Strongsville City Schools

FY 26 Five Year Forecast

February 23, 2026 Update

Strongsville City Schools

Five-Year Forecast Purpose / Objectives

The Ohio Department of Education's purpose / objectives for the five-year forecast are:

1. To engage the local board of education and the community in the long range planning and discussion of the 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.***

Five Year Forecast - Contents

- Major Assumptions
- General Fund Revenues
- General Fund Expenditures
- Five Year Forecast Summary

Strongsville City Schools

- Major Assumptions

Major Assumptions

Revenue:

- Property Tax Collection Rate - The forecast assumes the gross collection rate (includes delinquencies) will be as follows:

	CY 22	CY 23	CY 24	CY 25	3 Year Average	CY 26 Forecast	CY 27 Forecast	CY 28 Forecast	CY 29 Forecast	CY 30 Forecast
Gross Collection Rates - Includes Delinquencies	99.26%	99.26%	99.88%	97.08%	98.74%	100.06%	100.06%	100.06%	100.06%	100.06%

- The forecast assumes a 98.74% gross collection rate, which represents the three-year average for Calendar Years 2023 through 2025, plus a manual adjustment of 1.32%, resulting in an adjusted gross collection rate of 100.06%. The manual adjustment reflects the following factors: A property that became taxable in the prior year due to a sale returned to tax-exempt status in Tax Year 2025. Additionally, Cuyahoga County corrected inaccurate commercial property assessed values. The error was limited to the tax abstract and did not impact actual tax revenues; however, for forecasting purposes, the inflated assessed values artificially reduced the calculated gross collection rate. An adjustment was made to the forecasted collection rate to offset any projected revenue decreases resulting from this correction.

- The gross collection rate decreased to 97.08% in Calendar Year 2025, compared to 99.88% in Calendar Year 2024.

- For reference, a 1.00% change in the collection rate represents approximately $550,625 in revenue.

Major Assumptions - Continued

Revenue (continued):

- The forecast assumes the following changes to assessed valuation by collection calendar year:

Collection Year	Residential	Commercial	Public Utility	Total	YOY $ Change	YOY % Change
CY 21 Actual	$1,250,745,940	$363,509,730	$49,168,210	$1,663,423,880	$38,086,250	2.34%
CY 22 Actual	$1,447,677,090	$361,300,040	$50,043,110	$1,859,020,240	$195,596,360	11.76%
CY 23 Actual	$1,454,625,980	$364,907,500	$53,238,640	$1,872,772,120	$13,751,880	0.74%
CY 24 Actual	$1,461,215,550	$368,412,300	$53,843,160	$1,883,471,010	$10,698,890	0.57%
CY 25 Actual	$1,867,464,030	$391,853,250	$59,888,230	$2,319,205,510	$435,734,500	23.13%
CY 26 Actual	$1,869,120,830	$370,618,130	$62,836,580	$2,302,575,540	-$16,629,970	-0.72%
CY 27 Forecast	$1,874,164,494	$370,618,130	$66,569,073	$2,311,351,697	$8,776,157	0.38%
CY 28 Forecast	$2,065,966,578	$379,735,336	$67,557,624	$2,513,259,538	$201,907,841	8.74%
CY 29 Forecast	$2,071,541,725	$379,735,336	$68,560,855	$2,519,837,916	$6,578,378	0.26%
CY 30 Forecast	$2,077,131,925	$379,735,336	$69,578,984	$2,526,446,245	$6,608,329	0.26%

- Collection Year 2022 was a triennial update year for Cuyahoga County. Residential values increased by 15.74%, and commercial values increased by 1.59% (net) as a result of the revaluation. However, commercial values decreased by an additional 2.02% due to changes in property classification, resulting in a total net commercial decrease of 0.61%.

- In Collection Year 2023, residential values increased by 0.48%, while commercial values increased by 1.00%.

Major Assumptions - Continued

Revenue (continued):

- Collection Year 2025 was a sexennial update for Cuyahoga County, which occurs every six years, with the previous update completed in Tax Year 2018. The update resulted in a 27.73% increase in residential property valuations and a 4.27% increase in commercial property valuations. This valuation growth generated approximately $2.2 million in additional revenue from inside millage. However, the increase was offset by the expiration of the May 2019 5.9-mill renewal levy, which was not renewed by the community. Collections expired on December 31, 2024. At 100% collection, the expired levy would have generated approximately $9.9 million annually.
- In Collection Year 2026, the decrease in valuation was the result of a combination of factors. A property that became taxable in the prior year due to a sale returned to tax-exempt status in Tax Year 2025. Additionally, Cuyahoga County corrected inaccurate commercial property assessed values. The error was limited to the tax abstract and did not impact actual tax revenues; however, for forecasting purposes, the inflated assessed values artificially reduced the gross collection rate. An adjustment was made to the forecasted collection rate to offset any projected decreases in revenue resulting from this correction.
- The most recent triennial update occurred in Tax Year 2021. The next triennial update is scheduled for Tax Year 2027. The forecast assumes a 10% increase in residential valuations and a 2% increase in commercial valuations for the Tax Year 2027 triennial update, based on historical averages from prior triennial cycles.

  Beginning in Tax Year 2026, House Bill 335 authorizes the County Budget Commission to reduce inside millage if a reappraisal increase exceeds the GDP-D (Gross Domestic Product Deflator). Current projections indicate the cumulative GDP-D is trending at approximately 8.00% for the Tax Year 2027 update. As a result, inside millage may be reduced to limit revenue growth to 8.00%.
- Public Utility property values increased by 6.39% in Collection Year 2023, 1.14% in Collection Year 2024, 11.23% in Collection Year 2025, and 4.92% in Collection Year 2026. The forecast assumes a 5.94% increase in Public Utility property valuations for Tax Year 2026, reflecting the historical average from Tax Years 2014 through 2025.

  Due to recent legislative changes capping Public Utility valuation growth, the forecast assumes a reduced annual increase of 1.49% for Tax Years 2027 through 2029.

Major Assumptions - Continued

Revenue (continued):

- In May 2019 residents approved a 5 year 5.9 mill levy with collection beginning January 2020. The forecast assumes the levy **has expired** tax year December 31, 2023. Collections will continue through December 31, 2024. The renewal of the levy has been rejected by the community in November 2023 and March of 2024. The Board of Education voted to place a 4.9 mill continuous levy on the November 2024 ballot in its place which was also rejected by the community. The levy is officially expired, which represents $9.9 million dollars.

- In November 2021 residents renewed a 5 year 6 mill levy with collection beginning January 2023. The forecast assumes the levy will expire tax year December 31, 2026. Collections will continue through December 31, 2027.

Major Assumptions - Continued

Property Values vs. Tax Rates

How do increasing home values impact tax rates?

As Local Property Valuations increase,

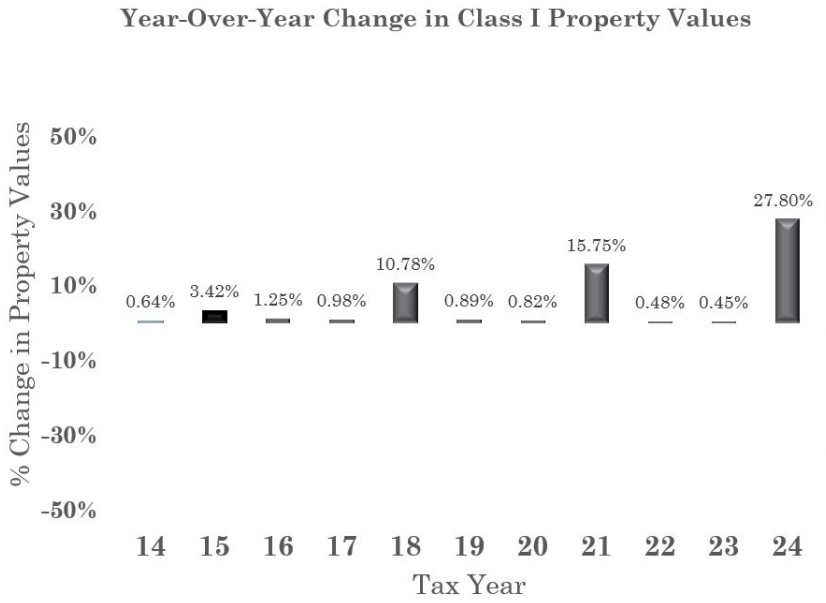
$ School District Real Estate Property Tax Revenue can remain relatively flat $

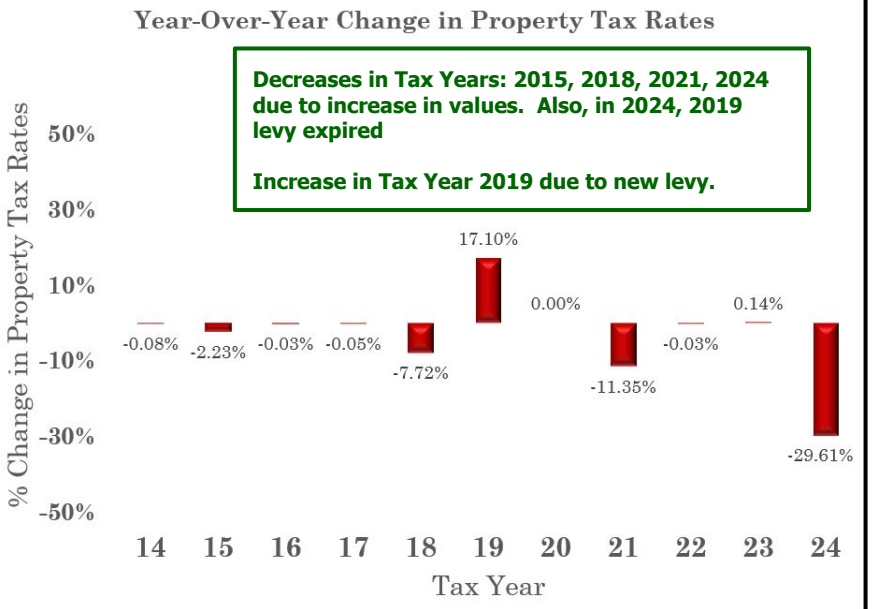
Voted Fixed Rate Tax Rates decrease until a district reaches the millage floor. Fixed Sum Tax Rates continue to decrease

County Reappraisal

Historical District Values vs. Tax Rates

Class I (Residential + Agriculture)





Decreases in Tax Years: 2015, 2018, 2021, 2024 due to increase in values. Also, in 2024, 2019 levy expired

Increase in Tax Year 2019 due to new levy.

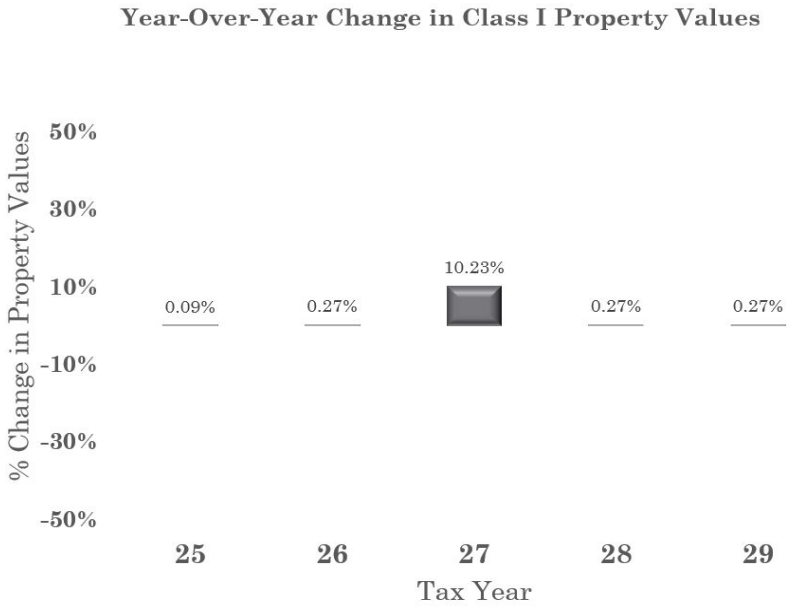
Tax rates are set each year by the Ohio Department of Taxation. Rates can change based upon valuation change, additional levies, non-renewal of levies, etc. The charts above show the YOY % change in Class I property values and the resulting tax rates (effective) for Class I.

Tax Year 2024 was the sexennial update for Cuyahoga County. The update resulted in a 27.80% increase in valuation which, along with the levy non-renewal, resulted in a 29.54% decrease in tax effective rate.

County Reappraisal

Projected District Values vs. Tax Rates

Class I (Residential + Agriculture)

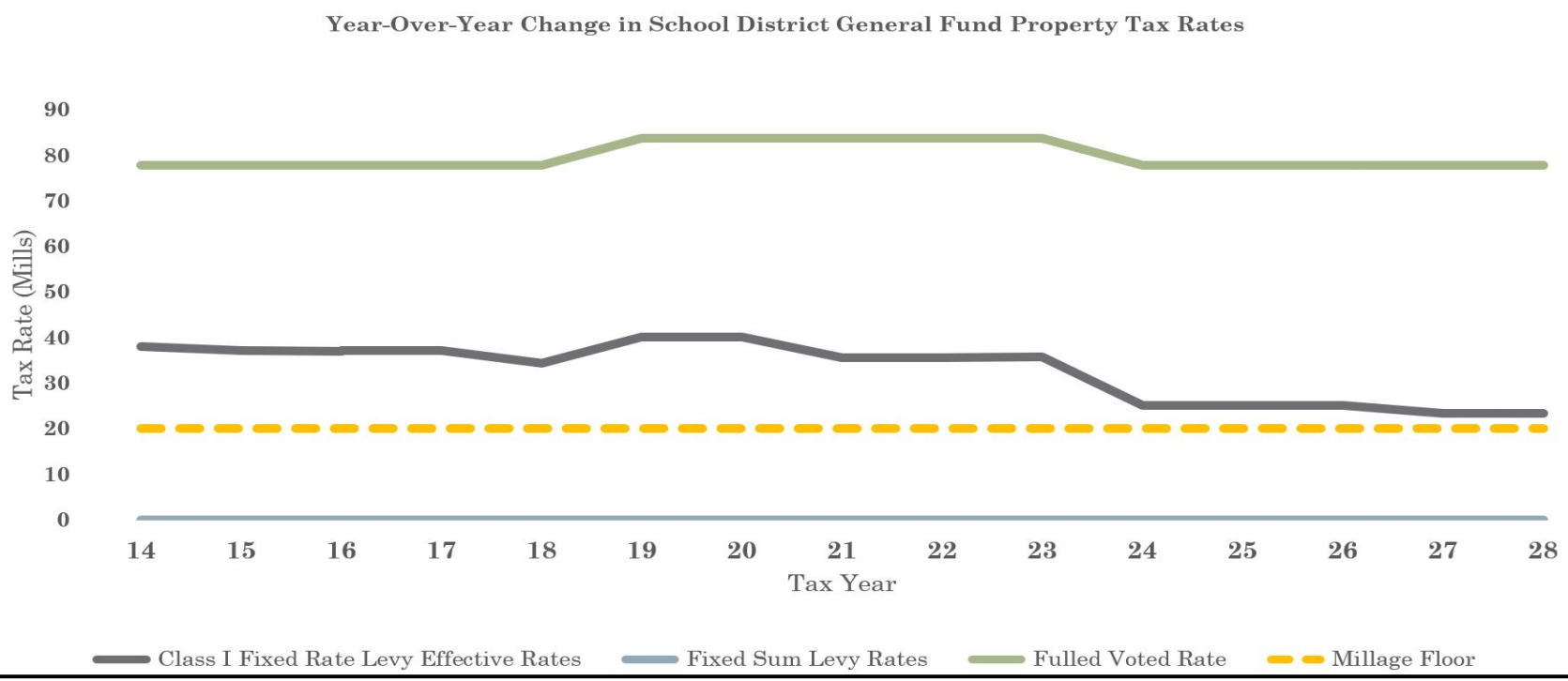


Tax rates are set each year by the Ohio Department of Taxation. Rates can change based upon valuation change, additional levies, non-renewal of levies, etc. The charts above show the YOY % change in Class I property values and the resulting tax rates (effective) for Class I.

Tax Year 2027 was a triennial update year for Cuyahoga County. The forecast assumed a 10.69% increase in valuation which was offset by a 7.05% decrease in tax effective rate.

County Reappraisal

District's Property Tax Rates



Effective rate:

- **TY25 - 25.11 mills**
- **TY28 - 23.29 mills**

Major Assumptions - Continued

Revenue (continued):

- State Funding - Beginning with FY 2022, state funding is calculated based on the fair funding formula that was approved in the FY 2022-2023 biennium state budget under House Bill 110.

  Compared to FY 2021, State Funding may appear to have decreased in the forecast, however, under the fair funding formula pass through funds such as community school funding, private school scholarships, and open enrollment funds will be sent direct to the appropriate school rather than be included in the Districts revenue. Additionally, the appropriate expenditures are also decreasing in the Districts forecast/budget under purchase services. The District expects a combined net impact of $1,124,303 in FY 2022. As information changes the estimates will be updated. The District is considered a guarantee district in FY 2022 and beyond.

  Beginning with FY 2024, the FY 2024-2025 biennium state budget was approved, which continued the implementation of the fair funding formula. The District expects to see increases in state funding of $248,000 in FY 2024 and $316,000 in FY 2025 for a cumulative increase of $564,000. The District is still considered a guarantee District in FY 2024 and beyond.

Major Assumptions - Continued

Revenue (continued):

- Beginning in FY 2026, the FY 2026–2027 biennium state budget was enacted, continuing the phase-in of the Fair School Funding Plan with guarantees to ensure that no district receives less state aid than it did in FY 2021.

  The District anticipates increases in state funding of $653,363 in FY 2026 and $399,483 in FY 2027, for a cumulative increase of $1,052,846. These projected increases include the performance supplement described below. The District is projected to remain on the state funding guarantee in FY 2026 and beyond.

- Additional changes include the implementation of a performance supplement in FY 2026 and FY 2027 for districts that earned any of the following on the 2023–2024 state report card: (a) an overall performance rating of four or more stars; (b) a Progress component rating of three or more stars; or (c) a higher Progress component rating than received in 2022–2023. The supplement is calculated by multiplying the district's current-year enrollment by $26 and by the greater of the number of stars earned for the Overall Performance rating or the Progress component rating on the 2023–2024 report card.

  See the table below for the forecasted performance supplement amounts.

Performance Supplement	FY2025 Actual	FY2026	FY2027	FY2028	FY2029	FY2030
Performance Supplement	N/A	$302,504	$269,690	$270,487	$271,285	$272,082
Total Performance Supplement		$302,504	$269,690	$270,487	$271,285	$272,082

Major Assumptions - Continued

Revenue (continued):

- Restricted aid is the portion of state per pupil funding that must be classified as restricted use. Historically the district's restricted state aid changed annually on average by $77,313 and is projected to change annually on average by -$68,392. Restricted funds represent 0.63% of the district's total revenue. Starting in fiscal year 2022, the district's Success & Wellness funding became restricted; the state's share of this funding recorded as restricted is $214,838. This funding has implications on general fund expenditures in that certain spending now occurring in a fund external to the general fund could shift to the general fund. The expenditures in this forecast are adjusted to reflect this change.

- Below is a summary of the restricted aid by fiscal year and category:

Restricted State Funding	FY2025 Actual	FY2026	FY2027	FY2028	FY2029	FY2030
Success and Wellness	$230,443	$214,838	$200,938	$201,533	$202,126	$202,720
Career Tech, ELL	$44,895	$54,219	$62,156	$62,340	$62,524	$62,708
Disadvantaged Pupil Impact Aid (DPIA)	$77,557	$79,300	$80,913	$80,436	$79,964	$79,496
Gifted	$147,143	$118,766	$90,390	$90,645	$90,904	$91,153
Other (Science of Reading Reimbursement)	$278,001	$60,677	$0	$0	$0	$0
Total Restricted State Funding	**$778,039**	**$527,800**	**$434,397**	**$434,954**	**$435,518**	**$436,077**

Major Assumptions - Continued

Revenue (continued):

- Changes in Revenue between the September 2025 Forecast compared to the February 2026 Forecast:

	State Line Item No	State Line Item No and Description	Amount				
			2026	2027	2028	2029	2030
Total			$984,288	$43,174	$140,300	$-107,334	$-225,967
	Property Taxes		$-120,214	$-260,242	$-363,056	$-458,663	$-520,304
		1.010 General Property Tax (Real Estate)	$-85,363	$-183,837	$-209,375	$-226,895	$-271,215
		1.020 Tangible Personal Property Tax	$-26,044	$-54,845	$-58,513	$-59,306	$-61,391
		1.050 State Share of Local Property Taxes	$-8,807	$-21,560	$-32,194	$-42,442	$-49,593
		11.020 Property Tax - Renewal or Replacement	$0	$0	$-62,974	$-130,020	$-138,105
	Income Taxes		$0	$0	$0	$0	$0
		11.010 Income Tax - Renewal	$0	$0	$0	$0	$0
	State Aid		$567,364	$453,485	$405,601	$353,064	$295,562
		1.035 Unrestricted State Grants-in-Aid	$565,070	$469,857	$421,868	$369,193	$311,615
		1.040 Restricted State Grants-in-Aid	$2,294	$-16,372	$-16,267	$-16,129	$-16,053
	All Other Revenue		$537,138	$-150,069	$97,755	$-1,735	$-1,225
		1.060 All Other Revenues	$-374,905	$-151,431	$96,393	$-3,097	$-2,587
		2.050 Advances-In	$0	$0	$0	$0	$0
		2.060 All Other Financing Sources	$912,043	$1,362	$1,362	$1,362	$1,362
	New Levies		$0	$0	$0	$0	$0
		13.010 Income Tax - New	$0	$0	$0	$0	$0
		13.020 Property Tax - New	$0	$0	$0	$0	$0

Measure	2025	2026	2027	2028	2029	2030
Cumulative	$0	$984,288	$1,027,462	$1,167,762	$1,060,428	$834,461

Major Assumptions - Continued

Revenue (continued):

- Changes in Revenue between the September 2025 Forecast compared to the February 2026 Forecast:
    - ***Property Taxes*** / **State Share of Local Taxes** - The decrease is attributable to actual assessed valuations coming in lower than projected, as well as the impact of H.B. 335. This legislation permits the County Budget Commission to reduce inside millage if a reappraisal increase exceeds the GDP-D (Gross Domestic Product Deflator). Current projections indicate the cumulative GDP-D is trending at approximately 8.00% for the Tax Year 2027 update. As a result, inside millage may be reduced to limit revenue growth to 8.00%, while current valuation growth is forecasted at 10.00%. The difference represents a decrease of about $200k.
    - ***State Aid*** - The increase is due to the inclusion of the performance supplement, which was not reflected in the September forecast, as well as transportation funding coming in higher than projected due to updated mileage calculations.
    - ***All Other Revenue*** -
        - Interest income decreased by $393,131 due to a combination of lower interest rates and reduced available cash for investment.
        - Refunds of prior-year expenditures increased primarily due to a one-time reimbursement from Cuyahoga County totaling $882,559 for unused funds previously collected through tax settlements to support the County's Sexennial Reappraisal process.
- The collective changes in revenue have a **favorable** effect over the life of the forecast of **$834,461**.

Major Assumptions - Continued

Expenditures:

- Staffing Assumptions (General Fund Only):

	FY 25	FY 26	FY 27	FY 28	FY 29	FY 30
General Fund	**776**	**764**	**760**	**764**	**764**	**764**
Prior Year Net Change	**+51**	**-12**	**-4**	**0**	**0**	**0**

- Forecast assumes all union agreements are as currently defined.

- The forecast assumes 764 positions budgeted within the General Fund for FY 26, a decrease of 12 positions from FY 25. The decrease is primarily due to a reduction in full-time substitute positions from 18 to 11.

  During FY 25, 776 positions were budgeted within the General Fund, an increase of 51 positions from FY 24. Of these, 35 positions shifted to the General Fund from ESSER funding as those funds expired at the end of FY 2024. The remaining 16 positions were attributable to increases in teaching and support staff, including an additional guidance counselor at SMS and another at SHS, as well as the addition of a Human Resources Coordinator position to address enrollment needs.

  For FY 27, the forecast assumes 760 positions, a decrease of 4 positions from FY 26.

- From fiscal year 2020 to fiscal year 2021, health care premiums increased by 3%. For fiscal year 2022, health care premiums increased by 1.37%. For fiscal year 2023, health care premiums increased by 8.70%. For fiscal year 2024, health care premiums increased by 15.00%. For fiscal year 2025, health care premiums increased by 3.00%. **For fiscal year 2026, health care premiums increased by 1.50%**. For fiscal years 2027-2029, the projected annual increase was 6%, which was based on a five-year historical average.

Major Assumptions - Continued

Expenditures (continued):

- Purchase services decreased by $1,950,730 from FY 2021 to FY 2022. The decrease was attributable to the implementation of the Fair School Funding Plan beginning in FY 2022, which funds only district-educated enrollment. As a result, tuition costs for open enrollment out, community schools, and scholarships were reduced.

  In FY 2024, purchase services increased by $304,112, followed by an increase of $749,936 in FY 2025. These increases were driven by higher costs and additional special education placements, increased instructional service costs (including secondary Edmentum Online, previously funded through ESSER, and ELA and Math diagnostic tools), the lease of mobile units beginning in FY 2025, and increases in utility costs and risk/property insurance.

  The increase of $1,319,213 in FY 2026 is attributable to a combination of additional special education placements, continued increases in utility costs and risk/property insurance, and the impact of budget savings realized in FY 2025. The projected increases in FY 2027 and beyond reflect anticipated growth in utility costs and risk/property insurance.

- Textbooks represent the largest expenditure within the Materials and Supplies category. Annual textbook costs vary from year to year depending on the adoption cycle. During FY 2023, $250,000 of the textbook budget was not expended and was carried forward into FY 2024 to support a larger textbook adoption.

  In FY 2024, the District purchased new elementary ELA textbooks totaling approximately $1.1 million to comply with recently approved legislation regarding High Quality Instructional Materials.

  Overall, Materials and Supplies expenditures fluctuate annually based on instructional and operational needs. For FY 2026, Materials and Supplies account for approximately 2.74% of the District's General Fund budget.

Major Assumptions - Continued

Expenditures (continued):

- About 66.98% of the Capital Outlay category is the purchase of Chromebooks and infrastructure to support the District's 1:1 technology initiative.

  During FY 2024 and FY 2025 the Technology Budget capital equipment increased by $150,000 for the purposes of the replacement of all employees district desktop computers.

- The District has one General Fund school facilities improvement debt issuance from 2005 that will expire in 2035 (FY 2036). This issuance was for improvements to the Strongsville Early Learning Preschool Building.

- For Additional Assumptions and Details, see the accompanying Five Year Forecast Financial Report.

Major Assumptions - Continued

Expenditures (continued):

- Changes in Expenditures between the September 2025 Forecast compared to the February 2026 Forecast:

	State Line Item No and Description	Amount				
		2026	2027	2028	2029	2030
Total		$-1,409,061	$684,926	$1,826,989	$2,104,159	$2,095,303
	3.010 Personal Services	$-774,265	$282,784	$1,215,817	$1,389,209	$1,433,453
	3.020 Employees' Retirement/Insurance Benefits	$-460,070	$408,402	$580,660	$698,983	$661,879
	3.030 Purchased Services	$-21,742	$95,391	$82,358	$68,016	$52,232
	3.040 Supplies and Materials	$-147,086	$-98,996	$-98,996	$-98,996	$-98,996
	3.050 Capital Outlay	$6,136	$0	$0	$0	$0
	4.010 Principal-All (Historical Only)	$0	$0	$0	$0	$0
	4.060 Interest and Fiscal Charges	$0	$0	$0	$0	$0
	4.300 Other Objects	$-12,034	$-2,655	$-2,850	$-3,053	$-3,265
	5.010 Operating Transfers-Out	$0	$0	$50,000	$50,000	$50,000
	5.020 Advances-Out	$0	$0	$0	$0	$0

Measure	2025	2026	2027	2028	2029	2030
Cumulative	$0	$-1,409,061	$-724,135	$1,102,853	$3,207,013	$5,302,315

Major Assumptions - Continued

Expenditures (continued):

- Changes in Expenditures between the September 2025 Forecast compared to the February 2026 Forecast:

    - ***Salaries*** - Salaries decreased by $774,087 or 1.38% in FY 2026 due to the combination of positions that remain unfilled and the transition of when a position becomes open to when it is filled. The increase in fiscal year 2027 and beyond (average increase $1.1M) was due to the ratification of a 2 year extension of the SEA contract. The increase of contract was netted against the employees that have notified the district of their intent to retire and replaced by an employee starting at the beginning of the salary schedule.
    -
    - ***Benefits*** - Benefits decreased by $460,070 or 1.91% in FY 2026 due to the combination of positions that remain unfilled and the transition of when a position becomes open to when it is filled. The increase in fiscal year 2027 and beyond (average increase $0.6M) was due to the ratification of a 2 year extension of the SEA contract and changes to employee health care coverage during the open enrollment period.

    - ***Purchase Services*** - Purchase Service increase in FY 2026 & beyond is due to a combination of additional special education placements and increases in utility costs and risk/property insurance.

    - ***Materials and Supplies,*** - Materials and Supplies decreased by $98,996 due a decrease in estimated for bus fuel from $350,000 to $250,000.

    - ***Operating Transfers Out*** - The increase in FY 2028 is due to estimated increase in the severance budget from $500,000 to $550,000.

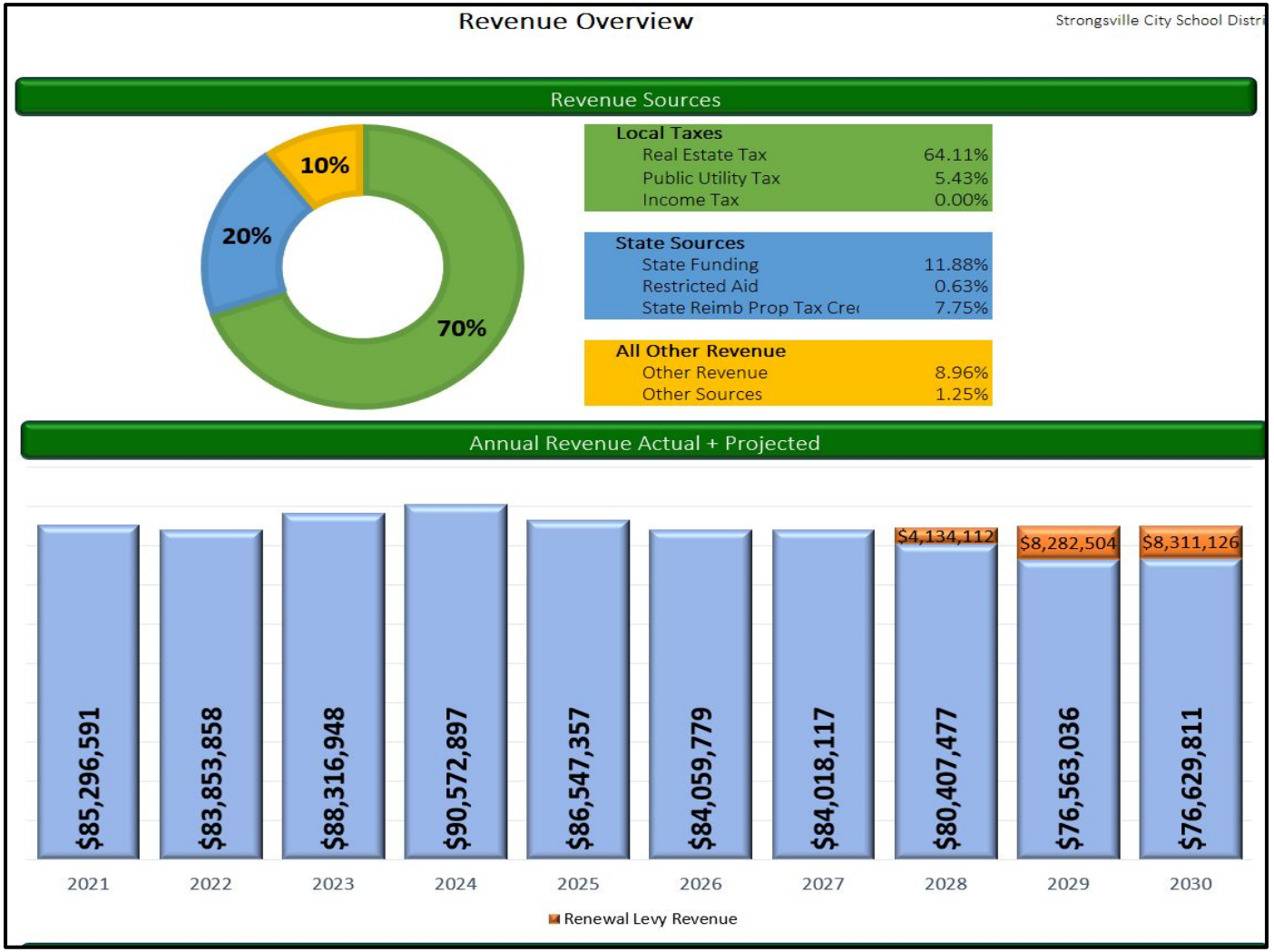
- The collective changes in expenditures have a **unfavorable** effect over the life of the forecast of $5,302,315.

Strongsville City Schools

- General Fund Revenues

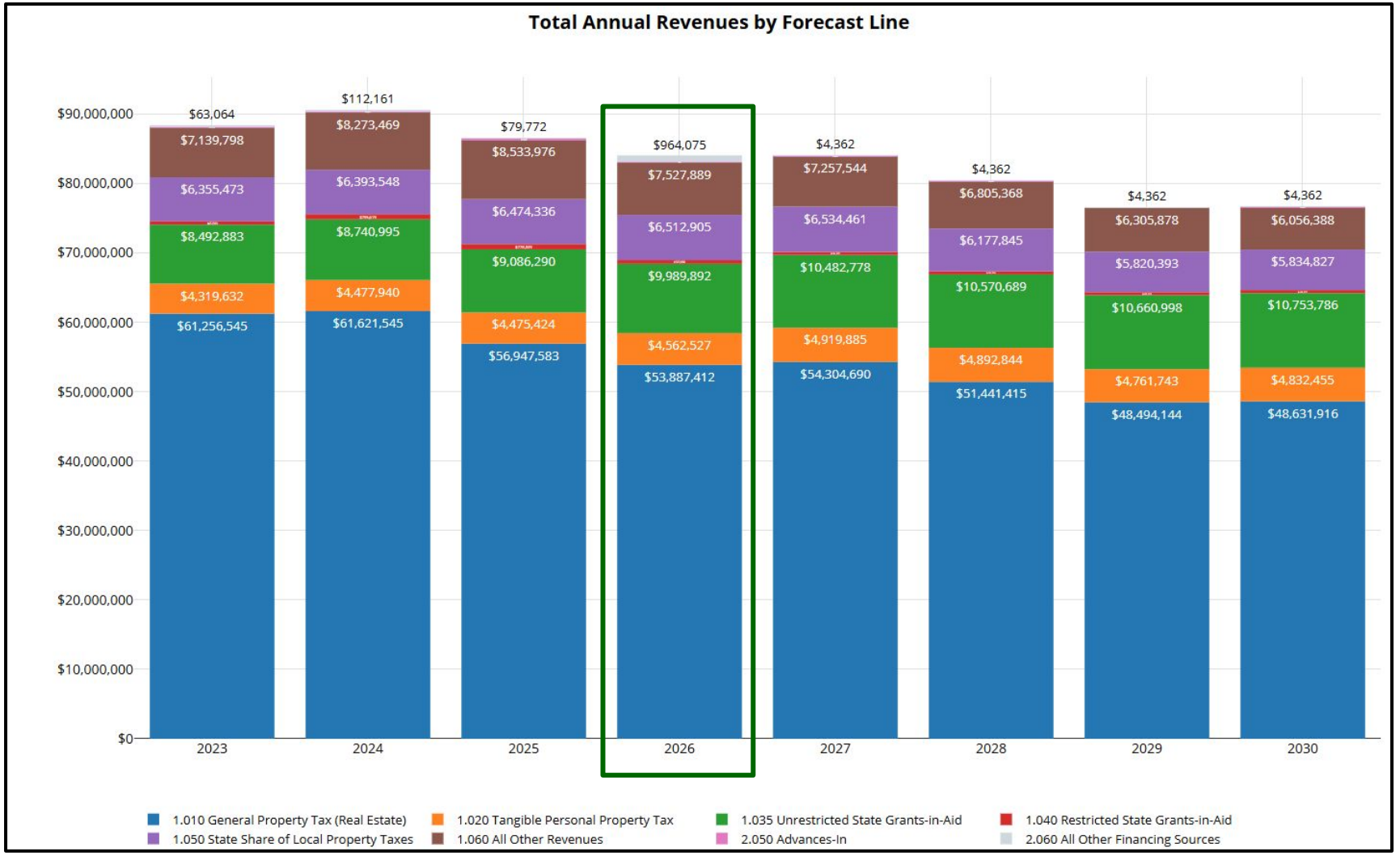
Strongsville City Schools

FY 2025-2026



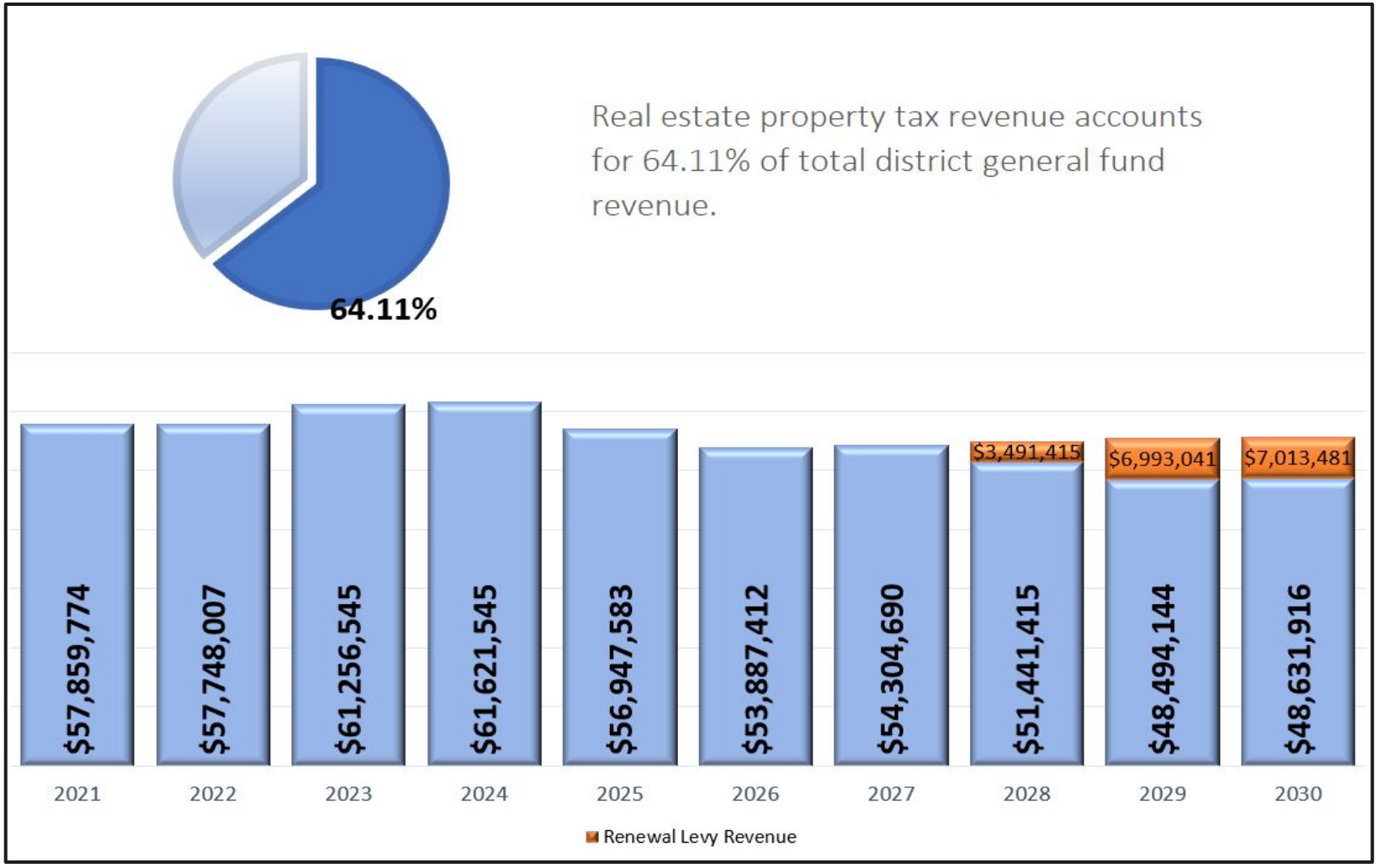
Strongsville City Schools

FY 2025-2026 Revenues (without renewals)



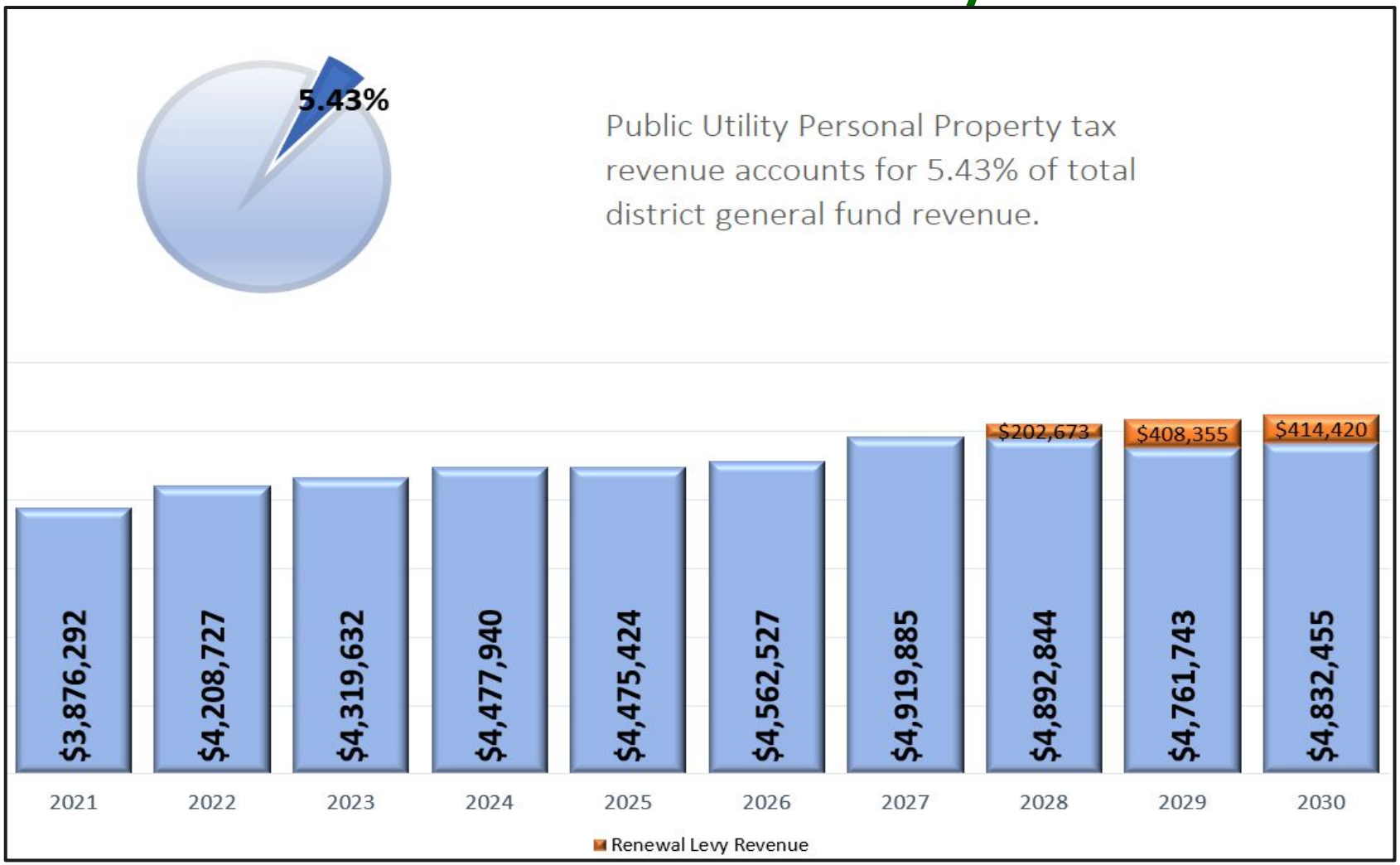
Strongsville City Schools

Local Taxes - Residential and Commercial



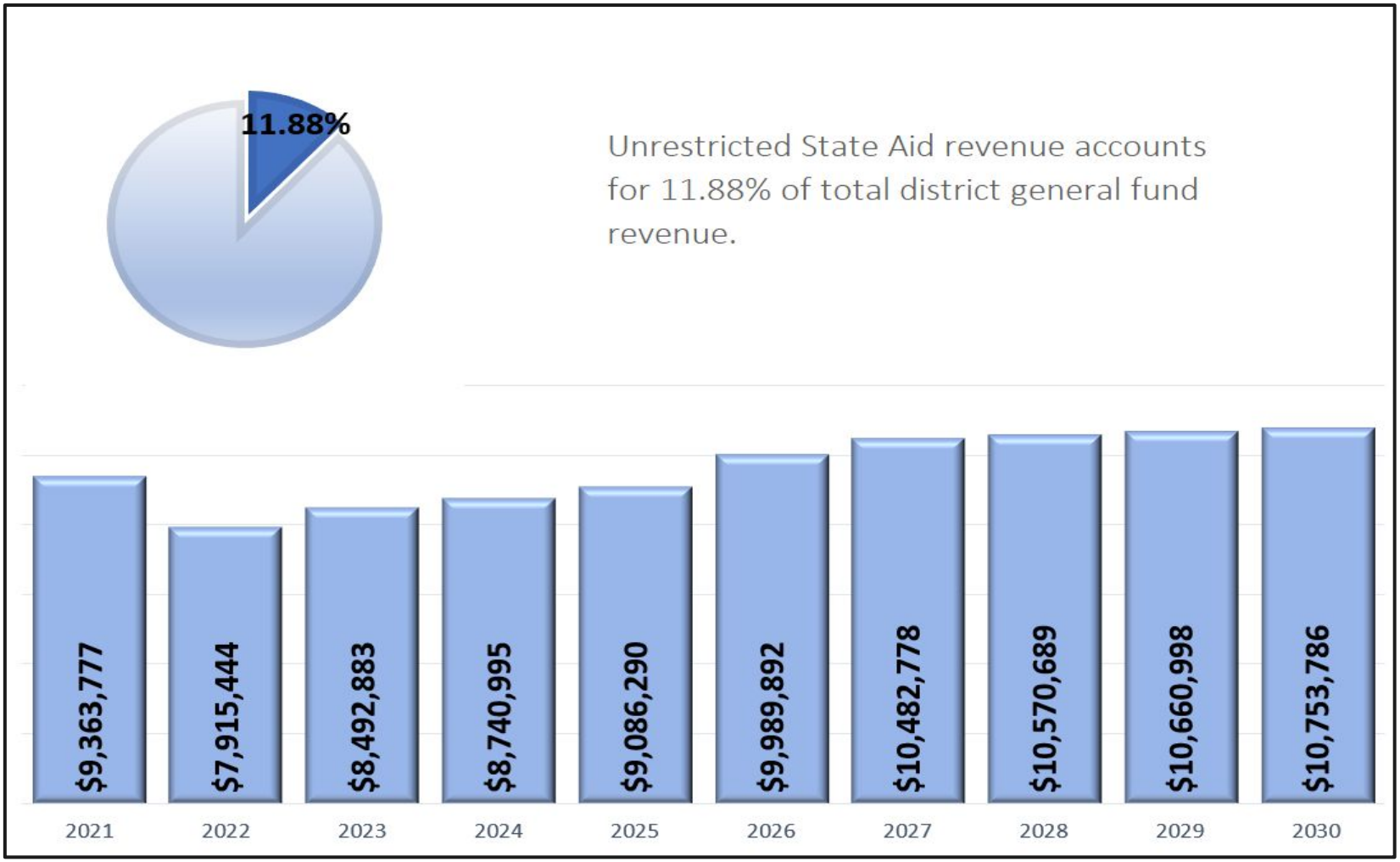
Strongsville City Schools

Local Taxes - Public Utility



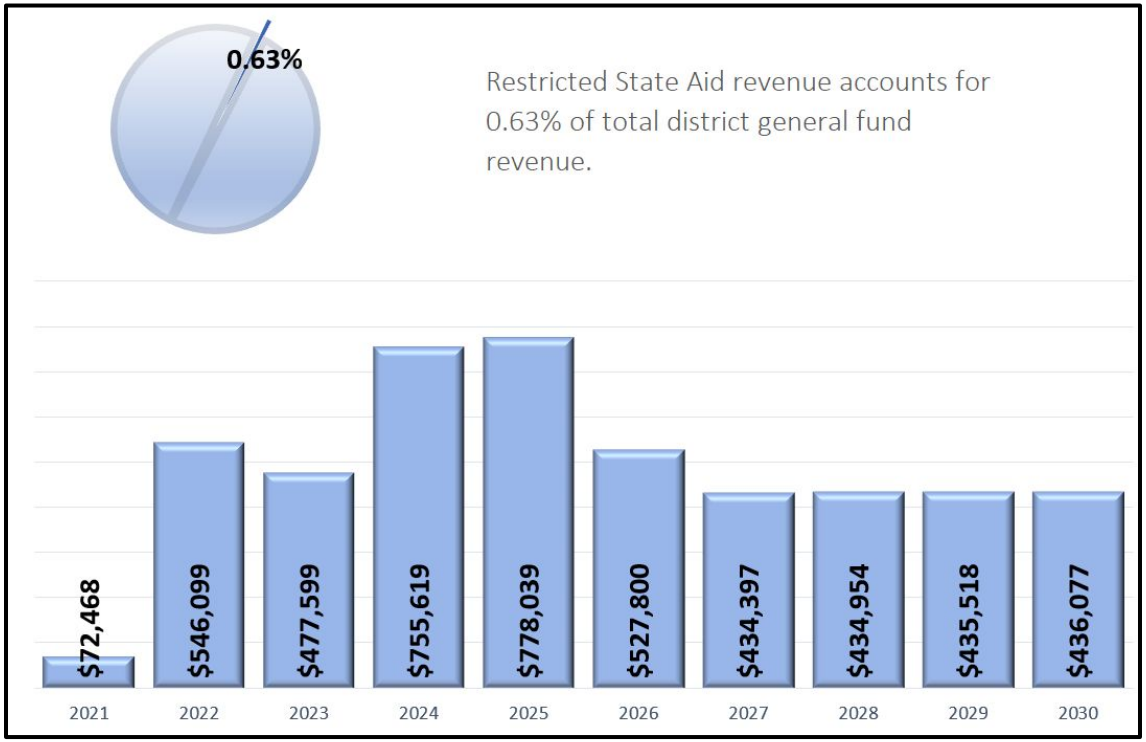
Strongsville City Schools

State Foundation - Unrestricted



Strongsville City Schools

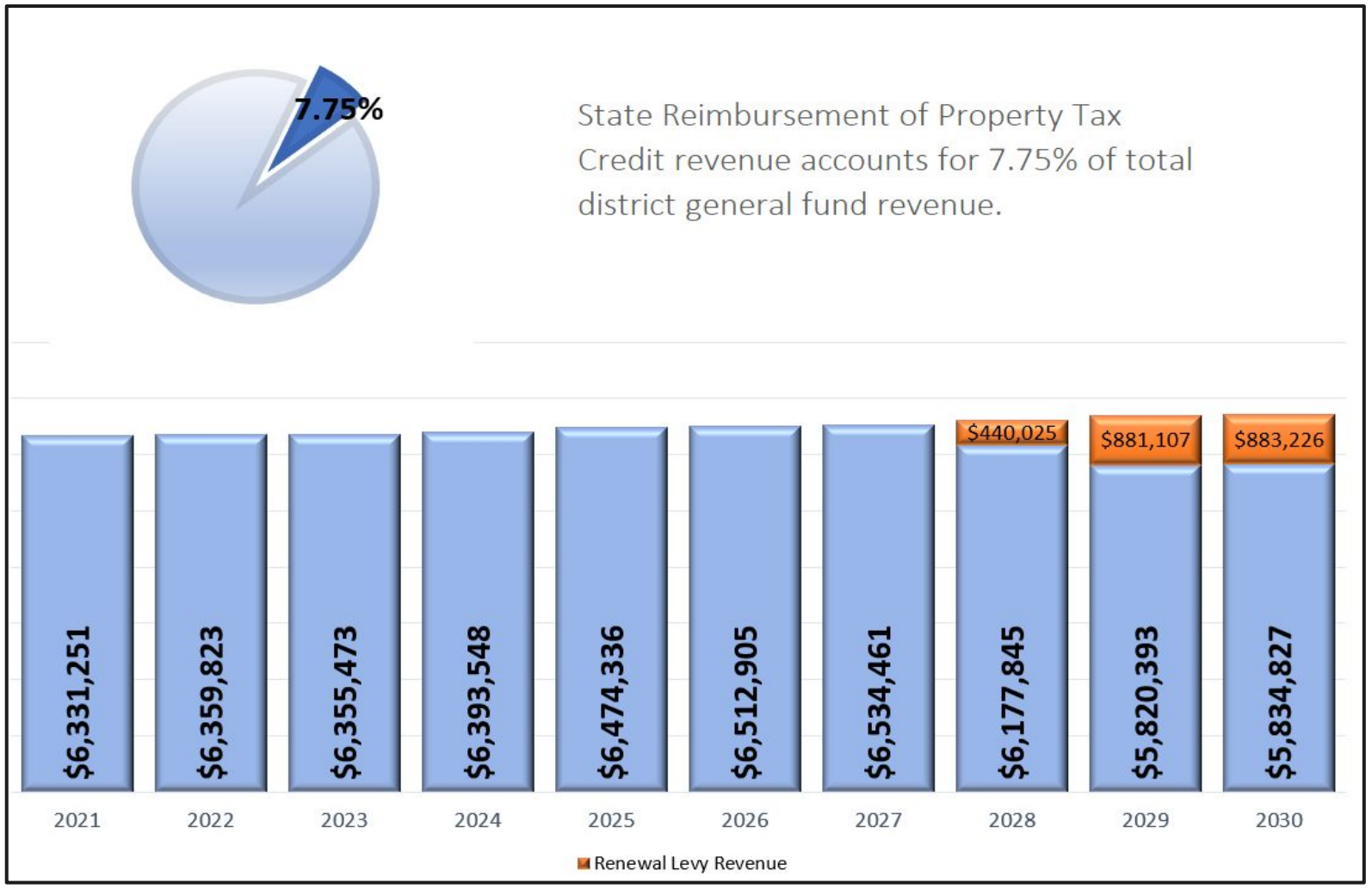
State Foundation - Restricted



Restricted State Funding	FY2025 Actual	FY2026	FY2027	FY2028	FY2029	FY2030
Success and Wellness	$230,443	$214,838	$200,938	$201,533	$202,126	$202,720
Career Tech, ELL	$44,895	$54,219	$62,156	$62,340	$62,524	$62,708
Disadvantaged Pupil Impact Aid (DPIA)	$77,557	$79,300	$80,913	$80,436	$79,964	$79,496
Gifted	$147,143	$118,766	$90,390	$90,645	$90,904	$91,153
Other (Science of Reading Reimbursement)	$278,001	$60,677	$0	$0	$0	$0
Total Restricted State Funding	**$778,039**	**$527,800**	**$434,397**	**$434,954**	**$435,518**	**$436,077**

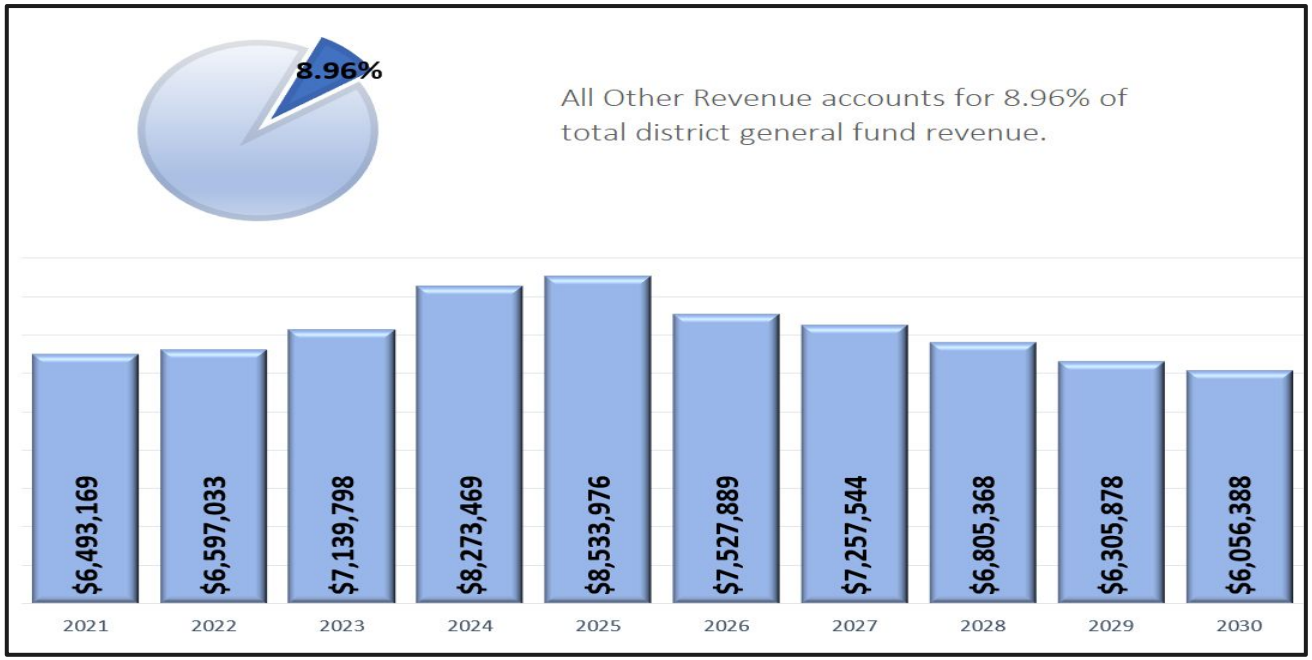
Strongsville City Schools

State Share of Local Property Taxes



Strongsville City Schools

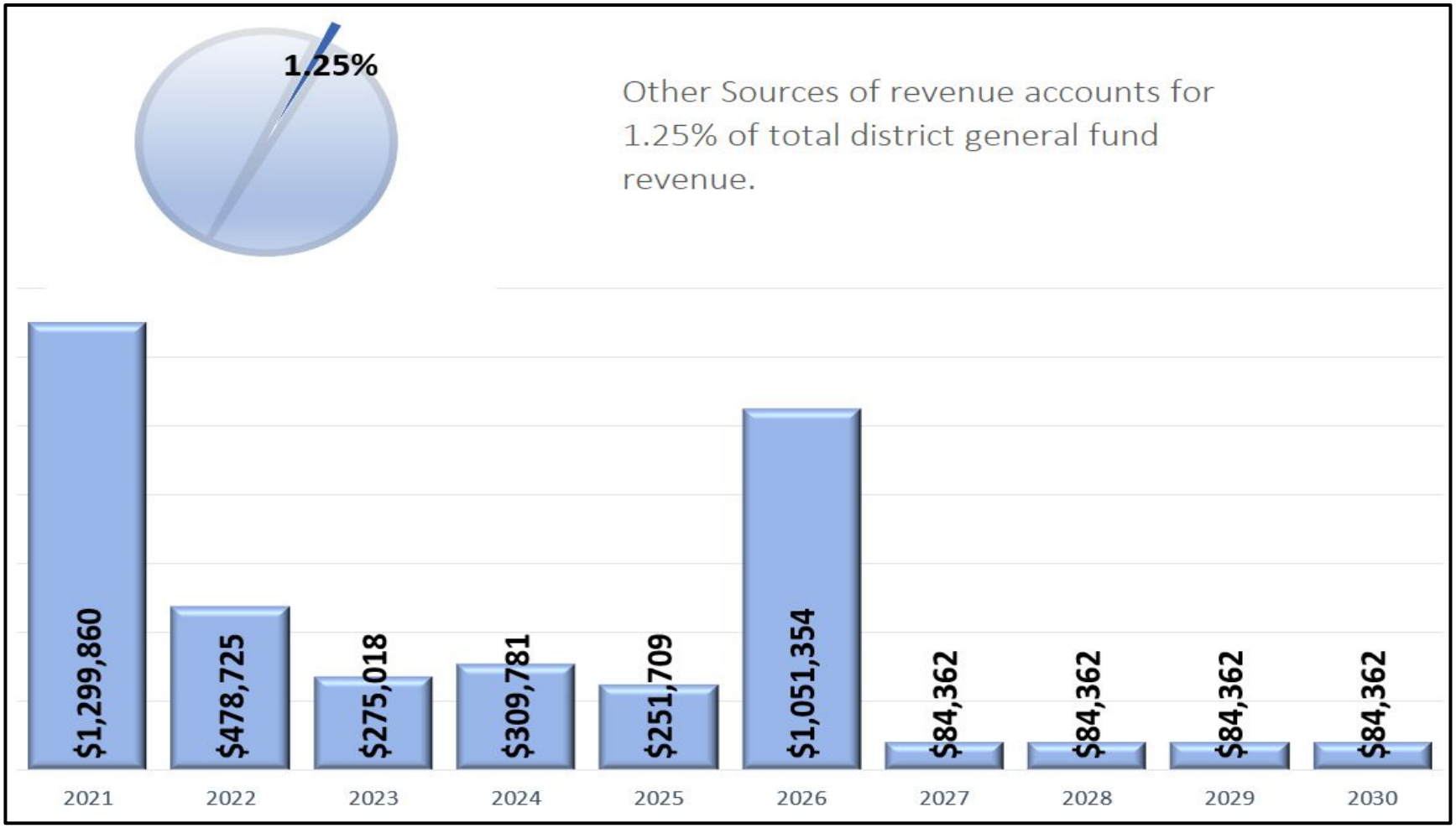
Other Revenue



Other Revenue Sources	FY2025 Actual	FY2026	FY2027	FY2028	FY2029	FY2030
Preschool Tuition	$141,045	$151,007	$155,000	$155,000	$155,000	$155,000
Full Day Kindergarten Tuition	$551,888	$550,000	$550,000	$550,000	$550,000	$550,000
Tuition From Other Districts	$383,514	$377,307	$326,000	$326,000	$326,000	$326,000
Interest income	$2,388,503	$1,806,869	$1,500,000	$1,000,000	$500,000	$250,000
Sports Pay to Play & Trainer	$240,922	$240,000	$240,000	$240,000	$240,000	$240,000
Special Ed Catastrophic Aid	$685,730	$600,000	$600,000	$600,000	$600,000	$600,000
Medicaid Reimbursement	$399,427	$295,580	$300,000	$300,000	$300,000	$300,000
Revenue in Lieu of Taxes/TIF's	$3,436,782	$3,211,991	$3,294,932	$3,294,932	$3,294,932	$3,294,932

Strongsville City Schools

Other Financing Sources

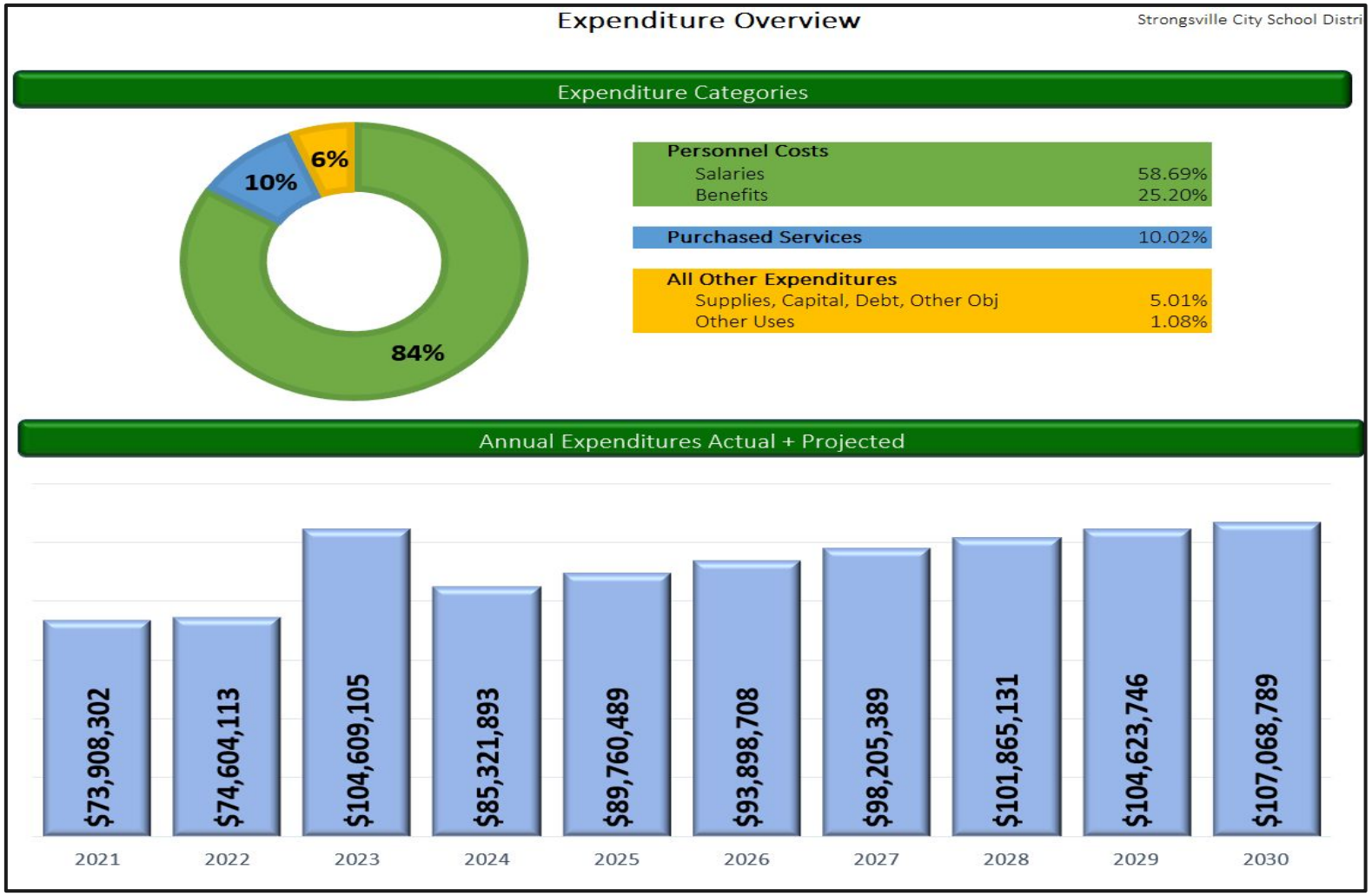


Strongsville City Schools

- General Fund Expenditures

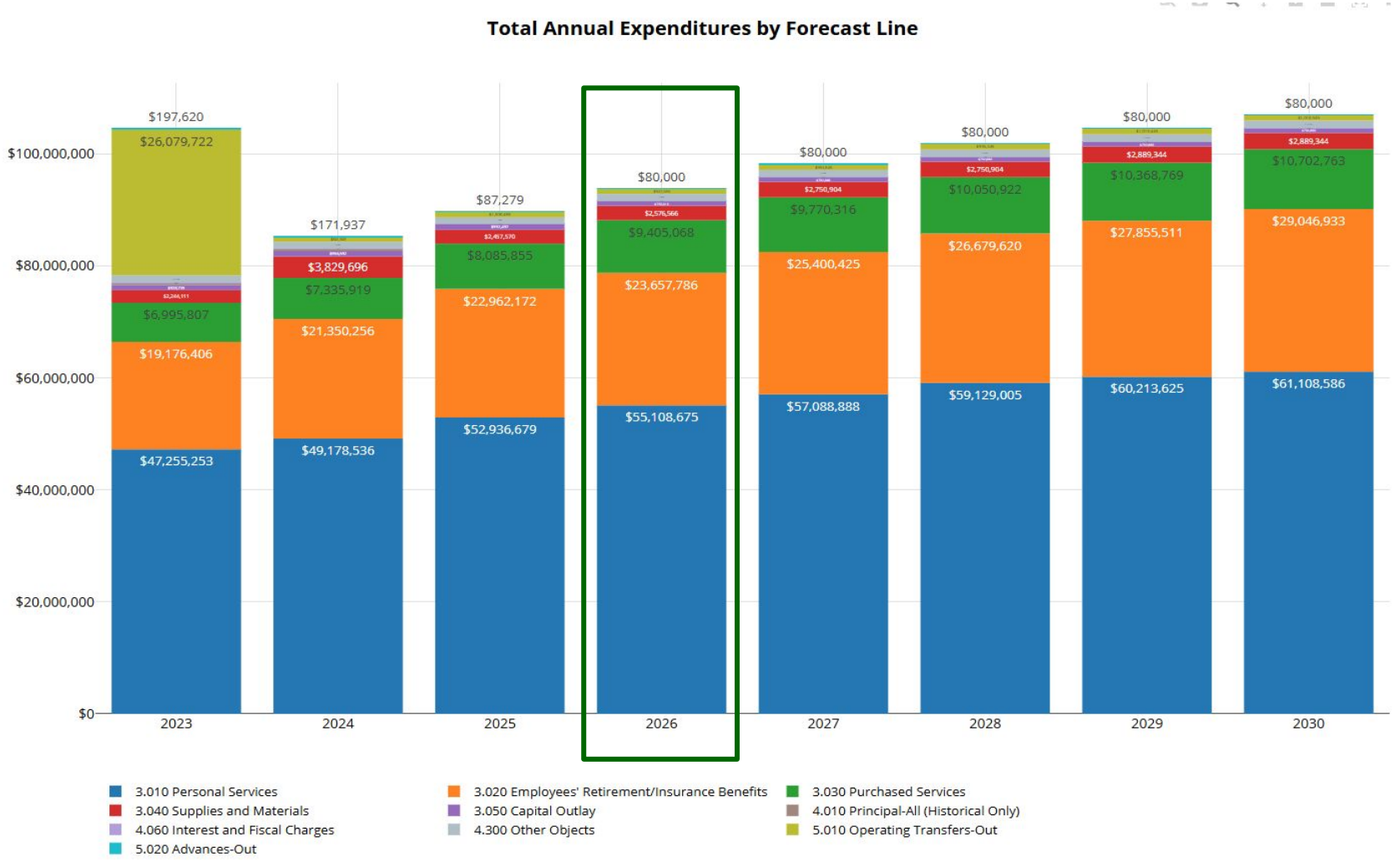
Strongsville City Schools

FY 2025-2026



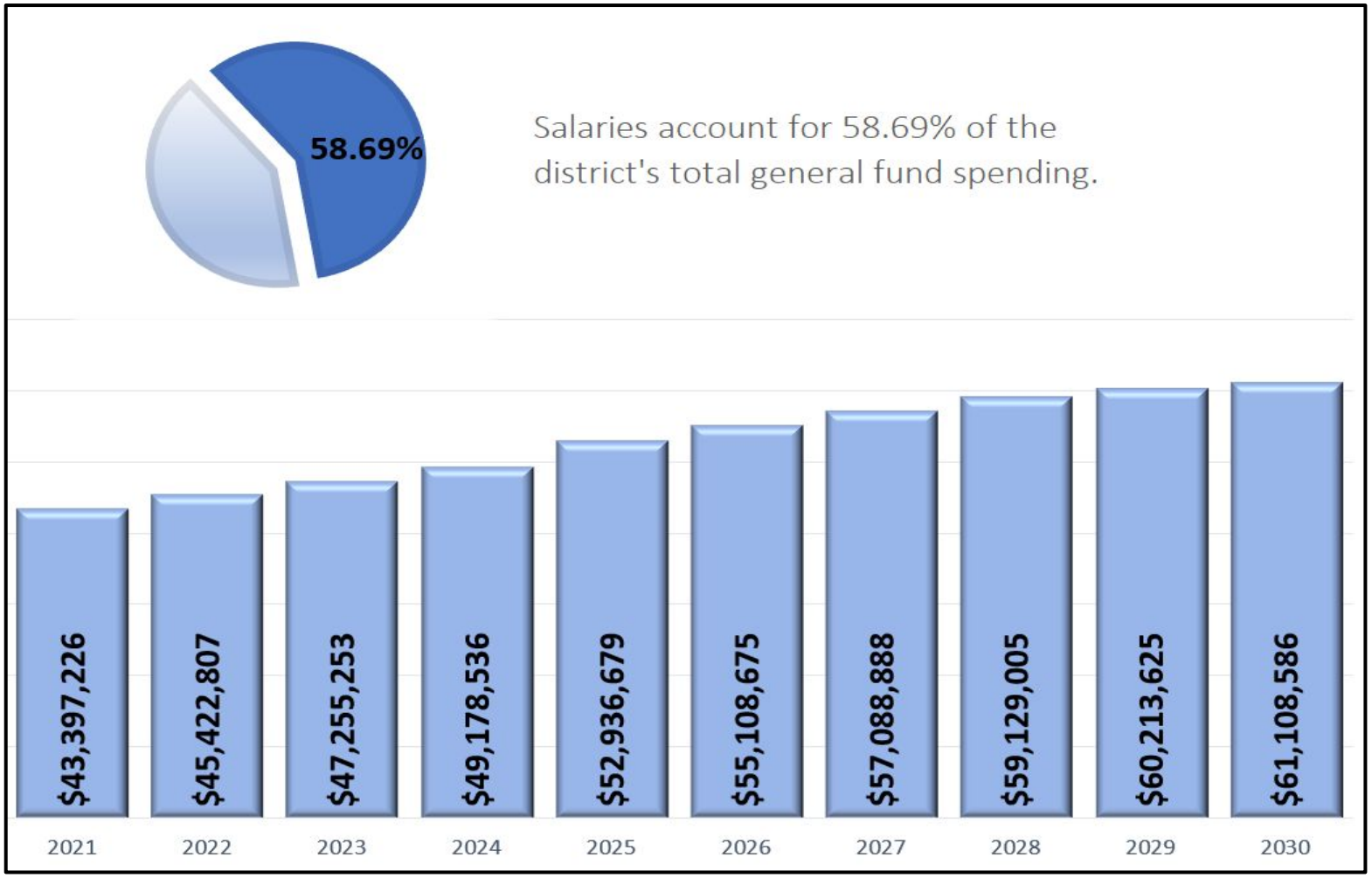
Strongsville City Schools

FY 2025-2026 Expenditures



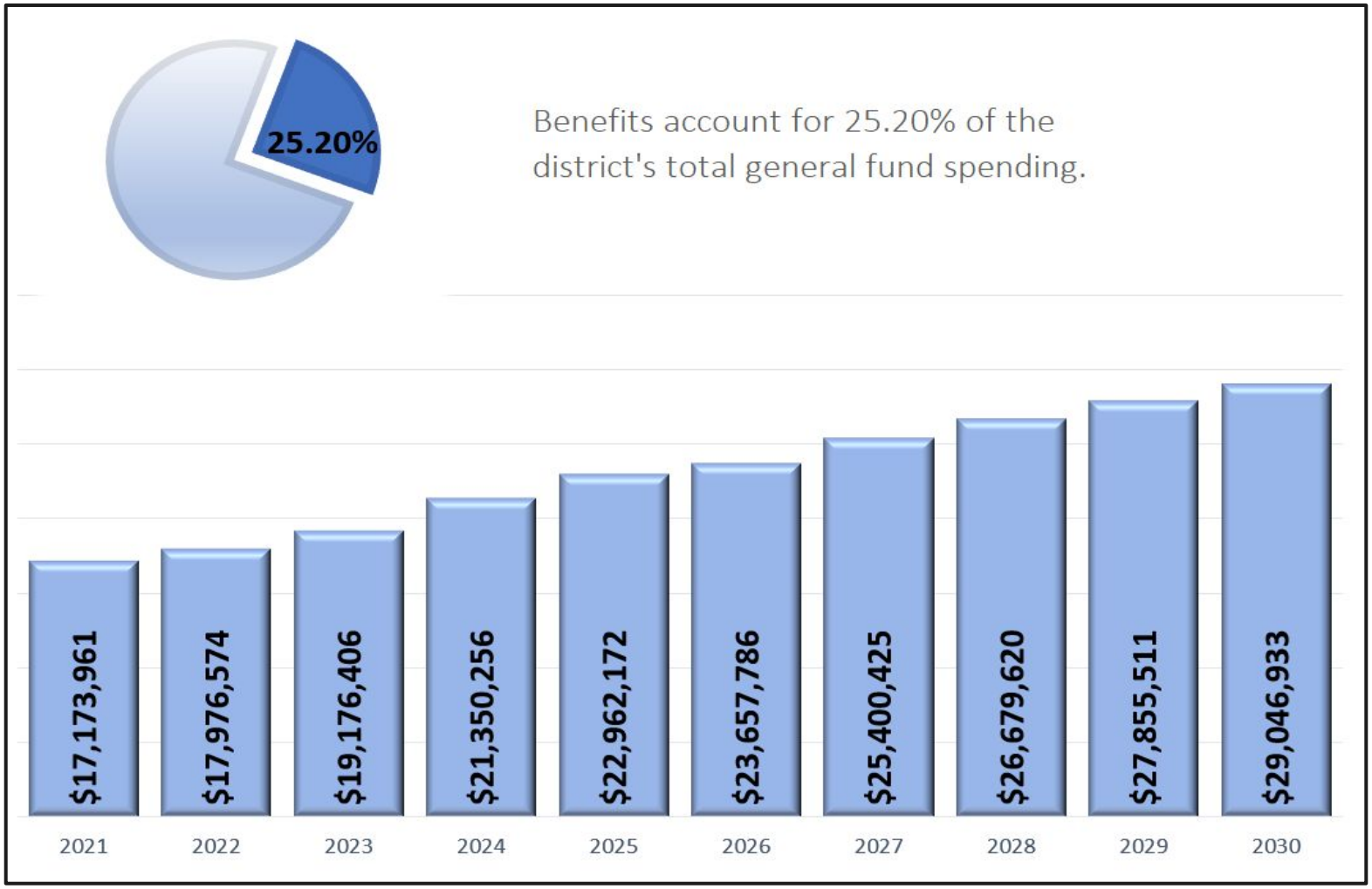
Strongsville City Schools

Salaries



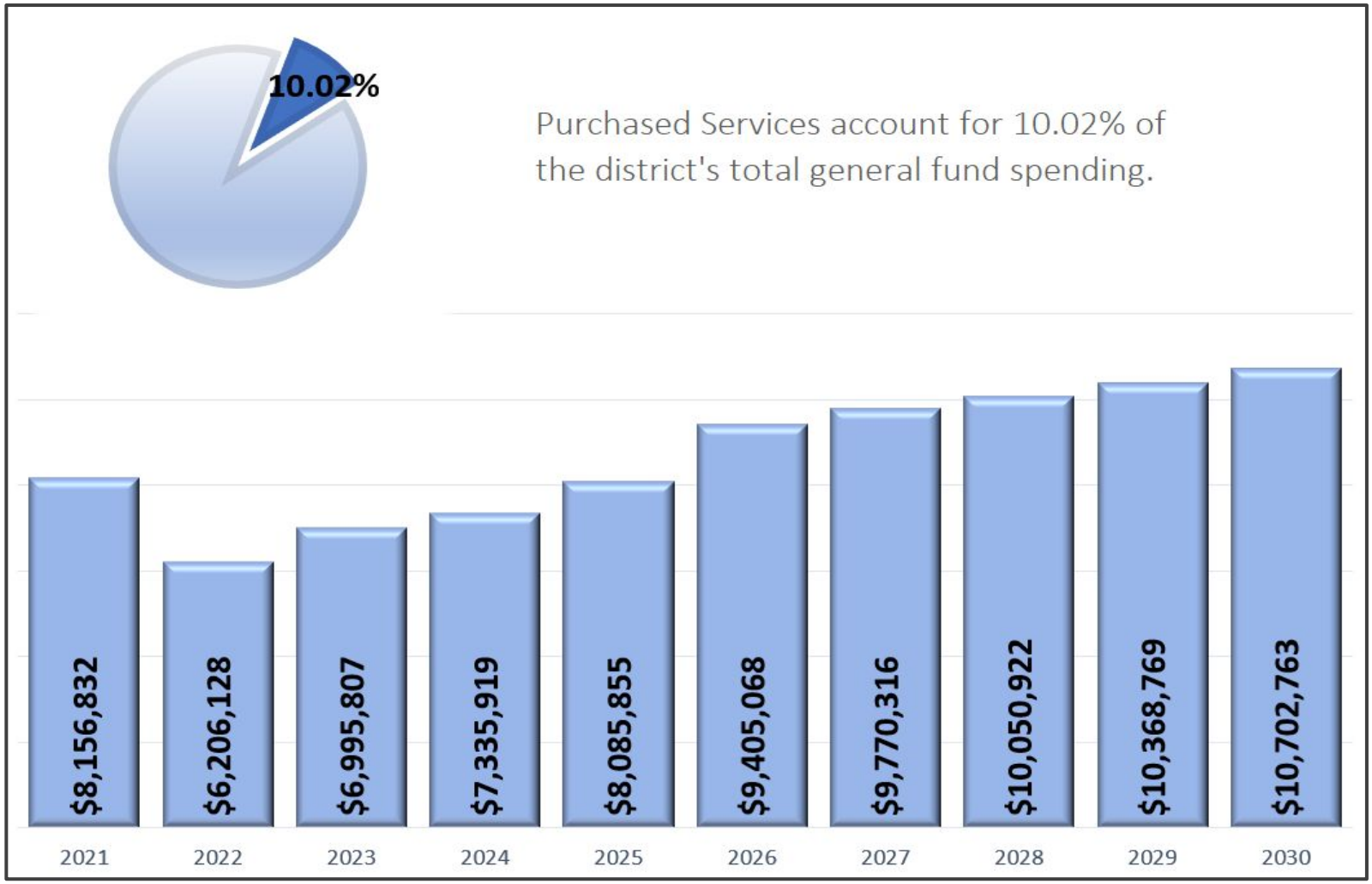
Strongsville City Schools

Benefits

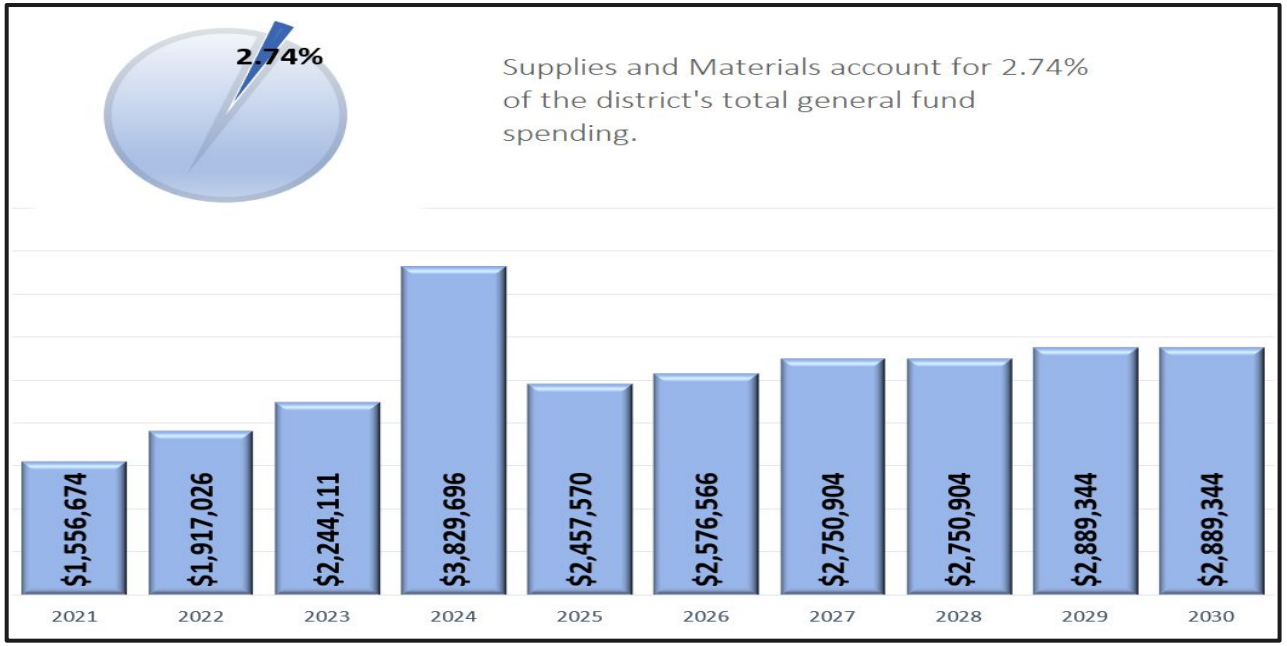


Strongsville City Schools

Purchased Services



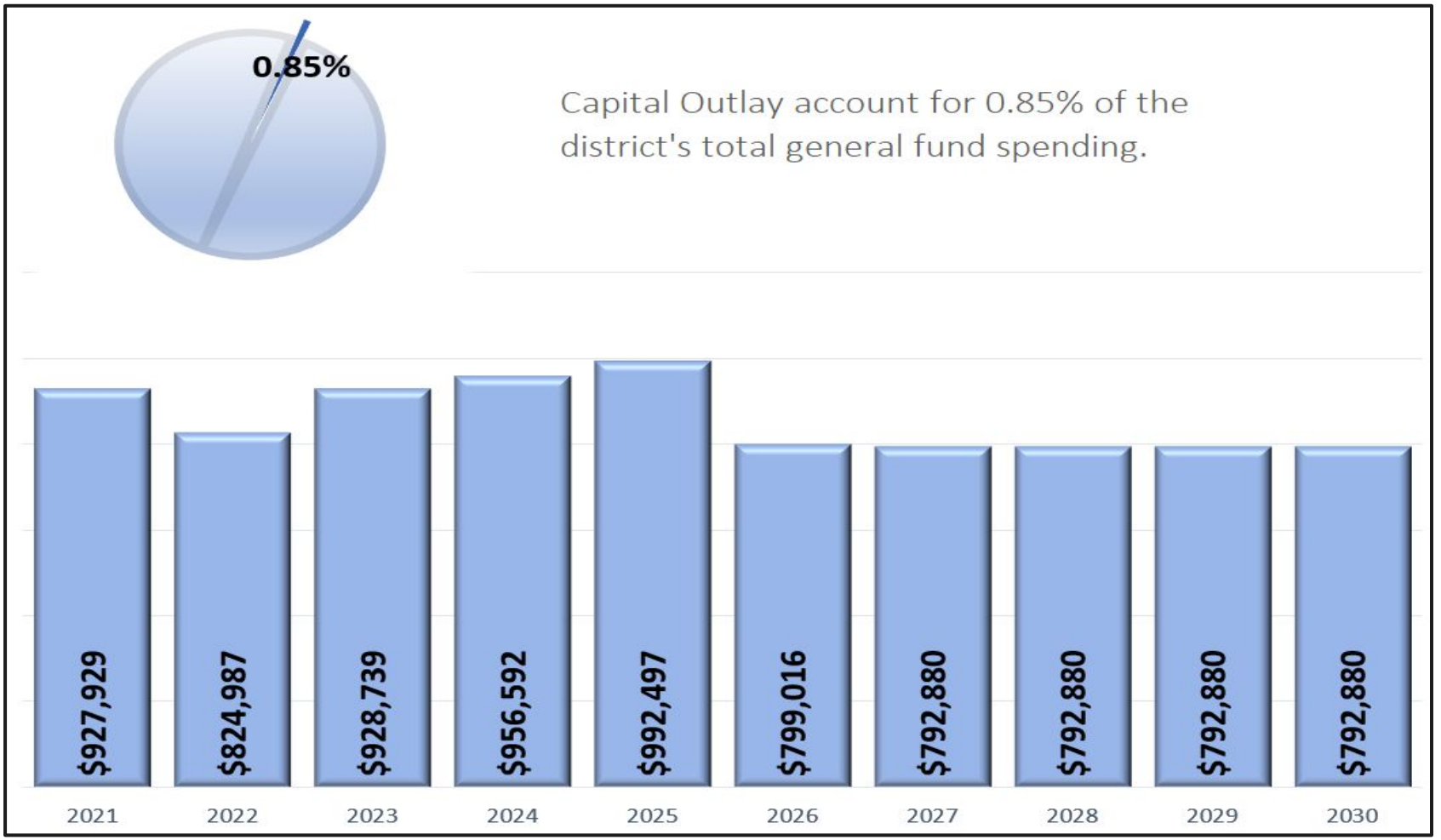
Strongsville City Schools
Supplies and Materials



Materials and Supplies	FY2025 Actual	FY2026	FY2027	FY2028	FY2029	FY2030
Instructional Supplies (511, 519)	$313,416	$376,151	$422,184	$422,184	$422,184	$422,184
Office Supplies	$35,256	$68,881	$79,900	$79,900	$79,900	$79,900
Textbooks	$601,087	$464,645	$592,060	$592,060	$730,500	$730,500
Software	$395,377	$371,016	$370,176	$370,176	$370,176	$370,176
Fuel	$245,089	$231,025	$250,000	$250,000	$250,000	$250,000
Building and Cleaning Supplies	$334,290	$362,666	$382,500	$382,500	$382,500	$382,500

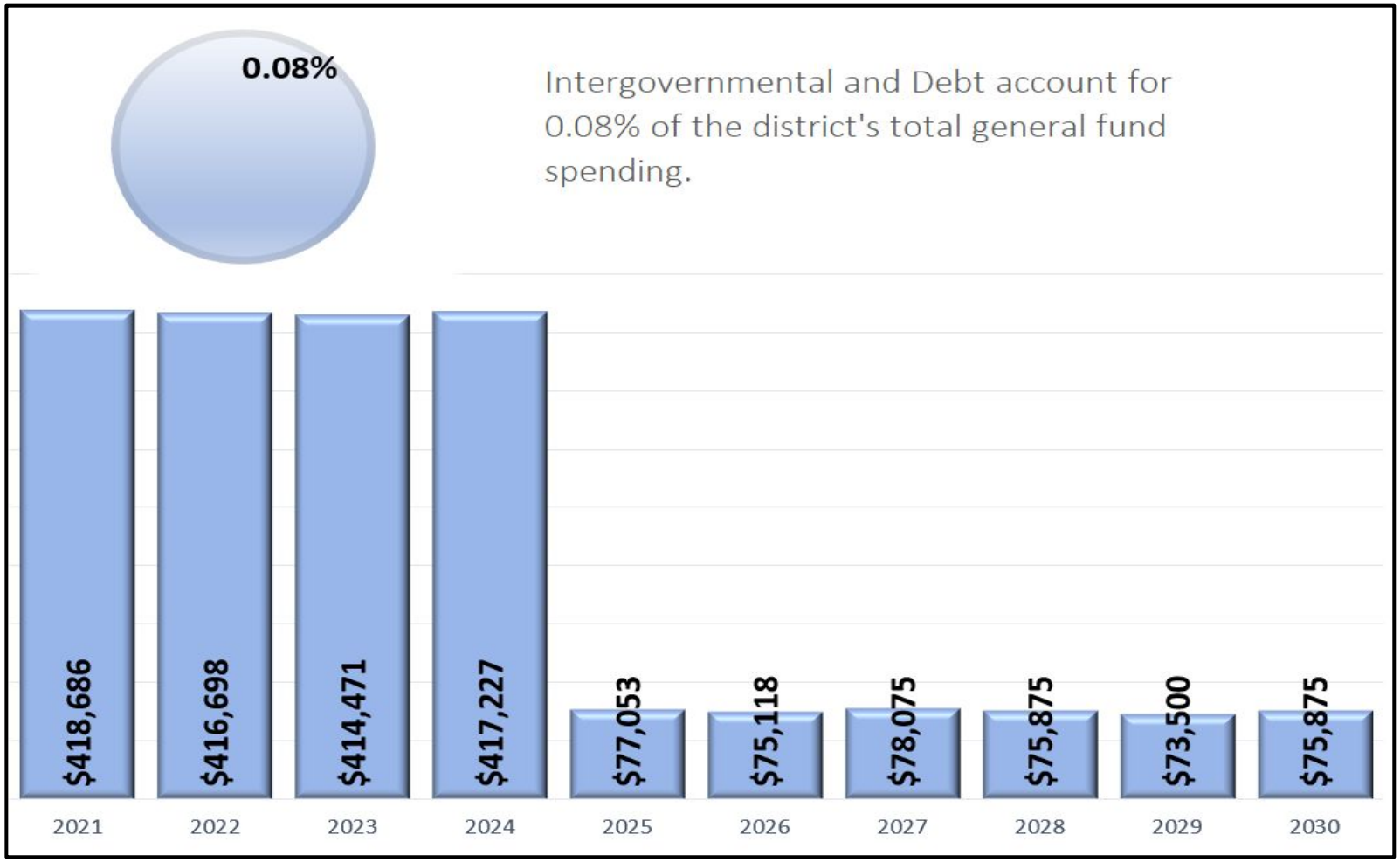
Strongsville City Schools

Capital Outlay



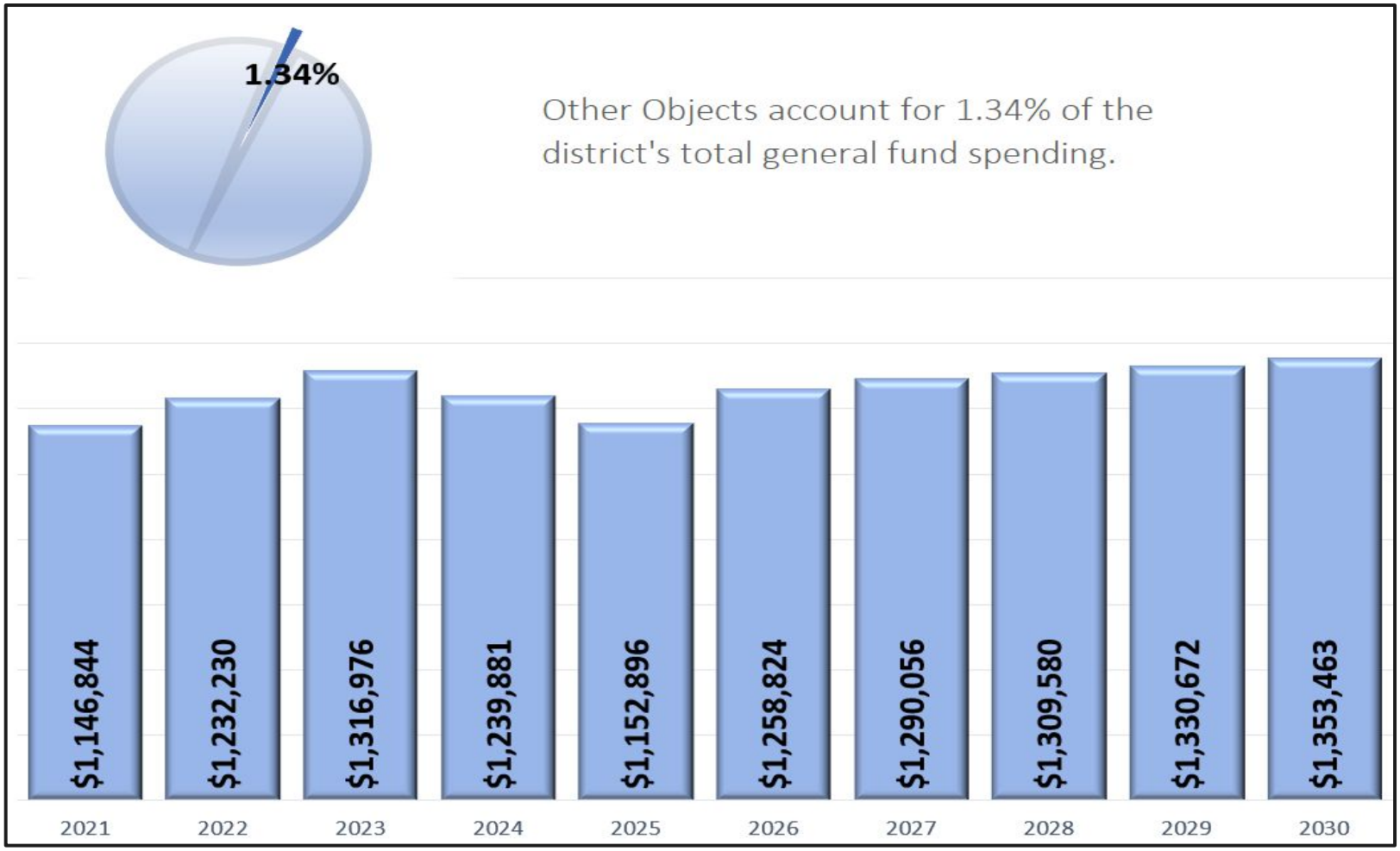
Strongsville City Schools

General Fund Debt



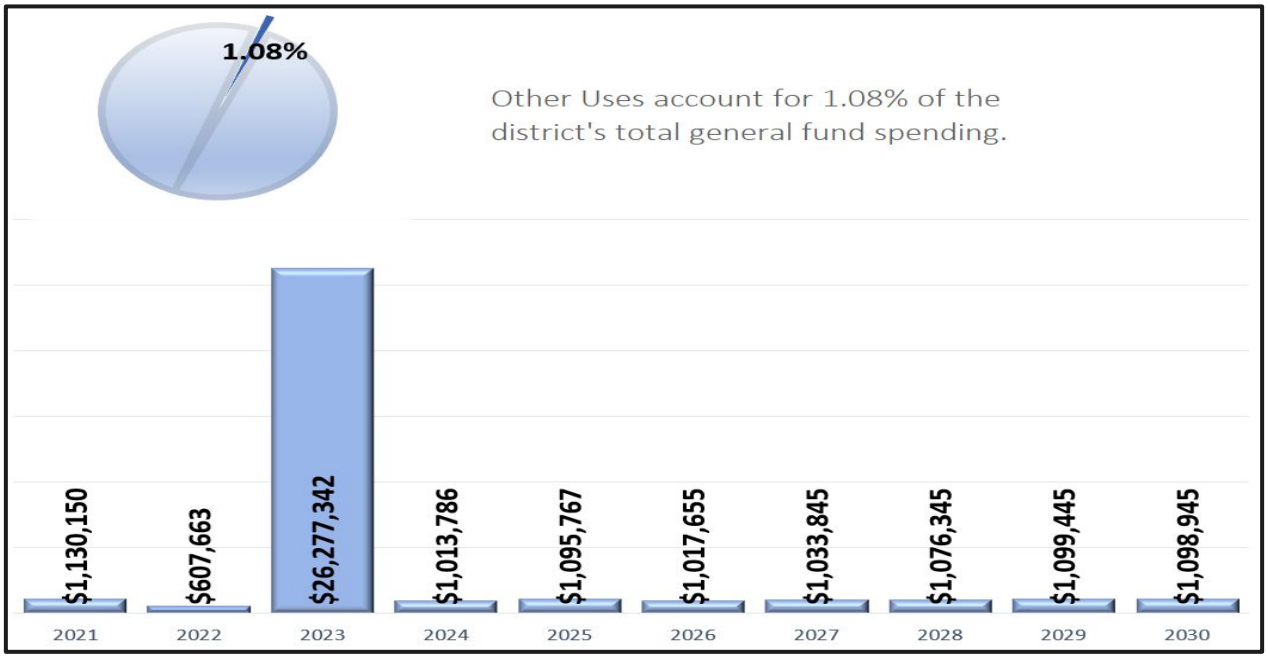
Strongsville City Schools

Other Objects



Strongsville City Schools

Other Financing Sources (transfers & advances out to other funds)



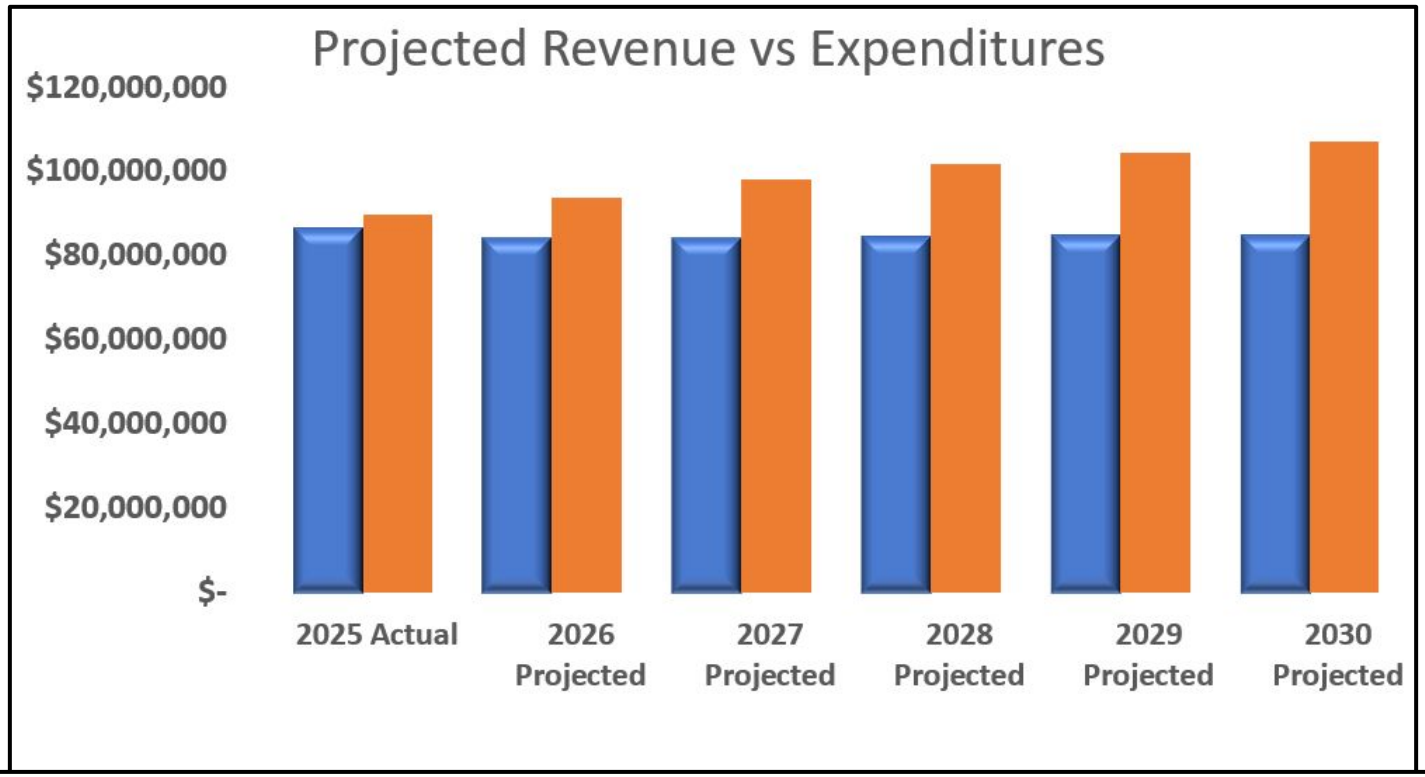
Transfer to:	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Food Service Fund	$0	$0	$0	$100,000	$100,000	$100,000	$100,000	$100,000
Uniform Schools Supplies	$52,134	$62,414	$61,526	$50,000	$50,000	$50,000	$50,000	$50,000
Termination Benefits Fund	$400,051	$568,507	$716,660	$500,000	$500,000	$550,000	$550,000	$550,000
Summer School	$0	$20,700	$0	$0	$0	$0	$0	$0
Field Turf Fund	$55,144	$54,327	$53,481	$52,605	$35,000	$35,000	$35,000	$35,000
Fund 070 Facilities Fund	$25,000,000	$0	$0	$0	$0	$0	$0	$0
PI Fund for SHS Track	$565,562	$0	$0	$0	$0	$0	$0	$0
Athletics	$6,381	$135,902	$176,821	$235,050	$268,845	$261,345	$284,445	$283,945

Strongsville City Schools

- General Fund Summary

Strongsville City Schools

FY 2025-2026 Revenue & Expenditure Projections (with renewal and does not included encumbrances)



Three Year Financial Outlook:

By FY 2028 the district is expected to trend toward a cash balance of $6,736,388

Net loss for the year is -$17,323,542

Five Year Financial Outlook:

By FY 2030 the district's cash balance is projected to trend toward -$35,169,670

Projected Net loss for FY 2030 is -$22,127,852

Strongsville City Schools
February 2026 Five-Year Forecast (in millions)

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Beginning Cash Balance	$62.3	$46.0	$51.3	$48.1	$38.3	$24.1	$2.6	-$25.5
Total Revenues	88.3	90.6	86.6	84.1	84.0	80.4	76.5	76.6
Total Expenditures	104.6	85.3	89.8	93.9	98.2	101.9	104.6	107.1
Revenues over Expenses	***-16.3***	***5.3***	***-3.2***	***-9.8***	***-14.2***	***-21.5***	***-28.1***	***-30.5***
Ending Cash Balance	46.0	51.3	48.1	38.3	24.1	2.6	-25.5	-56.0
Encumbrances	1.5	1.8	2.0	2.0	2.0	2.0	2.0	2.0
Unencumbered Balance	**44.5**	**49.5**	**46.1**	**36.3**	**22.1**	**0.6**	**-27.5**	**-58.0**
Property Tax - Renewal	0.0	0.0	0.0	0.0	0.0	4.1	8.4	8.3
Unencumbered Balance	**$44.5**	**$49.5**	**$46.1**	**$36.3**	**$22.1**	**$4.7**	**-$15.0**	**-$37.2**
Percent of Cash to Expenditures	**42.54%**	**58.03%**	**51.34%**	**38.66%**	**22.51%**	**4.61%**	**-14.34%**	**-34.73%**

Strongsville City Schools

February 2026 Five-Year Forecast (in millions)

Includes renewal levy within revenues

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Beginning Cash Balance	$62.3	$46.0	$51.3	$48.1	$38.3	$24.1	$6.7	-$13.0
Total Revenues	88.3	90.6	86.6	84.1	84.0	84.5	84.9	84.9
Total Expenditures	104.6	85.3	89.8	93.9	98.2	101.9	104.6	107.1
Revenues over Expenses	***-16.3***	***5.3***	***-3.2***	***-9.8***	***-14.2***	***-17.4***	***-19.7***	***-22.2***
Ending Cash Balance	46.0	51.3	48.1	38.3	24.1	6.7	-13.0	-35.2
Encumbrances	1.5	1.8	2.0	2.0	2.0	2.0	2.0	2.0
Unencumbered Balance	**$44.5**	**$49.5**	**$46.1**	**$36.3**	**$22.1**	**$4.7**	**-$15.0**	**-$37.2**
Percent of Cash to Expenditures	**42.54%**	**58.03%**	**51.34%**	**38.66%**	**22.51%**	**4.61%**	**-14.34%**	**-34.73%**

Strongsville City Schools

February 2026 Five-Year Forecast (in millions)

Includes renewal levy within revenues

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Cash Balance	$62.3	$46.0	$51.3	$48.1	$38.3	$24.1	$6.7
ues	88.3	90.6	86.6	84.1	84.0	84.5	84.9
ditures	104.6	85.3	89.8	93.9	98.2	101.9	104.6
ver Expenses	-16.3	5.3	-3.2	-9.8	-14.2	-17.4	-19.7
h Balance	46.0	51.3	48.1	38.3	24.1	6.7	-13.0
ces	1.5	1.8	2.0	2.0	2.0	2.0	2.0
ered Balance	$44.5	$49.5	$46.1	$36.3	$22.1	$4.7	-$15.0
Cash to es	42.54%	58.03%	51.34%	38.66%	22.51%	4.61%	-14.34%

ewal levy within revenues

Strongsville City Schools

FY 2025-2026 Forecast Summary

Strongsville City Schools has maintained an operating surplus since 2011. As a government entity, our school district is required to operate in the positive. Operating in a deficit could result in the following declarations by both the Ohio Department of Education and/or the Auditor of State: Fiscal Caution, Fiscal Watch, and/or Fiscal Emergency. To be removed from one of these categories, the school district must demonstrate fiscal stability by eliminating current deficits and avoiding future deficits.

At the close of fiscal year 2025, the ending cash balance within the general operating fund was $48.1 million. During fiscal year 2023, through the work and recommendation of the District's Finance Committee (a group comprised of local community members and business professionals), the Board of Education adopted a new cash balance reserve policy to address minimums and maximums within the general operating fund. During the adoption of the policy, the Board approved a general operating fund transfer of $25 million to a capital projects fund for future capital projects.

The February 2026 five year forecast for the general operating fund for fiscal year 2026 estimates revenues of $84.1 million and estimated expenditures of $93.9 million. This equates to estimated revenues **under** estimated expenditures of **$-9.8 million**. For additional information on these budget details, visit the Treasurer's Department page on our District's website and click on "Financial Reports."

Strongsville City Schools

Cash Balance Policy

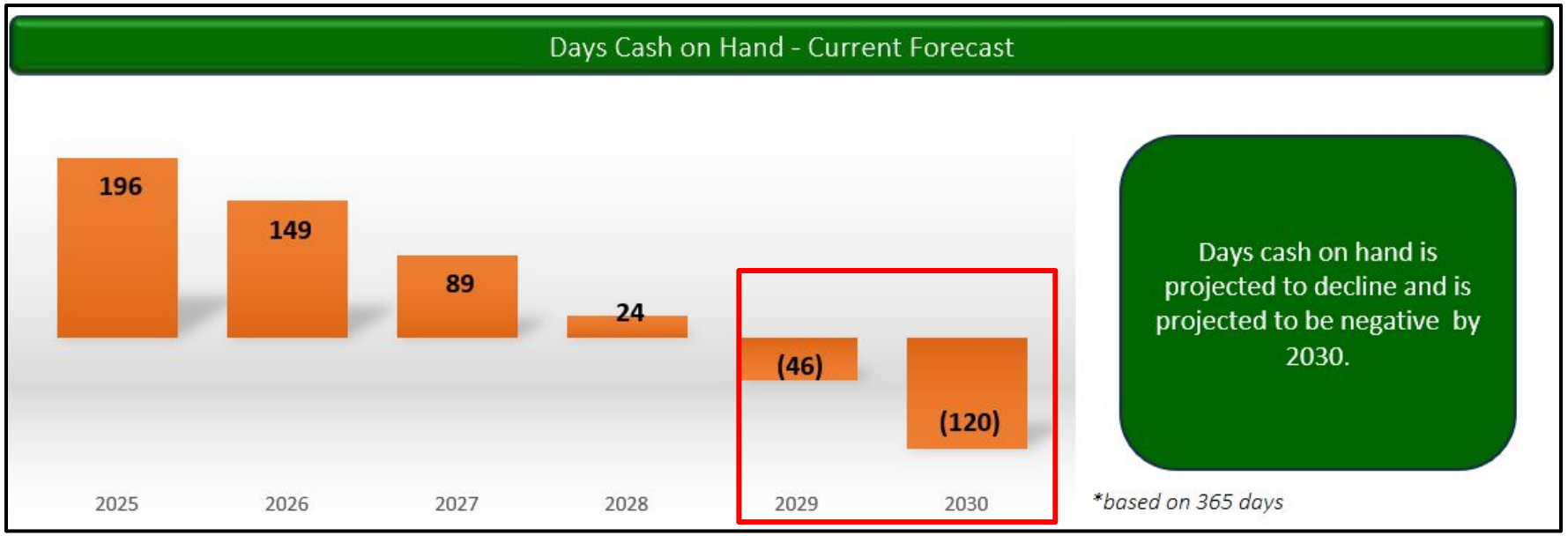
Cash Balance Policy:

The Board believes that maintaining a cash reserve unencumbered unreserved balance of ninety (90) days of operating expenditures is necessary in the interest of sound fiscal management. The Board affirms that tax levies may be pursued, and/or the District's finances otherwise managed, to ensure a General Operating Fund unencumbered unreserved cash balance equivalent to at least ninety (90) days of operating expenditures. Promptly upon receiving an indication that such cash balance may not be achieved within any year of the five (5) year forecast, the Treasurer/CFO shall report such a finding to the Board. Upon such notification by the Treasurer/CFO, the Superintendent and Treasurer/CFO will prepare and propose options that the Board may consider to forestall such an eventuality.

Further, when a General Operating Fund cash balance exceeds 150 days the Superintendent and/or Treasurer/CFO may recommend the funds be transferred to an approved 070 Capital Projects fund for future capital improvements as approved by the Board. The transfer must be approved by the Board and cannot result in the General Operating Fund cash balance falling below ninety (90) days in any year of the rolling five (5) year forecast.

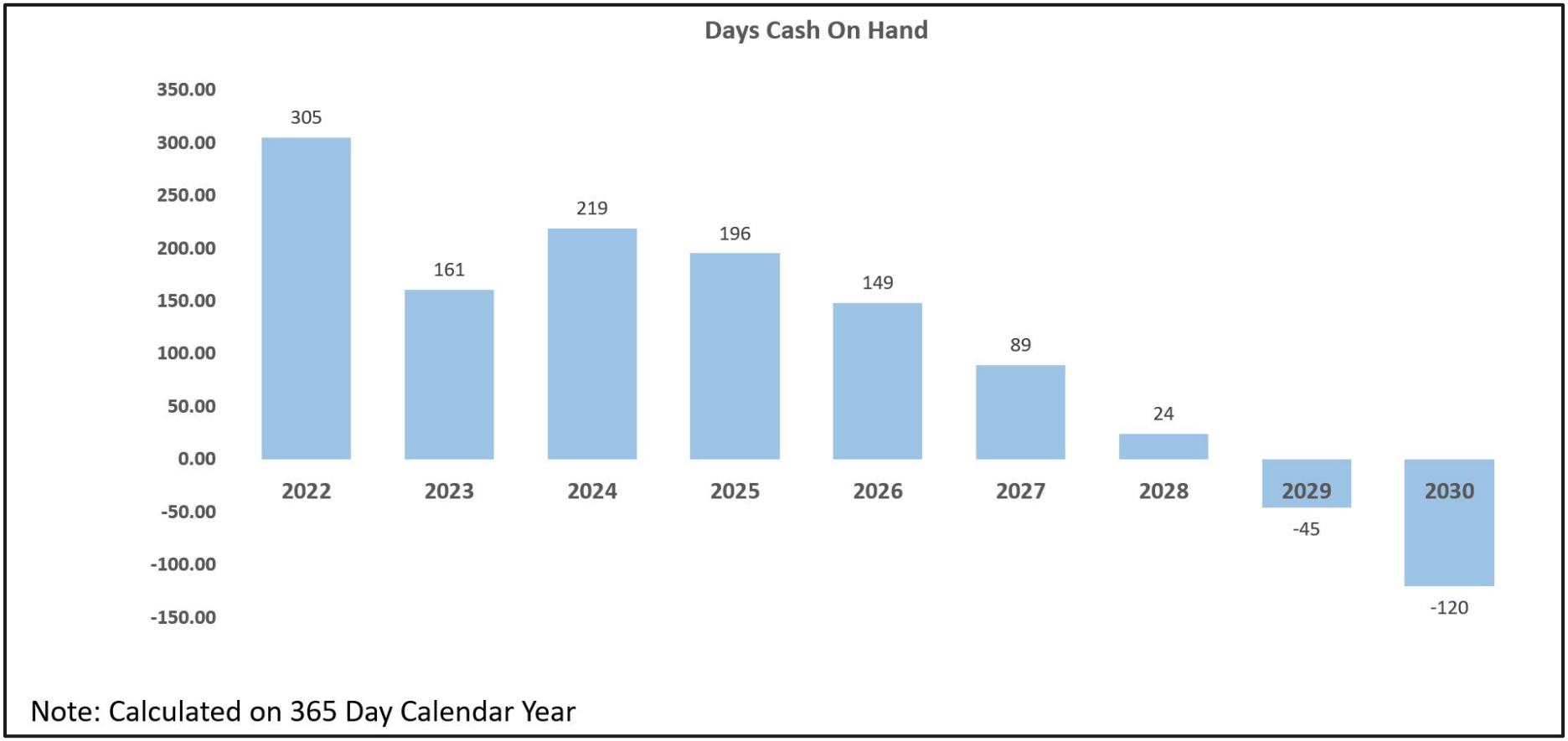
Strongsville City Schools

FY 2025-2026 Days Cash on Hand (with renewal)



Strongsville City Schools

FY 2025-2026 Days Cash on Hand expanded historical (with renewal levy)



Note: Calculated on 365 Day Calendar Year

Strongsville City Schools

2025-2026 Days Cash on Hand expanded historical (with renev

Calculated on 365 Day Calendar Year

Strongsville City Schools

Cash Management / Cash Balances

Necessity of Cash Balances in Ohio:

School officials must plan and monitor district cash flow as they practice responsible stewardship. The District's five year forecast is an informed prediction for how long the revenue/expenses cycle will maintain a healthy cash balance. The revenue of surplus or deficit line within the five year forecast provides a picture of the district's changing financial obligations over time, pointing to the need for a fund balance in preparation for future expenses.

Reasons why a district may carry a cash balance at the end of the fiscal year:

- **Cash Flow:** Main sources of revenue is property taxes which is received 5 of out the 12 months on the year. Need a cash balance to sustain the low cash periods (December, January, first payroll in February, June, and first payroll in July) to meet liability obligations in those months.
- **Levy cycles:** Since levies are limited to a fixed dollar amount, tax revenues may not keep up with increases in operating costs. Particularly when expenditures typically increase 5-7 percent annually.

- **Expenditure volatility:**
  - Staffing needs - Over the past two years, general fund staff increased by 75 positions due increasing enrollment coupled additional support for student needs.
  - Health care - Over the past two years, health care cost increased by 15.00% and 3.00%
  - Non Personnel Expenditures - cost of goods and services continues to increase.

- **Credit Score / Bond Rating:** Over the past several years, the District's Bond rating has received two credit ratings upgrades from Moody's a Aa3 to **Aa1.** As a result of the increased Bond ratings the District was able to refinance outstanding debt at a lower tax rate which ***reduced the District debt obligation by $19,862,030, a direct savings of $30 per $100,000 of valuation to the taxpayers over the life of the debt*.**

Strongsville City Schools

Department of Education & Workforce Review

Forecast Examination:

The Department examines all five-year forecast submissions. If the Department determines a district has the potential to incur a deficit during the first three years of the five-year period, the district will be required to submit a written plan to eliminate the "flagged" deficit(s).

- In Fiscal Year 2026 and Fiscal Year 2027 the department uses Line 10.010 to identify potential deficits.
- Districts projecting deficits at Line 10.010 in Fiscal Year 2026 or Fiscal Year 2027 may be placed into fiscal oversight.

	ACTUAL			FORECASTED				
	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030
Fund Balance June 30 for Certification								
10.010 - of Appropriations	44,548,780	49,467,515	46,111,939	36,247,203	22,059,930	602,276	(27,458,434)	(57,897,412)

- In Fiscal Year 2028 the Department uses Line 12.010 to identify potential deficits, thereby assuming any projected renewal levies will pass.

	ACTUAL			FORECASTED				
	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030
Fund Balance June 30 for Certification								
10.010 - of Appropriations	44,548,780	49,467,515	46,111,939	36,247,203	22,059,930	602,276	(27,458,434)	(57,897,412)
Rev from Replacement/Renewal Levies								
11.010 - Income Tax - Renewal				-	-	-	-	-
11.020 - Property Tax - Renewal or Replacement				-	-	4,134,112	8,282,504	8,311,126
11.030 - Cumulative Balance of Replacement/Renewal Levies	-	-	-	-	-	4,134,112	12,416,616	20,727,742
Fund Balance June 30 for Certification								
12.010 - of Contracts, Salary and Other Obligations	44,548,780	49,467,515	46,111,939	36,247,203	22,059,930	4,736,388	(15,041,818)	(37,169,670)

Strongsville City Schools

- Levy Modeling

Strongsville City Schools

February 2026 Five-Year Forecast (in millions)

Levy or Cost Reduction Modeling - Nov 2026

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Beginning Cash Balance	$62.3	$46.0	$51.3	$48.1	$38.3	$29.1	$21.7	$12.0
Total Revenues	88.3	90.6	86.6	84.1	84.0	80.4	76.5	76.6
Property Tax - Renewal	0.0	0.0	0.0	0.0	0.0	4.1	8.4	8.3
New Levy or Cost Reduction $10M - Nov 2026	0.0	0.0	0.0	0.0	5.0	10.0	10.0	10.0
Total Expenditures	104.6	85.3	89.8	93.9	98.2	101.9	104.6	107.1
Revenues over Expenses	***-16.3***	***5.3***	***-3.2***	***-9.8***	***-9.2***	***-7.4***	***-9.7***	***-12.2***
Ending Cash Balance	46.0	51.3	48.1	38.3	29.1	21.7	12.0	-0.2
Encumbrances	1.5	1.8	2.0	2.0	2.0	2.0	2.0	2.0
Unencumbered Balance	**$44.5**	**$49.5**	**$46.1**	**$36.3**	**$27.1**	**$19.7**	**$10.0**	**-$2.2**
Percent of Cash to Expenditures	**42.54%**	**58.03%**	**51.34%**	**38.66%**	**27.60%**	**19.33%**	**9.56%**	**-2.05%**

Levy or Cost Reduction Modeling for simulation purposes, amount used of $10M was the value of the 2019 renewal levy that expired.

Strongsville City Schools

September 2025 Five-Year Forecast (in millions)

Levy or Cost Reduction Modeling - May / Nov 2027

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Beginning Cash Balance	$62.3	$46.0	$51.3	$48.1	$38.3	$24.1	$11.8	$2.1
Total Revenues	88.3	90.6	86.6	84.1	84.0	80.4	76.5	76.6
Property Tax - Renewal	0.0	0.0	0.0	0.0	0.0	4.2	8.4	8.5
New Levy or Cost Reduction $10M - May / Nov 2027	0.0	0.0	0.0	0.0	0.0	5.0	10.0	10.0
Total Expenditures	104.6	85.3	89.8	93.9	98.2	101.9	104.6	107.1
Revenues over Expenses	***-16.3***	***5.3***	***-3.2***	***-9.8***	***-14.2***	***-12.3***	***-9.7***	***-12.0***
Ending Cash Balance	46.0	51.3	48.1	38.3	24.1	11.8	2.1	-9.9
Encumbrances	1.5	1.8	2.0	2.0	2.0	2.0	2.0	2.0
Unencumbered Balance	**$44.5**	**$49.5**	**$46.1**	**$36.3**	**$22.1**	**$9.8**	**$0.1**	**-$11.9**
Percent of Cash to Expenditures	**42.54%**	**58.03%**	**51.34%**	**38.66%**	**22.51%**	**9.62%**	**0.10%**	**-11.11%**

Levy or Cost Reduction Modeling for simulation purposes, amount used of $10M was the value of the 2019 renewal levy that expired.

Strongsville City Schools

- Questions?