BOWLING GREEN CITY SCHOOL DISTRICT
WOOD COUNTY

SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES FOR THE FISCAL YEARS ENDED JUNE 30, 2023, 2024 and 2025 ACTUAL FORECASTED FISCAL YEARS ENDING JUNE 30, 2026 THROUGH JUNE 30, 2030

Forecast Provided By
Bowling Green City School District
Treasurer's Office
Matt A. Feasel, Treasurer/CFO

October 2025

Bowling Green City School District

Wood County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2023, 2024 and 2025 Actual;
Forecasted Fiscal Years Ending June 30, 2026 Through 2030

		Actual				Forecasted				
		Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Average Change	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030
	Revenues									
1.010	General Property Tax (Real Estate)	16,630,586	17,937,220	18,938,249	6.7%	19,125,017	19,493,137	19,813,062	20,011,865	20,458,913
1.020	Public Utility Personal Property Tax	2,420,576	2,460,789	2,459,555	0.8%	3,230,901	3,154,387	3,110,912	3,004,005	2,922,736
1.030	Income Tax	4,859,754	4,841,218	4,853,009	-0.1%	5,616,284	10,274,164	12,141,458	14,005,022	14,132,591
1.035	Unrestricted State Grants-in-Aid	6,557,616	7,288,278	7,045,430	3.9%	7,374,463	7,590,383	7,589,800	7,590,177	7,591,936
1.040	Restricted State Grants-in-Aid	823,452	784,353	925,637	6.6%	584,062	541,179	543,485	504,811	504,811
1.045	Restricted Federal Grants In Aid	-	-	-	0.0%	-	-	-	-	-
1.050	State Reimbursement For Property Tax Credits	1,601,983	1,722,614	1,854,997	7.6%	1,866,958	1,874,305	1,922,622	1,950,401	2,011,780
1.060	All Other Revenues	1,396,022	2,038,060	2,025,666	22.7%	2,030,332	1,964,434	1,931,240	1,898,878	1,867,328
1.070	*Total Revenues*	34,289,989	37,072,532	38,102,543	5.4%	39,828,017	44,891,989	47,052,580	48,965,160	49,490,095
	Other Financing Sources									
2.010	Proceeds from Sale of Notes	-	-	-	0.0%	-	-	-	-	-
2.020	State Emergency Loans and Advancements (Approved)	-	-	-	0.0%	-	-	-	-	-
2.040	Operating Transfers-In	-	-	-	0.0%	-	-	-	-	-
2.050	Advances-In	742,196	23,667	157,014	233.3%	50,000	50,000	50,000	50,000	50,000
2.060	All Other Financing Sources	24,125	43,312	9,144	0.3%	-	-	-	-	-
2.070	*Total Other Financing Sources*	766,321	66,979	166,158	28.4%	50,000	50,000	50,000	50,000	50,000
2.080	*Total Revenues and Other Financing Sources*	35,056,310	37,139,511	38,268,701	4.5%	39,878,017	44,941,989	47,102,580	49,015,160	49,540,095
	Expenditures									
3.010	Personal Services	18,865,311	21,049,259	22,161,799	8.4%	23,198,736	23,894,698	24,611,539	25,349,885	26,110,382
3.020	Employees' Retirement/Insurance Benefits	7,695,246	8,279,292	8,816,001	7.0%	9,224,015	9,787,364	10,394,416	10,906,878	11,409,005
3.030	Purchased Services	3,686,348	4,048,739	4,361,152	8.8%	5,332,431	5,385,756	5,439,614	5,494,010	5,548,950
3.040	Supplies and Materials	1,661,417	1,676,268	1,390,760	-8.1%	2,173,724	2,195,461	2,217,415	2,239,589	2,261,986
3.050	Capital Outlay	19,595	5,210	39,235	289.8%	37,000	37,000	37,000	37,000	37,000
3.060	Intergovernmental	-	-	-	0.0%	-	-	-	-	-
	Debt Service:				0.0%					
4.010	Principal-All (Historical Only)	-	-	-	0.0%	-	-	-	-	-
4.020	Principal-Notes	-	-	-	0.0%	-	-	-	-	-
4.030	Principal-State Loans	-	-	-	0.0%	-	-	-	-	-
4.040	Principal-State Advancements	-	-	-	0.0%	-	-	-	-	-
4.050	Principal-HB 264 Loans	-	-	-	0.0%	-	-	-	-	-
4.055	Principal-Other	-	-	-	0.0%	-	-	-	-	-
4.060	Interest and Fiscal Charges	-	-	-	0.0%	-	-	-	-	-
4.300	Other Objects	1,450,450	1,791,489	1,791,080	11.7%	1,661,316	1,777,608	1,902,040	2,035,182	2,177,644
4.500	*Total Expenditures*	33,378,367	36,850,257	38,560,027	7.5%	41,627,223	43,077,887	44,602,024	46,062,544	47,544,967
	Other Financing Uses									
5.010	Operating Transfers-Out	1,810,488	1,578,895	1,627,259	-4.9%	1,675,000	1,624,750	1,576,008	1,528,727	1,482,865
5.020	Advances-Out	225,510	157,014	6,830	-63.0%	-	100,000	100,000	100,000	100,000
5.030	All Other Financing Uses	-	-	-	0.0%	-	-	-	-	-
5.040	*Total Other Financing Uses*	2,035,998	1,735,909	1,634,089	-10.3%	1,675,000	1,724,750	1,676,008	1,628,727	1,582,865
5.050	*Total Expenditures and Other Financing Uses*	35,414,365	38,586,166	40,194,116	6.6%	43,302,223	44,802,637	46,278,031	47,691,271	49,127,832
6.010	*Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses*	(358,055)	(1,446,655)	(1,925,415)	168.6%	(3,424,205)	139,352	824,548	1,323,889	412,263
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	18,527,191	18,169,136	16,722,481	-4.9%	14,797,066	11,372,861	11,512,212	12,336,761	13,660,650
7.020	*Cash Balance June 30*	18,169,136	16,722,481	14,797,066	-9.7%	11,372,861	11,512,212	12,336,761	13,660,650	14,072,913
8.010	*Estimated Encumbrances June 30*	-	-	-	0.0%	25,000	25,000	25,000	25,000	25,000
	Reservation of Fund Balance									
9.010	Textbooks and Instructional Materials	-	-	-	0.0%	-	-	-	-	-
9.020	Capital Improvements	-	-	-	0.0%	-	-	-	-	-
9.030	Budget Reserve	-	-	-	0.0%	-	-	-	-	-
9.040	DPIA	-	-	-	0.0%	-	-	-	-	-
9.045	Fiscal Stabilization	-	-	-	0.0%	-	-	-	-	-
9.050	Debt Service	-	-	-	0.0%	-	-	-	-	-
9.060	Property Tax Advances	-	-	-	0.0%	-	-	-	-	-
9.070	Bus Purchases	-	-	-	0.0%	-	-	-	-	-
9.080	*Subtotal*	-	-	-	0.0%	-	-	-	-	-
10.010	*Fund Balance June 30 for Certification of Appropriations*	18,169,136	16,722,481	14,797,066	-9.7%	11,347,861	11,487,212	12,311,761	13,635,650	14,047,913
	Revenue from Replacement/Renewal Levies									
11.010	Income Tax - Renewal				0.0%	-	-	-	-	-
11.020	Property Tax - Renewal or Replacement				0.0%	-	-	-	-	-
11.300	Cumulative Balance of Replacement/Renewal Levies				0.0%	-	-	-	-	-

Bowling Green City School District

Wood County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2023, 2024 and 2025 Actual;
Forecasted Fiscal Years Ending June 30, 2026 Through 2030

		Actual				Forecasted				
		Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Average Change	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030
12.010	*Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations*	18,169,136	16,722,481	14,797,066	-9.7%	11,347,861	11,487,212	12,311,761	13,635,650	14,047,913
	Revenue from New Levies									
13.010	Income Tax - New				0.0%	-	-	-	-	-
13.020	Property Tax - New				0.0%	-	-	-	-	-
13.030	Cumulative Balance of New Levies	-	-		0.0%	-	-	-	-	-
14.010	Revenue from Future State Advancements				0.0%	-	-	-	-	-
15.010	*Unreserved Fund Balance June 30*	18,169,136	16,722,481	14,797,066	-9.7%	11,347,861	11,487,212	12,311,761	13,635,650	14,047,913
20.010	Kindergarten -ADM count	-	-	-		-	-	-	-	-
20.015	Grades -ADM count	-	-	-		-	-	-	-	-
	State Fiscal Stabilization Funds									
21.010	Personal Services SFSF				0.0%					
21.020	Employees Retirement/Insurance Benefits SFSF				0.0%					
21.030	Purchased Services SFSF				0.0%					
21.040	Supplies and Materials SFSF				0.0%					
21.050	Capital Outlay SFSF				0.0%					
21.060	*Total Expenditures - SFSF*	-	-		0.0%	-	-	-	-	-
True Days Cash Line 59		**187**	**158**	**134**		**96**	**94**	**97**	**105**	**105**
True Days Cash Line 91		**187**	**158**	**134**		**96**	**94**	**97**	**104**	**104**
Millage equivalent for deficit spending						**(4.54)**	**0.00**	**0.00**	**0.00**	**0.00**

See accompanying summary of significant forecast assumptions and accounting policies
Includes: General fund, Emergency Levy fund, and any portion of Debt Service fund related to General fund debt

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Bowling Green City School District – Wood County

Notes to the Five-Year Forecast
General Fund Only
October 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), new state mandates, tax levies, property reappraisals and updates, salary increases, health insurance increases, enrollment variances, or changes to property valuations due to businesses moving in or out of the district.

As noted below the current state budget approved in HB96 changed the forecast based on what the state Ohio and the Ohio Department of Workforce and Education will require, however the Board of Education will continue to plan over a five-year period. Our district leadership believes that the five-year forecast is a crucial management tool. A five-year planning horizon 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.

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 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 Department of Education and Workforce, and the Auditor of State to identify school districts with potential financial problems.

Ohio HB96 was passed in June 2025 which amended O.R.C. 5705.391 and O.A.C. 3301-92.04 requiring a Board of Education (BOE) to file their current years budgeted revenue and expenses, and three additional years. This is essentially a four (4) year forecast. Beginning in fiscal year 2026 (July 1 to June 30) the financial forecast must be filed by October 15, and the end of February. The filing deadlines will change in fiscal year 2027 to August 31, and end of February each fiscal year thereafter. While the legislative requirement is to file a four-year forecast, as noted above, we believe it is a prudent business practice to continue to develop a five-year forecast for planning purposes. The five-year forecast includes three years of actual and five years of projected general fund revenues and expenditures. The first year of the financial forecast is considered the current year budget and is used as the base for future years projections. Our forecast is updated to reflect the most current economic data available for the October 2025 filing.

Economic Outlook

Ohio's economic outlook indicates slow but steady growth, with industrial diversification in manufacturing, logistics, and technology, with an unemployment rate expected to remain between 4.5% and 5%, The state faces challenges including workforce issues particularly in attracting and retaining skilled labor and the need for affordable housing. In the short term, the state anticipates continued to moderate growth despite national and global challenges such as inflation and interest rates, while the long term depends on continued strategic investment in high-growth sectors and addressing the skilled workforce shortage to make Ohio competitive. These conditions should result in stable revenue enabling the state to continue current levels of funding for school districts and stable local revenue as unemployment remains low.

Data and assumptions noted in this forecast are based on the best and most reliable data available to us as of the date of this forecast.

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 2027 and 2029 due to deliberation of the following two (2) state biennium budgets for FY28-29 and FY30-31, 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:

1. 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 continued growth in appraised values every three (3) years and new construction growth with continued modest increases in local taxes as the pandemic ends and the economy continues its recovery as anticipated. Total local revenues which are predominately local taxes equate to 75.5% of the district's resources. Longer term we believe there is a low risk that local collections would fall below projections throughout the forecast.

2. Wood County experienced a full reappraisal occurred in the 2023 tax year that is being collected in FY24. The 2023 reappraisal increased Class I and Class II assessed values by $171.6 million or an increase of 23.96%. A triennial update will occur in tax year 2026 for collection in FY27. We anticipate value increases for Class I and II property by $36.6 million for an overall increase of 4.0%. There is, however, 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.

3. Due to historic property value increases in reappraisal and update years the Ohio Legislature has considered various proposals since 2023 to help reduce non-voted tax increases on taxpayers. HB96 the current state biennium budget passed in June which included several proposals that would have ultimately reduced districts' cash balances and placed severe restrictions on increasing local tax revenues. The Governor vetoed four (4) property tax measures that he said would jeopardize the financial stability of public schools. The Ohio House of Representatives pulled three (3) of the Governor's vetoes addressing school districts to attempt to override them. They included: 1) County Budget Commission Authority; 2) manipulates the calculation of the 20-mill floor to include emergency, substitute and other levies in the calculation; and 3) the elimination of various levies including emergency, replacement and renewal levies

   The Ohio House of Representatives met on July 21, 2025 and voted (61-28) in favor of overriding the elimination of various levy types - only. As of this forecast filing, the Senate has not met to vote on any of the vetoes thus the Governor's vetoes remain in effect.

As part of the Governors' vetoes, he created a property tax reform working group co-chaired by former legislators. The governor appointed 11 members including the co-chairs. The working group is tasked with thoroughly examining issues related to how to provide meaningful property tax relief to homeowners and businesses while ensuring that funding for local schools, local governments, fire, police, EMS, libraries, and developmental disabilities is adequate. The Governor has asked the working group to issue a report with concrete proposals by September 30, 2025

The legislature has introduced several other bills that would limit real estate tax growth or eliminate real estate tax collections completely. Many of these bills are still in committee. Many of these pending bills represent a serious risk to our school district funding. We are watching legislation closely for any impact on our local revenues.

4. On August 13, 2025, the Ohio Supreme Court unanimously upheld the decision of the Board of Tax Appeals (BTA) in valuing the Rover Pipeline. The court agreed that the BTA's opinion of value is $3.669 Billion. Rover had been seeking roughly 56% of that value. Rover since 2020 has paid their taxes on a method called "Tender Paying" which allows a claimant to pay their taxes at a lower assumed value while the BTA Case is pending. Now that the case has been decided, and there is no basis for appeal to the US Supreme Court, Rover will have to pay back taxes, interest and penalty on unpaid taxes dating back to Tax Year 2020, and pay their taxes going forward at the correct values. The next step is for the Ohio Department of Taxation (ODT) to issue a "Final Determination Notice" setting values, which should not deviate materially from the $3.669 Billion value already established by the ODT in 2020. These are very complex calculations which will span over several counties in Ohio and will take time to correctly manage and coordinate with the numerous county auditors. We have not projected the original Rover values or taxes in our forecast, so this does not represent a risk to revenue, rather it is an uncertainty to increased revenues, but we do not have final information or numbers at the time of this forecast. We are watching this matter very closely as it is decided in the coming months.

5. The state budget represents less than twenty-five (24.5%) of district revenues. We continue to see that percentage decrease as the state legislature continues to shift the burden of funding schools back to the local level. In this forecast, there are two future State Biennium Budgets covering FY26-28 and FY29-30.

6. HB96, the current state budget, continues to phase in what has been referred to as the Fair School Funding Plan (FSFP) for FY26 and FY27. FY26 reflects 83.33% of the implementation cost at year five of a six-year phase-in plan, which increases by 16.66% each year. FY27 will result in 100% funding of (FSFP). HB96 did not increase the base cost inputs (no increase from the state on formula funding) while allowing local capacity inputs to increase. This causes more districts to appear to have greater local ability to fund their schools thus reducing the amount of State Aid they receive. We have used the most recent simulations published by the Department of Education and Workforce for our forecasted revenues in FY26.

7. HB96, the current state biennium budget also enacted a new provision called "Piggyback Property Tax Exemptions". This provision allows county commissioners in each county in Ohio to double the current Homestead Exemption and owner occupied 2.5% tax credit. Current Homestead and 2.5% owner occupied credits are reimbursed to the district from the state of Ohio. These "Piggyback Property Tax Exemptions" would NOT be reimbursed. The extended tax credits for qualifying taxpayers would result in reduced property tax collections for the school district of roughly $490,893

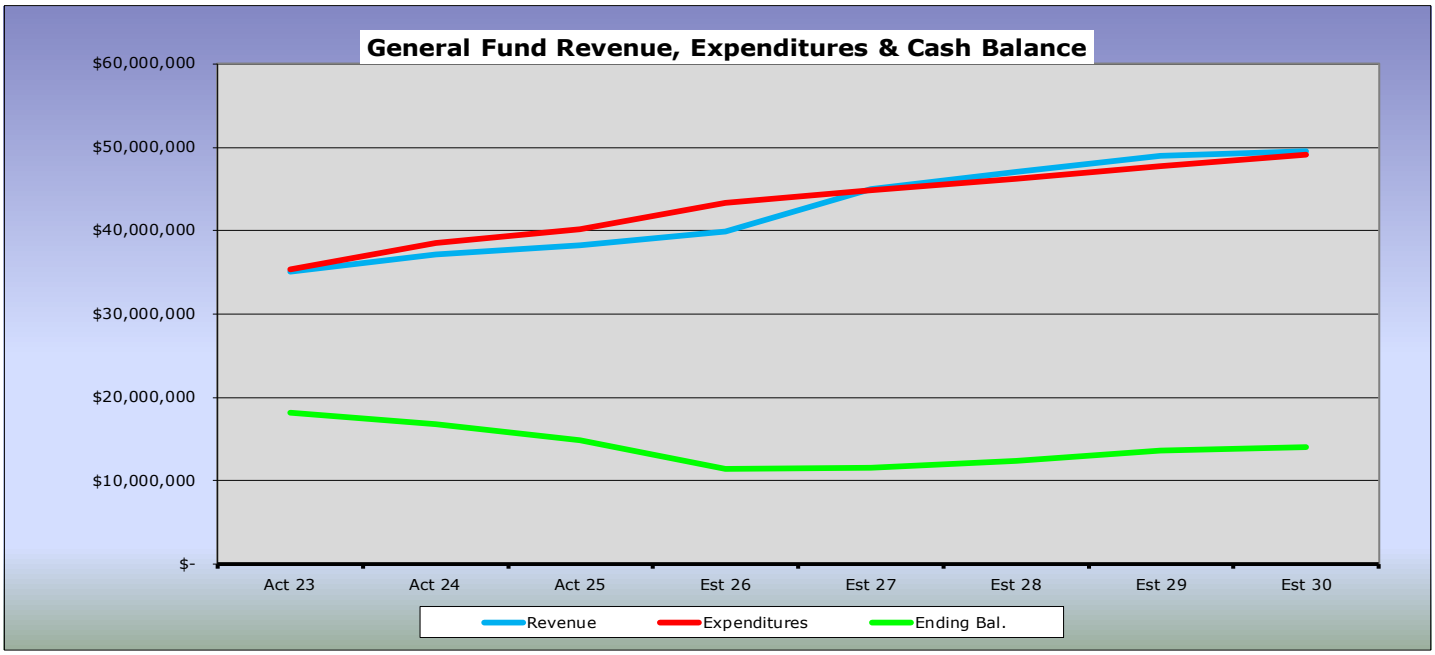
from current operating levies, if our County Commissioners implement this. This new law creates a potential risk to our local tax collections.

8. Substitute HB186 was introduced to the House Ways and Means Committee and if passed this year would impose retroactive inflationary limits on tax increases paid to our district from the tax year 2023 reappraisal. If passed into law, simulations for tax year 2023 and 2024 would result in tax refunds of $ 398,344 that would come from the second half 2026 (August 2026) real estate tax settlement. Then reduce our annual tax collections by $ 1,404,026 starting tax year 2026 collected in calendar year 2027.

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. It should be of assistance to the reader to review the assumptions noted below in understanding the overall financial forecast for our district. If you would like further information, please feel free to contact Matt A. Feasel, Treasurer/CFO at (419) 354-0800.

General Fund
Revenue, Expenditure and Ending Cash Balance

Actuals: 2022-23, 2023-24 and 2024-25.
Estimated: 2026-30



REVENUE PROJECTIONS

ESTIMATED ASSESSED VALUE (AV) BY COLLECTION YEAR

Classification	Estimated TAX YEAR 2025 COLLECT 2026	Estimated TAX YEAR 2026 COLLECT 2027	Actual TAX YEAR 2027 COLLECT 2028	Estimated TAX YEAR 2028 COLLECT 2029	Estimated TAX YEAR 2029 COLLECT 2030
Res./Ag.	$660,084,676	$686,488,063	$696,785,384	$707,237,165	$742,599,023
Comm./Ind.	$256,178,113	$266,425,238	$270,421,617	$274,477,941	$277,222,720
Public Utility Personal Property (PUPP)	$49,776,499	$61,776,499	$57,776,499	$56,276,499	$54,776,499
Total Assessed Value	$966,039,288	$1,014,689,800	$1,024,983,499	$1,037,991,604	$1,074,598,242

Property Valuations & Tax Rates
Property Values are established annually by the County Auditor based on new construction, demolitions, BOR/BTA activity and complete reappraisal or updated values.

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 are 60.73 mills while the Class I effective millage rate is 27.963195 mills and the Class II effective millage rate is 35.566543 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 the district is on the 20-mill floor for Class I property. Any emergency or substitute emergency levy approved is not included in the 20-mill floor. The district has a substitute levy that is considered an emergency levy and is currently collecting approximately one million dollars

There is currently quite a bit of uncertainty with the district's public utility personal property taxes. The ROVER Pipeline dispute has been resolved through the court system. The Ohio Supreme Court ruled in favor of school districts across the state. At the time this forecast is being prepared, districts along with county auditors are waiting for the Ohio Department of Taxation to determine values so county auditors can invoice ROVER and districts can receive the funds that they have were promised at the time of installation. The NEXUS pipeline issue has been resolved and school districts affected by that appeal have received delinquent tax settlements. Rover is currently paying at a tender rate, or the rate they believe it should be. The current forecast reflects a tender value of $ 24,043,900 that generates approximately $ 1,459,224.29 annually. This represents 42.39% of the original tax value of $ 56,717,750. We have decided to report the collection at the tender rate in an effort not to overinflate assumed collections in the forecasted years. We have projected our collection to decrease by approximately one (1.00%) annually due to depreciation factors.

We have been conservative with any future value increases for reappraisal or updates due to uncertainty over pending legislative as noted in the Forecast Risks and Uncertainty above.

ESTIMATED REAL ESTATE TAX (Line # 1.010)

Source	FY26	FY27	FY28	FY29	FY30
General Property Taxes - Line # 1.010	$19,125,017	$19,493,137	$19,813,062	$20,011,865	$20,458,913

Summary of Real Estate Tax – Line 1.010
Wood County experienced a full reappraisal occurred in the 2023 tax year to be collected in FY24. The 2023 reappraisal increased Class I and Class II assessed values by $171.6 million or an increase of 23.96%. A triennial update will occur in tax year 2026 for collection in FY27. We anticipate value increases for Class I and II property by $35.6 million for an overall increase of 4.0%. There is, however, 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.

Property tax levies are estimated to be collected at 97.9% of the annual amount. This allows for a 2.1% delinquency factor. In general, 58.23% of the Residential/Agricultural and Commercial/Industrial property taxes are expected to be collected in the February tax settlement and 41.77% in the August tax settlement.

New Tax Levies – Line #13.030
No new property tax levies are modeled in this forecast.

ESTIMATED PERSONAL PROPERTY TAX (Line # 1.020)

Source	FY26	FY27	FY28	FY29	FY30
Public Utility Personal Property (Line #1.020)	$3,230,901	$3,154,387	$3,110,912	$3,004,005	$2,922,736

Summary of Personal Property Tax – Line # 1.020

The amounts above are public utility tangible personal property (PUPP) tax payments from public utilities. The values for PUPP are noted in the valuation table above, which was $52.4 million in assessed values in 2024 and is collected at the district's full voted millage rate. Collections are typically 80% in February/March collection and 20% in August, along with the real estate settlements from the county auditor. The values in tax year 2023 collectable in 2024 rose by 21% or $9.2 million. This value does not include the value that NEXUS has on appeal and only reflects 42.4% or $ 24,043,900 of the original value of $ 56,717,750. We have projected a depreciation factor of one (1.00%) percent on the total personal property valuation throughout the life of this forecast.

On August 13, 2025, the Ohio Supreme Court upheld the Board of Tax Appeals' (BTA) decision, valuing the Rover Pipeline at $3.669 billion. Rover had previously disputed this value, seeking roughly 56% of the value. Since 2020, Rover has been paying taxes based on a lower value under a "Tender Paying" method while the case was pending. With the case now closed and no further appeals possible, Rover must pay back taxes, interest, and penalties from Tax Year 2020. Going forward, taxes will be paid based on the final valuation. The Ohio Department of Taxation (ODT) will issue a "Final Determination Notice," which should align with the $3.669 billion value, though it will require complex calculations across multiple counties. Since we haven't projected these values in our forecast, this won't impact our revenue risk, but it may increase revenues once finalized. We are closely monitoring this matter as it unfolds and will include revenues as we have factual data on amount and timing of payments.

ESTIMATED SCHOOL DISTRICT INCOME TAX (Line # 1.030)

Source	FY26	FY27	FY28	FY29	FY30
School District Income Tax	$4,853,009	$5,616,284	$10,274,164	$12,141,458	$14,005,022
Adjustments	$763,275	$4,657,880	$1,867,294	$1,863,564	$127,569
School District Income Tax - Line # 1.030	$5,616,284	$10,274,164	$12,141,458	$14,005,022	$14,132,591

Summary of School District Income Tax – Line # 1.030

The district has a .5% income tax that was renewed and converted to continuing on November 2, 2021. With the support of the community, the district will begin to collect an additional .75% SDIT in January of 2026. Those estimates have been incorporated into this forecast. It is estimated that the new income tax will generate an additional $ 6,683,566 annually. The SDIT currently represents 12.7% of the district revenues. It is anticipated that will grow to almost thirty (28.35%) percent by the end of this forecast.

State Foundation Revenue Estimates – Lines #1.035, 1.040 and 1.045

Current State Funding Model per HB33 through June 30, 2025

ESTIMATED UNRESTRICTED STATE GRANTS-IN-AID (Line # 1.035)

Source	FY26	FY27	FY28	FY29	FY30
Basic Aid-Unrestricted	$6,906,892	$7,111,594	$7,109,288	$7,107,924	$7,107,924
Additional Aid Items	296,903	306,414	306,414	306,414	306,414
Basic Aid-Unrestricted Subtotal	7,203,795	7,418,008	7,415,702	7,414,338	7,414,338
Ohio Casino Commission ODT	170,668	172,375	174,098	175,839	177,598
Unrestricted State Aid - Line # 1.035	$7,374,463	$7,590,383	$7,589,800	$7,590,177	$7,591,936

Summary of Unrestricted State Funding – Line # 1.035
HB96, the current state budget, continued the Fair School Funding Plan for FY26 and FY27, which funds students where they are educated rather than where they live. We have projected FY26 funding based on the most current foundation settlement and funding factors.

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

A detailed overview of how foundation funding is calculated including all of the HB96 changes on the Ohio Department of Education and Workforce is not available at this time. When a detailed analysis is available, please visit the Ohio Department of Education and Workforce at: https://education.ohio.gov/Topics/Finance-and-Funding/Overview-of-School-Funding.

State Funding FY26-FY27
The Fair School Funding Plan was presented as a six (6) year phase-in plan, the state legislature approved the final two (2) years of the funding plan in HB96 phasing in funding at 83.33% in FY26 and then 100% in FY27. However, the legislature did not increase the funding base inputs from FY25. In other words, the legislature did not increase funding in the foundation formula. They did increase transportation funding's state share percentage to 45.83% in FY26, and 50% in FY27, which could increase funding, and; they added three (3) Supplemental Payments outside the formula: a Base Funding Supplement, Enrollment Growth Supplement and Performance Supplement.

The Base Funding Supplement will be paid to all districts. The funding supplement per pupil is $27 in FY26 and $40 in FY27.

The Performance Supplement was included in HB96. The eligibility for the supplement payment uses data from the state report card for the 2024-2025 school year for FY26 and 2025-2026 school year for FY27; the payment will be a separate payment of $13 per pupil in FY26 and FY27. We will not know until later in FY26 if we will receive this additional funding.

The funding formula eliminated the Supplemental Targeted Assistance guarantee beginning in FY26, but still includes two (2) primary guarantees: 1) Temporary Transition Aid, and 2) Formula Transition Supplement. The two (2) guarantees in both temporary and permanent law ensure that no district will get fewer funds in FY26 and FY27 than they received in FY21.

Future State Budget Projections beyond FY27
Our funding status for FY28-FY30 will depend on unknown two (2) new state budgets. There is no guarantee that the current Fair School Funding Plan will be continued in future biennial budget processes; therefore, our state funding estimates are reasonable, and we will adjust the forecast when we have authoritative date to work with. For this reason, funding is held constant in the forecast for FY28 through FY30.

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.

In FY25, the funding totaled $114.30 million or $65.70 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.

ESTIMATED RESTRICTED STATE GRANTS-IN-AID (Line # 1.035)

Source	FY26	FY27	FY28	FY29	FY30
Disadvantaged Pupil Impact Aid (DPIA)	$211,259	$197,523	$197,523	$197,523	$197,523
Career Tech	23,055	19,477	20,256	20,662	20,662
Gifted	59,957	28,555	28,555	28,555	28,555
ESL	13,607	8,397	8,673	8,846	8,846
Student Wellness	153,835	153,835	153,835	153,835	153,835
Base Funding Supplement (HB96)	64,388	95,390	95,390	95,390	95,390
Threshold Reimbursement	57,961	38,002	39,253	40,038	40,038
Restricted State Aid - Line # 1.040	$584,062	$541,179	$543,485	$504,811	$504,811

Summary of Restricted State Funding – Line # 1.040

HB96 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. The district has elected to also post Catastrophic (Threshold) Aid for special education as restricted revenues. We have estimated revenues for these new restricted funding lines using the most current funding factors available. For fiscal years 2026 and 2027, HB96 modifies how DPIA is calculated by factoring in both directly certified and economically disadvantaged students. The new formula modified the weight given to these student groups over the biennium. We will not see the specific impact of this until after this forecast period.

ESTIMATED RESTRICTED FEDERAL GRANTS-IN-AID (Line # 1.045)

There is no restricted federal funding projected in this forecast.

Source	FY26	FY27	FY28	FY29	FY30
UnrestrictedState Aid - Line # 1.035	$7,374,463	$7,590,383	$7,589,800	$7,590,177	$7,591,936
Restricted State Aide - Line # 1.040	$584,062	$541,179	$543,485	$504,811	$504,811
Federal Funding	$0	$0	$0	$0	$0
Total State Foundation Revenue	$7,958,525	$8,131,562	$8,133,285	$8,094,988	$8,096,747

ESTIMATED PROPERTY TAX ALLOCATION (Line # 1.050)

Source	FY26	FY27	FY28	FY29	FY30
Rollback and Homestead Reimbursement	$1,866,958	$1,874,305	$1,922,622	$1,950,401	$2,011,780

Summary of Rollback and Homestead Reimbursement – Line 1.050

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

HB96, the current state biennium budget also enacted a new provision called "Piggyback Property Tax Exemptions". This provision allows county commissioners in each county in Ohio to double the current Homestead Exemption and owner occupied 2.5% tax credit. The extended tax credits for qualifying taxpayers would result in

reduced property tax collections for the school district of roughly $ 490,893 from current operating levies, if our County Commissioners implemented this.

ESTIMATED OTHER LOCAL REVENUES (Line # 1.060)

Source	FY26	FY27	FY28	FY29	FY30
Excess Cost	$98,755	$99,743	$100,740	$101,747	$102,764
Interest	$1,305,856	$1,279,739	$1,254,144	$1,229,061	$1,204,480
Fees	$127,076	$128,344	$129,624	$130,917	$132,223
Tuitions	$339,367	$329,186	$319,310	$309,731	$300,439
Other Income and Rentals	$159,278	$127,422	$127,422	$127,422	$127,422
Other Local Revenue - Line # 1.060	$2,030,332	$1,964,434	$1,931,240	$1,898,878	$1,867,328

Summary of Other Local Revenues – Line #1.060
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, student fees, Payment In Lieu of Taxes, and general rental fees.

Interest income is based on the district's 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. 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. Rentals are expected to return to pre-pandemic levels over time. All other revenues are expected to continue historical trends.

ESTIMATED SHORT-TERM BORROWING (Line # 2.010 & 2.020)

There is no short-term borrowing planned for in this forecast at this time from any sources.

ESTIMATED NON-OPERATING RECEIPTS (Line # 2.040 & 2.050)

Source	FY26	FY27	FY28	FY29	FY30
Transfers In - Line 2.040	$0	$0	$0	$0	$0
Advance Returns - Line 2.050	$50,000	$50,000	$50,000	$50,000	$50,000
Total Transfer & Advances In	$50,000	$50,000	$50,000	$50,000	$50,000

Summary of Transfers In / Return of Advances – Line #2.040 & Line #2.050
These are non-operating revenues, which are the repayment of short-term loans to other funds over the previous fiscal year and reimbursements for expenses received for a prior fiscal year in the current fiscal year. The advances in the last fiscal year are expected to be repaid in the current year, as noted in the table above.

ESTIMATED ALL OTHER FINANCING SOURCES (Line # 2.060)

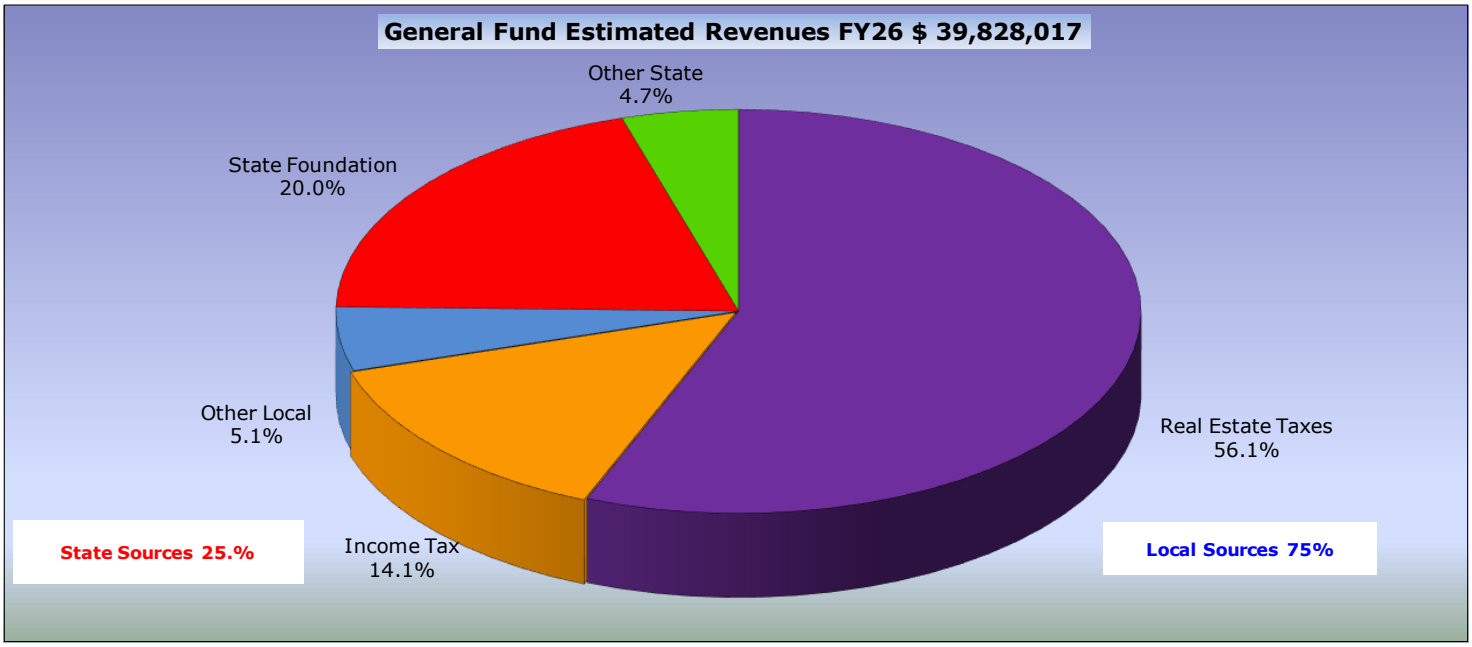
Source	FY26	FY27	FY28	FY29	FY30
Refund of Prior Years Expenditures	$0	$0	$0	$0	$0

Summary of All Other Financing – Line 2.060)
This funding source is typically a refund of prior year expenditures that is very unpredictable. For future years we are estimating an amount of refunds that align with historical collections. Due to the nature of these collections, this forecast does not assume future collections in this section.

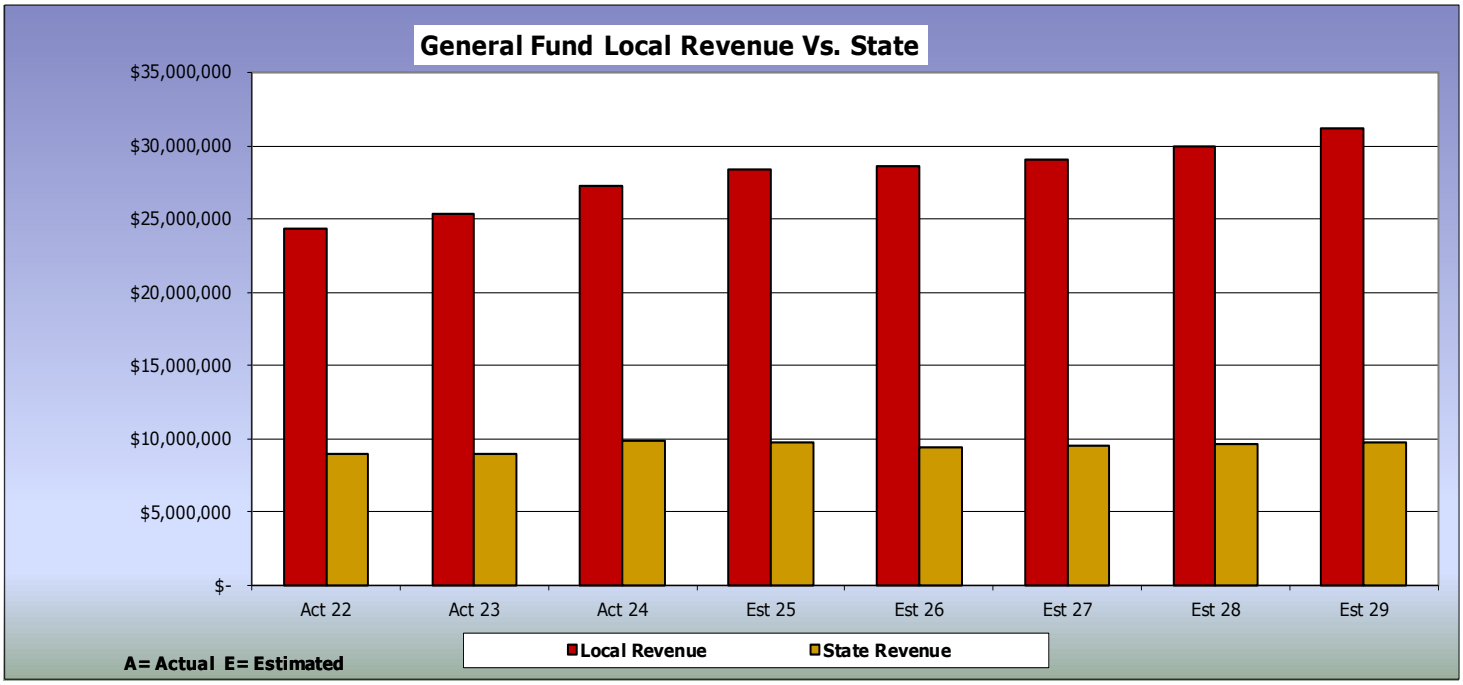
ESTIMATED REVENUE (Line 2.080)

Historically revenue for the last five (5) years has increased at an average of 2.42%. With the most current information we have at the time of this forecast being prepared, we have projected that our revenue will increase, on the average, annually, at over five (7.26%) percent per year due to the passage of the additional .75% income tax. Those funds will begin to be received by the district in April of 2026 or the 2025-26 fiscal year. We will continually monitor our revenue through our monthly financial reports. If the need arises, we will revise our forecast with more current information and projections.

2025-26
Estimated General Fund Revenue



Comparison of Local and State Revenue



Expenditures Projections

The district's leadership team is always looking at ways to improve the education of the students whether it be with changes in staffing, curriculum, or new technology needs. As the administration of the district reviews expenditures, the education of the students is always the focus for resource utilization.

ESTIMATED PERSONAL SERVICES (Line 3.010)

Source	FY26	FY27	FY28	FY29	FY30
Base Wages	$22,066,670	$22,831,670	$23,622,710	$24,440,664	$25,286,434
Substitutes	$100,000	$103,000	$106,090	$109,273	$112,551
Supplementals	$600,994	$619,024	$637,595	$656,722	$676,424
Substitutes	$0	$0	$0	$0	$0
Supplementals	$0	$0	$0	$0	$0
Staffing Adjustments	$431,073	$341,005	$245,145	$143,226	$34,973
Total Salary & Wages - Line # 3.010	$23,198,736	$23,894,698	$24,611,539	$25,349,885	$26,110,382

Summary of Salaries & Wages – Line # 3.010

The expenditure in this category represents salaries and wages for services rendered for all union and non-union employees. Upon the recommendation of the prior administration, the Board chose to invest in staff in 2022. That decision resulted in an increase of an average of 8% in FY23 and 7.5% in FY24 for certified staff, a $3.00 per hour increase in FY23 and a 3% increase in FY24 for classified staff, and a salary reset for select administrators. In FY25, the certified staff experienced an increase of $2,400 on the base, as well as a $1,200 rise on the base in FY26. For the purposes of this forecast, we have projected staffing costs at the current staffing levels with applicable current collective bargaining agreements. Negotiations with both bargaining units will take place in early 2026.

ESTIMATED FRINGE BENEFITS (Line # 3.020)

Source	FY26	FY27	FY28	FY29	FY30
A) STRS/SERS	$3,939,512	$4,044,617	$4,152,482	$4,263,180	$4,376,779
B) Insurance's	$4,860,539	$5,321,733	$5,808,320	$6,197,106	$6,572,266
C) Workers Comp/Unemployment	$91,779	$84,631	$87,140	$89,725	$92,386
D) Medicare	$332,185	$336,382	$346,473	$356,867	$367,573
E) Other/Tuition	$0	$0	$0	$0	$0
Total Fringe Benefits Line #3.020	$9,224,015	$9,787,364	$10,394,416	$10,906,878	$11,409,005

Summary of Employee's Retirement & Insurance Benefits - Line #3.02
This area of the forecast captures all costs associated with benefits and retirement costs, with all except health insurance being directly related to the wages paid.

A) STRS/SERS
The district pays 14% of each dollar paid in wages to either the State Teachers Retirement System or the School Employees Retirement System as required by Ohio law.

B) Insurance
We are estimating medical to increase by 5% and dental by 5% in FY25. The district expects increases of 5% in FY26 through FY29. The increases include adjustments for inflation and the cost of actual claims.

C) Workers Compensation & Unemployment Compensation
Workers Compensation is expected to remain at about .35% of wages FY24-FY28 which is in line with historic growth recently. Unemployment Compensation has been negligible.

D) Medicare
Medicare will continue to increase at the rate of increase of wages. Contributions are 1.45% for all new employees to the district on or after April 1, 1986. These amounts are growing at the general growth rate of wages.

E) Other/Tuition
The district reimburses employees for tuition to further their education to maintain licensure for teaching. The district does not anticipate any increase during the forecast.

ESTIMATED PURCHASED SERVICES (Line # 3.030)

Source	FY26	FY27	FY28	FY29	FY30
Professional and Tech	$2,820,390	$2,848,594	$2,877,080	$2,905,851	$2,934,910
Travel	$42,639	$43,066	$43,497	$43,932	$44,371
Communications	$217,312	$219,486	$221,681	$223,898	$226,137
Utilities	$830,923	$839,232	$847,624	$856,100	$864,661
Tuition	$1,205,340	$1,217,394	$1,229,568	$1,241,864	$1,254,283
Pupil Transportation	$50,802	$51,310	$51,823	$52,341	$52,864
Other	$165,024	$166,674	$168,341	$170,024	$171,724
Total Purchased Services Line #3.030	$5,332,431	$5,385,756	$5,439,614	$5,494,010	$5,548,950

Summary of Purchased Services – Line #3.030
This area of the budget reflects expenditure or the purchasing of services that cannot be performed by district personnel. This would include legal fees or any other professional fees, utilities, software support, professional meeting expenses, garbage removal and other contracted services. We have experienced some additional cost associated with special needs services this year resulting in an increase in our contracted services from last year. We have projected increases of one (1%) percent annually for the final four years of the forecast.

In FY26 there will be a new electric Capacity Charge that will be assessed on all electric bills to help expand Ohio's electric generating ability. This charge will begin June 2025 and end June 2026. It is anticipated it will increase electric costs by 20% annually for just that twelve (12) month period.

ESTIMATED SUPPLIES & MATERIALS (Line # 3.040)

Source	FY26	FY27	FY28	FY29	FY30
Supplies	$1,011,406	$1,021,520	$1,031,735	$1,042,052	$1,052,473
Textbooks	$518,837	$524,025	$529,265	$534,558	$539,904
Building Maintenance	$302,820	$305,848	$308,906	$311,995	$315,115
Transportation	$340,661	$344,068	$347,509	$350,984	$354,494
Total Supplies Line #3.040	$2,173,724	$2,195,461	$2,217,415	$2,239,589	$2,261,986

Summary of Supplies and Materials – Line #3.040
Expenses which are characterized by curricular supplies, testing supplies, copy paper, maintenance and custodial supplies, materials, and bus fuel. Classroom needs have prompted a budget increase in 2025-26. We have projected increases of one (1%) percent annually for the final four years of the forecast.

ESTIMATED CAPITAL OUTLAY (Line # 3.050)

Source	FY26	FY27	FY28	FY29	FY30
Capital Outlay	$37,000	$37,000	$37,000	$37,000	$37,000
Replacement Bus Purchases	$0	$0	$0	$0	$0
Total Equipment Line #3.050	$37,000	$37,000	$37,000	$37,000	$37,000

Summary of Capital Outlay – Line #3.050
The district does not anticipate costs increasing significantly in this line because most capital outlay is paid by the Capital Projects Fund.

ESTIMATED OTHER OBJECTS (Line # 4.300)

Source	FY26	FY27	FY28	FY29	FY30
County Auditor & Treasurer Fees	$194,677	$212,198	$231,296	$252,113	$274,803
County ESC	$1,326,185	$1,445,542	$1,575,641	$1,717,449	$1,872,019
Other Expenses	$140,454	$153,095	$166,874	$181,893	$198,263
Total Other Expenses Line #4.300	$1,661,316	$1,810,835	$1,973,811	$2,151,455	$2,345,085

Summary of Other Objects – Line #4.300
The category of Other Expenses consists primarily of Auditor & Treasurer fees, our annual audit and other miscellaneous expenses. An average increase of approximately 4.25% is projected in this area for the forecasted period.

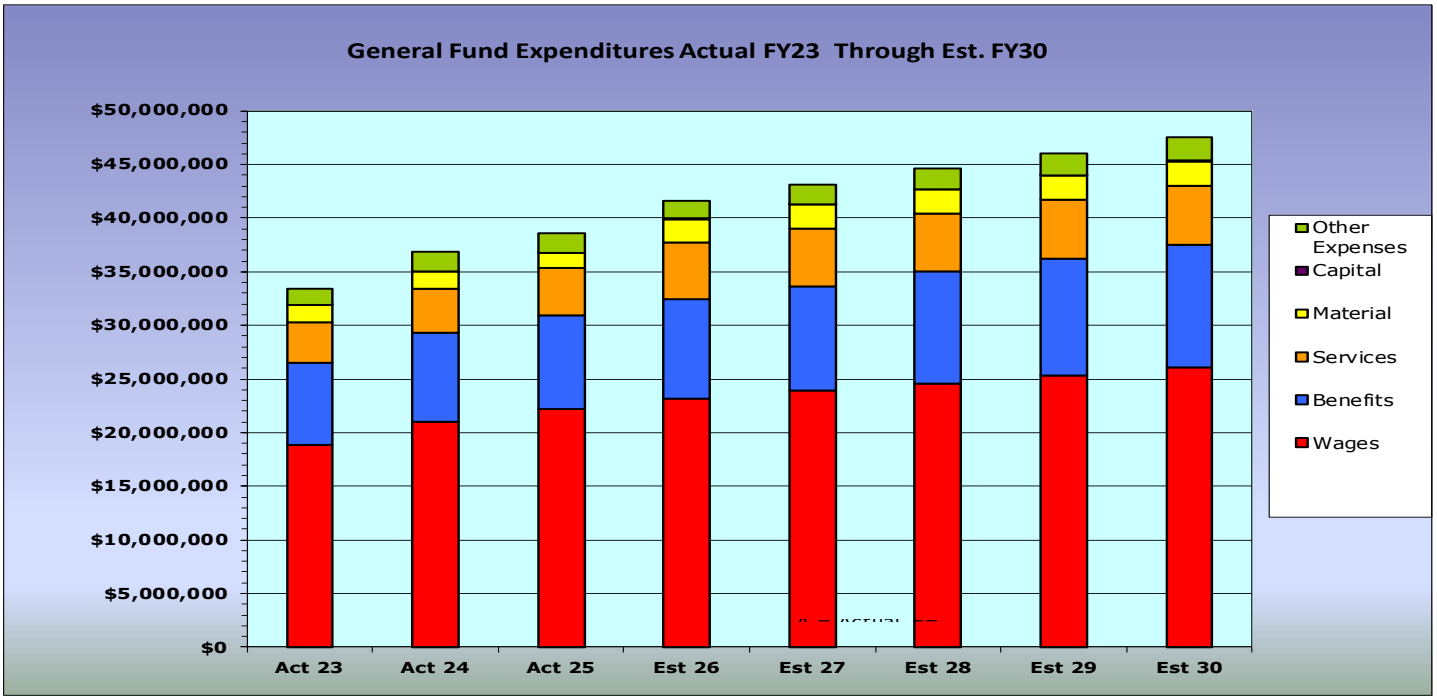
ESTIMATED TRANSFERS & ADVANCES (Line # 5.010 & 5.040)

Source	FY26	FY27	FY28	FY29	FY30
Operating Transfers Out Line #5.010	$1,675,000	$1,624,750	$1,576,008	$1,528,727	$1,482,865
Advances Out Line #5.020	$0	$100,000	$100,000	$100,000	$100,000
Total	$1,675,000	$1,724,750	$1,676,008	$1,628,727	$1,582,865

Summary of Transfers & Advances – Line # 5.010 & 5.040
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. These amounts are limited in impact to the General Fund as the amounts are repaid as soon as dollars are received in the debtor fund. We are anticipating transfers out to be approximately $1.575 million in FY25 and a reduction each year after that due to depreciation, due to the Rover Pipeline funding and Board resolution directing those funds to a capital projects fund.

TOTAL EXPENDITURES CATEGORICALS

The graph below shows a quick overview of actual and estimated expenses by proportion to total in the General Fund.



ESTIMATED ENCUMBRANCES (Line # 8.010)

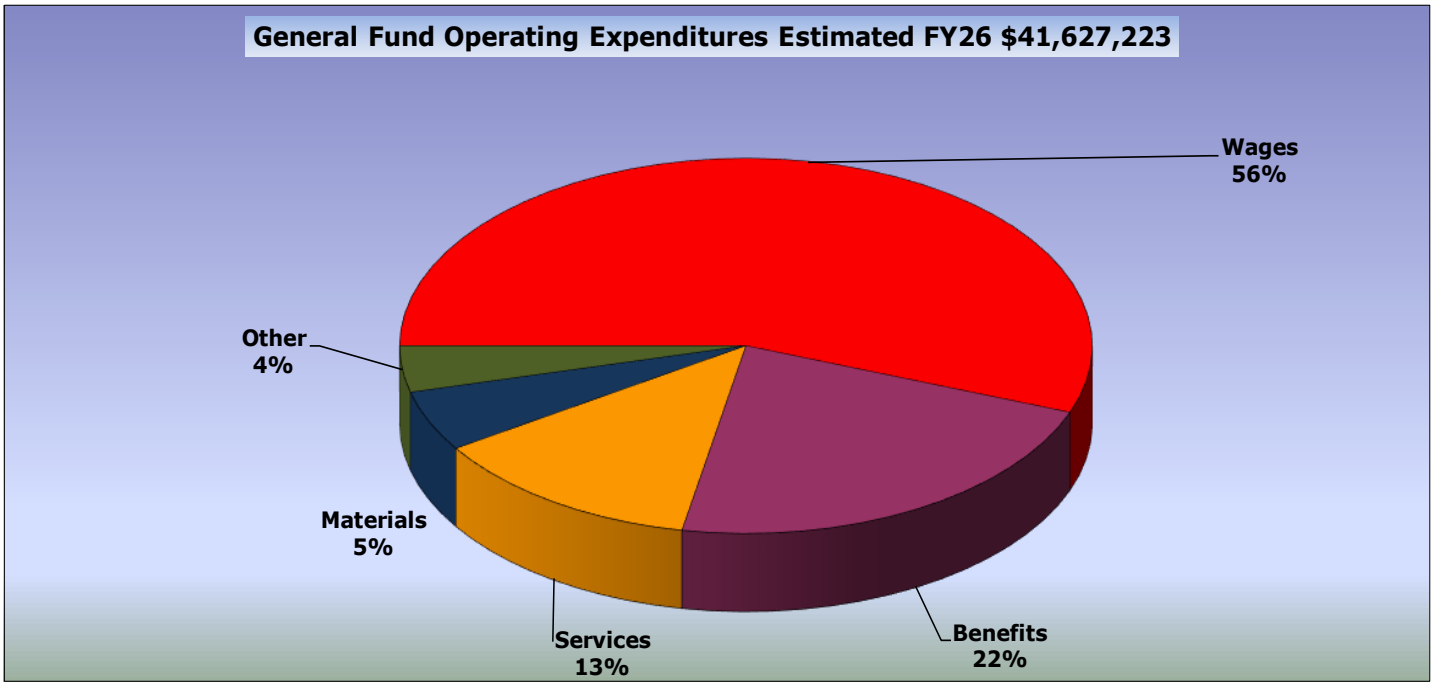
Source	FY26	FY27	FY28	FY29	FY30
Estimated Encumbrances	$25,000	$25,000	$25,000	$25,000	$25,000

Summary of Encumbrances – Line # 8.010
These are outstanding purchase orders that have not been approved for payment as the goods were not received in the fiscal year in which they were ordered.

ESTIMATED EXPENDITURES (Line # 5.050)

Historically expenditures for the last five (5) years have increased at an average of 4.37%. With the most current information we have at the time of this forecast being prepared, we have projected that our expenses will increase, on average, annually, to almost five 5.70% percent per year. We will continually monitor our expenses through our monthly financial reports. If the need arises, we will revise our forecast with more current information and projections.

2025-26
Estimated General Fund Expenditures



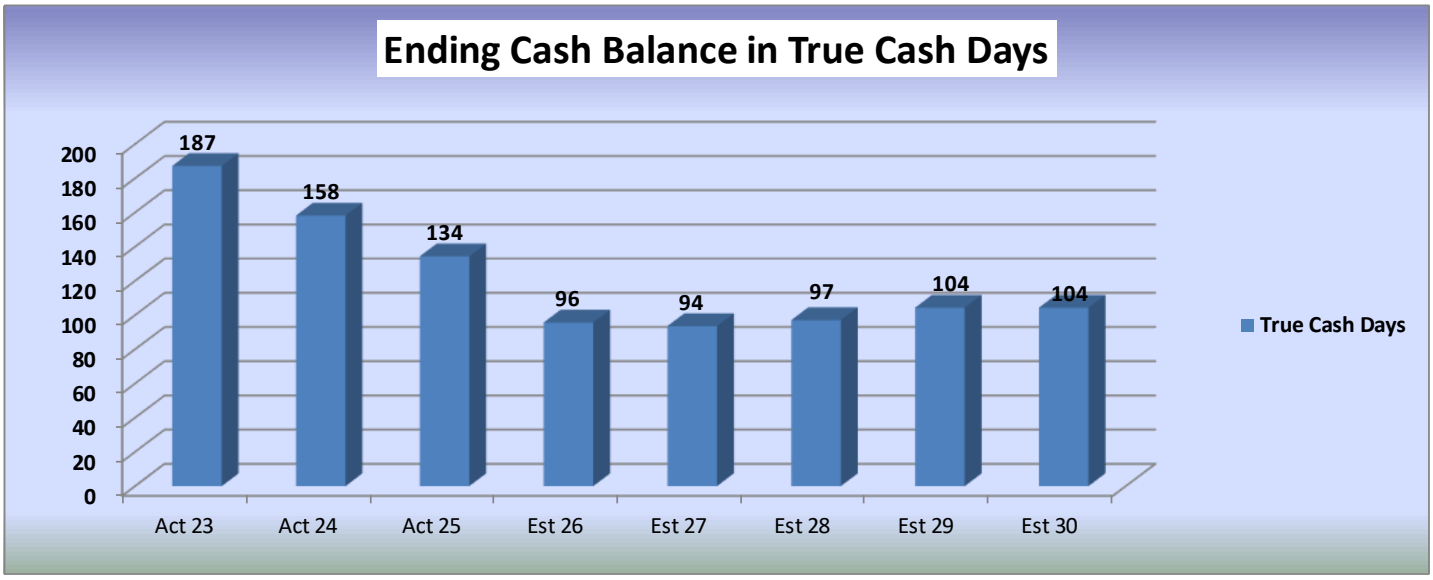
ESTIMATED ENDING CASH BALANCE (Line # 15.010)

	FY26	FY27	FY28	FY29	FY30
Ending Unencumbered Cash Balance	$11,347,861	$11,487,212	$12,311,761	$13,635,650	$14,047,913

Summary of Ending Unencumbered Cash Balance "The Bottom-line"– Line#15.010
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 which results in a negative unencumbered cash balance is a violation of 5705.412, ORC punishable by personal liability of $10,000, unless the new alternative 412 certificate can be issued pursuant to HB153 effective after September 30, 2011. It is the District's Cash Reserve Policy, adopted December 14, 2021 that the district maintains a yearly cash balance equal to One Hundred Five (105) true days operating cash.

With the passage of the .75% additional income tax, the districts reserves will gradually increase over the life of the forecast due to the slow collection cycle associated with income taxes. It takes approximately eighteen (18) months for a district to receive 100% of the proceeds from a newly enacted income tax.

True Cash Days Ending Balance
Another way to look at ending cash is to state it in 'True Cash Days". In other words, how many days could the district operate at year end if no additional revenues were received. The Government Finance Officers Association (GFOA) recommends no less than two (2) months or 60 days cash to be on hand at year end but could be more depending on each district's complexity and risk factors for revenue collection. To preserve financial effectiveness, the District's Cash Reserve Policy, adopted December 14, 2021 that the district maintains a yearly cash balance equal to One Hundred Five (105) true days operating cash.



SUMMARY

The Bowling Green Board of Education, administration, staff and students appreciate the continue support of the Bowling Green community. We are constantly working and planning for the future needs of our students and will continue to focus on the well-being of our students and district taxpayers while keeping an eye on the financial stability of the district. The administration is mindful of the continued community support and will continue to represent the students and taxpayers of the Bowling Green City Schools.

As you read through the notes and review the forecast, remember that the forecast is based on the information that is known at the time that it is prepared.