

Lowellville Local School District

Fiscal Year
2026
February

Financial
Forecast
Report



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Lowellville Local School District

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Forecast Purpose/Objectives

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

1. To engage the local board of education and the community in the long range planning and discussions of financial issues facing the school district.
2. To serve as a basis for determining the school district's ability to sign the certificate required by O.R.C. §5705.412, commonly known as the "412 certificate."
3. To provide a method for the Department of Education and Auditor of State to identify school districts with potential financial problems.

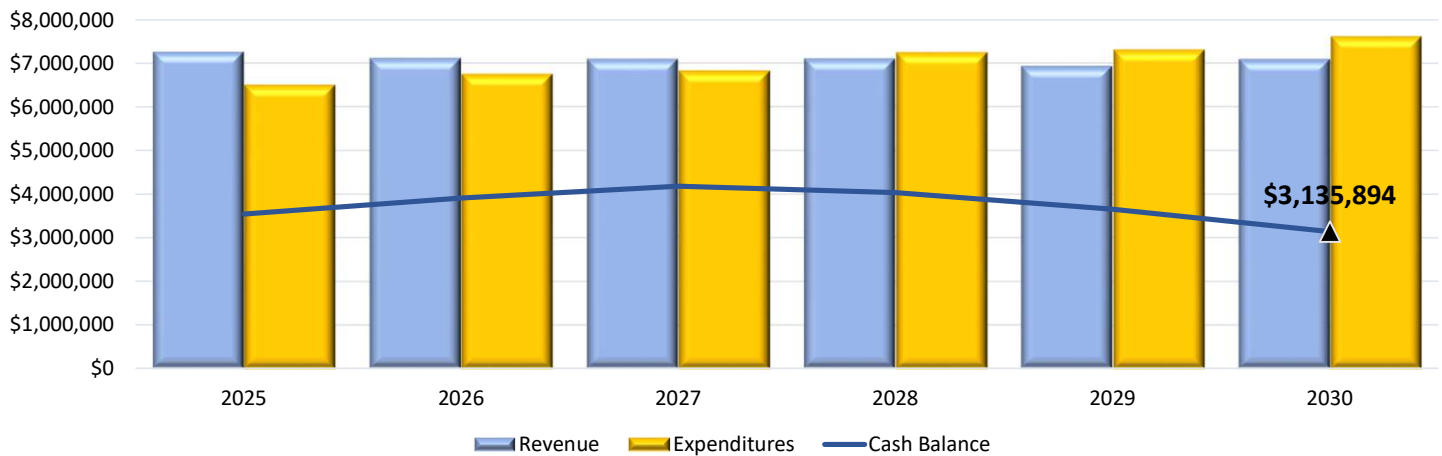
Forecast Methodology

This forecast is prepared based upon historical trends and current factors. This information is then extrapolated into estimates for subsequent years. The forecast variables can change multiple times throughout the fiscal year, and while cash flow monitoring helps to identify unexpected variances, no process is guaranteed. The intent is to provide the district's financial trend over time and a roadmap for decisions aimed at encouraging financial sustainability and stability.

Forecast Summary

Lowellville Local School District

Projected Revenue, Expenditures, and Cash Balance



Financial Forecast Summary

	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030
Beginning Balance (Line 7.010) <i>*Includes Renewal/New Levy Revenue, see Disclosures</i>	3,547,526	3,910,736	4,180,351	4,037,735	3,656,481
+ Revenue	7,116,097	7,094,731	7,103,342	6,930,008	7,093,340
- Expenditures	(6,752,888)	(6,825,116)	(7,245,958)	(7,311,263)	(7,613,927)
= Revenue Surplus or Deficit	363,210	269,615	(142,615)	(381,255)	(520,587)
Line 7.020 Ending Balance with Renewal/New Levies	3,910,736	4,180,351	4,037,735	3,656,481	3,135,894

Financial Summary Notes

Expenditure growth is projected to outpace revenue change. By the end of 2030, the cash balance is projected to decline by a total of \$411,632 compared to 2025. For fiscal year 2030, expenditures are currently projected to exceed revenue, resulting in a revenue shortfall the final year of the forecast period.

For revenue, projected change is expected to be less than the historical average. Over the past five years, revenue increased by 5.74% (\$349,578 annually). However, it is projected to decrease by -0.45% (-\$33,653 annually) through fiscal year 2030. Notably, State Funding, is expected to be \$621,574 less per year compared to history, and is the biggest driver of trend change on the revenue side.

For expenditures, projected change is expected to be at a slower pace than the historical trend. Expenditures increased by 3.76% (\$218,384 annually) during the past 5-year period, and are projected to increase by 3.22% (\$222,153 annually) through 2030. The forecast line with the most change on the expense side, Benefits, is anticipated to be \$25,022 more per year in the projected period compared to historical averages.

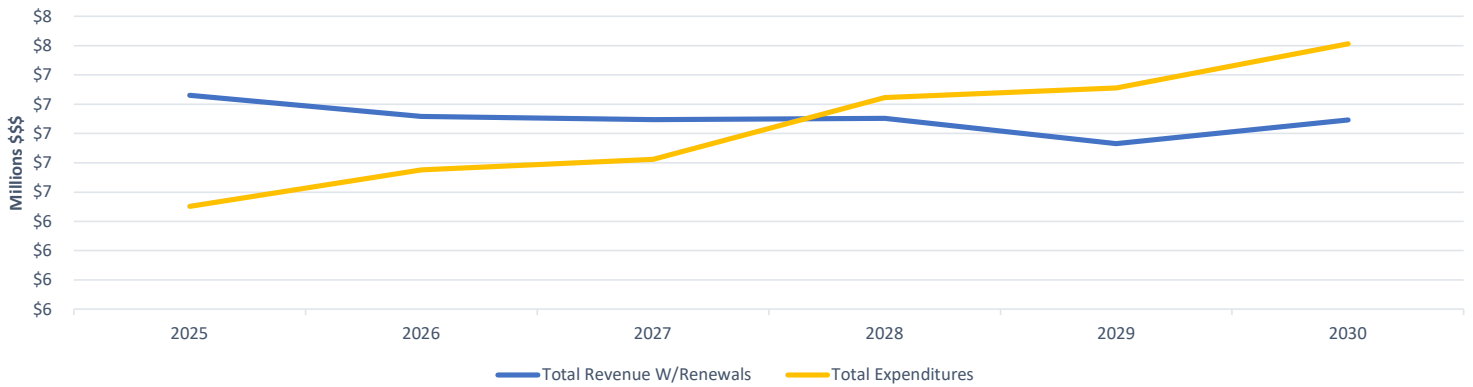
Based on the projections in this forecast, the district is expected to enter deficit spending beginning in fiscal year 2028. While the budget remains balanced over the next two fiscal years, this window provides essential time for the district to proactively develop and implement strategies to either sustain structural balance or mitigate the projected deficit starting in 2028.

Disclosure Items:	2026	2027	2028	2029	2030
Modeled Renewal Levies - Annual Amount	-	-	-	-	-
Modeled New Levies - Annual Amount	-	-	-	-	-
Encumbrances (not subtracted from Cash Balance)	-	-	-	-	-

Forecast Analysis

Lowellville Local School District

Revenue Compared to Expenditures

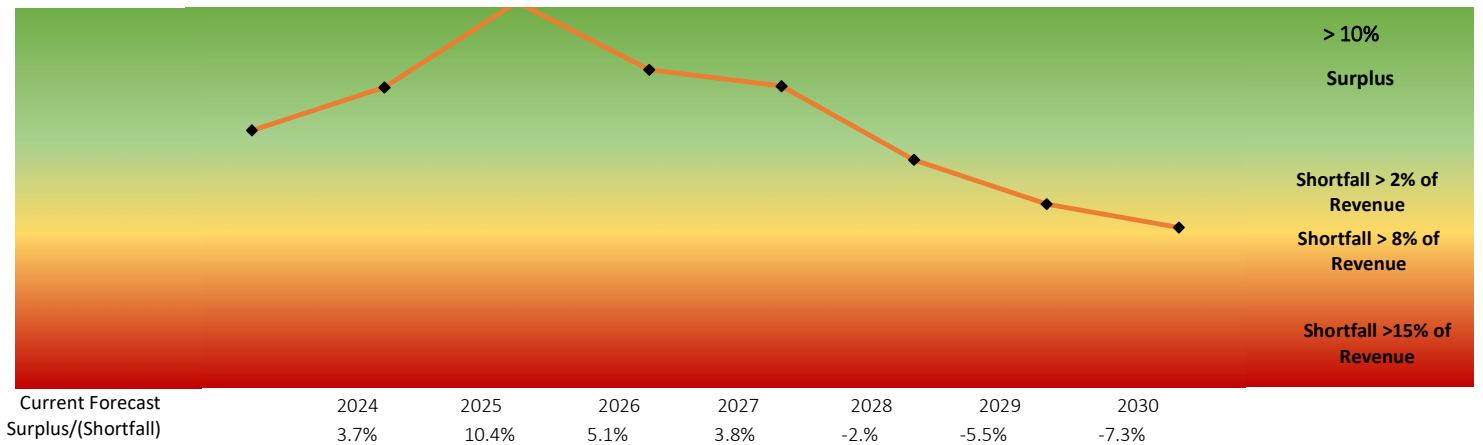


From 2026 to 2030, total revenues are projected to change by -0.45%

Expenditure change is expected to outpace revenue change.

From 2026 to 2030, total expenses are projected to change by 3.22%

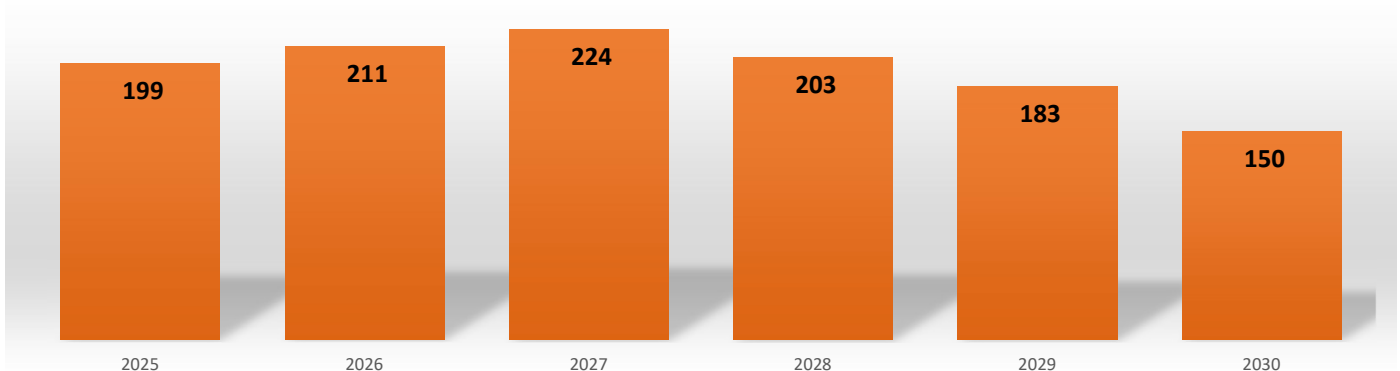
Revenue Surplus/(Shortfall) as a Percentage of Revenue



The district is trending toward revenue shortfall with the expenditures growing faster than revenue.
 A revenue increase of 5.50% is needed to balance the budget in fiscal year 2030, or a \$520,587 reduction in expenditures.

- The largest contributor to the projected revenue trend is the change in State Funding.
- The expenditure most impacting the changing trend is Benefits.

Days Cash on Hand at Fiscal Year-end

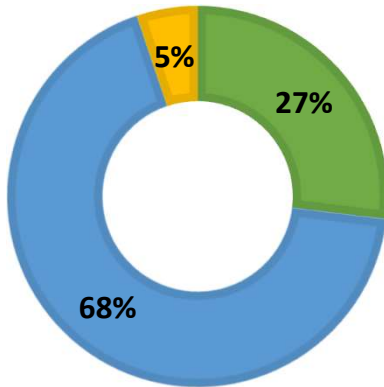


*based on 365 days

Revenue Overview

Lowellville Local School District

Revenue Sources



Local Taxes

Real Estate Tax	11.42%
Public Utility Tax	15.49%
Income Tax	0.00%

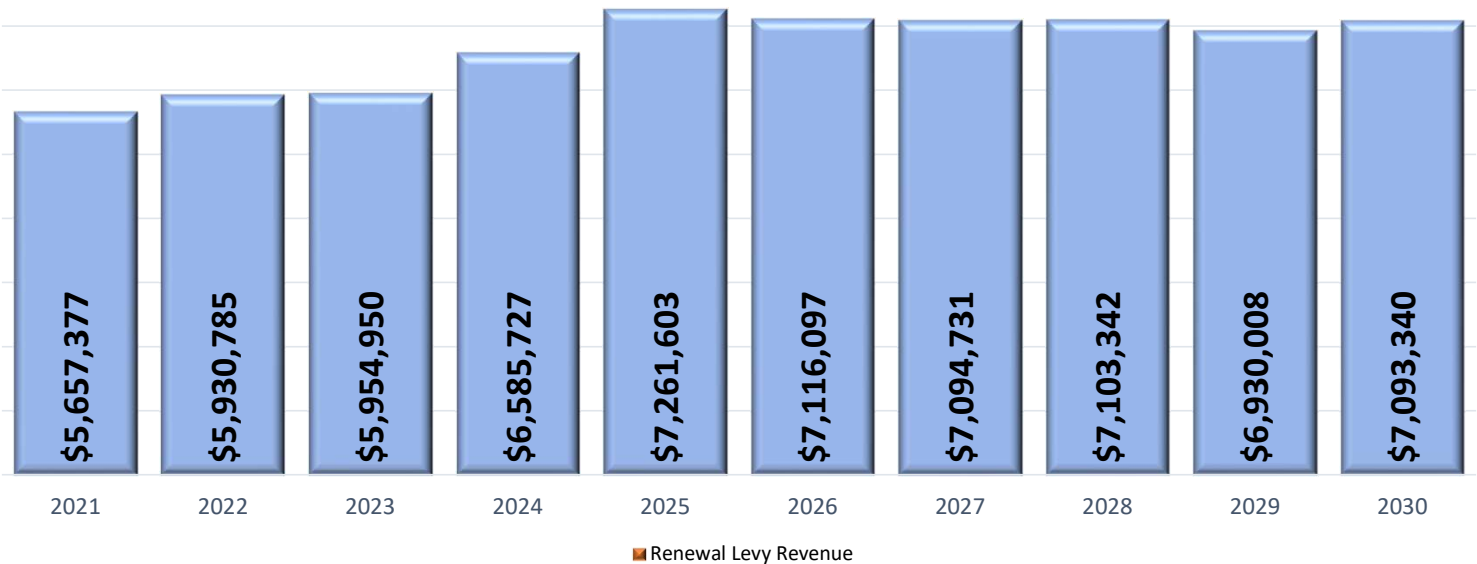
State Sources

State Funding	59.33%
Restricted Aid	6.82%
State Reimb Prop Tax Cr	1.77%

All Other Revenue

Other Revenue	5.11%
Other Sources	0.06%

Annual Revenue Actual + Projected



Historic Revenue Change versus Projected Revenue Change

	Historical Average Annual \$\$ Change	Projected Average Annual \$\$ Change	Projected Compared to Historical Variance	Over the past five years, revenue increased by 5.74% (\$349,578 annually). However, it is projected to decrease by -0.45% (-\$33,653 annually) through fiscal year 2030. Notably, State Funding, is expected to be \$621,574 less per year compared to history, and is the biggest driver of trend change on the revenue side.
Real Estate	\$43,779	\$1,782	(\$41,997)	
Public Utility	\$41,289	\$15,329	(\$25,960)	
Income Tax	\$0	\$0	\$0	
State Funding	\$574,333	(\$47,241)	(\$621,574)	
State Reimb Prop Tax Credits	\$5,463	\$4,516	(\$947)	
All Othr Op Rev	(\$315,473)	(\$8,444)	\$307,029	
Other Sources	\$187	\$406	\$218	
Total Average Annual Change	\$349,578 5.74%	(\$33,653) -0.45%	(\$383,231) -6.19%	

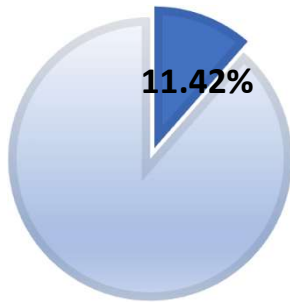
For Comparison:

Expenditure average annual change is projected to be >

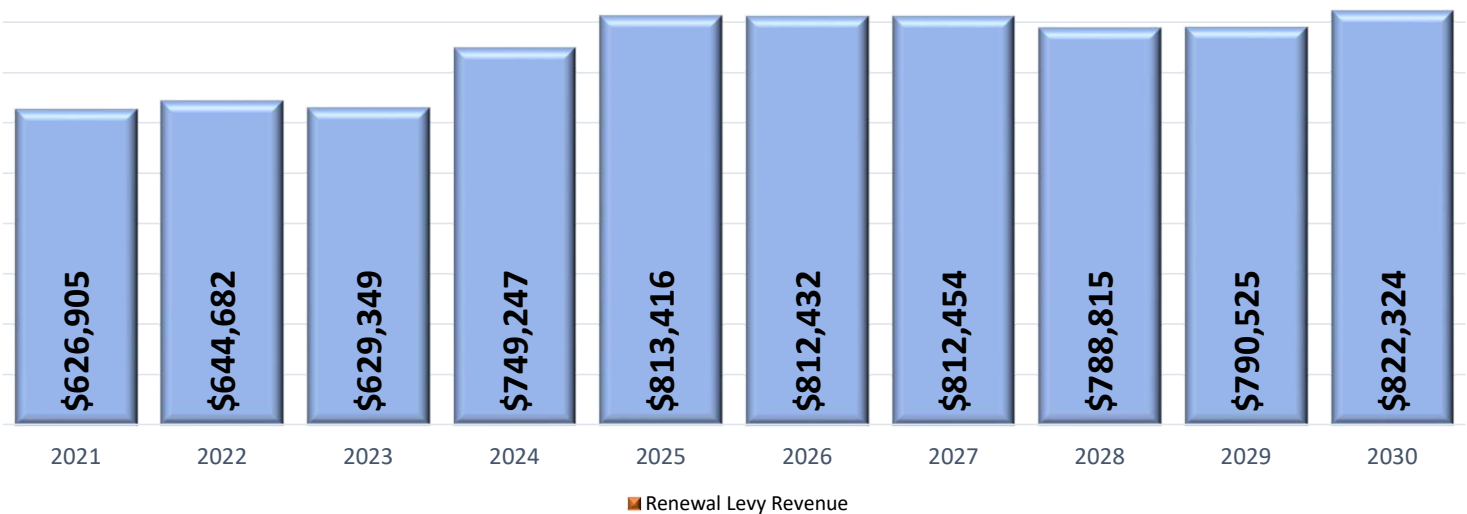
\$222,153 On an annual average basis, expenditures are projected to grow faster than revenue.

1.010 - General Property Tax (Real Estate)

Revenue collected from taxes levied by a school district by the assessed valuation of real property using effective tax rates for class I (residential/agricultural) and class II (business).



Real estate property tax revenue accounts for 11.42% of total district general fund revenue.



Key Assumptions & Notes

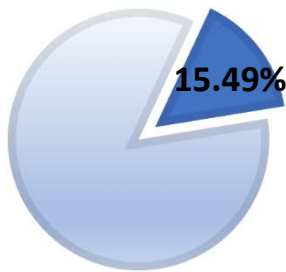
Values, Tax Rates and Gross Collections							Gross Collection Rate Including Delinquencies
Tax Yr	Valuation	Value Change	Class I Rate	Change	Class 2 Rate	Change	
2024	46,041,040	(22,850)	20.00	-	30.30	-	96.3%
2025	46,310,950	269,910	20.00	(0.00)	30.30	(0.00)	98.7%
2026	54,247,950	7,937,000	19.69	(0.31)	27.86	(2.44)	98.7%
2027	54,339,950	92,000	19.69	-	27.86	(0.00)	98.7%
2028	54,431,950	92,000	19.69	-	27.86	(0.00)	98.7%
2029	57,888,950	3,457,000	19.69	-	26.94	(0.92)	98.7%

Class I, or residential/agricultural taxes make up approximately 86.57% of the real estate property tax revenue. The Class I tax rate is 20.00 mills in tax year 2025. The projections reflect an average gross collection rate of 98.7% annually through tax year 2029. The revenue changed at an average annual historical rate of 6.70% and is projected to change at an average annual rate of 0.24% through fiscal year 2030.

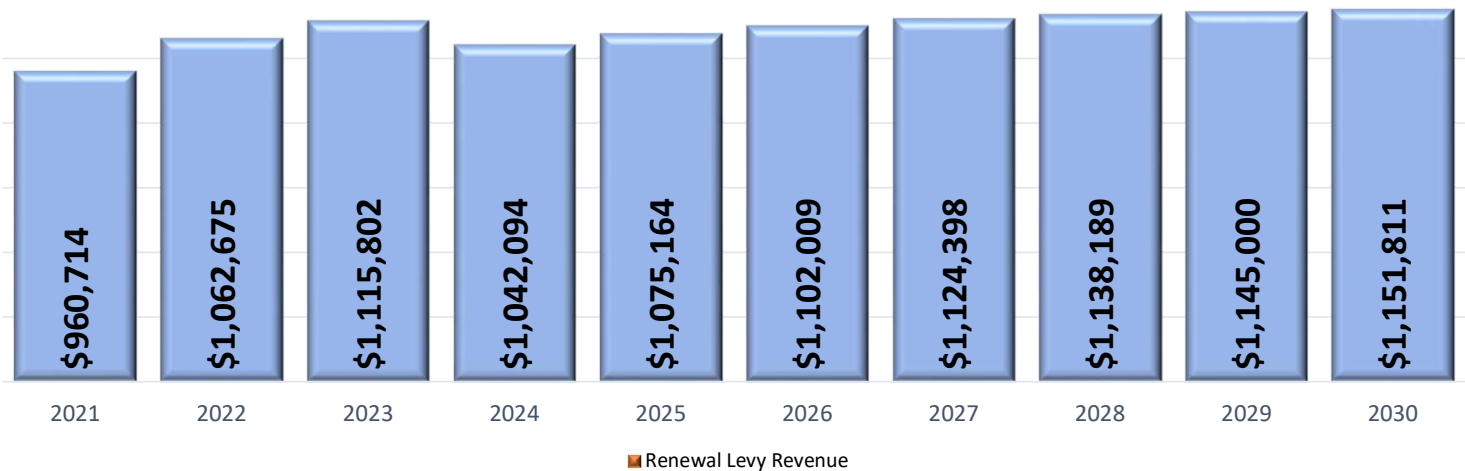
Since the release of the prior forecast, significant updates have been made as a result of the district's property tax review, directly affecting future-year real estate tax projections. Pages 28 and 30 of this report detail the impact on inside millage, reductions in real estate revenue resulting from "look-back" taxpayer credits, and the capping of inflationary growth in future fiscal years.

1.020 - Public Utility Personal Property

Revenue generated from public utility personal property valuations multiplied by the district's full voted tax rate.



Public Utility Personal Property tax revenue accounts for 15.49% of total district general fund revenue.



Key Assumptions & Notes

Values and Tax Rates					Gross Collection Rate Including Delinquencies
Tax Year	Valuation	Value Change	Full Voted Rate	Change	
2024	20,090,150	1,122,940	55.90	-	97.0%
2025	20,325,820	235,670	55.90	-	98.0%
2026	20,825,820	500,000	55.59	(0.31)	98.0%
2027	20,950,820	125,000	55.59	-	98.0%
2028	21,075,820	125,000	55.59	-	98.0%
2029	21,200,820	125,000	55.59	-	98.0%

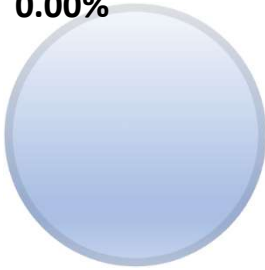
The public utility personal property tax revenue is generated from the personal property values, additions, and depreciation reported by the utility companies. The property is taxed at the full voted tax rate which in tax year 2025 is 55.90 mills. The forecast is modeling an average gross collection rate of 98.02%. The revenue changed historically at an average annual dollar amount of \$41,289 and is projected to change at an average annual dollar amount of \$15,329 through fiscal year 2030.

Due to a major public utility company not paying their full taxes in tax year 2025 across Northern Ohio, the gross collection rate dropped to 97%. The district is not anticipating this trend to continue into future fiscal years.

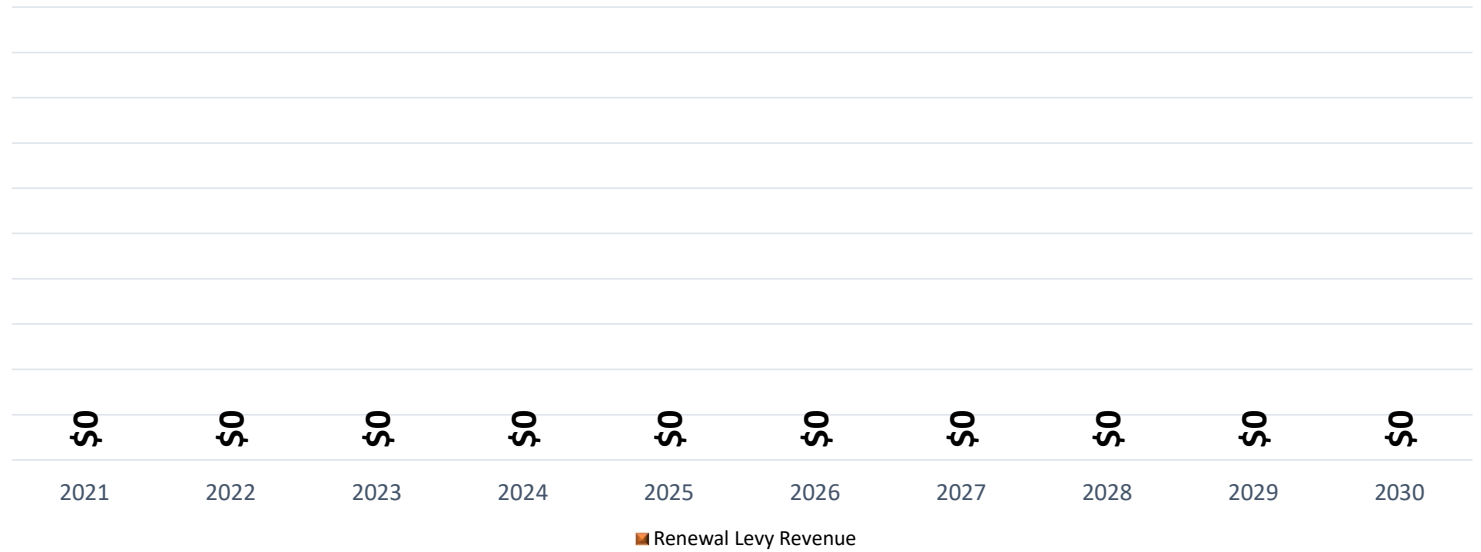
1.030 - School District Income Tax

Revenue collected from income tax earmarked specifically to support schools with a voter approved tax by residents of the school district; separate from federal, state and municipal income taxes.

0.00%



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

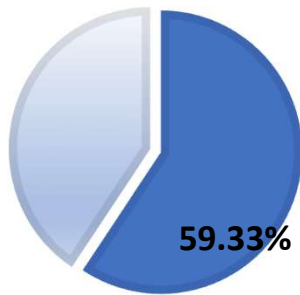


Key Assumptions & Notes

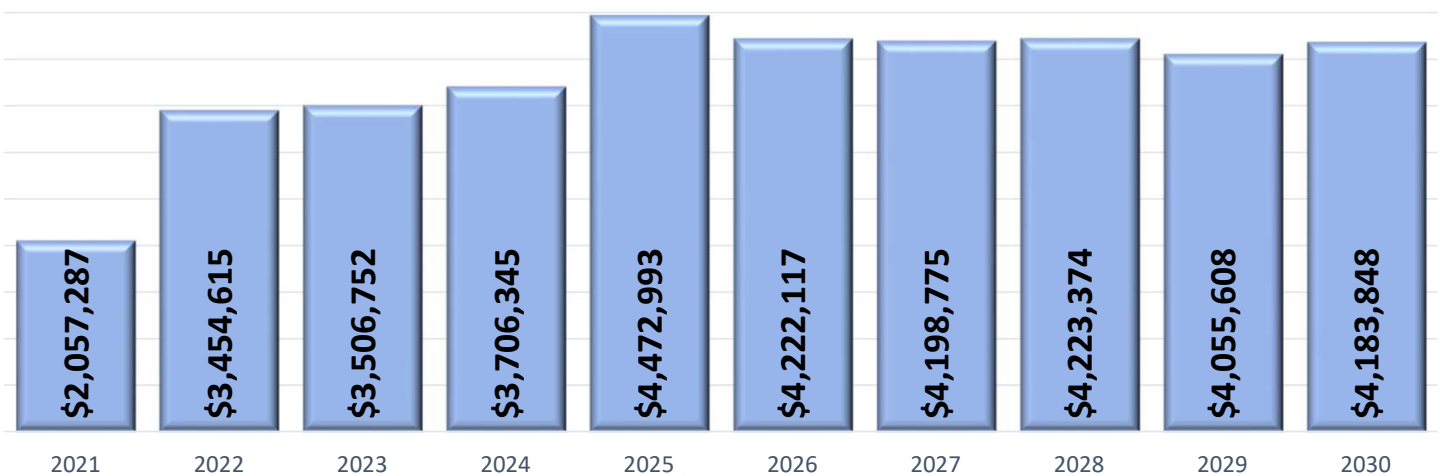
The district does not have an income tax levy.

1.035 - Unrestricted Grants-in-Aid

Funds received through the State Foundation Program with no restriction.

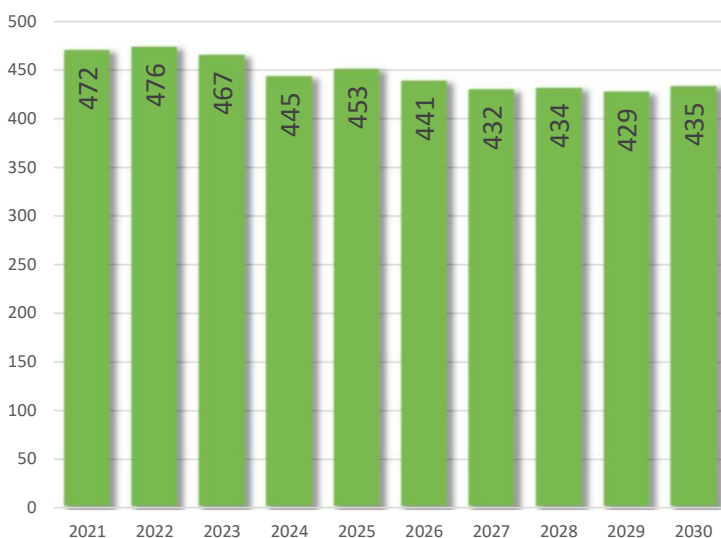


Unrestricted State Aid revenue accounts for 59.33% of total district general fund revenue.



Key Assumptions & Notes

District Educated Enrollment



Beginning in fiscal year 2022, Ohio adopted the Fair School Funding Plan (FSFP). Funding is driven by a base cost methodology that incorporates the four components identified as necessary to the education process. The Base Cost is currently calculated for two years using a statewide average from historical actual data.

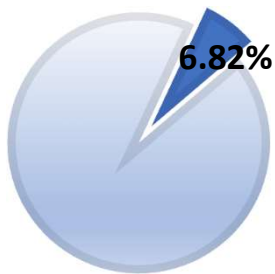
For Lowellville Local School District, the calculated Base Cost total is \$4,822,521 in 2026.

The State's Share of the calculated Base Cost total is \$3,382,425, or \$7,670 per pupil.

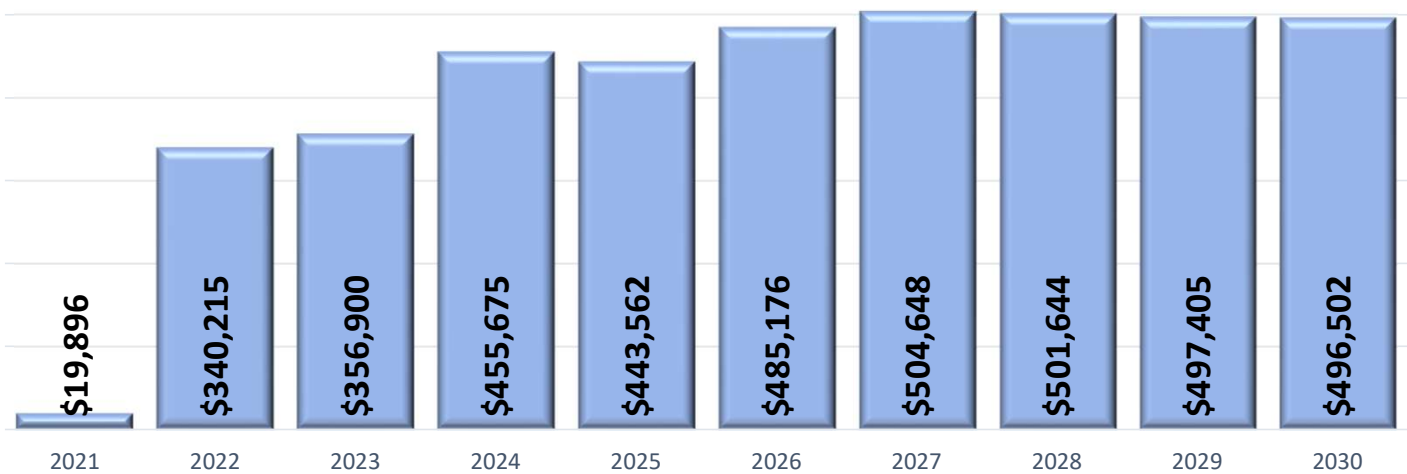
The FSFP also started funding students where they attended school. Therefore district educated enrollment is now used for per pupil funding. At the same time, the FSFP eliminated tuition transfer payments from school districts, which impacts the expense side of the forecast.

1.040 & 1.045 - Restricted Grants-in-Aid

Funds received through the State Foundation Program or other allocations that are restricted for specific purposes.



Restricted State Aid revenue accounts for 6.82% of total district general fund revenue.



Key Assumptions & Notes

Restricted aid is the portion of state per pupil funding that must be classified as restricted use. Historically the district's restricted state aid changed annually on average by \$34,449 and is projected to change annually on average by \$10,588. Restricted funds represent 6.82% of the district's total revenue. Starting in fiscal year 2022, the district's Success & Wellness funding became restricted; the state's share of this funding recorded as restricted is \$326,740. This funding has implications on general fund expenditures in that certain spending now occurring in a fund external to the general fund could shift to the general fund. The expenditures in this forecast are adjusted to reflect this change.

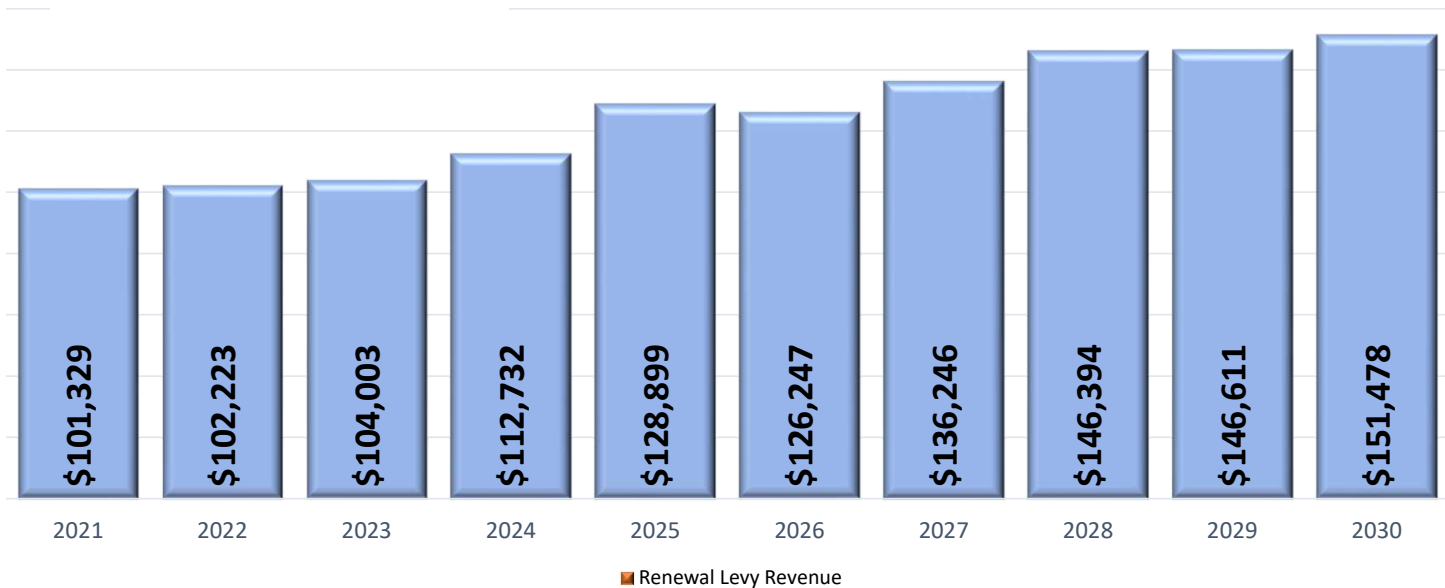
Even with the changes in how DPIA funding is calculated for the current year and no increase in base costs, the district is expected to see an increase in overall state funding as the formula is fully phased in (2026 and 2027). Post 2027, as the local share per pupil increases (increased property values and stable enrollment), the state funding (share) begins to decrease.

1.050 - State Reimbursement Property Tax Credits

Includes funds received for Tangible Personal Property Tax Reimbursement, Electric Deregulation, Homestead and Rollback.



State Reimbursement of Property Tax Credit revenue accounts for 1.77% of total district general fund revenue.

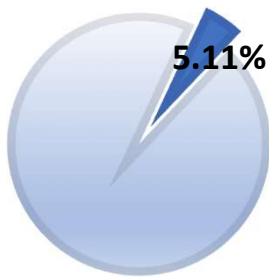


Key Assumptions & Notes

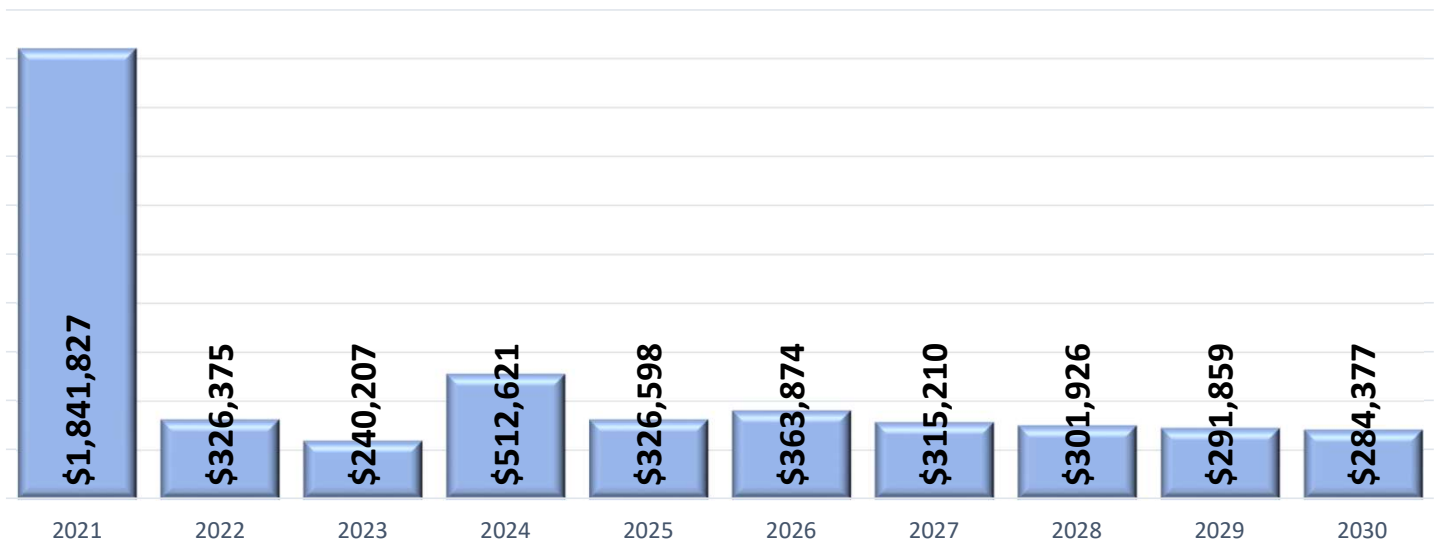
State Reimbursement of Property Tax Credits primarily consists of reimbursements from the state of Ohio for local taxpayer credits or reductions to their tax bill. The state reduces the local taxpayer's tax bill with a 10% rollback credit, and 2.5% owner-occupied rollback credit, plus a homestead credit for qualifying taxpayers. In fiscal year 2026, approximately 11.9% local residential property taxes will be reimbursed by the state in the form of rollback credits and approximately 2.8% will be reimbursed in the form of qualifying homestead exemption credits.

1.060 - All Other Operating Revenues

Operating revenue sources not included in other lines; examples include tuition, fees, earnings on investments, rentals, and donations.



All Other Revenue accounts for 5.11% of total district general fund revenue.



Key Assumptions & Notes

Other revenue includes tuition received by the district for non-resident students educated by the district. It also includes interest income, payments in lieu of taxes, and miscellaneous revenue. The historical average annual change was -\$315,473. The projected average annual change is -\$8,444 through fiscal year 2030.

From 2025 through 2030, revenues are projected to remain stable and well-diversified across tuition, investment earnings, miscellaneous receipts, and federal Medicaid reimbursements.

Tuition revenue is expected to remain consistent, ranging between \$79K and \$85K annually, reflecting a mature enrollment base with minimal volatility.

Miscellaneous receipts continue to serve as a reliable source within this revenue category. Collections totaled approximately \$114K in 2025 and are projected to level off at roughly \$109K annually from 2026 through 2030.

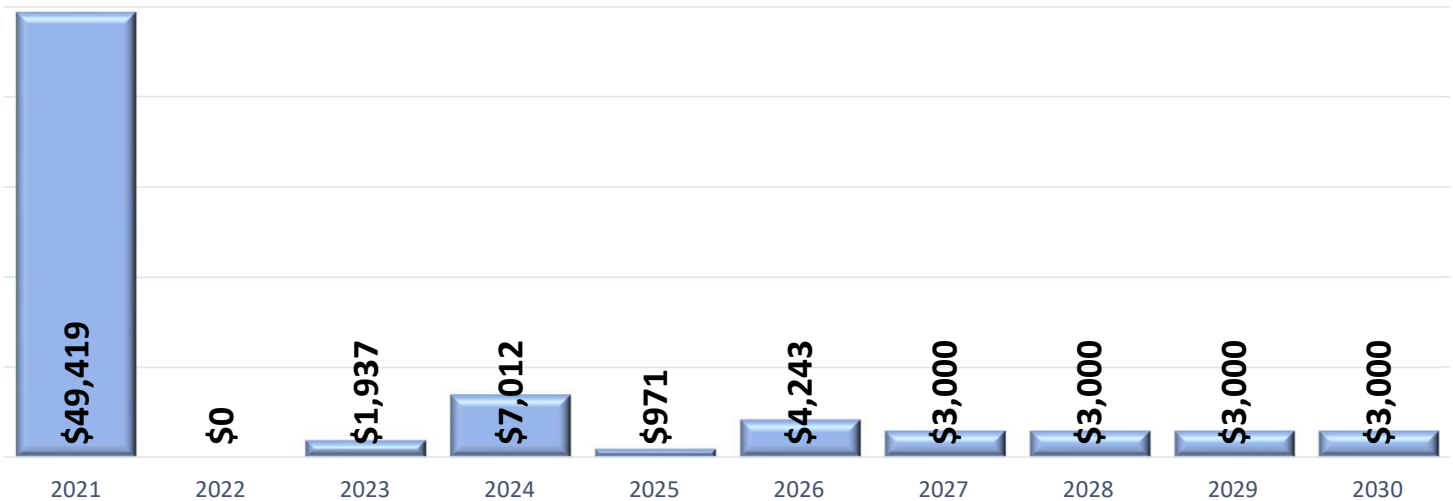
Investment earnings, while smaller in scale, contribute to overall revenue diversification. Investment income is projected to decline gradually from \$123K in 2025 to \$40K by 2030, consistent with conservative assumptions regarding market performance and anticipated reductions in portfolio yields.

2.070 - Total Other Financing Sources

Includes proceeds from sale of notes, state emergency loans and advancements, operating transfers-in, and all other financing sources like sale and loss of assets, and refund of prior year expenditures.



Other Sources of revenue accounts for 0.06% of total district general fund revenue.



Key Assumptions & Notes

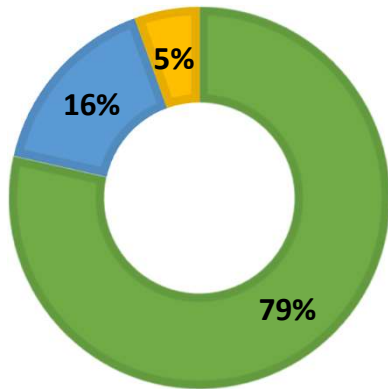
	FORECASTED					
	2025	2026	2027	2028	2029	2030
Transfers In	-	-	-	-	-	-
Advances In	-	-	-	-	-	-
All Other Financing Sources	971	4,243	3,000	3,000	3,000	3,000

Other sources includes revenue that is generally classified as non-operating. Return advances-in are the most common revenue source. In 2025 the district receipted \$0 as advances-in and is projecting advances of \$0 in fiscal year 2026. The district also receives other financing sources such as refund of prior year expenditures in this category. The district is projecting that all other financing sources will be \$4,243 in 2026 and average \$3,000 annually through 2030.

Expenditure Overview

Lowellville Local School District

Expenditure Categories



Personnel Costs

Salaries	57.29%
Benefits	21.24%

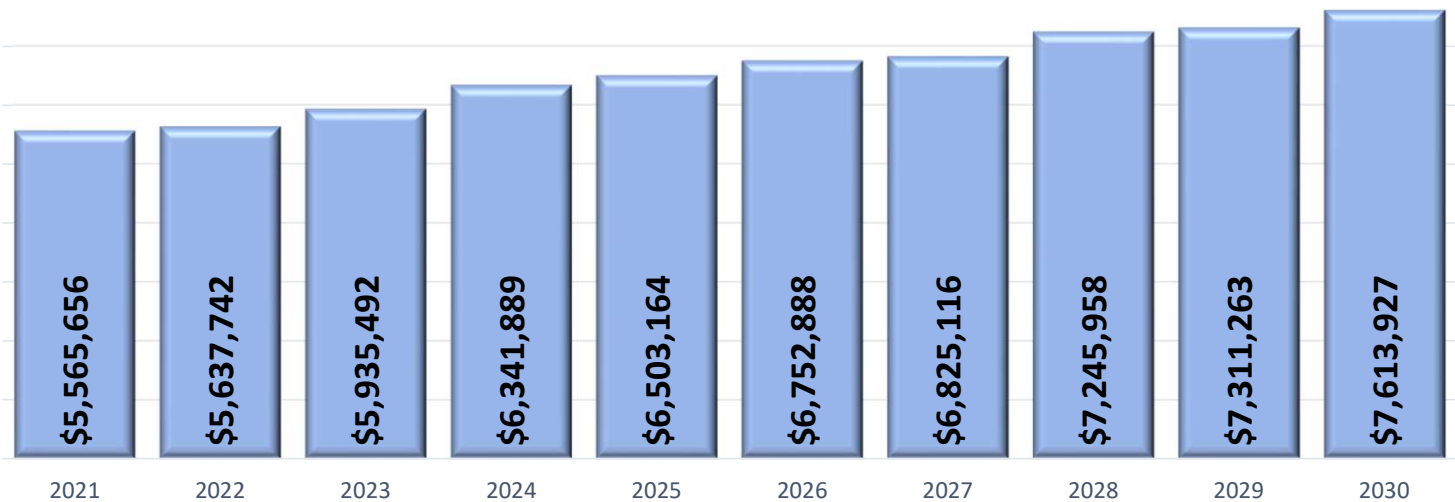
Purchased Services

15.95%

All Other Expenditures

Supplies, Capital, Debt, Other Obj	4.41%
Other Uses	1.11%

Annual Expenditures Actual + Projected



Historic Expenditures Change versus Projected Expenditures Change

	Historical Average Annual \$\$ Change	Projected Average Annual \$\$ Change	Projected Compared to Historical Variance	Expenditures increased by 3.76% (\$218,384 annually) during the past 5-year period, and are projected to increase by 3.22% (\$222,153 annually) through 2030. The forecast line with the most change on the expense side, Benefits, is anticipated to be \$25,022 more per year in the projected period compared to historical averages.
Salaries	\$115,664	\$121,573	\$5,909	
Benefits	\$42,589	\$67,611	\$25,022	
Purchased Services	\$36,481	\$21,622	(\$14,860)	
Supplies & Materials	\$15,007	\$5,444	(\$9,563)	
Capital Outlay	(\$613)	\$820	\$1,433	
Intergov & Debt	\$0	\$0	(\$0)	
Other Objects	(\$1,794)	\$4,083	\$5,877	
Other Uses	\$11,051	\$1,000	(\$10,051)	
Total Average Annual Change	\$218,384 3.76%	\$222,153 3.22%	\$3,768 -0.54%	

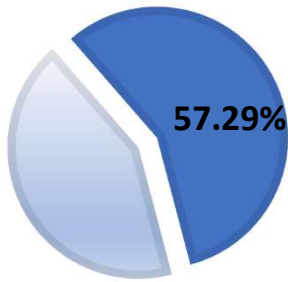
For Comparison:

Revenue average annual change is projected to be >

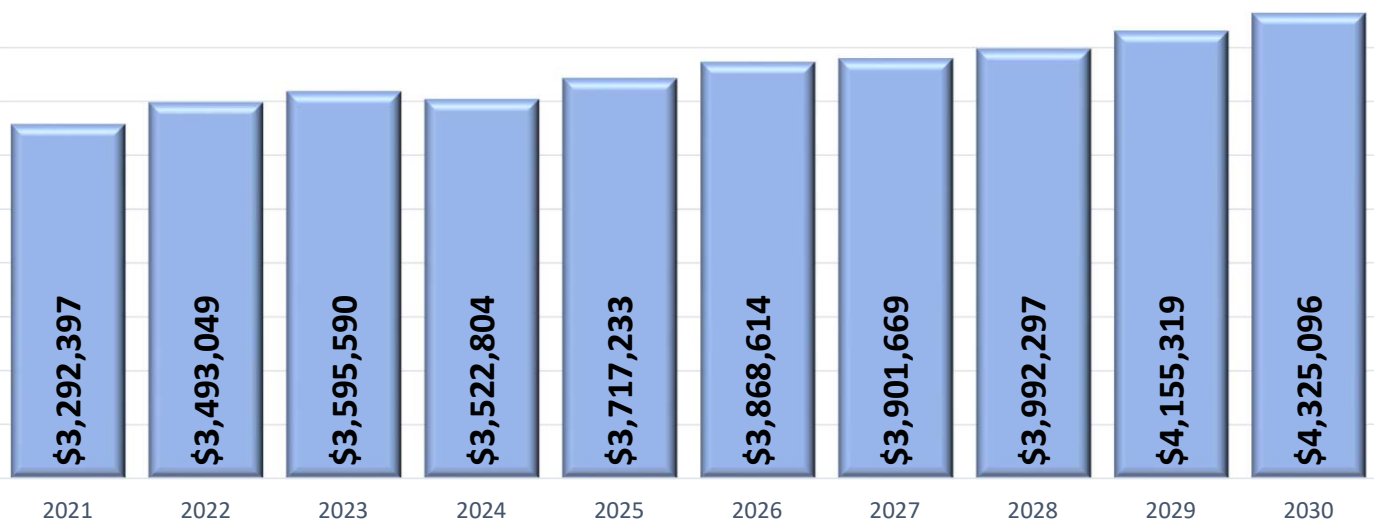
(\$33,653) On an annual average basis, revenues are projected to contract while expenditures grows

3.010 - Personnel Services

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



Salaries account for 57.29% of the district's total general fund spending.



Key Assumptions & Notes

Salaries represent 57.29% of total expenditures and increased at a historical average annual rate of 3.48% (or \$115,664). This category of expenditure is projected to grow at an annual average rate of 3.08% (or \$121,573) through fiscal year 2030. The projected average annual rate of change is 0.40% less than the five year historical annual average.

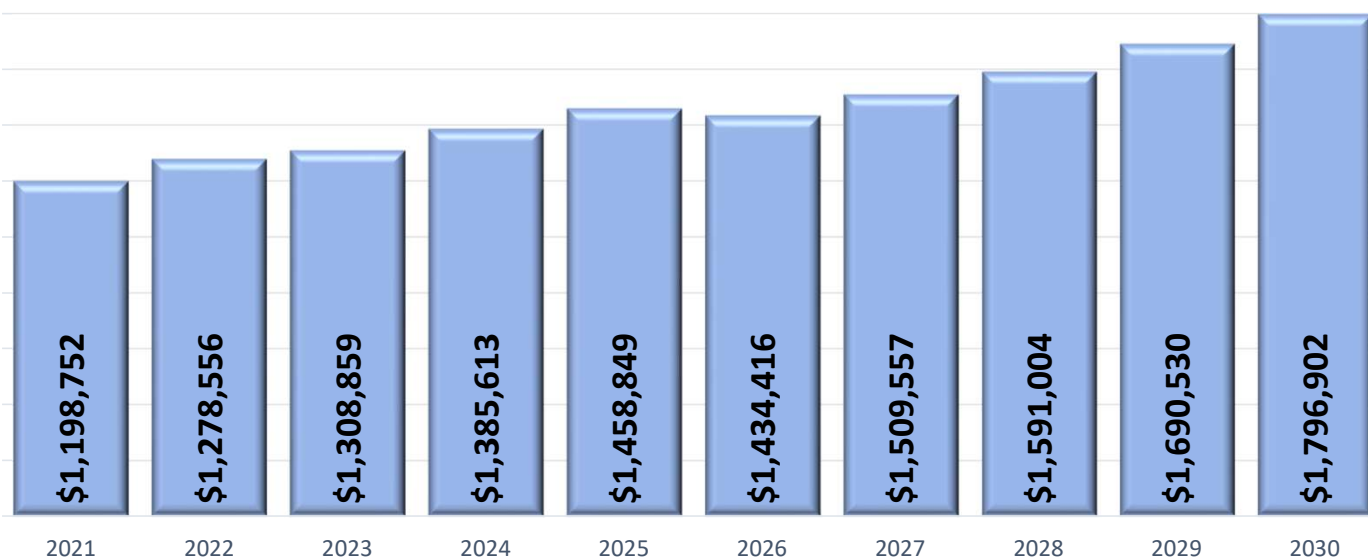
The district anticipates multiple retirements at the end of 2026, generating approximately \$75K in savings as replacements are brought in at lower salary levels. Beyond this adjustment, no significant changes to staffing costs are projected throughout the forecast period, with salary growth driven primarily by scheduled base wage increases and longevity adjustments.

3.020 - Employees' Benefits

Retirement for all employees, Workers Compensation, early retirement incentives, Medicare, unemployment, pickup on pickup, and all health-related insurances.



Benefits account for 21.24% of the district's total general fund spending.



Key Assumptions & Notes

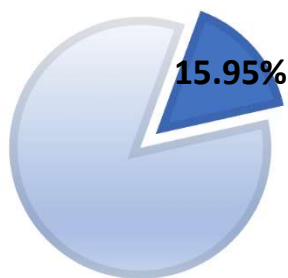
Benefits represent 21.24% of total expenditures and increased at a historical average annual rate of 3.28%. This category of expenditure is projected to grow at an annual average rate of 4.30% through fiscal year 2030. The projected average annual rate of change is 1.02% more than the five year historical annual average.

Retirement contributions are projected at 15.98% of annual salaries in fiscal year 2026, increasing to 16.2% in subsequent fiscal years. Other fringe benefits are estimated at 1.46% of annual salaries in 2026 and 1.59% in future years.

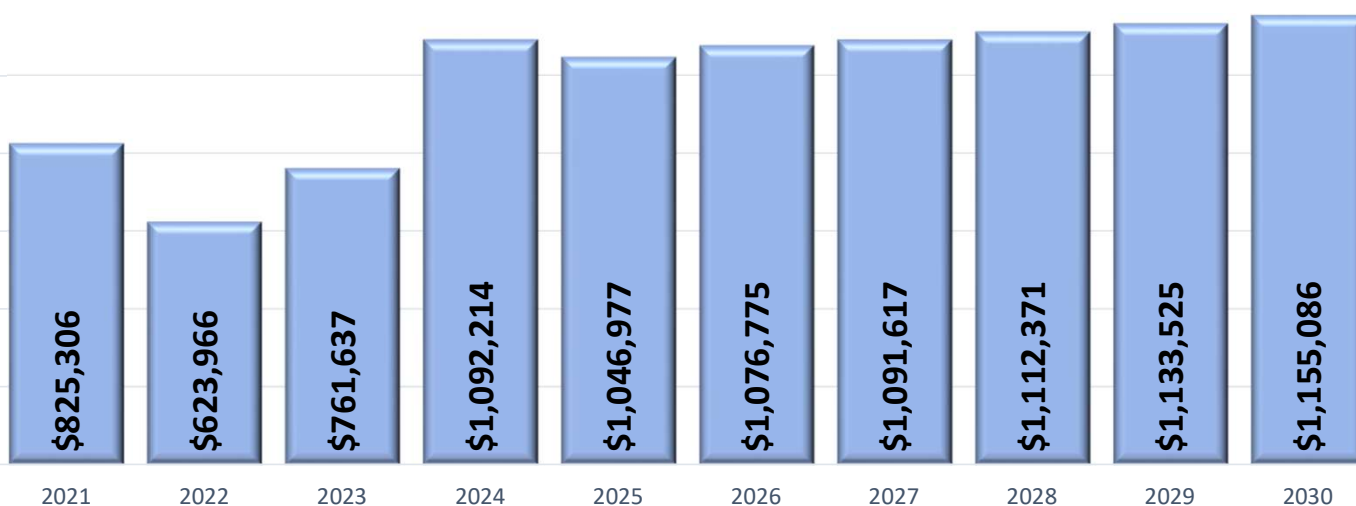
Healthcare costs are projected to total \$757K in 2026, reflecting a 7% increase in insurance premiums. Healthcare expenses are assumed to grow by 8% annually in the years that follow.

3.030 - Purchased Services

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



Purchased Services account for 15.95% of the district's total general fund spending.



Key Assumptions & Notes

From 2025 through 2030, spending is projected to stabilize, with modest and well-controlled growth across most categories. Professional and Technical Services (410) remain the primary cost driver, totaling \$610K in 2025, increasing to \$655K in 2026, and then rising gradually from approximately \$660K in 2027 to \$700K by 2030.

Property Services (420) and Utilities (450) show steady increases, reflecting inflationary pressures and ongoing operational requirements. In contrast, categories such as Communications (440), Contracted Craft or Trade Services (460), and Pupil Transportation (480) experience only minimal growth, underscoring disciplined cost containment.

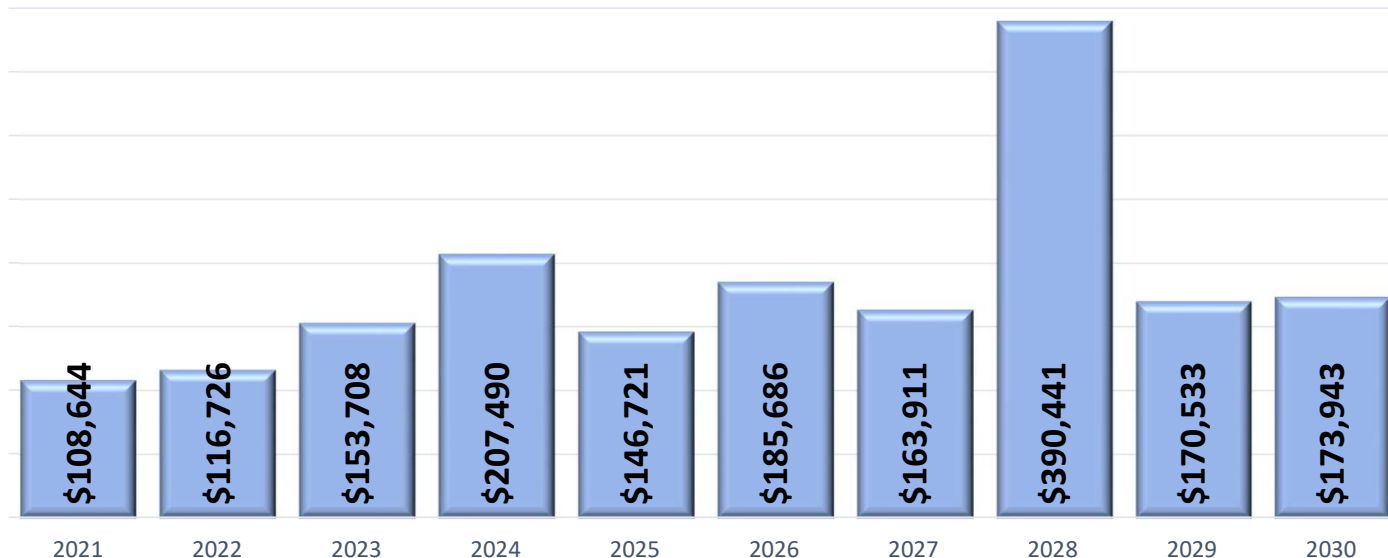
Overall, these projections reflect a transition from the volatility of prior years to a more stable and predictable spending pattern. The district assumes reasonable inflationary adjustments without introducing significant structural cost increases, reinforcing a focus on operational efficiency and continuity.

3.040 - Supplies & Materials

Expenditures for general supplies, instructional materials including textbooks and media material, bus fuel and tires, and all other maintenance supplies.



Supplies and Materials account for 2.75% of the district's total general fund spending.



Key Assumptions & Notes

From 2025 through 2030, the district's supplies and materials expenditures are projected to follow a steady upward trajectory, driven primarily by instructional investments rather than broad-based cost growth.

After a moderate dip in 2025, textbook and instructional materials spending increases sharply between 2026 and 2028, culminating in a significant one-time purchase of approximately \$220K in 2028. Spending in this category is projected to normalize in 2029 and 2030, returning to baseline levels.

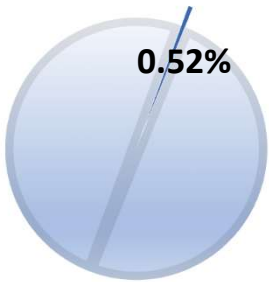
General supplies, historically the largest expense category, are expected to remain relatively flat, ranging between \$49K and \$53K annually. This reflects a disciplined approach to consumable purchases and incremental efficiency gains.

Custodial and maintenance supplies are projected to remain steady at just over \$46K per year, with modest inflationary adjustments incorporated in future years. Transportation supplies, including fuel, are also expected to remain stable at approximately \$22K annually, reflecting routine maintenance and operating needs.

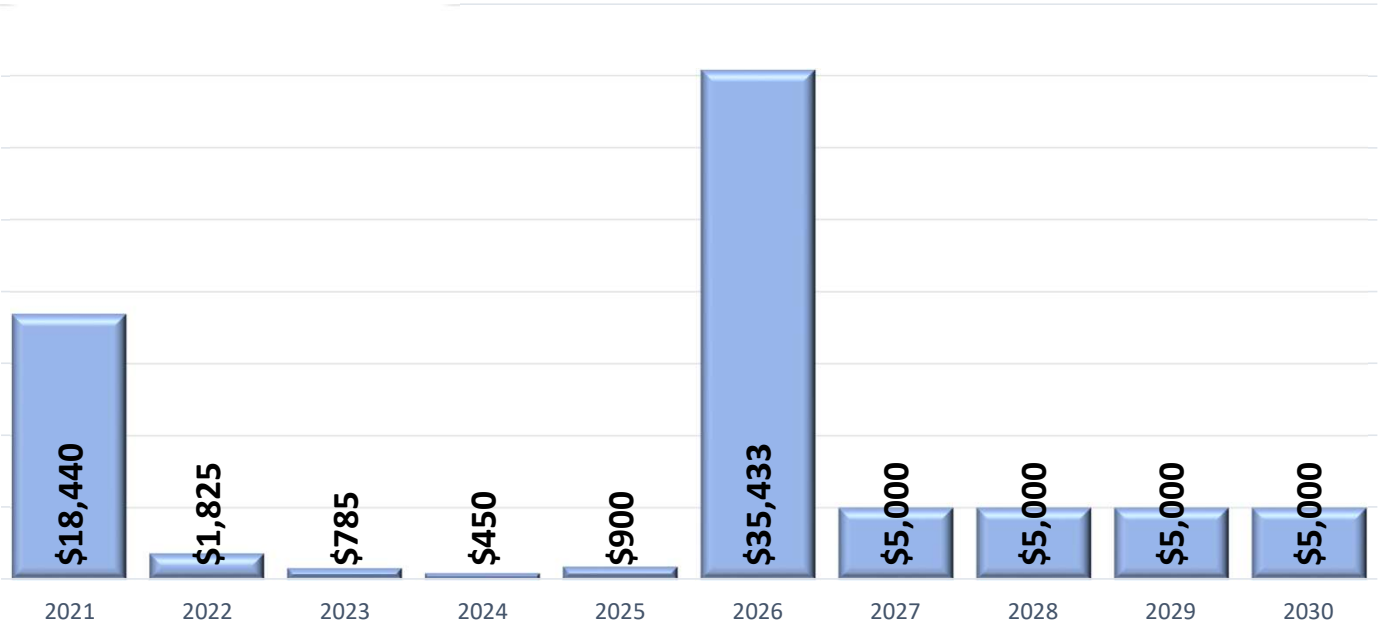
Overall, the forecast reflects a clear shift in spending priorities. By 2028, instructional technology and textbook investments account for more than half of total supplies and materials expenditures, while non-instructional categories largely plateau. This reallocation underscores the district's long-term strategy to support digital learning, sustain academic resources, and maintain essential operations without introducing excessive cost growth in non-instructional areas.

3.050 - Capital Outlay

This line includes expenditures for items having at least a five-year life expectancy, such as land, buildings, improvements of grounds, equipment, computers/technology, furnishings, and buses.



Capital Outlay account for 0.52% of the district's total general fund spending.

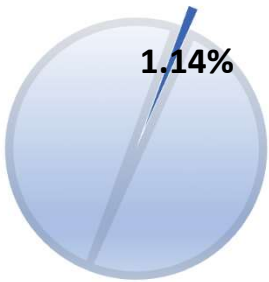


Key Assumptions & Notes

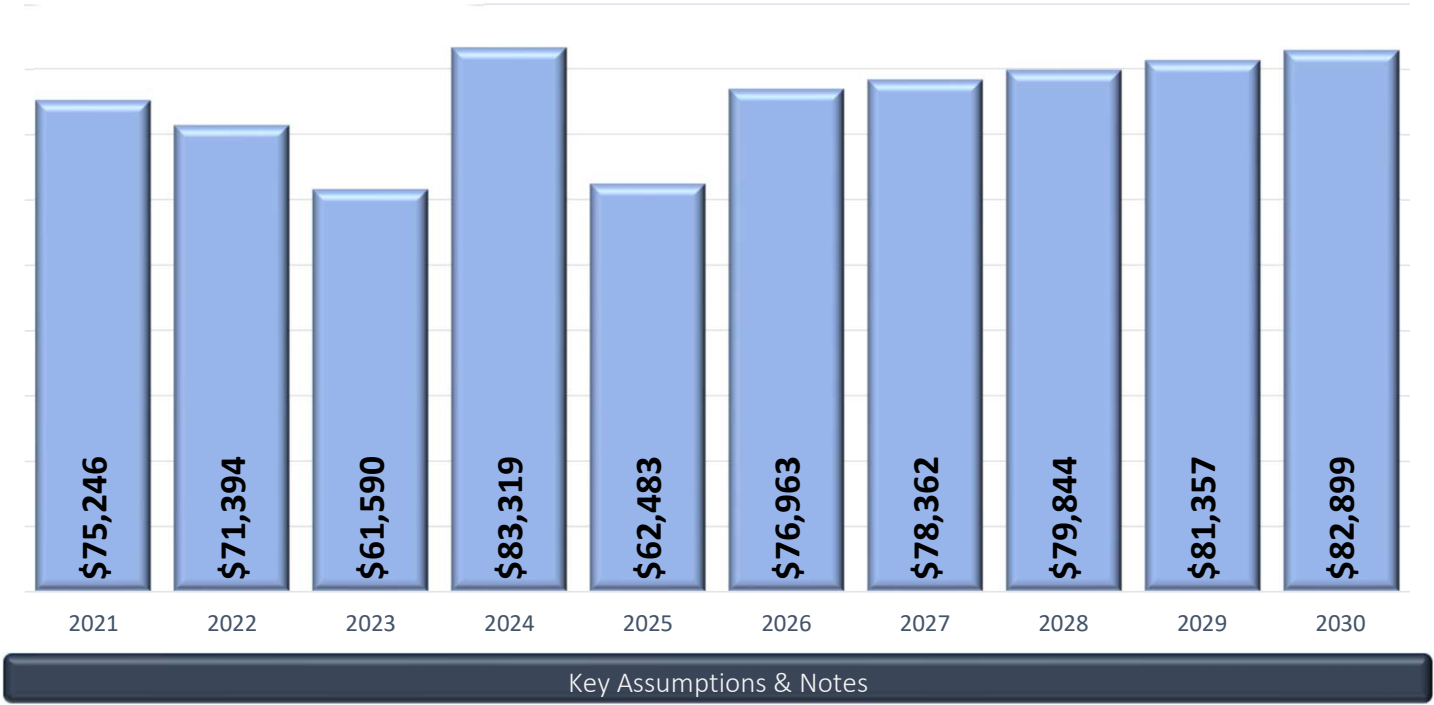
Capital Outlay represent 0.52% of total expenditures and decreased at a historical average annual amount of \$613. This category of expenditure is projected to grow at an annual average rate of \$820 through 2030. The projected average annual change is more than the five year historical annual average.

4.300 - Other Objects

Primary components for this expenditure line are membership dues and fees, ESC contract deductions, County Auditor/Treasurer fees, audit expenses, and election expenses.



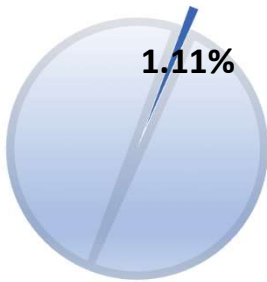
Other Objects account for 1.14% of the district's total general fund spending.



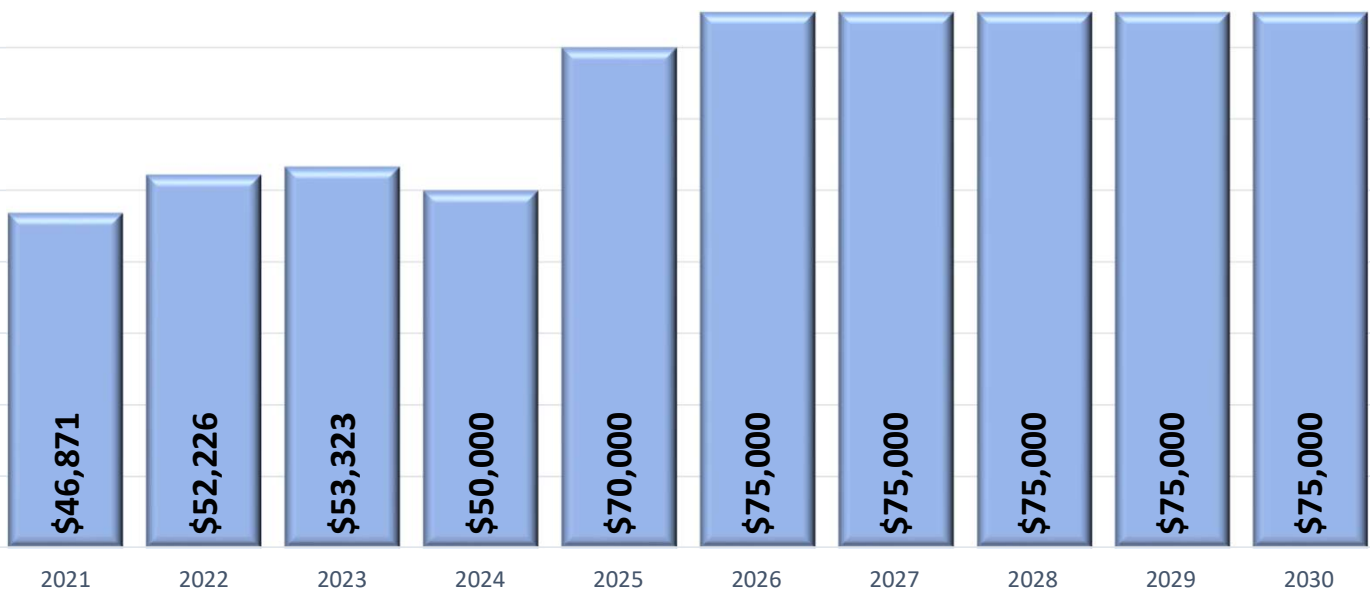
Other Objects represent 1.14% of total expenditures and decreased at a historical average annual rate of -0.65%. This category of expenditure is projected to grow at an annual average rate of 6.13% through fiscal year 2030. The projected average annual rate of change is 6.79% more than the five year historical annual average.

5.040 - Total Other Financing Uses

Operating transfers-out, advances out to other funds, and all other general fund financing uses.



Other Uses account for 1.11% of the district's total general fund spending.



Key Assumptions & Notes

	FORECASTED					
	2025	2026	2027	2028	2029	2030
Transfers Out	70,000	75,000	75,000	75,000	75,000	75,000
Advances Out	-	-	-	-	-	-
Other Financing Uses	-	-	-	-	-	-

Other uses includes expenditures that are generally classified as non-operating. It is typically in the form of advances-out which are then repaid into the general fund from the other district funds. In 2025 the district had no advances-out and has no advances-out forecasted through fiscal year 2030. The district can also move general funds permanently to other funds, and as the schedule above presents, the district has transfers forecasted through fiscal year 2030. The table above presents the district's planned advances and transfers. The district can also have other uses of funds which is reflected in the table above.

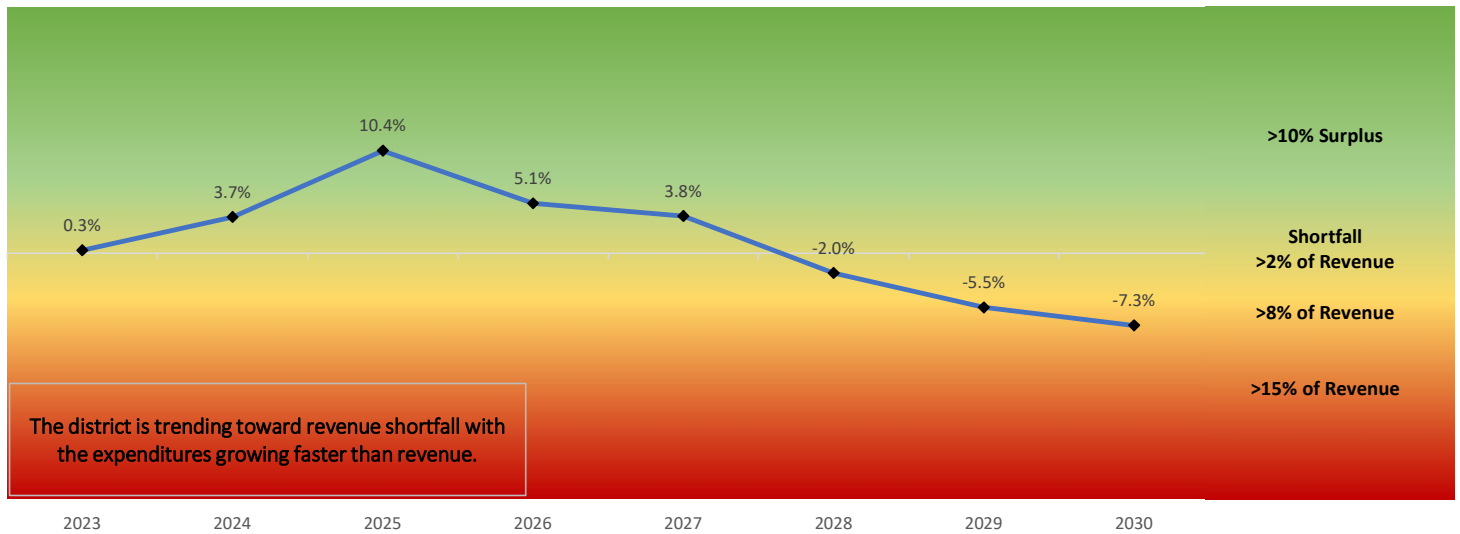
Lowellville Local School District

Five Year Forecast

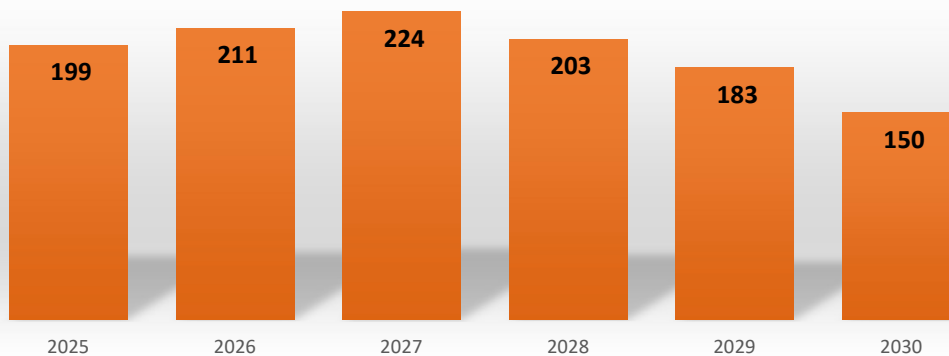
February Fiscal Year 2026

Fiscal Year:	Actual	FORECASTED				
	2025	2026	2027	2028	2029	2030
Revenue:						
1.010 - General Property Tax (Real Estate)	813,416	812,432	812,454	788,815	790,525	822,324
1.020 - Public Utility Personal Property	1,075,164	1,102,009	1,124,398	1,138,189	1,145,000	1,151,811
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	4,472,993	4,222,117	4,198,775	4,223,374	4,055,608	4,183,848
1.040 - Restricted Grants-in-Aid	443,562	485,176	504,648	501,644	497,405	496,502
1.050 - State Reimb Prop Tax Credits	128,899	126,247	136,246	146,394	146,611	151,478
1.060 - All Other Operating Revenues	326,598	363,874	315,210	301,926	291,859	284,377
1.070 - Total Revenue	7,260,632	7,111,854	7,091,731	7,100,342	6,927,008	7,090,340
Other Financing Sources:						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	-	-	-	-	-	-
2.050 - Advances-In	-	-	-	-	-	-
2.060 - All Other Financing Sources	971	4,243	3,000	3,000	3,000	3,000
2.070 - Total Other Financing Sources	971	4,243	3,000	3,000	3,000	3,000
2.080 - Total Rev & Other Sources	7,261,603	7,116,097	7,094,731	7,103,342	6,930,008	7,093,340
Expenditures:						
3.010 - Personnel Services	3,717,233	3,868,614	3,901,669	3,992,297	4,155,319	4,325,096
3.020 - Employee Benefits	1,458,849	1,434,416	1,509,557	1,591,004	1,690,530	1,796,902
3.030 - Purchased Services	1,046,977	1,076,775	1,091,617	1,112,371	1,133,525	1,155,086
3.040 - Supplies and Materials	146,721	185,686	163,911	390,441	170,533	173,943
3.050 - Capital Outlay	900	35,433	5,000	5,000	5,000	5,000
Intergovernmental & Debt Service	-	-	-	-	-	-
4.300 - Other Objects	62,483	76,963	78,362	79,844	81,357	82,899
4.500 - Total Expenditures	6,433,164	6,677,888	6,750,116	7,170,958	7,236,263	7,538,927
Other Financing Uses						
5.010 - Operating Transfers-Out	70,000	75,000	75,000	75,000	75,000	75,000
5.020 - Advances-Out	-	-	-	-	-	-
5.030 - All Other Financing Uses	-	-	-	-	-	-
5.040 - Total Other Financing Uses	70,000	75,000	75,000	75,000	75,000	75,000
5.050 - Total Exp and Other Financing Uses	6,503,164	6,752,888	6,825,116	7,245,958	7,311,263	7,613,927
6.010 - Excess of Rev Over/(Under) Exp	758,439	363,210	269,615	(142,615)	(381,255)	(520,587)
7.010 - Cash Balance July 1 (No Levies)	2,789,087	3,547,526	3,910,736	4,180,351	4,037,735	3,656,481
7.020 - Cash Balance June 30 (No Levies)	3,547,526	3,910,736	4,180,351	4,037,735	3,656,481	3,135,894
		Reservations				
8.010 - Estimated Encumbrances June 30	-	-	-	-	-	-
9.080 - Reservations Subtotal	-	-	-	-	-	-
10.010 - Fund Bal June 30 for Cert of App	3,547,526	3,910,736	4,180,351	4,037,735	3,656,481	3,135,894
Rev from Replacement/Renewal Levies						
11.010 & 11.020 - Renewal Levies	-	-	-	-	-	-
11.030 - Cumulative Balance of Levies	-	-	-	-	-	-
12.010 - Fund Bal June 30 for Cert of Obligations	3,547,526	3,910,736	4,180,351	4,037,735	3,656,481	3,135,894
Revenue from New Levies						
13.010 & 13.020 - New Levies	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	3,547,526	3,910,736	4,180,351	4,037,735	3,656,481	3,135,894

Revenue Surplus/(Shortfall) - Current Forecast



Days Cash on Hand - Current Forecast

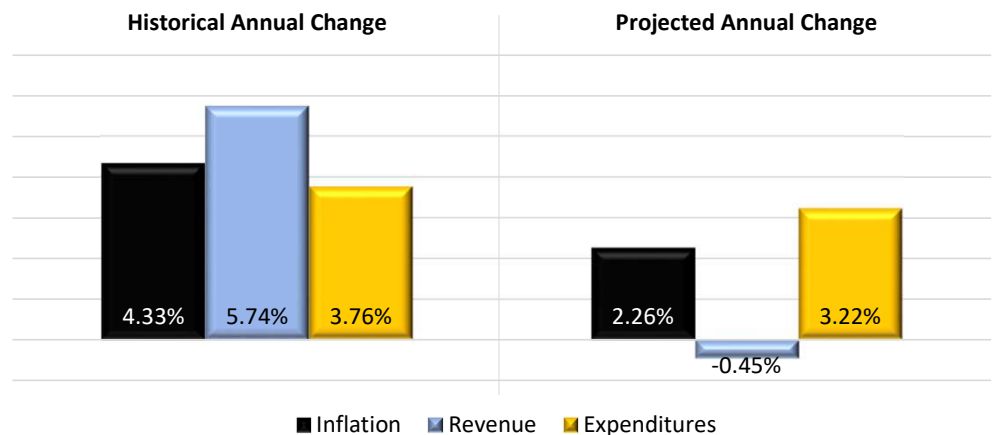


Days cash on hand is projected to decline.

*based on 365 days

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

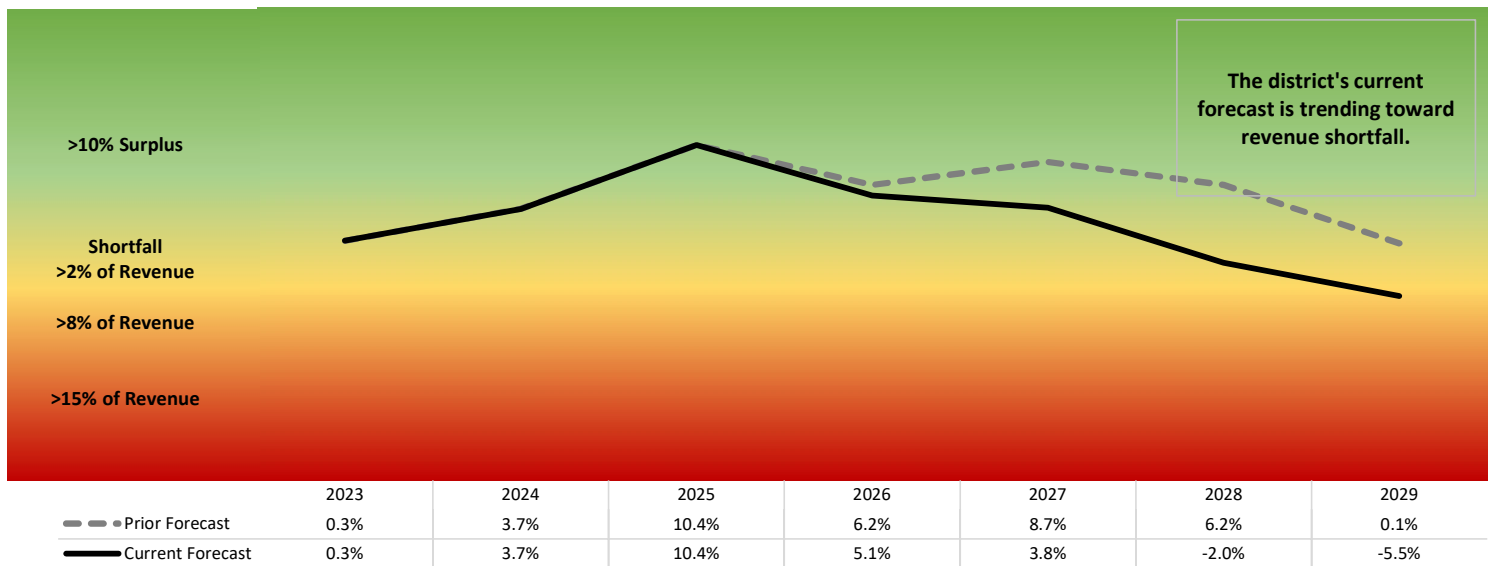
Average projected annual expenditure change is greater than inflation, and more than revenue.



CPI (Inflation) Source: Federal Reserve Bank of St. Louis (July 1, 2025)

<https://alfred.stlouisfed.org>

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



Current Forecast Compared to Prior Forecast

Compared to the October forecast, current revenue projections are 6.25% lower across the forecast period.

The primary driver of this variance is a 3.5% decline in enrollment relative to projections for the current fiscal year. In response, the district updated its future-year enrollment assumptions using a new cohort survival study, resulting in reduced state funding projections in subsequent years. State funding is also projected to decline more sharply beginning in 2028 compared to the October forecast, driven by higher modeled growth in property values. Because increases in property values phase into the state funding formula over a three-year period, these gains ultimately reduce the state's funding share once fully recognized. Additionally, projected real estate tax revenues decreased due to the impact of recently enacted property tax reform legislation.

Expenditure projections for fiscal years 2026 through 2028 are 2.42%, or \$858K, lower than the October forecast. This variance is primarily attributable to lower-than-expected employee healthcare costs in the current fiscal year, which reduce projected costs in subsequent years. Additional retirements have also contributed to lower salary projections in future fiscal years.

Revenue and Expenditure Variances - Current Compared to Prior Forecast

	<u>Revenue Variance</u>	
Cumulative Unfavorable Revenue Variance	-6.25%	(\$2,368,615)
	<u>Largest Revenue Variances</u>	
1.035,1.040 State	-5.09%	(\$1,927,141)
1.01 Real Estate	-0.62%	(\$234,301)
1.02 Pub Utility	-0.37%	(\$141,889)
All Other Revenue Categories	-0.17%	(\$65,284)

The current revenue forecast is down by 6.25% compared to the prior forecast.

NET cumulative forecast impact for the forecast period 2025 - 2029 of Revenue and Expense variances is -3.83% (or -\$1,509,645).

The current forecast for expenditures is down by 2.42% compared to the prior forecast.

	<u>Expenditure Variance</u>		
	-2.42%	(\$858,970)	Cumulative Favorable Expenditure Variance
	<u>Largest Expenditure Variances</u>		
	-1.69%	(\$598,140)	3.02 Benefits
	-0.73%	(\$260,502)	3.01 Salaries
	0.19%	\$66,468	3.04 Supplies
	-0.19%	(\$66,795)	All Other Expenditure Categories

Detailed Comparison of Net Revenue Change Since October

Lowellville Local School District

Forecast Compare \$\$ Variance

Current Over/(Under) Prior

		Actual	FORECASTED			
		2025	2026	2027	2028	2029
Revenue:	1.01 Real Estate	(0)	1,935	(43,421)	(96,374)	(96,440)
	1.02 Pub Utility	0	(18,058)	(38,925)	(42,371)	(42,536)
	1.03 Income Tax	-	-	-	-	-
	1.035,1.040 State	(1)	(152,818)	(506,805)	(639,248)	(628,269)
	1.050 - State Reimb Prop Tax Credits	(0)	207	4,888	9,358	9,355
	1.060 All Other	0	(18,289)	(23,065)	(26,915)	(30,024)
	2.010-2.060 Other Sources	0	3,232	1,989	1,989	1,989
	Levy Renewals	-	-	-	-	-
	Total 2.08 Rev plus Renewals	(0)	(183,791)	(605,339)	(793,561)	(785,925)
	Total 2.08 Revenue Percentage Change	0.0%	-2.5%	-7.9%	-10.0%	-10.2%

The table above reflects the net change in revenue when comparing the current forecast results to the forecast submitted to Ohio DEW in October.

Property Tax Reform Impact - Retrospective Look

Tax Years 2023, 2024, and 2025

District's Outside Millage "Floor" Status Before Property Tax Reform

Class I	TY 2023	TY 2024	TY 2025	
Inside Millage	4.4	4.4	4.4	Before property tax reform, H.B. 920 prevented inside plus outside millage from dropping below the 20-mill floor, resulting in large increases in taxpayer bills after reappraisals.
Effective Outside Millage	15.6	15.6	15.6	
Effective Inside + Outside Millage	20.0	20.0	20.0	

Class I Property Values Change	TY 2023	TY 2024	TY 2025
Reappraisal or Update Year	Yes	No	No
Percent of District in Reappraisal/Update	100.0%	0.0%	0.0%
Class I Combined Change	30.5%	0.0%	0.0%
New GDP-D Allowed Growth	13.0%	15.4%	13.3%

Do local taxpayers qualify for prior property tax relief in the way of Credits or Millage reductions?

Millage Change	TY 2023	TY 2024	TY 2025	
Combined Ag/Residential Inflation	30.5%	0.0%	0.0%	H.B. 186 taxpayer credits can occur when a district was at the millage floor and the reappraisal or update growth exceeded GDP-D. Otherwise, no credits are generated.
Outside Millage Reduction	(0.0)	0.0	(0.0)	
Percentage Change in Millage	0.0%	0.0%	0.0%	
Taxpayer Credits	TY 2023	TY 2024	TY 2025	
If at the floor and exceeded GDP-D Growth	\$ (94,576)	\$ -	\$ -	H.B. 186 credits should apply to 2nd half tax year

Property Tax Reform - Prospective Look

Tax Years 2026, 2027, 2028, and 2029

Does projected property value Reappraisal/Update/Inflation exceed cumulative GDP-D?

	TY 2025	TY 2026	TY 2027	TY 2028	TY 2029
Reappraisal or Update Year	No	Yes	No	No	Yes
Percent of District in Reappraisal/Update	0.0%	100.0%	0.0%	0.0%	100.0%
Class I Combined Change	0.0%	17.6%	0.0%	0.0%	6.3%
GDP-D	13.3%	9.2%	8.0%	8.1%	7.7%

With Property Tax Reform, how are projected tax rates responding to property value inflation?

	TY 2025	TY 2026	TY 2027	TY 2028	TY 2029
Inside Millage Class I & II*	4.4	4.1	4.1	4.1	4.1
Millage Change	0.0	-0.3	0.0	0.0	0.0
Percentage Change in Millage	0.0%	-7.1%	0.0%	0.0%	0.0%

*Starting in TY 2026, H.B. 335 provides for the County Budget Commission to reduce inside millage when reappraisal exceeds GDP-D

	TY 2025	TY 2026	TY 2027	TY 2028	TY 2029
Outside Millage	15.6	15.6	15.6	15.6	15.6
Millage Change	0.0	0.0	0.0	0.0	0.0
Percentage Change in Millage	0.0%	0.0%	0.0%	0.0%	0.0%
Fixed Sum Millage	0.0	0.0	0.0	0.0	0.0
Millage Change (no change)	0.0	0.0	0.0	0.0	0.0
Percentage Change in Millage	0.0%	0.0%	0.0%	0.0%	0.0%

	TY 2025	TY 2026	TY 2027	TY 2028	TY 2029
Total Effective Rate (Inside+Outside+Fixed Sum)	20.0	19.7	19.7	19.7	19.7

***Beginning with the first reappraisal or update cycle occurring in tax year 2026 or after, H.B. 129 includes fixed sum levies in the district floor calculation.

Does the Reappraisal/Update/Inflation generate taxpayer credits?

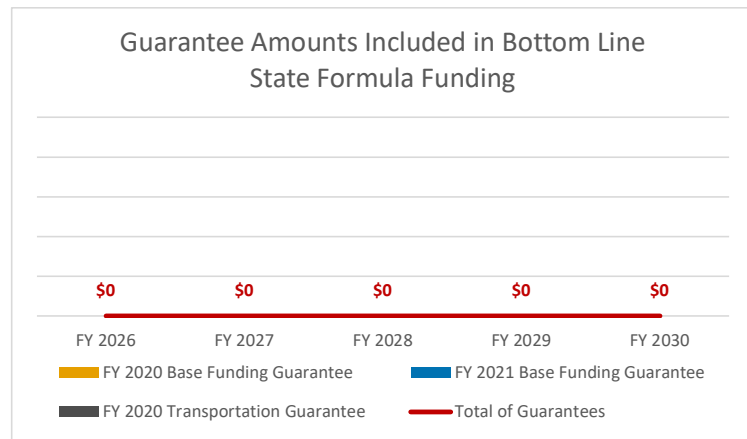
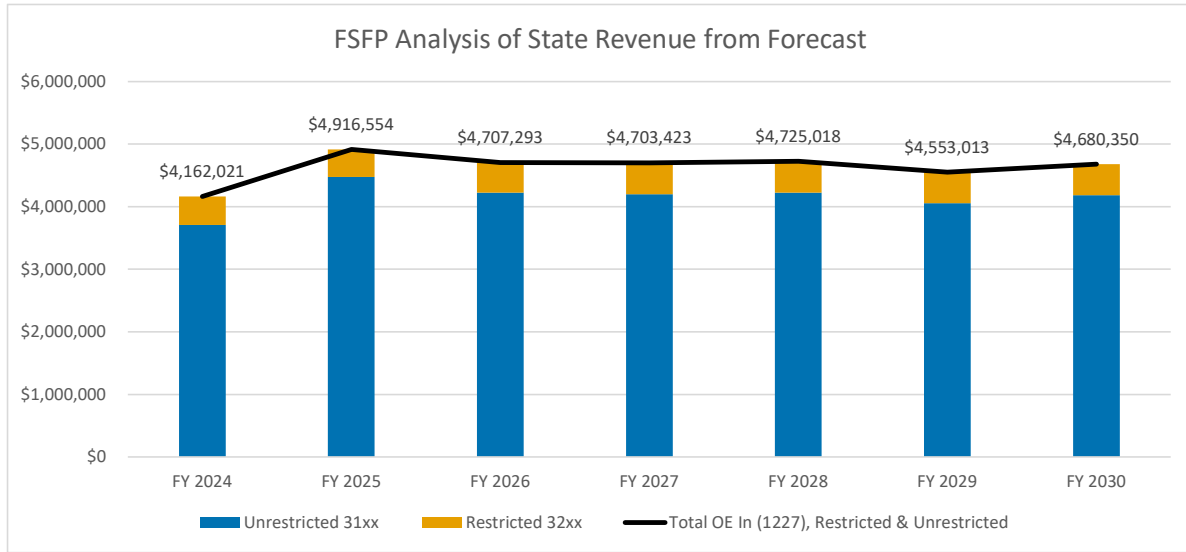
	TY 2025	TY 2026	TY 2027	TY 2028	TY 2029
H.B. 186 - Calculated Credit if at 20 Mill Floor	\$ -	\$ (151,353)	\$ (151,353)	\$ (151,353)	\$ (151,353)

***H.B. 186 credits are only for districts at the floor, if H.B. 129 and the inclusion of fixed-sum levies may bring districts off the floor and end credits.

Is the district modeling county budget commission imposed homestead and owner-occupied credit increases?

	FY 2026	FY 2027	FY 2028	FY 2029
Homestead/Owner-Occupied Credits	\$ (0)	\$ (0)	\$ (0)	\$ (0)

State Foundation Funding Results



	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Base Cost Per Pupil Total Funding	\$10,593	\$10,685	\$10,743	\$10,811	\$10,877
Local Share	27.6%	29.8%	31.0%	32.2%	33.3%
State Share	72.4%	70.2%	69.0%	67.8%	66.7%

Property Tax Reform Disclosure Items

The Ohio Department of Taxation, county auditors, and other partners are actively working through interpretation and implementation of property tax reform. As details are finalized, assumptions may evolve and updated forecasts may be necessary.

Property Tax Reform includes the following pieces of legislation:

H.B. 129 revises the 20-mill floor calculation to include fixed-sum levies. Impact begins in first update/ reappraisal cycle after tax year 2025.

H.B. 186 limits revenue increases associated with the 20-mill and 2-mill floors to inflation measured by three years of Gross Domestic Product Deflator (GDP-D) change. Taxpayers are given a credit based on update/reappraisal changes beginning in Tax Year 2023; credits are recalculated with each update/reappraisal. Districts first experience a fiscal impact in FY 2027 the impact represents full Tax Year 2025 revenue loss and one half of Tax Year 2026 revenue loss. In FY2028 and beyond the impact is only one year of revenue loss. Districts above the floor are not eligible for Inflation Cap Credits. DEW will reimburse districts on the 2023/2024 reappraisal cycles for the credit until the next reappraisal/ update cycle (2026/2027).

H.B. 335 caps inside millage revenue growth due to inflation. Beginning with update/reappraisal in tax year 2026 requires County Budget Commission to adjust inside millage rates to limit real property revenue increases to GDP-D growth over the three preceding years. Reduction applies to real and public utility personal property.

H.B. 96 allows counties to offer a property tax exemption that "piggy-backs" on existing state homestead exemption and owner-occupied credit. Unlike existing credit and exemption the piggy-back amounts are not reimbursed to the district by the state.

The Gross Domestic Product Deflator (GDP-D) is estimated based on available data from the U.S. Bureau of Economic Analysis (BEA) and Federal Reserve Bank's forward inflation expectation rate.