

Norwood City School District

2025

November

Five Year Forecast Report



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Treasurer/CFO

Norwood City School District

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Forecast Purpose/Objectives

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

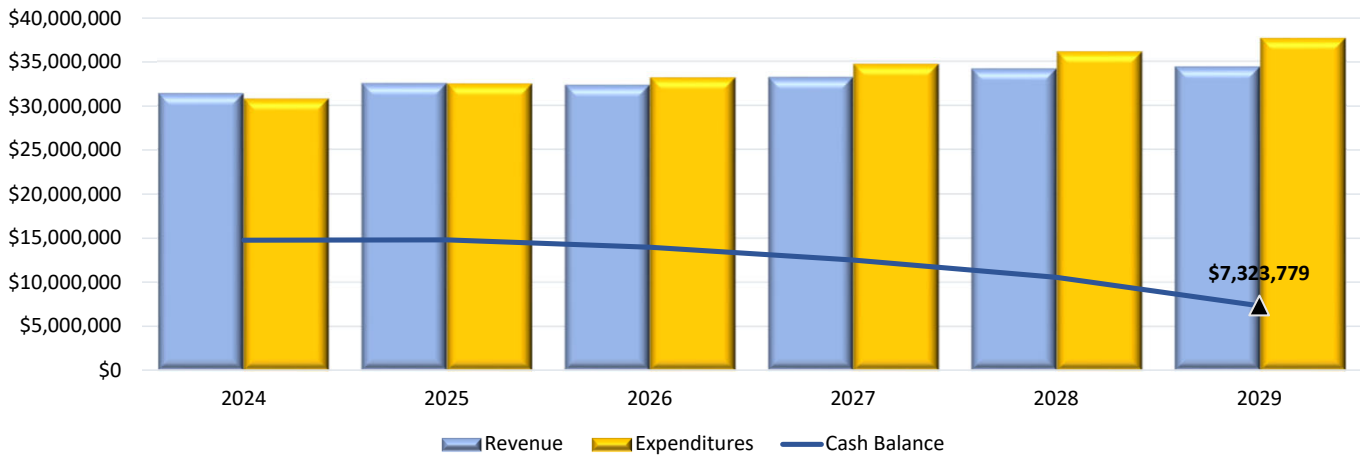
1. To engage the local board of education and the community in the long range planning and discussions of financial issues facing the school district.
2. To serve as a basis for determining the school district's ability to sign the certificate required by O.R.C. §5705.412, commonly known as the "412 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 decisions aimed at encouraging financial sustainability and stability.

Forecast Summary

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)	14,756,769	14,816,877	13,978,411	12,491,820	10,559,819
+ Renewal/New Levies Modeled					
+ Revenue	32,522,868	32,314,250	33,186,696	34,177,915	34,382,138
- Expenditures	(32,462,759)	(33,152,717)	(34,673,287)	(36,109,917)	(37,618,178)
= Revenue Surplus or Deficit	60,108	(838,467)	(1,486,591)	(1,932,001)	(3,236,040)
Line 7.020 Ending Balance with Renewal/New Levies	14,816,877	13,978,411	12,491,820	10,559,819	7,323,779

Financial Summary Notes

Expenditure growth is projected to outpace revenue change. By the end of 2029, the cash balance is projected to decline by a total of \$7,432,990 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 greater than the historical average. Over the past four years, revenue increased by 1.76% (\$515,740 annually). However, it is projected to increase by 1.86% (\$601,280 annually) through fiscal year 2029. Notably, All Othr Op Rev, is expected to be \$287,033 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 1.99% (\$529,532 annually) during the past 4-year period, and are projected to increase by 4.45% (\$1,369,622 annually) through 2029. The forecast line with the most change on the expense side, Salaries, is anticipated to be \$753,729 more per year in the projected period compared to historical averages.

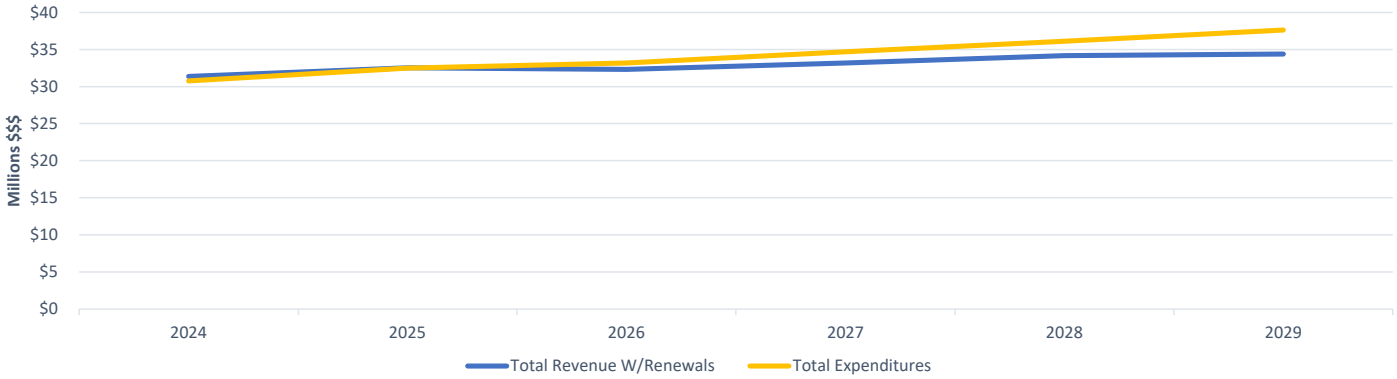
History shows that Norwood CSD's revenues have been stagnant overall. However, last year, we saw large increases in r/e tax revenue due to valuation increases.

Norwood CSD expenses have been controlled very well in the past as we had ESSER grant money to relieve some pressure on the General Fund. Now that ESSER is expired and fully spent, all expenses must come back to the general fund. Which is why we are seeing large percentage increases in salaries and benefits. This is also causing our positive cash flow to end starting next year and to worsen in future years.

Disclosure Items:	2025	2026	2027	2028	2029
Modeled Renewal Levies - Annual Amount	-	-	-	-	-
Modeled New Levies - Annual Amount	-	-	-	-	-
Encumbrances (not subtracted from Cash Balance)	200,000	200,000	200,000	200,000	200,000

Forecast Analysis

Revenue Compared to Expenditures

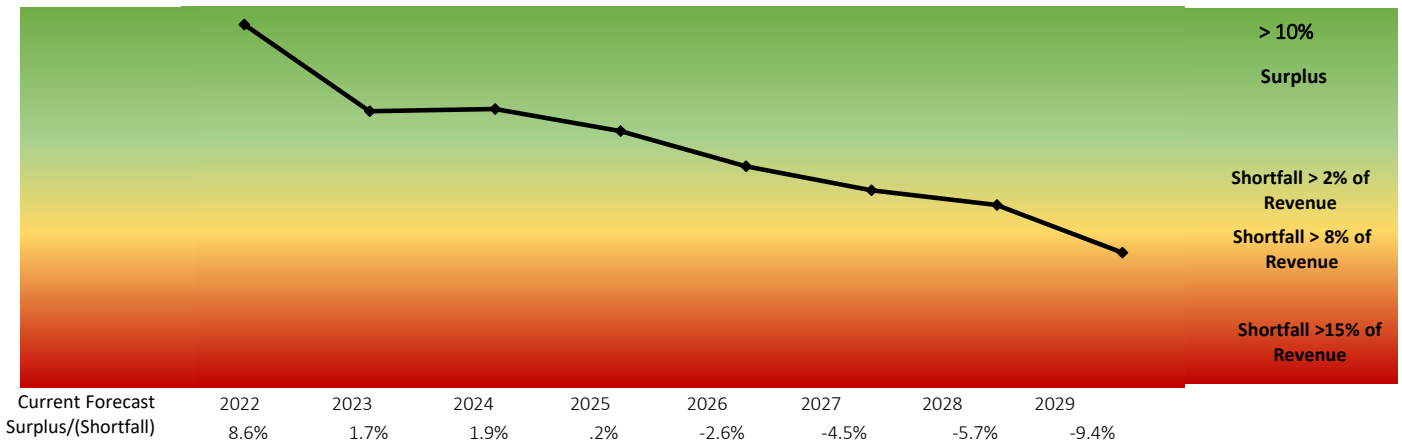


From 2025 to 2029, total revenues are projected to increase by 1.86%

Expenditure change is expected to outpace revenue change.

From 2025 to 2029, total expenses are projected to increase annually by 4.45%

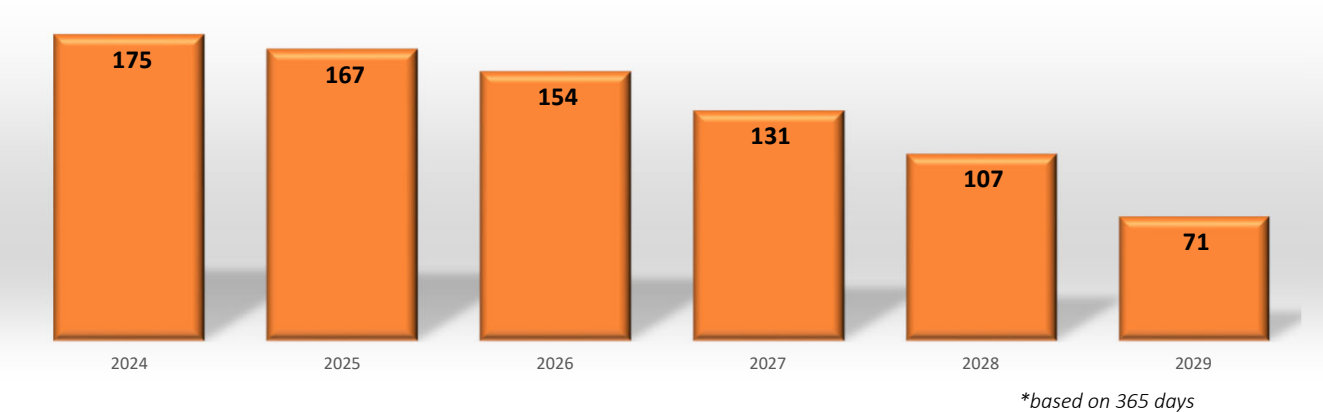
Revenue Surplus/(Shortfall) as a Percentage of Revenue



The district is trending toward revenue shortfall with the expenditures growing faster than revenue. A revenue increase of 9.41% is needed to balance the budget in fiscal year 2029, or a \$3,236,040 reduction in expenditures.

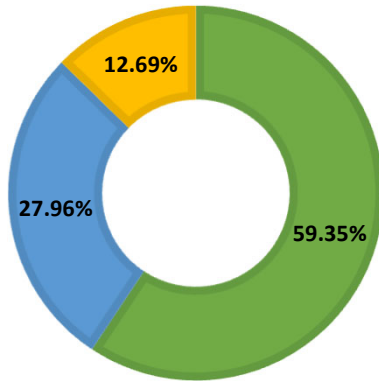
- The largest contributor to the projected revenue trend is the change in All Othr Op Rev.
- The expenditure most impacting the changing trend is Salaries.

Days Cash on Hand at Fiscal Year-end



Revenue Overview

Revenue Sources



Local Taxes

Real Estate Tax	54.17%
Public Utility Tax	5.18%
Income Tax	0.00%

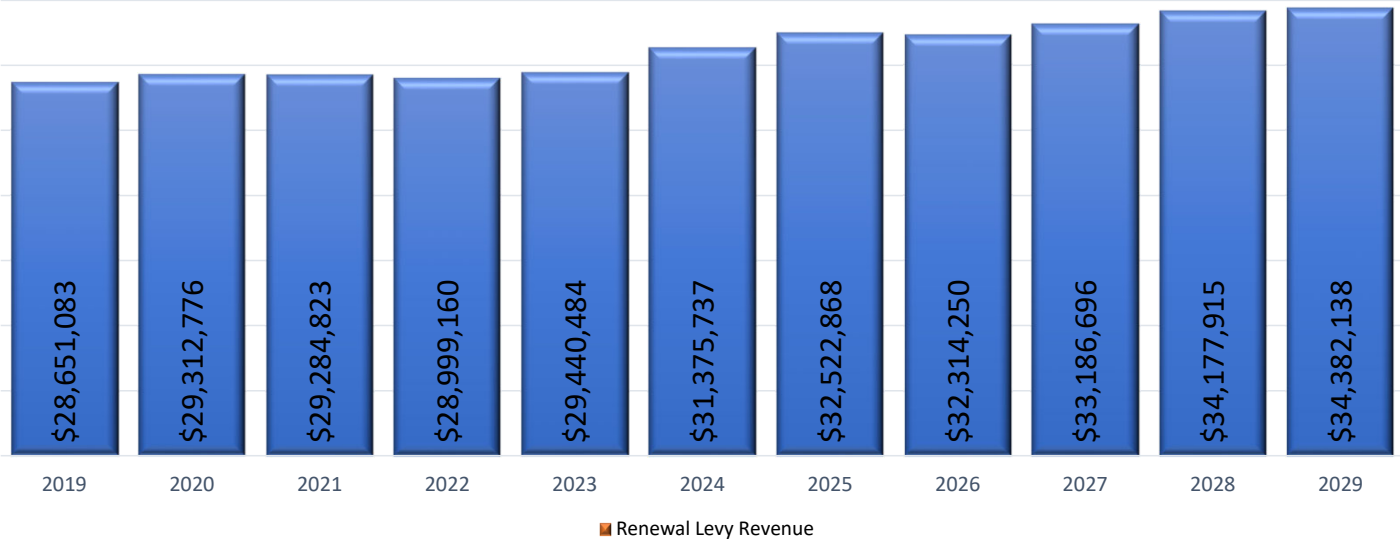
State Sources

State Funding	17.06%
Restricted Aid	5.73%
State Share of Local Tax	5.17%

All Other Revenue

Other Revenue	12.53%
Other Sources	0.15%

Annual Revenue Actual + Projected



Historic Revenue Change versus Projected Revenue Change

	Historical Average Annual \$\$ Change	Projected Average Annual \$\$ Change	Projected Compared to Historical Variance	
Real Estate	408,037	582,040	\$174,004	Over the past four years, revenue increased by 1.76% (\$515,740 annually). However, it is projected to increase by 1.86% (\$601,280 annually) through fiscal year 2029. Notably, All Othr Op Rev, is expected to be \$287,033 less per year compared to history, and is the biggest driver of trend change on the revenue side.
Public Utility	\$70,566	\$69,739	(\$827)	
Income Tax	\$0	\$0	\$0	
State Funding	(\$39,960)	(14,615)	\$25,344	Most of the historical increase in revenue occurred in FY24 as we saw increases in real estate tax revenue due to the valuation increase. Otherwise, historical revenues have been stagnant.
State Share of Property Tax	\$1,040	\$93,120	\$92,079	
All Othr Op Rev	\$154,951	(\$132,082)	(\$287,033)	
Other Sources	(\$78,894)	\$3,079	\$81,973	We do know that both state funding and TIF revenues in All Other Revenues will fall in response to the valuation changes from TY23. In addition we expect decreases in investment revenues.
Total Average Annual Change	515,740 1.76%	601,280 1.86%	\$85,540 0.10%	

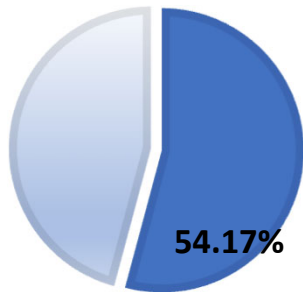
For Comparison:

Expenditure average annual change is projected to be >

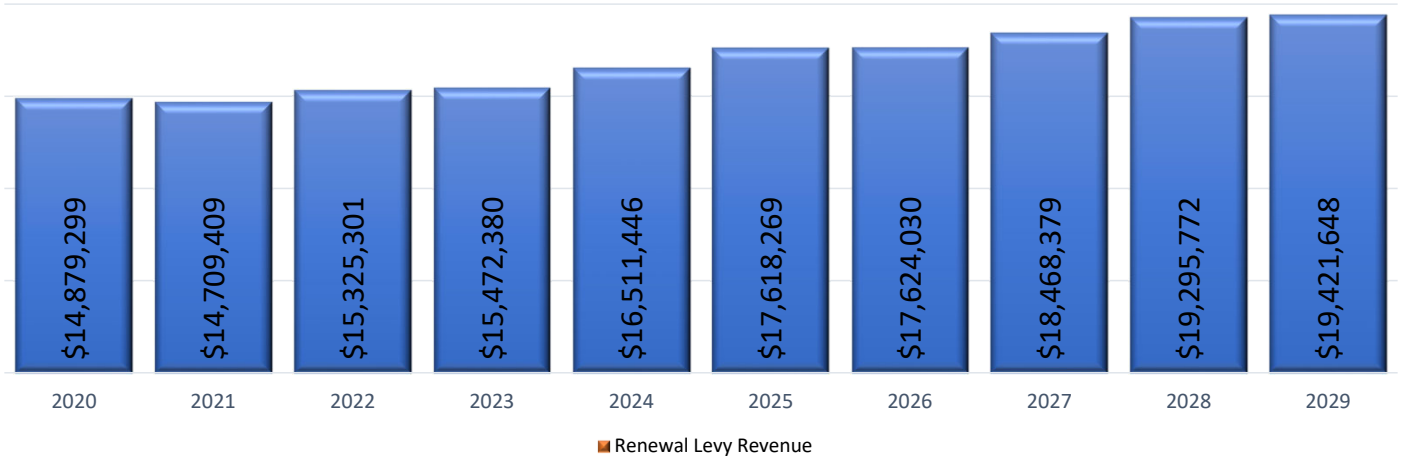
\$1,369,622 On an annual average basis, expenditures are projected to grow faster than revenue.

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 54.17% of total district general fund revenue.



Key Assumptions & Notes

Values, Tax Rates and Gross Collections							Gross Collection Rate Including Delinquencies
Tax Yr	Valuation	Value Change	Class I Rate	Change	Class 2 Rate	Change	
2023	573,842,910	135,568,670	33.48	-	35.18	-	98.9%
2024	571,339,234	(2,503,676)	33.57	0.09	35.82	0.64	98.3%
2025	574,064,234	2,725,000	33.54	(0.03)	35.84	0.02	98.3%
2026	664,564,234	90,500,000	31.85	(1.69)	33.57	(2.27)	98.3%
2027	668,389,234	3,825,000	31.88	0.03	33.93	0.36	98.3%
2028	671,114,234	2,725,000	31.86	(0.02)	33.96	0.03	98.3%

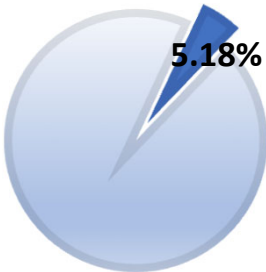
Class I, or residential/agricultural taxes make up approximately 54.99% of the real estate property tax revenue. The Class I tax rate is 33.57 mills in tax year 2024. The projections reflect an average gross collection rate of 98.3% annually through tax year 2028. The revenue changed at an average annual historical rate of 2.68% and is projected to change at an average annual rate of 3.33% through fiscal year 2029.

Though our historical increase in revenue is 2.68% annually when averaged, most of that increase came in FY24 as we saw increases in tax revenue. Our class I residential valuation increased 43% with the reappraisal process through Hamilton County Auditor. Since Norwood CSD was already on the millage floor, we saw additional tax revenues. We however, did not see growth on our substitute levies which now have a reduced millage rate of 13.48 due to millage reductions with the valuation increase.

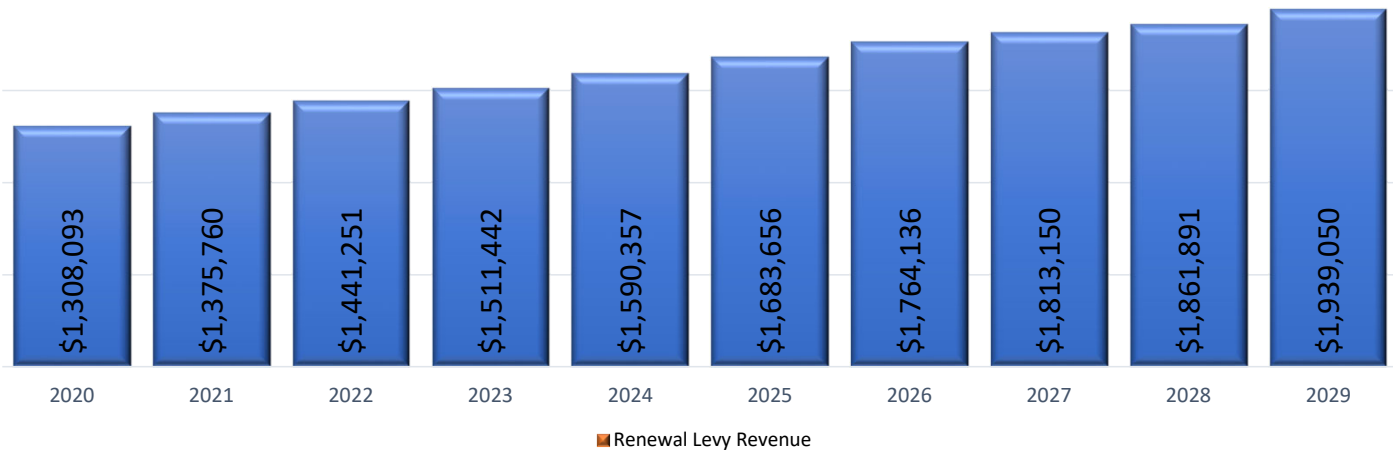
There are lots of potential new laws in Ohio to change real estate collections. If any of them pass, they will negatively affect Norwood CSD and we will have to restate our forecast. We will also have to make plans to cut expenses as we are already spending into our carryover.

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 5.18% of total district general fund revenue.



Key Assumptions & Notes

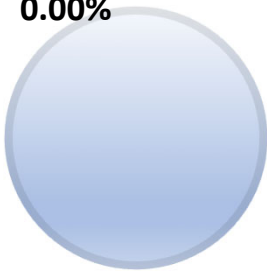
Values and Tax Rates					Gross Collection Rate Including Delinquencies
Tax Year	Valuation	Value Change	Full Voted Rate	Change	
2023	31,019,640	3,981,090	52.95	(3.94)	100.0%
2024	32,519,640	1,500,000	53.04	0.09	100.0%
2025	34,019,640	1,500,000	53.01	(0.03)	100.0%
2026	35,519,640	1,500,000	51.32	(1.69)	100.0%
2027	37,019,640	1,500,000	51.35	0.03	100.0%
2028	38,519,640	1,500,000	51.33	(0.02)	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 53.04 mills. The forecast is modeling an average gross collection rate of 100.00%. The revenue changed historically at an average annual dollar amount of \$70,566 and is projected to change at an average annual dollar amount of \$69,739 through fiscal year 2029.

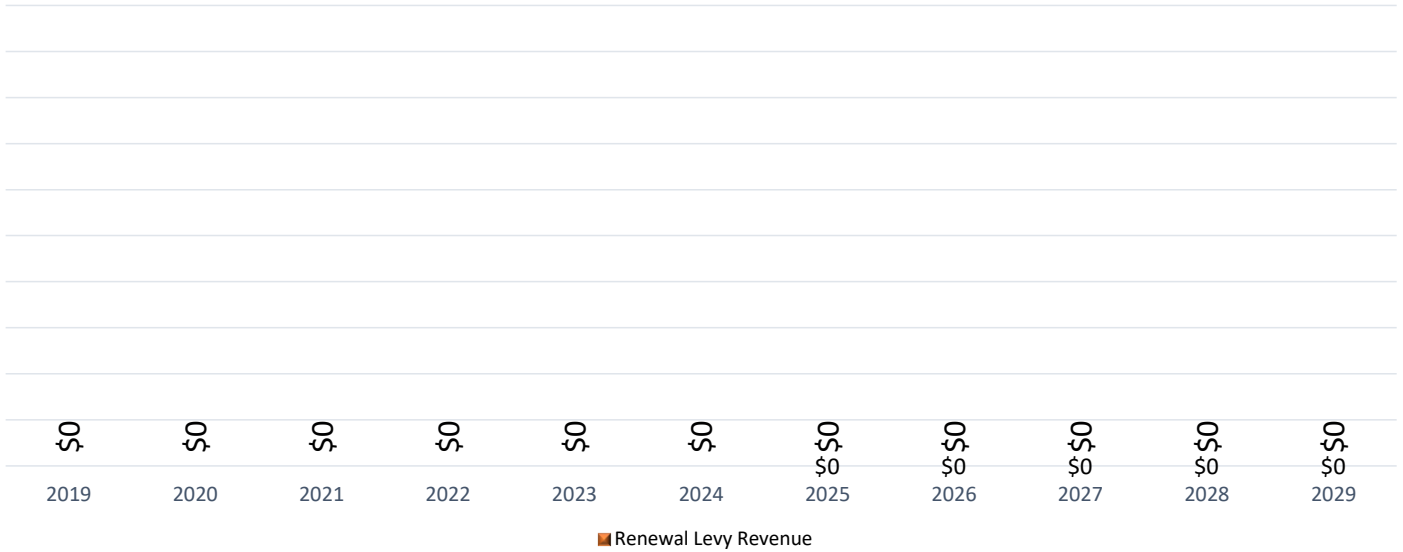
1.030 - School District Income Tax

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.

0.00%



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

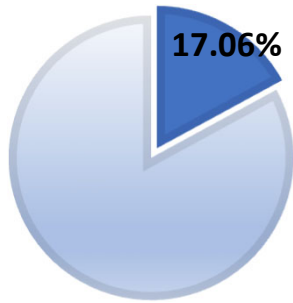


Key Assumptions & Notes

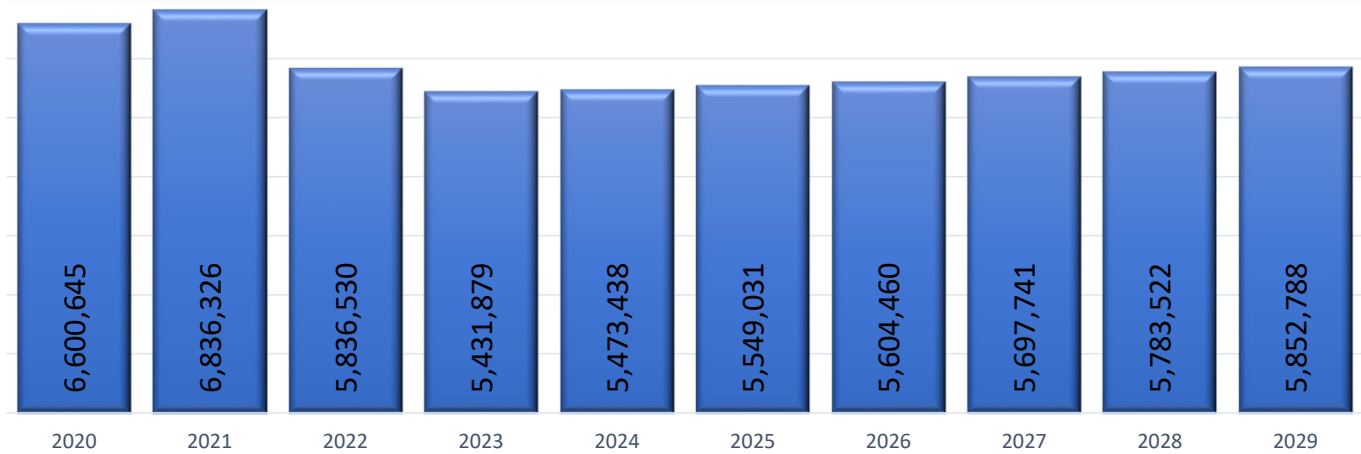
The district does not have an income tax levy.

1.035 - Unrestricted Grants-in-Aid

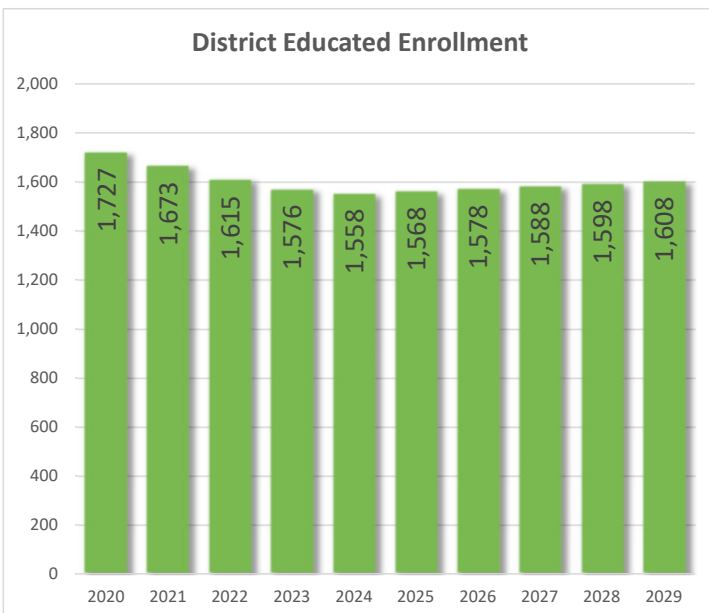
Funds received through the State Foundation Program with no restriction.



Unrestricted State Aid revenue accounts for 17.06% 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.

For Norwood City School District, the calculated Base Cost total is \$12,943,693 in 2025.

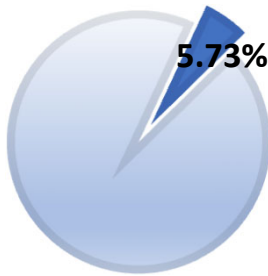
The State's Share of the calculated Base Cost total is \$2,403,387, or \$1,533 per pupil.

The FSFP also started funding students where they attended school. Therefore district educated enrollment is now used for per pupil funding. At the same time, the FSFP eliminated tuition transfer payments from school districts, which impacts the expense side of the forecast.

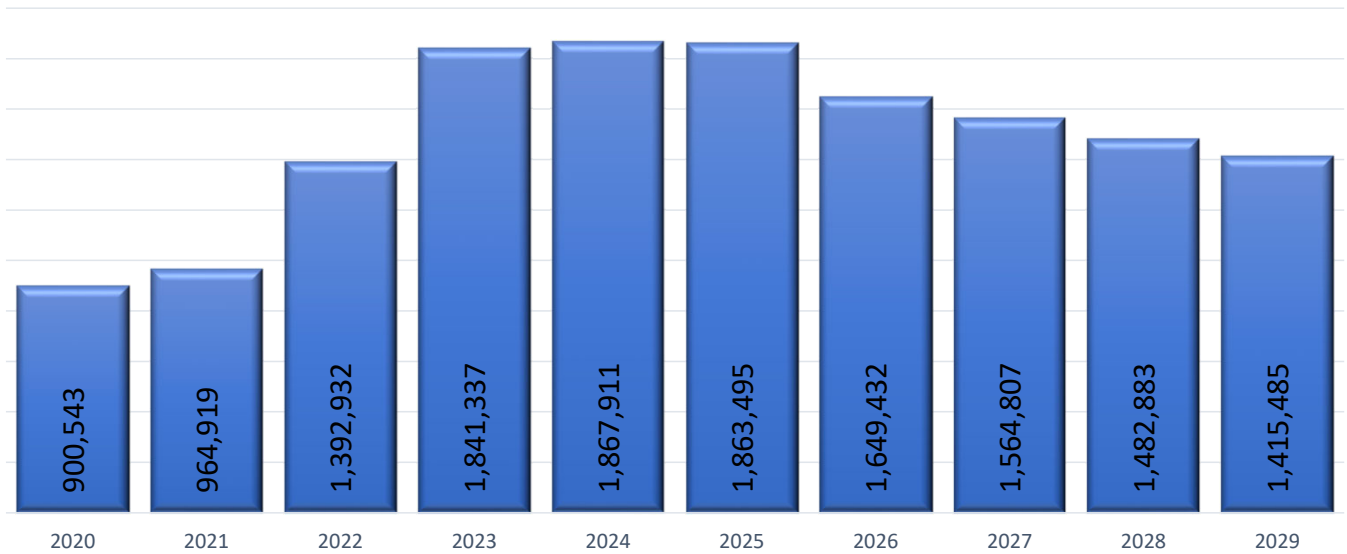
Norwood CSD is on the guarantee, meaning we expect no funding increases. However, we have reversed our fall in student counts and are projecting some slight growth in the future.

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 5.73% 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 \$300,997 and is projected to change annually on average by -\$90,485. Restricted funds represent 5.73% 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 \$146,968. 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.

The district expects restricted state funding to fall as FY25 has some one time revenue in it (\$155,000), for reimbursing the district for mandated Science of Reading stipends for teachers.

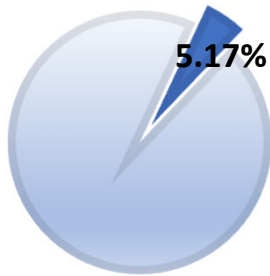
In addition, the district has been CEP rated for several years. But with the new lower standards for community eligibility, it is expected that many other districts will qualify. This will raise the statewide average and lower our DPIA funding somewhat.

Though we expect no increases in state funding as we are on the guarantee, our revenues do switch back and forth from restricted to unrestricted quite regularly. This hampers a clear understanding of the history of state funding so it is suggested that all readers combine unrestricted and restricted when comparing history to future estimated.

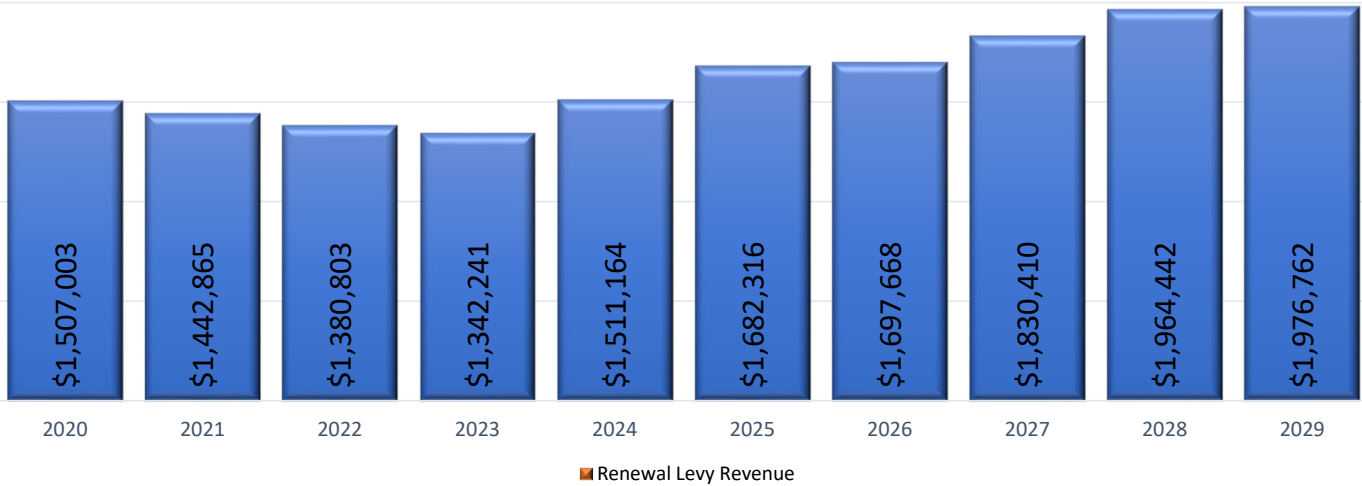
If the state makes changes to anticipated funding increases or the guarantees, it will negatively affect revenues at Norwood City Schools and we will have to adjust our forecast and then make cuts to offset those changes.

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 5.17% of total district general fund revenue.



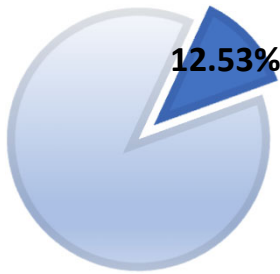
Key Assumptions & Notes

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 11.6% local residential property taxes will be reimbursed by the state in the form of rollback credits and approximately 1.3% will be reimbursed in the form of qualifying homestead exemption credits.

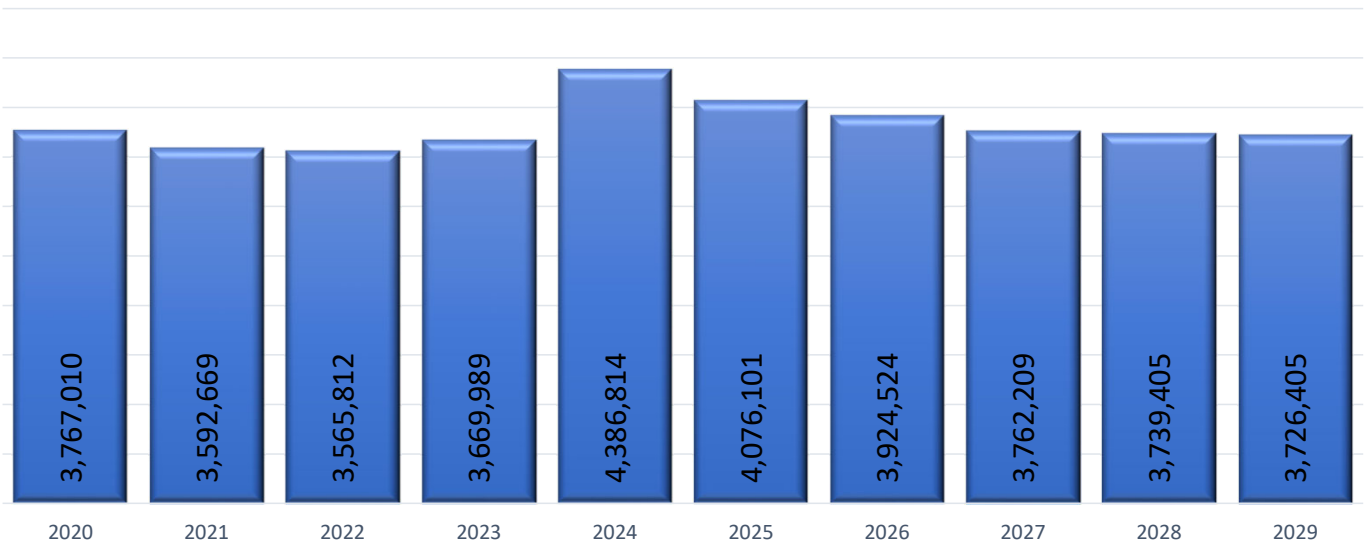
While rollback revenues continue to grow according to residential valuations set by the county auditor, homestead revenues are falling. Due to new and more rigorous qualifications, many homeowners do not qualify for homestead anymore.

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 12.53% of total district general fund revenue.



Key Assumptions & Notes

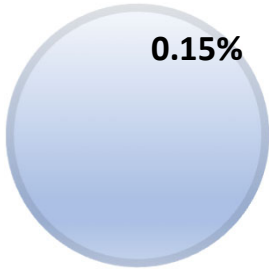
Other revenue includes tuition received by the district for non-resident students educated by the district. It also includes interest income, payments in lieu of taxes, and miscellaneous revenue. The historical average annual change was \$154,951. The projected average annual change is -\$132,082 through fiscal year 2029.

Much of this category comes from payment in lieu of taxes (FY25 \$2,235,975). TIF revenue is falling as the new lower blended millage rate (due to increased residential valuations) applied to falling commercial real estate values means less TIF revenues. This is just one more reason why the increase in real estate residential tax revenue is not a "Wind Fall" as described by legislatures. This just continues the switch from commercial tax revenue support to residential taxpayers due to legislative forgiving tax laws for commercial property owners.

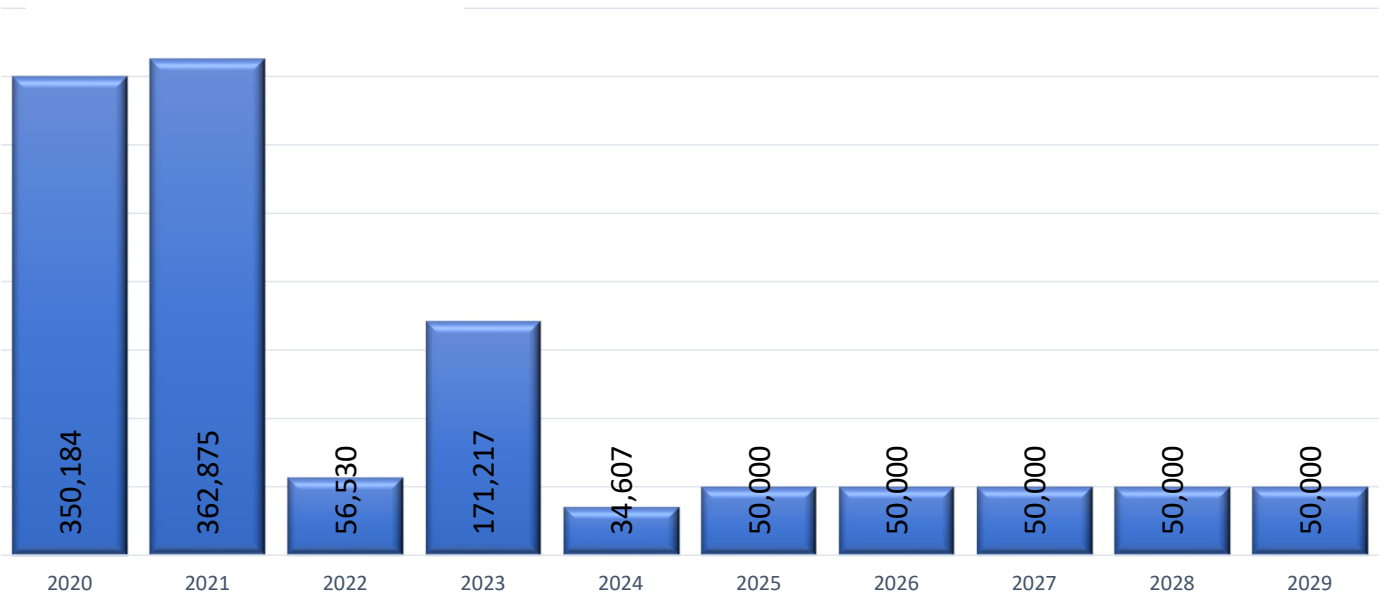
Interest revenue is expected to fall somewhat throughout the forecast period both due to lower interest rates and less funds to invest as we spend into our carryover.

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 0.15% of total district general fund revenue.



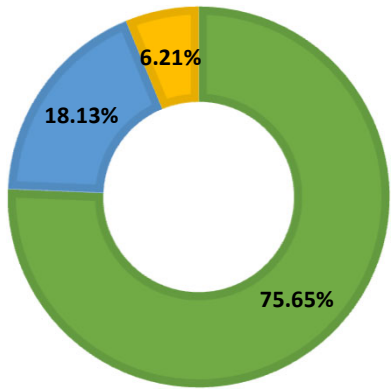
Key Assumptions & Notes

	FORECASTED					
	2024	2025	2026	2027	2028	2029
Transfers In	-	-	-	-	-	-
Advances In	-	-	-	-	-	-
All Other Financing Sources	34,607	50,000	50,000	50,000	50,000	50,000

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 \$50,000 in 2025 and average \$50,000 annually through 2029.

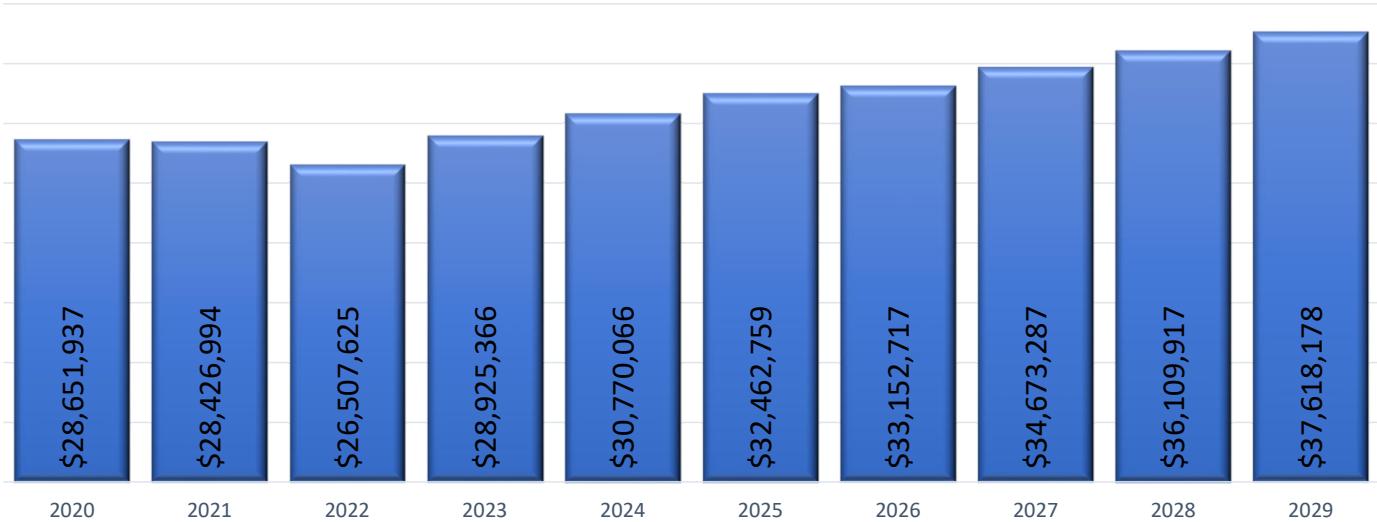
Expenditure Overview

Expenditure Categories



Personnel Costs	
Salaries	57.38%
Benefits	18.27%
Purchased Services	
	18.13%
All Other Expenditures	
Supplies, Capital, Debt, Other Obj	5.29%
Other Uses	0.92%

Annual Expenditures Actual + Projected



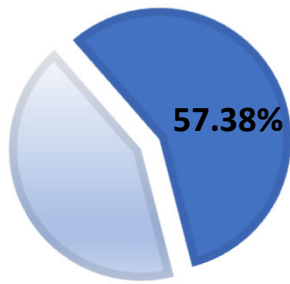
Historic Expenditures Change versus Projected Expenditures Change

	Historical Average Annual \$\$ Change	Projected Average Annual \$\$ Change	Projected Compared to Historical Variance	
Salaries	297,048	1,050,777	\$753,729	Expenditures increased by 1.99% (\$529,532 annually) during the past 4-year period, and are projected to increase by 4.45% (\$1,369,622 annually) through 2029. The forecast line with the most change on the expense side, Salaries, is anticipated to be \$753,729 more per year in the projected period compared to historical averages.
Benefits	\$136,389	\$326,599	\$190,210	
Purchased Services	(\$53,366)	\$246,802	\$300,168	
Supplies & Materials	(\$22,407)	\$38,926	\$61,333	
Capital Outlay	(\$7,147)	\$2,886	\$10,033	
Intergov & Debt	\$0	\$0	\$0	
Other Objects	\$3,691	(\$37)	(\$3,728)	
Other Uses	\$175,324	(\$296,331)	(\$471,655)	Much of Salary and Benefit increases are costs coming back to the general fund upon the expiration and full usage of ESSER grant funding.
Total Average Annual Change	\$529,532	\$1,369,622	\$840,090	
	1.99%	4.45%	2.46%	Purchase services are increasing due to additional special education contracted costs and related transportation costs.

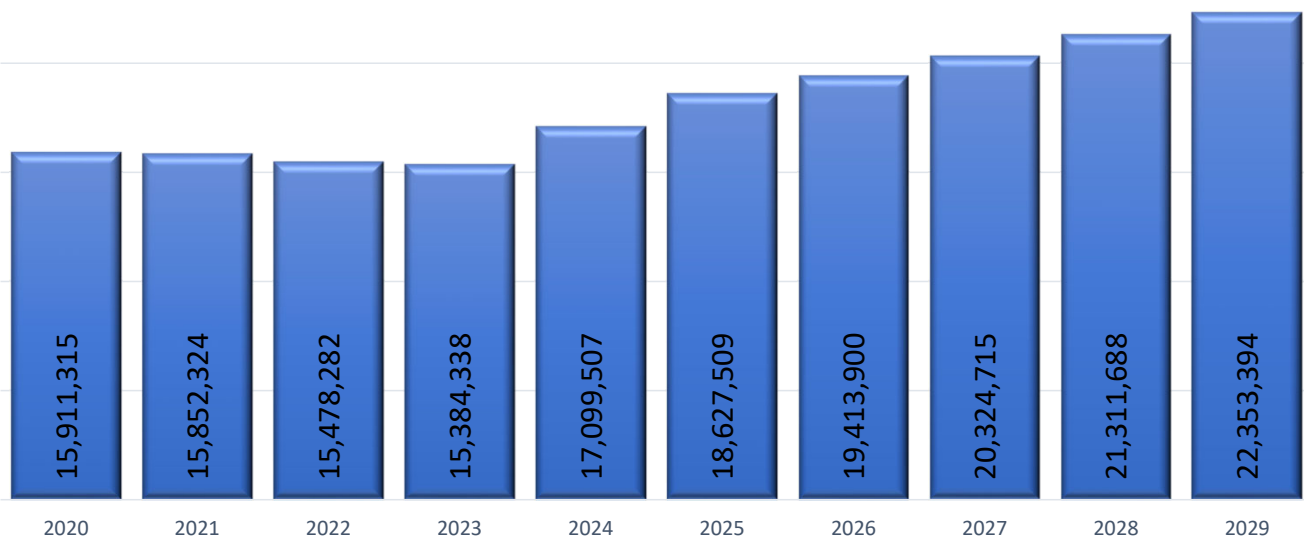
For Comparison:
 Revenue average annual change is projected to be > \$601,280 On an annual average basis, revenues are projected to grow slower than expenditures.

3.010 - Personnel Services

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



Salaries account for 57.38% of the district's total general fund spending.



Key Assumptions & Notes

Salaries represent 57.38% of total expenditures and increased at a historical average annual rate of 1.95% (or \$297,048). This category of expenditure is projected to grow at an annual average rate of 5.52% (or \$1,050,777) through fiscal year 2029. The projected average annual rate of change is 3.57% more than the five year historical annual average.

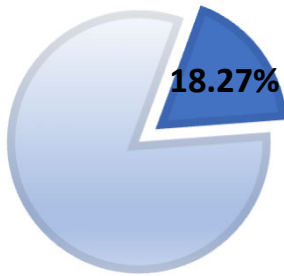
FY20 through FY23, the district made cuts to staffing and used ESSER funding to absorb some general fund costs.

FY24 and 25, the district is seeing all those personnel costs coming back to the general fund upon the expiration and full usage of ESSER grant funds. \$630,000 in salaries were returned to the general fund from ESSER FY25.

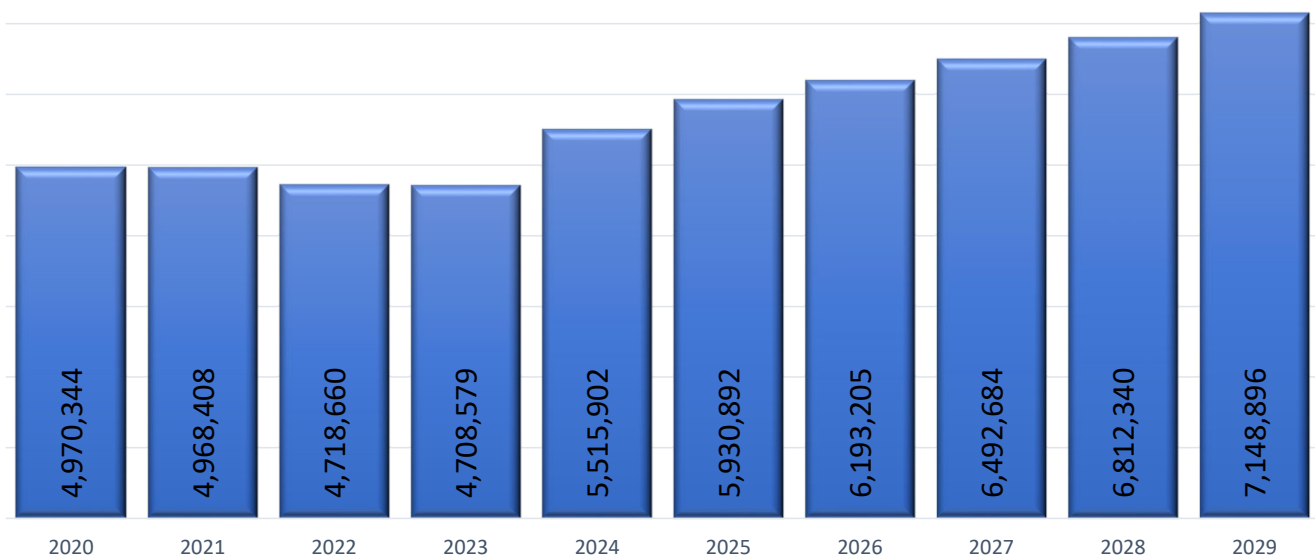
Over the forecast historical period, \$4,325,721 was used from ESSER funding for salaries, saving the general fund those expenditures.

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 18.27% of the district's total general fund spending.



Key Assumptions & Notes

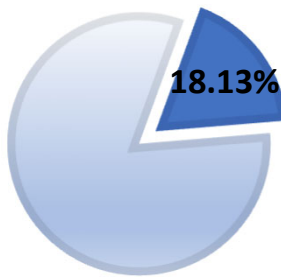
Benefits represent 18.27% of total expenditures and increased at a historical average annual rate of 2.97%. This category of expenditure is projected to grow at an annual average rate of 5.33% through 2029. The projected average annual rate of change is 2.36% more than the five year historical annual average.

Benefits consist of retirement, insurance, and other mandated costs. A little more than 16% of total salaries are contributed as benefits to employees through mandated retirement plans, medicare costs, and workers comp. This benefit cost reflects in the forecast as salaries increase. In addition, health insurance costs continue to increase though Norwood CSD manages to control these costs pretty well through consortium purchasing.

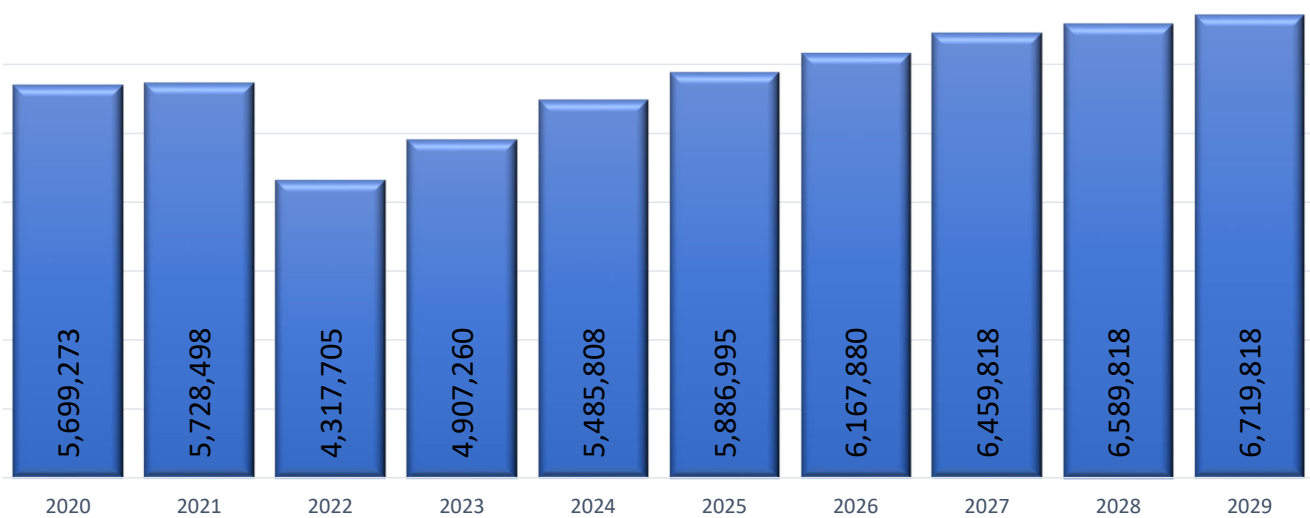
About \$100,000 of this increase comes from ESSER grants being fully spent and expired and those costs returning to the general fund. Over the historical forecast period, ESSER has relieved the general fund of \$1,219,632 in benefit costs.

3.030 - Purchased Services

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

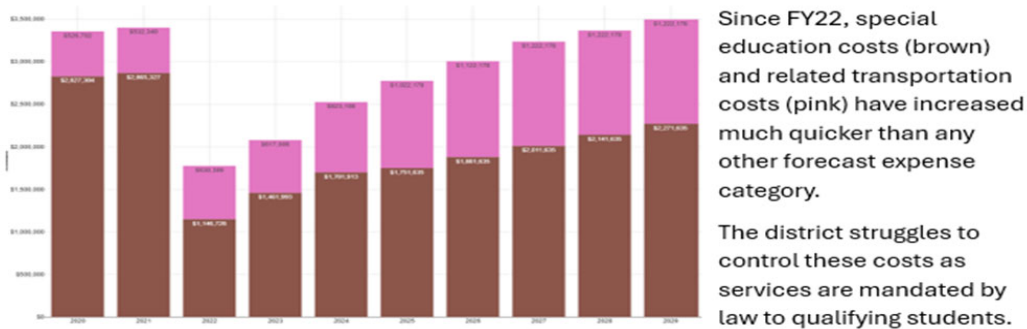


Purchased Services account for 18.13% of the district's total general fund spending.



Key Assumptions & Notes

Purchased Services represent 18.13% of total expenditures and increased at a historical average annual rate of 0.33%. This category of expenditure is projected to grow at an annual average rate of 4.16% 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. You can see this change in the drop for FY22 costs.

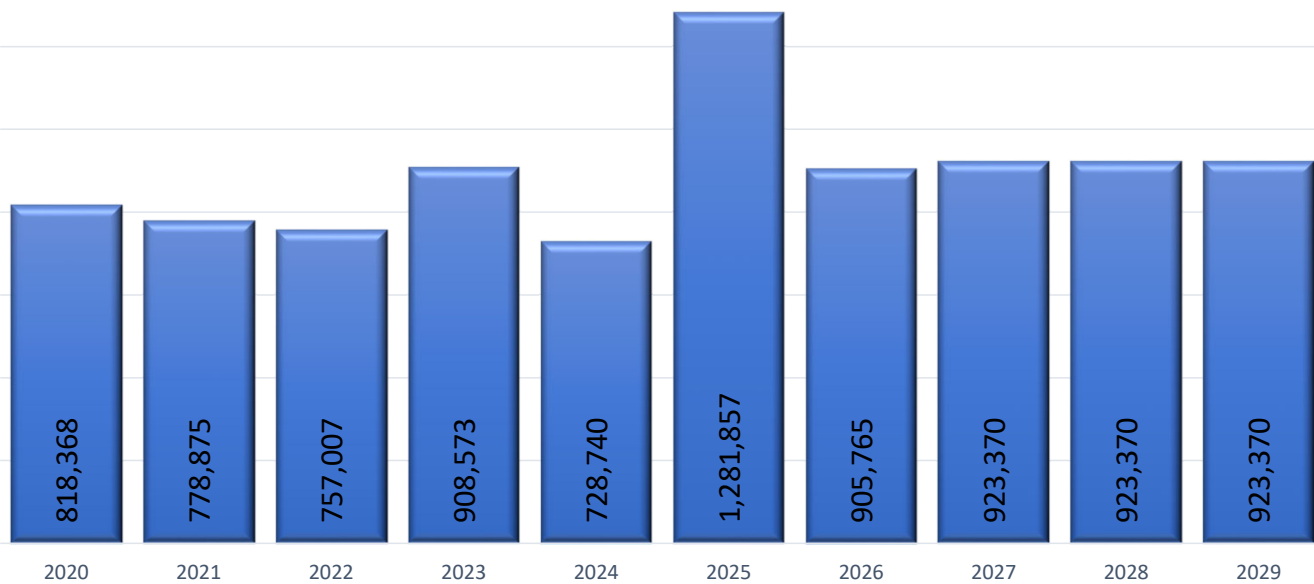


3.040 - Supplies & Materials

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 3.95% of the district's total general fund spending.



Key Assumptions & Notes

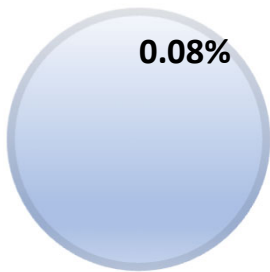
Supplies & Materials represent 3.95% of total expenditures and decreased at a historical average annual rate of 1.85%. This category of expenditure is projected to grow at an annual average rate of 9.70% through fiscal year 2029. The projected average annual rate of change is 11.55% more than the five year historical annual average.

FY25 saw a large increase in supplies as the district paid for mandated Science of Reading curriculum above and beyond what was reimbursed by the State of Ohio Department of Education and Workforce.

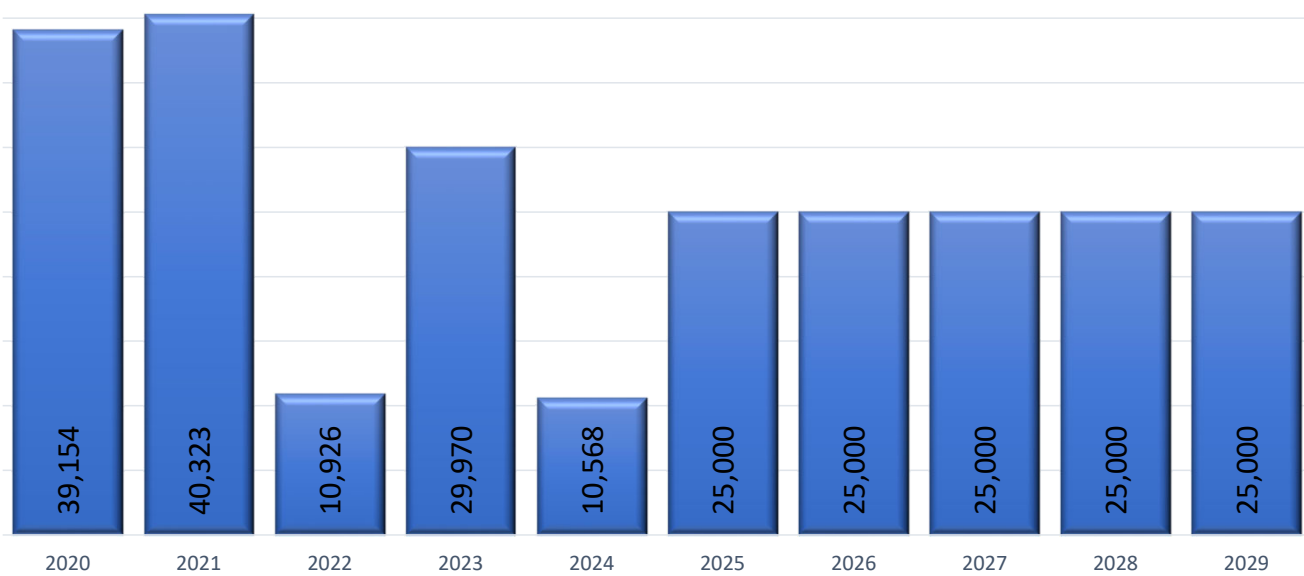
In addition, many software costs came back to the general fund after being originally purchased through ESSER grant funds.

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 0.08% of the district's total general fund spending.

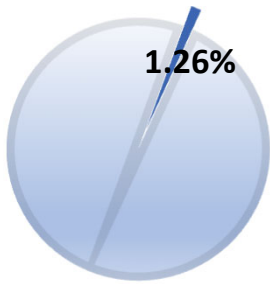


Key Assumptions & Notes

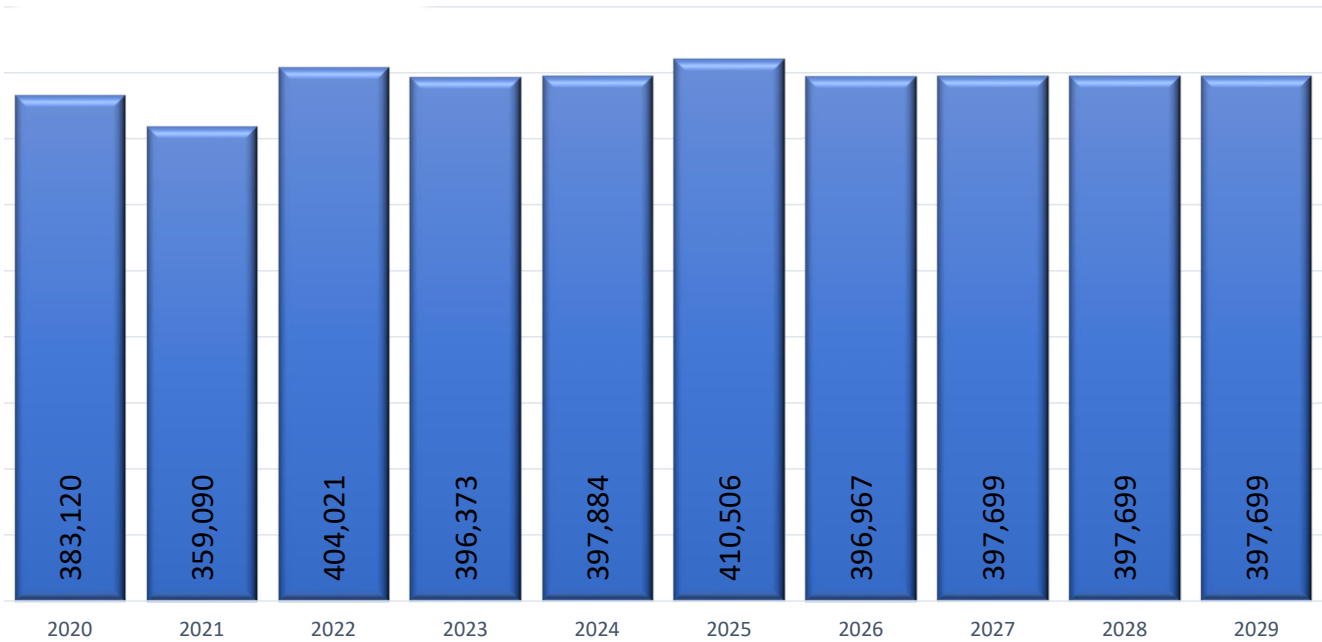
Capital Outlay represent 0.08% of total expenditures and decreased at a historical average annual amount of \$7,147. This category of expenditure is projected to grow at an annual average rate of \$2,886 through 2029. The projected average annual change is more than the five year historical annual average.

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 1.26% of the district's total general fund spending.

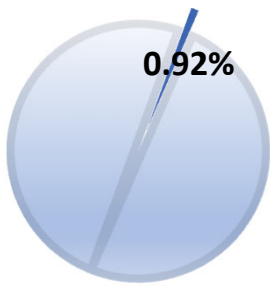


Key Assumptions & Notes

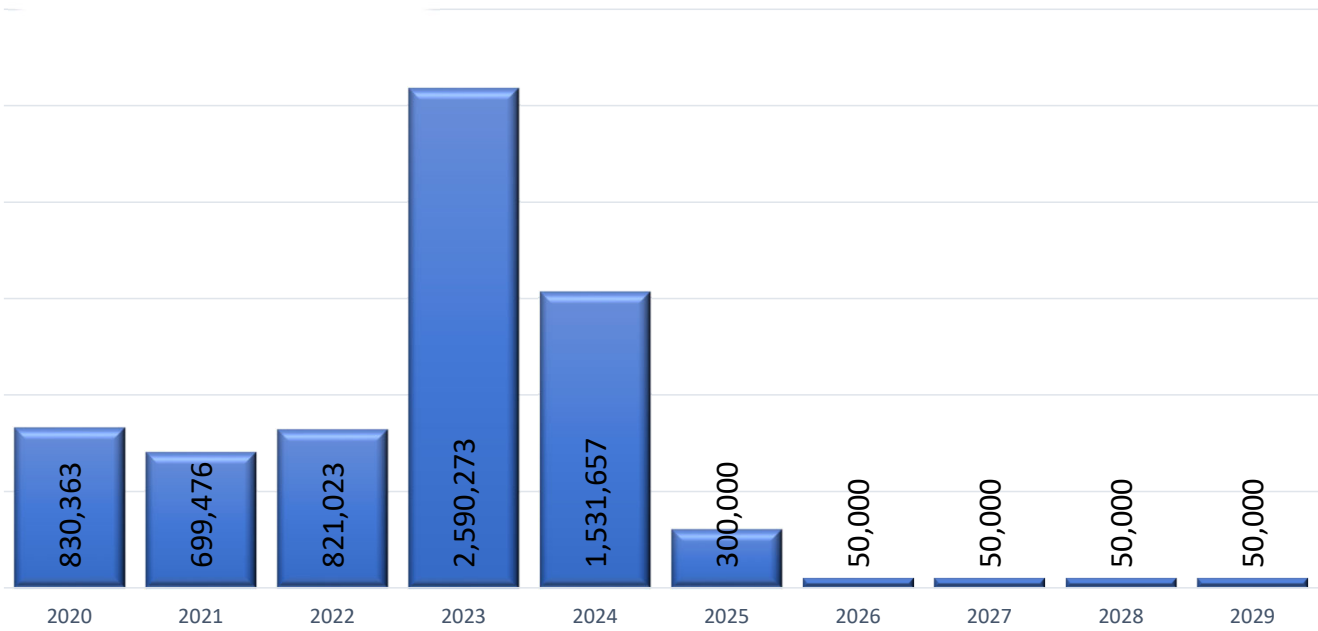
Other Objects represent 1.26% of total expenditures and increased at a historical average annual rate of 1.18%. This category of expenditure is projected to grow at an annual average rate of 0.01% through fiscal year 2029. The projected average annual rate of change is 1.17% less than the five year historical 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 0.92% of the district's total general fund spending.



Key Assumptions & Notes

	FORECASTED					
	2024	2025	2026	2027	2028	2029
Transfers Out	1,531,657	300,000	50,000	50,000	50,000	50,000
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.

In the past, when the general fund was supplanted with ESSER funds, the district was able to transfer cash to PI funds to help finish the remodel project, to complete the Shea Stadium project, and to plan and complete the beautification projects at the elementary buildings. Now that cash flow has reversed and is no longer positive, the district will end transfers except for small routine transfers by FY26.

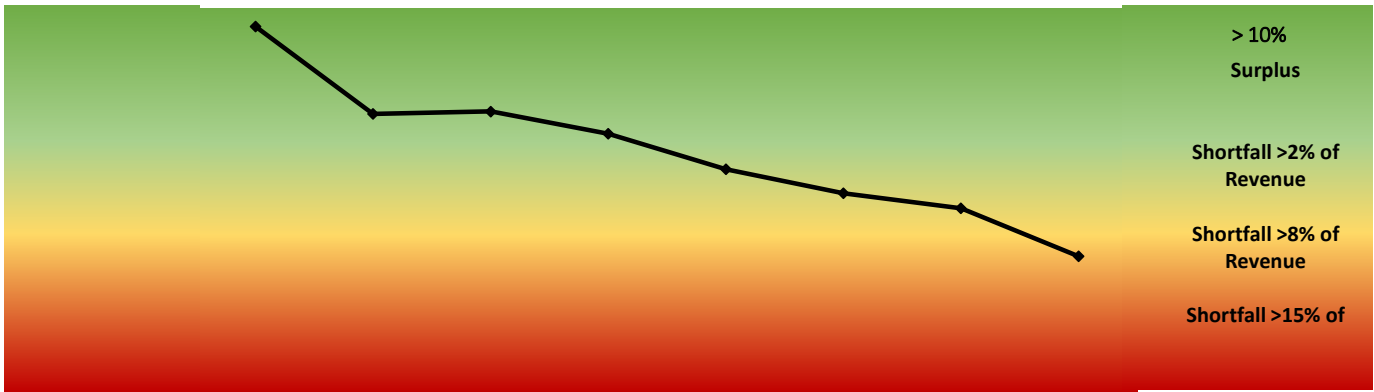
Norwood City School District

Five Year Forecast

November Fiscal Year 2025

Fiscal Year:	Actual	FORECASTED				
	2024	2025	2026	2027	2028	2029
Revenue:						
1.010 - General Property Tax (Real Estate)	16,511,446	17,618,269	17,624,030	18,468,379	19,295,772	19,421,648
1.020 - Public Utility Personal Property	1,590,357	1,683,656	1,764,136	1,813,150	1,861,891	1,939,050
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	5,473,438	5,549,031	5,604,460	5,697,741	5,783,522	5,852,788
1.040 - Restricted Grants-in-Aid	1,867,911	1,863,495	1,649,432	1,564,807	1,482,883	1,415,485
1.050 - State Share-Local Property Taxes	1,511,164	1,682,316	1,697,668	1,830,410	1,964,442	1,976,762
1.060 - All Other Operating Revenues	4,386,814	4,076,101	3,924,524	3,762,209	3,739,405	3,726,405
1.070 - Total Revenue	31,341,130	32,472,868	32,264,250	33,136,696	34,127,915	34,332,138
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	34,607	50,000	50,000	50,000	50,000	50,000
2.070 - Total Other Financing Sources	34,607	50,000	50,000	50,000	50,000	50,000
2.080 - Total Rev & Other Sources	31,375,737	32,522,868	32,314,250	33,186,696	34,177,915	34,382,138
Expenditures:						
3.010 - Personnel Services	17,099,507	18,627,509	19,413,900	20,324,715	21,311,688	22,353,394
3.020 - Employee Benefits	5,515,902	5,930,892	6,193,205	6,492,684	6,812,340	7,148,896
3.030 - Purchased Services	5,485,808	5,886,995	6,167,880	6,459,818	6,589,818	6,719,818
3.040 - Supplies and Materials	728,740	1,281,857	905,765	923,370	923,370	923,370
3.050 - Capital Outlay	10,568	25,000	25,000	25,000	25,000	25,000
Intergovernmental & Debt Service	-	-	-	-	-	-
4.300 - Other Objects	397,884	410,506	396,967	397,699	397,699	397,699
4.500 - Total Expenditures	29,238,409	32,162,759	33,102,717	34,623,287	36,059,917	37,568,178
Other Financing Uses						
5.010 - Operating Transfers-Out	1,531,657	300,000	50,000	50,000	50,000	50,000
5.020 - Advances-Out	-	-	-	-	-	-
5.030 - All Other Financing Uses	-	-	-	-	-	-
5.040 - Total Other Financing Uses	1,531,657	300,000	50,000	50,000	50,000	50,000
5.050 - Total Exp and Other Financing Uses	30,770,066	32,462,759	33,152,717	34,673,287	36,109,917	37,618,178
6.010 - Excess of Rev Over/(Under) Exp	605,671	60,108	(838,467)	(1,486,591)	(1,932,001)	(3,236,040)
7.010 - Cash Balance July 1 (No Levies)	14,151,098	14,756,769	14,816,877	13,978,411	12,491,820	10,559,819
7.020 - Cash Balance June 30 (No Levies)	14,756,769	14,816,877	13,978,411	12,491,820	10,559,819	7,323,779
		Reservations				
8.010 - Estimated Encumbrances June 30	200,000	200,000	200,000	200,000	200,000	200,000
9.080 - Reservations Subtotal	-	-	-	-	-	-
10.010 - Fund Bal June 30 for Cert of App	14,556,769	14,616,877	13,778,411	12,291,820	10,359,819	7,123,779
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	14,556,769	14,616,877	13,778,411	12,291,820	10,359,819	7,123,779
Revenue from New Levies						
13.010 & 13.020 - New Levies	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	14,556,769	14,616,877	13,778,411	12,291,820	10,359,819	7,123,779

Revenue Surplus/(Shortfall) - Current Forecast

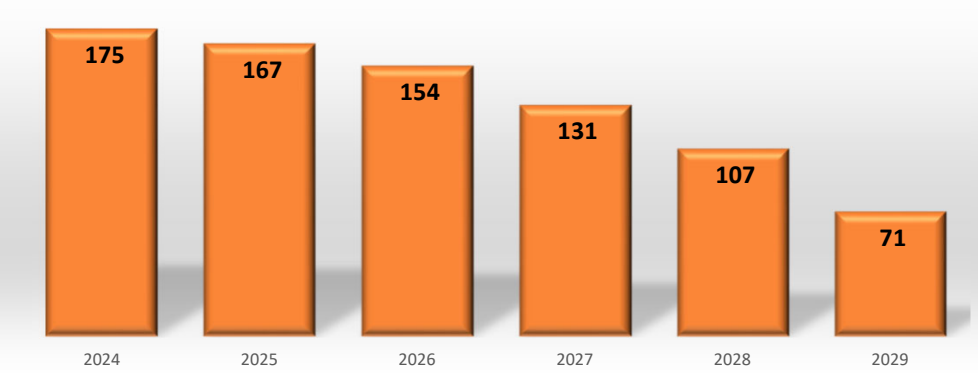


Current Forecast	2022	2023	2024	2025	2026	2027	2028	2029
Surplus/(Shortfall)	8.6%	1.7%	1.9%	.2%	-2.6%	-4.5%	-5.7%	-9.4%

The district is trending toward revenue shortfall with the expenditures growing faster than revenue. A revenue increase of 9.41% is needed to balance the budget in fiscal year 2029, or a \$3,236,040 reduction in expenditures.

- The largest contributor to the projected revenue trend is the change in All Oth Op Rev.
- The expenditure most impacting the changing trend is Salaries.

Days Cash on Hand - Current Forecast

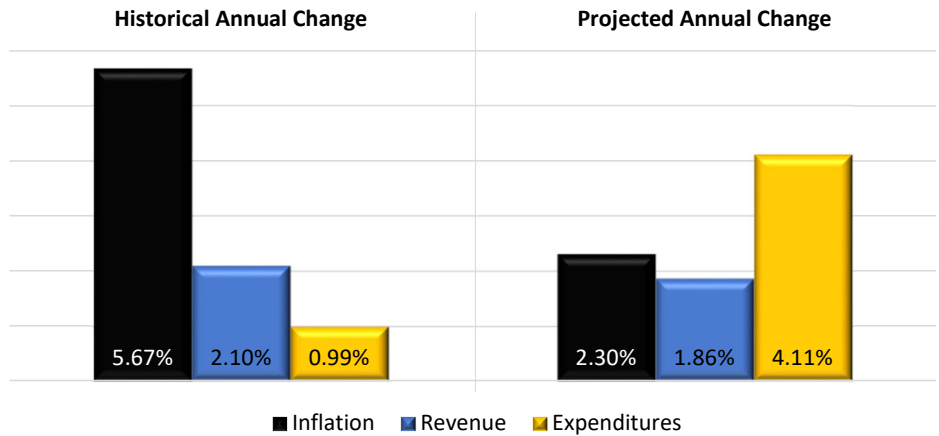


Days cash on hand is projected to decline.

*based on 365 days

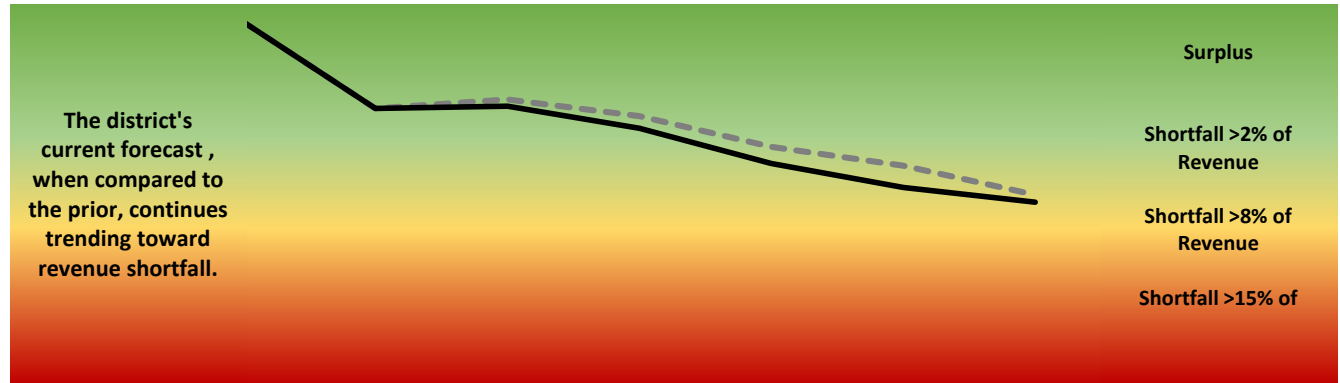
5-Year Average Annual Change - Inflation, Revenue and Expenditures

Average projected annual expenditure change is greater than inflation, and more than revenue.



CPI (Inflation) Source: Federal Reserve Bank of St. Louis (September 23, 2024) <https://alfred.stlouisfed.org>

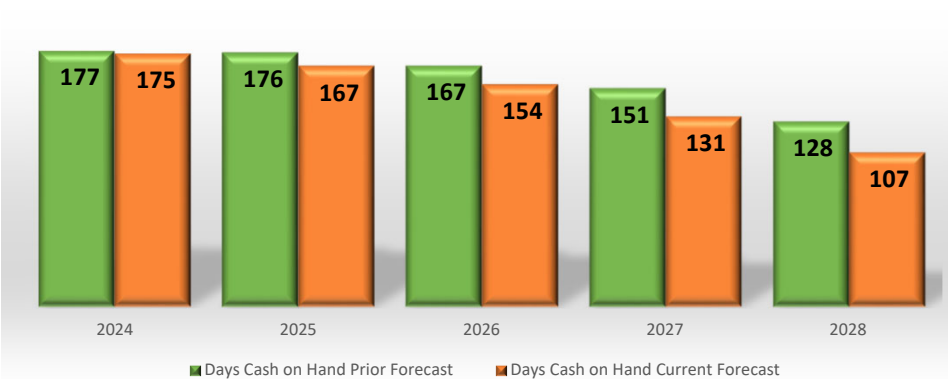
Revenue Surplus/(Shortfall) - Current Compared to Prior Forecast



	2022	2023	2024	2025	2026	2027	2028
--- Prior Forecast	8.6%	1.7%	2.5%	1.2%	-1.3%	-2.8%	-5.1%
— Current Forecast	8.6%	1.7%	1.9%	0.2%	-2.6%	-4.5%	-5.7%

Note: 2029 not included in prior forecast

Days Cash on Hand - Current Compared to Prior Forecast



Days cash on hand is forecasted to decline, and is similar to the prior forecast trend.

*based on 365 days

Revenue and Expenditure Variances - Current Compared to Prior Forecast

Revenue Variance		
Cumulative Favorable Revenue Variance	0.90%	\$1,454,867
<u>Largest Revenue Variances</u>		
1.01 Real Estate	1.15%	\$1,862,484
1.060 All Other 2.xx Other Sources	-0.47%	(\$757,093)
1.035,1.040 State	0.20%	\$328,305
All Other Revenue Categories	0.01%	\$21,171

The current revenue forecast is up by 0.90% compared to the prior forecast.

NET cumulative forecast impact for the forecast period 2024 - 2028 of Revenue and Expense variances is -1.05% (or -\$1,732,170).

The current forecast for expenditures is up by 1.94% compared to the prior forecast.

Expenditure Variance		
Cumulative Unfavorable Expenditure Variance	1.94%	\$3,187,037
<u>Largest Expenditure Variances</u>		
3.03 Purchased Serv.	1.76%	\$2,889,938
3.01 Salaries	0.71%	\$1,172,293
3.02 Benefits	-0.39%	(\$635,080)
All Other Expenditure Categories	-0.15%	(\$240,114)

Ohio's Fair School Funding Plan - Summary Funding Results (SF8)

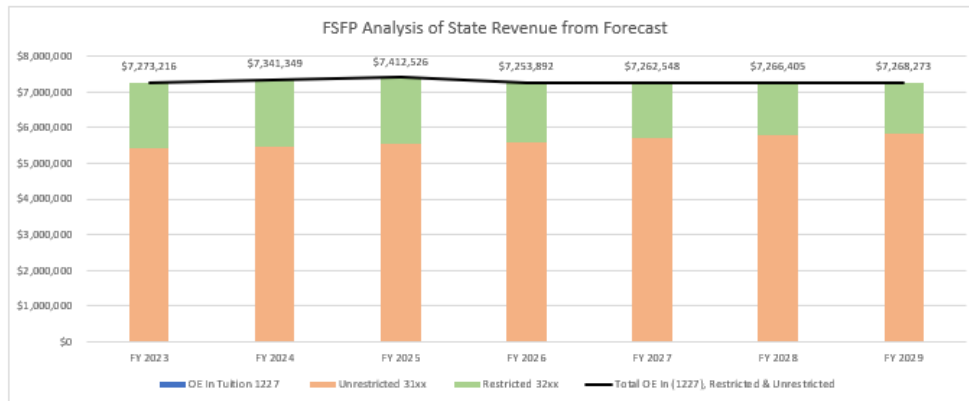
	Funding Summary	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
.R3	Current Year's Funding (R + R2)	\$6,291,654	\$6,291,654	\$6,291,654	\$6,291,654	\$6,291,654
.S1	Open Enrolled ADM Loss Impact (Result 2)	\$0	\$0	\$0	\$0	\$0
.S2	Special Education Set-Aside (SF5)	(\$55,337)	(\$47,382)	(\$30,084)	(\$32,082)	(\$30,322)
.T1	Career Awareness Revenue	\$0	\$0	\$0	\$0	\$0
.T2	CTC Associated Services Adj.	\$0	\$0	\$0	\$0	\$0
.T3	Transportation (SF7)	\$34,828	\$38,083	\$41,366	\$41,807	\$42,230
.U	FY 2021 Transition Supp Result 3	\$419,600	\$416,345	\$413,042	\$412,621	\$412,198
.V	CFD Bottom Line Funding Adjustment Below	\$55,337	\$47,382	\$30,084	\$32,082	\$30,322
.V2	Supplemental Targeted SF6	\$0	\$0	\$0	\$0	\$0
.W	Total State Funding	\$6,746,082	\$6,746,082	\$6,746,083	\$6,746,082	\$6,746,082
	YOY Change		\$0	\$0	(\$0)	(\$0)
	YOY % Change		0.00%	0.00%	0.00%	0.00%
	Trend Indicator of Funding Status	Guarantee	Guarantee	Guarantee	Guarantee	Guarantee
	FY 20 + FY 21 Base Guarantee Total	\$1,549,593	\$2,307,536	\$3,618,095	\$3,591,361	\$3,756,145

These funding estimates culminating to row R3 above and beyond should be considered a trend estimate based upon current information. Many assumptions are made regarding future inflationary pressures and funding decisions based upon current law practice. Current laws can be changed and with it funding results.

6



Ohio's Fair School Funding Plan - CFO Bottom Line Revenue Analysis



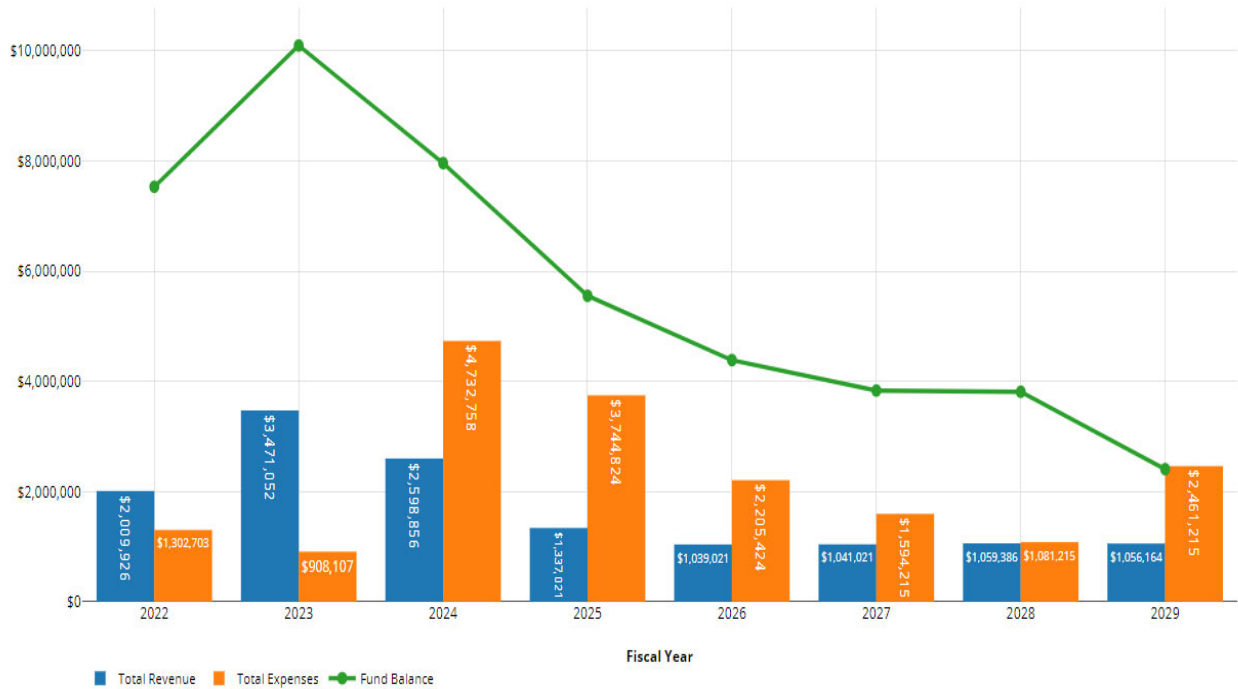
The district has assumptions of a 4% increase in state share funding for FY26 and FY28. The district has stabilized its student counts by offering new programming and open enrollment. The only parameters causing the district to now fall further onto the guarantee is increased residential valuation and unmet needs in the state appropriations of the new funding formula.

The district's guarantees are based on FY20 and FY21 funding amounts, so of course, our funding will continue to be stagnant or fall as estimated in the forecast.

In the chart above, you will see the district's guarantee amount of nearly \$1.55 million in FY25 growing to over \$3.7 million by the end of the forecast period.

In the graph above, you will see our state revenues stagnant from FY23 to FY29 except for a small increase in FY25. This is due to the state reimbursing districts for Science of Reading Stipends for teacher training.

All Funds Revenues, Expenditures, and Fund Balances



This fund has several accounts within it. One account is funded by a permanent improvement levy passed in 2016. In 2022, we started debt payments from this PI fund. When the PI levy was on the ballot, it was explained that the levy would pay for additional debt services needed to finish the renovation project called Warm, Safe, and Dry. Funding the original renovation project was hampered by debt limits and additional bonds were sold in 2022 to fund the rest of the project as intended. At this time, all of the Warm, Safe, and Dry renovations are virtually finished. The debt payment will continue from the PI fund for 20 years.

This fund also provides all maintenance and repair for our historic buildings. A ten-year capital improvement budget has been completed and the above budget reflects these plans. We will continue to watch the PI fund balance to make sure the amount will cover future renovation and repair needs of our beautiful century old buildings.

Another account (Capital Improvement fund) within this fund has had transfers from the general fund as a revenue source since 2016. In this account, we have large expenditures planned for FY24 - 26, the beautification project to improve playgrounds, greenspaces, and front entrances and renovation to Shea stadium including field and track replacement. We are also completing a security project at our educational buildings and making improvements to the Dr. Kathy Sabo Auditorium.

We have the complete replacement of student devices (chromebooks) planned for FY29. In order for that to happen, we must continue to set aside \$100,000 per year from the general fund to the tech account for us to have sufficient funds for this replacement. All other technology hardware and software is either paid from PI funds or general funds.

Transfers will continue coming from the general fund during years that have a positive cash balance. However, at the expiration of ESSER, it will be unlikely that the general fund will be able to support the technology fund and then we will have to use PI funds to pay for technology further declining that balance.