



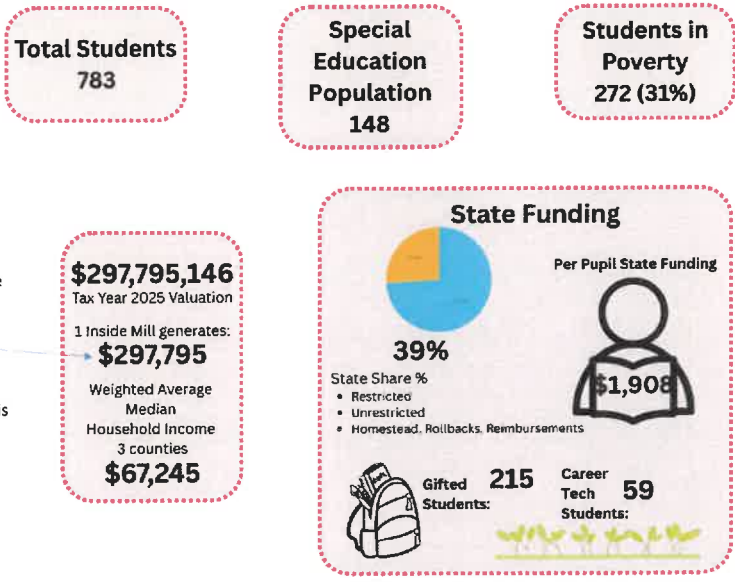
Financial Forecast Key Indicators & Analysis

Presented by: Jenny Culbertson
January 12, 2026

Mohawk Local SD

This is a targeted forecast revision focusing on revenue changes and assumptions. There are a few, but minimal expenditure changes from the October 2025 forecast.

Data Dashboard



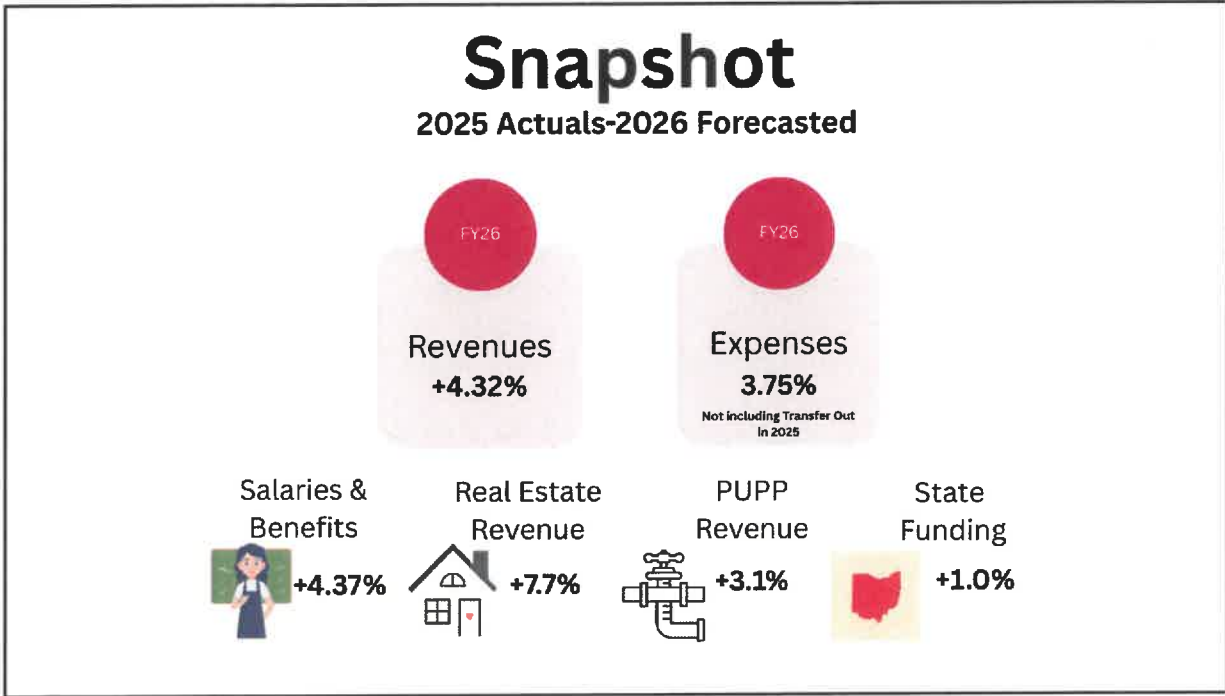
This shows the value of one inside mill under current conditions, but recently enacted legislation could change or reduce this revenue in the future.

The data on this slide highlights key student populations within our district, the numbers are more than just enrollment statistics; they directly drive how our district receives state funding. The state’s funding formula uses this data to calculate specific weights and supplemental allocations for each area of student need.

- Most recent total student number is 783 (this doesn’t include preschool as we are not funded for preschool) 879 with preschool, enrollment last school year (according to student demographic data on DEW was 830 (including preschool)
- Special education population this year is 148, last year according to DEW was 119
- The tax year valuation encompasses Class 1 (residential/agriculture), Class 2 (industrial/commercial), and Public Utility (PUPP) values for the district.
- For example, MLS receives 5 inside mills that are not subject to HB920, so \$297,795,146 would generate \$1,488,975 for the district. This number has increased since the October forecast due to increased property valuations, Wyandot county was a reappraisal county in 2025.
 - Note: While this figure shows what one inside mill generates today, House Bill 335 has been signed into law and may reduce or restrict inside millage, potentially impacting this revenue going forward.
- Median household income is used by the state as part of measuring our community’s overall wealth and capacity to support schools; higher incomes—along

with rising property values—signal greater local ability to contribute through real estate taxes, which in turn reduces the share of state funding our district receives.

- State Funding makes up 39.4% of our total revenue, last year it was 40.3%.
- We have 215 gifted students this year, last year the number was 199.



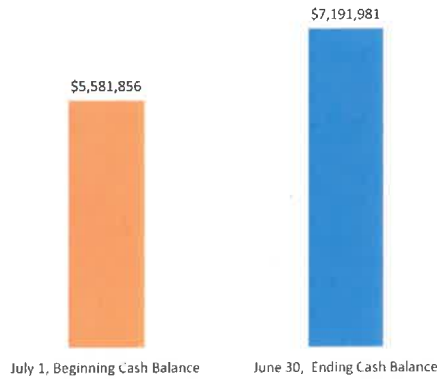
This slide provides some key drivers of revenues over/under expenditures on the forecast.

- Revenues are anticipated to increase by 4.32%.
- Expenses are down (when you look at the forecast summary) because last fiscal year we moved a substantial amount of money to our special capital projects account to pay for projects that are part of a district master plan. If we take that figure out, we anticipate expenses to increase by approx. 3.75%
- Salaries and benefits typically climb every year, this year we are forecasting 4.37%, part of this is an anticipated jump in insurance costs. This slight increase is also a result from added positions (aide/custodian), and several employees taking insurance that didn't in the past.
- Real estate revenue rises in FY26 due to updated property valuations (Wyandot, was a reappraisal county in 2025).
- State funding is anticipated to increase by 1% but not because the fair school funding formula updated base costs, rather because temporary adjustments are bridging the gap. On the previous slide, it may look like state funding decreased, but that figure reflects its **share of total revenue**, not an actual reduction in dollars.

CURRENT FISCAL YEAR

Financial Forecast Key Indicators & Analysis
Mohawk Local SD

Current Fiscal Year Projected Financial Analysis



Projected General Fund Revenue	\$15,109,278
Projected General Fund Expenditures	\$13,499,153
Projected Gain For The Year Is	\$1,610,125

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Please keep in mind, as you review the slides, that the District is in the process of developing a strategic capital spending plan that will utilize a portion of the revenue influx. However, since we do not yet have ALL finalized quotes, bids, or confirmed project costs, it would not be fiscally responsible to include a transfer out in the forecast at this time.

- Pipeline settlement revenue has been removed
- Tax Credits from property tax reform are included (subject to change as we cannot yet calculate the impact of some bills)

District Financial Outlook Snapshot

	2026	2027	2028	2029	2030
Beginning Cash Balance	\$5,581,856	\$7,191,981	\$8,399,812	\$9,736,039	\$10,658,462
+ Revenue	\$15,109,278	\$14,978,890	\$15,688,889	\$15,864,989	\$16,133,666
+ Renewal Levies	\$0	\$0	\$0	\$0	\$0
+ New Levies	\$0	\$0	\$0	\$0	\$0
- Expenditures	\$13,499,153	\$13,771,059	\$14,352,662	\$14,942,566	\$15,608,236
= Revenue Surplus or Deficit	\$1,610,125	\$1,207,831	\$1,336,227	\$922,423	\$525,430
Ending Cash Balance with Levies	\$7,191,981	\$8,399,812	\$9,736,039	\$10,658,462	\$11,183,892
Revenue Surplus or Deficit without Levies	\$1,610,125	\$1,207,831	\$1,336,227	\$922,423	\$525,430
Ending Cash Balance without Levies	\$7,191,981	\$8,399,812	\$9,736,039	\$10,658,462	\$11,183,892

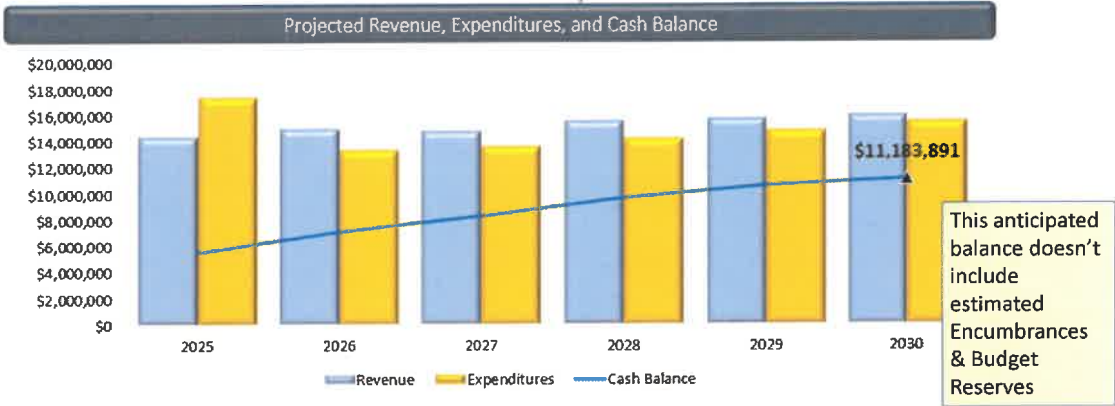
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This includes the calculated loss from taxpayer credits only-due to property tax reform (almost \$2 million over the next four years). This amount is subject to change. This includes solar revenue starting in 2028-The district will receive a guaranteed annual PILOT payment from the solar energy facility, providing a predictable revenue source independent of traditional property tax valuation.

When we look at projected cash balances, this doesn't include any transfers out from the general fund that may be needed for capital projects or improvements beyond the funds available in our capital expenditure accounts. We do not have all project quotes available at this time and they have not all been board approved. Until all plans are board approved, revenues continue to grow in the general fund, earning interest, contributing to the projected cash balance growth. Additionally, this projected cash balance does not include encumbrances or budget reserves. Encumbrances are prior-year purchase orders or contractual commitments that were approved but not yet paid by June 30 and are legally carried forward into the next fiscal year to ensure those obligations are honored. Budget reserves are the portion of a district's fund balance that is held back rather than spent, serving as a financial cushion for emergencies, revenue fluctuations, or one-time needs.

Note: other recent property tax reform could impact our projected revenue. Projections are based on known assumptions and may change as valuations, enrollment, or legislation evolve.

Overview throughout Forecast



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Budget reserves and outstanding encumbrances average approximately \$2,230,300 and are subject to change based on Board direction and planning decisions. Additionally, this does not reflect planned capital expenditures, future facility maintenance needs, unfunded mandates, potential property tax reforms, fluctuating state funding, or other uncertainties.

Cash Is Not the Same as Capacity

Cash balance reflects timing, not spending power

- Payroll is paid after work is performed
- Insurance premiums and contracts are for future obligations not yet paid
- Forecast cash does not reflect outstanding encumbrances, reserves, or other committed costs
- Although the district's policy target is 90–180 days cash on hand, long-term planning focuses on cash available after reserves, existing obligations, and capital projects.

Although the district's policy target is 90–180 days cash on hand, long-term planning focuses on cash available after reserves, existing obligations, and capital projects.

Key Risks to Cash Balance

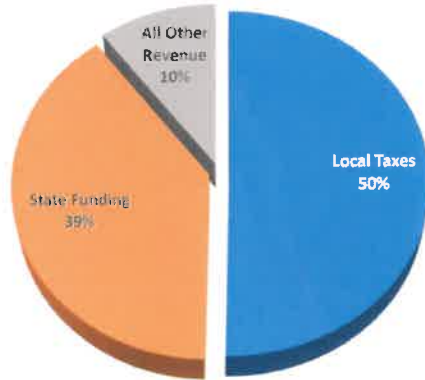
- Property tax reform
- Declining enrollment reducing state aid
- Health insurance cost volatility
- Unknown staffing needs
- Unfunded mandates
- Capital and facility needs
- Uncertainty about renewal



CURRENT FISCAL YEAR

Financial Forecast Key Indicators & Analysis Mohawk Local SD

Current Fiscal Year Projected Revenue Analysis



Projected Local Taxes	\$7,599,358
Real Estate Property Taxes	\$3,406,302
Public Utility Property Taxes	\$1,921,925
Income Taxes	\$2,271,131
Projected State Funding	\$5,953,107
Fair School Funding Plan	\$5,240,621
Restricted State Funding	\$200,761
State Share of Local Taxes	\$511,725
Projected All Other Revenue	\$1,556,813
Other Operating Revenue	\$1,554,834
Other Sources	\$1,980

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This slide presents projected revenue from **all major sources** for **fiscal year 2026**, including local taxes (real estate, PUPP, and income taxes), state foundation funding, and other revenues such as interest earnings, tuition, and miscellaneous receipts.

Legislative Impact

◇ House Bill 186

- House Bill 186 will limit how much property-tax revenue schools can grow over time—regardless of rising costs.

◇ House Bill 335

- House Bill 335 will significantly change Ohio’s property tax system by eliminating or limiting inside millage (the unvoted portion of property taxes that helps fund schools and local services), restrict how certain levies work, and authorize property tax credits.

◇ House Bill 129

- House Bill 129 will change how school district property tax revenue growth is calculated by including additional levies in the 20-mill floor formula and limiting future fixed-sum levies.

◇ House Bill 309

- House Bill 309 will give county budget commissions greater authority to reduce or adjust voter-approved property tax levies when collections are deemed “unnecessary or excessive”.

We anticipate a loss of close to \$2 million with the property tax reform (over the next 4 years). It could be more depending on HB 309 & HB 335.



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On December 19, 2025, Governor DeWine signed several property tax reform bills into law. Collectively, these changes reduce or cap the amount of revenue school districts may receive from voter-approved levies. While we understand that some level of reform was needed, these measures will place financial strain on many school districts across Ohio by limiting local revenue growth over time.

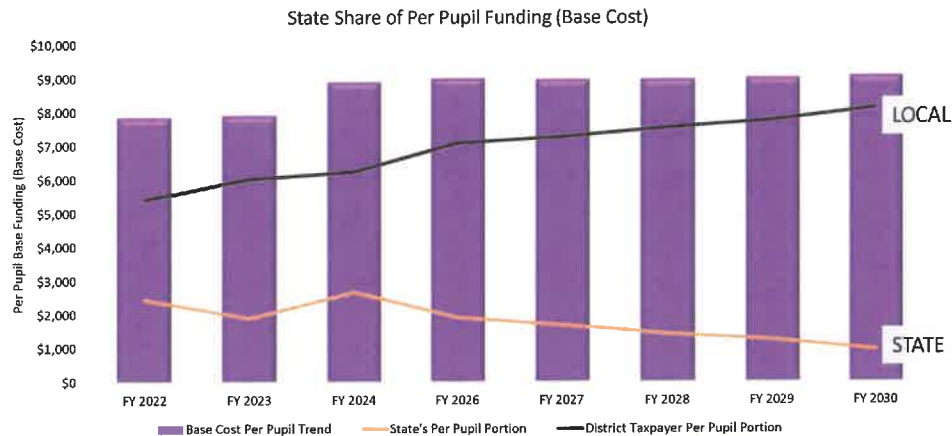
Despite these challenges, our district remains in a stable financial position today. Continued financial stability will depend on our ongoing commitment to fiscal responsibility and thoughtful long-term planning. By carefully managing resources, planning for future needs, and making spending decisions that are affordable both now and in the years ahead, we are positioned to navigate these changes while continuing to support students, staff, and our community.

We anticipate a loss of close to \$2 million with the property tax reform (over the next 4 years). It could be more depending on HB 309 & HB 335.

HB 335: HB 335 would limit or cap how much revenue a district can collect from inside millage following a reappraisal or update, tying increases to a measure such as inflation rather than allowing them to grow with property values.

State Budget

Per Pupil Funding (Base Cost) Amount and State's Share



The district's per pupil funding (base cost) was \$7,865 in FY 2022. Actual per pupil base cost funding received from the state was \$2,445 in FY 2022. The rest, \$5,420 was provided by local taxpayers.

The district's per pupil state funding is \$1,917 in FY 2025 and is trending toward \$907 by FY 2029. At the same time, the calculated local share is approx. \$7,000 in FY 2026 trending toward \$8,130 in FY 2030.

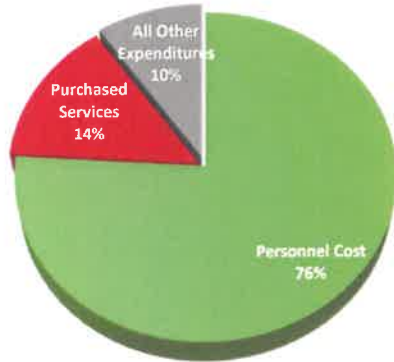
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Our district's total state funding has increased, even though the **per-pupil (base cost) amount** is declining. This occurs because of several interacting factors within Ohio's Fair School Funding Formula. While our overall enrollment is up, measures of district wealth—such as rising property valuations and, in some cases, higher resident income—have increased our calculated local capacity. This shifts a greater share of the formula's base cost to the local level, lowering the state's per-pupil contribution. In addition, the formula's base cost components have not been fully updated to reflect current inflationary pressures and operating costs, resulting in slower growth in the per-pupil rate compared to actual expenses. Even so, categorical funding areas and temporary adjustments in the formula have contributed to overall state funding growth for the district, despite the decline in the per-pupil base amount.

CURRENT FISCAL YEAR

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Mohawk Local SD

Current Fiscal Year Projected Expenditure Analysis



Projected Personnel Costs	\$10,265,189
Salaries	\$6,883,842
Benefits	\$3,381,347
Projected Purchased Services	\$1,937,214
Projected All Other Expenditures	\$1,296,749
Supplies, Capital, Debt, Other Operating	\$789,550
Advances, Transfer, Other Uses	\$507,199

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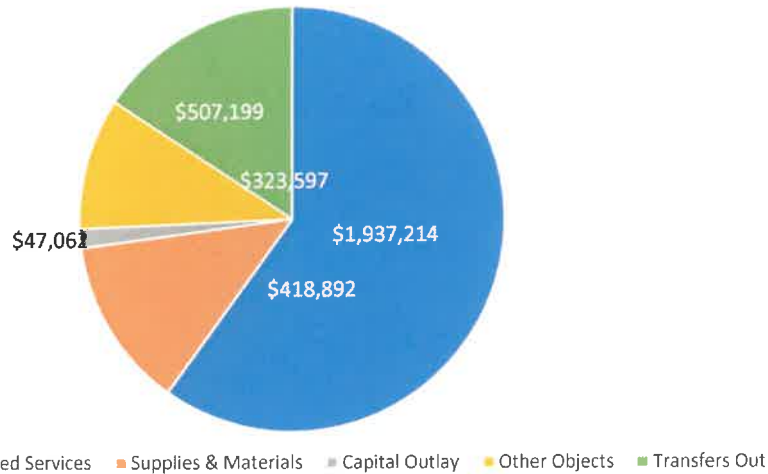
This snapshot shows how we invest in key areas to support students and operations. You can see that \$.76 of every dollar is spent on salary and benefits.

Salaries represent 51% of total expenditures and Benefits represent 25.1% of total expenditures.

Salary increases are projected throughout the forecast with nominal increases. The district has collective bargaining negotiations scheduled in FY26. At this time, the forecast reflects nominal increases, and any changes resulting from negotiations will be incorporated once agreements are finalized. Staff retirements are anticipated in FY26, it is unknown at this time how many and if replacement staff will be hired.

The district is seeing an increase with insurance enrollment by our staff members, which increases the cost of benefits. Health insurance costs are anticipated to increase significantly, as noted in recent industry reports.

FY 26 Other Expenses



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Let's review our additional expenditures:

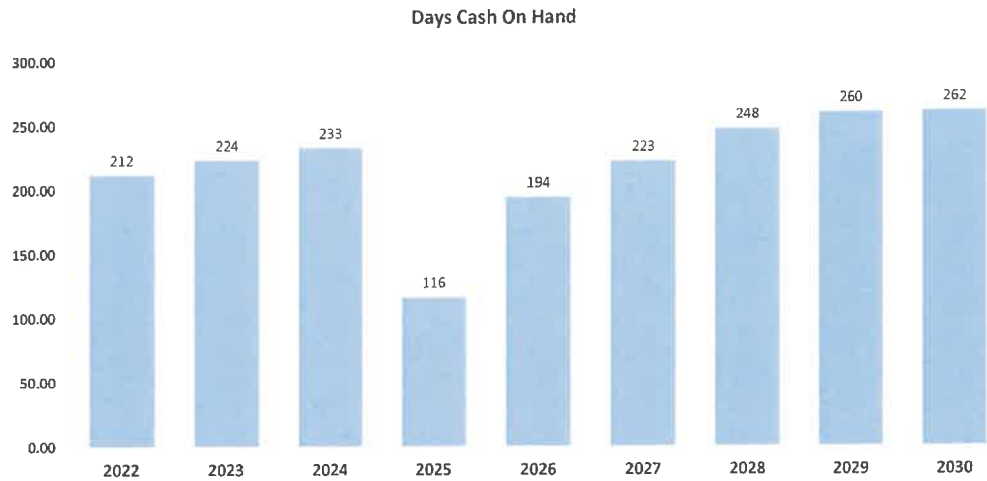
Purchased Services expenditures are increasing and are anticipated to continue to grow in future years. This category includes a wide range of essential services such as professional and technical support, insurance, communications (phone and internet), utilities, and tuition. A significant portion of this increase is tied to professional technical services required to meet student needs, including educational consultants, special education aides, physical therapy, hearing and vision services, psychological services, and speech therapy. These services are essential to ensure that all students receive the appropriate support, instruction, and resources necessary for their success. Other objects (2.2% of total expenditures) typically remain consistent and are mostly comprised of county auditor and treasurer's fees for the collection of local tax revenue, as well as, biannual audit costs. The jump in FY26 is due to the district making the decision to fund student lunch accounts with \$100 per student, resulting in an \$87,900 expenditure.

We may see an increase in Transfers Out depending on master plan decisions and costs, this could result in a transfer out to the Special Capital projects fund.

FORECAST

Financial Forecast Key Indicators & Analysis
Mohawk Local SD

Calendar Days Cash on Hand



Note: Calculated on 365 Day Calendar Year

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If our Days Cash exceeds the range outlined in Board policy, we will develop a spend-down plan. As of now we are working on some capital projects that will impact the days cash balance, but we can't confirm at this time the exact amount. This can be done after proper planning, bidding, timing, and board approval. Our Board policy establishes a target cash balance between 90 and 180 days.

Reiterating that this projected days cash does not include encumbrances or budget reserves.

The district's goal is to maintain long-term fiscal stability while navigating known and emerging uncertainties through responsible planning and prudent financial management, ensuring we can continue to maintain safe and well-maintained facilities and provide high-quality academic, athletic, and extracurricular opportunities that support a top-notch student experience.

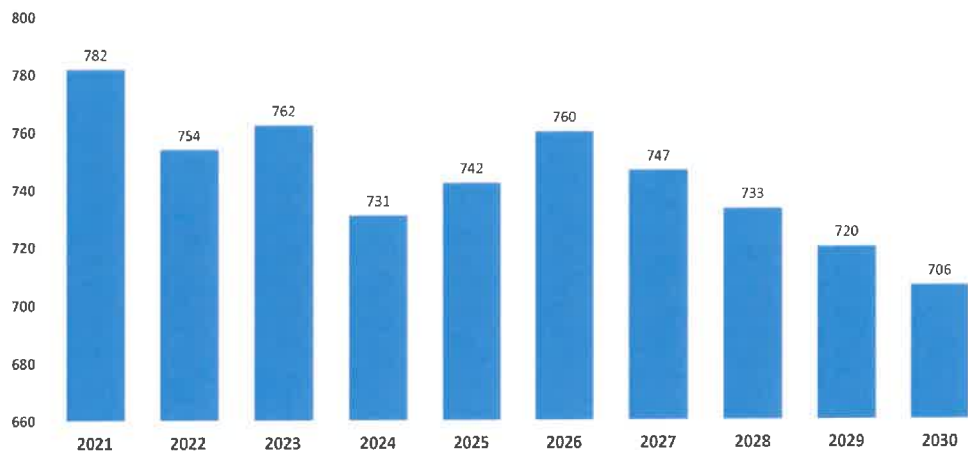
Days cash is slightly higher than the October forecast (without Pipeline) due to higher property valuations than expected and solar revenue.

DEMOGRAPHICS

Financial Forecast Key Indicators & Analysis
Mohawk Local SD

Enrollment

District Educated Enrollment



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While our forecast reflects a long-term trend of gradually declining enrollment, current enrollment is temporarily higher than projected. This increase appears to be short-term, as historical patterns suggest enrollment will likely level off or decline again in future years. This will result in less state funding.

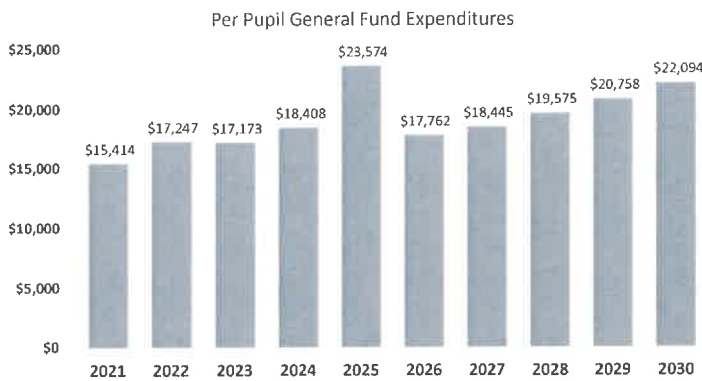
Long-Term Stability = Fiscal Responsibility

FY14-FY18-Established Stability	FY19-FY22-Growth & Planning for Stability	FY24-future-Continued Planning for Stability
FY14-district began transferring \$200,000 to a "rainy day" fund	FY19-district transferred \$875,000 to bond retirement for early payoff of school building bonds	FY24-transferred \$1,700,000 to PI, and \$15,573 to severance fund
FY15-district began allocating money to the Permanent Improvement Fund	FY20-transferred \$625,000 to rainy day fund, \$500,000 to PI, & \$50,000 to cafeteria	FY25-transferred \$409,624 to PI, \$161,277 to severance, and \$4,500,000 to Special Capital Projects Fund (for approved master plan expenditures)
FY16-district transferred \$500,000 to PI fund for future roof replacement	FY21-transferred \$650,000 to PI, \$20,000 to cafeteria, \$18,171 to athletics, & \$46,707 to severance fund	FY26-\$2.5 million lease purchase proceeds obtained for capital projects and cash conservation (due to pending property tax legislation), estimated \$66,169 to severance, and estimated \$425,525 to PI fund
FY17-district transferred \$151,237 to establish a termination benefits fund & transferred \$250,000 to PI	FY22-transferred \$2,363,478 to PI, and \$22,009 to severance fund	
FY18-district achieved goal of \$1 million in rainy day fund and PI balance of \$1 million	FY23-transferred \$1,615,342 to PI, \$400,000 to rainy day, and \$34,658 to severance fund	

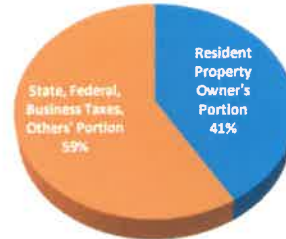
The goal is not to go back to our taxpayers for additional new money.

This slide provides a historical overview of strategic fiscal decisions that have strengthened the district's financial stability. It highlights how proactive planning and disciplined fiscal management have positioned the district to address essential expenditures in advance. Through responsible budgeting, forward-looking investment, and deliberate allocation of resources, the district has maintained stability while ensuring funds are available to meet both current and future needs.

DEMOGRAPHICS



FY 2026 Per Pupil Expenditure Support



Note: Local share is calculated using a ratio of Class I property value, effective tax rate relative to total calculated property tax revenue. It also includes income tax levies if applicable.

Note: Total Expenditures Less Advances Out / District Educated Enrollment
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Per-pupil expenditure shows how much the district spends, on average, to educate one student in a year by dividing total expenditures by student enrollment. It helps the board and community understand how resources are being allocated at the student level, not just in total dollars. Per-pupil spending is a useful indicator, but it does not capture differences in student needs, staffing models, transportation, or mandated services.

We anticipate continued declines in the state’s share of funding, resulting in increased reliance on local revenue sources over time.

The FY2025 spike in per-pupil expenditures is driven by a one-time transfer to fund capital improvements and is not indicative of ongoing instructional or operating spending.

Forecast Location

Forecast and notes are available for inspection for any public school at:
<http://fyf.oecn.k12.oh.us/>

Mohawk Local Schools direct link at:
<http://www.mohawklocal.org/treasurer.aspx>

Treasurer contact information:
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419-927-2414