BEXLEY CITY SCHOOL DISTRICT-FRANKLIN 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
Bexley City School District
Treasurer's Office
Kyle F. Smith, Treasurer

February 23, 2026

Bexley City School District

Franklin County

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

		Actual				Forecasted				
		Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Average Change	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030
	Revenues									
1.010	General Property Tax (Real Estate)	$27,590,591	$27,706,481	$30,490,824	5.2%	$33,501,132	$36,009,397	$38,503,311	$40,847,456	$42,005,410
1.020	Public Utility Personal Property Tax	$0	$0	$0	0.0%	$941,038	$917,038	$954,505	$992,721	$1,021,910
1.030	Income Tax	$11,648,558	$9,470,769	$9,971,497	-6.7%	$10,644,812	$10,964,156	$11,402,722	$11,744,804	$12,097,148
1.035	Unrestricted State Grants-in-Aid	$4,254,449	$4,440,456	$4,504,567	2.9%	$4,840,399	$4,854,407	$4,856,995	$4,859,623	$4,862,289
1.040	Restricted State Grants-in-Aid	$361,317	$435,763	$398,846	6.1%	$353,312	$332,472	$332,472	$332,472	$332,472
1.045	Restricted Federal Grants In Aid	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
1.050	State Reimbursement for Property Tax Credits	$2,927,248	$2,976,744	$3,031,737	1.8%	$3,061,928	$3,105,512	$3,146,905	$3,164,611	$3,176,086
1.060	All Other Revenues	$1,114,599	$1,214,809	$1,432,412	13.5%	$1,245,464	$1,025,127	$984,775	$946,512	$910,235
1.070	*Total Revenues*	$47,896,762	$46,245,022	$49,829,883	2.2%	$54,588,084	$57,208,109	$60,181,685	$62,888,199	$64,405,550
	Other Financing Sources									
2.010	Proceeds from Sale of Notes	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
2.020	State Emergency Loans and Advancements (Approved)	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
2.040	Operating Transfers-In	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
2.050	Advances-In	$90,487	$184,609	$173,933	49.1%	$150,942	$150,000	$150,000	$150,000	$150,000
2.060	All Other Financing Sources	$49,064	$41,226	$25,541	-27.0%	$75,000	$25,541	$25,541	$25,541	$25,541
2.070	*Total Other Financing Sources*	$139,551	$225,835	$199,474	25.1%	$225,942	$175,541	$175,541	$175,541	$175,541
2.080	*Total Revenues and Other Financing Sources*	$48,036,313	$46,470,857	$50,029,357	2.2%	$54,814,026	$57,383,650	$60,357,226	$63,063,740	$64,581,091
	Expenditures									
3.010	Personnel Services	$24,132,929	$25,225,027	$26,943,003	5.7%	$28,113,060	$29,587,696	$30,682,710	$31,823,984	$33,006,826
3.020	Employees' Retirement/Insurance Benefits	$9,508,542	$10,029,621	$10,973,139	7.4%	$11,923,969	$12,667,038	$13,544,466	$14,564,902	$15,674,949
3.030	Purchased Services	$7,709,108	$8,558,011	$9,388,319	10.4%	$8,670,843	$9,523,540	$9,943,620	$10,382,527	$10,841,118
3.040	Supplies and Materials	$1,749,131	$1,855,489	$3,167,754	38.4%	$2,181,495	$2,357,582	$2,458,408	$2,563,716	$2,673,710
3.050	Capital Outlay	$729,910	$1,219,596	$1,588,574	48.7%	$653,277	$757,441	$791,063	$1,075,216	$1,075,216
3.060	Intergovernmental	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
	Debt Service:									
4.010	Principal-All (Historical Only)	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
4.020	Principal-Notes	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
4.030	Principal-State Loans	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
4.040	Principal-State Advancements	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
4.050	Principal-HB 264 Loans	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
4.055	Principal-Other	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
4.060	Interest and Fiscal Charges	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
4.300	Other Objects	$710,205	$616,544	$779,495	6.6%	$774,799	$908,301	$983,154	$1,064,694	$1,153,549
4.500	*Total Expenditures*	$44,539,825	$47,504,288	$52,840,284	8.9%	$52,317,443	$55,801,597	$58,403,421	$61,475,039	$64,425,367
	Other Financing Uses									
5.010	Operating Transfers-Out	$600,000	$600,000	$3,831,928	269.3%	$600,000	$500,000	$500,000	$500,000	$500,000
5.020	Advances-Out	$184,609	$173,933	$150,942	-9.5%	$150,000	$150,000	$150,000	$150,000	$150,000
5.030	All Other Financing Uses	$0	$0	$220	0.0%	$240	$0	$0	$0	$0
5.040	*Total Other Financing Uses*	$784,609	$773,933	$3,983,090	206.6%	$750,240	$650,000	$650,000	$650,000	$650,000
5.050	*Total Expenditures and Other Financing Uses*	$45,324,434	$48,278,221	$56,823,374	12.1%	$53,067,683	$56,451,597	$59,053,421	$62,125,039	$65,075,367
6.010	*Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses*	$2,711,879	($1,807,364)	($6,794,017)	54.6%	$1,746,343	$932,053	$1,303,806	$938,701	($494,277)
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	$25,894,930	$28,606,809	$26,799,445	2.1%	$20,005,428	$21,751,771	$22,683,824	$23,987,630	$24,926,331
7.020	*Cash Balance June 30*	$28,606,809	$26,799,445	$20,005,428	-15.8%	$21,751,771	$22,683,824	$23,987,630	$24,926,331	$24,432,054
8.010	*Estimated Encumbrances June 30*	$304,440	$1,972,635	$2,300,880	282.3%	$1,400,000	$1,400,000	$1,400,000	$1,400,000	$1,400,000
`	**Reservation of Fund Balance**									
9.010	Textbooks and Instructional Materials	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
9.020	Capital Improvements	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
9.030	Budget Reserve	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
9.040	DPIA	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
9.045	Fiscal Stabilization	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
9.050	Debt Service	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
9.060	Property Tax Advances	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
9.070	Bus Purchases	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
9.080	*Subtotal*	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
10.010	*Fund Balance June 30 for Certification of Appropriations*	$28,302,369	$24,826,810	$17,704,548	-20.5%	$20,351,771	$21,283,824	$22,587,630	$23,526,331	$23,032,054

Bexley City School District

Franklin County

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

		Actual				Forecasted				
		Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Average Change	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030
	Revenue from Replacement/Renewal Levies									
11.010	Income Tax - Renewal				0.0%	$0	$0	$0	$0	$0
11.020	Property Tax - Renewal or Replacement				0.0%	$0	$0	$0	$0	$0
11.300	Cumulative Balance of Replacement/Renewal Levies				0.0%	$0	$0	$0	$0	$0
12.010	*Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations*	$28,302,369	$24,826,810	$17,704,548	-20.5%	$20,351,771	$21,283,824	$22,587,630	$23,526,331	$23,032,054
	Revenue from New Levies									
13.010	Income Tax - New				0.0%	$0	$0	$0	$0	$0
13.020	Property Tax - New				0.0%	$0	$0	$0	$0	$0
13.030	Cumulative Balance of New Levies	$0	$0		0.0%	$0	$0	$0	$0	$0
14.010	Revenue from Future State Advancements				0.0%	$0	$0	$0	$0	$0
15.010	*Unreserved Fund Balance June 30*	$28,302,369	$24,826,810	$17,704,548	-20.5%	$20,351,771	$21,283,824	$22,587,630	$23,526,331	$23,032,054
20.010	Kindergarten -ADM count	168	170	149		148	160	160	160	165
20.015	Grades -ADM count	2313	2345	2334		2301	2289	2255	2197	2166

Bexley City School District – Franklin County
Notes to the Five-Year Forecast
General Fund Only
February 23, 2026

Introduction to the Five-Year Forecast
A forecast is a snapshot of today, based on historical trends and 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, salary increases, enrollment variances, or businesses moving in or out of the district.

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. The filing deadlines have now changed to August 31, and end of February each fiscal year thereafter. While the legislative requirement is to file a four-year forecast, 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 and transparent in meeting those challenges.

In a financial forecast, the numbers only tell a small part of the story. For the numbers to be meaningful, the reader must review and consider the Assumptions of the Financial Forecast before drawing conclusions or using the data as a basis for other calculations. The assumptions are fundamental to understanding the rationale of the numbers, particularly when a significant increase or decrease is reflected.

Since the preparation of a meaningful five-year forecast is as much an art as it is a science and entails many intricacies, it is recommended that you contact the Treasurer/Chief Fiscal Officer of the school district with any questions you may have. The Treasurer/CFO submits the forecast, but the Board of Education is recognized as the official owner of the forecast.

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

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. Many of these laws were targeted to impact property taxes of school districts at the minimum level of taxation (20-mill floor). Bexley is not at this level and is not a 20-mill floor school district.

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 not on the 20-mill floor and is not impacted.

- 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 not on the 20-mill floor and is not impacted.

- 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). Before this law, inside millage was not subject to HB920 reduction factors. Our district plans to project at or below anticipated GDP DF to avoid inflation cap credits on inside millage.

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. Franklin County experienced a reappraisal update in tax year 2023 for collection in 2024. We experienced value increases for Class I and II property by $174.87 million for an overall increase of 26.49%. A reappraisal will occur in tax year 2026 for collection in 2027. 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, 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.

3. The Ohio Department of Taxation on January 15, 2026 announced an updated state property tax reappraisal and triennial update schedule. Sixteen counties will have their reappraisal moved back by one year in

accordance with the new schedule. Franklin County will be impacted by this change with the next reappraisal that should be in 2029 but will be in 2030 to collect in 2031.

4. Income tax is the district's second largest revenue source. We will monitor the income tax revenue very closely for any positive or negative changes that may occur.

5. 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. 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.

6. HB96, the current state budget, continues to phase in what has been referred to as the Fair School Funding Plan (FSFP) for FY26 and FY27. HB96 did not increase the base cost inputs (no increase from the state on formula funding) while allowing local capacity inputs to increase. This causes more districts to appear to have greater local ability to fund their schools thus reducing the amount of State Aid they receive. However, we are at the minimum level of funding from the state. 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.

7. HB96, 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 <u>are reimbursed</u> 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.

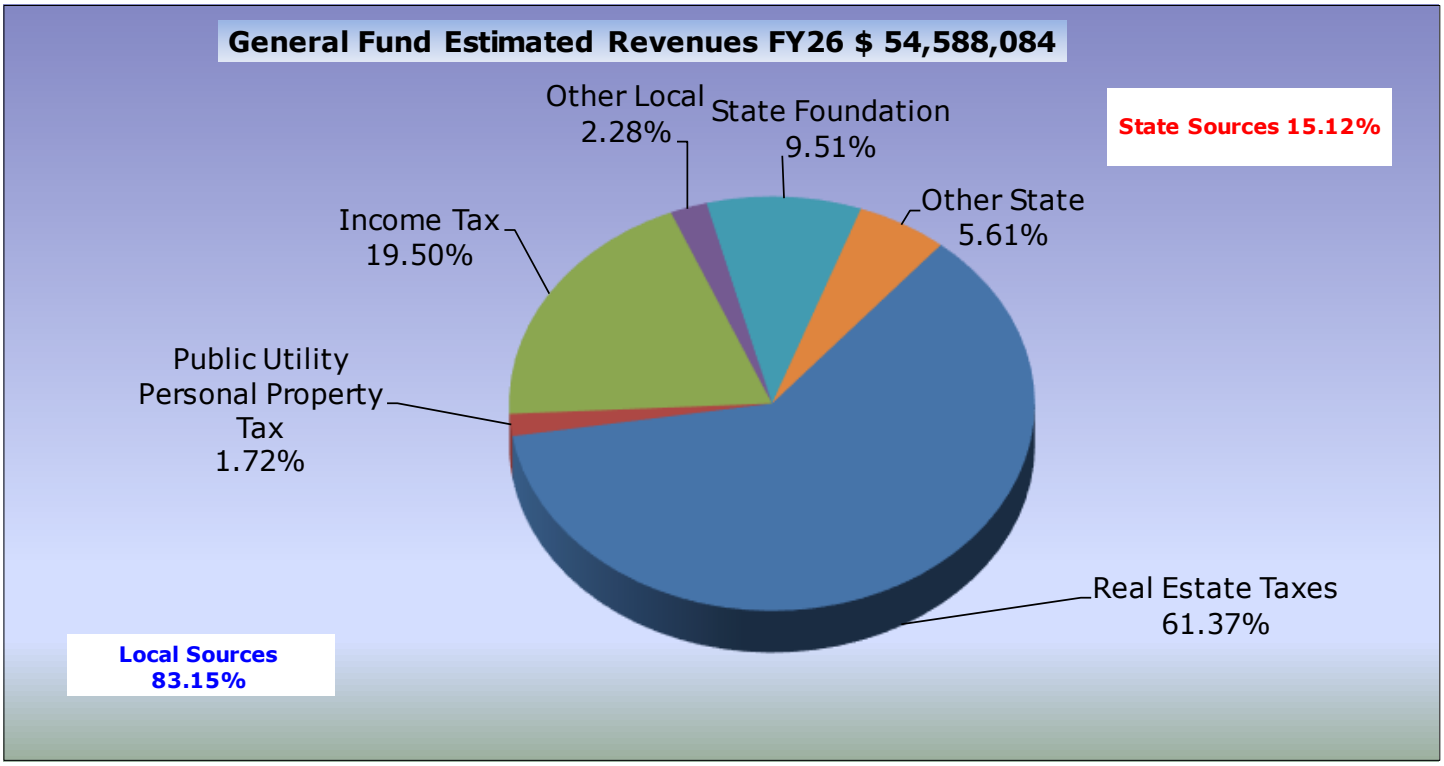
8. The enrollment of the district has fluctuated over the last five years and will continue to be monitored for staffing needs. A 2024 enrollment study from the Ohio Facilities Construction Commission and Future Think suggests that enrollment will hover around current levels.

9. The needs of students and staff have evolved since the COVID-19 pandemic. We are seeing this as a district in various ways, including in increased special education evaluation requests and in the behaviors of students and adults.

The major categories of revenue and expenditures on the forecast are noted below in the headings to make it easier to reference the assumptions made for the forecast item. It should be of assistance to the reader in understanding the overall financial forecast for our district to review the assumptions noted below. If you would like further information, please feel free to contact Mr. Kyle Smith, Treasurer/CFO of Bexley City School District at (614) 231-7611.

REVENUE ASSUMPTIONS

Estimated General Fund Revenues



Property Valuation Assumptions

Property values are established each year by the Franklin County Auditor based on new construction, demolitions, Board of Revision and Board of Tax Appeal activity and complete reappraisal or updated values. Franklin County experienced the sexennial reappraisal for taxable values in 2023 for the collection in 2024. The reappraisal for Class I Residential/Agricultural values increased by 26.61% or $169,319,450 and Class II Commercial/Industrial Values increased by 15.15% or $3,613,70 in 2023 for collection in 2024. As values increase, the millage rates will decrease per HB920 which allows for no real increase in tax dollars except what is received on the 5.7 mills of inside millage and new construction. The triennial update for valuations will be in 2026 for collection in 2027, the district is estimating increases in Class I of 8% and Class II of 5%.

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 decreased by $1.15 million in Tax Year 2025. We expect our values to continue to grow by $150,000 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

Classification	Estimated TAX YEAR 2025 COLLECT 2026	Estimated TAX YEAR 2026 COLLECT 2027	Estimated TAX YEAR 2027 COLLECT 2028	Estimated TAX YEAR 2028 COLLECT 2029	Estimated TAX YEAR 2029 COLLECT 2030
Res./Ag.	$809,776,350	$875,808,458	$877,058,458	$878,308,458	$879,558,458
Comm./Ind.	$29,329,710	$30,941,196	$31,086,196	$31,231,196	$31,376,196
Public Utility Personal Property (PUPP)	$7,222,610	$7,372,610	$7,522,610	$7,672,610	$7,822,610
Total Assessed Value	$846,328,670	$914,122,264	$915,667,264	$917,212,264	$918,757,264

Tax Rate Assumptions

The county auditor sets tax rates for each levy voted on to provide tax revenues for the school district. Ohio law provides for "reduction factors" of all voted property tax levies to adjust the millage rates lower. This ensures that as property values increase/decrease, the taxes received by the district remain the same dollar amount as the community originally approved of the original levy. 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 levies including the inside millage is 124.4 mills while the Class I effective millage rate is 42.517352 mills, and the Class II effective millage rate is 57.167539 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 not on the floor for either Class I or Class II.

We have been conservative with any future value increases for reappraisal or updates due to implementation of 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 98.26% of the annual amount. This allows a 1.74% delinquency factor. The district is basing the collection percentage on the collection in 2024 of 51.75% in February and 48.25% in August.

ESTIMATED REAL ESTATE TAX (Line #1.010)

Category	FY26	FY27	FY28	FY29	FY30
General Property Taxes	$33,501,132	$36,009,397	$38,503,311	$40,847,456	$42,005,410
HB96 Piggyback Exemption	$0	$0	$0	$0	$0
HB186 Tax Adjustments	$0	$0	$0	$0	$0
Total General Property Taxes	$33,501,132	$36,009,397	$38,503,311	$40,847,456	$42,005,410

ESTIMATED PUBLIC UTILITY PERSONAL PROPERTY TAX - Line #1.020

Public Utility tax settlements (PUPP taxes) are estimated to be received 50% in March and 50% in the August settlement from the County Auditor and are noted in Line #1.02 totals below.

Category	FY26	FY27	FY28	FY29	FY30
Pubilc Utility Persaon Property Tax (PUPP)	$941,038	$917,038	$954,505	$992,721	$1,021,910
Total Line #1.020	$941,038	$917,038	$954,505	$992,721	$1,021,910

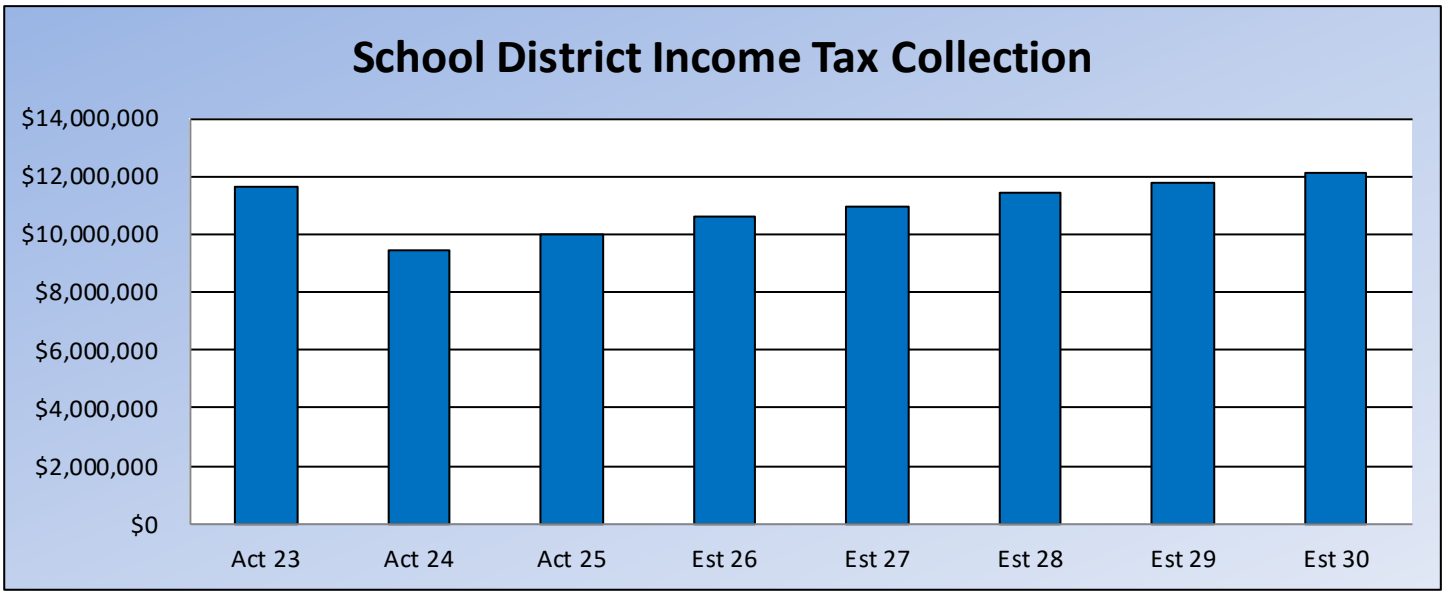
NEW TAX LEVIES - Line #13.10 and Line # 13.20

The district does not have any new levies to include in the forecast with the passage of the incremental levy in November 2024.

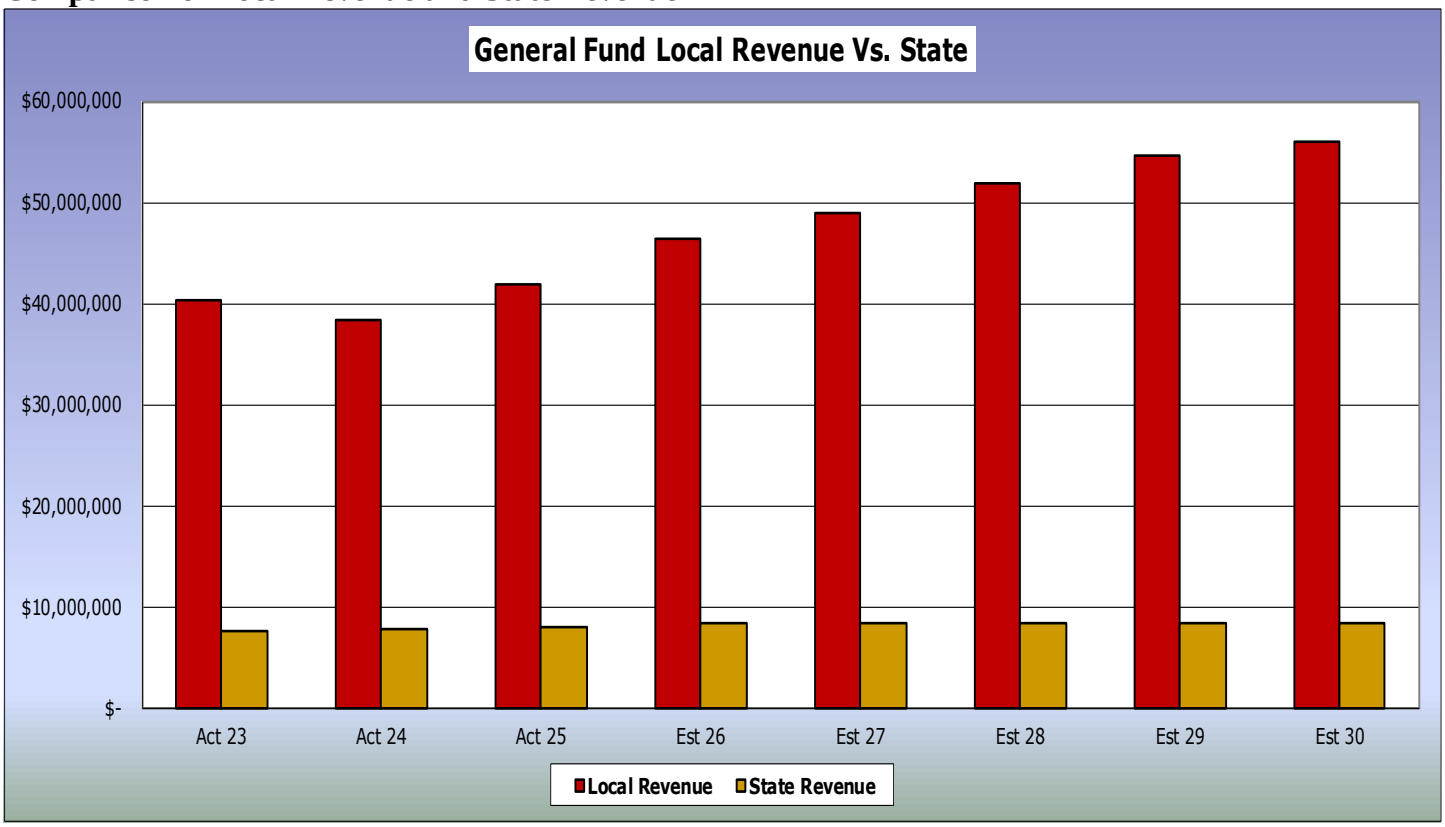
School District Income Tax Collections – Line #1.030
The district has a traditional .75% continuous income tax levy that was approved in 2004.

The district saw a 5.29% increase in FY25 over FY24, which is more in line with previous years receipts. We will assume that income from withholdings will continue to increase in future collections. We will assume an annual growth rate of 3.0% for FY26 through FY30, except in FY28 that we expect a 4% increase for the new residents from the Trinity Project, as the concerns over inflation may slow growth in this area.

Category	FY26	FY27	FY28	FY29	FY30
SDIT Collection	$9,971,497	$10,644,812	$10,964,156	$11,402,722	$11,744,804
Increases/(Decreases)	$673,315	$319,344	$438,566	$342,082	$352,344
Total to Line #1.030	$10,644,812	$10,964,156	$11,402,722	$11,744,804	$12,097,148



Comparison of Local Revenue and 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 most current foundation settlement and funding factors.

Our district is currently a guarantee district in FY26 and are expected to continue to be on the guarantee in FY27-FY30 on the new Fair School Funding Plan (FSFP). A guarantee district is one that receives a minimum level of state funding based on prior-year funding, even if formula-based calculations (due to declining enrollment or increased local wealth) would dictate a lower amount.

HB96 included a base funding supplement for all districts. The funding supplement per pupil of $27 in FY26 and $40 in FY27. A performance supplement was also included. 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 qualified and are estimated to receive $160,256 in FY26.

A detailed overview of how foundation funding is calculated including all of the HB96 changes on the Ohio Department of Education and Workforce is now available, 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 $160,256 in FY26.

Future State Budget Projections beyond FY27

Our funding status for FY28-FY31 will depend on two (2) unknown 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 data to work with. For this reason, funding is held constant in the forecast for FY28 through FY30.

Unrestricted State Foundation Revenue – Line #1.035

Category	FY26	FY27	FY28	FY29	FY30
Basic Aid-Unrestricted	$4,114,094	$4,059,443	$4,059,443	$4,059,443	$4,059,443
Additional Aid Items	$556,310	$622,407	$622,407	$622,407	$622,407
Basic Aid-Unrestricted Subtotal	4,670,404	4,681,850	4,681,850	4,681,850	4,681,850
Ohio Casino Commission ODT	$169,995	$172,557	$175,145	$177,773	$180,439
Total Unrestricted State Aid Line # 1.035	$4,840,399	$4,854,407	$4,856,995	$4,859,623	$4,862,289

B) Restricted State Revenues – Line #1.040

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.

Category	FY26	FY27	FY28	FY29	FY30
DPIA	$5,189	$5,251	$5,251	$5,251	$5,251
Career Tech - Restricted	$8,728	$8,805	$8,805	$8,805	$8,805
Gifted	$76,949	$67,774	$67,774	$67,774	$67,774
ESL	$5,322	$5,070	$5,070	$5,070	$5,070
Student Wellness	$107,124	$95,572	$95,572	$95,572	$95,572
Catastrophic Threshold Aid	$150,000	$129,241	$125,391	$172,572	$150,000
Other Restricted	$51,764	$0	$0	$0	$0
Total Restricted State Revenues Line #1.040	$353,312	$332,472	$332,472	$332,472	$332,472

Summary of State Foundation Revenues	FY26	FY27	FY28	FY29	FY30
Unrestricted Line # 1.035	$4,840,399	$4,854,407	$4,856,995	$4,859,623	$4,862,289
Restricted Line # 1.040	$353,312	$332,472	$332,472	$332,472	$332,472
Total State Foundation Revenue	$5,193,711	$5,186,879	$5,189,467	$5,192,095	$5,194,761

State Reimbursement for Property Tax Credits – 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.

HB186 modifies the current property tax Rollback structure by changing how the 10% Rollback credit and the 2.5% Owner-Occupied tax credit are applied to Class I residential property. Under the current structure, residential property owners receive a combined 12.5% credit through the 10% Rollback and 2.5% Owner-Occupied credits. Beginning with tax year 2029 (payable in 2030), the Owner-Occupied credit will effectively be 2.88% higher than today's combined 12.5% Rollback credit. As a result, local property taxes for Class I residential property are expected to decrease by 2.88%, while state reimbursements to school districts will increase by a corresponding 2.88%. The overall impact should be revenue neutral for the district, as the reduction in local tax collections will be offset by increased state reimbursement. At the same time, homeowners will see a modest 2.88% decrease in local property taxes, with that reduction funded by the state rather than through local property tax collections.

Summary of State Reimbursement for Property Tax Credits – Line #1.050

Category	FY26	FY27	FY28	FY29	FY30
Rollback and Homestead	$3,061,928	$3,105,512	$3,146,905	$3,164,611	$3,176,086
HB186 Partial Reimbursement	$0	$0	$0	$0	$0
Total Tax Reimb./Prop. Tax Allocations #1.050	$3,061,928	$3,105,512	$3,146,905	$3,164,611	$3,176,086

Other Local Revenues – Line #1.060

Interest income will increase and decrease as the cash position of the General Fund fluctuates over the forecast period. The district's balances available for investment vary month to month due to cash flow needs. As the district balances decrease, we have decreased the amount of interest each year of the forecast. Due to the Federal Reserve lowering the interest rate by 25 basis points to curb inflation we are estimating decreases in interest by 15% in FY26, 25% in FY27 and 15% in FY28-FY30. Security of the public funds collected by the district is the top priority of the treasurer's office.

Other income and rentals have a 1% increase for FY26-FY30. We are increasing other income by $56,000 in FY27 for the Trinity Project.

Category	FY26	FY27	FY28	FY29	FY30
Tuition	$75,000	$75,000	$75,000	$75,000	$75,000
Interest	$1,107,852	$830,889	$789,345	$749,877	$712,383
Other Income and rentals	$62,612	$119,238	$120,430	$121,635	$122,851
Total Line # 1.060	$1,245,464	$1,025,127	$984,775	$946,512	$910,235

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 during the previous fiscal year and reimbursements for expenses incurred in the previous fiscal year. All advances during the current year are planned to be returned in the succeeding fiscal year which is being shown in FY26-FY30.

Category	FY26	FY27	FY28	FY29	FY30
Transfers In - Line 2.040	$0	$0	$0	$0	$0
Advance Returns - Line 2.050	$150,942	$150,000	$150,000	$150,000	$150,000
Total Transfer & Advances In	$150,942	$150,000	$150,000	$150,000	$150,000

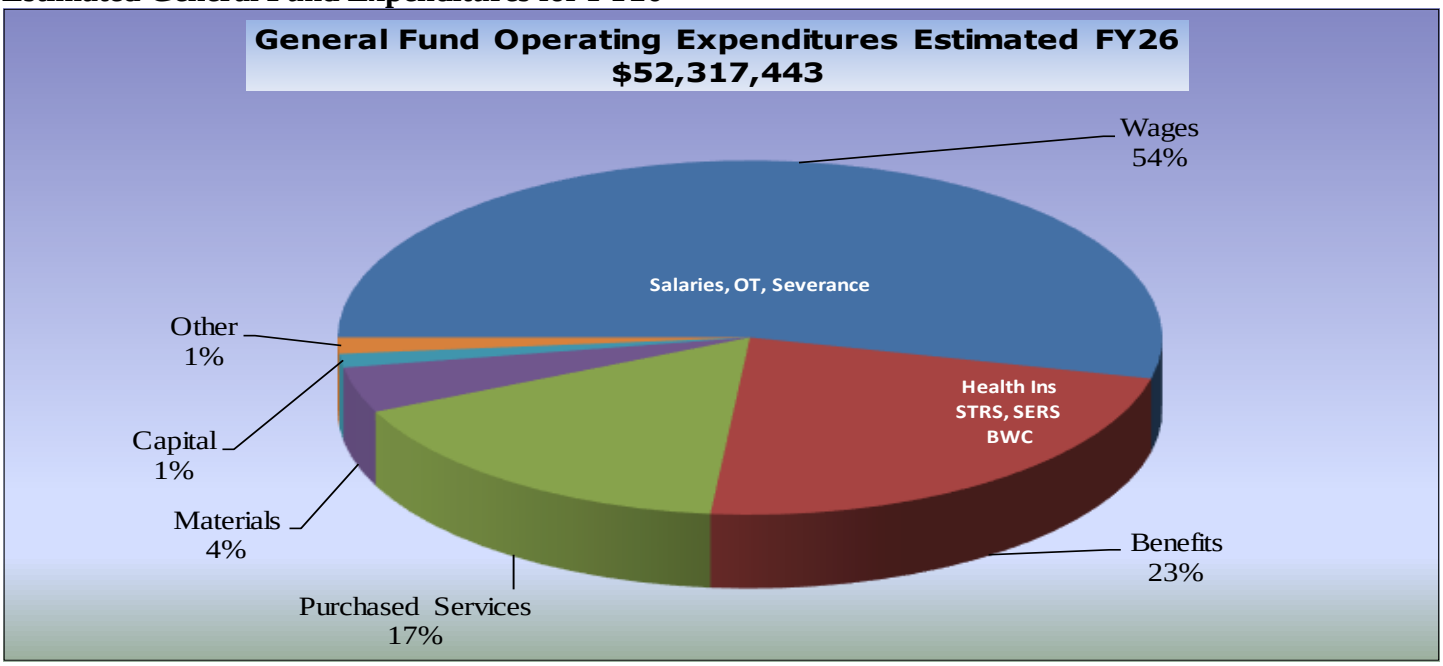
All Other Financial Sources – Line #2.060

Refund of Prior year expenses which are for refunds that the district has received, we are basing the estimates on historical amounts for FY26 through FY30.

Category	FY26	FY27	FY28	FY29	FY30
Refund of prior years expenditures	$75,000	$25,541	$25,541	$25,541	$25,541

EXPENDITURE ASSUMPTIONS

Estimated General Fund Expenditures for FY26



Wages – Line #3.010

The district has negotiated contracts for each of its bargaining unions from FY25-FY27. Staff base wage increases are forecasted with 3% in FY26-FY27 and for forecasting only, a 1.5% in FY28 through FY30. Any variation from this assumption will have substantial implications on the forecast as the chart above shows the portion wages and benefits have on expenditures. An annual salary step and educational advancement increases of 2.15% in FY26 through FY30.

Staffing is reviewed annually to potential changes in numbers of positions for all areas of the district. The staffing changes for FY26 are: increase of four and one-half new middle school teachers due to increased enrollment, one new middle school assistant principal, the retirement/resignation of 15 teachers that will be replaced, the retirement with replacement of one classified staff member, the retirement without replacement of an exempt supervisor, and the reduction of a kindergarten/first grade teacher.

Category	FY26	FY27	FY28	FY29	FY30
Base Wages	$25,741,514	$26,895,353	$28,346,234	$29,417,019	$30,533,579
Base Increase	$772,245	$772,245	$403,430	$425,194	$441,255
Steps	$579,275	$604,431	$636,135	$659,678	$684,216
Replacement/New Hires	$1,429,863	$562,017	$402,109	$408,141	$414,263
Other Adjustments	($100,000)	$100,000	$0	$0	$0
Vacation Payments	$30,000	$30,000	$30,000	$30,000	$30,000
Supplemental	$993,083	$1,012,945	$1,033,204	$1,053,868	$1,074,945
Substitutes, Overtime and Other	$194,624	$198,517	$202,487	$206,537	$210,667
Staff Retirements/Resignations	($1,527,544)	($587,812)	($370,889)	($376,453)	($382,100)
Total Wages Line 3.010	$28,113,060	$29,587,696	$30,682,710	$31,823,984	$33,006,826

Fringe Benefits Estimates Line 3.02
This area of the forecast captures all costs associated with benefits and retirement, with the exception of health insurance, are directly related to the wages paid.

A) STRS/SERS
The district pays 14% of each dollar paid in wages to either the State Teachers Retirement System or the School Employees Retirement System as required by Ohio law. The district is required to pay SERS Surcharge which is an additional employer charge based on the salaries of lower-paid members. It is exclusively used to fund health care.

B) Insurance
The district insurance increases are based on calendar year. We are using a combined increase for one-half of each calendar year's increase, therefore, the estimated increases for medical and dental insurance for FY26 is 10.8%. The blended rate of increase in FY27 is projected to be 6.8%, FY28 increase is 9% and FY29 and FY30 is 10%. The above increases include adjustments for inflation and are based on our current employee census and claims data.

C) Workers Compensation & Unemployment Compensation
Workers' Compensation is expected to remain at about .38% of wages based on experience over prior years. Unemployment Compensation has been negligible and is anticipated to remain as such as we plan our staffing needs carefully.

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.

E) Other/Tuition
Increase of tuition for staff that are furthering their education.

Summary of Fringe Benefits – Line #3.020

Category	FY26	FY27	FY28	FY29	FY30
A) STRS/SERS	$4,367,728	$4,594,401	$4,773,264	$4,951,750	$5,136,866
B) Insurance's	$6,984,284	$7,457,661	$8,136,187	$8,957,253	$9,860,536
C) Workers Comp/Unemployment	$95,796	$117,433	$121,594	$125,931	$130,426
D) Medicare	$407,640	$429,022	$444,900	$461,447	$478,600
E) Other/Tuition	$68,521	$68,521	$68,521	$68,521	$68,521
Total Line 3.020	$11,923,969	$12,667,038	$13,544,466	$14,564,902	$15,674,949

Purchased Services – Line #3.030
One of the largest expenses in this area is contracted payments for substitute teachers, transportation, educational aides and special education aides that are employees of the Educational Service Center of Central Ohio's Council (ESC) of Governments. School districts are finding it difficult to fill positions with substitutes and aides.

The district has increased Building Maintenance and Transportation by 5% in FY26 through FY30. The district was able to decrease the transportation outsourcing cost by $300,000 in FY26 due to the change in transportation vendor.

We have assumed the utilities to increase 5% in FY27 through FY30. In FY26 there will be an additional electric Capacity Charge that will be assessed on all electric bills to help expand Ohio's electric generating ability. This charge will begin June 2025 and end June 2026. It is anticipated it will increase electric costs by 20% annually for just that twelve (12) month period. We have made the increase in FY26 with the reduction to a more normal increase in FY27. The other areas within this line are based on 2% to 3% for inflation.

The district took some proactive cash management strategies at the end of FY25. These actions were deemed necessary to mitigate potential adverse impacts associated with the proposed "cash cap" provisions outlined in House Bill 96 during a period of significant uncertainty surrounding the state budget. Overall, these cash management strategies were "forecast neutral". With the additional payments in FY25 the district is able to reduce costs in FY26 for purchase services by $586,000 but will need to increase it in FY27 by $515,000 in order to account for the changes in payment timing.

Category	FY26	FY27	FY28	FY29	FY30
Base Services	$327,480	$337,304	$347,423	$357,846	$368,581
Instructional Support	$1,684,690	$1,752,078	$1,822,161	$1,895,047	$1,970,849
Professional Support	$2,700,059	$3,183,061	$3,310,383	$3,442,798	$3,580,510
Building Maintenance & Transportation	$2,271,593	$2,585,173	$2,714,432	$2,850,154	$2,992,662
Other Tuition	$591,821	$621,412	$652,483	$685,107	$719,362
Sponsored Programs	$18,480	$19,404	$20,374	$21,393	$22,463
College Credit Plus	$118,109	$124,014	$130,215	$136,726	$143,562
Utilities	$958,611	$901,094	$946,149	$993,456	$1,043,129
Total Line 3.030	$8,670,843	$9,523,540	$9,943,620	$10,382,527	$10,841,118

Supplies and Materials – Line #3.040

This category of expenses is characterized by textbooks, software, copy paper, maintenance supplies and fuel. An inflation rate between 3% to 5% in FY26 through FY30 for all supply lines. The district is projecting the increase for building and transportation fuel of 4% in FY26 through FY30. Along with the proactive cash management strategies that the district used for payment in purchased services, the district also made payment for textbooks early in FY25 of $106,000 which is being deducted from FY26 and returned as expenditures in FY27.

Category	FY26	FY27	FY28	FY29	FY30
Supplies	$1,226,716	$1,263,517	$1,326,693	$1,393,028	$1,462,679
Textbook Upgrade-Electronic or Textbook	$490,515	$611,230	$629,567	$648,454	$667,908
Building and Transportation	$464,264	$482,835	$502,148	$522,234	$543,123
Total Line 3.040	$2,181,495	$2,357,582	$2,458,408	$2,563,716	$2,673,710

Equipment – Line #3.050

The district is increasing the amount of capital outlay due to aging infrastructure. The district is planning on purchasing buses in FY27 and FY28, with a van purchase in FY26. The Board of Education approved a Capital Projects Fund (070) in June 2025, as part of the cash management strategies as a response to House Bill 96. Major capital expenditures will be expended from that fund until FY29, when it is expected that the Fund 070 will be depleted.

Category	FY26	FY27	FY28	FY29	FY30
Capital Outlay	$583,277	$612,441	$643,063	$1,075,216	$1,075,216
Replacement Bus Purchases	$70,000	$145,000	$148,000	$0	$0
Total Line 3.050	$653,277	$757,441	$791,063	$1,075,216	$1,075,216

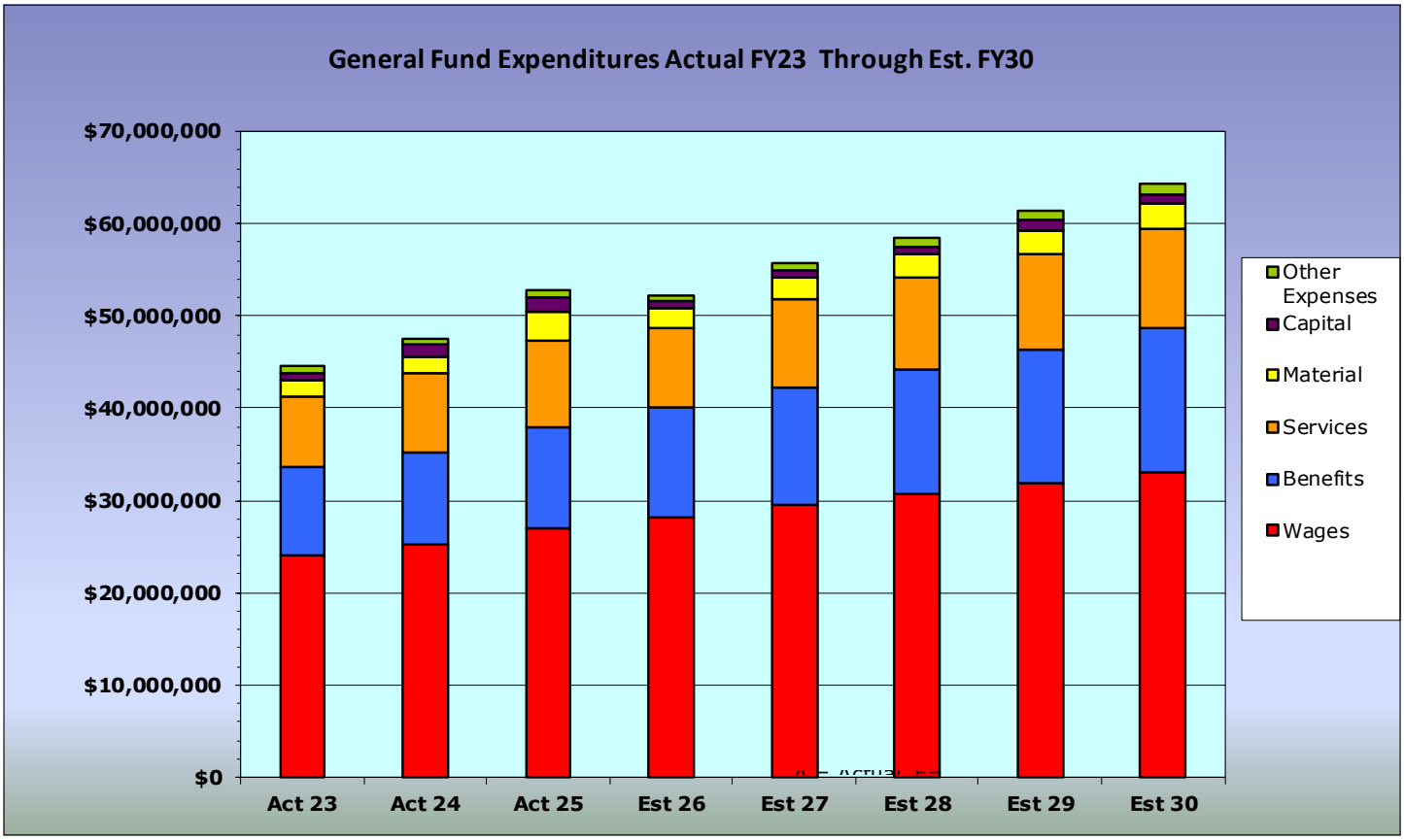
Other Expenses – Line #4.300

Auditor and Treasurer Fees will increase sharply anytime a new operating levy is collected or there are increases in the income tax collections. Also new construction will cause these fees to increase as more dollars are collected. The category of Other Expenses consists primarily of membership fees and liability insurances. We are estimating an annual increase of 5% for FY26-FY30 for other expenses. With the passage of the levy the amount of auditor and treasurer fees will increase, we are increasing the fees by 10% in FY26 through FY30.

Category	FY26	FY27	FY28	FY29	FY30
Auditor & Treasurer Fees	$535,236	$588,760	$647,636	$712,400	$783,640
Other expenses	$239,563	$319,541	$335,518	$352,294	$369,909
Total Line 4.300	$774,799	$908,301	$983,154	$1,064,694	$1,153,549

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/Advances Out – Line #5.010 & Line #5.020

This account group covers fund-to-fund transfers and end of year short-term loans (advances) from the General Fund to other funds until they have received reimbursements to repay the General Fund. These amounts are limited in impact to the General Fund as the amounts are repaid as soon as dollars are received in the debtor fund. The district expects to transfer funds to food service to supplement those programs, permanent improvement fund and to the severance fund, in the transfer to each area in FY26 and FY27 will be $100,000; then in FY28-FY30 the transfer will be $100,000 to Food service and $200,000 each to the severance and permanent improvement fund. The district anticipates advancing funds to other funds in FY26-FY30 of $150,000 annually.

Category	FY26	FY27	FY28	FY29	FY30
Operating Transfers Out Line #5.010	$600,000	$500,000	$500,000	$500,000	$500,000
Advances Out Line #5.020	$150,000	$150,000	$150,000	$150,000	$150,000
Total	$750,000	$650,000	$650,000	$650,000	$650,000

All Other Financing Uses – Line #5.030

From time to time the district has a refund request from a previous year receipt, these prior year receipts are only included in the forecast in the year that they happen.

Category	FY26	FY27	FY28	FY29	FY30
All Other Financing Uses - Line #5.030	$240	$0	$0	$0	$0

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, that 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.

	FY26	FY27	FY28	FY29	FY30
Estimated Encumbrances	$1,400,000	$1,400,000	$1,400,000	$1,400,000	$1,400,000

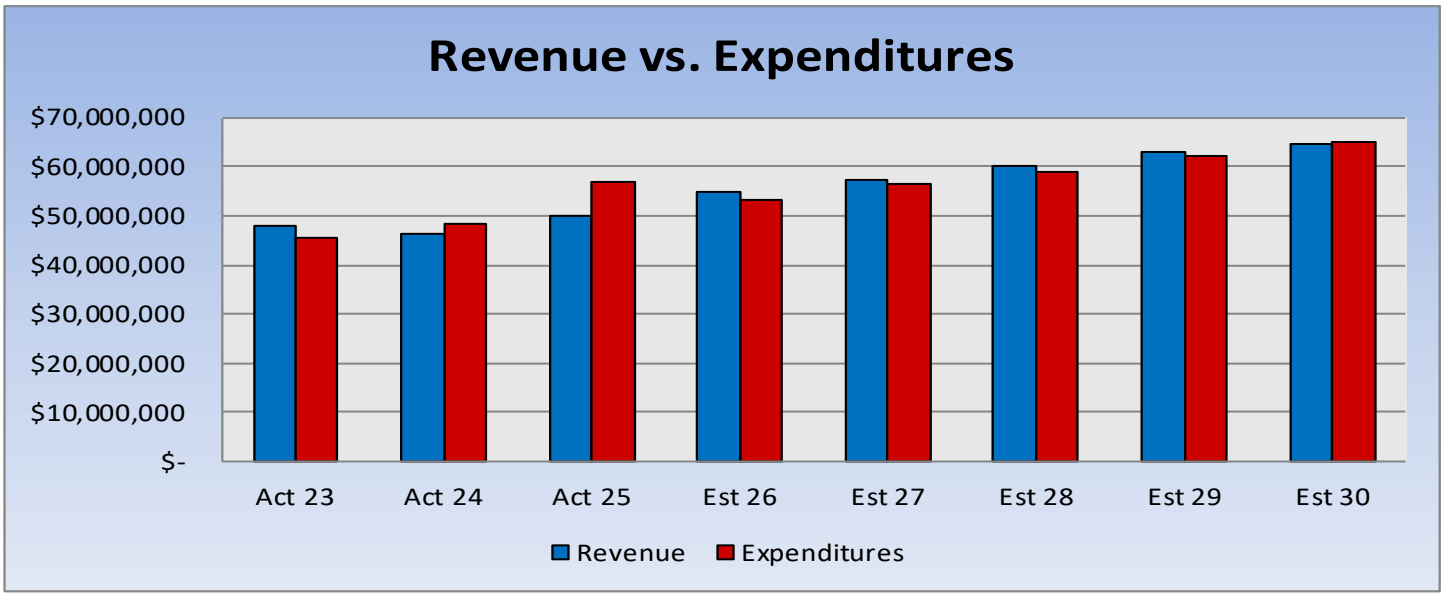
Ending Unreserved Cash Balance "The Bottom-line" – Line #15.010

This amount must not go below $-0- or the district General Fund will violate all Ohio Budgetary Laws. Any multi-year contract which is knowingly signed which results in a negative unencumbered cash balance is a violation of Ohio Revised Code section 5705.412, punishable by personal liability of $10,000, unless an alternative "412" certificate can be issued pursuant to House Bill 153 effective September 30, 2011.

	FY26	FY27	FY28	FY29	FY30
Ending Cash Balance	$20,351,771	$21,283,824	$22,587,630	$23,526,331	$23,032,054

Revenue vs Expenditures with Deficit Spending

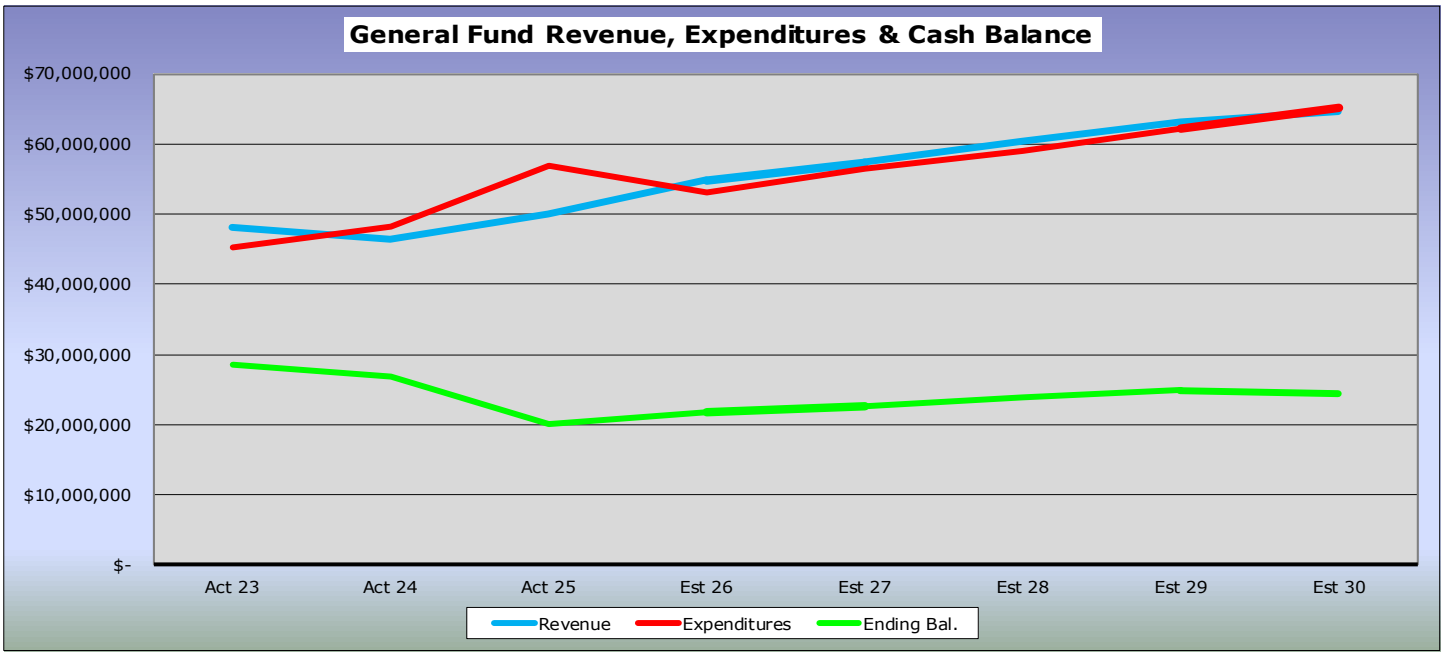
The chart below shows that the district is not deficit spending until FY30. By deficit spending a district will deplete the cash balance in future years.



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.

Category	FY26	FY27	FY28	FY29	FY30
Excess of Revenues over/(under) Expenditures	$1,746,343	$932,053	$1,303,806	$938,701	($494,277)
Millage equivalent for deficit spending	0.00	0.00	0.00	0.00	0.54

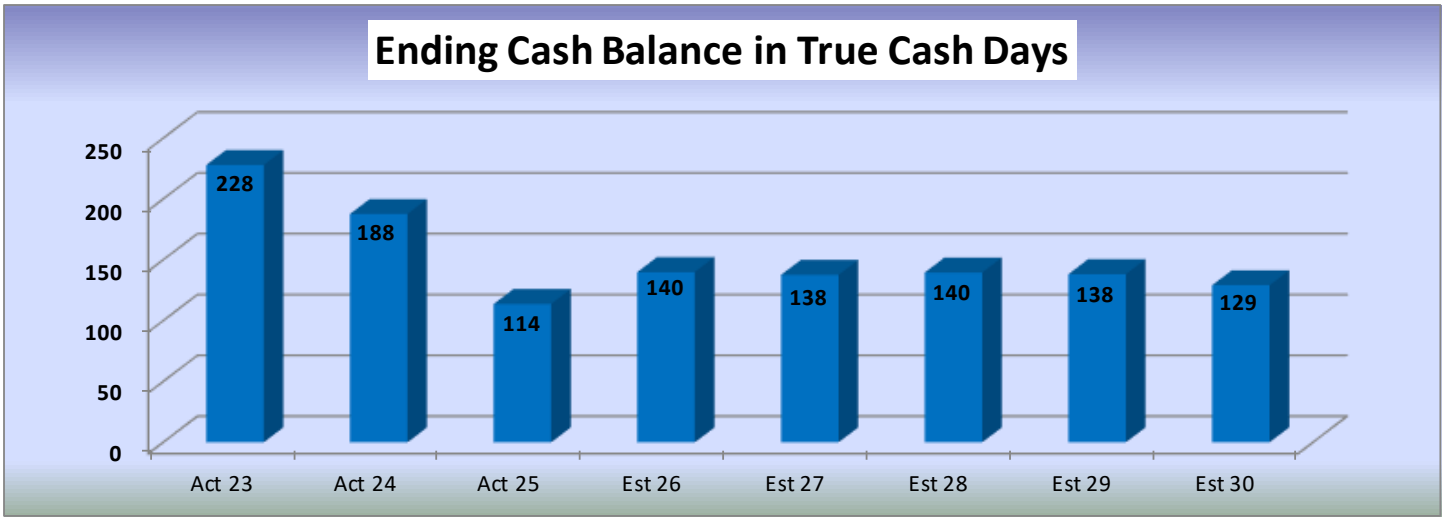
While deficit spending is not ideal and must be closely monitored, this approach was expected in the planning of the recently passed incremental levy. This levy cycle approach allows for residents to keep more of their cash and provide revenues to the schools as expenditures rise (when revenues are needed) as you can see from the graph below.



True Cash Days

On June 8, 2022, the Board of Education passed policy DBDA "Cash Balance Reserve" to address any deficits within the budget found within each Five-Year Forecast. In part, it reads: "If at any time during the first four years of the rolling five-year forecast the projected cash balance (line 15.01) falls below 70 days operating expenditure, the Treasurer will report such a finding to the Board of Education and Superintendent. The Superintendent and Treasurer will have 120 days to submit a financial evaluation of the district to the Board." This policy was discussed and reviewed by the Finance Advisory Council prior to the Board's approval.

The Government Financial Officers Association (GFOA) recommends, at a minimum, regardless of size, a school district maintains unrestricted budgetary fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures. Because of the volatility of income taxes, it would be wise for a district like ours to have a higher balance on hand. The district projects to have approximately 131 days of true cash at the end of FY26. As the chart below shows, the ending cash balance will continue to decrease.



Conclusion

As you read through the notes and review the forecast, it is important to remember that assumptions in the forecast are based on information available at the time it is prepared. Actual amounts may differ significantly from those contained in the forecast.