

Clark-Shawnee Local School District

Fiscal Year  
**2026**  
February

Financial  
Forecast  
Report



Prepared By: Thomas Faulkner

Treasurer/CFO

Clark-Shawnee Local School District

# Table of Contents

Forecast Summary	3
Forecast Analysis	4
Revenue Overview	5
1.010 - General Property Tax (Real Estate)	6
1.020 - Public Utility Personal Property	7
1.030 - Income Tax	8
1.035 - Unrestricted Grants-in-Aid	9
1.040 & 1.045 - Restricted Grants-in-Aid	10
1.050 - State Reimb Prop Tax Credits	11
1.060 - All Other Operating Revenues	12
2.070 - Total Other Financing Sources	13
Expenditures Overview	14
3.010 - Personnel Services	15
3.020 - Employee Benefits	16
3.030 - Purchased Services	17
3.040 - Supplies and Materials	18
3.050 - Capital Outlay	19
3.060 - 4.060 - Intergovernmental & Debt	20
4.300 - Other Objects	21
5.040 - Total Other Financing Uses	22
Five Year Forecast	23
Appendix	
Financial Health Indicators	24
Current to Prior Forecast Compare	25

## Forecast Purpose/Objectives

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

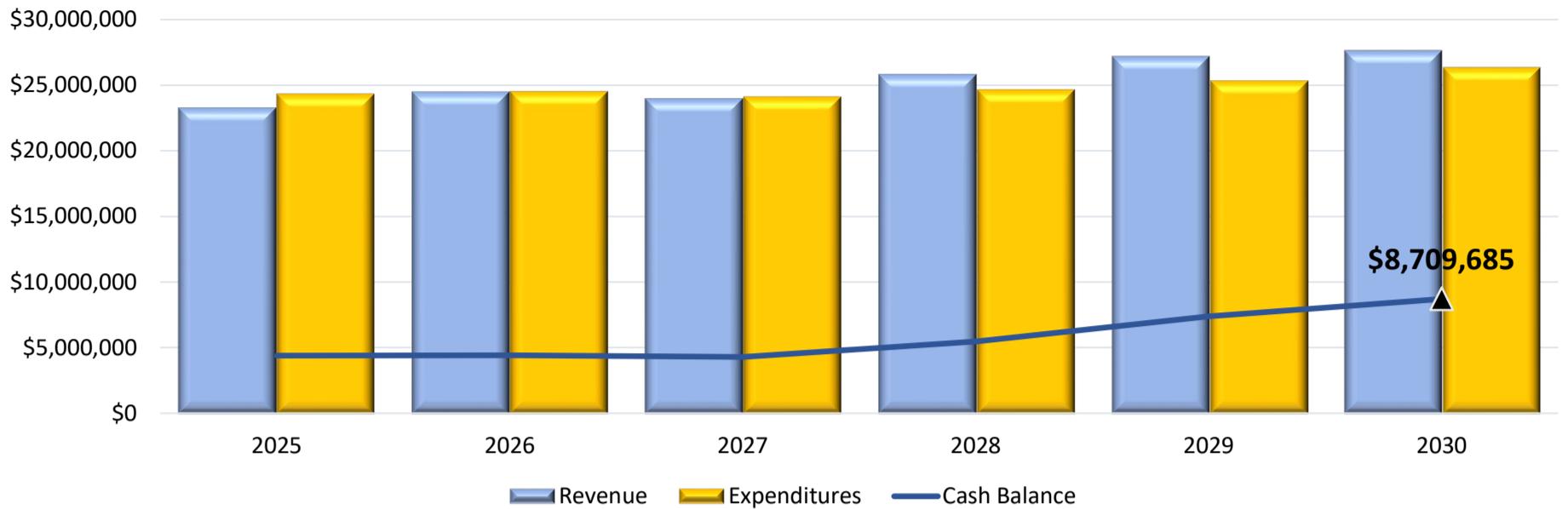
1. To engage the local board of education and the community in the long range planning and discussions of financial issues facing the school district.
2. To serve as a basis for determining the school district's ability to sign the certificate required by O.R.C. §5705.412, commonly known as the "412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

## Forecast Methodology

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

## Forecast Summary

## Projected Revenue, Expenditures, and Cash Balance



## Financial Forecast Summary

	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030
Beginning Balance (Line 7.010) <i>*Includes Renewal/New Levy Revenue, see Disclosures</i>	4,401,944	4,414,995	4,290,748	5,482,431	7,384,427
+ Revenue	24,483,460	23,962,945	25,814,757	27,191,537	27,613,904
- Expenditures	(24,470,409)	(24,087,192)	(24,623,074)	(25,289,542)	(26,288,646)
= Revenue Surplus or Deficit	13,051	(124,247)	1,191,683	1,901,995	1,325,258
Line 7.020 Ending Balance with Renewal/New Levies	4,414,995	4,290,748	5,482,431	7,384,427	8,709,685

## Financial Summary Notes

The Clark-Shawnee Local School District began its fiscal year on July 1, 2025 with \$4,401,944 and will end its year on June 30, 2026 with a projected cash balance of \$4,414,995 for 66 days of operating cash. The cash balance is projected to decline through 2030 because the district expenditure growth is projected to be 1.66% per year for \$396,353 through 2030 while the revenue is only projected to grow by 0.88% per or \$199,796 through 2030.

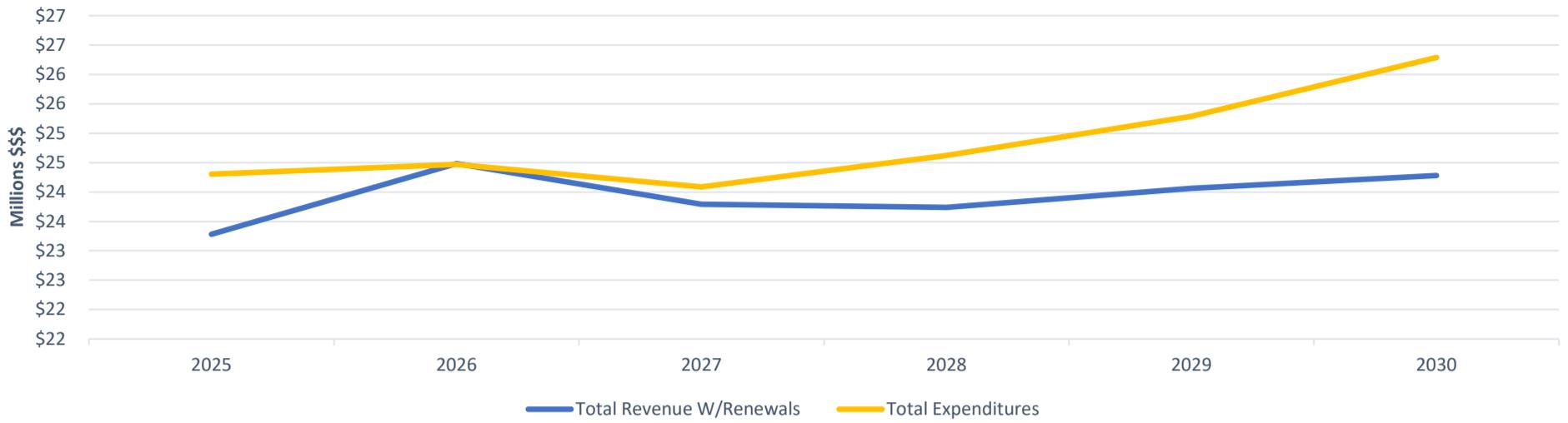
It is hoped that by reading this document the reader may gain understanding of how the district receives and spends its resources, what reductions have been made and that a new revenue source must be found.

The Financial Forecast Summary shows the impact of passing a 1% earned income tax.

Disclosure Items:	2026	2027	2028	2029	2030
Modeled Renewal Levies - Annual Amount	-	-	-	-	-
Modeled New Levies - Annual Amount	-	173,743	2,073,136	3,130,318	3,333,509
Encumbrances (not subtracted from Cash Balance)	140,000	140,000	140,000	140,000	140,000

# Forecast Analysis

## Revenue Compared to Expenditures

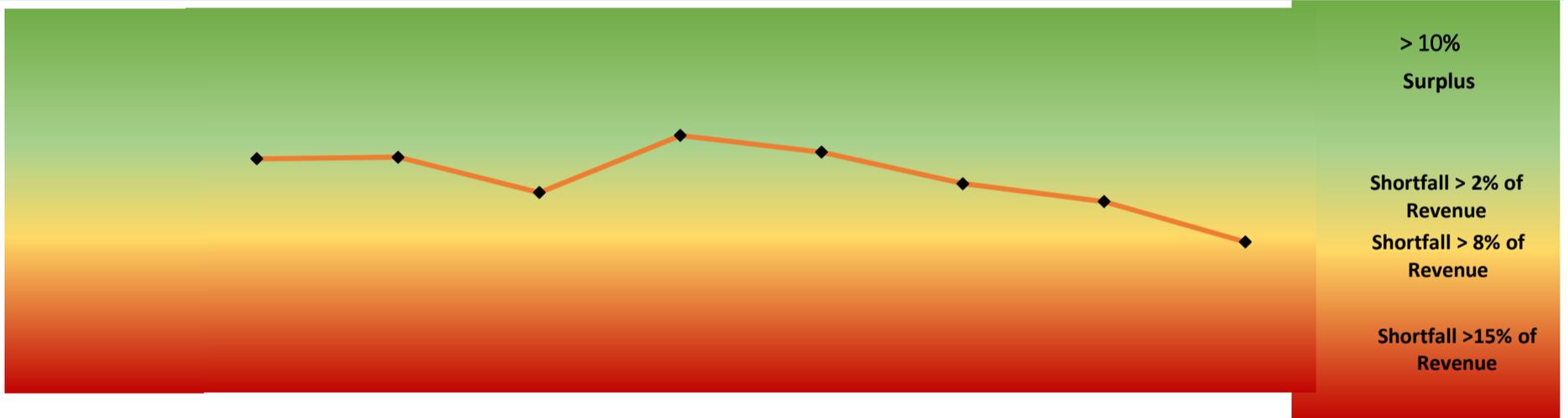


From 2026 to 2030, total revenues are projected to change by 0.88%

Expenditure change is expected to outpace revenue change.

From 2026 to 2030, total expenses are projected to change by 1.60%

## Revenue Surplus/(Shortfall) as a Percentage of Revenue

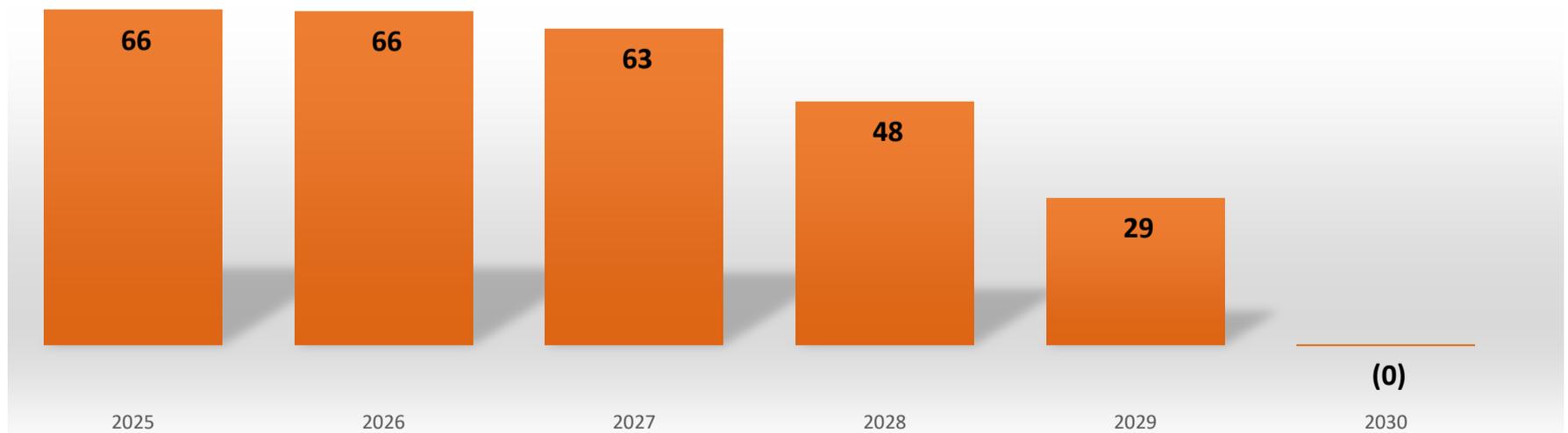


Current Forecast	2024	2025	2026	2027	2028	2029	2030
Surplus/(Shortfall)	-1.6%	-4.4%	.1%	-1.3%	-3.7%	-5.1%	-8.3%

The district has been trending toward a revenue shortfall since 2022-2023.

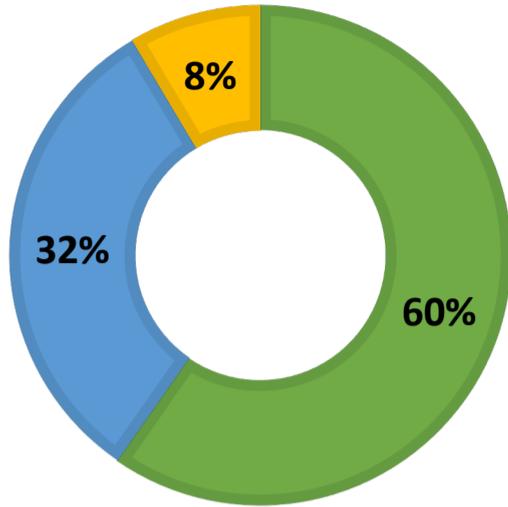
A 8.3% revenue increase is needed to balance the budget in fiscal year 2030 or a -\$2,008,251 reduction in expenditures

## Days Cash on Hand at Fiscal Year-end



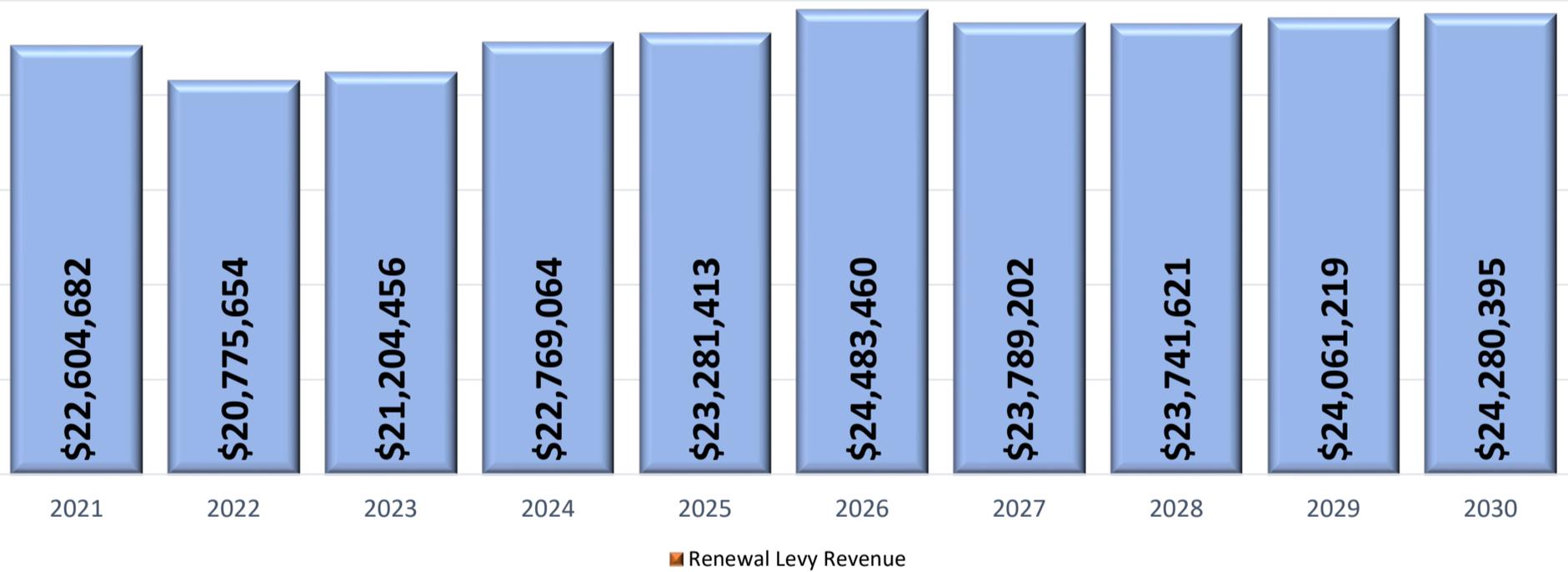
\*based on 365 days

Revenue Sources



Local Taxes	
Real Estate Tax	52.27%
Public Utility Tax	7.40%
Income Tax	0.00%
State Sources	
State Funding	24.71%
Restricted Aid	2.29%
State Reimb Prop Tax Crec	4.83%
All Other Revenue	
Other Revenue	7.83%
Other Sources	0.68%

Annual Revenue Actual + Projected



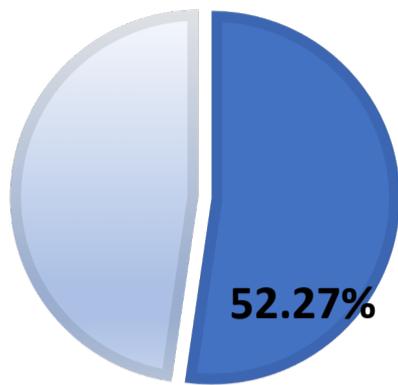
Historic Revenue Change versus Projected Revenue Change

	Historical Average Annual \$\$ Change	Projected Average Annual \$\$ Change	Projected Compared to Historical Variance	
Real Estate	\$358,226	\$274,548	(\$83,677)	During the past 5 years the district's total revenue grew 1.68% (\$342,486) annually, which is attributed to a new state funding formula as well as the 2022 real estate growth.  The treasurer is projecting that during the next 5 years the district's revenue will increase an average of 0.88% (\$199,796). Property tax reform and how Ohio funds its public schools is the cause for the slower revenue growth.
Public Utility	\$80,010	\$42,384	(\$37,626)	
Income Tax	\$0	\$0	\$0	
State Funding	\$77,241	(\$104,823)	(\$182,064)	
State Reimb Prop Tax Credits	\$28,464	\$48,532	\$20,068	
All Othr Op Rev	(\$176,059)	(\$60,416)	\$115,643	
Other Sources	(\$25,396)	(\$428)	\$24,968	
<b>Total Average Annual Change</b>	<b>\$342,486</b> 1.68%	<b>\$199,796</b> 0.88%	<b>(\$142,689)</b> -0.80%	

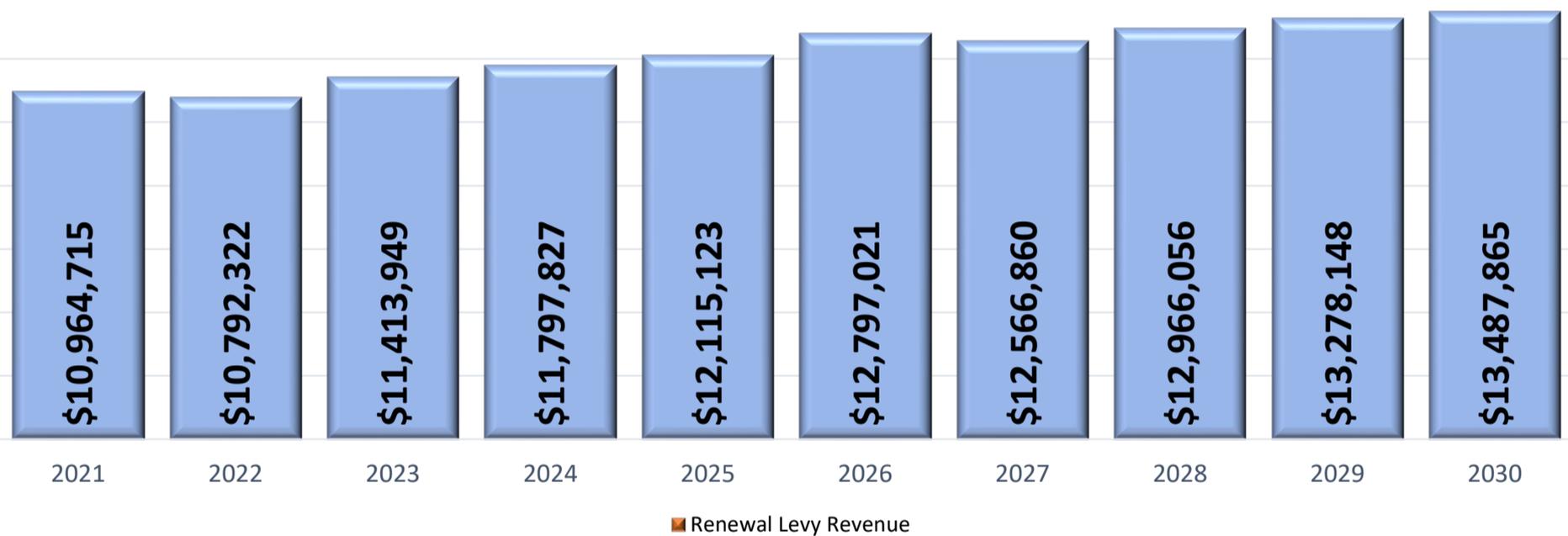
For Comparison:  
 Expenditure average annual change is projected to be > \$396,353 On an annual average basis, expenditures are projected to grow faster than revenue.

### 1.010 - General Property Tax (Real Estate)

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



Real estate property tax revenue accounts for 52.27% of total district general fund revenue.



#### Key Assumptions & Notes

Values, Tax Rates and Gross Collections							Gross Collection Rate Including Delinquencies
Tax Yr	Valuation	Value Change	Class I Rate	Change	Class 2 Rate	Change	
2024	411,903,830	282,840	30.60	-	33.52	-	101.3%
2025	521,573,280	109,669,450	28.44	(2.16)	28.63	(4.89)	98.2%
2026	521,573,280	0	28.41	(0.03)	28.60	(0.03)	98.2%
2027	521,573,280	0	28.40	(0.01)	28.59	(0.01)	100.2%
2028	551,073,280	29,500,000	27.07	(1.34)	27.89	(0.70)	98.2%
2029	551,073,280	0	27.06	(0.01)	27.88	(0.01)	98.2%

Local property taxes make up 52.27% of the district's revenue and is generated by taxing 35% of the appraised property values. 60.71% of the property tax revenue is generated by the residential/agricultural taxpayers and 39.29% is brought in through commercial/industrial taxpayers. Property tax rates are calculated annually based on property values. Voted tax rates adjust based on the rising and falling of property values so that the district collects the same amount that was voted. Tax rates are reduced when values increase, and tax rates increase when values decrease. Increases in revenue can happen due to new construction, inside/non-voted millage and when a district is at the 20-mill floor. The 20-mill floor happens when values increase so much that a tax rate can no longer be adjusted down by law.

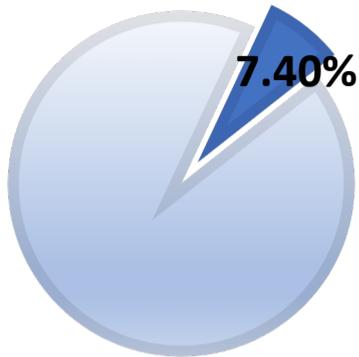
Clark-Shawnee has a 28.44-mill tax rate for Class I, residential/agricultural properties and 28.63-mill tax rate for Class II, commercial/industrial properties. This means that the only increase in property tax revenue will be from the 6.6 inside/non-voted millage and new construction. 1 mill generates \$1 for every \$1,000 of taxable value.

It is important to note that recent property tax reform legislation has property tax revenue increases capped to inflation.

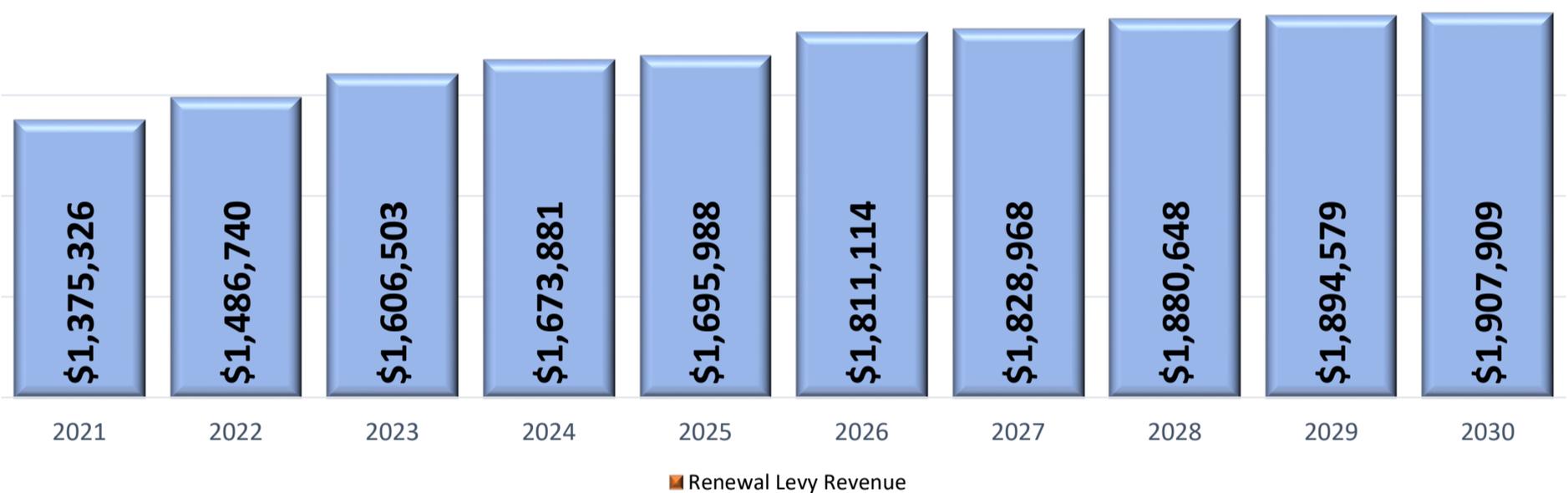
The treasurer is projecting an increase of \$274,548 for 2.2%, per year.

### 1.020 - Public Utility Personal Property

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



Public Utility Personal Property tax revenue accounts for 7.40% of total district general fund revenue.



#### Key Assumptions & Notes

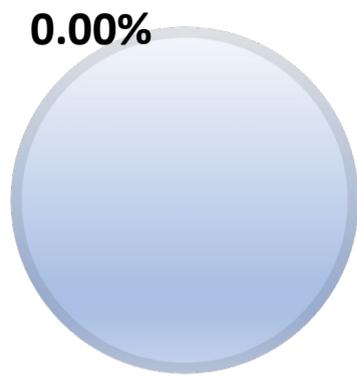
Values and Tax Rates					Gross Collection Rate Including Delinquencies
Tax Year	Valuation	Value Change	Full Voted Rate	Change	
2024	43,498,160	3,578,040	42.34	(0.06)	99.4%
2025	44,856,400	1,358,240	40.34	(2.00)	99.0%
2026	46,856,400	2,000,000	40.31	(0.03)	99.0%
2027	47,456,400	600,000	40.30	(0.01)	99.0%
2028	48,056,400	600,000	39.88	(0.42)	99.0%
2029	48,656,400	600,000	39.87	(0.01)	99.0%

This is a tax levied against public utilities. Taxes on public utilities make up 7.4% of the total operating money for the district. Public utilities are taxed at the full voted millage and typically collect at 100% per year and will increase as values grow and decrease as values decline.

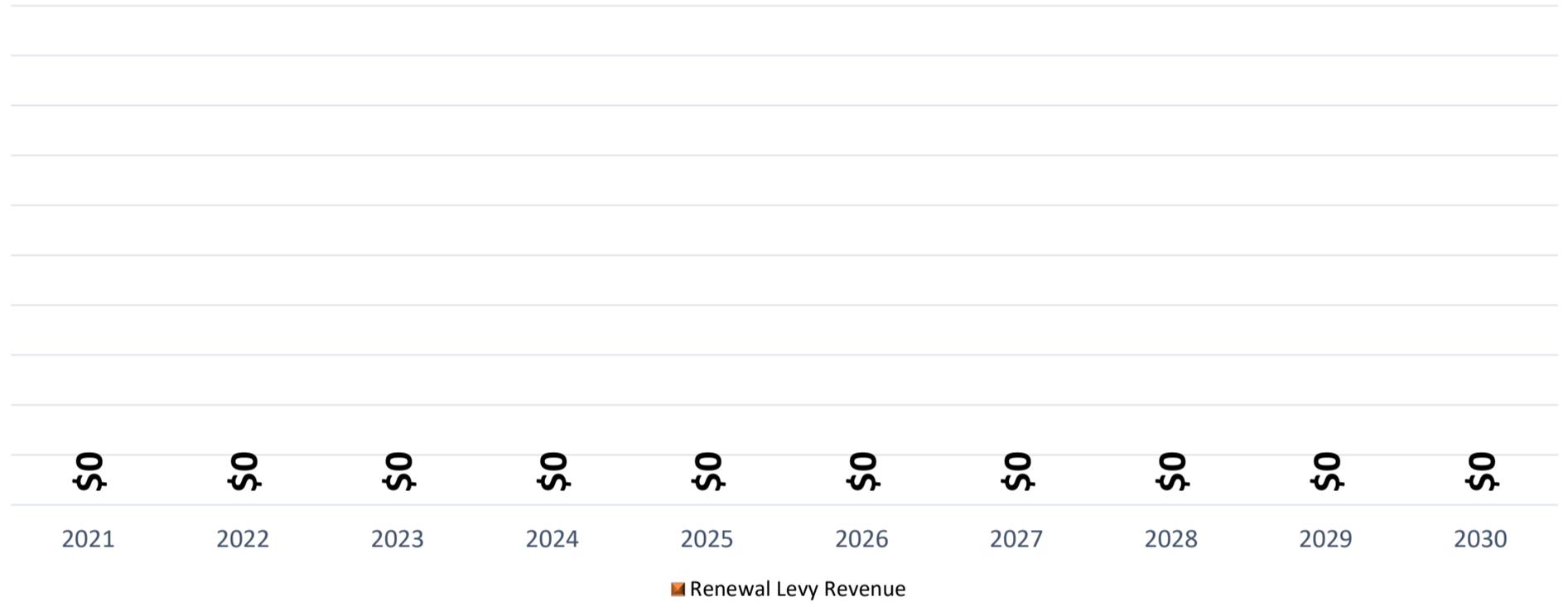
Public utility values are projected to grow an average of \$911,648 per year through 2030. This will generate an average of \$42,384 more by the 2029-2030 fiscal year.

### 1.030 - School District Income Tax

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



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



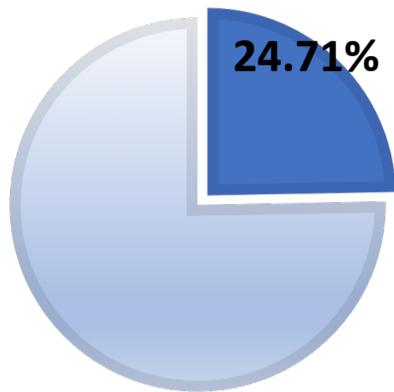
#### Key Assumptions & Notes

The district does not currently have an income tax. However, the district will be pursuing a 1% earned income tax in May 2026. A 1% earned income tax will generate an estimated \$3,333,509 per year by the 2029-2030 school year. An earned income tax will ensure that resources intended for school operation cannot be diverted for other uses.

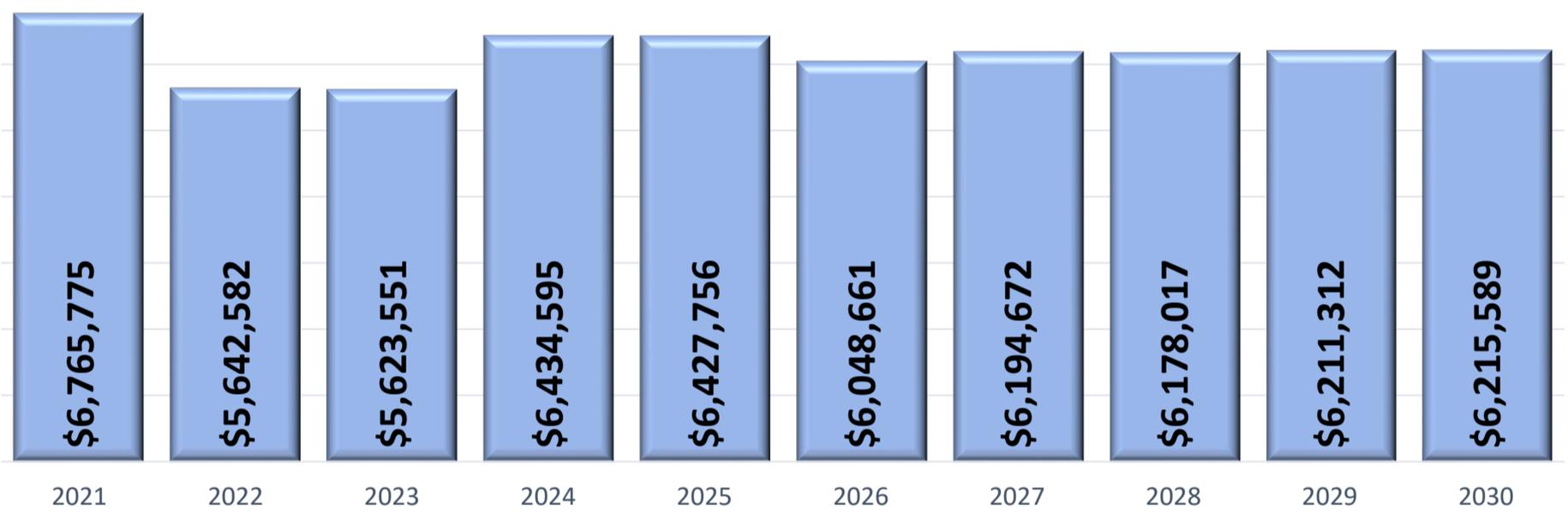
Additionally, it is important to understand that an earned income tax includes taxing Wages, Salaries, Tips, Other Compensation from an employer, Income from partnerships, and Self-Employment. An earned income tax does not include taxing unemployment compensation or distributive shares of profit from an S corporation, distributions from 401(k) plans or annuities (non-Roth), Social Security, and Pensions.

### 1.035 - Unrestricted Grants-in-Aid

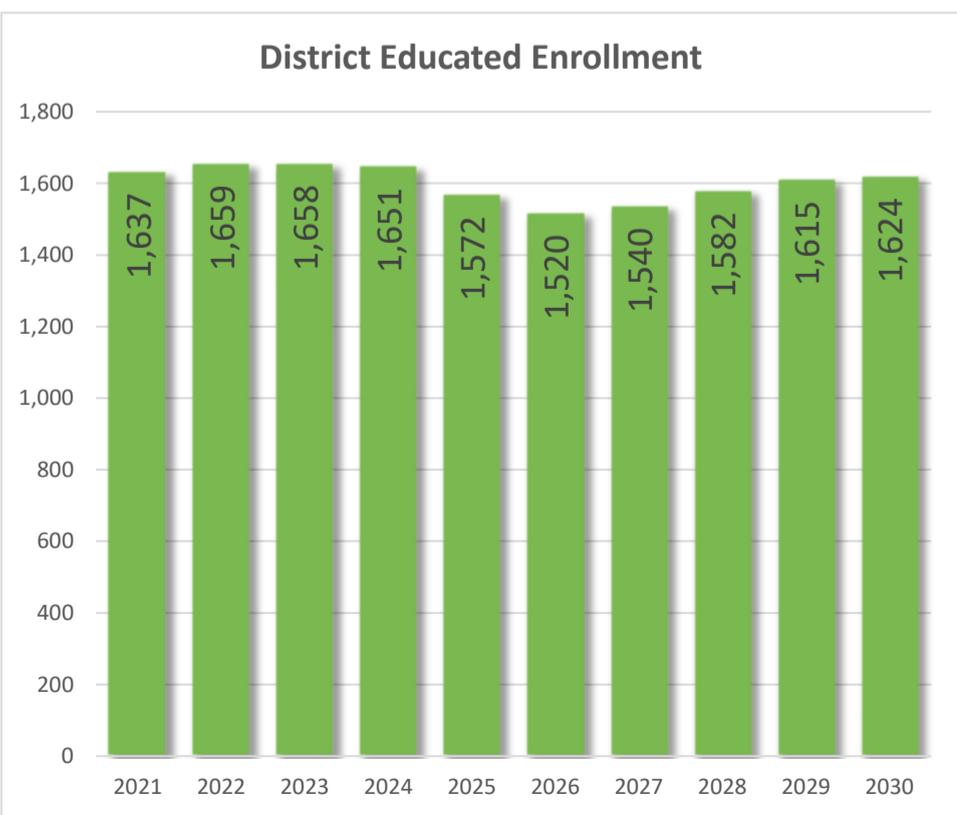
Funds received through the State Foundation Program with no restriction.



Unrestricted State Aid revenue accounts for 24.71% of total district general fund revenue.



#### Key Assumptions & Notes



Unrestricted grants-in-aid is aid provided to the school district from the State of Ohio. It makes up 24.71% of the district's operating funds.

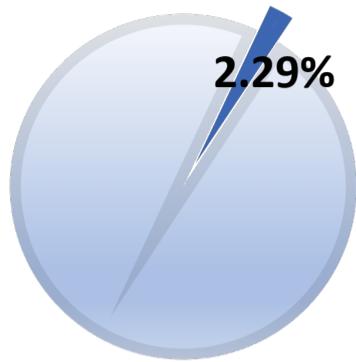
Beginning in FY 2022 Ohio adopted the Fair School Funding Plan (FSFP). Funding is driven by the question "What does it cost to provide a public education to a student in the state of Ohio?". This cost is currently calculated for two years using a statewide average from historical actual data. Clark-Shawnee's base cost to educate has been calculated to be \$13,208,360. The state is funding \$3,441,592 or 27.09% which is \$2,264 per pupil.

Other funding comes from transportation of students, casino funding, preschool, and additional base funding for special education. Additionally, the FSFP is being phased in and any increase that is generated is only being paid at 50% for 2024, 66.67% in 2025, 83.33% in 2026 and then 100% in 2027.

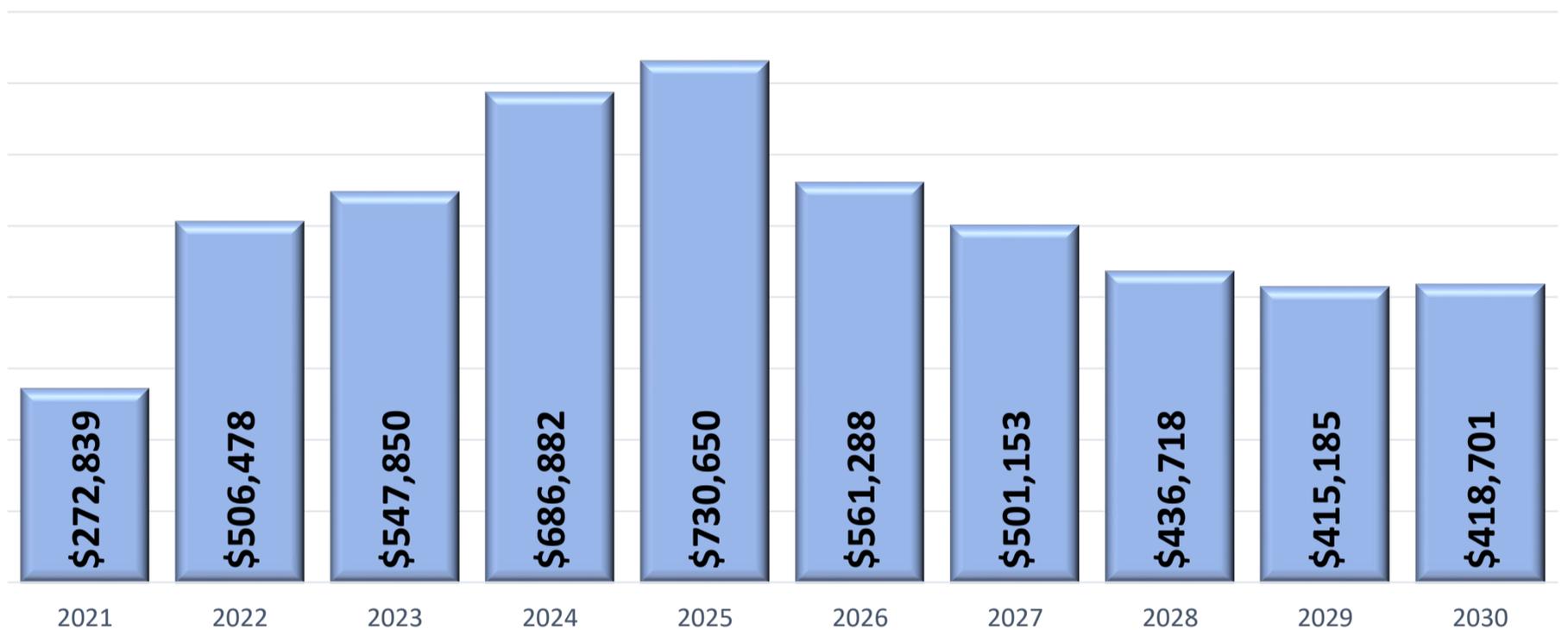
The State's biannual budget was approved in June 2025. It continues the phase in but does not increase the costs to educate which are set at 2022 levels. This means that the district will be funded the same as what it was funded in the 2020 fiscal year.

### 1.040 & 1.045 - Restricted Grants-in-Aid

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



Restricted State Aid revenue accounts for 2.29% of total district general fund revenue.



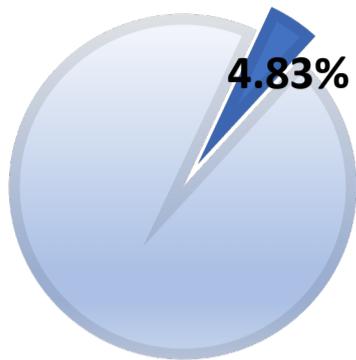
#### Key Assumptions & Notes

Restricted Grants-In-Aid are funds set aside for a specific purpose. The funding being reported for Clark-Shawnee is Career Technical funding, Economically Disadvantaged funding, Success and Wellness funding, and a reimbursement for special education students with severe needs. The increase from 2023 to 2025 is due to the one-time Science of Reading subsidy as well as a reimbursement for Science of Reading stipends for teachers. The subsidy is to be used to offset the new curriculum that must be adopted to support the Science of Reading. The district piloted the curriculum in 2024-2025 school year and fully implemented it in the 2025-2026 school year.

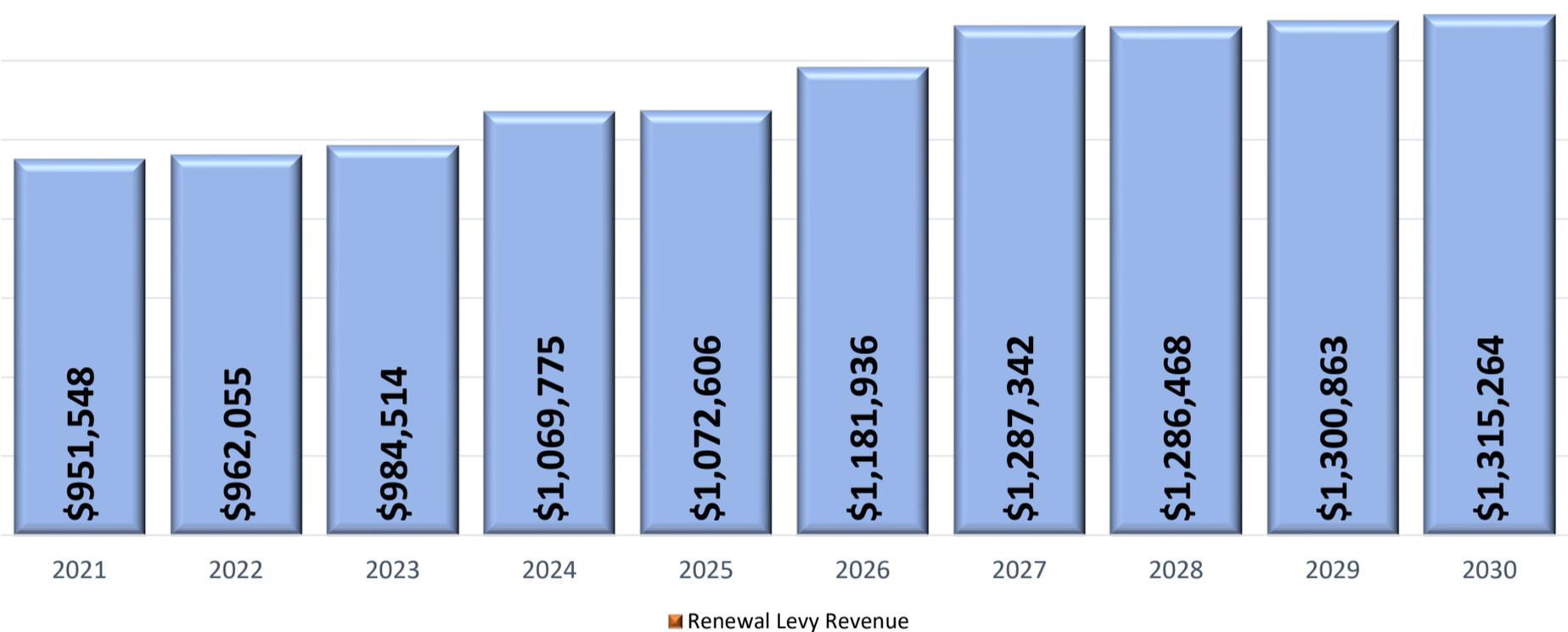
The treasurer is estimating that Restricted Grants-In-Aid will decrease \$311,949 by the 2029-2030 fiscal year.

### 1.050 - State Reimbursement Property Tax Credits

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



State Reimbursement of Property Tax Credit revenue accounts for 4.83% of total district general fund revenue.

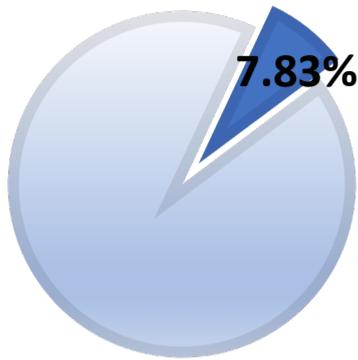


#### Key Assumptions & Notes

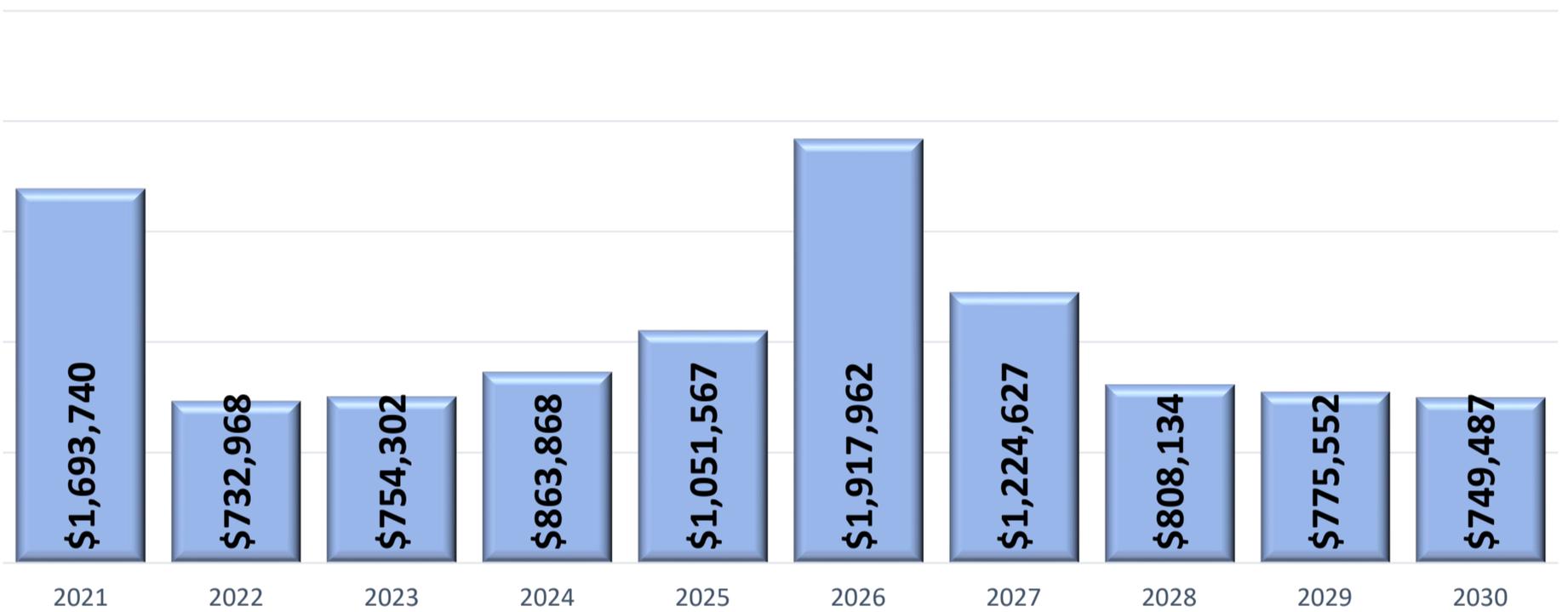
The state of Ohio reimburses a school district for the 10% reduction that is credited to each taxpayer's real property tax bill as well as an additional 2.5% reduction granted to residents who live in their houses. Ohio also reimburses the district for the additional credit that some senior citizen homeowners receive. Any increase or decrease is due to changes cited on note 1.01

### 1.060 - All Other Operating Revenues

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



All Other Revenue accounts for 7.83% of total district general fund revenue.



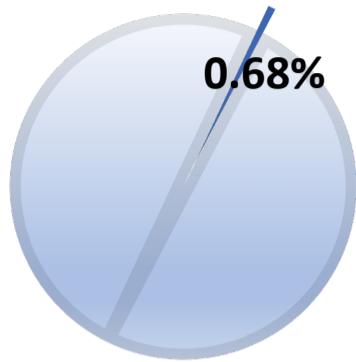
#### Key Assumptions & Notes

Included in this category is tuition from other districts, interest income, student fees, payments in lieu of taxes and miscellaneous revenues.

The treasurer is modeling an increase for 2025-2026 and 2026-2027 due to one-time payments in lieu of taxes for the Sycamore Ridge (2026) and Maple Grove (2027) residential developments.

### 2.070 - Total Other Financing Sources

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



Other Sources of revenue accounts for 0.68% of total district general fund revenue.



#### Key Assumptions & Notes

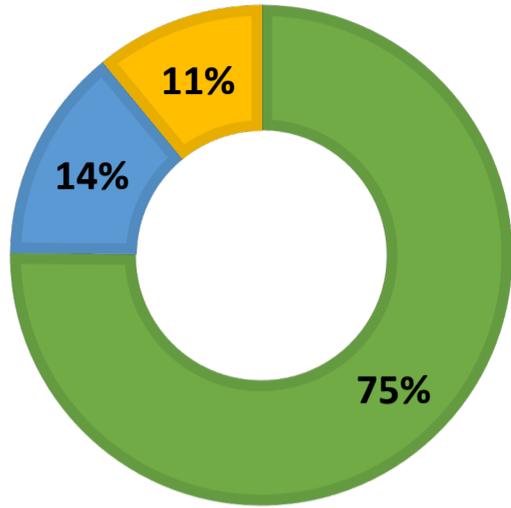
	FORECASTED					
	2025	2026	2027	2028	2029	2030
Transfers In	11,000	-	-	-	-	-
Advances In	100,000	111,000	131,102	131,102	131,102	131,102
All Other Financing Sources	76,722	54,478	54,478	54,478	54,478	54,478

This line includes the payback of advances made to other funds to avoid a deficit in those funds. The district advanced the athletic fund \$111,000 at the end of 2025. It was paid back in 2026. The treasurer is estimating that this advance will continue through 2029-2030.

Additionally, included in this line are refunds and reimbursements of the previous year's expenditures. These are mostly for billing excess cost to educate open enrolled and foster placed to their home districts.

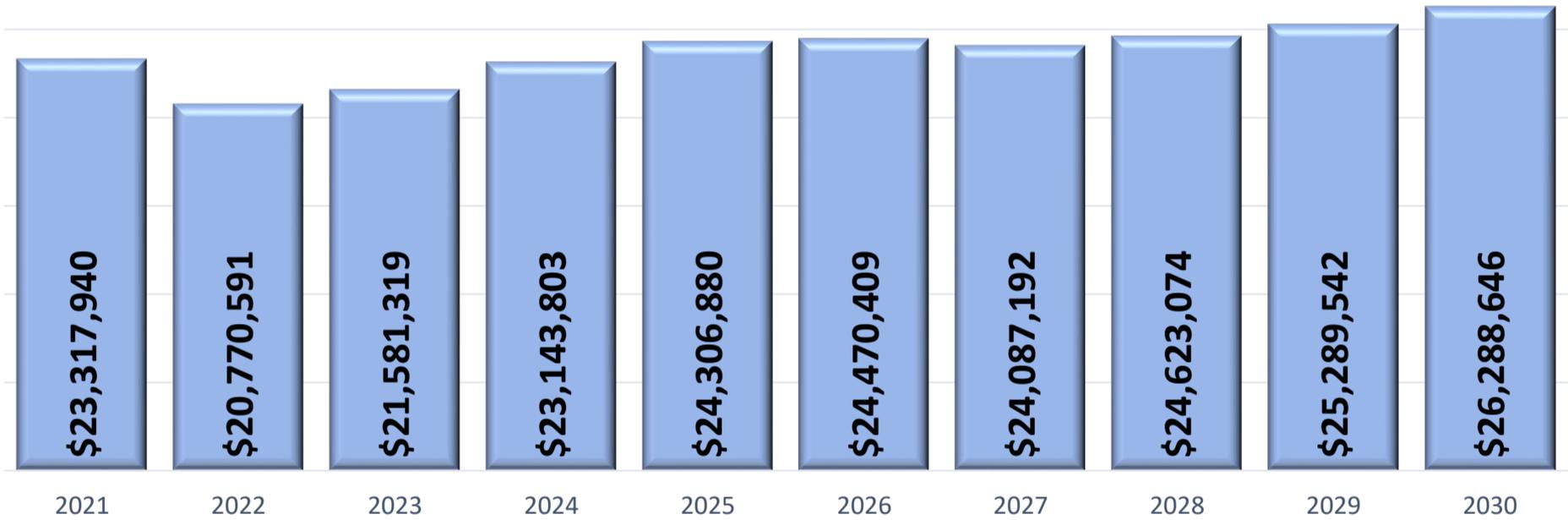
# Expenditure Overview

## Expenditure Categories



<b>Personnel Costs</b>	
Salaries	51.35%
Benefits	23.79%
<b>Purchased Services</b>	
13.92%	
<b>All Other Expenditures</b>	
Supplies, Capital, Debt, Other Obj	7.72%
Other Uses	3.21%

## Annual Expenditures Actual + Projected



## Historic Expenditures Change versus Projected Expenditures Change

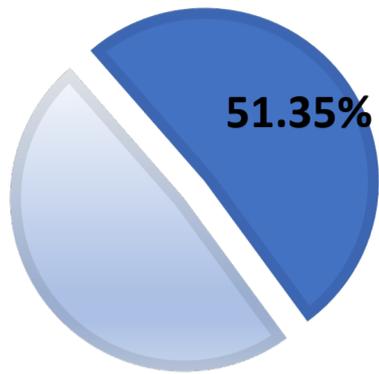
	Historical Average Annual \$\$ Change	Projected Average Annual \$\$ Change	Projected Compared to Historical Variance	Expenditures are expected to grow an estimated 1.60% (\$396,353) per year through the 2029-2030 fiscal year. Salaries, Benefits and Purchase Services are the biggest contributors to the average annual change.
Salaries	\$457,434	\$49,240	(\$408,194)	
Benefits	(\$1,174)	\$245,988	\$247,162	
Purchased Services	(\$239,617)	\$33,416	\$273,033	
Supplies & Materials	\$93,460	\$47,841	(\$45,619)	
Capital Outlay	\$43,155	\$14,595	(\$28,560)	
Intergov & Debt	\$0	\$0	(\$0)	
Other Objects	\$17,966	\$1,452	(\$16,514)	
Other Uses	(\$36,766)	\$3,820	\$40,587	
<b>Total Average Annual Change</b>	<b>\$334,459</b>	<b>\$396,353</b>	<b>\$61,894</b>	
	1.65%	1.60%	-0.05%	

For Comparison:  
Revenue average annual change is projected to be >

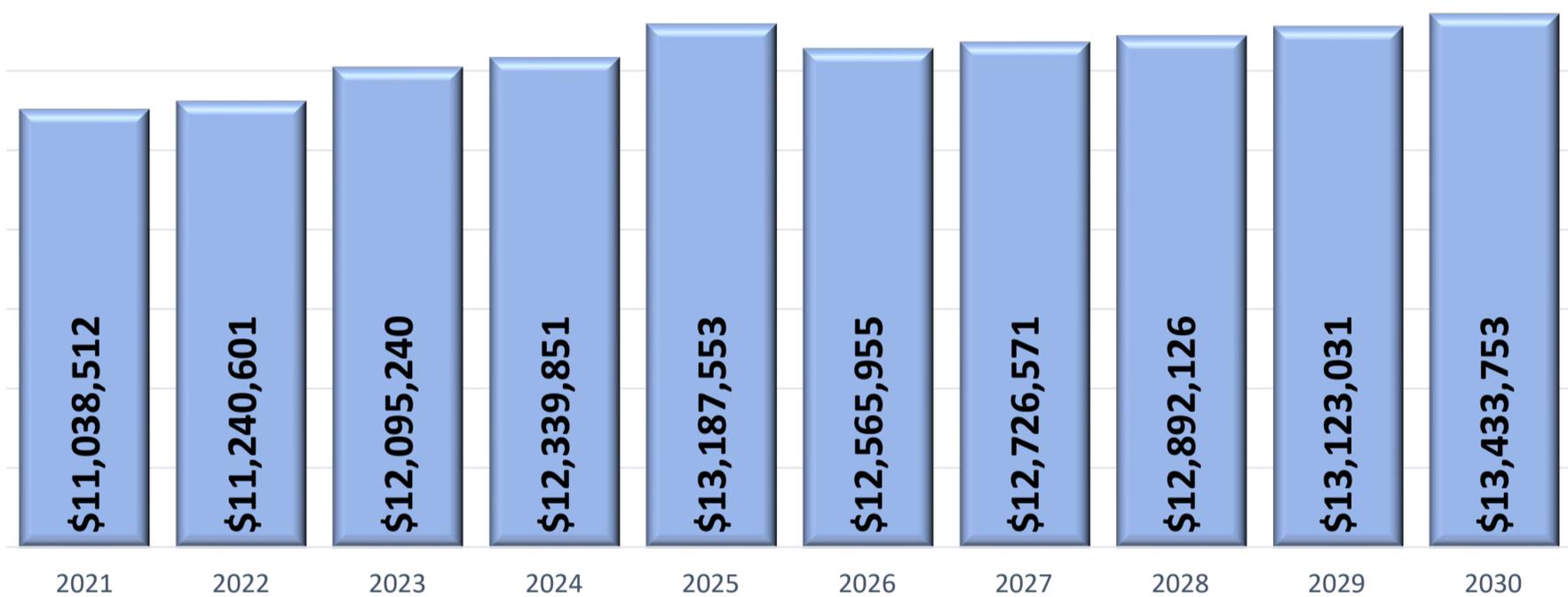
\$199,796 On an annual average basis, revenues are projected to grow slower than expenditures.

### 3.010 - Personnel Services

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



Salaries account for 51.35% of the district's total general fund spending.



#### Key Assumptions & Notes

Salaries make up 51.35% of the total budget. Staffing levels and salary schedules are evaluated on a regular basis to ensure that classrooms are adequately managed and the district can provide necessary services for its students while remaining competitive within Clark county.

During the 2024-2025 fiscal year the administration looked at the projected enrollment for the 2025-2026 school year due to the impending operating deficit that was being forecasted at the end of the 2028-2029 fiscal year. It was decided to eliminate 6 teaching positions. Since November 2024 we had 21 teachers resign either for retirement or life changes. The district only filled 15 of the 21 positions and class sizes and course offerings have not been affected. These changes allowed the district to save approximately \$880,164.

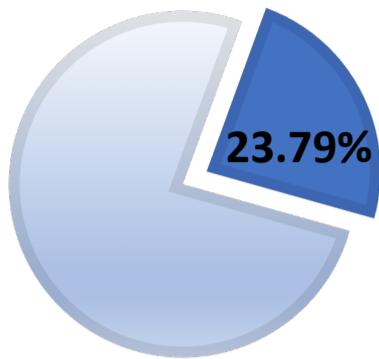
Currently, the district is looking at class sizes for 2026-2027. It has been determined that the district can reduce 4 instructional staff for the 2026-2027 school year which will save the district an additional \$213,565.

It is due to this reduction of 10 teaching positions between 2025-2026 and 2026-2027 that the treasurer is able to project a 0.40% increase for \$49,240 per year.

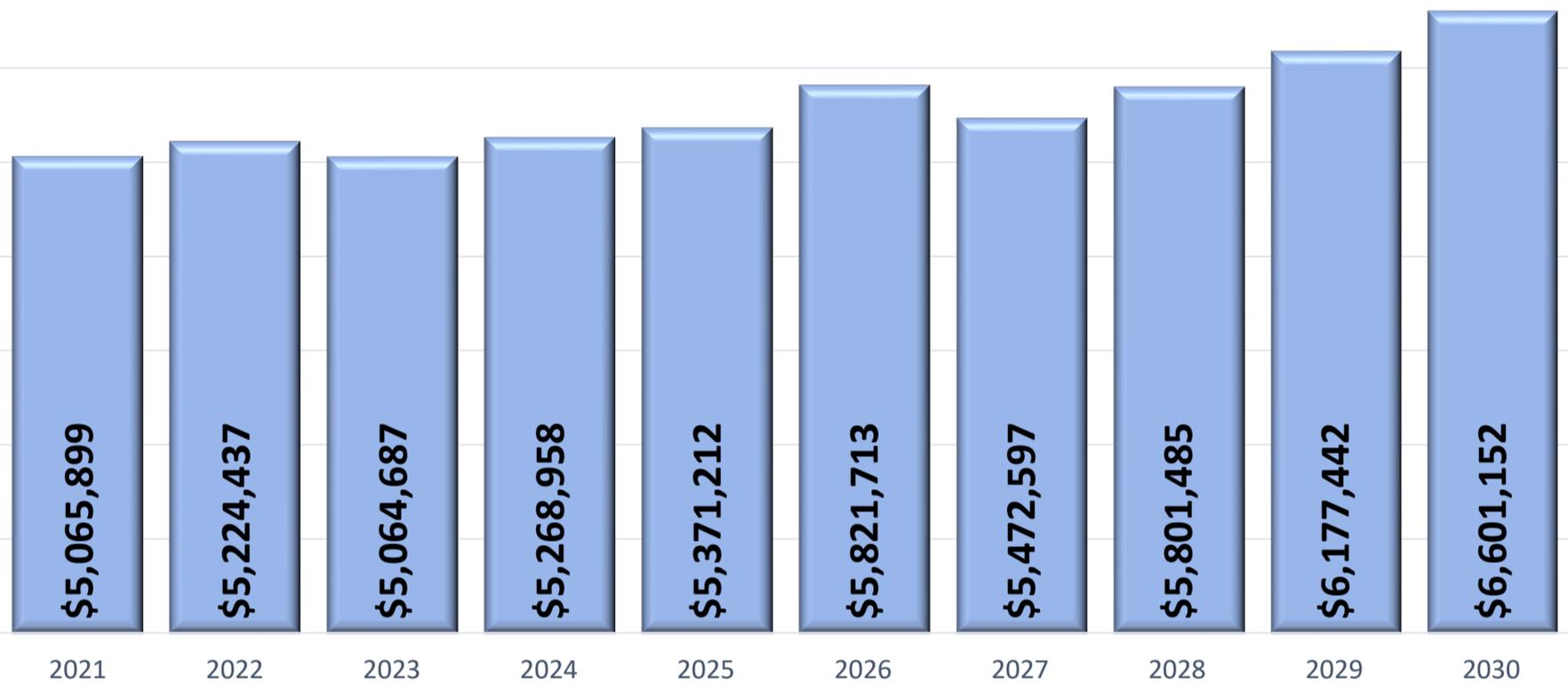
It is important to note that should the levy fail in May 2026 that the district will be reducing additional staff to save the projected deficit of \$297,990. This will be the equivalent of 3 additional instructional staff.

### 3.020 - Employees' Benefits

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



Benefits account for 23.79% of the district's total general fund spending.



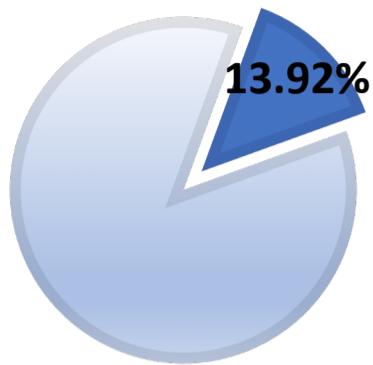
#### Key Assumptions & Notes

Benefits make up 23.79% of the budget. They include retirement contributions, Medicare, and Worker's Compensation. These amounts are based on a percentage of the employee's wages and therefore increase as wages increase or decrease as wages decrease. Benefits also include health insurance, severance pay, and any unemployment charges to the district.

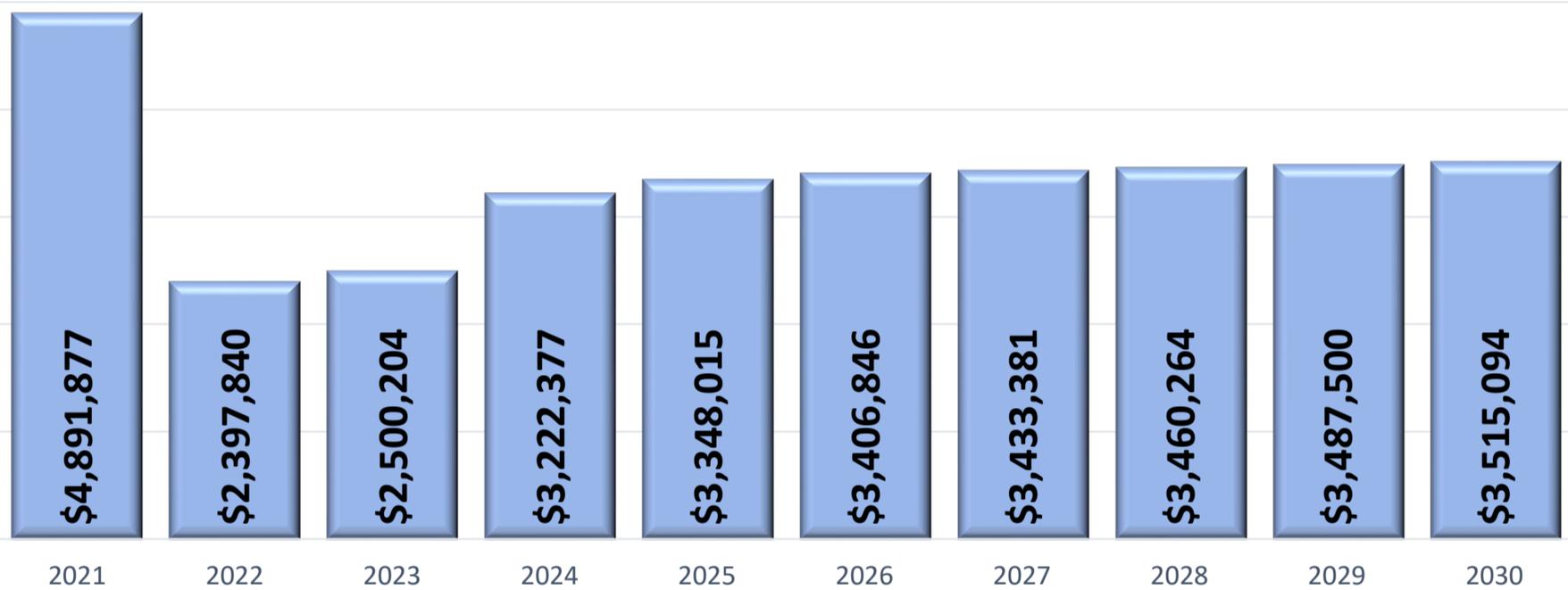
The increase is mostly due to the rising cost of health insurance. Health insurance makes up 50.31%(\$2,929,460) of the total benefits paid by the district. The district received a 6% renewal rate for policy year beginning January 1, 2026. The treasurer is estimating this trend will continue and renewals will average 9% from 2026-2027 through the 2029-2030 school year.

### 3.030 - Purchased Services

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



Purchased Services account for 13.92% of the district's total general fund spending.



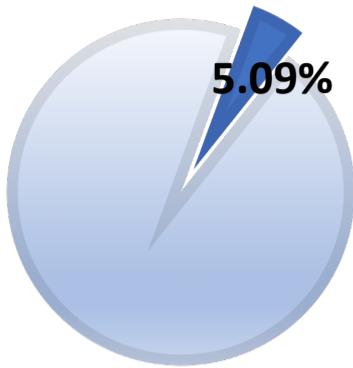
#### Key Assumptions & Notes

Purchase services made up 13.92% of the budget. They are services rendered by organizations/personnel that are not on the district's payroll, services for resident students attending other districts/facilities, utilities, mileage, professional meetings, repairs to equipment/facilities, property/fleet insurance, and legal fees.

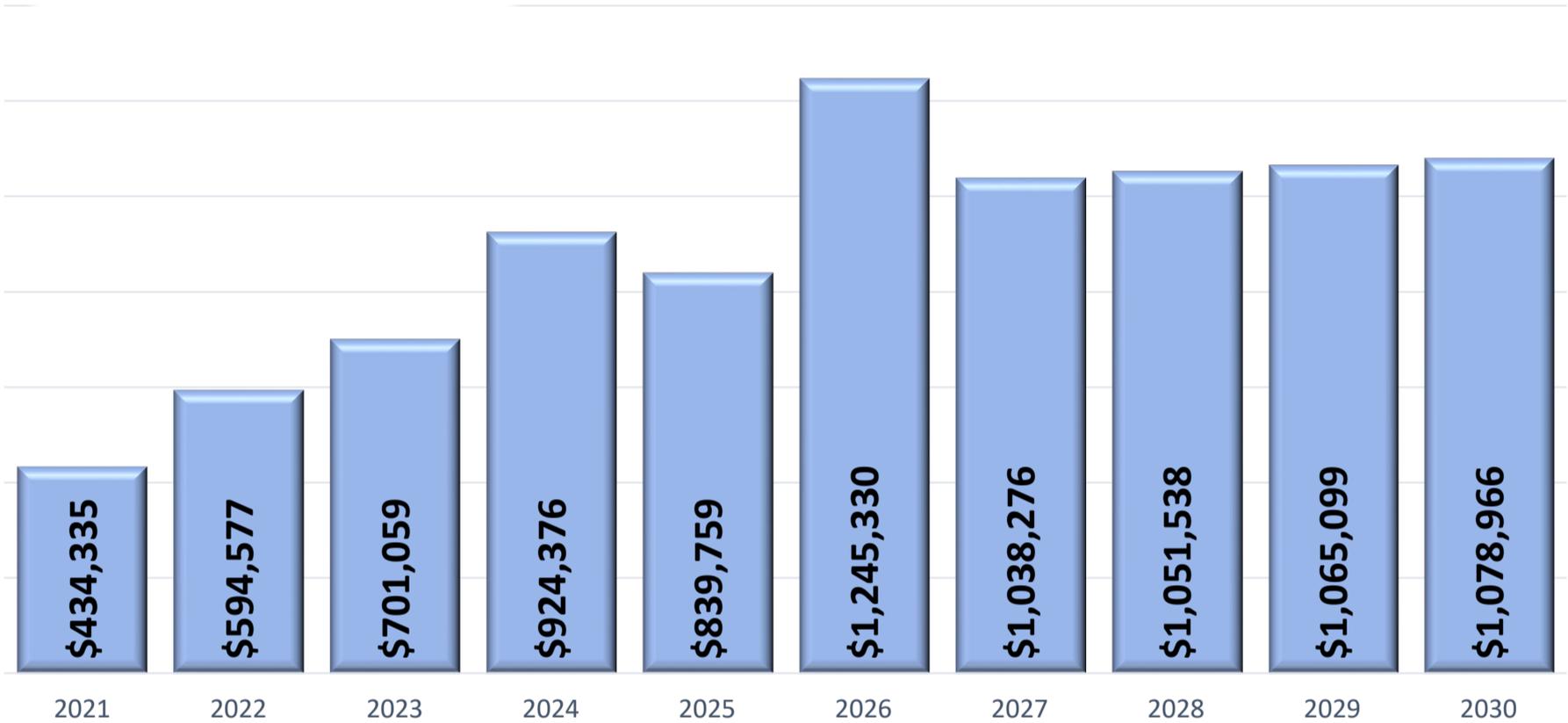
The treasurer is modeling a 1% (\$33,415) average annual increase through 2029-2030. This is because of an increasing population of students of exceptional need as well as rising energy costs.

### 3.040 - Supplies & Materials

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



Supplies and Materials account for 5.09% of the district's total general fund spending.



#### Key Assumptions & Notes

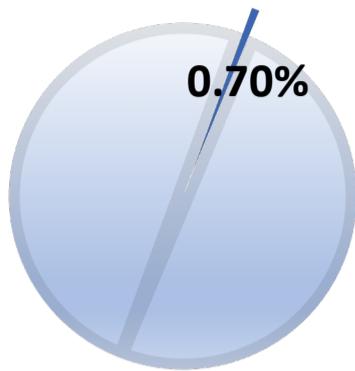
Supplies and materials are items that are consumed, worn out, or deteriorated by use. These items may include textbooks, instructional supplies, office supplies, computer software, and transportation supplies.

This line is climbing to an estimated \$1,245,330 during the 2025-2026 school year due to the Science of Reading curriculum adoption mandated by the State of Ohio. The state is paying 38% of the cost.

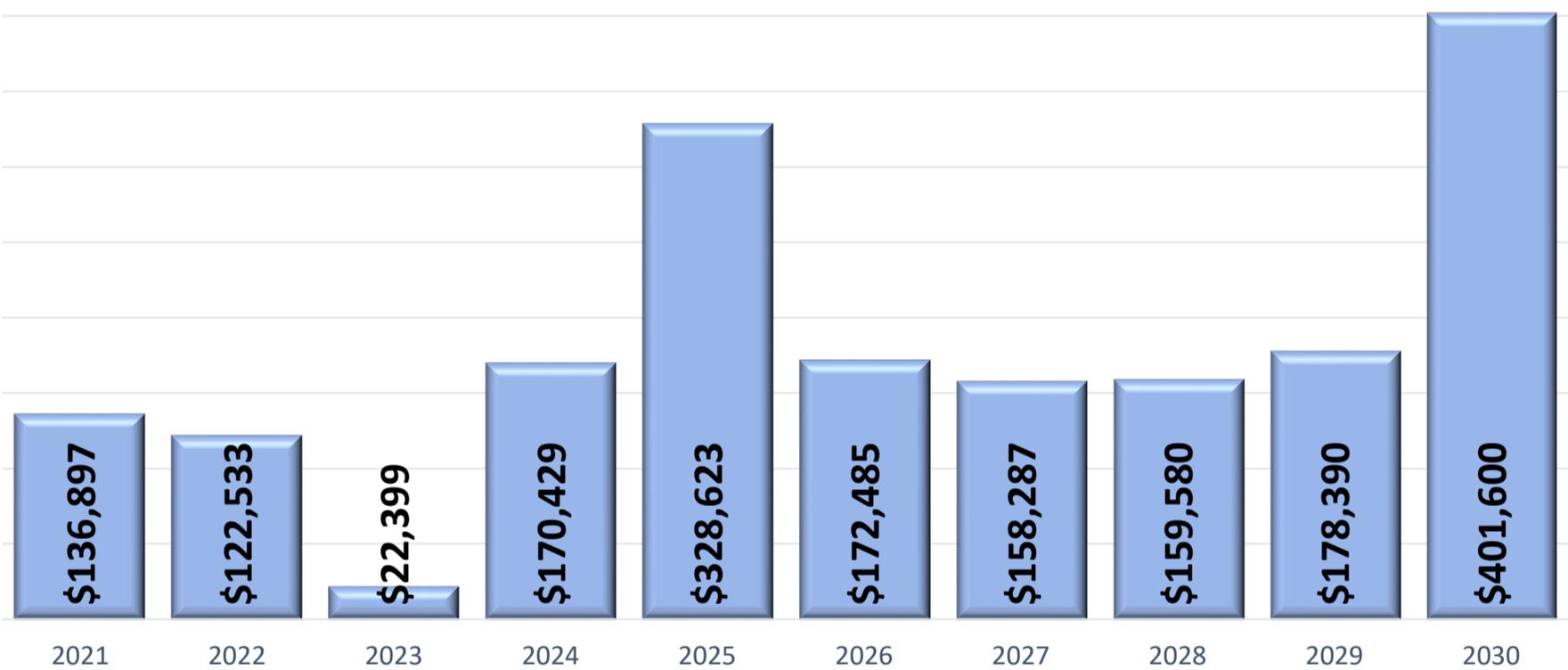
The treasurer is modeling a decline of \$47,842 though the 2029-2030 school year due to the premature adoption of the Science of Reading.

### 3.050 - Capital Outlay

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



Capital Outlay account for 0.70% of the district's total general fund spending.



#### Key Assumptions & Notes

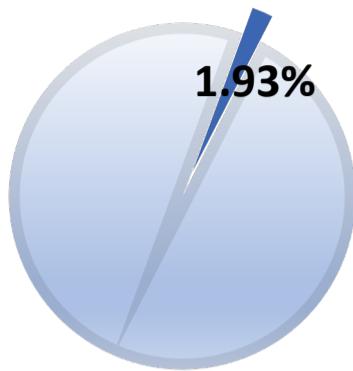
Capital outlay represents 0.70% of expenditures in 2026

The fluctuations on this line are due to the estimated replacement timelines of various district technology.

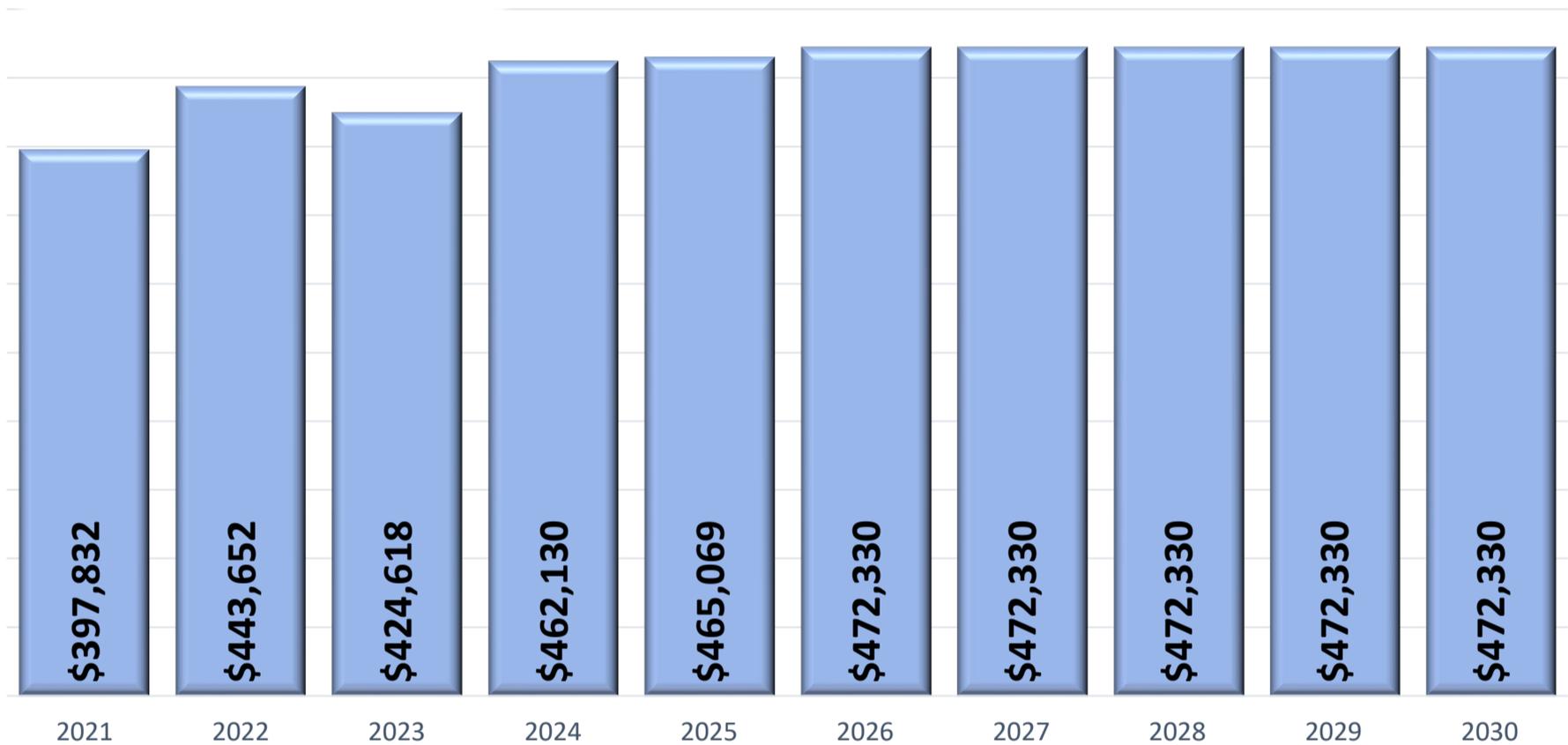


### 4.300 - Other Objects

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



Other Objects account for 1.93% of the district's total general fund spending.



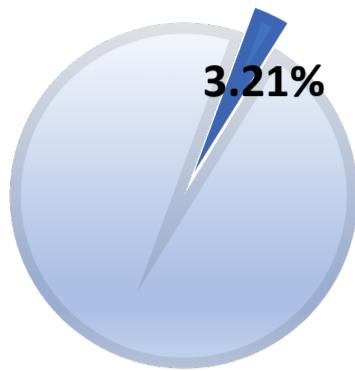
#### Key Assumptions & Notes

Other Objects make up 1.93% of the budget and includes amounts paid for goods and services not otherwise classified in another specific code. Expenditures include liability insurance, election expenses, auditor and treasurer fees for collecting property taxes, educational service center contributions, and contributions made to the City of Springfield to connect to the city sewer at Shawnee High School, Shawnee Elementary and Administrative Building.

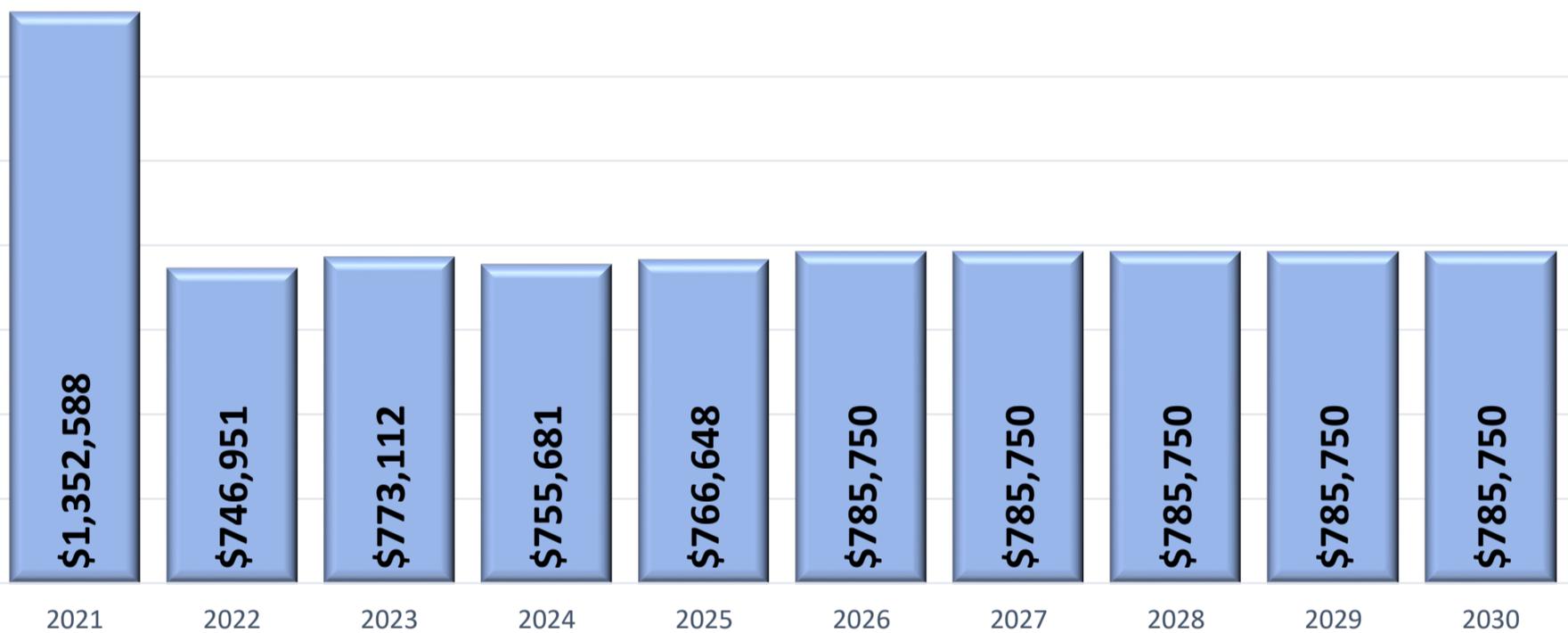
The treasurer is not projecting any significant increases through 2029-2030

### 5.040 - Total Other Financing Uses

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



Other Uses account for 3.21% of the district's total general fund spending.



#### Key Assumptions & Notes

	FORECASTED					
	2025	2026	2027	2028	2029	2030
Transfers Out	655,648	655,648	655,648	655,648	655,648	655,648
Advances Out	111,000	130,102	130,102	130,102	130,102	130,102
Other Financing Uses	-	-	-	-	-	-

This line includes transfers and advances to other funds.

\$455,647 of this line is the result of the renewal of an emergency levy in November of 2012. This renewal included the renewal of the permanent improvement levy amount. To account for the permanent improvement amount the treasurer must post it to the general fund and then transfers it to the permanent improvement fund. Additionally, the district has chosen to set aside \$200,000 for annual bus purchases.

Lastly, \$130,102 of this line is because it is necessary to advance the athletic fund to avoid a deficit. The treasurer is not projecting any significant increase from 2026-2030

Clark-Shawnee Local School District

Five Year Forecast

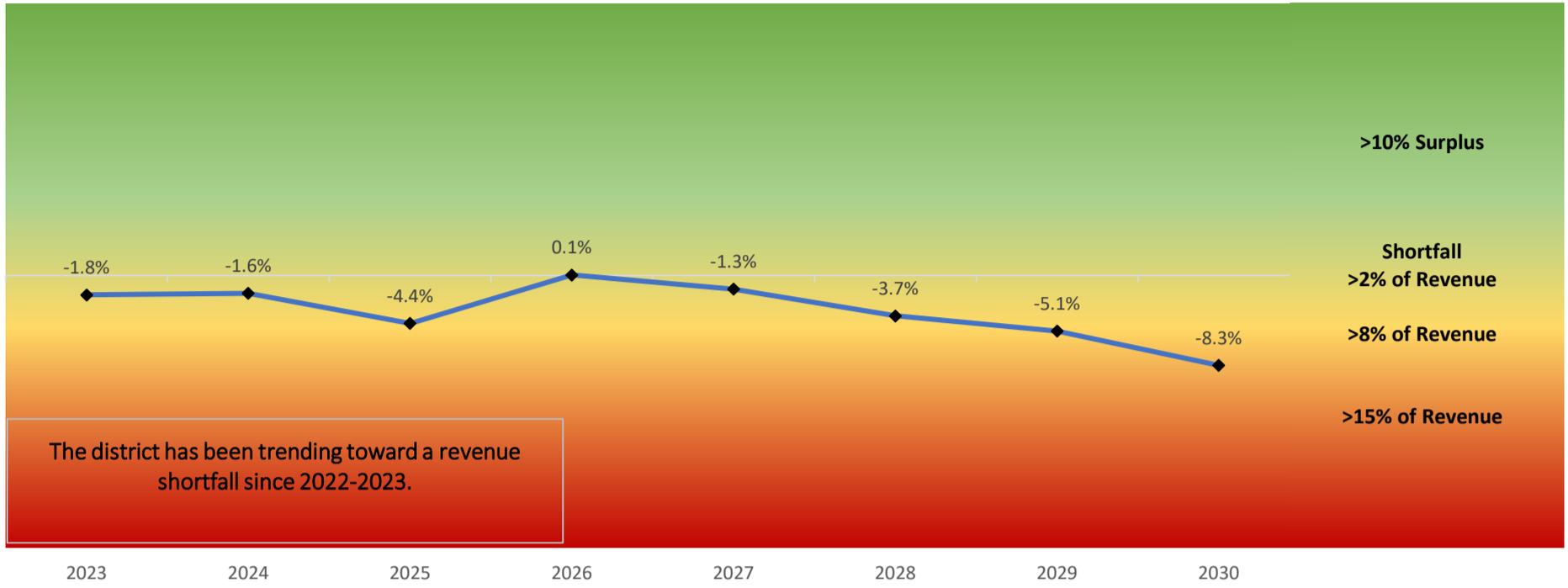
February Fiscal Year 2026

Fiscal Year:	Actual	FORECASTED				
	2025	2026	2027	2028	2029	2030
<b>Revenue:</b>						
1.010 - General Property Tax (Real Estate)	12,115,123	12,797,021	12,566,860	12,966,056	13,278,148	13,487,865
1.020 - Public Utility Personal Property	1,695,988	1,811,114	1,828,968	1,880,648	1,894,579	1,907,909
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	6,427,756	6,048,661	6,194,672	6,178,017	6,211,312	6,215,589
1.040 - Restricted Grants-in-Aid	730,650	561,288	501,153	436,718	415,185	418,701
1.050 - State Reimb Prop Tax Credits	1,072,606	1,181,936	1,287,342	1,286,468	1,300,863	1,315,264
1.060 - All Other Operating Revenues	1,051,567	1,917,962	1,224,627	808,134	775,552	749,487
<b>1.070 - Total Revenue</b>	<b>23,093,691</b>	<b>24,317,982</b>	<b>23,603,622</b>	<b>23,556,041</b>	<b>23,875,639</b>	<b>24,094,815</b>
<b>Other Financing Sources:</b>						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	11,000	-	-	-	-	-
2.050 - Advances-In	100,000	111,000	131,102	131,102	131,102	131,102
2.060 - All Other Financing Sources	76,722	54,478	54,478	54,478	54,478	54,478
<b>2.070 - Total Other Financing Sources</b>	<b>187,722</b>	<b>165,478</b>	<b>185,580</b>	<b>185,580</b>	<b>185,580</b>	<b>185,580</b>
<b>2.080 - Total Rev &amp; Other Sources</b>	<b>23,281,413</b>	<b>24,483,460</b>	<b>23,789,202</b>	<b>23,741,621</b>	<b>24,061,219</b>	<b>24,280,395</b>
<b>Expenditures:</b>						
3.010 - Personnel Services	13,187,553	12,565,955	12,726,571	12,892,126	13,123,031	13,433,753
3.020 - Employee Benefits	5,371,212	5,821,713	5,472,597	5,801,485	6,177,442	6,601,152
3.030 - Purchased Services	3,348,015	3,406,846	3,433,381	3,460,264	3,487,500	3,515,094
3.040 - Supplies and Materials	839,759	1,245,330	1,038,276	1,051,538	1,065,099	1,078,966
3.050 - Capital Outlay	328,623	172,485	158,287	159,580	178,390	401,600
Intergovernmental & Debt Service	-	-	-	-	-	-
4.300 - Other Objects	465,069	472,330	472,330	472,330	472,330	472,330
<b>4.500 - Total Expenditures</b>	<b>23,540,232</b>	<b>23,684,659</b>	<b>23,301,442</b>	<b>23,837,324</b>	<b>24,503,792</b>	<b>25,502,896</b>
<b>Other Financing Uses</b>						
5.010 - Operating Transfers-Out	655,648	655,648	655,648	655,648	655,648	655,648
5.020 - Advances-Out	111,000	130,102	130,102	130,102	130,102	130,102
5.030 - All Other Financing Uses	-	-	-	-	-	-
<b>5.040 - Total Other Financing Uses</b>	<b>766,648</b>	<b>785,750</b>	<b>785,750</b>	<b>785,750</b>	<b>785,750</b>	<b>785,750</b>
<b>5.050 - Total Exp and Other Financing Uses</b>	<b>24,306,880</b>	<b>24,470,409</b>	<b>24,087,192</b>	<b>24,623,074</b>	<b>25,289,542</b>	<b>26,288,646</b>
<b>6.010 - Excess of Rev Over/(Under) Exp</b>	<b>(1,025,468)</b>	<b>13,051</b>	<b>(297,990)</b>	<b>(881,453)</b>	<b>(1,228,323)</b>	<b>(2,008,251)</b>
<b>7.010 - Cash Balance July 1 (No Levies)</b>	<b>5,427,412</b>	<b>4,401,944</b>	<b>4,414,995</b>	<b>4,117,005</b>	<b>3,235,552</b>	<b>2,007,230</b>
<b>7.020 - Cash Balance June 30 (No Levies)</b>	<b>4,401,944</b>	<b>4,414,995</b>	<b>4,117,005</b>	<b>3,235,552</b>	<b>2,007,230</b>	<b>(1,021)</b>
		Reservations				
8.010 - Estimated Encumbrances June 30	368,908	140,000	140,000	140,000	140,000	140,000
9.080 - Reservations Subtotal	-	-	-	-	-	-
<b>10.010 - Fund Bal June 30 for Cert of App</b>	<b>4,033,037</b>	<b>4,274,995</b>	<b>3,977,005</b>	<b>3,095,552</b>	<b>1,867,230</b>	<b>(141,021)</b>
<b>Rev from Replacement/Renewal Levies</b>						
11.010 & 11.020 - Renewal Levies	-	-	-	-	-	-
11.030 - Cumulative Balance of Levies	-	-	-	-	-	-
<b>12.010 - Fund Bal June 30 for Cert of Obligations</b>	<b>4,033,037</b>	<b>4,274,995</b>	<b>3,977,005</b>	<b>3,095,552</b>	<b>1,867,230</b>	<b>(141,021)</b>
<b>Revenue from New Levies</b>						
13.010 & 13.020 - New Levies	-	-	173,743	2,073,136	3,130,318	3,333,509
13.030 - Cumulative Balance of New Levies	-	-	173,743	2,246,879	5,377,197	8,710,706
<b>15.010 - Unreserved Fund Balance June 30</b>	<b>4,033,037</b>	<b>4,274,995</b>	<b>4,150,748</b>	<b>5,342,431</b>	<b>7,244,427</b>	<b>8,569,685</b>

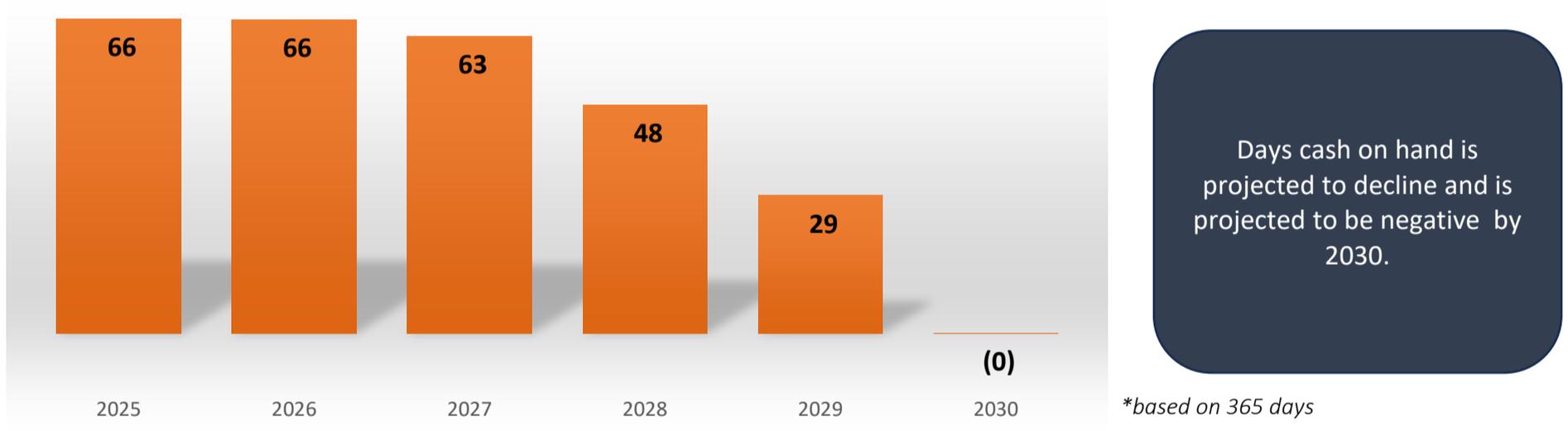
There have been material changes in the forecast between October 2025 and February 2026. This is primarily due to Property Tax Reform, State Aid, Other Revenue and Personnel. Please see notes 1.010, 1.035, 1.060, and 3.010 for an explanation

It is important to note at this time that should the earned income tax not pass in May 2026 the district will be making additional reductions to eliminate the \$297,990 deficit. This will mean the equivalent of 3 additional instructional staff.

Revenue Surplus/(Shortfall) - Current Forecast

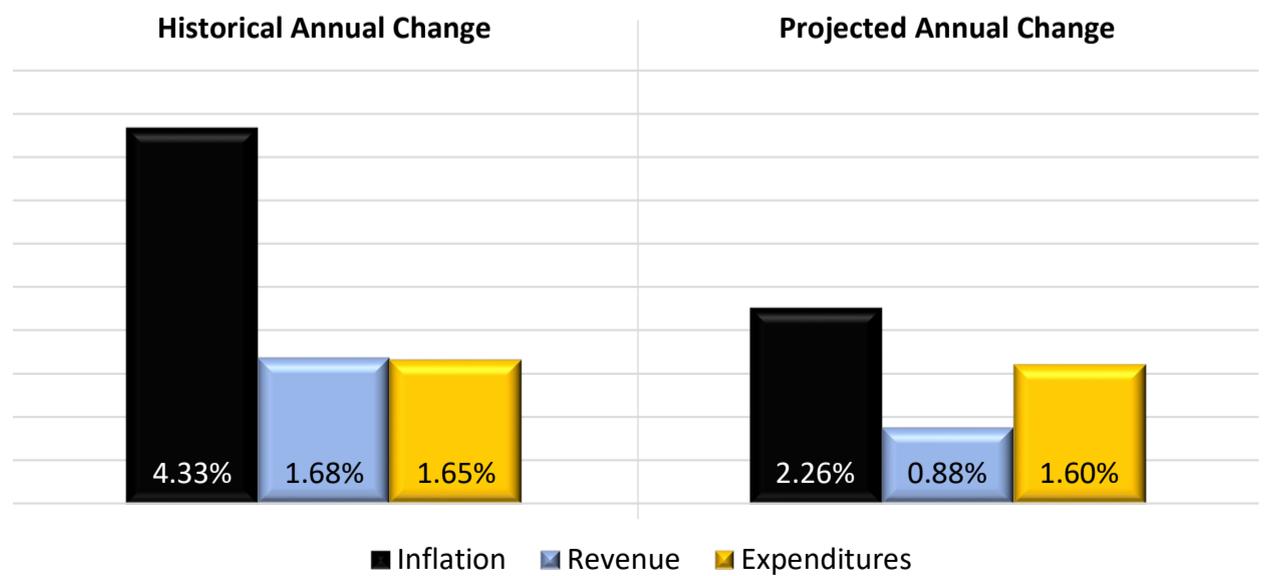


Days Cash on Hand - Current Forecast



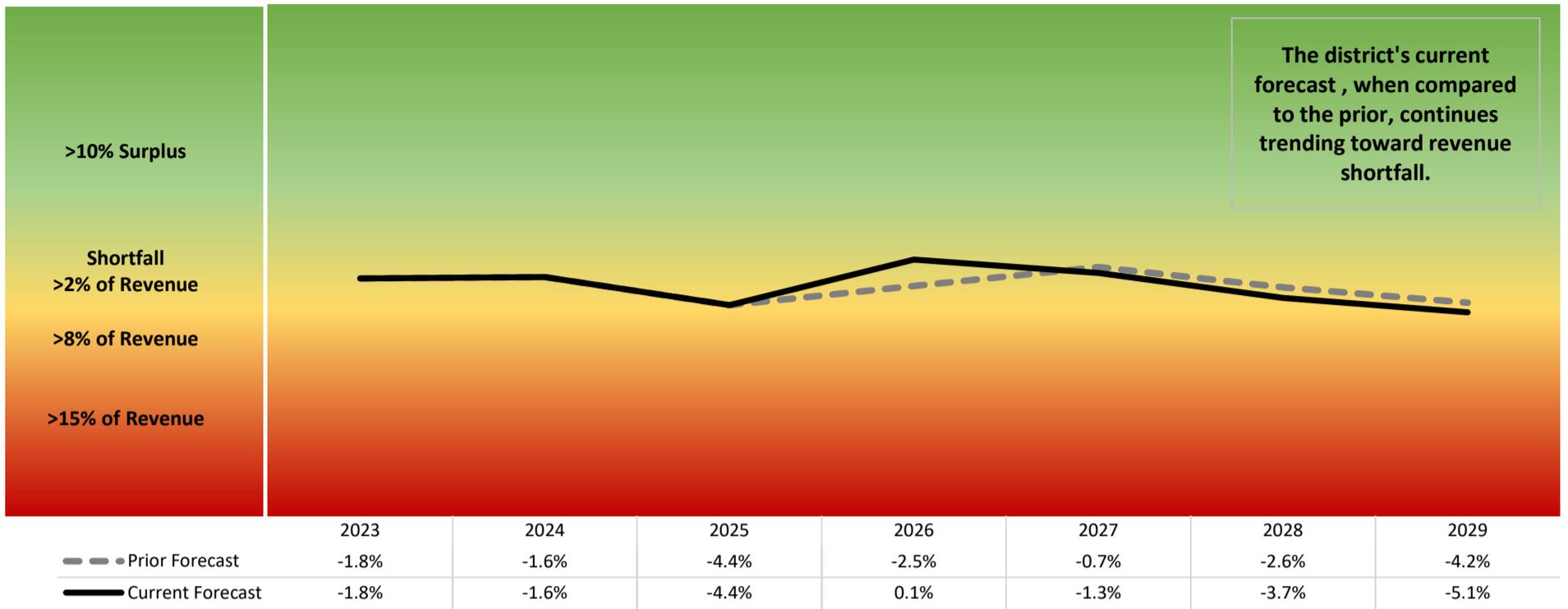
5-Year Average Annual Change - Inflation, Revenue and Expenditures

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



CPI (Inflation) Source: Federal Reserve Bank of St. Louis (July 1, 2025) <https://alfred.stlouisfed.org>

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



Days Cash on Hand - Current Compared to Prior Forecast



Days cash on hand is forecasted to decline, and is similar to the prior forecast trend.

\*based on 365 days

Revenue and Expenditure Variances - Current Compared to Prior Forecast

Revenue Variance	
Cumulative Unfavorable Revenue Variance	-1.53% (\$1,852,016)
Largest Revenue Variances	
1.035,1.040 State	-1.03% (\$1,246,657)
1.01 Real Estate	-0.85% (\$1,027,081)
1.060 All Other 2.xx Other Sources	0.56% \$673,955
All Other Revenue Categories	-0.21% (\$252,233)

The current revenue forecast is down by 1.53% compared to the prior forecast.

NET cumulative forecast impact for the forecast period 2025 - 2029 of Revenue and Expense variances is 0.01% (or \$67,870).

The current forecast for expenditures is down by 1.54% compared to the prior forecast.

Expenditure Variance	
Cumulative Favorable Expenditure Variance	-1.54% (\$1,919,886)
Largest Expenditure Variances	
3.01 Salaries	-0.88% (\$1,100,455)
3.02 Benefits	-0.44% (\$547,449)
3.03 Purchased Serv.	-0.21% (\$267,487)
All Other Expenditure Categories	0.00% (\$4,494)

**Detailed Comparison of Net Revenue Change Since October** Clark-Shawnee Local School District

Forecast Compare \$\$ Variance

Current Over/(Under) Prior

		Actual	FORECASTED			
		2025	2026	2027	2028	2029
Revenue:	1.01 Real Estate	(0)	107,511	(570,339)	(319,755)	(244,498)
	1.02 Pub Utility	0	(19,043)	(39,292)	(39,598)	(38,884)
	1.03 Income Tax	-	-	-	-	-
	1.035,1.040 State	0	(395,642)	(260,412)	(282,198)	(308,405)
	1.050 - State Reimb Prop Tax Credits	(0)	(13,069)	(26,354)	(26,826)	(49,167)
	1.060 All Other	0	862,524	217,189	(160,904)	(162,766)
	2.010-2.060 Other Sources	(0)	(20,522)	(20,522)	(20,522)	(20,522)
	Levy Renewals	-	-	-	-	-
	<b>Total 2.08 Rev plus Renewals</b>	<b>1</b>	<b>521,759</b>	<b>(699,730)</b>	<b>(849,803)</b>	<b>(824,242)</b>
	<b>Total 2.08 Revenue Percentage Change</b>	<b>0.0%</b>	<b>2.2%</b>	<b>-2.9%</b>	<b>-3.5%</b>	<b>-3.3%</b>

1.01, 1.02,1.050 Changed due to property tax reform that passed after the filing of the fall forecast

1.035 Changed due to lower than expected enrollment and lower than expected transportation funding.

1.060 Changed due to 1 time payments in lieu of taxes from the Sycamore Ridge (2026) and Maple Grove (2027) developments

## Property Tax Reform Impact - Retrospective Look

Tax Years 2023, 2024, and 2025

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

Class I	TY 2023	TY 2024	TY 2025	
Inside Millage	6.6	6.6	6.6	Before property tax reform, H.B. 920 prevented inside plus outside millage from dropping below the 20-mill floor, resulting in large increases in taxpayer bills after reappraisals.
Effective Outside Millage	13.6	13.6	13.4	
Effective Inside + Outside Millage	20.2	20.2	20.0	

Class I Property Values Change	TY 2023	TY 2024	TY 2025
Reappraisal or Update Year	No	No	Yes
Percent of District in Reappraisal/Update	0.0%	0.0%	100.0%
Class I Combined Change	-1.2%	0.0%	28.3%
New GDP-D Allowed Growth	13.0%	15.4%	13.3%

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

Millage Change	TY 2023	TY 2024	TY 2025	
Combined Ag/Residential Inflation	-1.2%	0.0%	28.3%	H.B. 186 taxpayer credits can occur when a district was at the millage floor and the reappraisal or update growth exceeded GDP-D. Otherwise, no credits are generated.
Outside Millage Reduction	0.2	(0.0)	(0.2)	
Percentage Change in Millage	1.2%	0.0%	-1.2%	

Taxpayer Credits	TY 2023	TY 2024	TY 2025
If at the floor and exceeded GDP-D Growth	\$ -	\$ -	\$ (503,919)

H.B. 186 credits should apply to 2nd half tax year 2025 tax bills

The State of Ohio recently passed property tax reform that limits the district to inflation as it pertains to property tax revenue increases. This will cause the district to go to voters more often due the rising costs of providing educational services. Please call the district Treasurer, Tom Faulkner at 937-717-2401

## Property Tax Reform - Prospective Look

Tax Years 2026, 2027, 2028, and 2029

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

	TY 2025	TY 2026	TY 2027	TY 2028	TY 2029
Reappraisal or Update Year	Yes	No	No	Yes	No
Percent of District in Reappraisal/Update	100.0%	0.0%	0.0%	100.0%	0.0%
Class I Combined Change	28.3%	0.0%	0.0%	7.3%	0.0%
GDP-D	13.3%	9.2%	8.0%	8.1%	7.7%

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

	TY 2025	TY 2026	TY 2027	TY 2028	TY 2029
<b>Inside Millage Class I &amp; II*</b>	6.6	6.6	6.6	6.6	6.6
Millage Change	0.0	0.0	0.0	0.0	0.0
Percentage Change in Millage	0.0%	0.0%	0.0%	0.0%	0.0%

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

	TY 2025	TY 2026	TY 2027	TY 2028	TY 2029
<b>Outside Millage</b>	13.4	13.4	13.4	12.5	12.5
Millage Change	-0.2	0.0	0.0	-0.9	0.0
Percentage Change in Millage	-0.8%	0.0%	0.0%	-4.6%	0.0%
<b>Fixed Sum Millage</b>	8.4	8.4	8.4	8.0	8.0
Millage Change (no change)	-2.0	0.0	0.0	-0.4	0.0
Percentage Change in Millage	-19.1%	-0.4%	-0.1%	-5.0%	-0.1%

	TY 2025	TY 2026	TY 2027	TY 2028	TY 2029
<b>Total Effective Rate (Inside+Outside+Fixed Sum)</b>	28.4	28.4	28.4	27.1	27.1

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

### Does the Reappraisal/Update/Inflation generate taxpayer credits?

	TY 2025	TY 2026	TY 2027	TY 2028	TY 2029
H.B. 186 - Calculated Credit if at 20 Mill Floor	\$ (503,919)	\$ (503,919)	\$ (503,919)	\$ -	\$ -

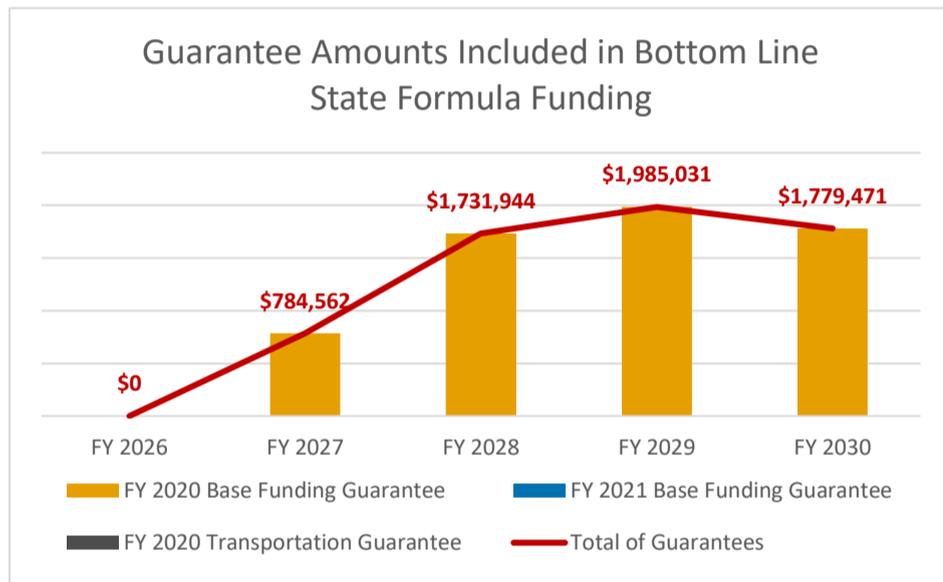
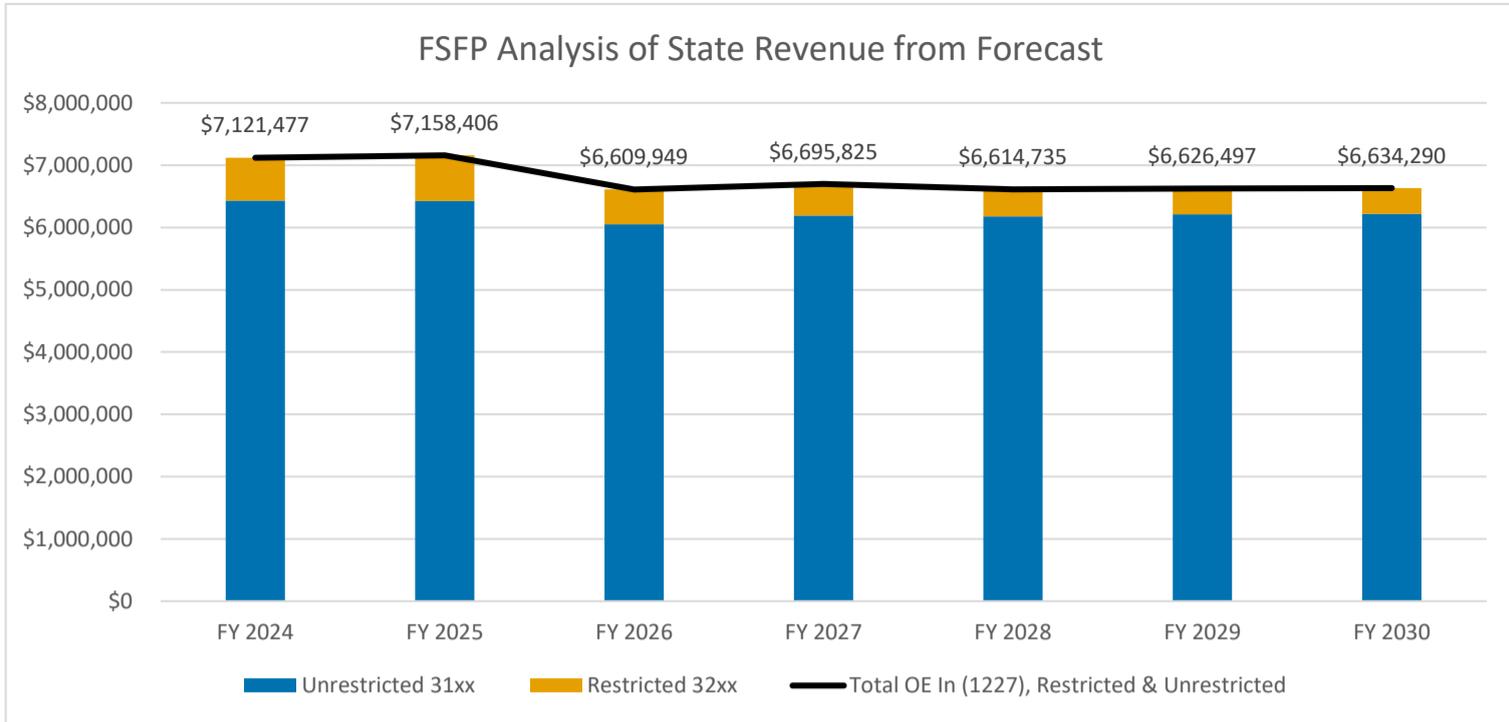
\*\*\*H.B. 186 credits are only for districts at the floor, if H.B. 129 and the inclusion of fixed-sum levies may bring districts off the floor and end credits.

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

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

The State of Ohio recently passed property tax reform that limits the district to inflation as it pertains to property tax revenue increases. This will cause the district to go to voters more often due the rising costs of providing educational services. Please call the district Treasurer, Tom Faulkner at 937-717-2401

## State Foundation Funding Results



	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Base Cost Per Pupil Total Funding	\$8,117	\$8,127	\$8,130	\$8,129	\$8,125
Local Share	72.1%	79.0%	85.9%	87.8%	87.2%
State Share	27.9%	21.0%	14.1%	12.2%	12.8%

The district receives 27% of its funding from the State of Ohio Fair School Funding Formula. The state chose not to fund its formula. Because of this, the district will receive same funding it received in 2020 starting in 2027. This will cause the district to rely on its residents more to fill the gap left by the state. Please call the district Treasurer, Tom Faulkner at 937-717-2401

## Property Tax Reform Disclosure Items

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

**Property Tax Reform includes the following pieces of legislation:**

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

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

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

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

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

Please call the district Treasurer, Tom Faulkner at 937-717-2401