

Strongsville City Schools

FY 26 Annual Budget and Five Year Forecast

September 25, 2025



Strongsville City Schools

- Estimated Resources - All Funds

Estimated Resources - All Funds

Fund Number	Fund	Unencumbered Beginning Balance	Estimated Revenues	FY 26 Total Estimated Resources
001	General Fund	46,111,939.29	83,075,491.00	129,187,430.29
Special Revenue Funds:				
018	Public School Support	152,455.97	111,112.00	263,567.97
019	Other Local Grants	101,581.59	1,500.00	103,081.59
200	Student Managed Student Activity	122,712.18	185,335.00	308,047.18
300	District Managed Student Activity	207,565.16	908,778.00	1,116,343.16
401	Auxiliary Services	12.18	0.00	12.18
499	Miscellaneous State Grants	24,768.25	27,082.82	51,851.07
516	IDEA, Part B Special Education	0.00	1,638,507.22	1,638,507.22
551	Title III - Limited English Proficiency	0.00	112,970.38	112,970.38
572	Title I - Disadvantaged Children	0.00	767,018.90	767,018.90
	Title IV-A - Student Support & Academic			
584	Enrichment	0.00	77,612.94	77,612.94
587	IDEA, Preschool Grant	26.27	31,649.61	31,675.88
590	Title II-A - Improving Teacher Quality	0.00	246,409.04	246,409.04
599	Miscellaneous Federal Grants	0.00	0.00	0.00
Debt Service Funds:				
002	Bond Retirement	6,480,891.63	3,703,303.77	10,184,195.40
Capital Projects Funds:				
003	Permanent Improvement	945,433.66	1,263,750.76	2,209,184.42
004	Building Fund	1,127,932.98	123,604.95	1,251,537.93
070	Capital Projects	21,260,337.49	500,000.00	21,760,337.49
Enterprise Funds:				
006	Food Services	502,771.17	2,225,000.00	2,727,771.17
009	Uniform School Supplies	0.00	301,000.00	301,000.00
Internal Service Funds:				
014	Internal Service Rotary Fund	148,016.79	345,800.00	493,816.79
023	Liability Self-Insurance	23,710.50	80,000.00	103,710.50
024	Employee Benefits Self-Insurance	2,567,061.15	16,200,539.00	18,767,600.15
035	Termination Benefits	500,000.00	500,000.00	1,000,000.00
Fiduciary Funds				
022	District Agency Fund	22,228.35	75,000.00	97,228.35
Total Estimated Resources		80,299,444.61	112,501,465.39	192,800,910.00

Annual Appropriation - All Funds

Fund Number	Fund	FY 2026 Appropriation	Carryover Encumbrances	FY26 Total Appropriation
001	General Fund	\$95,307,769.00	\$1,974,192.35	\$97,281,961.35
Special Revenue Funds:				
018	Public School Support	\$231,232.51	\$8,017.98	\$239,250.49
019	Other Local Grants	\$103,081.59	\$120,020.69	\$223,102.28
200	Student Managed Student Activity	\$286,002.78	\$1,863.20	\$287,865.98
300	District Managed Student Activity	\$1,067,991.27	\$50,399.08	\$1,118,390.35
401	Auxiliary Services	\$12.18	\$0.00	\$12.18
451	Data Communications	\$0.00	\$0.00	\$0.00
467	Student Wellness and Success Funds	\$0.00	\$0.00	\$0.00
499	Miscellaneous State Grants	\$51,851.07	\$0.00	\$51,851.07
507	CARES Act / ESSER Fund	\$0.00	\$0.00	\$0.00
516	IDEA, Part B Special Education	\$1,638,507.22	\$4,122.40	\$1,642,629.62
551	Title III - Limited English Proficiency	\$112,970.38	\$3,930.00	\$116,900.38
572	Title I - Disadvantaged Children	\$767,018.90	\$561.62	\$767,580.52
	Title IV-A - Student Support & Academic			
584	Enrichment	\$77,612.94	\$9,081.14	\$86,694.08
587	IDEA, Preschool Grant	\$31,675.88	\$0.00	\$31,675.88
590	Title II-A - Improving Teacher Quality	\$246,409.04	\$10,809.40	\$257,218.44
599	Miscellaneous Federal Grants	\$0.00	\$382.65	\$382.65
Debt Service Funds:				
002	Bond Retirement	\$3,578,559.45	\$0.00	\$3,578,559.45
Capital Projects Funds:				
003	Permanent Improvement	\$1,214,729.42	\$398,865.85	\$1,613,595.27
004	Building Fund	\$0.00	\$0.00	\$0.00
070	Capital Projects	\$49,500.00	\$4,660,455.00	\$4,709,955.00
Enterprise Funds:				
006	Food Services	\$2,701,724.06	\$94,480.17	\$2,796,204.23
009	Uniform School Supplies	\$301,000.00	\$18,493.44	\$319,493.44
Internal Service Funds:				
014	Internal Service Rotary Fund	\$376,070.82	\$20,385.82	\$396,456.64
023	Liability Self-Insurance	\$103,560.72	\$13,671.26	\$117,231.98
024	Employee Benefits Self-Insurance	\$16,555,903.00	\$4,834.11	\$16,560,737.11
035	Termination Benefits	\$760,000.00	\$0.00	\$760,000.00
Fiduciary Funds				
022	District Agency Fund	\$79,700.96	\$1,665.00	\$81,365.96
	Total Appropriation	\$125,642,883.19	\$7,396,231.16	\$133,039,114.35

Strongsville City Schools

Five-Year Forecast Purpose / Objectives

The Ohio Department of Education's purpose / objectives for the five-year forecast are:

1. To engage the local board of education and the community in the long range planning and discussion of the 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.

Five Year Forecast - Contents

- Major Assumptions
- General Fund Revenues
- General Fund Expenditures
- Five Year Forecast Summary

Strongsville City Schools

- Major Assumptions

Major Assumptions

Revenue:

- Property Tax Collection Rate - The forecast assumes the gross collection rate (includes delinquencies) will be as follows:

	CY 22	CY 23	CY 24	CY 25	3 Year Average	CY 26 Forecast	CY 27 Forecast	CY 28 Forecast	CY 29 Forecast	CY 30 Forecast
Gross Collection Rates - Includes Delinquencies	99.26%	99.26%	99.88%	97.08%	98.74%	98.74%	98.74%	98.74%	98.74%	98.74%

- The forecast assumes a 98.74% gross collection rate which is the three year average of Calendar Years 2023 through 2025. The gross collection rate did decrease to 97.08% in calendar year 2025 compared to calendar year 2024 of 99.88%.
- For reference, a 1.00% change in collection rate presents \$550,625

Major Assumptions - Continued

Revenue (continued):

- The forecast assumes the following changes to assessed valuation by collection calendar year:

Collection Year	Residential	Commercial	Public Utility	Total
CY 21 Actual	\$1,250,745,940	\$363,509,730	\$49,168,210	\$1,663,423,880
CY 22 Actual	\$1,447,677,090	\$361,300,040	\$50,043,110	\$1,859,020,240
CY 23 Actual	\$1,454,625,980	\$364,907,500	\$53,238,640	\$1,872,772,120
CY 24 Actual	\$1,461,215,550	\$368,412,300	\$53,843,160	\$1,883,471,010
CY 25 Actual	\$1,867,464,030	\$391,853,250	\$59,888,230	\$2,319,205,510
CY 26 Forecast	\$1,874,742,860	\$391,853,250	\$63,505,479	\$2,330,101,589
CY 27 Forecast	\$1,882,050,078	\$391,853,250	\$67,341,210	\$2,341,244,538
CY 28 Forecast	\$2,076,916,790	\$401,492,840	\$68,358,062	\$2,546,767,692
CY 29 Forecast	\$2,085,012,486	\$401,492,840	\$69,390,269	\$2,555,895,595
CY 30 Forecast	\$2,093,139,756	\$401,492,840	\$70,438,062	\$2,565,070,658

- Collection Year 2022 was a triennial budget year for Cuyahoga County. Residential values increased by 15.74% and commercial values increased by 1.59% (net) through the valuation, however, commercial values also decreased by 2.02% through change in class for a total decrease of 0.61%. During Collection Year 2023, residential values increased by 0.48% while commercial values increased by 1.00%. Collection Year 2025 was a sexennial update for Cuyahoga County, which occurred every six years, with the previous occurrence in tax year 2018. The update resulted in a 27.73% valuation increase in residential property and 4.27% valuation increase in commercial property. This valuation increase represented about a \$2.2 million dollar increase in tax revenue from inside millage. The increase was offset by the expiration of a May 2019 5.9 renewal levy that was not renewed by the community. Collections expired at December 31, 2024. The expired levy would have generated \$9.9 million if collected at 100%.

Major Assumptions - Continued

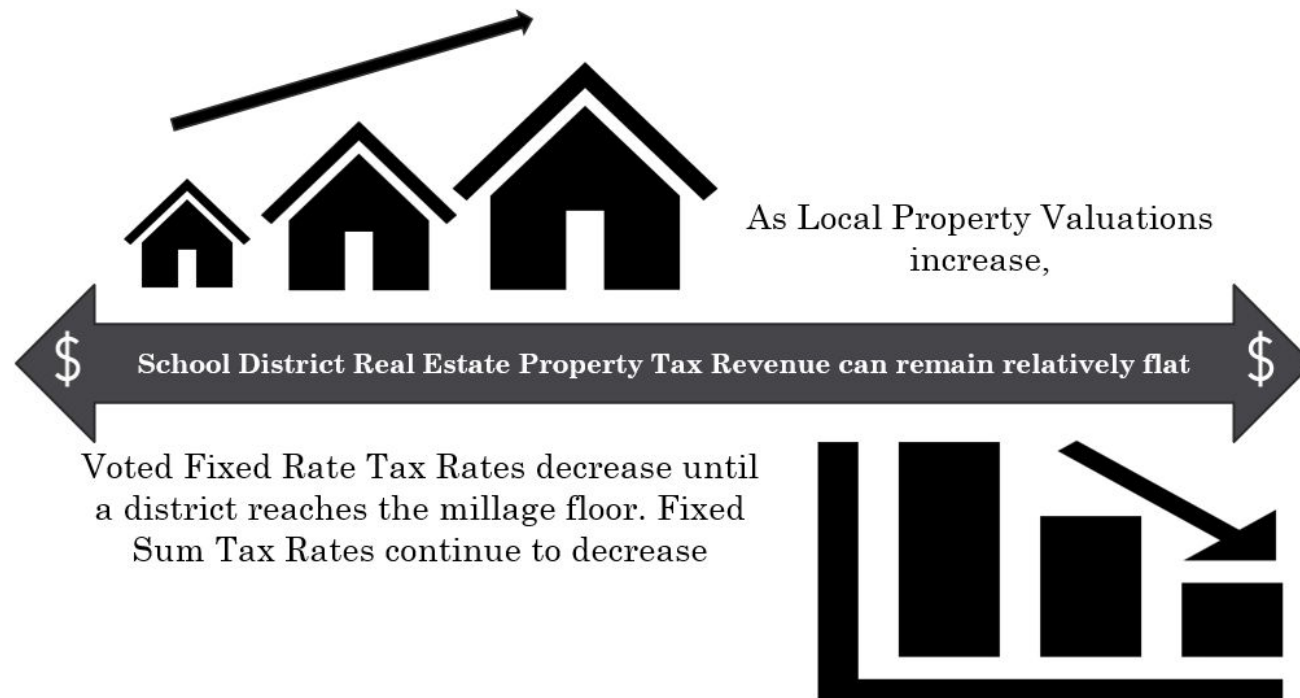
Revenue (continued):

- The last triennial update occurred in tax year 2021. The next triennial update will occur in tax year 2027. The forecast assumes a 10% valuation increase in residential property and a 2% increase in commercial property for the tax year 2027 triennial update, which is based on historical averages of the previous triennial updates.
- During Collection Year 2023 Public Utility values increased by 6.39%. During Collection year 2024 Public Utility values increased by 1.14%. During Collection year 2025 Public Utility values increased by 11.23%. The forecast assumes an annual increase of 6.04% in public utility property valuation which is the historical average from tax years 2014-2024 for tax years 2025 and 2026. Due to legislative changes, the growth of Public Utility values has been capped. The forecast assumes an annual increase of 1.51% in public utility property valuation in taxes years 2027-2029.

Major Assumptions - Continued

Property Values vs. Tax Rates

How do increasing home values impact tax rates?

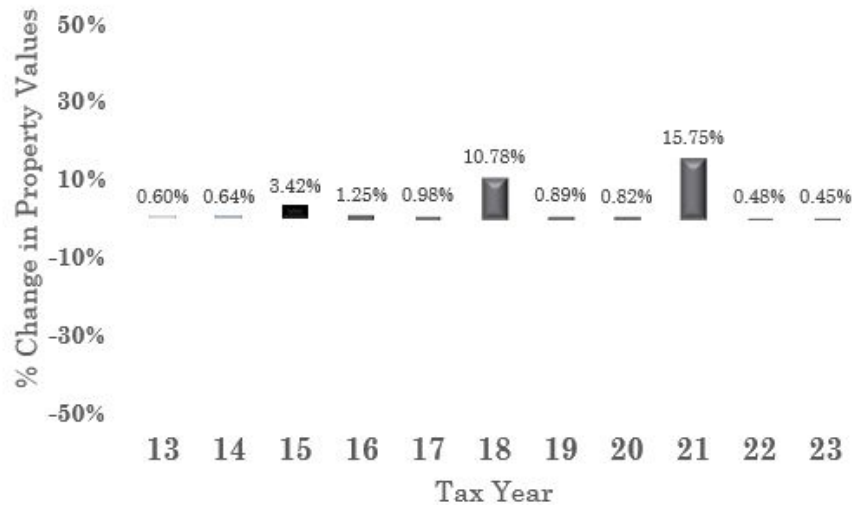


County Reappraisal

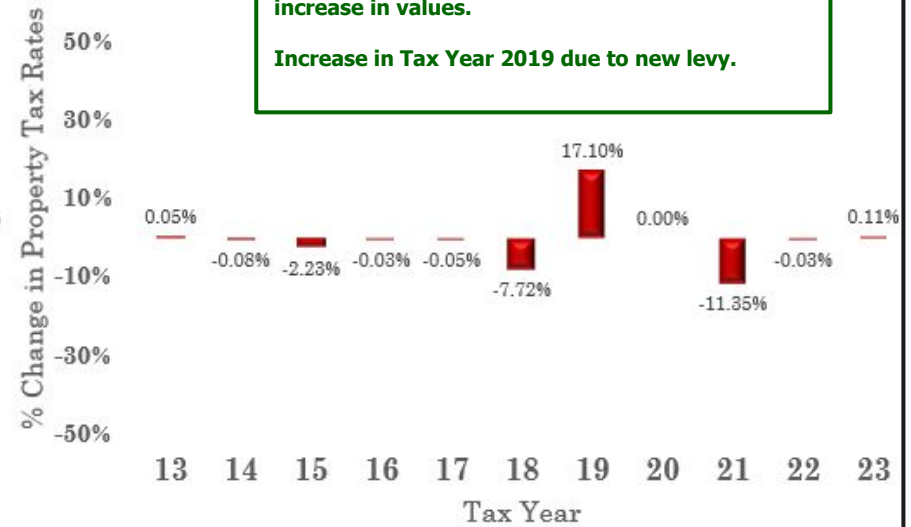
Historical District Values vs. Tax Rates

Class I (Residential + Agriculture)

Year-Over-Year Change in Class I Property Values



Year-Over-Year Change in Property Tax Rates



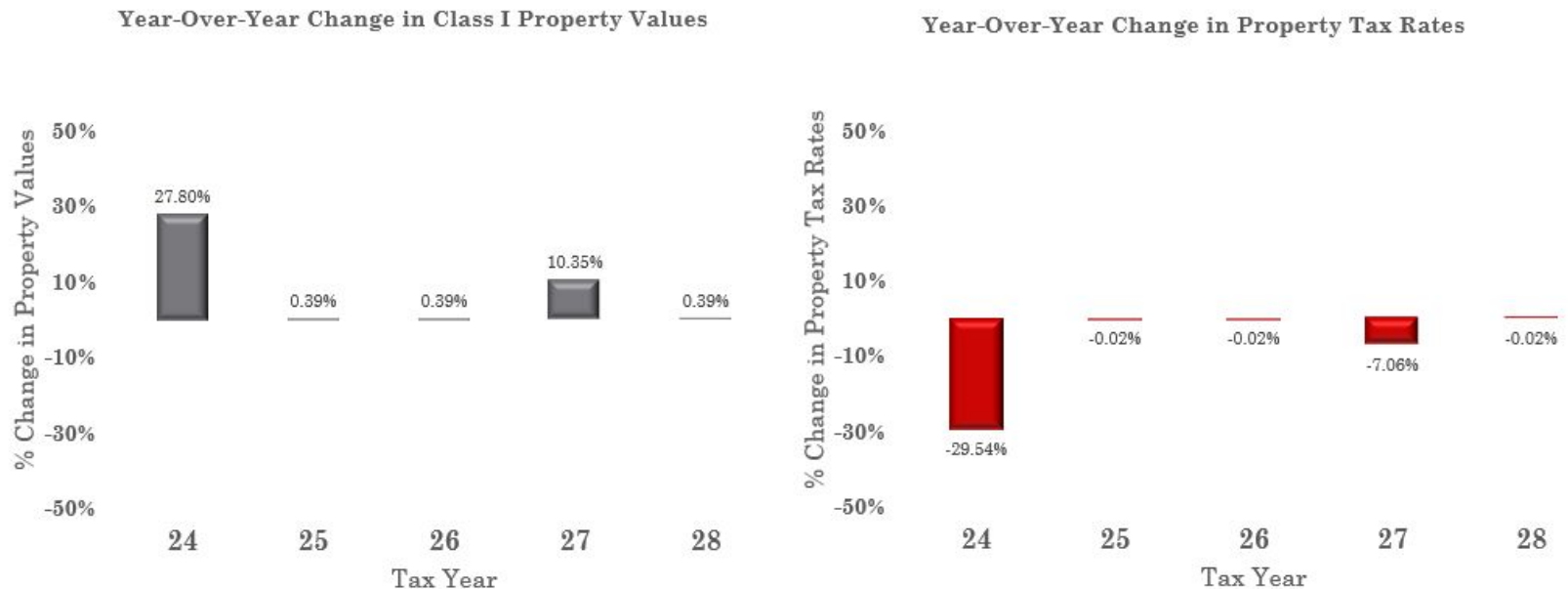
Decreases in Tax Years: 2015, 2018, 2021 due to increase in values.

Increase in Tax Year 2019 due to new levy.

Tax rates are set each year by the Ohio Department of Taxation. Rates can change based upon valuation change, additional levies, non-renewal of levies, etc. The charts above show the YOY % change in Class I property values and the resulting tax rates (effective) for Class I.

County Reappraisal

Projected District Values vs. Tax Rates *Class I (Residential + Agriculture)*



Tax rates are set each year by the Ohio Department of Taxation. Rates can change based upon valuation change, additional levies, non-renewal of levies, etc. The charts above show the YOY % change in Class I property values and the resulting tax rates (effective) for Class I.

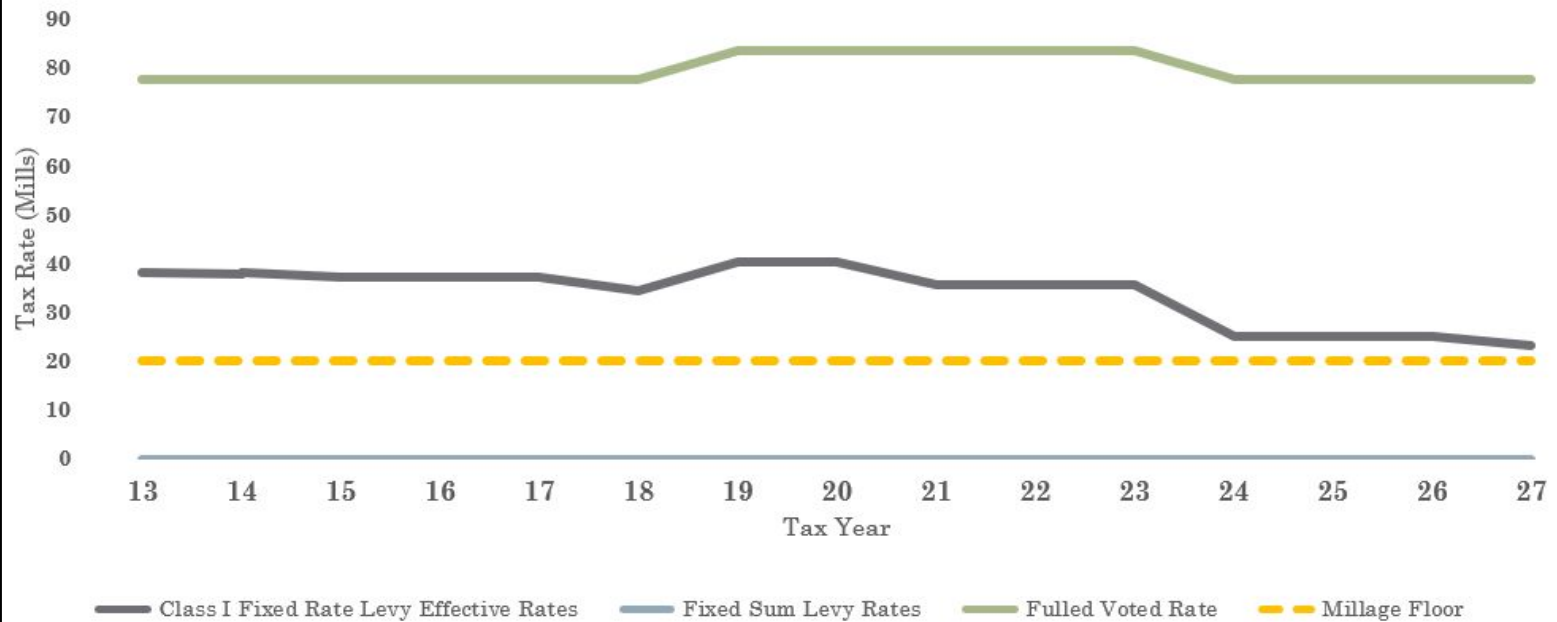
Tax Year 2024 was the sexennial update for Cuyahoga County. The update resulted in a 27.80% increase in valuation which, along with the levy non-renewal, resulted in a 29.54% decrease in tax effective rate.

Tax Year 2027 was a triennial update year for Cuyahoga County. The forecast assumed a 10.69% increase in valuation which was offset by a 7.05% decrease in tax effective rate.

County Reappraisal

District's Property Tax Rates

Year-Over-Year Change in School District General Fund Property Tax Rates



Effective rate:

- TY24 - 25.10 mills
- TY27 - 23.32 mills

Major Assumptions - Continued

Revenue (continued):

- The forecast assumes that in collection year 2022, commercial property decreased in assessed valuation by \$42,653,310 due to the sale of South Park Mall. During April of 2021, the mall was valued by the county at \$181,866,600 and sold for \$57,720,150. Prior to the sale, South Park Mall filed a complaint with the Board of Revisions requesting a value of \$60,000,000. A decrease of \$121,866,600 or \$42,653,310 of assessed valuation (assessed valuation = 35% of value). The decrease in assessed valuation is offset by the 5% increase of commercial values in the 2021 triennial update.
- Additionally, the forecast experienced a tax refund of \$2,509,277 in FY 2022 with the majority attributed to South Park Mall for tax years 2018, 2019, 2020.
- In May 2019 residents approved a 5 year 5.9 mill levy with collection beginning January 2020. The forecast assumes the levy **has expired** tax year December 31, 2023. Collections will continue through December 31, 2024. The renewal of the levy has been rejected by the community in November 2023 and March of 2024. The Board of Education voted to place a 4.9 mill continuous levy on the November 2024 ballot in its place which was also rejected by the community. The levy is officially expired, which represents \$9.9 million dollars.
- In November 2021 residents renewed a 5 year 6 mill levy with collection beginning January 2023. The forecast assumes the levy will expire tax year December 31, 2026. Collections will continue through December 31, 2027.

Major Assumptions - Continued

Revenue (continued):

- State Funding - Beginning with FY 2022, state funding is calculated based on the fair funding formula that was approved in the FY 2022-2023 biennium state budget under House Bill 110.

Compared to FY 2021, State Funding may appear to have decreased in the forecast, however, under the fair funding formula pass through funds such as community school funding, private school scholarships, and open enrollment funds will be sent direct to the appropriate school rather than be included in the Districts revenue. Additionally, the appropriate expenditures are also decreasing in the Districts forecast/budget under purchase services. The District expects a combined net impact of \$1,124,303 in FY 2022. As information changes the estimates will be updated. The District is considered a guarantee district in FY 2022 and beyond.

Beginning with FY 2024, the FY 2024-2025 biennium state budget was approved, which continued the implementation of the fair funding formula. The District expects to see increases in state funding of \$248,000 in FY 2024 and \$316,000 in FY 2025 for a cumulative increase of \$564,000. The District is still considered a guarantee District in FY 2024 and beyond.

Major Assumptions - Continued

Revenue (continued):

Beginning with FY 2026, the FY 2026-2027 biennium state budget was approved, which continued the implementation of the fair funding plan phase-in with guarantees, ensuring no district receives less state aid than it received in FY 21.

The District expects to see increases in state funding of \$45,107 in FY 2025 and \$284,679 in FY 2025 for a cumulative increase of \$329,786. The District is still considered a guarantee District in FY 2026 and beyond.

Additional changes include:

- Provides a performance supplement in FY 26 and FY 27 to districts that received any of the following on the state report card for the 2023-2024 school year: (a) an overall performance rating of four or more stars, (b) a performance rating of three or more stars on the Progress component, or (c) a higher performance rating on the Progress component than the district received for that component on its 2022-2023 report card. Calculates the payment as equal to a district's current year enrollment times \$26 times the greater of the number of stars the district received for its overall performance rating or its Progress component rating on the state report card for the 2023-2024 school year.

Major Assumptions - Continued

Revenue (continued):

- Restricted aid is the portion of State funding that must be classified as restricted use. Restricted funds represents 0.63% of total revenue. Beginning with FY 2022 the district's Success & Wellness funding is considered restricted, the State's share of this funding that is recorded as restricted is \$216,491. This funding has implications on general fund expenditures in 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.

Below is a summary of the restricted aid by fiscal year and category:

Restricted State Funding	FY2025 Actual	FY2026	FY2027	FY2028	FY2029	FY2030
Success and Wellness	\$230,443	\$216,491	\$203,239	\$203,854	\$204,468	\$205,083
Career Tech, ELL	\$44,895	\$52,250	\$59,790	\$59,971	\$60,152	\$60,333
Disadvantaged Pupil Impact Aid (DPIA)	\$77,557	\$91,061	\$100,200	\$99,597	\$98,999	\$98,406
Gifted	\$147,143	\$116,291	\$87,540	\$87,800	\$88,029	\$88,308
Other (Science of Reading Reimbursement)	\$278,001	\$49,413	\$0	\$0	\$0	\$0
Total Restricted State Funding	\$778,039	\$525,506	\$450,769	\$451,222	\$451,648	\$452,130

Major Assumptions - Continued

Revenue (continued):

- Changes in Revenue between the May 2025 Forecast compared to the September 2025 Forecast:

State Line Item No	State Line Item No and Description	Amount			
		2026	2027	2028	2029
Total		\$-1,684,784	\$-110,444	\$-111,829	\$-223,949
Property Taxes		\$-1,742,058	\$-493,989	\$-626,422	\$-876,598
	1.010 General Property Tax (Real Estate)	\$-1,509,121	\$-368,175	\$-308,403	\$-243,846
	1.020 Tangible Personal Property Tax	\$-201,772	\$-104,950	\$-220,909	\$-449,396
	1.050 State Share of Local Property Taxes	\$-31,165	\$-20,864	\$-71,345	\$-122,018
	11.020 Property Tax - Renewal or Replacement	\$0	\$0	\$-25,765	\$-61,338
Income Taxes		\$0	\$0	\$0	\$0
	11.010 Income Tax - Renewal	\$0	\$0	\$0	\$0
State Aid		\$45,107	\$284,679	\$415,727	\$553,783
	1.035 Unrestricted State Grants-in-Aid	\$5,541	\$288,455	\$414,534	\$549,067
	1.040 Restricted State Grants-in-Aid	\$39,566	\$-3,776	\$1,193	\$4,716
All Other Revenue		\$12,167	\$98,866	\$98,866	\$98,866
	1.060 All Other Revenues	\$-43,310	\$99,700	\$99,700	\$99,700
	2.050 Advances-In	\$7,279	\$0	\$0	\$0
	2.060 All Other Financing Sources	\$48,198	\$-834	\$-834	\$-834
New Levies		\$0	\$0	\$0	\$0
	13.010 Income Tax - New	\$0	\$0	\$0	\$0
	13.020 Property Tax - New	\$0	\$0	\$0	\$0

Measure	2025	2026	2027	2028	2029
Cumulative	\$0	\$-1,684,784	\$-1,795,228	\$-1,907,057	\$-2,131,006

Major Assumptions - Continued

Revenue (continued):

- Changes in Revenue between the May 2025 Forecast compared to the September 2025 Forecast:
 - **Property Taxes / State Share of Local Taxes** - Collections for calendar year 2025 were \$1.7M less than forecasted. The total amount of delinquencies for the calendar year 2025 was \$3,032,384, which is about a 95.2% collection rate for calendar year 2025 (my calculation) in comparison to the 97.30% collection rate from calendar year 2024. For reference, 1% represents \$550,625. The gross collection rate which includes the collection of delinquencies, decreased from 99.88% to 97.08%.
 - **State Aid** - State aid is forecasted based on HB 96. The increase is due to the continued phase in of the formula.
 - **All Other Revenue** -
 - TIF amount estimate for FY 26 is forecasted \$142,720 lower than the previous forecast due to a delinquency. For FY 27, and beyond, TIF revenue is forecasted at the normal levels.
 - Threshold Costs reimbursement from the State estimate has increased by \$100,000 from \$500,000 to \$600,000 based on current reimbursements.
- The collective changes in revenue have an **unfavorable** effect over the life of the forecast of **-\$2,131,006**.

Major Assumptions - Continued

Expenditures:

- Staffing Assumptions (General Fund Only):

	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
General Fund	776	764	764	764	764	764
Prior Year Net Change	+51	-12	0	0	0	0

- Forecast assumes all union agreements are as currently defined.
- In FY 26, the forecast assumes In FY 25, the forecast assumes 764 positions budgeted within the general fund for FY 26, a decrease of 12 positions from FY 25. The decrease was primarily due to a reduction in full-tune substitute positions from 18 to 11 substitutes. During FY 25, 776 positions budgeted within the general fund for FY 25, an increase of 51 positions from FY 24. Of these, 35 were due to positions moving onto the general fund from ESSER funds as those funds expired at the end of FY 2024. The remaining 16 positions were due to increases in teaching and support staff, including an additional guidance counselor at SMS and another at SHS, plus a new Human Resources Coordinator position necessitated by enrollment needs.
- From fiscal year 2020 to fiscal year 2021, health care premiums increased by 3%. For fiscal year 2022, health care premiums increased by 1.37%. For fiscal year 2023, health care premiums increased by 8.70%. For fiscal year 2024, health care premiums increased by 15.00%. For fiscal year 2025, health care premiums increased by 3.00%. **For fiscal year 2026, health care premiums increased by 1.50%.** For fiscal years 2027-2029, the projected annual increase was 6%, which was based on a five-year historical average.

Major Assumptions - Continued

Expenditures (continued):

- Purchase services decreased by \$1,950,730 from FY 2021 to FY 2022. The decrease was due to the implementation of the fair funding formula beginning in FY 2022. The fair funding formula funded only district-educated enrollment, thereby reducing tuition costs for open enrollment out, community schools, and scholarships. During FY 2024, purchase services increased by \$304,112. During FY 2025, purchase services increased by \$749,936. These increases were due to increased costs and placements for special education placements, instructional services costs (secondary Edmentum Online previously funded through ESSER, ELA & Math Diagnostic), lease for mobile units beginning in FY 2025, and increases for utility costs and risk/property insurances. **The increase in FY 2026 of \$1,340,95 was due to a combination of additional special education placements and increases in utility costs and risk/property insurance, as well budget savings during FY 25.** The increases in FY2027 and beyond were projected increases in utility costs and risk/property insurance.
- Materials and Supplies increased by \$266,082, from FY 2025 to FY 2026 which is due to a combination FY 2025 savings or unspent budget. Textbooks is the largest expenditure within the materials and supplies category. The actual annual costs of textbooks vary from year to year based on the textbook adoption for the particular year. During FY 2023, \$250,000 of textbook budget was not used and carried into FY 2024 for a larger textbook adoption. In addition for FY 2024, the District purchased new elementary ELA textbooks (\$1.1 million) to be compliant with recently approved legislation for High Quality Instructional Materials. Overall, Materials and Supplies vary from year to year based on when items are needed. Materials and Supplies make up about 2.86% of the Districts General Fund budget for FY 2026.
- The primary increases in the Capital Outlay category is the purchase of Chromebooks and infrastructure to support the District's 1:1 technology initiative.
- For Additional Assumptions and Details, see the accompanying Five Year Forecast Financial Report.

Major Assumptions - Continued

Expenditures (continued):

- Changes in Expenditures between the May 2025 Forecast compared to the September 2025 Forecast:

State Line Item No and Description	Amount			
	2026	2027	2028	2029
Total	\$1,073,359	\$560,572	\$592,355	\$541,410
3.010 Personal Services	\$700,087	\$446,904	\$522,478	\$573,376
3.020 Employees' Retirement/Insurance Benefits	\$-51,478	\$-285,578	\$-316,956	\$-432,206
3.030 Purchased Services	\$194,152	\$202,896	\$211,983	\$221,989
3.040 Supplies and Materials	\$96,058	\$97,306	\$97,306	\$97,306
3.050 Capital Outlay	\$19,499	\$19,499	\$19,499	\$19,499
4.010 Principal-All (Historical Only)	\$0	\$0	\$0	\$0
4.060 Interest and Fiscal Charges	\$0	\$0	\$0	\$0
4.300 Other Objects	\$65,194	\$60,194	\$55,195	\$55,196
5.010 Operating Transfers-Out	\$49,847	\$19,350	\$2,850	\$6,250
5.020 Advances-Out	\$0	\$0	\$0	\$0

Measure	2025	2026	2027	2028	2029
Cumulative	\$0	\$1,073,359	\$1,633,931	\$2,226,286	\$2,767,697

Major Assumptions - Continued

Expenditures (continued):

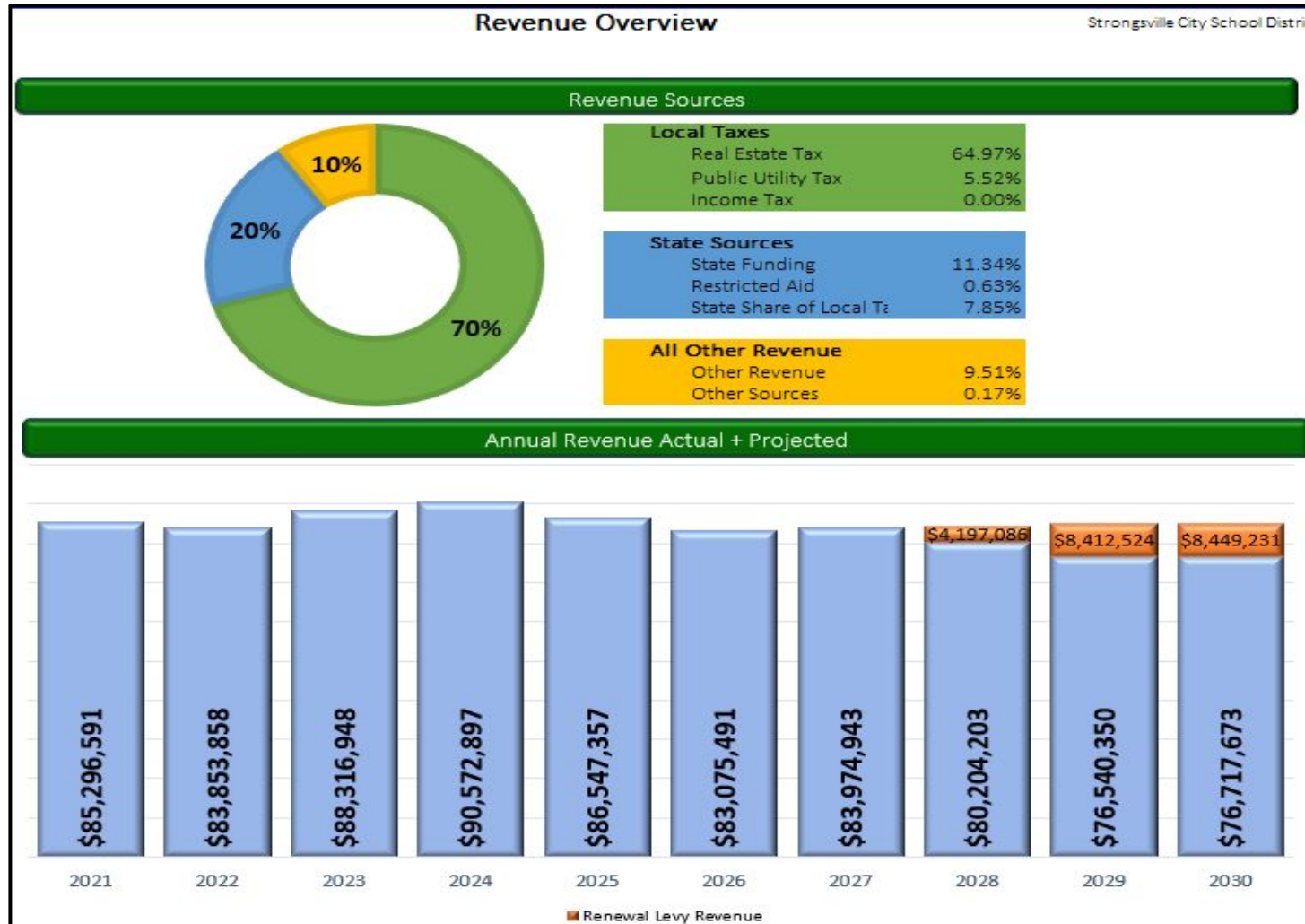
- Changes in Expenditures between the May 2025 Forecast compared to the November 2025 Forecast:
 - **Salaries** - Salaries increased by \$700,087 in FY 2026 and on average \$514,000 in FY 2027-2029. Which is primarily due to the implementation of the OAPSE contract that was ratified on June 30, 2025.
 - **Benefits** - Salaries decreased by \$51,478 in FY 2026 and on average \$345,000 in FY 2027-2029. Which is primarily due to the implementation of the OAPSE contract that was ratified on June 30, 2025.
 - **Purchase Services** & - Purchase Service increase in FY 2026 & beyond is due to a combination of additional special education placements and increases in utility costs and risk/property insurance.
 - **Materials and Supplies,** - Materials and Supplies increased by \$96,058 due to due increased needs within buildings and grounds budget centers
 - **Other Objects** - The increase in FY 2026 is due increase in County Auditor fees based on the original estimate.
- The collective changes in expenditures have a **unfavorable** effect over the life of the forecast of **\$2,767,697**.

Strongsville City Schools

- General Fund Revenues

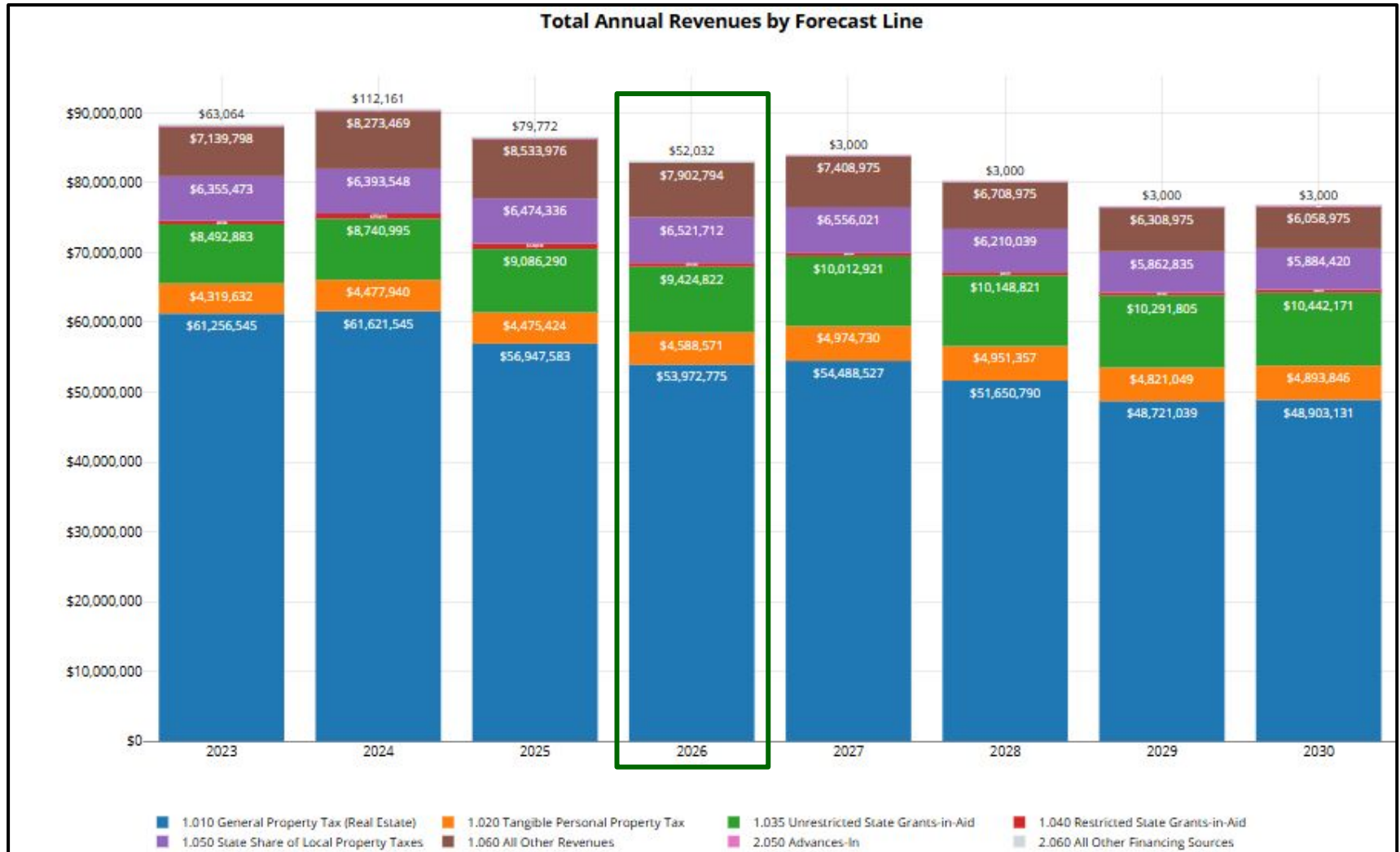
Strongsville City Schools

FY 2025-2026



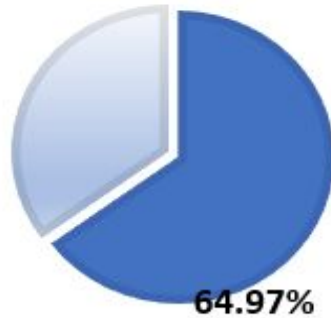
Strongsville City Schools

FY 2025-2026 Revenues (without renewals)

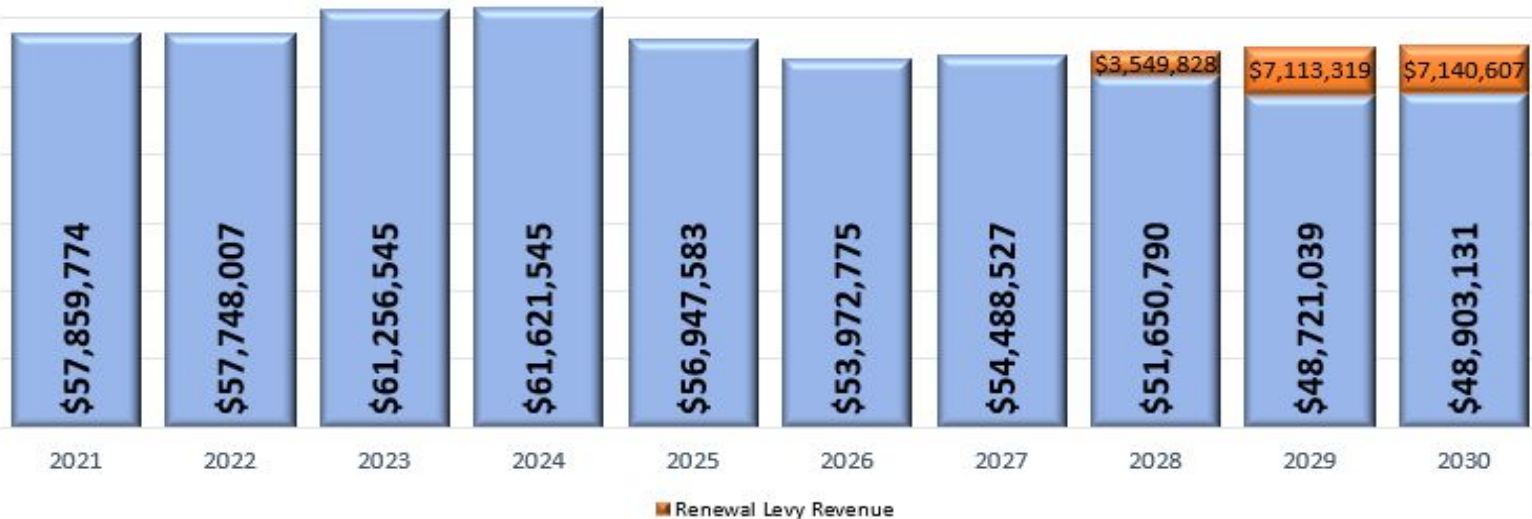


Strongsville City Schools

Local Taxes - Residential and Commercial



Real estate property tax revenue accounts for 64.97% of total district general fund revenue.



Strongsville City Schools

Local Taxes - Public Utility



Public Utility Personal Property tax revenue accounts for 5.52% of total district general fund revenue.

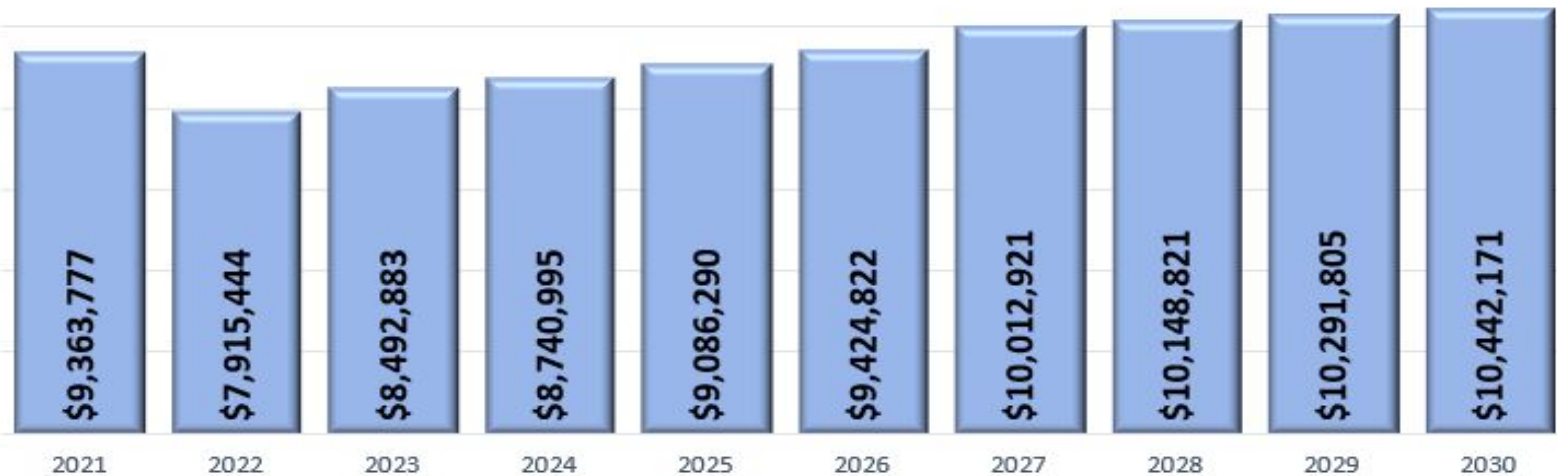


Strongsville City Schools

State Foundation - Unrestricted

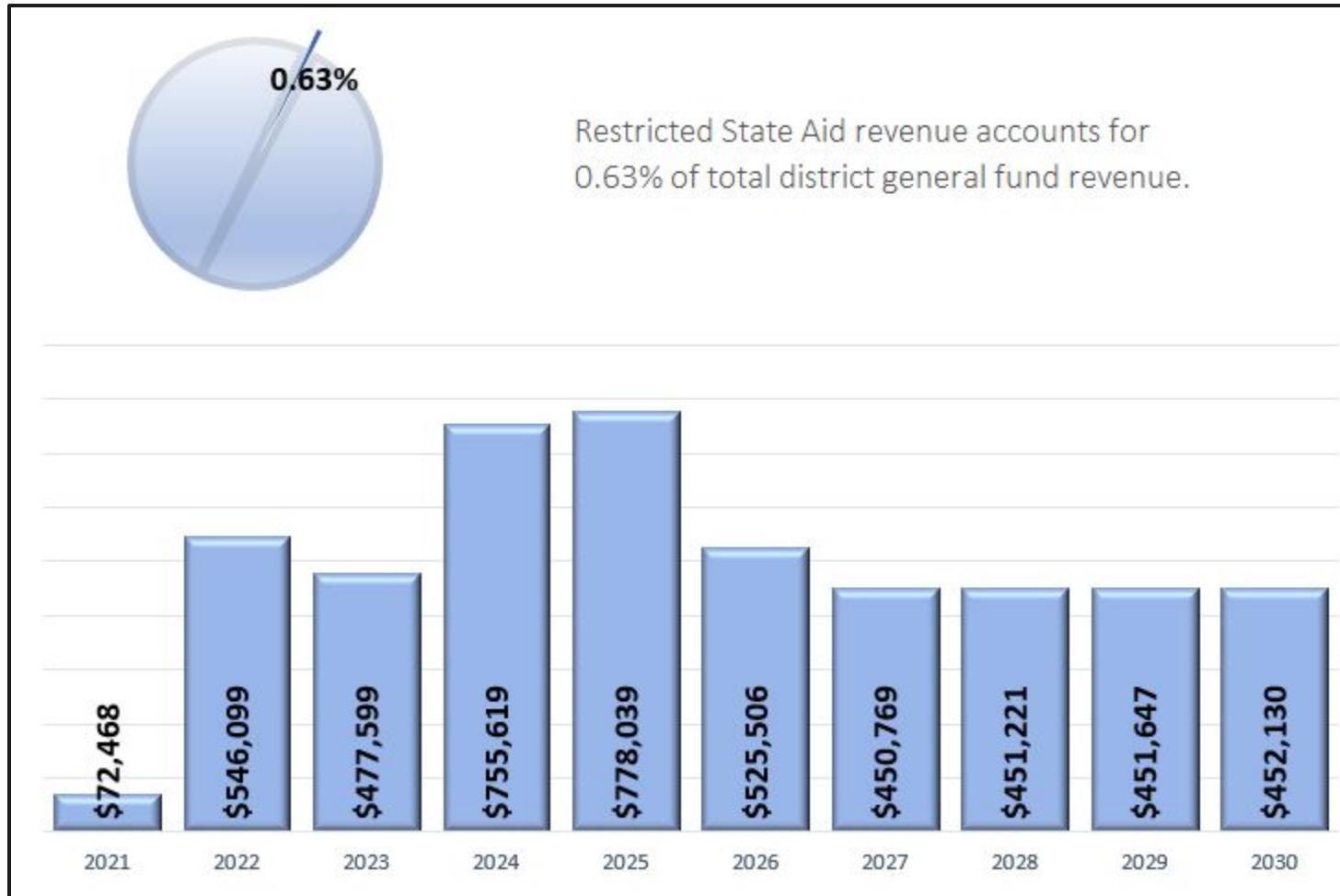


Unrestricted State Aid revenue accounts for 11.34% of total district general fund revenue.



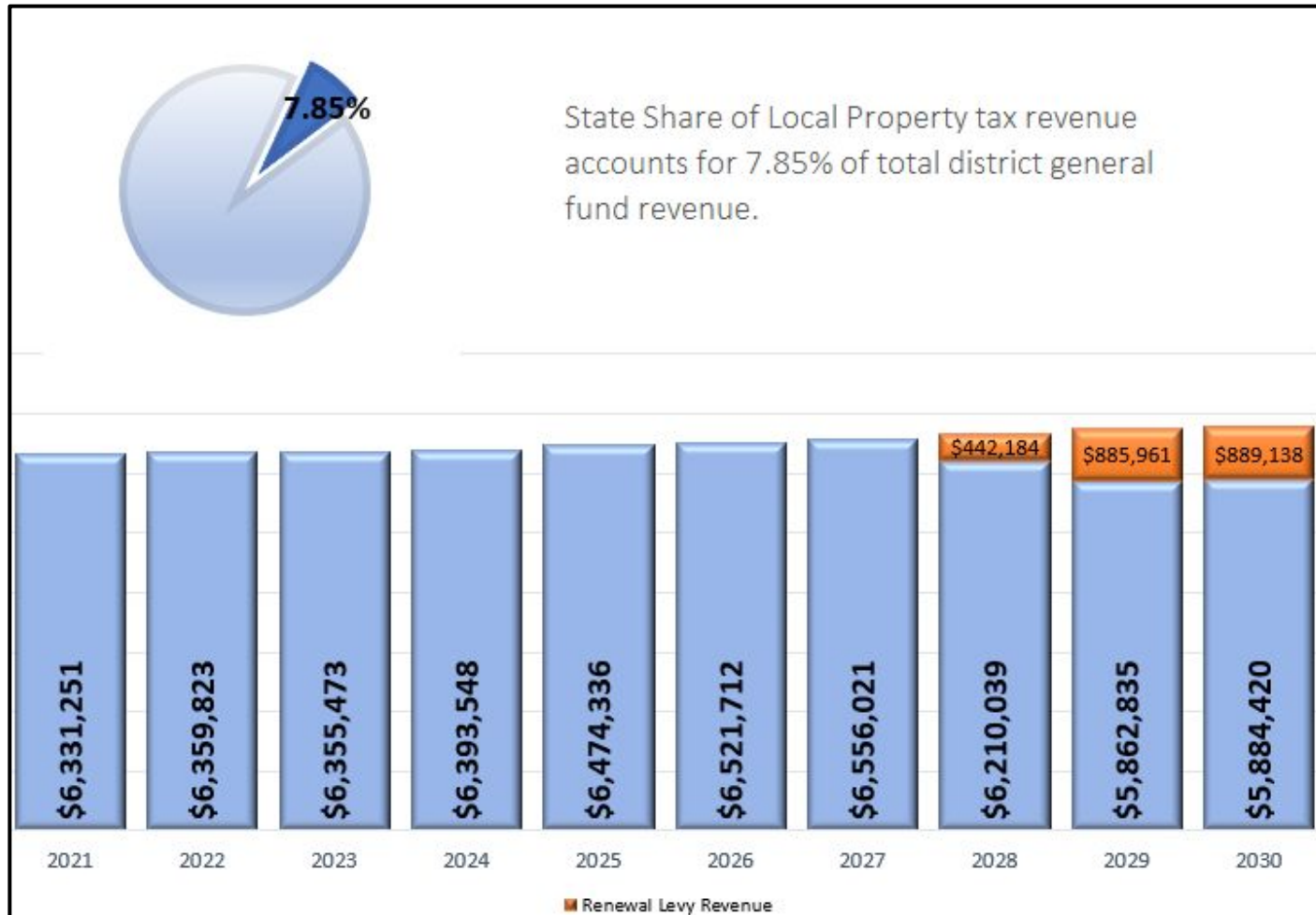
Strongsville City Schools

State Foundation - Restricted



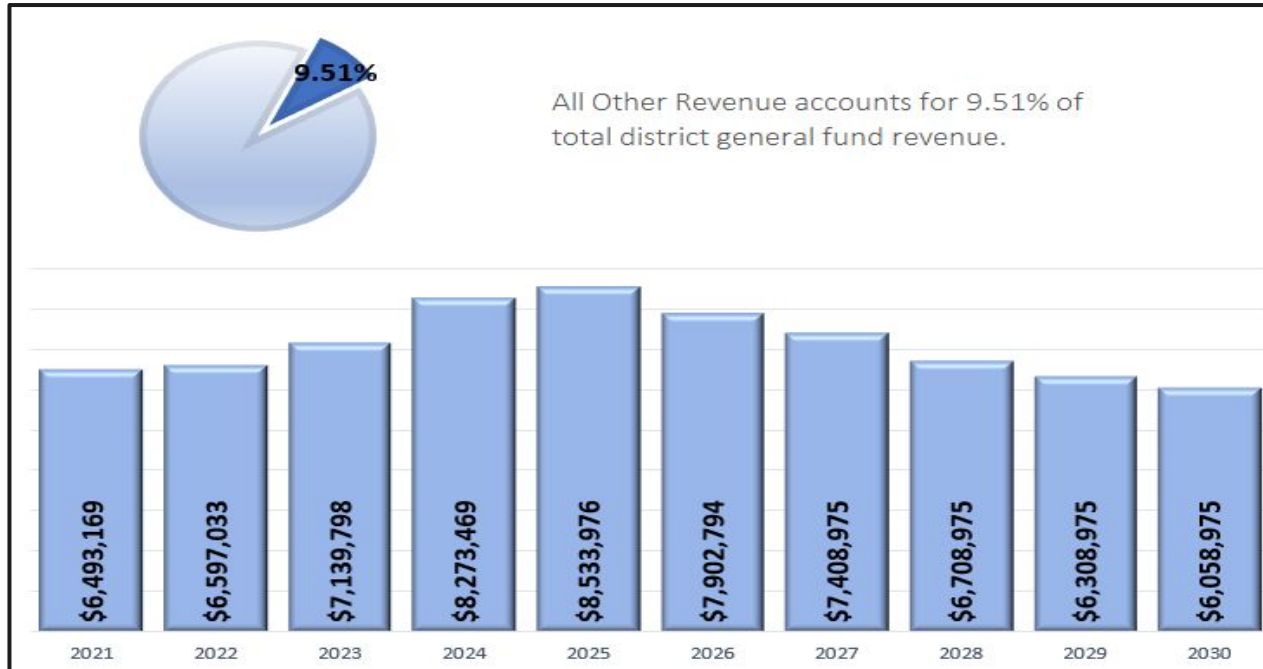
Strongsville City Schools

State Share of Local Property Taxes



Strongsville City Schools

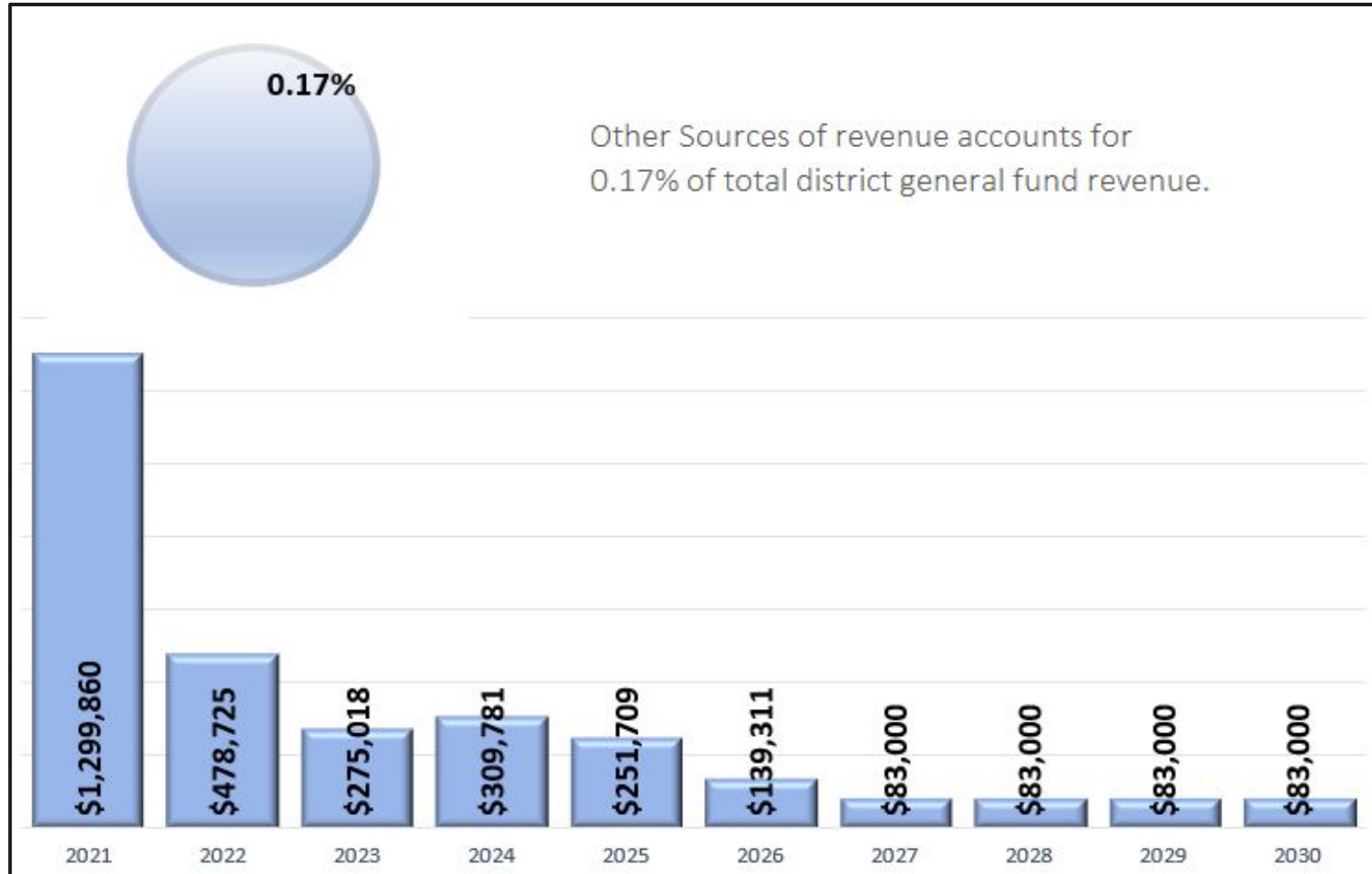
Other Revenue



Other Revenue Sources	FY2025 Actual	FY2026	FY2027	FY2028	FY2029	FY2030
Preschool Tuition	\$141,045	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000
Full Day Kindergarten Tuition	\$551,888	\$550,000	\$550,000	\$550,000	\$550,000	\$550,000
Tuition From Other Districts	\$383,514	\$366,861	\$366,861	\$366,861	\$366,861	\$366,861
Interest income	\$2,388,503	\$2,200,000	\$1,600,000	\$900,000	\$500,000	\$250,000
Sports Pay to Play & Trainer	\$240,922	\$240,000	\$240,000	\$240,000	\$240,000	\$240,000
Special Ed Catastrophic Aid	\$685,730	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000
Medicaid Reimbursement	\$399,427	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
Revenue in Lieu of Taxes/TIF's	\$3,436,782	\$3,236,021	\$3,342,202	\$3,342,202	\$3,342,202	\$3,342,202

Strongsville City Schools

Other Financing Sources

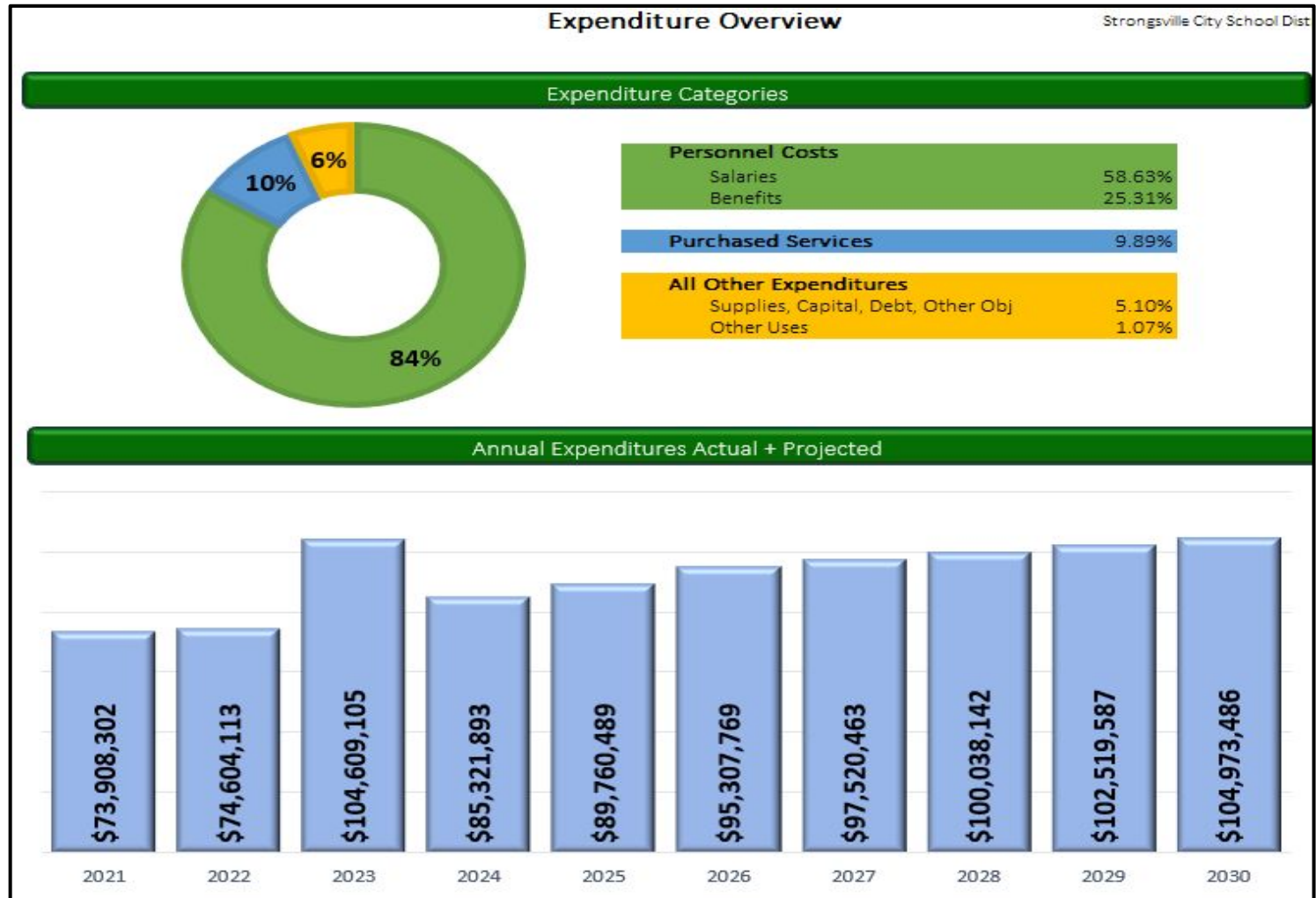


Strongsville City Schools

- General Fund Expenditures

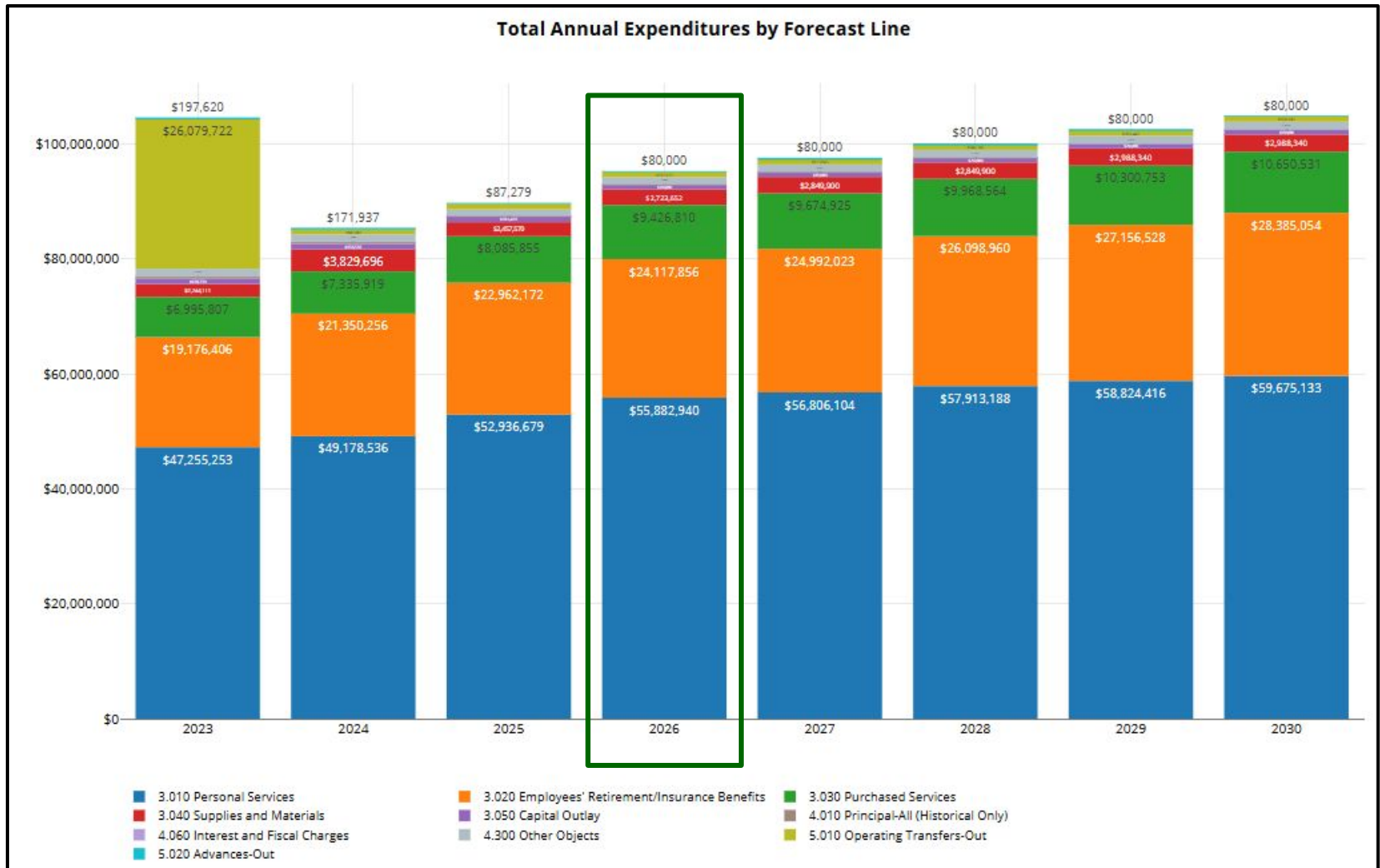
Strongsville City Schools

FY 2025-2026



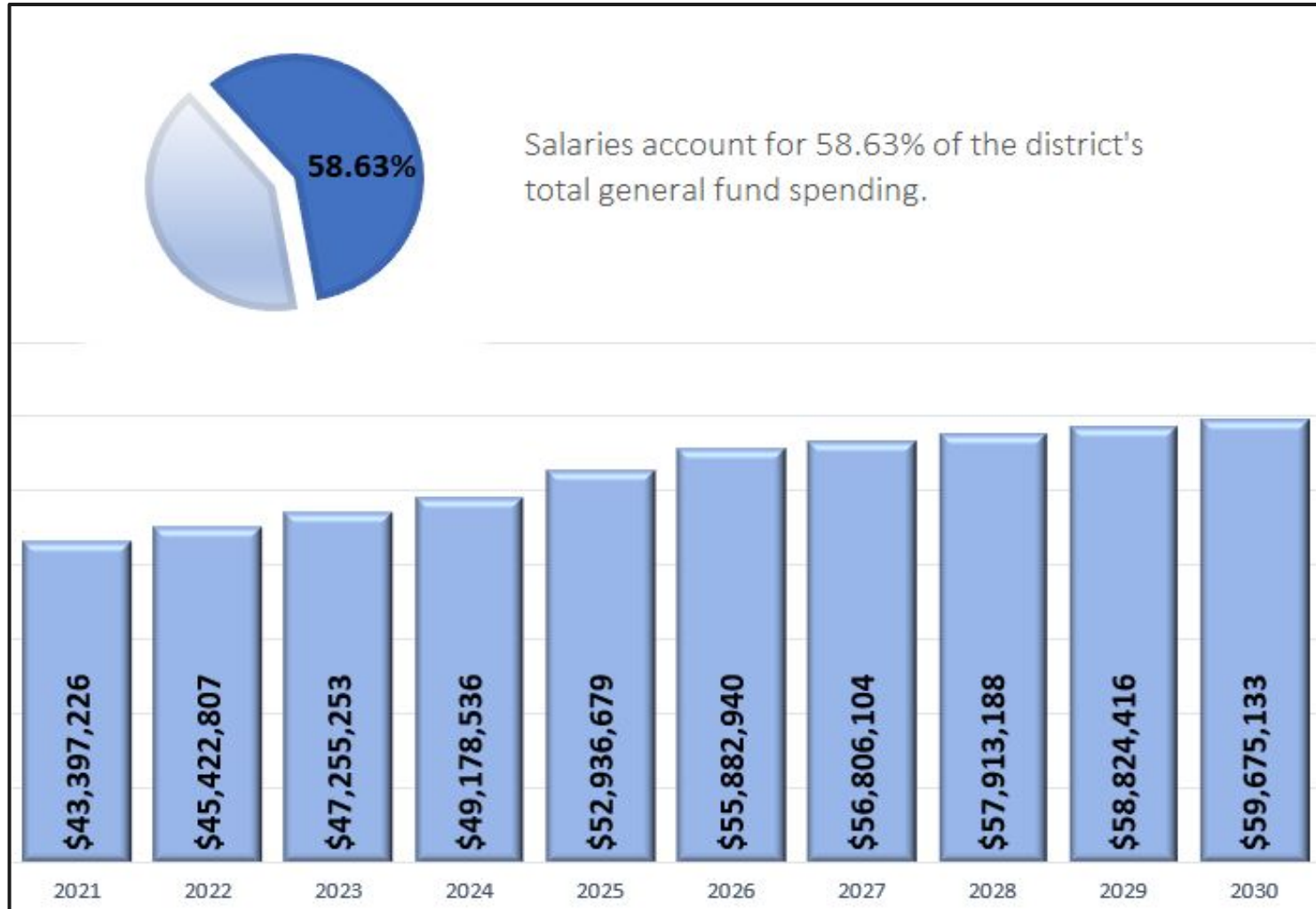
Strongsville City Schools

FY 2025-2026 Expenditures



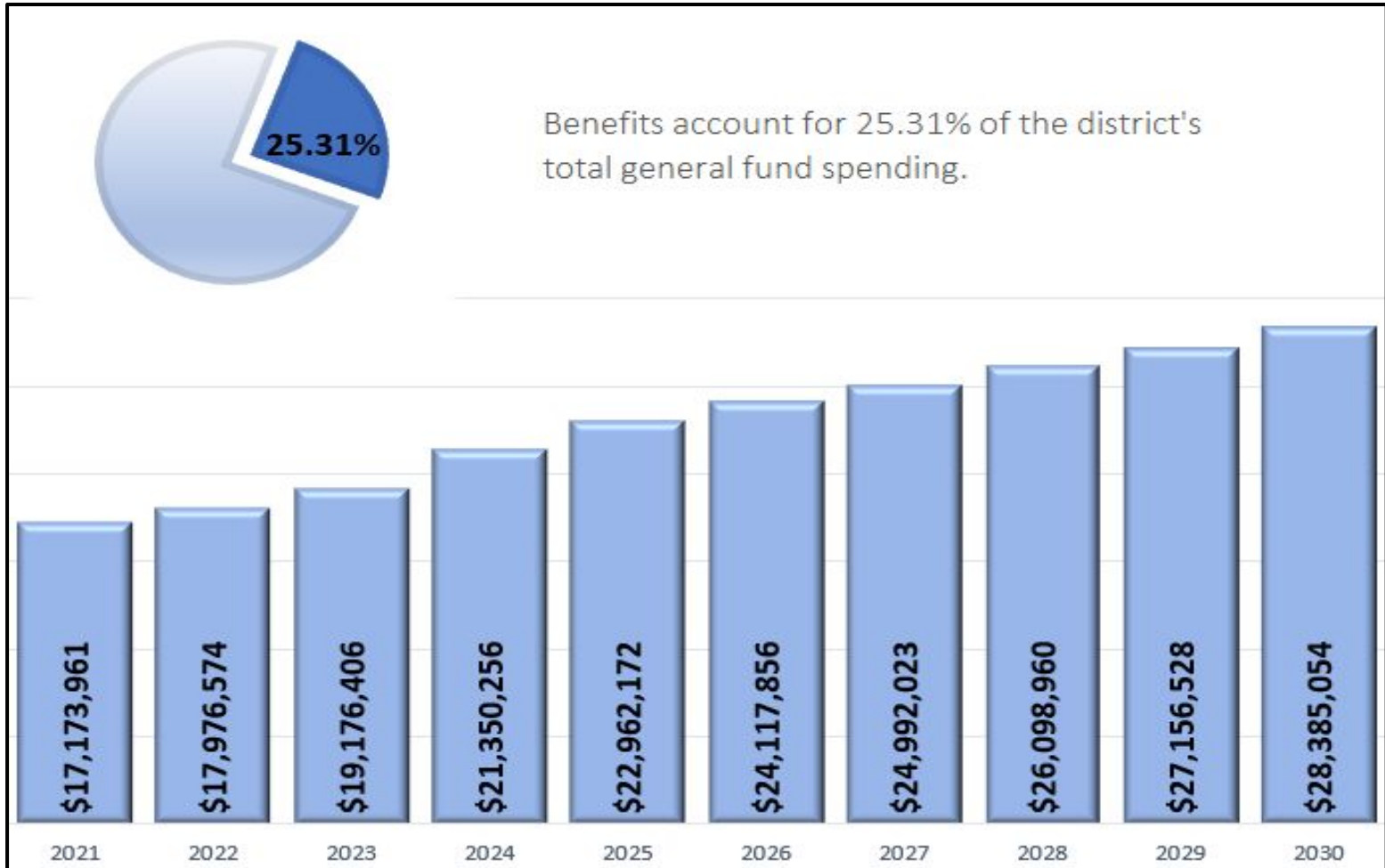
Strongsville City Schools

Salaries



Strongsville City Schools

Benefits

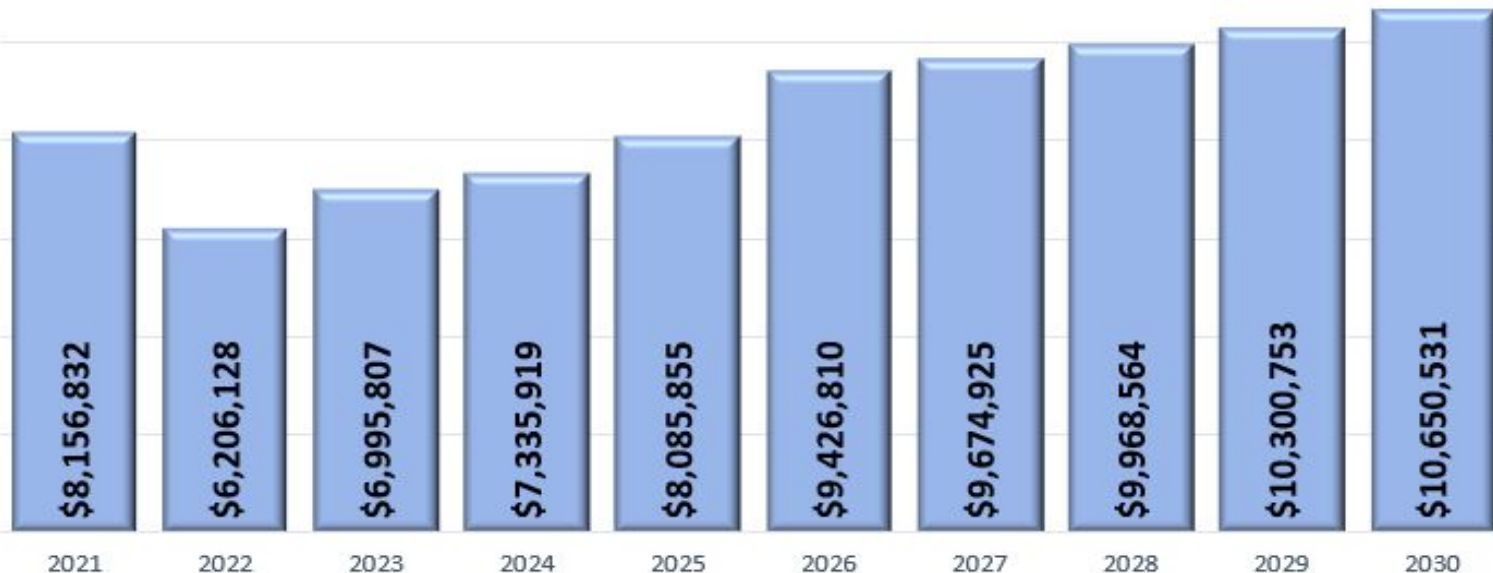


Strongsville City Schools

Purchased Services

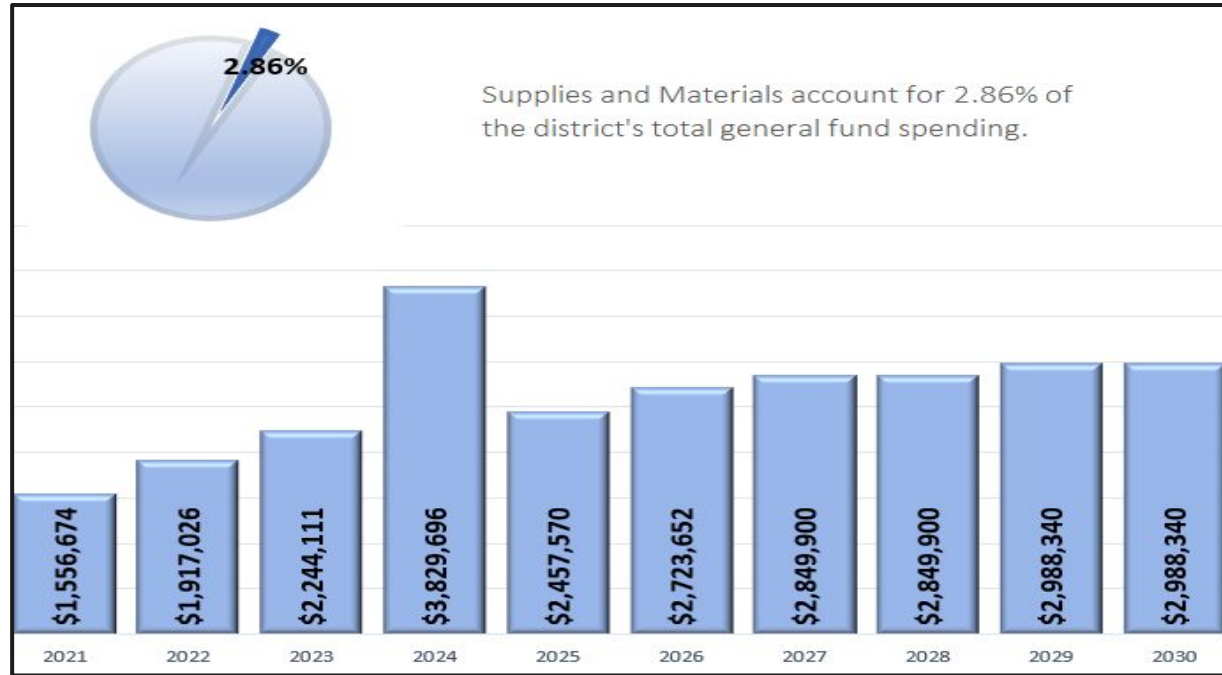


Purchased Services account for 9.89% of the district's total general fund spending.



Strongsville City Schools

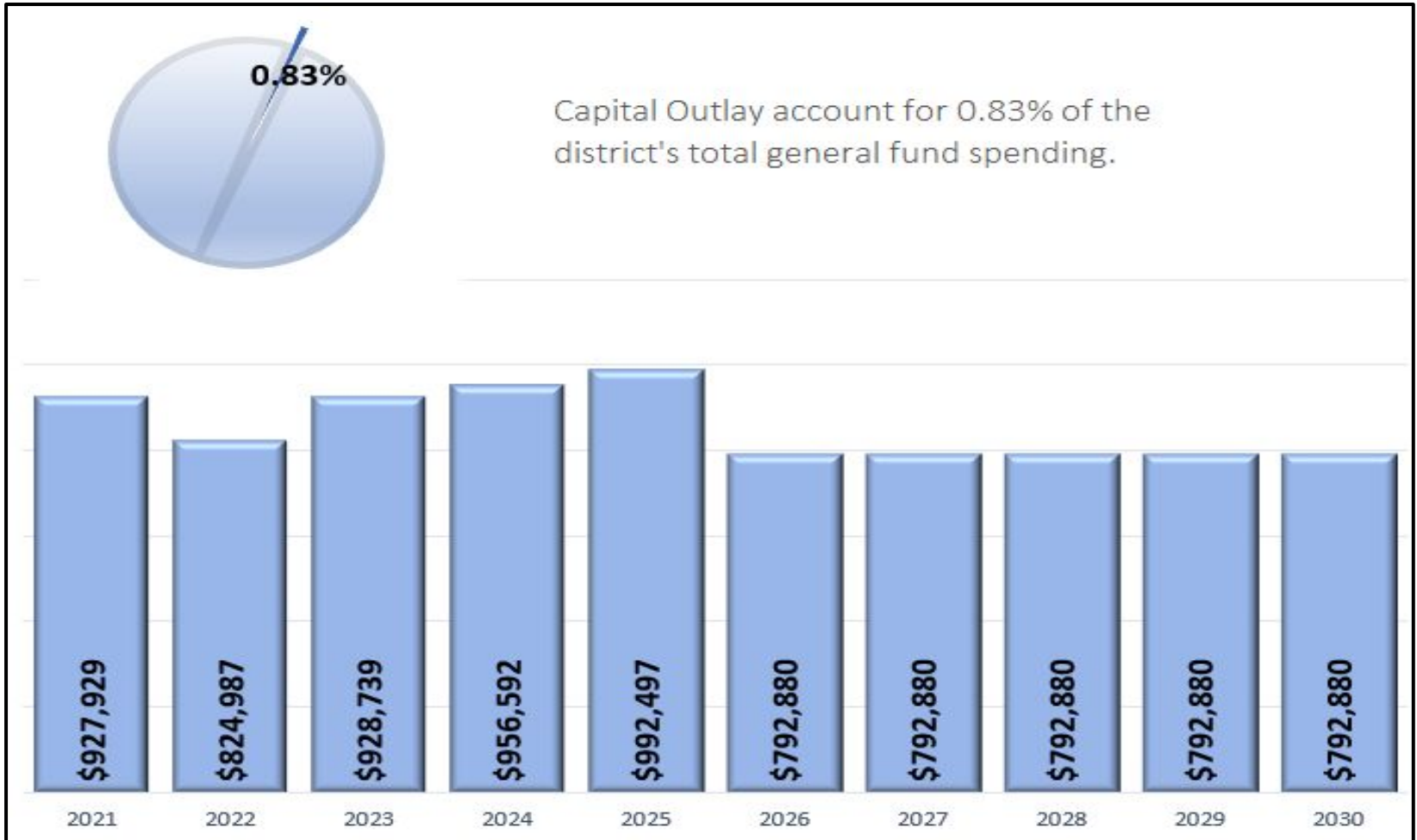
Supplies and Materials



Materials and Supplies	FY2025 Actual	FY2026	FY2027	FY2028	FY2029	FY2030
Instructional Supplies (511, 519)	\$313,416	\$422,182	\$422,182	\$422,182	\$422,182	\$422,182
Office Supplies	\$35,256	\$79,900	\$79,900	\$79,900	\$79,900	\$79,900
Textbooks	\$601,087	\$467,060	\$592,060	\$592,060	\$730,500	\$730,500
Software	\$395,377	\$368,728	\$369,976	\$369,976	\$369,976	\$369,976
Fuel	\$245,089	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000
Building and Cleaning Supplies	\$334,290	\$382,501	\$382,501	\$382,501	\$382,501	\$382,501

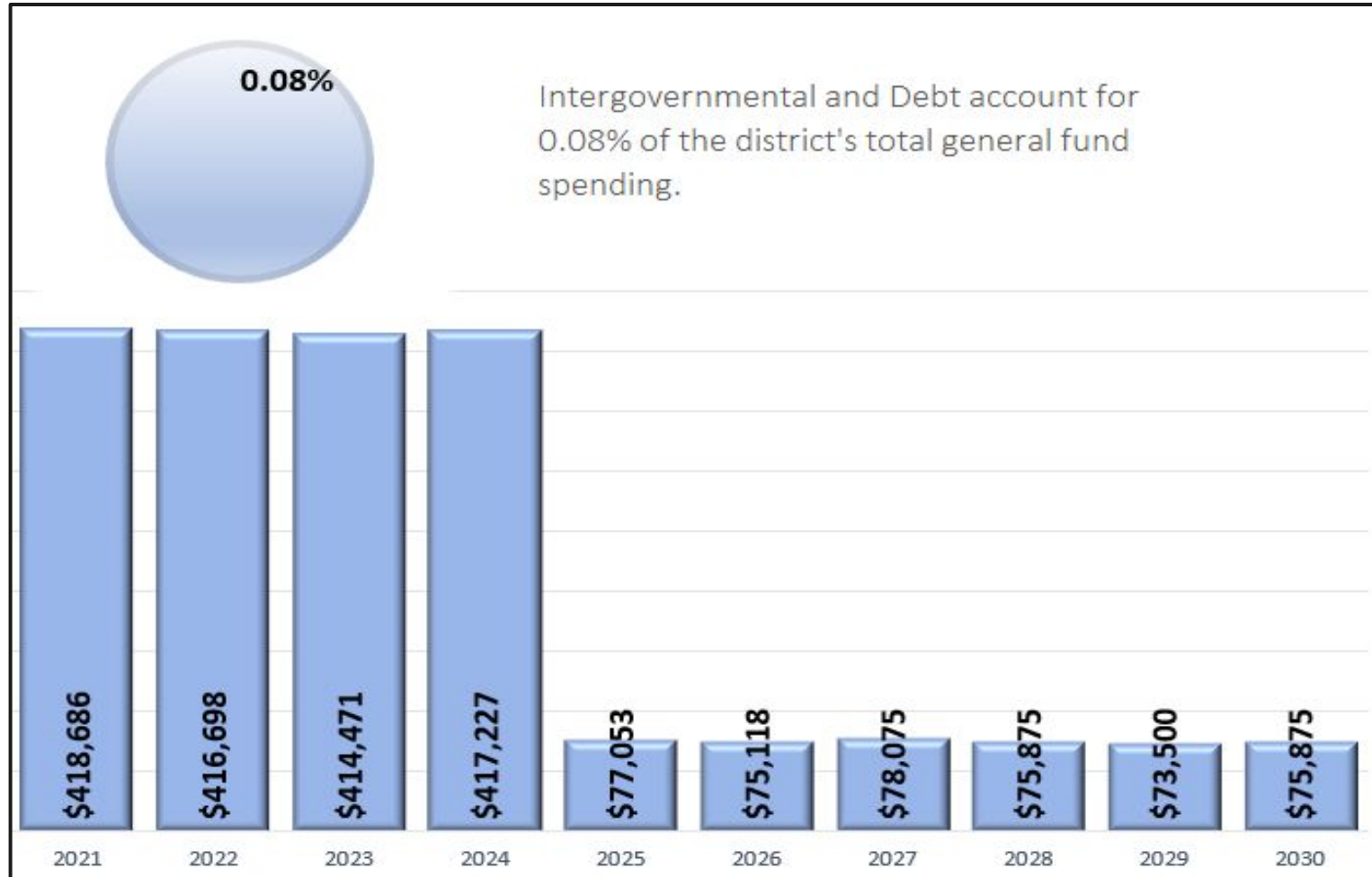
Strongsville City Schools

Capital Outlay



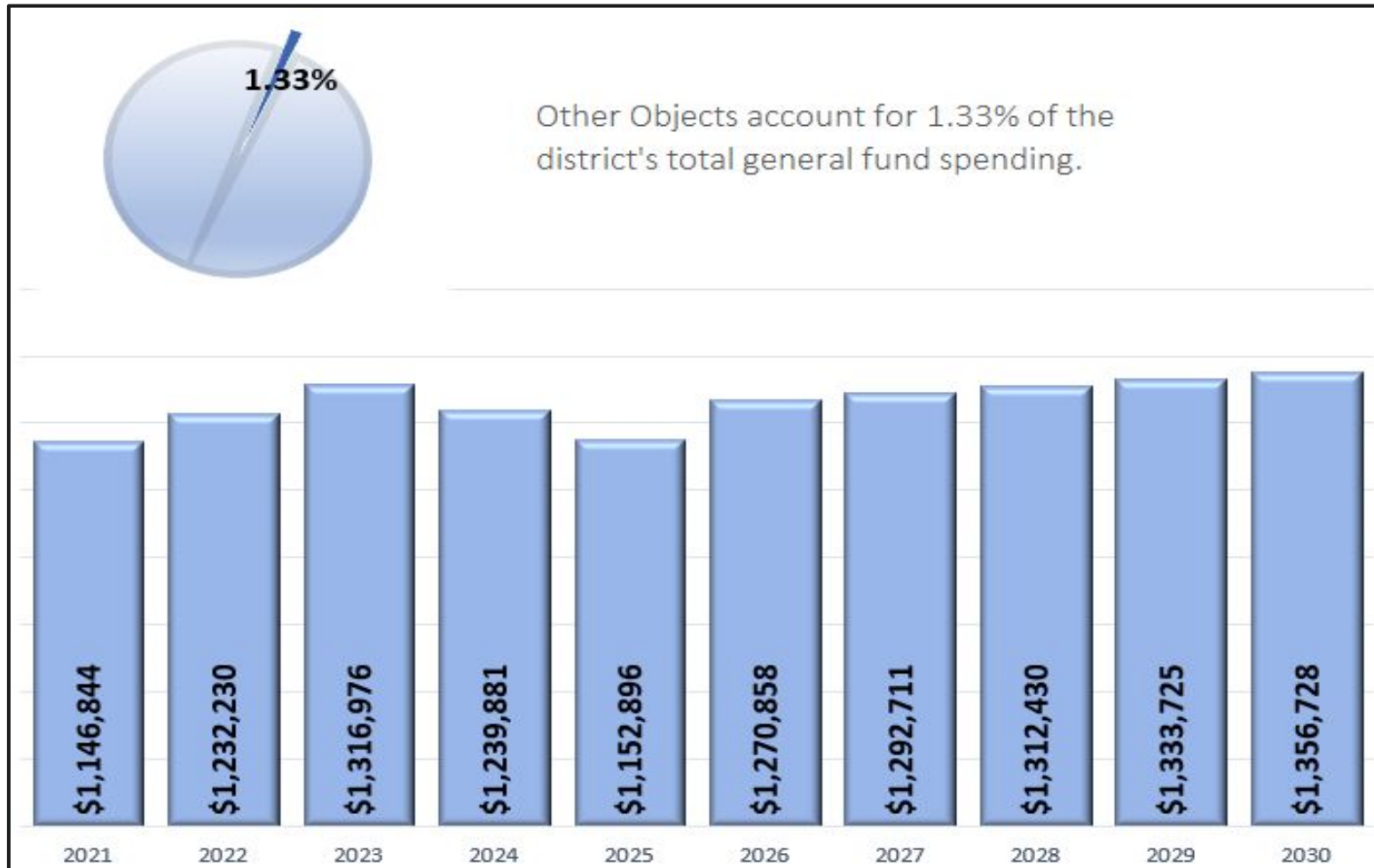
Strongsville City Schools

General Fund Debt



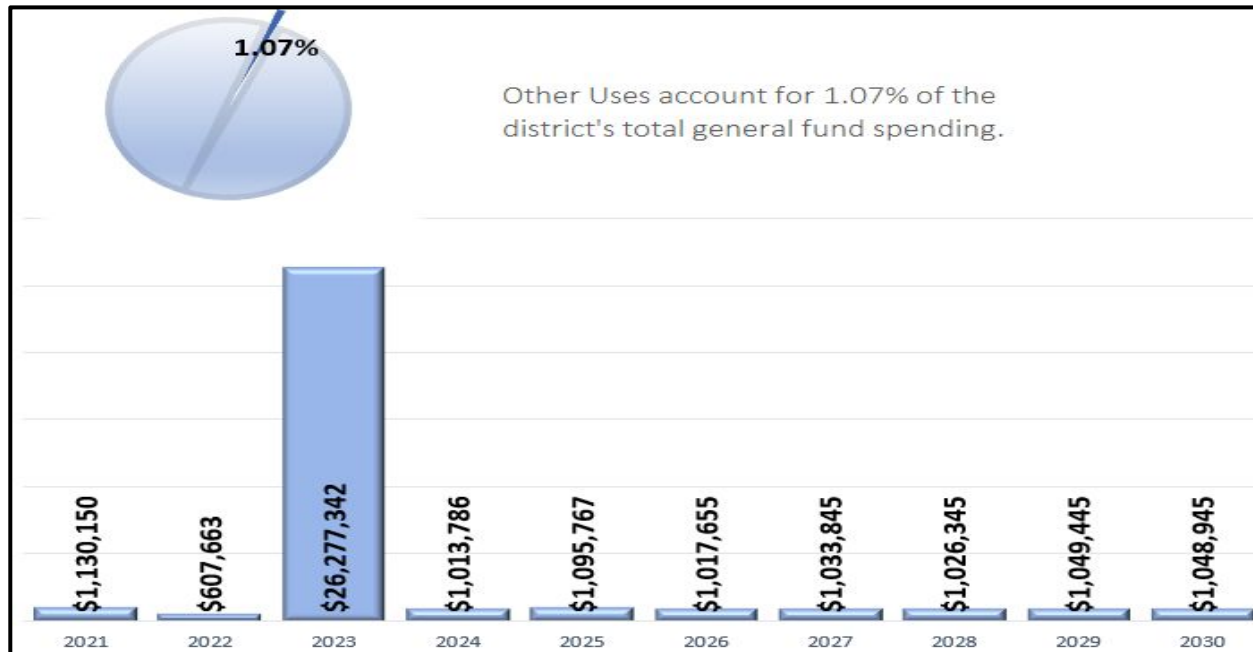
Strongsville City Schools

Other Objects



Strongsville City Schools

Other Financing Sources (transfers & advances out to other funds)



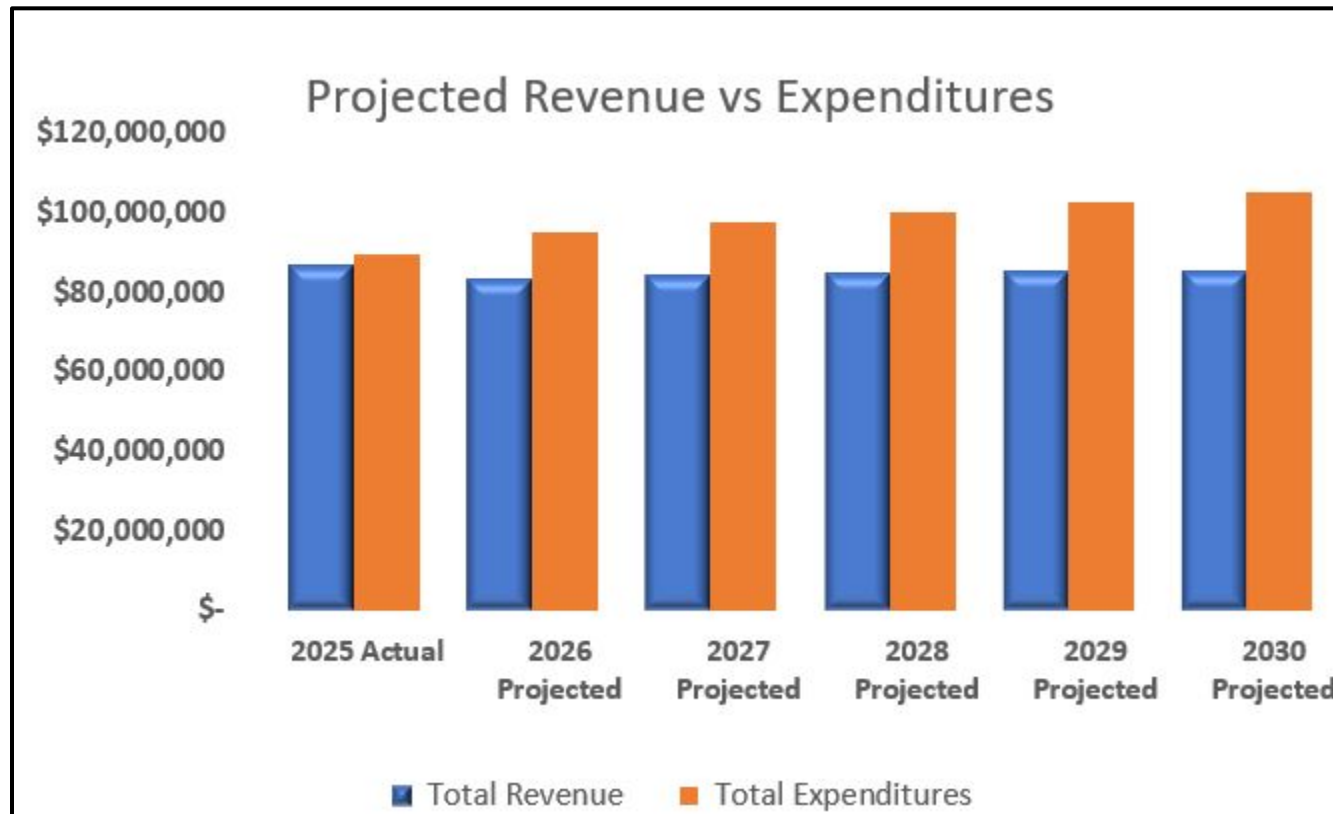
Transfer to:	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Food Service Fund	\$0	\$0	\$0	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Uniform Schools Supplies	\$52,134	\$62,414	\$61,526	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Termination Benefits Fund	\$400,051	\$568,507	\$716,660	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
Summer School	\$0	\$20,700	\$0	\$0	\$0	\$0	\$0	\$0
Field Turf Fund	\$55,144	\$54,327	\$53,481	\$52,605	\$35,000	\$35,000	\$35,000	\$35,000
Fund 070 Facilities Fund	\$25,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PI Fund for SHS Track	\$565,562	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Athletics	\$6,381	\$135,902	\$176,821	\$235,050	\$268,845	\$261,345	\$284,445	\$283,945

Strongsville City Schools

- General Fund Summary

Strongsville City Schools

FY 2025-2026 Revenue & Expenditure Projections (with renewal)



Three Year Financial Outlook:

By FY 2028 the district is expected to trend toward a cash balance of \$6,671,480

Net loss for the year is -\$15,636,853

Strongsville City Schools

September 2025 Five-Year Forecast (in millions)

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Beginning Cash Balance	\$62.3	\$46.0	\$51.3	\$48.1	\$35.9	\$22.3	\$2.5	-\$23.5
Total Revenues	88.3	90.6	86.6	83.1	84.0	80.2	76.5	76.7
Total Expenditures	104.6	85.3	89.8	95.3	97.6	100.0	102.5	105.0
<i>Revenues over Expenses</i>	<i>-16.3</i>	<i>5.3</i>	<i>-3.2</i>	<i>-12.2</i>	<i>-13.6</i>	<i>-19.8</i>	<i>-26.0</i>	<i>-28.3</i>
Ending Cash Balance	46.0	51.3	48.1	35.9	22.3	2.5	-23.5	-51.8
Encumbrances	1.5	1.8	2.0	2.0	2.0	2.0	2.0	2.0
Unencumbered Balance	44.5	49.5	46.1	33.9	20.3	0.5	-25.5	-53.8
Property Tax - Renewal	0.0	0.0	0.0	0.0	0.0	4.2	8.4	8.5
Unencumbered Balance	\$44.5	\$49.5	\$46.1	\$33.9	\$20.3	\$4.7	-\$12.9	-\$32.7
Percent of Cash to Expenditures	42.54%	58.03%	51.34%	35.57%	20.80%	4.70%	-12.59%	-31.14%

Strongsville City Schools

September 2025 Five-Year Forecast (in millions)

Includes renewal levy within revenues

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Beginning Cash Balance	\$62.3	\$46.0	\$51.3	\$48.1	\$35.9	\$22.3	\$6.7	-\$10.8
Total Revenues	88.3	90.6	86.6	83.1	84.0	84.4	85.0	85.2
Total Expenditures	104.6	85.3	89.8	95.3	97.6	100.0	102.5	105.0
<i>Revenues over Expenses</i>	-16.3	5.3	-3.2	-12.2	-13.6	-15.6	-17.5	-19.8
Ending Cash Balance	46.0	51.3	48.1	35.9	22.3	6.7	-10.8	-30.6
Encumbrances	1.5	1.8	2.0	2.0	2.0	2.0	2.0	2.0
Unencumbered Balance	\$44.5	\$49.5	\$46.1	\$33.9	\$20.3	\$4.7	-\$12.8	-\$32.6
Percent of Cash to Expenditures	42.54%	58.03%	51.34%	35.57%	20.80%	4.70%	-12.49%	-31.05%

Strongsville City Schools

FY 2025-2026 Forecast Summary

Strongsville City Schools has maintained an operating surplus since 2011. **As a government entity, our school district is required to operate in the positive.** Operating in a deficit could result in the following declarations by both the Ohio Department of Education and/or the Auditor of State: Fiscal Caution, Fiscal Watch, and/or Fiscal Emergency. To be removed from one of these categories, the school district must demonstrate fiscal stability by eliminating current deficits and avoiding future deficits.

At the close of fiscal year 2025, **the ending cash balance within the general operating fund was \$48.1 million.** During fiscal year 2023, through the work and recommendation of the District's Finance Committee (a group comprised of local community members and business professionals), the Board of Education adopted a new cash balance reserve policy to address minimums and maximums within the general operating fund. During the adoption of the policy, the Board approved a general operating fund transfer of \$25 million to a capital projects fund for future capital projects.

The September 2025 five year forecast for the general operating fund for fiscal year 2026 **estimates revenues of \$83.1 million and estimated expenditures of \$95.3 million.** This equates to estimated revenues **under** estimated expenditures of **\$-12.2 million.** For additional information on these budget details, visit the Treasurer's Department page on our District's website and click on "Financial Reports."

Strongsville City Schools

Cash Balance Policy

Cash Balance Policy:

The Board believes that maintaining a cash reserve unencumbered unreserved balance of ninety (90) days of operating expenditures is necessary in the interest of sound fiscal management. The Board affirms that tax levies may be pursued, and/or the District's finances otherwise managed, to ensure a General Operating Fund unencumbered unreserved cash balance equivalent to at least ninety (90) days of operating expenditures. Promptly upon receiving an indication that such cash balance may not be achieved within any year of the five (5) year forecast, the Treasurer/CFO shall report such a finding to the Board. Upon such notification by the Treasurer/CFO, the Superintendent and Treasurer/CFO will prepare and propose options that the Board may consider to forestall such an eventuality.

Further, when a General Operating Fund cash balance exceeds 150 days the Superintendent and/or Treasurer/CFO may recommend the funds be transferred to an approved 070 Capital Projects fund for future capital improvements as approved by the Board. The transfer must be approved by the Board and cannot result in the General Operating Fund cash balance falling below ninety (90) days in any year of the rolling five (5) year forecast.

Strongsville City Schools

FY 2025-2026 Days Cash on Hand (with renewal)



Strongsville City Schools

FY 2025-2026 Days Cash on Hand expanded historical (with renewal)



Note: Calculated on 365 Day Calendar Year

Strongsville City Schools

Cash Management / Cash Balances

Necessity of Cash Balances in Ohio:

School officials must plan and monitor district cash flow as they practice responsible stewardship. The District's five year forecast is an informed prediction for how long the revenue/expenses cycle will maintain a healthy cash balance. The revenue of surplus or deficit line within the five year forecast provides a picture of the district's changing financial obligations over time, pointing to the need for a fund balance in preparation for future expenses.

Reasons why a district may carry a cash balance at the end of the fiscal year:

- **Cash Flow:** Main sources of revenue is property taxes which is received 5 of out the 12 months on the year. Need a cash balance to sustain the low cash periods (December, January, first payroll in February, June, and first payroll in July) to meet liability obligations in those months.
- **Levy cycles:** Since levies are limited to a fixed dollar amount, tax revenues may not keep up with increases in operating costs. Particularly when expenditures typically increase 5-7 percent annually.
- **Expenditure volatility:**
 - **Staffing needs** - Over the past two years, general fund staff increased by 75 positions due increasing enrollment coupled additional support for student needs.
 - **Health care** - Over the past two years, health care cost increased by 15.00% and 3.00%
 - **Non Personnel Expenditures** - cost of goods and services continues to increase.
- **Credit Score / Bond Rating:** Over the past several years, the District's Bond rating has received two credit ratings upgrades from Moody's a Aa3 to **Aa1**. As a result of the increased Bond ratings the District was able to refinance outstanding debt at a lower tax rate which **reduced the District debt obligation by \$19,862,030, a direct savings of \$30 per \$100,000 of valuation to the taxpayers over the life of the debt.**

Strongsville City Schools

Department of Education & Workforce Review

Forecast Examination:

The Department examines all five-year forecast submissions. If the Department determines a district has the potential to incur a deficit during the first three years of the five-year period, the district will be required to submit a written plan to eliminate the “flagged” deficit(s).

- In Fiscal Year 2026 and Fiscal Year 2027 the department uses Line 10.010 to identify potential deficits.
- Districts projecting deficits at Line 10.010 in Fiscal Year 2026 or Fiscal Year 2027 may be placed into fiscal oversight.

	ACTUAL					FORECASTED		
	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030
Fund Balance June 30 for Certification								
10.010 - of Appropriations	44,548,780	49,467,515	46,111,939	33,853,853	20,308,333	474,394	(25,504,843)	(53,760,657)

- In Fiscal Year 2028 the Department uses Line 12.010 to identify potential deficits, thereby assuming any projected renewal levies will pass.

	ACTUAL					FORECASTED		
	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030
Fund Balance June 30 for Certification								
10.010 - of Appropriations	44,548,780	49,467,515	46,111,939	33,853,853	20,308,333	474,394	(25,504,843)	(53,760,657)
Rev from Replacement/Renewal Levies								
11.010 - Income Tax - Renewal				-	-	-	-	-
11.020 - Property Tax - Renewal or Replacement				-	-	4,197,086	8,412,524	8,449,231
11.030 - Cumulative Balance of Replacement/Renewal Levies	-	-	-	-	-	4,197,086	12,609,610	21,058,841
Fund Balance June 30 for Certification								
12.010 - of Contracts, Salary and Other Obligations	44,548,780	49,467,515	46,111,939	33,853,853	20,308,333	4,671,480	(12,895,233)	(32,701,816)

Strongsville City Schools

- Levy Modeling

Strongsville City Schools

September 2025 Five-Year Forecast (in millions)

Levy Modeling - May / Nov 2026

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Beginning Cash Balance	\$62.3	\$46.0	\$51.3	\$48.1	\$35.9	\$27.3	\$21.7	\$14.1
Total Revenues	88.3	90.6	86.6	83.1	84.0	80.2	76.5	76.7
Property Tax - Renewal	0.0	0.0	0.0	0.0	0.0	4.2	8.4	8.5
New Levy \$10M - May / Nov 2026	0.0	0.0	0.0	0.0	5.0	10.0	10.0	10.0
Total Expenditures	104.6	85.3	89.8	95.3	97.6	100.0	102.5	105.0
Revenues over Expenses	-16.3	5.3	-3.2	-12.2	-8.6	-5.6	-7.6	-9.8
Ending Cash Balance	46.0	51.3	48.1	35.9	27.3	21.7	14.1	4.3
Encumbrances	1.5	1.8	2.0	2.0	2.0	2.0	2.0	2.0
Unencumbered Balance	\$44.5	\$49.5	\$46.1	\$33.9	\$25.3	\$19.7	\$12.1	\$2.3
Percent of Cash to Expenditures	42.54%	58.03%	51.34%	35.57%	25.92%	19.70%	11.80%	2.19%

Levy Modeling for simulation purposes, amount used of \$10M was the value of the 2019 renewal levy that expired.

Strongsville City Schools

September 2025 Five-Year Forecast (in millions)

Levy Modeling - May / Nov 2027

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Beginning Cash Balance	\$62.3	\$46.0	\$51.3	\$48.1	\$35.9	\$22.3	\$11.7	\$4.1
Total Revenues	88.3	90.6	86.6	83.1	84.0	80.2	76.5	76.7
Property Tax - Renewal	0.0	0.0	0.0	0.0	0.0	4.2	8.4	8.5
New Levy \$10M - May / Nov 2027	0.0	0.0	0.0	0.0	0.0	5.0	10.0	10.0
Total Expenditures	104.6	85.3	89.8	95.3	97.6	100.0	102.5	105.0
Revenues over Expenses	-16.3	5.3	-3.2	-12.2	-13.6	-10.6	-7.6	-9.8
Ending Cash Balance	46.0	51.3	48.1	35.9	22.3	11.7	4.1	-5.7
Encumbrances	1.5	1.8	2.0	2.0	2.0	2.0	2.0	2.0
Unencumbered Balance	\$44.5	\$49.5	\$46.1	\$33.9	\$20.3	\$9.7	\$2.1	-\$7.7
Percent of Cash to Expenditures	42.54%	58.03%	51.34%	35.57%	20.80%	9.70%	2.05%	-7.33%

Levy Modeling for simulation purposes, amount used of \$10M was the value of the 2019 renewal levy that expired.

Strongsville City Schools

- Questions?