

BELLEVUE CITY SCHOOL DISTRICT - HURON 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
Bellevue City School District
Treasurer's Office
Mrs. Tammy Flicker, Treasurer
February 19, 2026

Bellevue City School District

Huron 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				Average Change	Forecasted				
	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025			Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030
Revenues										
1.010	\$9,069,521	\$9,141,394	\$9,931,129	4.7%	\$9,862,510	\$9,882,247	\$9,957,097	\$9,951,640	\$9,986,351	
1.020	\$0	\$0	\$0	-	\$784,465	\$740,053	\$748,851	\$747,468	\$750,788	
1.030	\$1,889,633	\$1,931,315	\$2,087,071	5.1%	\$2,098,764	\$2,119,751	\$2,140,949	\$2,162,359	\$2,183,983	
1.035	\$8,891,050	\$9,657,966	\$9,385,073	2.9%	\$8,683,516	\$8,932,153	\$8,934,561	\$8,937,016	\$8,939,520	
1.040	\$589,005	\$781,181	\$755,212	14.7%	\$583,339	\$516,933	\$515,865	\$515,865	\$515,865	
1.045	\$0	\$0	\$0	-	\$0	\$0	\$0	\$0	\$0	
1.050	\$952,600	\$973,584	\$1,079,413	6.5%	\$1,082,545	\$1,013,610	\$1,025,617	\$1,023,861	\$1,028,355	
1.060	\$1,260,342	\$1,504,684	\$1,485,038	9.0%	\$1,456,014	\$1,429,030	\$1,403,995	\$1,380,823	\$1,359,434	
1.070	\$22,652,151	\$23,990,124	\$24,722,936	4.5%	\$24,551,153	\$24,633,777	\$24,726,935	\$24,719,032	\$24,764,296	
Other Financing Sources										
2.010	\$0	\$0	\$0	-	\$0	\$0	\$0	\$0	\$0	
2.020	\$0	\$0	\$0	-	\$0	\$0	\$0	\$0	\$0	
2.040	\$0	\$0	\$0	-	\$0	\$0	\$0	\$0	\$0	
2.050	\$102,901	\$816,890	\$218,345	3.10	\$167,895	\$100,000	\$100,000	\$100,000	\$100,000	
2.060	\$8	\$0	\$0	0.0%	\$5,170	\$0	\$0	\$0	\$0	
2.070	\$102,909	\$816,890	\$218,345	310.3%	\$173,065	\$100,000	\$100,000	\$100,000	\$100,000	
2.080	\$22,755,060	\$24,807,014	\$24,941,281	4.8%	\$24,724,218	\$24,733,777	\$24,826,935	\$24,819,032	\$24,864,296	
Expenditures										
3.010	\$12,854,099	\$13,612,359	\$14,763,623	7.2%	\$15,471,976	\$15,706,097	\$16,194,088	\$16,363,119	\$16,602,319	
3.020	\$4,716,069	\$5,287,460	\$5,669,473	9.7%	\$6,165,260	\$6,441,368	\$6,948,083	\$7,404,539	\$7,990,591	
3.030	\$2,932,672	\$3,048,697	\$3,247,646	5.2%	\$3,795,627	\$3,920,535	\$4,049,742	\$4,183,404	\$4,321,684	
3.040	\$586,320	\$715,279	\$611,879	3.8%	\$738,855	\$748,020	\$674,840	\$1,004,586	\$725,223	
3.050	\$111,770	\$141,505	\$138,186	12.1%	\$185,000	\$188,700	\$192,474	\$196,323	\$200,249	
3.060	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0	
Debt Service:										
4.010	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0	
4.020	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0	
4.030	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0	
4.040	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0	
4.050	\$0	\$27,245	\$146,588	0.0%	\$129,000	\$134,000	\$140,000	\$145,000	\$151,000	
4.055	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0	
4.060	\$0	\$0	\$29,018	0.0%	\$50,666	\$45,542	\$40,217	\$34,668	\$28,897	
4.300	\$83,230	\$76,127	\$93,014	6.8%	\$313,466	\$319,736	\$326,130	\$332,653	\$339,306	
4.500	\$21,284,160	\$22,908,672	\$24,699,427	7.7%	\$26,849,849	\$27,503,998	\$28,565,574	\$29,664,292	\$30,359,269	
Other Financing Uses										
5.010	\$73,743	\$78,581	\$73,752	0.2%	\$0	\$0	\$0	\$0	\$0	
5.020	\$816,890	\$221,889	\$167,895	(0)	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	
5.030	\$0	(\$16,047)	\$0	-	\$0	\$0	\$0	\$0	\$0	
5.040	\$890,633	\$284,423	\$241,647	-41.6%	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	
5.050	\$22,174,793	\$23,193,095	\$24,941,074	6.1%	\$26,949,849	\$27,603,998	\$28,665,574	\$29,764,292	\$30,459,269	
6.010	\$580,267	\$1,613,919	\$207	39.1%	(\$2,225,632)	(\$2,870,221)	(\$3,838,639)	(\$4,945,260)	(\$5,594,973)	
Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies										
7.010	\$8,253,776	\$8,834,043	\$10,447,962	12.6%	\$10,448,169	\$8,222,537	\$5,352,316	\$1,513,678	(\$3,431,582)	
7.020	\$8,834,043	\$10,447,962	\$10,448,169	9.1%	\$8,222,537	\$5,352,316	\$1,513,678	(\$3,431,582)	(\$9,026,555)	
8.010	\$128,358	\$138,244	\$181,408	19.5%	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	
Reservation of Fund Balance										
9.010	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0	
9.020	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0	
9.030	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0	
9.040	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0	
9.045	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0	
9.050	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0	
9.060	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0	
9.070	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0	
9.080	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0	
10.010	\$8,705,685	\$10,309,718	\$10,266,761	9.0%	\$8,072,537	\$5,202,316	\$1,363,678	(\$3,581,582)	(\$9,176,555)	

Bellevue City School District

Huron 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				Average Change	Forecasted				
	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025			Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030
Revenue from Replacement/Renewal Levies										
11.010	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0	\$0
11.020	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0	\$0
11.300	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0	\$0
12.010	\$8,705,685	\$10,309,718	\$10,266,761	9.0%	\$8,072,537	\$5,202,316	\$1,363,678	(\$3,581,582)	(\$9,176,555)	
Revenue from New Levies										
13.010	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0	\$0
13.020	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0	\$0
13.030	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0	\$0
14.010				0.0%	\$0	\$0	\$0	\$0	\$0	\$0
15.010	\$8,705,685	\$10,309,718	\$10,266,761	9.0%	\$8,072,537	\$5,202,316	\$1,363,678	(\$3,581,582)	(\$9,176,555)	
ADM Forecasts										
20.010	133	121	97		104	100	102	99	100	
20.015	1,623	1,602	1,537		1,496	1,461	1,429	1,396	1,358	

Bellevue City School District – Huron County
Notes to the Forecast
General Fund Only
February 19,2026

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), tax levies (new/renewal/replacement), salary increases, enrollment variances, or 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 Education and Workforce 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 to the Financial Forecast before drawing conclusions or using the data as a basis for other calculations. The assumptions are especially important 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 important purposes or objectives of the 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 the Ohio 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 February 2026 filing.

Forecast Risks and Uncertainty:

This financial forecast has risks and uncertainty due to economic changes, new property tax laws signed by Governor DeWine on December 19, 2025, and 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, all of which affect this forecast.

1) On December 19, 2025, Governor DeWine signed into law several pieces of legislation that are the most sweeping changes to Ohio property tax law since 1976 when HB920 was passed. The legislation approved are: HB129, HB186, HB309 and HB335. These laws become effective March 19, 2026, which is after the February, filing deadline for this forecast. Of particular concern is HB186 which implements new property tax caps retroactively for property reappraisal and triennial updates that occurred in tax year 2023, 2024 and 2025. Due to the complexity of these calculations, the Ohio Department of Taxation (ODT) has been charged with calculating the effects of this legislation and notifying Ohio's 88 county auditors as to the impact on property tax bills and subsequent tax settlements to local governments. The ODT has until April 20, 2026 to calculate any tax reductions that impact school districts.

A brief summary of the impact of each piece of legislation is noted below with specific anticipated impacts to this forecast noted in Estimated Real Estate Tax Line 1.01 section of these assumptions below:

- HB129 implements new requirements for and restores fixed sum levies. It will also include fixed sum levy millage in the 20-mill floor calculation beginning in the next reappraisal or triennial update cycle of any county that contains district territory, but no later than Tax Year 2028 collect in calendar 2029. For some districts this will result in a loss due to a change in the 20-mill floor. Our district is on the 20-mill floor.
- HB186 establishes Inflation Cap Credits, if applicable, following reappraisals and triennial updates for school district property taxes, preventing increases beyond the Gross Domestic Product Deflation Factor (GDP DF). HB186 also includes Temporary Tax Credits (claw back) provision that takes back tax revenue that has already been collected by school districts beginning with reappraisals and triennial updates that occurred before the effective date of the law retroactive back to tax year 2023, 2024 and 2025. These are funds that have already been realized and have been spent and/or included in future educational planning. While skyrocketing home values resulted in the need for property tax reform that limits tax growth for taxpayers, the retroactive claw back of taxes already paid is very detrimental to districts at the 20-mill floor. Our district is on the 20-mill floor.
- HB309 allows County Budget Commissions (CBC's) to reduce any voter-approved levy (except debt) to bring taxes levied within levels the CBC finds reasonable and prudent to avoid unnecessary collections. This law gives locally elected CBC officials the power to override voter-approved levies and local school board fiscal decisions. The impact of this new law is indeterminable and can be administered inconsistently in 88 counties across Ohio.
- HB335 limits revenue growth from inside millage due to valuation reappraisals or triennial updates to no more than the Gross Domestic Product Deflation Factor (GDP DF). Our district plans to project at or below anticipated GDP DF to avoid inflation cap credits on inside millage.

Because the new accelerated February, filing deadline for school district forecasts and the ODT's deadline of April 20, are misaligned, authoritative data concerning HB186's official impact on our district will not be received as of the filing of this forecast. We have estimated revenues and expenses based on the limited data available and understanding of this legislation. As authoritative data concerning HB186 is made available to the district changes may need to be made to the forecast that may or may not be significant.

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. The items below give a short description of the current issues and how they may affect our forecast in the long term:

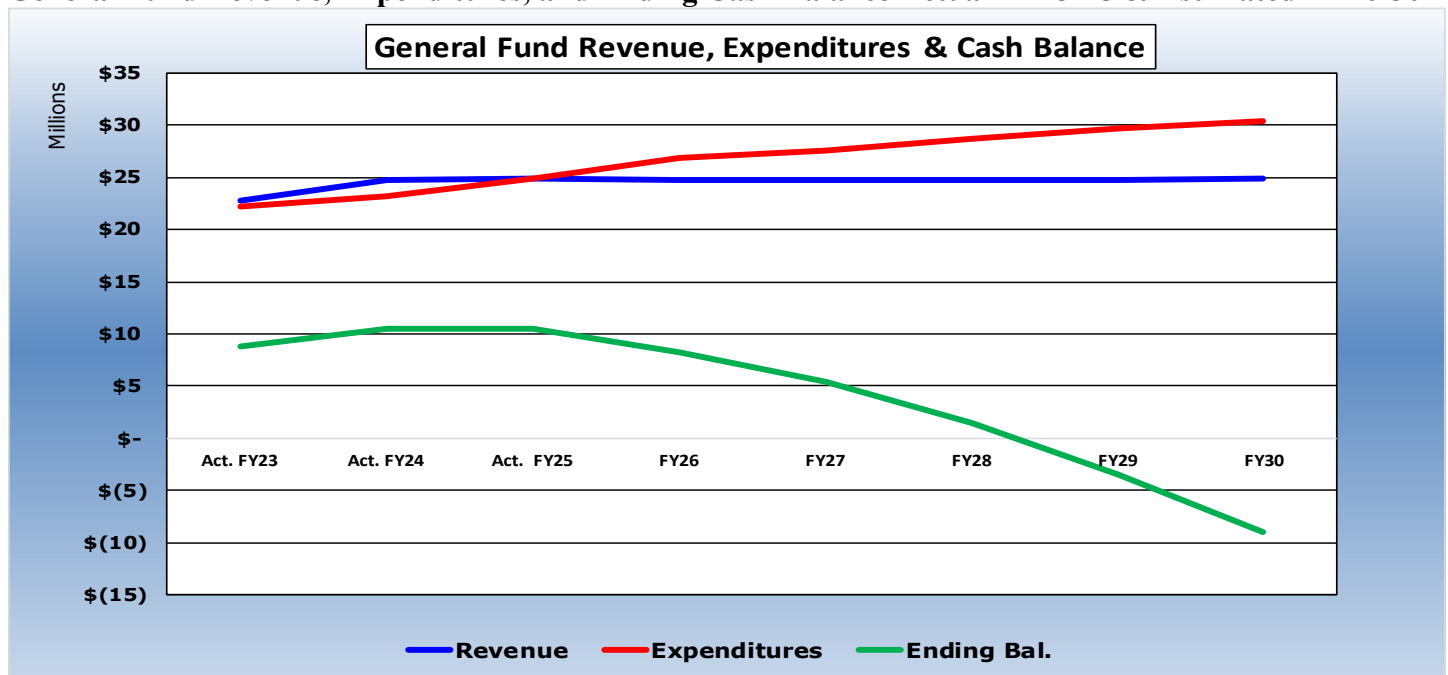
2. Property tax collections are the largest single revenue source for the school system and a significant risk to the forecast. We project growth in appraised values every three (3) years that aligns with the new HB186 Gross Domestic Product Deflation Factor (GDP DF) and new construction growth. The effects of HB186 will be to limit property tax growth following reappraisals and updates. Total local revenues, predominately local taxes, equate to 54.62% of the district's resources. As noted above, HB186 indicates any adjustment for prior year appraisals and updates that exceeded GDP DF in reappraisals and triennial updates that occurred in tax years 2023, 2024 and 2025 will result in possible significant reductions (claw back) in the second half property tax collections that typically occur in August to September 2026. If the Ohio Department of Taxation (ODT) determines adjustments are required due to HB186, further reductions in Tax Year 2026 collected in calendar year 2027 taxes will also result. We have included any estimated adjustment for HB186 in Line 1.01 assumptions below, but only the ODT will have actual authoritative data when it is released after this forecast filing deadline.
3. Being in four different counties can pose many challenges in determining the increases or decreases in values, however, we are very fortunate that Huron, Erie and Sandusky Counties are on one reappraisal cycle and Seneca County is one year earlier for the reappraisal cycle. The reappraisal was completed in 2023 collected in 2024 for Seneca County with their next reappraisal update being in 2026 collected in 2027. The Huron, Erie and Sandusky County cycle follows by one year for each of these cycles. The overall values rose \$24.88 million or 7.40%, including reappraisal and new construction for all property classes in 2023 collect in 2024. Then the 2024 for collection in 2025 the values increased by \$69.90 million or 19.28%. We anticipate value increases for Class I (Residential/Agriculture) and Class II (Commercial/Industrial) property within the Gross Domestic Product Deflation Factor range of 7% to 9%. HB335 inside millage cap will become effective for any reappraisal and update beginning in tax year 2026, and HB129 will become effective for our district in the next reappraisal/update in tax year 2027. We have anticipated any 20-mill floor adjustment at that time in Line 1.01 assumptions below. We do not anticipate any impact of HB335 on our tax projections due to our estimates for future growth in reappraisal being in line with anticipated GDP DF.
4. The state budget represented 45.38% of district revenues, which means it is a significant risk to the revenue. The future risk comes in FY28 and beyond if the state economy stalls due to a possible recession and Fair School Funding Plan is not funded in the next state biennium budget. In this forecast, there are two unknown future State Biennium Budgets covering FY28-29 and FY30-31. Future uncertainty in the state foundation funding formula and the state's economy makes this area an elevated risk to district funding long-range through FY30. We have projected our state funding in FY26 based on recent formula calculations and use of the Ohio Department of Education and Workforce (ODEW) funding simulator for FY27 projections. This forecast reflects state revenue to align with the FY27 funding levels through FY30, which we feel is conservative and should be close to what the state approves for the next two biennium budgets. We will adjust the forecast in future years as we have data to make an informed decision.
5. 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 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 January #1 settlement report published by the Department of Education and

Workforce for our forecasted revenues in FY26 and the most recent FY27 simulations published by the Department of Education and Workforce for forecasted revenues in FY27-FY30.

6. 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 expanded “Piggyback Property Tax Exemptions” will NOT be reimbursed. Our county commissioners did not vote to approve further Piggyback Property Tax Exemptions for tax year 2025.
7. The district’s two emergency levies and school district income tax levy will not expire during the years of this forecast. We believe the levies will be renewed, but there is always a chance they will not and we must watch all future property tax legislation closely as one of the line-item vetoes being considered for overruling eliminates renewal levy types.

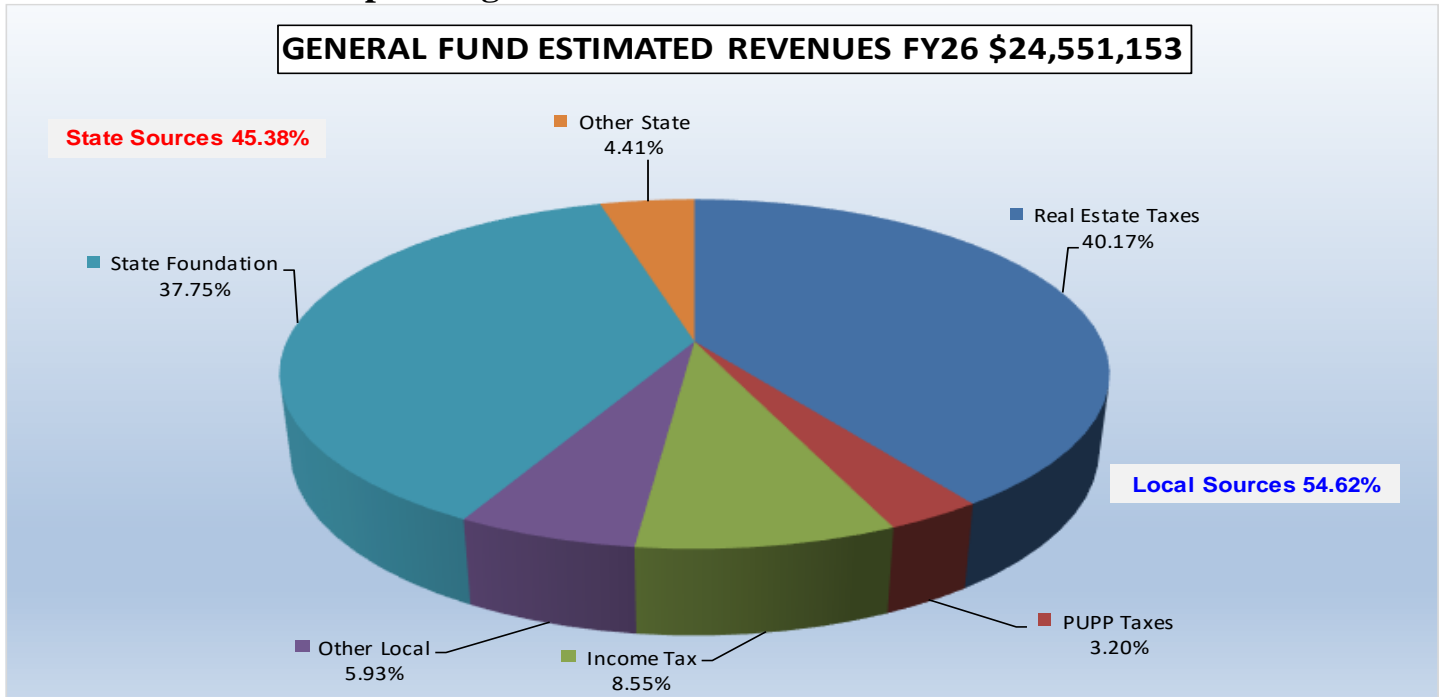
The major lines of reference for the forecast are noted below in the headings to make it easier to relate the assumptions made for the forecast item and refer back to the forecast. It should be of assistance to the reader to review the assumptions noted below in understanding the overall financial forecast for our district. If you would like further information, please feel free to Tammy Flicker, CFO/Treasurer at 419-465-2610.

General Fund Revenue, Expenditures, and Ending Cash Balance Actual FY23-25 & Estimated FY26-30



The graph above captures in one snapshot the operating scenario facing the district over the next few years.

Revenue Assumptions Operating Revenue Sources General Fund FY26



Property Valuation Assumptions

Property Values are established annually by the Huron, Erie, Sandusky and Seneca County Auditors based on the type of property either residential/agriculture (Class I) or commercial/industrial (Class II), which the values are defined even further based on new construction, demolitions, BOR/BTA activity, and complete reappraisal or updated values. The new HB186 allows new construction growth in property taxes irrespective of GDP DF. Seneca County experienced a sexennial reappraisal for the 2023 tax year to be collected in 2024. Class I values increased 8.28% or \$20.16 million due to the reappraisal, led by an improving housing market. Class II values increased by 0.14% or \$133,050 due to the reappraisal. Huron and Erie Counties experienced a sexennial reappraisal and Sandusky County experienced a triennial update in 2024 for collection in 2025. The Class I values for all three counties increased from the reappraisal was 24.95% or \$65.96 million and the Class II increase was \$5.11 million or 5.29%.

A triennial update will occur in 2026 for collection in 2027 for Seneca County, for which we are estimating a 3.00% increase in Class I and a 0.10% increase for Class II property. We anticipate overall property values to increase \$10.79 million or 2.5%. Then in 2027 for collection in 2028 the appraisal for the remaining counties will occur with expected increase of 7% or \$23.9 million for Class I and \$1.0 million or 1% for Class II, with total estimated valuation increases for both classes of \$25.66 million or 5.81%

Public Utility Personal Property (PUPP) values change annually as the values are not included in the reappraisal or update years, which make them very difficult to forecast. PUPP values increased by \$2.54 million in Tax Year 2024. We expect our values to continue to grow by \$1 million each year of the forecast.

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 ASSESSED VALUE (AV) BY COLLECTION YEARS

<u>Classification</u>	Estimated TAX YEAR 2025 <u>COLLECT 2026</u>	Estimated TAX YEAR 2026 <u>COLLECT 2027</u>	Estimated TAX YEAR 2027 <u>COLLECT 2028</u>	Estimated TAX YEAR 2028 <u>COLLECT 2029</u>	Estimated TAX YEAR 2029 <u>COLLECT 2030</u>
Res./Ag.	\$330,987,600	\$341,427,228	\$365,837,134	\$366,347,134	\$377,847,548
Comm./Ind.	\$100,029,500	\$100,379,530	\$101,633,325	\$101,883,325	\$102,235,208
Public Utility Personal Property (PUPP)	<u>\$23,452,710</u>	<u>\$24,452,710</u>	<u>\$25,452,710</u>	<u>\$26,452,710</u>	<u>\$27,452,710</u>
Total Assessed Value	<u>\$454,469,810</u>	<u>\$466,259,468</u>	<u>\$492,923,169</u>	<u>\$494,683,169</u>	<u>\$507,535,466</u>

Tax Rate Assumptions

The Huron 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 General Fund operating levies is 27.7 mills while the Class I effective millage rate is 20.000019 mills and the Class II effective millage rate is 21.345262 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 our district is basically 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 two emergency levies of 5.40 mills that were approved for an annual amount of \$2.275 million of taxes.

HB129 is a new law that restores fixed sum levies AND now includes them in the 20-mill floor calculation, which will be in effect following the Tax Year 2027 reappraisal. Our district is expected to be impacted by including fixed sum (formerly emergency) levies in our 20-mill floor calculation starting for collection in calendar year 2028. This is expected to result in a loss of \$532,131 in calendar year 2027 and reduce taxes annually by approximately this amount through FY30 on the forecast of taxes on Line 1.01 below.

Estimated Real Estate Tax Collection Assumptions & New Tax Laws

HB96 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. Our county commissioners did not vote to approve further Piggyback Property Tax Exemptions for tax year 2025. County auditors have until December 2026 to implement this tax credit for tax year 2026. We will adjust the forecast in the future accordingly.

HB186 is a new law that establishes an Inflation Cap Credit for school district property taxes, preventing increases beyond the Gross Domestic Product Deflation Factor (GDP DF) in reappraisal and triennial updates. HB186 also includes Temporary Tax Credits (claw back) provision that retroactively takes back property tax revenue that has already been collected by school districts for impacted districts starting in their reappraisal or triennial updates in tax years 2023, 2024 and 2025. These funds have already been realized and have been spent and/or included in future educational planning. The Ohio Department of Taxation is charged as the authoritative source with calculating the adjustments due to HB186, but has until April 20, 2026 to do so, which is after the filing deadline for this forecast.

Bellevue is at the 20-mill floor and is anticipating a negative claw back impact to our forecast due to HB186. We are anticipating adjustments noted on the table below for Line 1.01. This is based on our best estimate of HB186, but there is no authoritative updated information from the Ohio Department of Taxation at this time on the actual claw back amount. For planning purposes, we believe this is the worst-case scenario but again there is

NO authoritative data on this. When authoritative data is released by the Ohio Department of Taxation, we will adjust the forecast accordingly.

HB335 is a new law that limits revenue growth from inside millage due to valuation reappraisals or triennial updates to the Gross Domestic Product Deflation Factor (GDP DF) for future real estate tax revenue growth. We have not forecasted any increases for future reappraisals/triennial updates above anticipated GDP DF, thus no adverse impact to the forecasted property tax revenue is anticipated from this new law.

As noted in the Forecast Risks and Uncertainty section above, there is no authoritative data for school districts that has been released by the Ohio Department of Taxation (ODT) on HB186. The ODT is the authority noted in HB186 to calculate all of the temporary tax credits and inflation cap credits to be used in tax year 2025 to collect in calendar year 2026. We will continue to monitor guidance as it is released and will update our forecast accordingly.

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

General Property Tax (Real Estate) – Line #1.010

Property tax levies are estimated to be collected at 96.14% of the annual amount. This allows a 3.86% delinquency factor. In general, 57.96% of the Residential/Agriculture and Commercial/Industrial property taxes are expected to be collected in the February tax settlement and 42.04% in the August tax settlement. We are anticipating an adjustment to our second half settlement in 2026 in August/September due to HB186.

ESTIMATED REAL ESTATE TAX (Line # 1.010)

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Est. Real Estate Taxes	\$9,862,510	\$9,898,350	\$9,965,149	\$9,959,692	\$9,994,403
HB96 Piggyback Exemption	\$0	\$0	\$0	\$0	\$0
HB186 Tax Adjustments	\$0	(\$16,103)	(\$8,052)	(\$8,052)	(\$8,052)
Real Estate Taxes (Line #1.010)	<u>\$9,862,510</u>	<u>\$9,882,247</u>	<u>\$9,957,097</u>	<u>\$9,951,640</u>	<u>\$9,986,351</u>

Estimated Public Utility Personal Property Tax – Line #1.020

The amounts below are public utility personal property (PUPP) tax payments from public utilities. Collections are typically 53.68% in February and 46.32% in August, along with the real estate settlements from the county auditor.

ESTIMATED PUBLIC UTILITY PERSONAL PROPERTY TAX (LINE # 1.020)

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Public Utility Personal Property	\$784,465	\$740,053	\$748,851	\$747,468	\$750,788
Total PUPP Tax Line #1.020	<u>\$784,465</u>	<u>\$740,053</u>	<u>\$748,851</u>	<u>\$747,468</u>	<u>\$750,788</u>

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

Renewal and Replacement Levies – Line #11.02 (Tweak for your district)

Tax levies that are not continuous by law cannot be included with the property taxes. The emergency levy for \$925,000 will expire December 31, 2031 during FY32 and emergency levy for \$1.35 million will expire December 31, 2033 during FY2034, we will include them in this line when those fiscal years are included in the forecast.

School District Income Tax Collections – Line #1.030

The district has a 0.05% traditional income tax levy that will expire December 31, 2036. The district’s school income tax represents 8.55% of the district’s revenue.

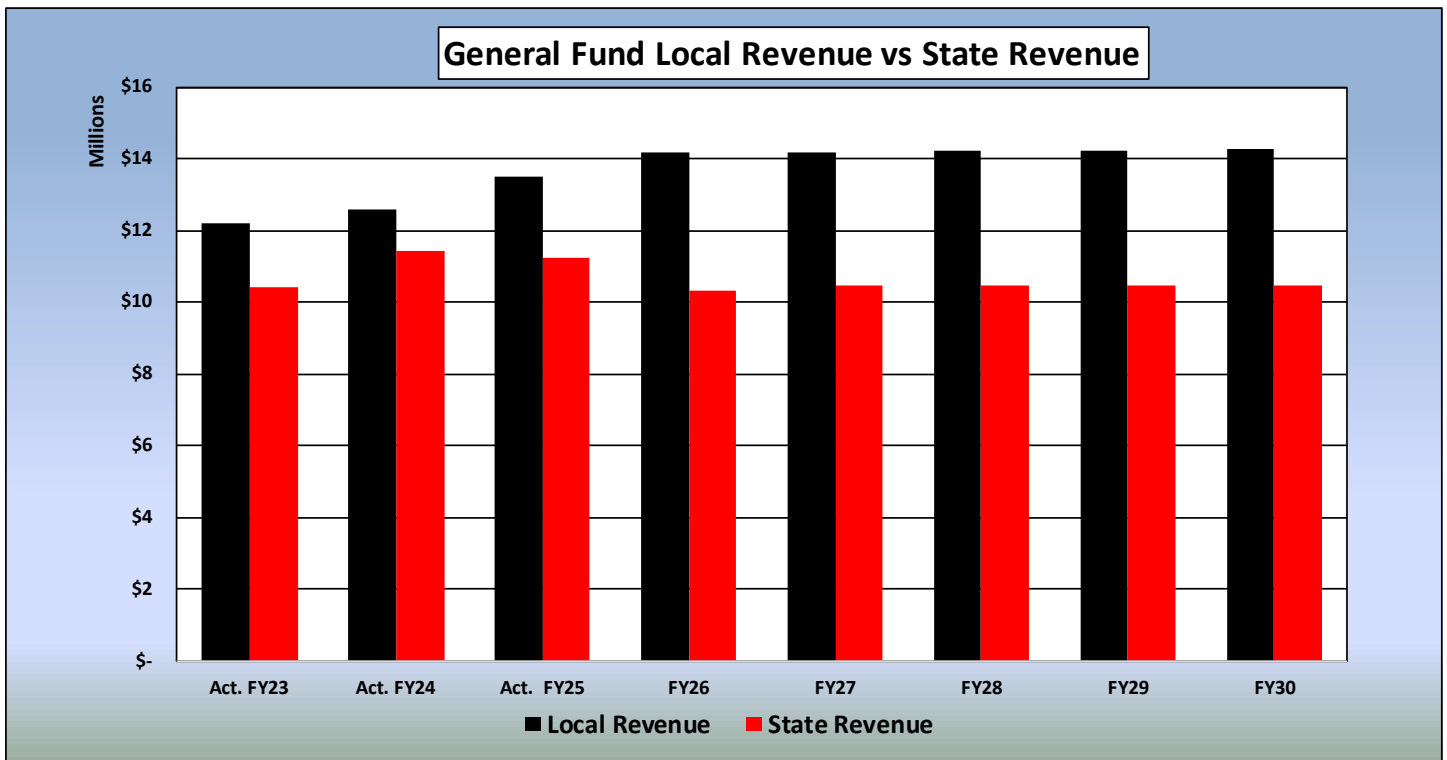
The district has received growth of 0.56% for FY26 which includes a 1.00% growth in the April payment. We will assume an annual growth rate of 1.00% for FY27 through FY30 as the concerns over inflation may slow growth in this area. We will continue to monitor and adjust the amounts throughout the forecast years.

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
School District Income Tax	\$2,087,071	\$2,098,764	\$2,119,751	\$2,140,949	\$2,162,359
Projected Annual Adjustment	\$11,693	\$20,987	\$21,198	\$21,410	\$21,624
School District Income Tax (Line #1.030)	<u>\$2,098,764</u>	<u>\$2,119,751</u>	<u>\$2,140,949</u>	<u>\$2,162,359</u>	<u>\$2,183,983</u>

Renewal of Income Tax (SDIT) Levy – Line #11.

SDIT levies that are not continuous, by law, cannot be included with the income taxes on line 1.030 once the Levy expires within the years of the forecast. The .50% income tax levy expires December 31, 2036, which is in FY37, therefore we will not deduct the amount from Line #1.030 and include the amount in line #11.010 until FY37 is included in the forecast.

Local Revenue vs. State Revenue



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

Current State Funding Model per HB96 through June 30, 2027

A) Unrestricted State Foundation Revenue – 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 January #1 foundation settlement and funding factors.

Our district is currently a formula district in FY26 and is expected to change to be on the guarantee in FY27-FY30 on the new Fair School Funding Plan (FSFP).

HB96 included a base funding supplement for all districts. The funding supplement per pupil of \$27 in FY26 and \$40 in FY27.

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. The detailed analysis is now available, please visit the Ohio Department of Education and Workforce at: <https://education.ohio.gov/Topics/Finance-and-Funding/Overview-of-School-Funding>.

A 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 are estimated to receive \$82,510 in FY26.

Future State Budget Projections beyond FY27

Our funding status for FY28-FY31 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 FY26, the funding totaled \$117.11 million or \$68.14 per pupil. The fall payment for Casino revenues increased from the previous year by 3% for FY26. 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.

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Basic Aid - Unrestricted	\$8,262,609	\$8,471,332	\$8,471,332	\$8,471,332	\$8,471,332
Additional Aid Items	\$302,909	\$340,463	\$340,463	\$340,463	\$340,463
Sub-Total - Unrestricted Basic Aid	\$8,565,518	\$8,811,795	\$8,811,795	\$8,811,795	\$8,811,795
Ohio Casino Commission	\$117,998	\$120,358	\$122,765	\$125,220	\$127,725
Unrestricted State Aid (Line #1.035)	<u>\$8,683,516</u>	<u>\$8,932,153</u>	<u>\$8,934,561</u>	<u>\$8,937,016</u>	<u>\$8,939,520</u>

B) Restricted State Revenues – Line # 1.040

HB96 has continued Disadvantaged Pupil Impact Aid (formerly Economic Disadvantaged funding), Career Technical, Gifted, English Learners (ESL), and Student Wellness funding. We were notified in January that the state of Ohio overspent their Science of Reading Appropriation and will be reducing funding to recover funds previously paid.

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 DPIA formula modified the weight given to these

student groups over the biennium which has resulted in calculated DPIA state funding in FY26 being \$86.6 million less than in FY25.

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
DPIA	\$162,259	\$163,791	\$163,791	\$163,791	\$163,791
Career Tech - Restricted	\$90,045	\$68,256	\$68,256	\$68,256	\$68,256
Gifted	\$75,841	\$63,786	\$63,786	\$63,786	\$63,786
ELL	\$5,119	\$5,403	\$4,335	\$4,335	\$4,335
Student Wellness	\$259,108	\$215,697	\$215,697	\$215,697	\$215,697
Other Restricted State	<u>(\$9,033)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Restricted State Aid (Line # 1.040)	<u>\$583,339</u>	<u>\$516,933</u>	<u>\$515,865</u>	<u>\$515,865</u>	<u>\$515,865</u>

C) Restricted Federal Grants in Aid – Line #1.045

There are no federal restricted grants projected during this forecast.

SUMMARY OF STATE FOUNDATION REVENUES

<u>SUMMARY</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Unrestricted State Aid (Line #1.035)	\$8,683,516	\$8,932,153	\$8,934,561	\$8,937,016	\$8,939,520
Restricted State Aid (Line # 1.040)	\$583,339	\$516,933	\$515,865	\$515,865	\$515,865
Restricted Federal Aid (Line # 1.045)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total State Foundation Revenue	<u>\$9,266,855</u>	<u>\$9,449,086</u>	<u>\$9,450,426</u>	<u>\$9,452,881</u>	<u>\$9,455,385</u>

State Share of Local Property Tax – Line #1.050

Rollback and Homestead Reimbursement

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

Partial HB186 Guarantee

New HB186 authorizes payments to school districts and JVSs that are located in a county that underwent a reappraisal or triennial update in tax years 2023 and 2024 and that, due to the act’s temporary credit, would otherwise receive less property tax revenue in tax year 2025 than in tax year 2024. The revenue guarantee applies to tax year 2025, in the case of 2023 reappraisal or update counties, and to tax years 2025 and 2026, in the case of 2024 reappraisal and update counties. Under the act, the Tax Commissioner will calculate the difference between a district’s real property tax revenue in tax year 2024 and its revenue in 2025 and, if applicable, 2026. We do not anticipate a hold harmless payment for HB186, but since the ODT has not released authoritative data on HB186 calculations, we cannot be certain of this. We will adjust the forecast as data from the ODT becomes available.

ESTIMATED ROLLBACK & HOMESTEAD REIMBURSEMENT (LINE # 1.050)

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Rollback and Homestead	\$1,082,545	\$1,013,610	\$1,025,617	\$1,023,861	\$1,028,355
HB186 Partial Reimbursement	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
State Share of Local Property Taxes (Line # 1.050)	<u>\$1,082,545</u>	<u>\$1,013,610</u>	<u>\$1,025,617</u>	<u>\$1,023,861</u>	<u>\$1,028,355</u>

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. We have included increases from zero to two percent for each area of local revenue except interest payments.

Interest income is based on the district's cash balances and increased interest rates due to the Federal Reserve raising rates to curb inflation. While interest income in FY26 should remain steady due to laddered investment strategies, the rate cuts will begin to have an impact on earnings in FY27 and future years. We will continue to monitor the investments for the district.

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Tuition Related Payments	\$227,984	\$232,544	\$237,195	\$241,939	\$246,778
PILOT Payments	\$99,618	\$99,618	\$99,618	\$99,618	\$99,618
Medicaid	\$216,914	\$216,914	\$216,914	\$216,914	\$216,914
Class & Sports Oriented Fees	\$43,878	\$44,756	\$45,651	\$46,564	\$47,495
Interest Earnings	\$711,058	\$675,505	\$641,730	\$609,643	\$579,161
Miscellaneous	<u>\$156,562</u>	<u>\$159,693</u>	<u>\$162,887</u>	<u>\$166,145</u>	<u>\$169,468</u>
Total Other Local Revenue Line #1.060	<u>\$1,456,014</u>	<u>\$1,429,030</u>	<u>\$1,403,995</u>	<u>\$1,380,823</u>	<u>\$1,359,434</u>

Short-Term Borrowing – Lines #2.010 & Line #2.020

There is no short-term borrowing projected in this forecast.

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 below.

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Transfers In - Line #2.040	\$0	\$0	\$0	\$0	\$0
Advance Returns - Line #2.050	<u>\$167,895</u>	<u>\$100,000</u>	<u>\$100,000</u>	<u>\$100,000</u>	<u>\$100,000</u>
Total Transfer & Advances In	<u>\$167,895</u>	<u>\$100,000</u>	<u>\$100,000</u>	<u>\$100,000</u>	<u>\$100,000</u>

All Other Financial Sources – Line #2.060

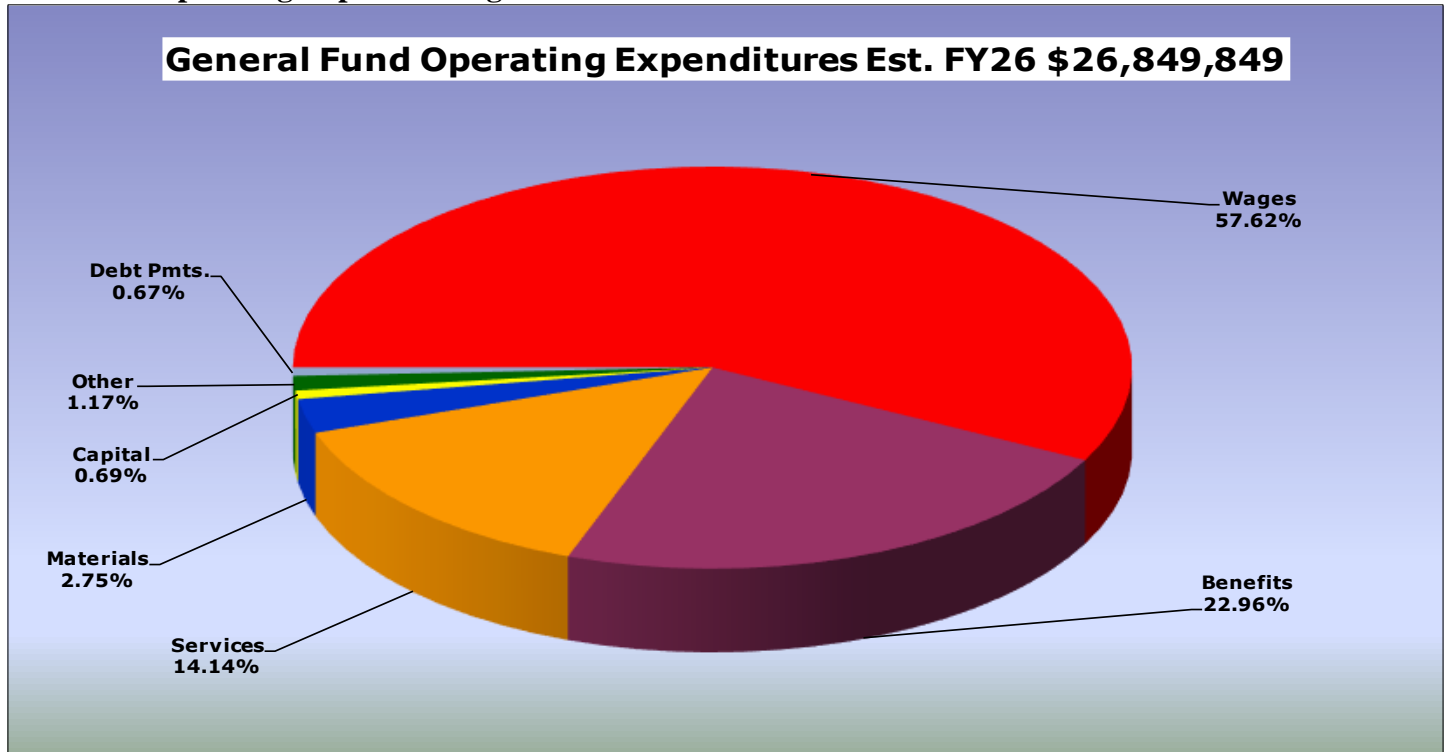
This funding source is typically a refund of prior year expenditures that is very unpredictable. These revenues are inconsistent year to year, and we will not project that occurring in the remainder of the forecast. The district has had some refunds in FY26 which we are including in this forecast, but do not expect any in future years.

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Refund of prior years expenditures	<u>\$5,170</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Expenditures Assumptions

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 main focus for resource utilization.

Estimated Operating Expense Categories - General Fund FY26



Personal Services – Employees' Salaries & Wages – Line #3.010

The district negotiated 2% increase on the base for FY26 with a 2% in FY27-FY28 and 0% in FY29 through FY30 for forecasting purposes only. The district step and training increase is 1.5% each year. There is also an increase for supplemental salaries at the same percent as the base wage increase for other employees with a 3% increase for substitutes. The district increased staffing in FY26 with two teachers. The district increased staffing in FY26 with two teachers, one van driver and one aide.

The district is reviewing staffing for FY27 with the following possible changes, the retirement of one administrator that will not be replaced, retirement of four teachers with three being replaced and the retirement of a bus driver that will b needed to be replaced.

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Base Wages	\$13,988,654	\$14,605,060	\$14,831,072	\$15,299,771	\$15,522,237
Based Pay Increase	\$279,773	\$292,101	\$296,621	\$0	\$0
Steps & Academic Training	\$209,830	\$209,830	\$219,076	\$222,466	\$229,497
Additional or replacement staff	\$126,803	\$179,710	\$29,682	\$0	\$0
Retirement, Resignation or RIF Staff	\$0	(\$455,630)	(\$76,680)	\$0	\$0
Substitutes	\$296,000	\$304,880	\$314,026	\$323,447	\$333,150
Supplementals	\$497,342	\$507,289	\$517,435	\$517,435	\$517,435
Severance	<u>\$73,574</u>	<u>\$62,856</u>	<u>\$62,856</u>	<u>\$0</u>	<u>\$0</u>
Salaries & Wages (Line # 3.010)	<u>\$15,471,976</u>	<u>\$15,706,097</u>	<u>\$16,194,088</u>	<u>\$16,363,119</u>	<u>\$16,602,319</u>

Employees' Retirement & Insurance Benefits – Line #3.020

This area of the forecast captures all benefits and retirement costs. These payments and HSA costs are included in the table below.

A) STRS/SERS will increase as Wages Increase

As the law requires, the BOE pays 14% of all employee wages to STRS or SERS. The district is also required to pay SERS Surcharge, an additional employer charge based on the salaries of lower-paid members. It is exclusively used to fund health care.

B) Insurance

The district is a member of the Huron Erie School Insurance Consortium. FY26 the district received an 8% increase in premiums and is projecting 12% annual increase in FY27 through FY30.

C) Workers Compensation & Unemployment Compensation

Workers' Compensation is expected to be approximately 0.42% of wages FY26 through FY30. Unemployment is likely to remain at a shallow level FY25 through FY29. The district is a direct reimbursement employer meaning unemployment costs are only incurred and due if we have eligible employees and draw unemployment.

D) Medicare

Medicare will continue to increase at the rate of wage increases and as new employees are hired. 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/Annuities

The district reimburses staff for tuition that is required to maintain their licenses as per the negotiated agreement. The severance payments for staff that retire are paid through deferred compensation which is included in this area.

Summary of Retirement/Insurance Benefits – Line #3.020

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
A) STRS/SERS	\$2,365,605	\$2,409,129	\$2,480,839	\$2,520,333	\$2,557,159
B) Insurance's	\$3,287,953	\$3,627,325	\$4,053,205	\$4,539,591	\$5,084,343
C) Workers Comp/Unemployment	\$65,511	\$66,540	\$68,589	\$69,563	\$70,568
D) Medicare	\$223,277	\$226,827	\$233,903	\$237,265	\$240,734
Other/Tuition/Annuities/Deferred Compensation	<u>\$222,914</u>	<u>\$111,547</u>	<u>\$111,547</u>	<u>\$37,787</u>	<u>\$37,787</u>
Fringe Benefits (Line #3.020)	<u>\$6,165,260</u>	<u>\$6,441,368</u>	<u>\$6,948,083</u>	<u>\$7,404,539</u>	<u>\$7,990,591</u>

Purchased Services – Line #3.030

College Credit Plus, excess fees, and other tuition costs will continue to draw funds away from the district, which will continue in this area and has been adjusted based on historical trends.

For accounting purposes, the district is recoding expenditures that previously were coded as tuition and will not be included in Professional and Technical Services beginning in FY26. The district is also increasing SRO services in FY26 for an additional \$35,000 annually. The district will include annual increases of 3% for all lines except the utilities which we will increase those by 5% per year throughout the forecast.

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Professional & Technical Services, ESC	\$2,291,163	\$2,359,898	\$2,430,695	\$2,503,616	\$2,578,724
Maintenance, Insurance & Garbage Removal	\$382,477	\$393,951	\$405,770	\$417,943	\$430,481
Professional Development	\$81,320	\$83,760	\$86,273	\$88,861	\$91,527
Communications, Postage, & Telephone	\$37,117	\$38,231	\$39,378	\$40,559	\$41,776
Utilities	\$551,905	\$579,500	\$608,475	\$638,899	\$670,844
Contracted Trades & Services	\$0	\$0	\$0	\$0	\$0
All Tuition Costs	\$262,802	\$270,686	\$278,807	\$287,171	\$295,786
College Credit Plus	\$176,223	\$181,510	\$186,955	\$192,564	\$198,341
Contract Transportation	\$4,992	\$5,142	\$5,296	\$5,455	\$5,619
Miscellaneous Purchased Services	<u>\$7,628</u>	<u>\$7,857</u>	<u>\$8,093</u>	<u>\$8,336</u>	<u>\$8,586</u>
Purchased Services (Line # 3.030)	<u>\$3,795,627</u>	<u>\$3,920,535</u>	<u>\$4,049,742</u>	<u>\$4,183,404</u>	<u>\$4,321,684</u>

Supplies and Materials – Line #3.040

Expenses include curricular supplies, testing supplies, copy paper, maintenance, custodial supplies, materials, and bus fuel. An average increase of 3% is projected in this area for the forecasted period. The district will purchase science textbooks in FY26 for \$108,620; Social Studies grades 6-12 for estimated additional costs of \$95,62 in FY27 and Math textbooks in FY29 for estimated additional costs of \$309,500.

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
General Office Supplies & Materials	\$172,138	\$177,302	\$182,621	\$188,100	\$193,743
Textbooks & Instructional Supplies	\$249,883	\$244,379	\$156,090	\$470,273	\$174,881
Facility Supplies & Materials	\$94,669	\$97,509	\$100,434	\$103,447	\$106,550
Transportation Fuel & Supplies	\$204,767	\$210,910	\$217,237	\$223,754	\$230,467
Other Supplies	<u>\$17,398</u>	<u>\$17,920</u>	<u>\$18,458</u>	<u>\$19,012</u>	<u>\$19,582</u>
Supplies & Materials (Line # 3.040)	<u>\$738,855</u>	<u>\$748,020</u>	<u>\$674,840</u>	<u>\$1,004,586</u>	<u>\$725,223</u>

Capital Outlay – Line #3.050

The expenditures within the equipment object line are minimal since the district pays for most of the equipment out of the Permanent Improvement levy, we do expect a 2% increase per year in FY26 through FY30.

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Capital Outlay & Maintenance	\$185,000	\$188,700	\$192,474	\$196,323	\$200,249
Technology/Curriculum Purchases	\$0	\$0	\$0	\$0	\$0
Busses & Other Vehicles	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Equipment Line #3.050	<u>\$185,000</u>	<u>\$188,700</u>	<u>\$192,474</u>	<u>\$196,323</u>	<u>\$200,249</u>

Summary of Principal and Interest Payment – Lines # 4.05 and 4.06

The district is using general fund dollars to lease purchase the roof replacement. The lease will be paid off in 2033.

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Principal of Lease Line #4.050	\$129,000	\$134,000	\$140,000	\$145,000	\$151,000
Interest & Fiscal Costs On Debt Line # 4.060	\$50,666	\$45,542	\$40,217	\$34,668	\$28,897
Total Lease Payment	<u>\$179,666</u>	<u>\$179,542</u>	<u>\$180,217</u>	<u>\$179,668</u>	<u>\$179,897</u>

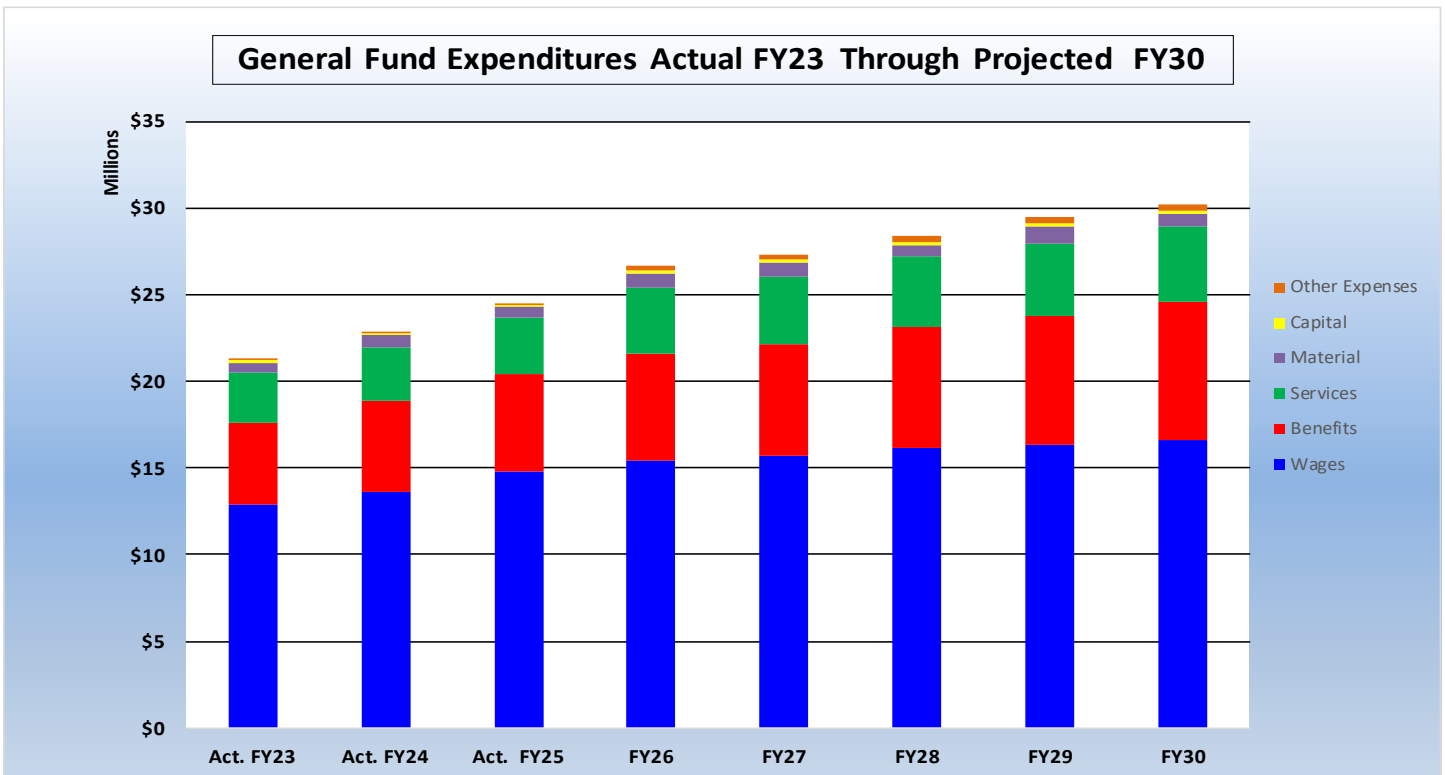
Other Objects – Line #4.300

The category of Other Expenses consists primarily of the County ESC deductions for specialized services provided to the District and Auditor & Treasurer (A&T) fees. Currently, we are estimating annual increase of 2% for the expenses in this area each year of the forecast.

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
County Auditor & Treasurer Fees	\$245,660	\$250,573	\$255,584	\$260,696	\$265,910
Annual Audit Costs	\$21,175	\$21,599	\$22,031	\$22,472	\$22,921
Dues, Fees & Other Expenses	\$46,631	\$47,564	\$48,515	\$49,485	\$50,475
Other Expenses (Line # 4.300)	<u>\$313,466</u>	<u>\$319,736</u>	<u>\$326,130</u>	<u>\$332,653</u>	<u>\$339,306</u>

Operating Expenditures Actual FY23 through FY25 and Estimated FY26-FY30

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



Transfers Out/Advances Out – Lines # 5.010 and 5.020

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. The district does not anticipate the need to make any transfer of funds. The district anticipates the need to make advances to other funds that have negative balances at the end of the fiscal year.

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Operating Transfers (Line # 5.010)	\$0	\$0	\$0	\$0	\$0
Advances (Line #5.020)	<u>\$100,000</u>	<u>\$100,000</u>	<u>\$100,000</u>	<u>\$100,000</u>	<u>\$100,000</u>
Transfers & Advances	<u>\$100,000</u>	<u>\$100,000</u>	<u>\$100,000</u>	<u>\$100,000</u>	<u>\$100,000</u>

Encumbrances –Line #8.010

Encumbrances represent purchase authorizations and contracts for goods or services that are pending vendor performance and those purchase commitments, which have been performed, are awaiting invoicing and payment. Encumbrances, on a budget basis of accounting, are treated as the equivalent of expenditure at the time authorization is made to maintain compliance with spending restrictions established by Ohio law. For presentation in the forecast, outstanding encumbrances are presented as a reduction of the general fund cash balance.

	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Estimated Encumbrances Line #8.010	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000

Ending Unencumbered Cash Balance “The Bottom-Line”– Line #15.010

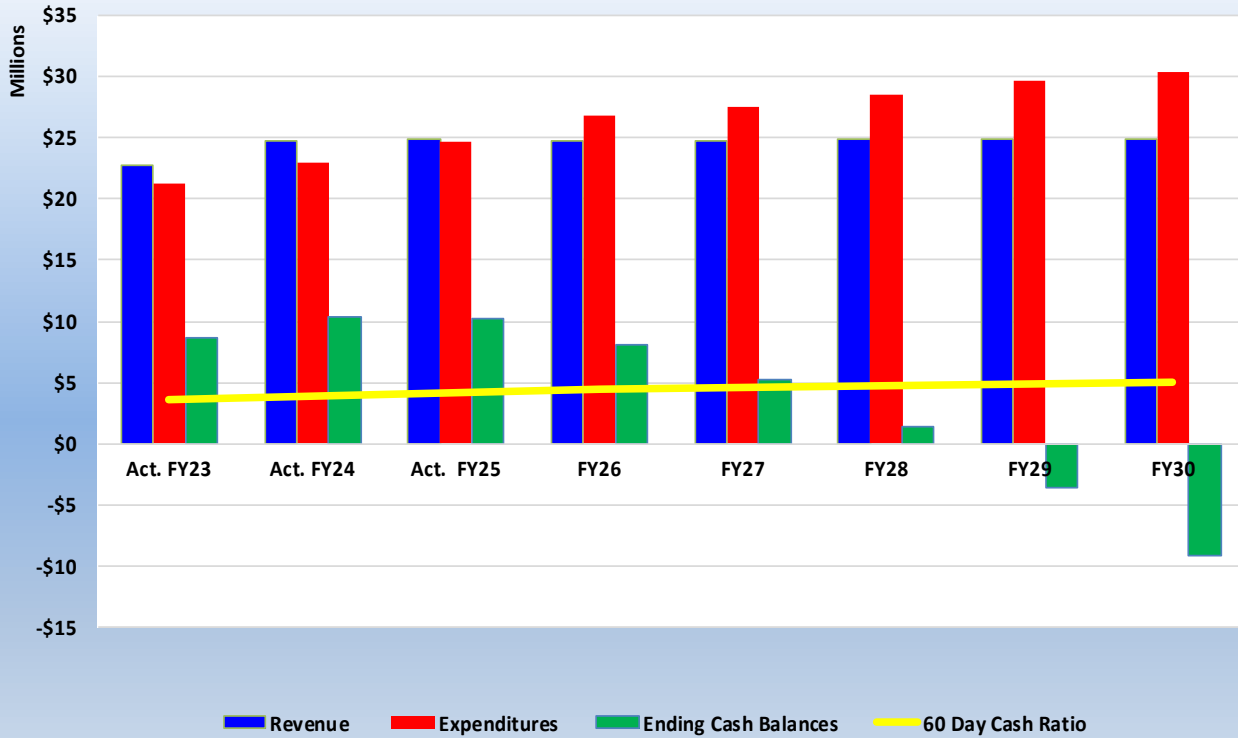
This amount must not go below \$-0- or the district general fund will violate all Ohio Budgetary Laws. Any multi-year contract, which is knowingly signed, and which results in a negative unencumbered cash balance, is a violation of O.R.C. §5705.412, which is punishable by personal liability of \$10,000; unless an alternative 412 certificate, as permitted by HB153, effective September 30, 2011, could be issued.

	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Ending Unreserved Cash Balance Line #15.01	\$8,072,537	\$5,202,316	\$1,363,678	(\$3,581,582)	(\$9,176,555)

Revenue vs Expenditures with Deficit Spending

The graph below shows that the district is deficit spending in FY26 and each year after of the forecast. This chart includes the renewal of the emergency levies

General Fund Revenues vs Expenditures FY23 through FY30



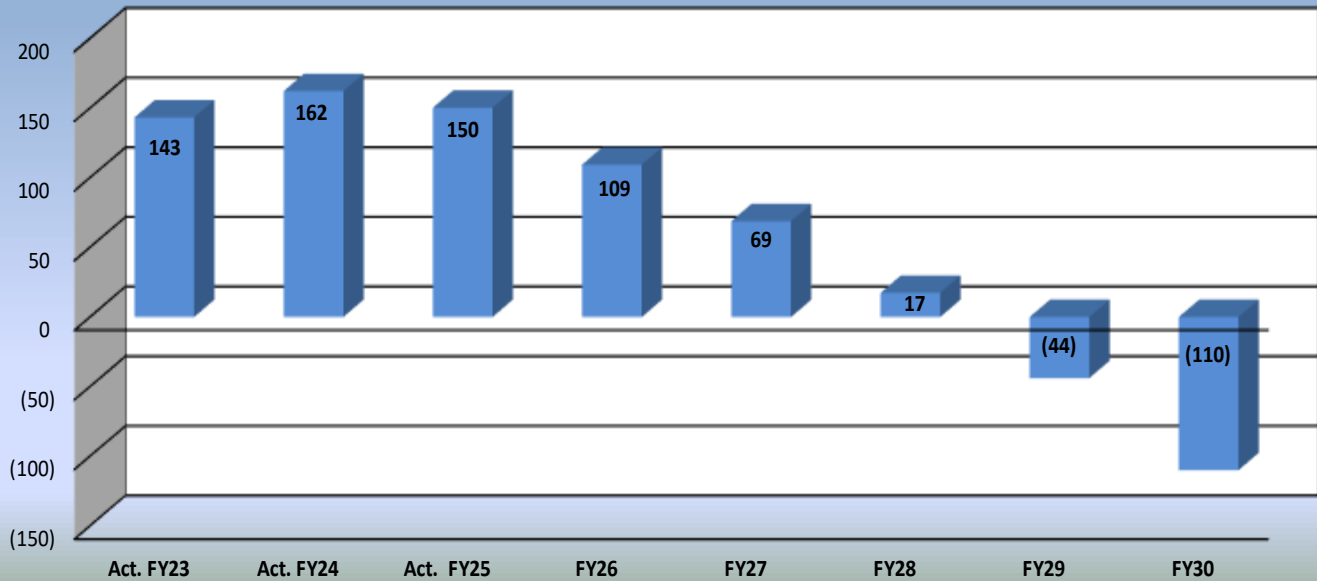
Deficit spending affects the amount of carryover that the district has to plan for the future. When reviewing the needs of the district we review the amount of spending and what would be needed to remove any deficit spending in order to have positive cash balances on the forecast. The chart below shows the amount of deficit spending that is included on Line 6.010 of the forecast and the millage for each year that would be needed in order to erase the deficit spending.

Source	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Excess of Revenues over/(under) Expenditures	(\$2,225,632)	(\$2,870,221)	(\$3,838,639)	(\$4,945,260)	(\$5,594,973)
Millage equivalent for deficit spending	6.33	8.09	10.08	10.92	12.31

True Cash Days for 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? This is the Current Years Ending Cash Balance divided by 365 (Current Years Expenditures/365 days) = the number of days the district could operate without additional resources or a severe resource interruption. The Government Finance Officers Association recommends that no less than two (2) months or 60 days of cash is on hand at year-end. Still, it could be more depending on each district's complexity and risk factors for revenue collection. This is calculated, including transfers, as this is a predictable funding source for other funds such as capital, athletics, and severance reserves.

Ending Unencumbered Cash Balance in True Cash Days



Conclusion

The district is very appreciative of the support from the community for our students and our school district.

Bellevue City Schools receives 45.38% of its funding for the district from state dollars which is very beneficial to the overall operations for the education of our students.

In planning for the future, the administration will need to make sure that the district is able to obtain a positive cash balance throughout the forecast. They will need to review current expenditures based on the current revenues to obtain this.

As you read through the notes and review the forecast, remember that the forecast is based on the best information that is available to us at the time the forecast is prepared.