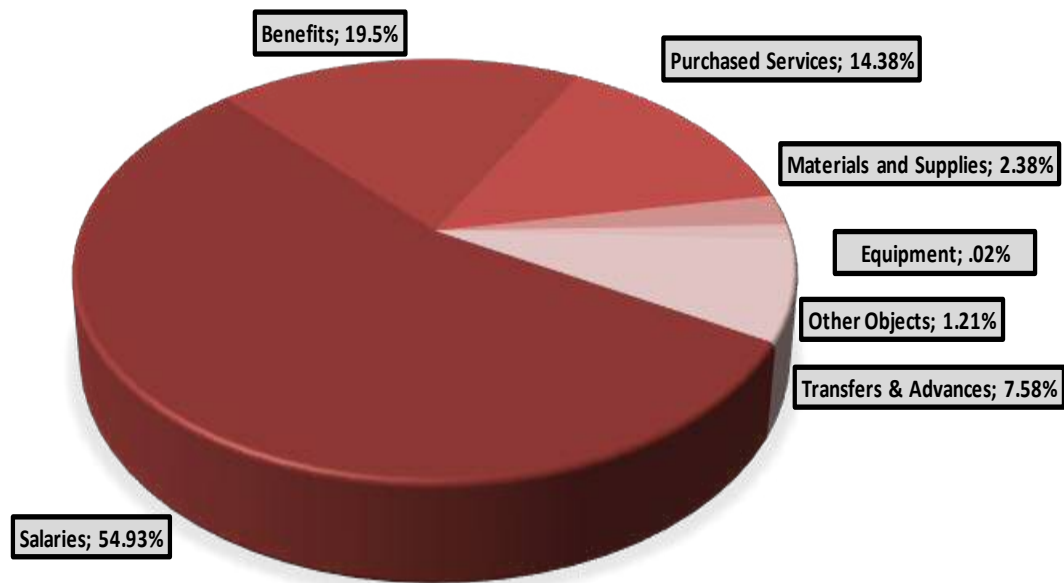
Threshold Cost (formerly Catastrophic Cost) reimbursement nearly doubled in FY22 due to increased appropriations, which are funded at the state level by a reduction in special education funding at the local level. These revenues are inconsistent year-to-year, and we are not projecting any growth over the remainder of the forecast.

Rentals have returned to pre-pandemic levels. All other revenues are expected to continue on historical trends.

All Other Financing Sources – This includes transfers in, advances in, and refunds. The district's advance-in revenue is based on the advance out line item expended in the prior year.

Expenditure Assumptions
Estimated General Fund Expense for FY25

FY25 - WHERE THE MONEY GOES: \$27,036,255



Employee Salaries and Wages – Line #3.010 (54.93%)

This line of the forecast is made up primarily of wages or salaries paid to staff. Some substitute costs and supplemental extracurricular contracts, as well as payments for the Board of Education can also be found here.

FY25-26 includes a 3% base increase. We are including an estimated 1% pay increase for planning purposes only at this time in FY27-29. This forecast reflects supplemental contracts receiving step increases yearly.

Elementary and Secondary School Emergency Relief (ESSER) funds absorbed \$434 thousand of wages for FY23 and \$1.49 million of wages for FY24. These expenses returned to the general fund in FY25.

As referenced above in Restricted State Revenues (Line 1.040), in FY25, the district will receive a reimbursement for one-time stipends paid to teachers for completing training in the State of Ohio's Science of Reading initiative. Administrators do not qualify for a stipend as part of this initiative. The remaining expenditure of the reimbursement is reflected in the Fringe Benefits (Line 3.020) section below. This initiative is fully funded by the State of Ohio and will not be an expense to the district.

Employee Retirement and Insurance Benefits – Line #3.020 (19.50%)

Benefits include: the employer's share of retirement (14% of salary), Medicare, workers' compensation, and health care insurance, which includes hospitalization, major medical, prescription drugs, vision, and dental insurance. Rates for monthly premiums are increasing 1.51% for medical and 4.5% for dental, and will be as follows for FY26:

Coverage	Current Rate	New Rate (Effective July 1, 2025)
MEDICAL / PRESCRIPTION (single)	\$ 730.85	\$ 741.81
MEDICAL / PRESCRIPTION (2 person)	\$ 1,394.46	\$ 1,415.38
MEDICAL / PRESCRIPTION (family)	\$ 2,421.93	\$ 2,458.26
DENTAL (single)	\$ 39.83	\$ 41.62
DENTAL (2 person)	\$ 72.58	\$ 75.85
DENTAL (family)	\$ 122.34	\$ 127.85
VISION (single)	\$ 3.24	\$ 3.24
VISION (2 person)	\$ 6.15	\$ 6.15
VISION (family)	\$ 10.71	\$ 10.71

Per the negotiated agreements, full-time members are required to pay the following monthly premium for medical coverage: Certified and Administrative Employees: 15.0%, Classified and Exempt Employees: 10.2%. The required employee contribution for dental insurance is \$5.00 per month regardless of coverage. If any employee elects to have family coverage and they are less than full-time but work more than four hours a day, their required contribution is calculated on a sliding scale.

In FY25, the district had lower health insurance claims which resulted in too much of a health insurance fund balance. The district will be able to have a premium "holiday" in December 2025. This will result in a savings of approximately \$250 thousand. Looking forward, 6% yearly increases have been estimated for FY27-FY29.

The district's projections for retirement benefits, Medicare, and workers' compensation expenses were based on 15.90% of the salary expenses. Tuition reimbursement payments are also reflected in this section and are projected to decrease significantly after FY24 due to the most recent negotiated agreement.

Purchased Services – Line #3.030 (14.38%)

Purchased Services includes various services and supports that the district acquires from external providers to enhance educational operations and student well-being. These expenses also include all professional and technical services (including substitute teacher costs), legal, data processing, health/nurses, all utilities, garbage collection, telephones, postage, electricity, natural gas to heat the buildings, all travel and meeting expenses, and craft and trade services. College Credit Plus, excess fees, and other tuition costs will continue to draw funds away from the district, which will continue in this area and has been adjusted based on historical trends. Beginning in FY25, the district partnered with the City of Fairview Park to provide a School Resource Officer at the district. This cost is shared evenly and is considered a purchased service.

Supplies and Materials – Line #3.040 (2.38%)

These expenses include all textbooks, office supplies, cleaning supplies, bus fuel, consumable products, and any educational material, as well as any product that has a life expectancy of less than five years. The district purchased a new K-5 reading curriculum for \$181 thousand in FY25.

Classroom Fee Related Supplies- At the beginning of the fiscal year, each building and their associated departments submit purpose statements that estimate the revenue and expenditures for each fee that would be collected and spent throughout the year.

Capital Outlay (Equipment) – Line #3.050 (0.02%)

Capital Outlay is distinct from Supplies and Materials, as these purchases are for assets with a longer lifespan and higher cost, such as land, buildings, equipment, and vehicles. The district does not anticipate costs increasing significantly in this line because the Permanent Improvement Fund pays most capital outlay.

Other Expenses – Line #4.300 (1.21%)

This category of expenses is primarily fees to the county auditors and treasurers for collecting property taxes and the Ohio Department of Taxation to collect and manage the districts income tax collection and settlement. The other expense category is several small expenses with the largest being district liability insurance, annual audit, and dues and fees to organizations such as The Ohio School Boards Association (OSBA). An annual increase of 5% is projected in this area.

Transfers Out/Advances Out – Lines #5.010 & 5.020 (7.58%)

This account group covers fund-to-fund transfers and end of year short-term loans from the General Fund to other funds until they have received reimbursements and can repay the General Fund. Advanced funds (if needed) are anticipated to be paid back in full in the next fiscal year.

Transportation Fund - This fund is used to track capital and maintenance expenses related to transportation. This is funded by transferring funds from the General Fund. The district purchased one (1) bus in FY21, and with the assistance of a \$90,000 state grant, ordered two (2) more buses in FY22, which were delivery in FY23. We purchased a bus in FY24 and there are plans to purchase one (1) bus in FY26.

Technology Fund - Starting in FY10, the District established a separate, Non-General Fund Technology Fund to purchase computer-related technology items. Rather than pay for this equipment out of the Capital Outlay line item, the funds are transferred from the General Fund to the Technology Fund each fiscal year. This enables the district to accurately account for and track technology purchases in relation to the district-wide technology plan.

Severance Fund - Also in FY10, the District established a Severance Fund separate from the General Fund. This fund enables the district to “set aside” funds for the purpose of paying severance to future retiring employees. \$50,000 was transferred in FY22, \$125,000 was transferred in FY23 and FY24; it is anticipated that \$125,000 will continue to be transferred.

Certificate of Participation Payment - As part of the HS/MS and Parkview construction project which began in FY18, the District issued Certificate of Participations (COPS). The resources to pay this debt are general fund monies. The district transfers the funds from the General fund to the Capital Improvement Fund to pay the principal and interest for the COPS.

Encumbrances – Line #8.010

Encumbrances represent purchase authorizations and contracts for goods or services that are pending vendor performance and those purchase commitments, which have been performed, are awaiting invoicing and payment. Encumbrances, on a budget basis of accounting, are treated as the equivalent of expenditure at the time authorization is made to maintain compliance with spending restrictions established by Ohio law. For presentation in the forecast, outstanding encumbrances are presented as a reduction of the general fund cash balance.

General Fund Cash Balance

Reservation of Fund Balance – Lines #9.010-9.080

The district maintains a reservation of fund balance on Line #9.03 for budget reserves. The district does not anticipate expending these funds at this time.

Ending Unencumbered Cash Balance – Line #10.010

This amount must not go below \$-0- or the district general fund will violate all Ohio Budgetary Laws. Any multi-year contract, which is knowingly signed, and which results in a negative unencumbered cash balance, is a violation of O.R.C. §5705.412, which is punishable by personal liability of \$10,000; unless an alternative 412 certificate, as permitted by HB153, effective September 30, 2011, could be issued. It is recommended by the Government Finance Officers Association (GFOA) and other authoritative sources that a district maintains a minimum of sixty (60) day cash balance, which is approximately \$4.1 million for our district.

General Fund Outlook

