OLENTANGY SCHOOLS

JANUARY 2026 FINANCIAL FORECAST PRESENTATION

OLENTANGY SCHOOLS℠
Flourish Here.

PRESENTATION OVERVIEW

- Financial Forecast at a Glance: Summary View

- General Fund Revenues
  - Total Revenue
  - Real Estate Revenue
  - State Funding Revenue

- General Fund Expenditures
  - Personnel Expenditures: Salaries
  - Personnel Expenditures: Benefits
  - Staffing Growth

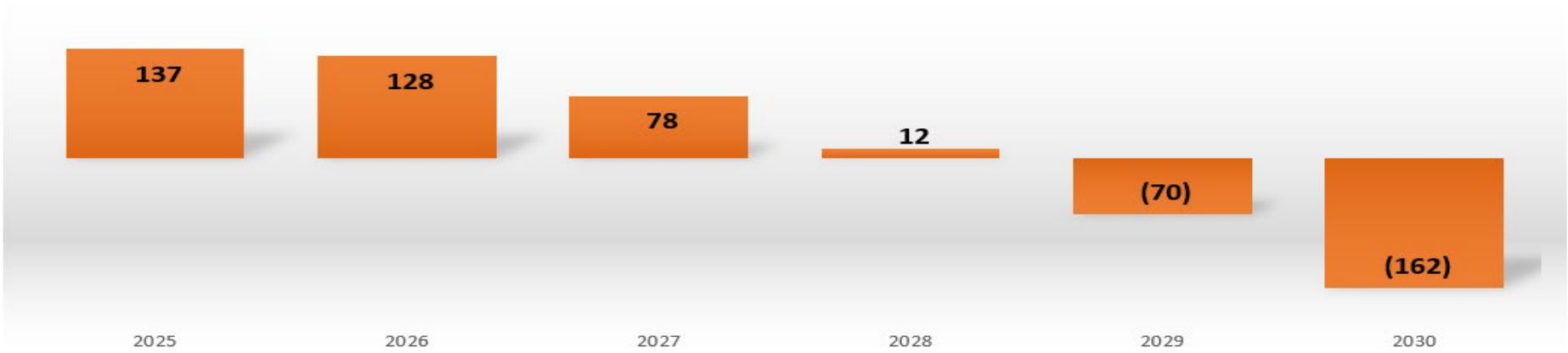
Financial Forecast at a Glance

Financial Forecast Summary

	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030
Beginning Balance (Line 7.010) **Includes Renewal/New Levy Revenue, see Disclosures*	157,978,435	141,185,562	93,231,903	15,071,005	(99,737,876)
+ Revenue	387,231,532	389,283,250	396,088,633	403,275,595	412,042,575
- Expenditures	(404,024,405)	(437,236,909)	(474,249,532)	(518,084,476)	(562,479,073)
= Revenue Surplus or Deficit	(16,792,873)	(47,953,659)	(78,160,899)	(114,808,880)	(150,436,498)
Line 7.020 Ending Balance with Renewal/New Levies	141,185,562	93,231,903	15,071,005	(99,737,876)	(250,174,374)

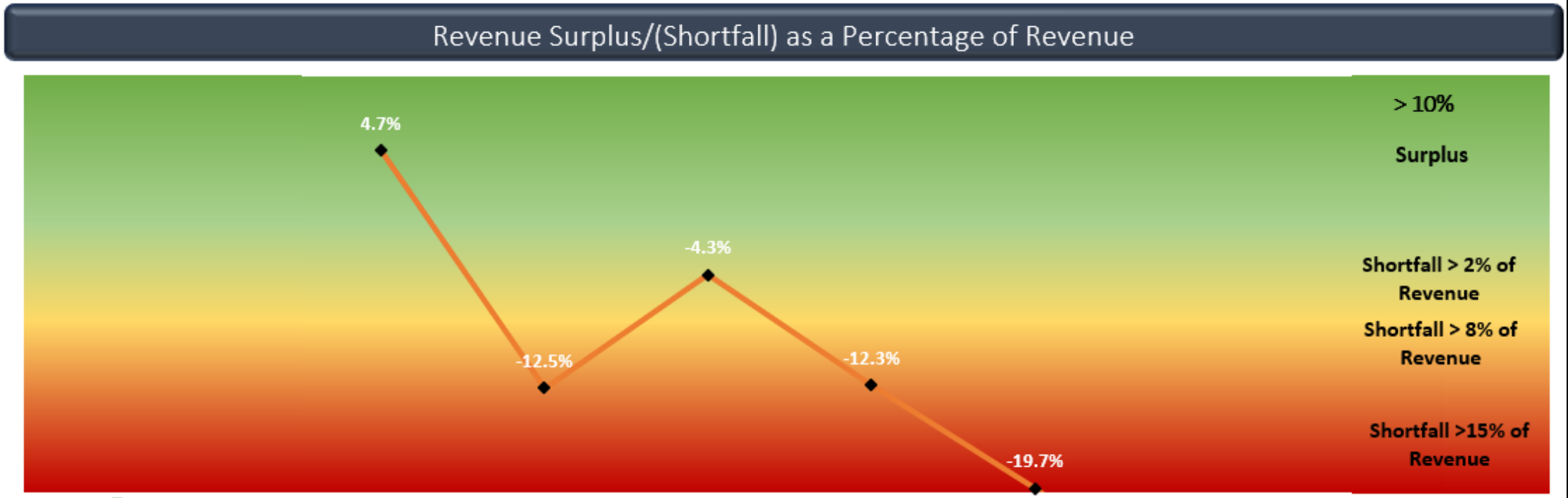
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Days Cash on Hand at Fiscal Year-end



*based on 365 days

Financial Forecast at a Glance



Current Forecast Surplus/(Shortfall)	2024	2025	2026	2027	2028	2029	2030
	4.7%	-12.5%	-4.3%	-12.3%	-19.7%	-28.5%	-36.5%

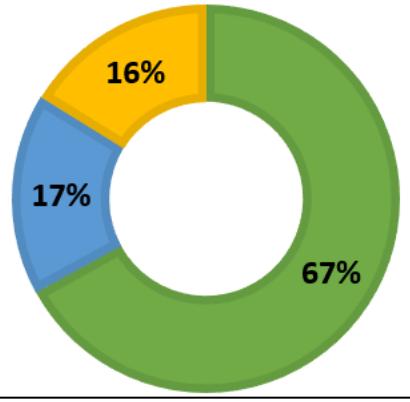
The district is trending toward revenue shortfall with the expenditures growing faster than revenue.

A revenue increase of 28.47% is needed to balance the budget in fiscal year 2030, or a $150,436,498 reduction in expenditures.

- The largest contributor to the projected revenue trend is the change in Real Estate.
- The expenditure most impacting the changing trend is Other Uses.

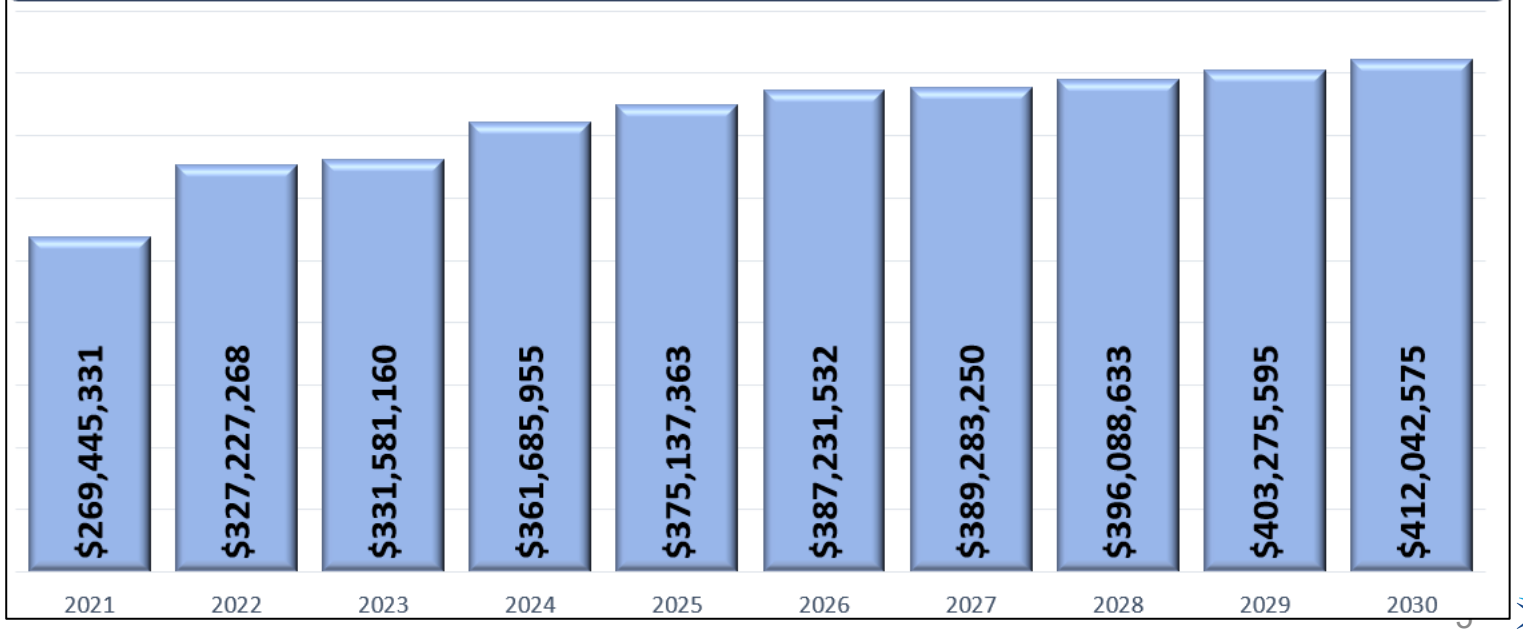
REVENUE

Revenue Sources



Local Taxes	
Real Estate Tax	61.01%
Public Utility Tax	6.00%
Income Tax	0.00%
State Sources	
State Funding	10.28%
Restricted Aid	0.91%
State Reimb Prop Tax Cre	5.59%
All Other Revenue	
Other Revenue	14.44%
Other Sources	1.77%

Annual Revenue Actual + Projected



Revenue Changes: Historical & Projected

Historic Revenue Change versus Projected Revenue Change

	Historical Average Annual $$ Change	Projected Average Annual $$ Change	Projected Compared to Historical Variance
Real Estate	$13,048,509	$5,519,477	($7,529,031)
Public Utility	$1,863,649	$756,045	($1,107,604)
Income Tax	$0	$0	$0
State Funding	$5,686,841	$1,215,466	($4,471,375)
State Reimb Prop Tax Credits	$668,572	$462,267	($206,305)
All Othr Op Rev	$4,610,146	($568,584)	($5,178,730)
Other Sources	$1,079	($3,628)	($4,707)
Total Average Annual Change	$25,878,795	$7,381,042	($18,497,752)
	9.04%	1.90%	-7.15%

Over the past five years, revenue increased by 9.04% ($25,878,795 annually). However, it is only projected to increase by 1.90% ($7,381,042 annually) through fiscal year 2030. Notably, Real Estate, is expected to be $7,529,031 less per year compared to history, and is the biggest driver of trend change on the revenue side. The last successful operating levy passed in the district was in the Spring of 2020. The decline in average revenue change moving forward is therefore a feature of no additional operating funds from real estate taxes being forecasted.

For Comparison:

Expenditure average annual change is projected to be > $28,094,832

On an annual average basis, expenditures are projected to grow faster than revenue.

REAL ESTATE REVENUE

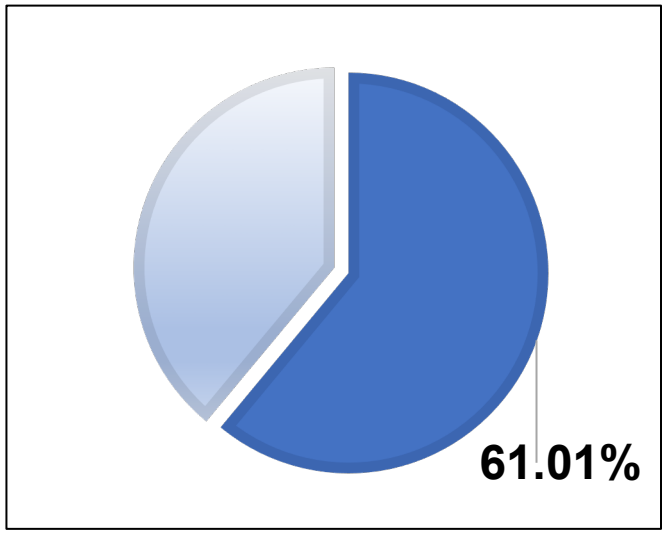
Key Assumptions & Notes

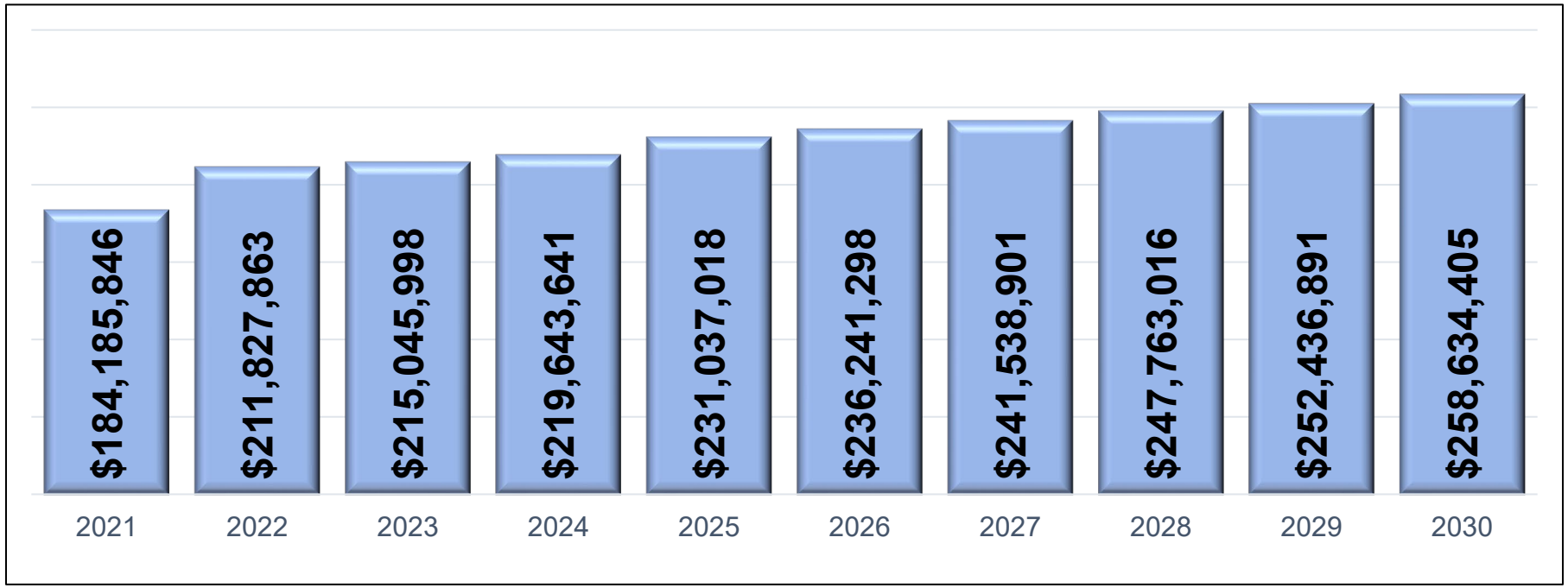
Values, Tax Rates and Gross Collections							Gross Collection Rate
Tax Yr	Valuation	Value Change	Class I Rate	Change	Class 2 Rate	Change	Including Delinquencies
2024	6,711,618,040	186,044,820	36.81	-	47.91	-	100.6%
2025	6,929,570,240	217,952,200	36.37	(0.44)	48.68	0.77	99.0%
2026	7,935,320,240	1,005,750,000	32.81	(3.56)	44.23	(4.45)	99.0%
2027	8,105,447,240	170,127,000	32.75	(0.06)	44.01	(0.22)	99.0%
2028	8,279,176,822	173,729,582	32.69	(0.06)	43.79	(0.22)	99.0%
2029	9,167,271,224	888,094,402	30.43	(2.26)	40.44	(3.34)	99.0%

Class I, or residential/agricultural taxes make up approximately 85.64% of the real estate property tax revenue. The Class I tax rate is 36.37 mills in tax year 2025. The projections reflect an average gross collection rate of 99.0% annually through tax year 2029. The revenue changed at an average annual historical rate of 6.99% and is projected to change at an average annual rate of 2.28% through fiscal year 2030.

Real estate collections will also be impacted by HB 335, which will reduce the increase in collections driven by inside millage. Per previous law, the District currently assesses 5 inside mills that have traditionally not changed, even when values increase . HB 335 will create a mechanism whereby inside mills will be reduced in a triennial update or reappraisal year, limiting the overall increase in taxes driven by inside mills tied to the GDP deflator (i.e., inflation) over the previous three-year period. As an example, if during the 2026 reappraisal the District's valuation increases by 12%, and the GDP deflator over the years from 2023 to 2025 is 8%, then inside mills will be reduced so that increases in taxes driven by inside mills are capped at 8%. Over time, the District is forecasting marginal decreases in inside mills due to HB335.

REAL ESTATE REVENUE





The last successful operating levy passed in the district was in the Spring of 2020. The decline in average revenue change moving forward is therefore a feature of no additional operating funds from real estate taxes being forecasted.

STATE FUNDING REVENUE

Amended Substitute House Bill 96 Growth Calculations and other Components:

Fully phases in the Fair School Funding Plan (FSFP) by increasing the phase-in to 83.33% in FY2026, then 100% in FY2027 – **BUT holds the base cost components to FY2022 levels.** Increases the minimum transportation state share percentage from 41.67% in FY 2025 to 45.83% in FY 2026 and 50% in FY 2027;

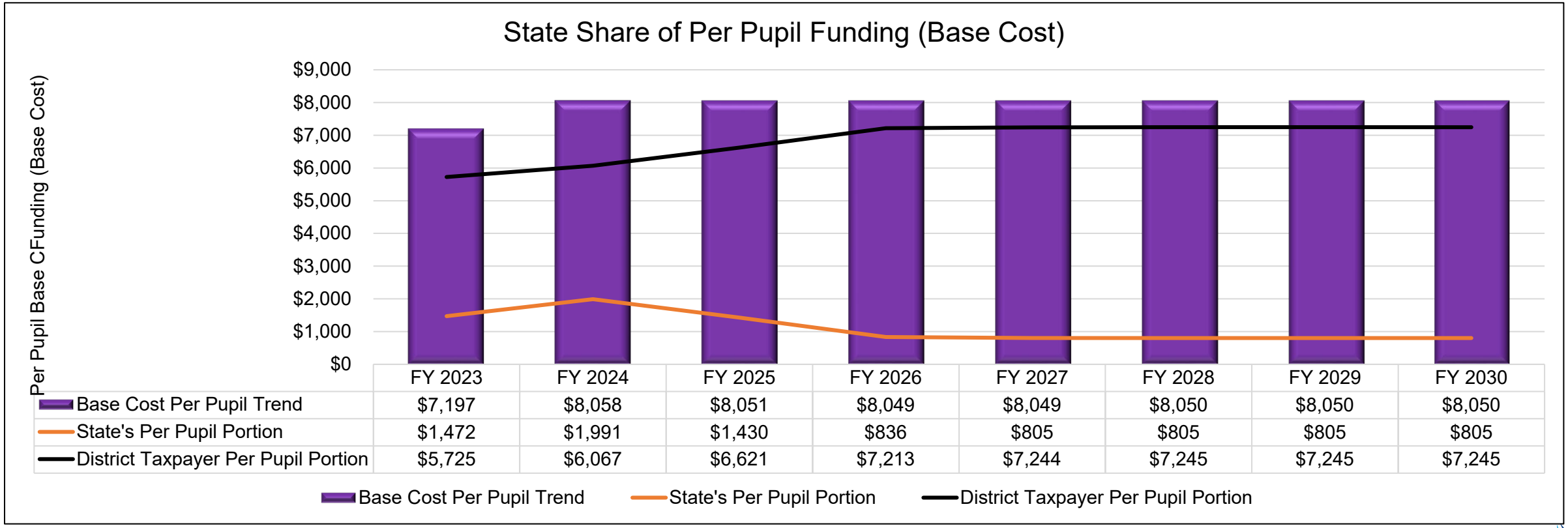
Provides an enrollment growth supplement in FY 2026 and FY 2027 to districts whose enrolled ADM grew by at least 3% between FY 2022 and FY 2025 for the FY 2026 payment, and between FY 2023 and FY 2026 for the FY 2027 payment.

Calculates the payment as equal to a district's current year enrolled ADM times:
(a) $225 per student in FY 2026 to each district whose enrolled ADM grew by at least 5% from FY 2022 to FY 2025; and
(b) $250 per student in FY 2027 to each district whose enrolled ADM grew by at least 3% from FY 2023 to FY 2026.

Provides a base funding supplement in FY 2026 and FY 2027 equal to a district's enrolled ADM for the fiscal year times $27 in FY 2026 and $40 in FY 2027.
Extends the formula used for calculating preschool special education payments to FY 2026 and FY 2027.

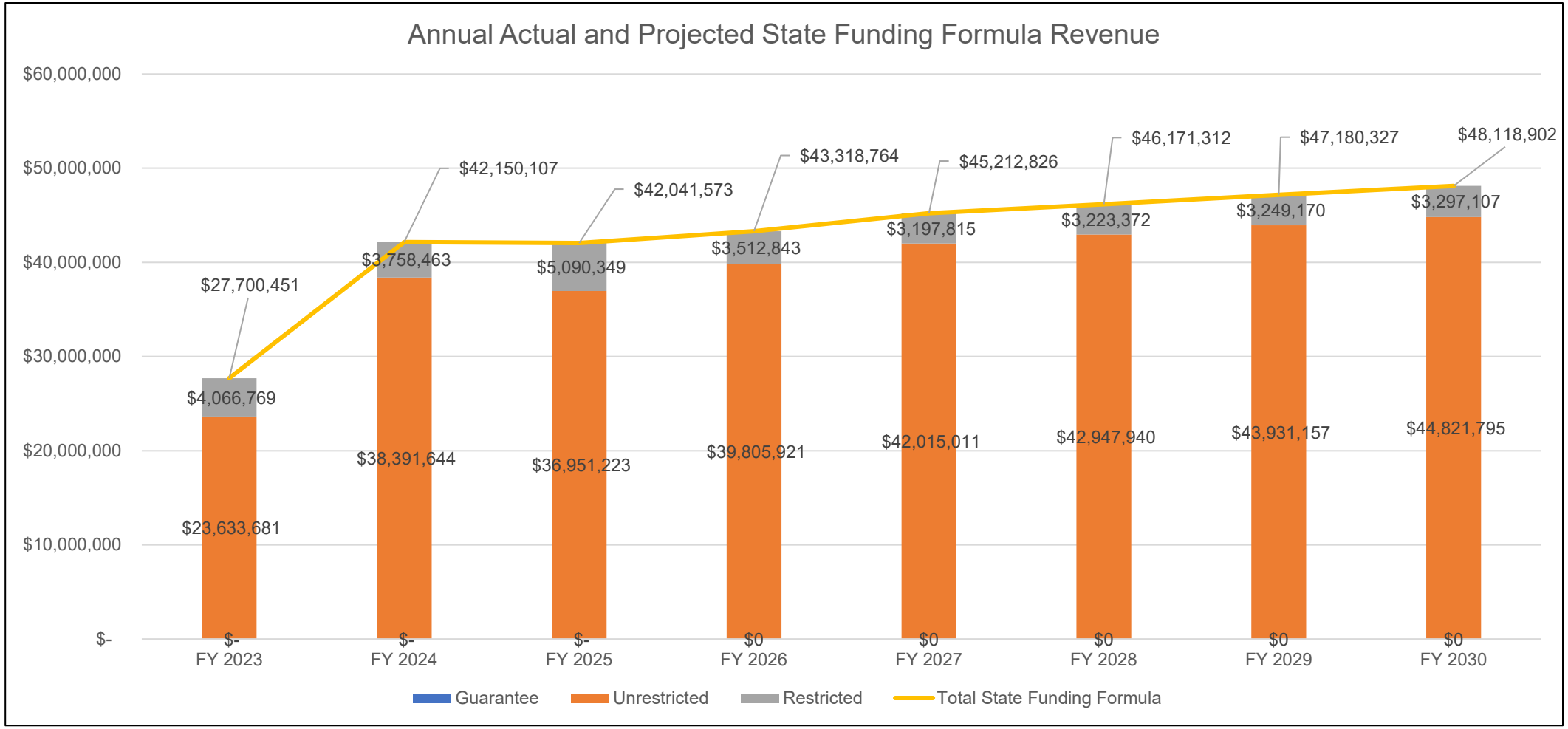
STATE FUNDING REVENUE

Perhaps the most critical development, however, is that base cost per pupil will still be calculated using FY2022 data – this leads to a dramatic shift in the amount that must be contributed locally by Olentangy Schools. Without the funding supplements added by the 136th GA in Am. Sub, HB 96, our state funding per pupil would be at historic lows:



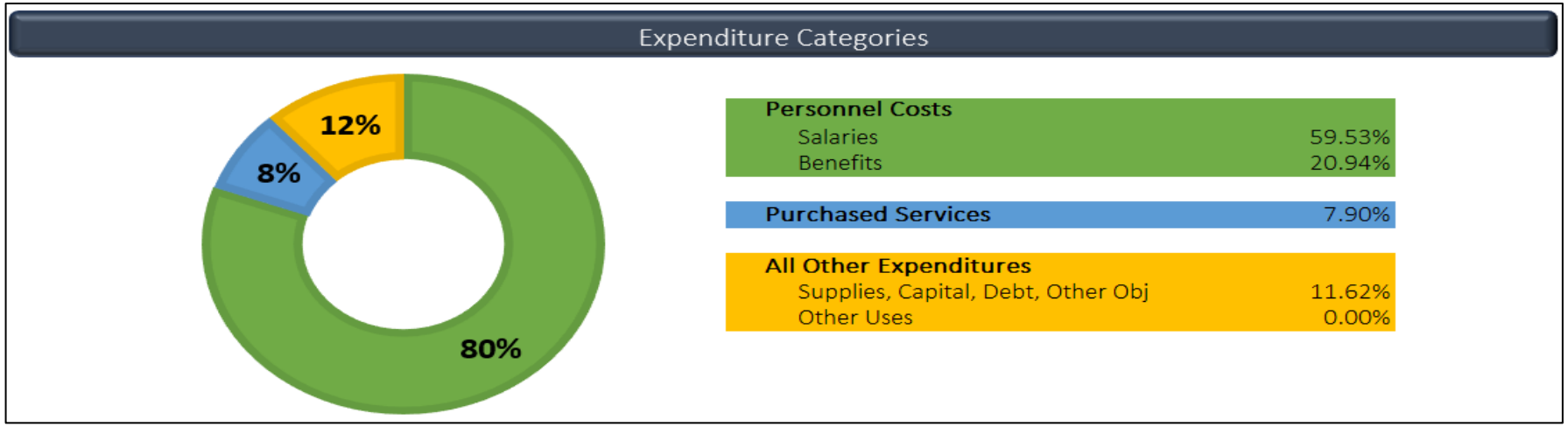
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Base Cost Per Pupil Trend	$7,197	$8,058	$8,051	$8,049	$8,049	$8,050	$8,050	$8,050
State's Per Pupil Portion	$1,472	$1,991	$1,430	$836	$805	$805	$805	$805
District Taxpayer Per Pupil Portion	$5,725	$6,067	$6,621	$7,213	$7,244	$7,245	$7,245	$7,245

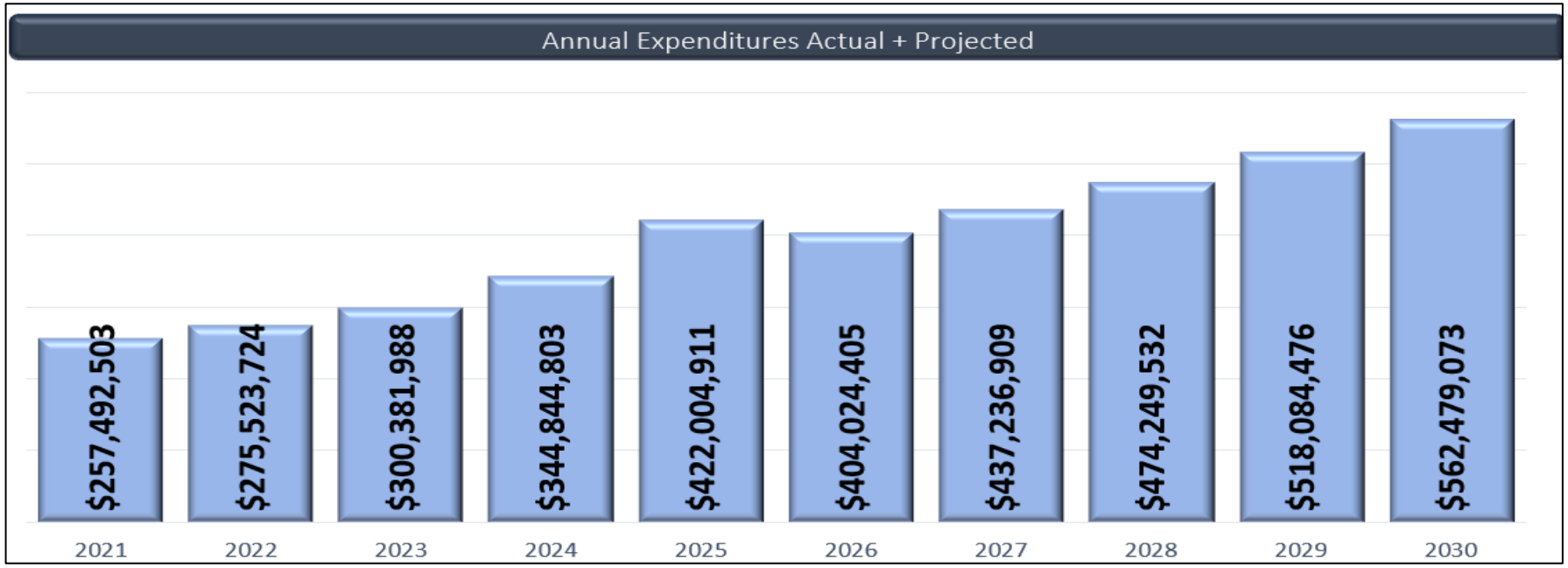
STATE FUNDING REVENUE



State formula funding revenue increased by about $6.4M per year from FY21 to FY25. But for the next 5 years, the average increase state formula funding will drop to about $1.215M per year as the District's growth in local wealth per pupil outpaces the state's overall wealth per pupil growth, and as the base cost components of the FSFP continue to use costs from 4-5 fiscal years ago.

EXPENSES


Expenditure Categories
12%
8%
80%
Personnel Costs
Salaries 59.53%
Benefits 20.94%
Purchased Services 7.90%
All Other Expenditures
Supplies, Capital, Debt, Other Obj 11.62%
Other Uses 0.00%


Annual Expenditures Actual + Projected
$257,492,503
$275,523,724
$300,381,988
$344,844,803
$422,004,911
$404,024,405
$437,236,909
$474,249,532
$518,084,476
$562,479,073
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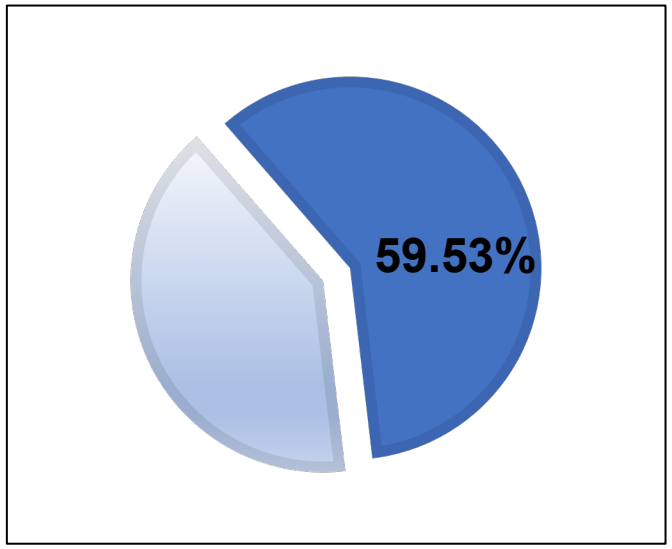
EXPENSE CHANGES HISTORICAL & PROJECTED

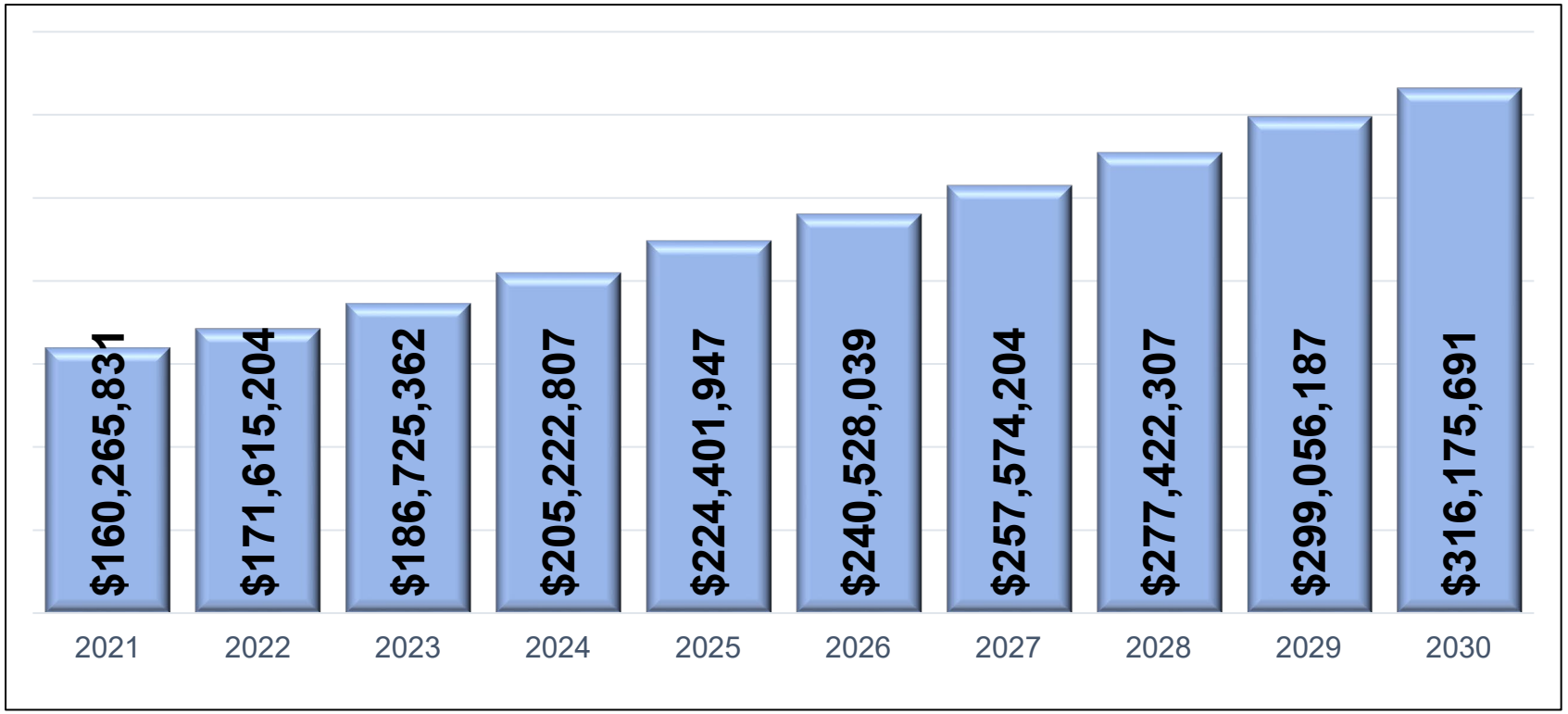
Historic Expenditures Change versus Projected Expenditures Change

	Historical Average Annual $$ Change	Projected Average Annual $$ Change	Projected Compared to Historical Variance
Salaries	$14,646,206	$18,354,749	$3,708,543
Benefits	$4,969,640	$7,904,119	$2,934,479
Purchased Services	$2,226,006	$5,109,481	$2,883,475
Supplies & Materials	$762,263	$2,065,904	$1,303,640
Capital Outlay	$477,303	($292,008)	($769,312)
Intergov & Debt	$170,888	($170,887)	($341,775)
Other Objects	$3,067,266	$5,123,476	$2,056,210
Other Uses	$9,700,000	($10,000,000)	($19,700,000)
Total Average Annual Change	$35,848,685	$28,094,832	($7,753,853)
	11.85%	6.05%	-5.81%

Expenditures increased by 11.85% ($35,848,685 annually) during the past 5-year period, and are projected to increase by 6.05% ($28,094,832 annually) through 2030. The forecast line with the most change on the expense side, Other Uses, is anticpated to be $19,700,000 less per year in the projected period compared to historical averages.

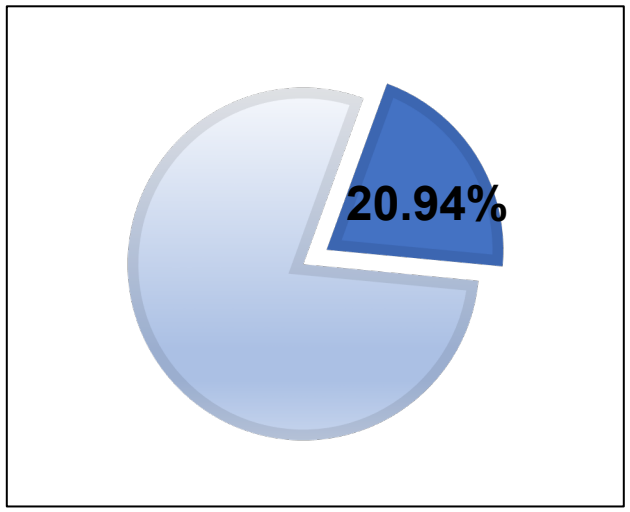
PERSONNEL EXPENSES

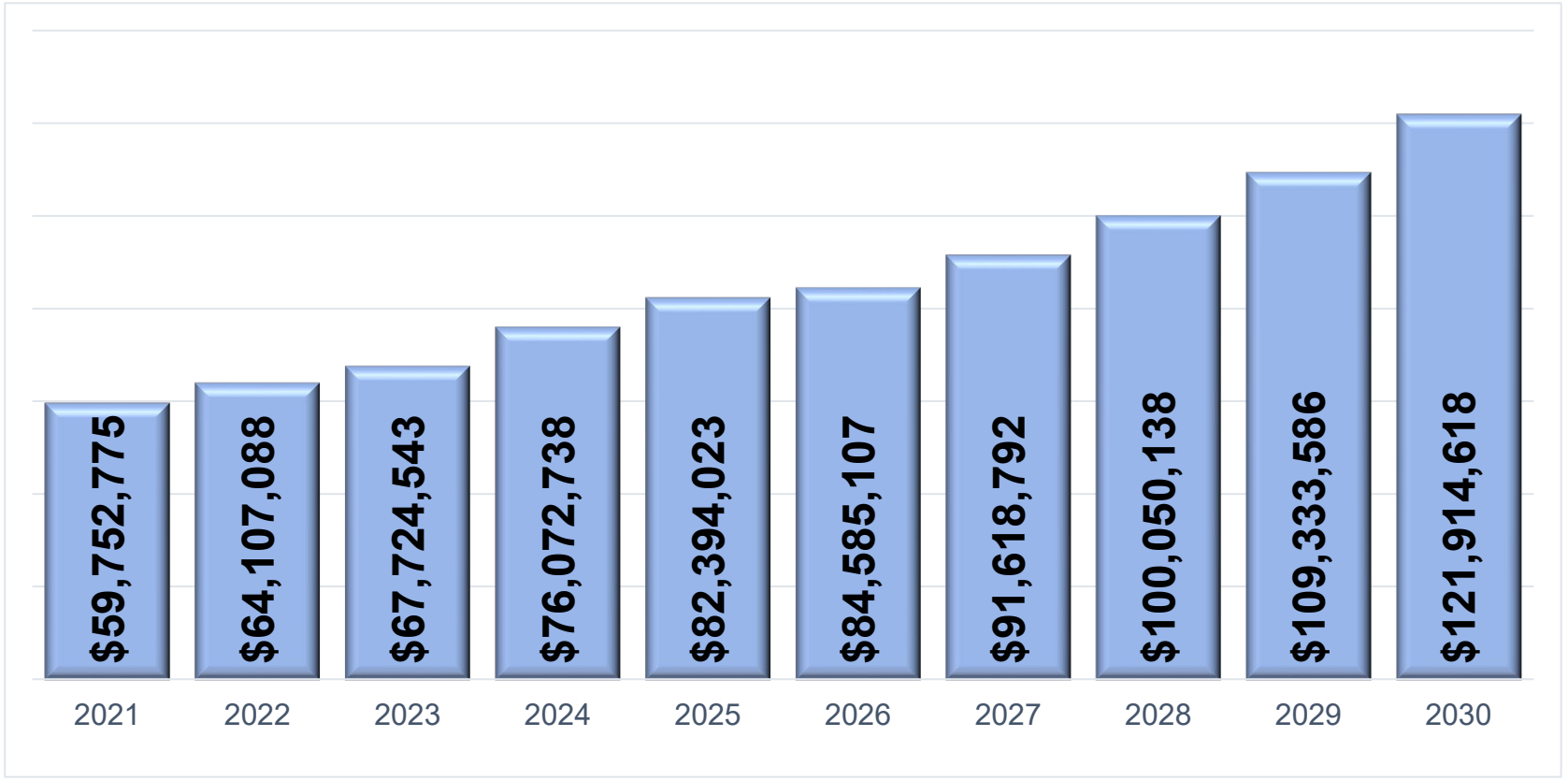




Salaries are projected to increase by about $18.3M per year moving forward – note that this includes forecasted staffing growth and increases due to negotiations and salary indices.

BENEFIT EXPENSES





Benefits are projected to increase by about $7.9M per year moving forward – note that this includes forecasted staffing growth; increases in salary driven fringe benefits (e.g., Medicare, STRS/SERS); and forecasted increases in health care costs

PERSONNEL EXPENSES:WHAT'S DRIVING THE SALARY COSTS—WAGE INCREASES

Forecasted Negotiated Salary Increases

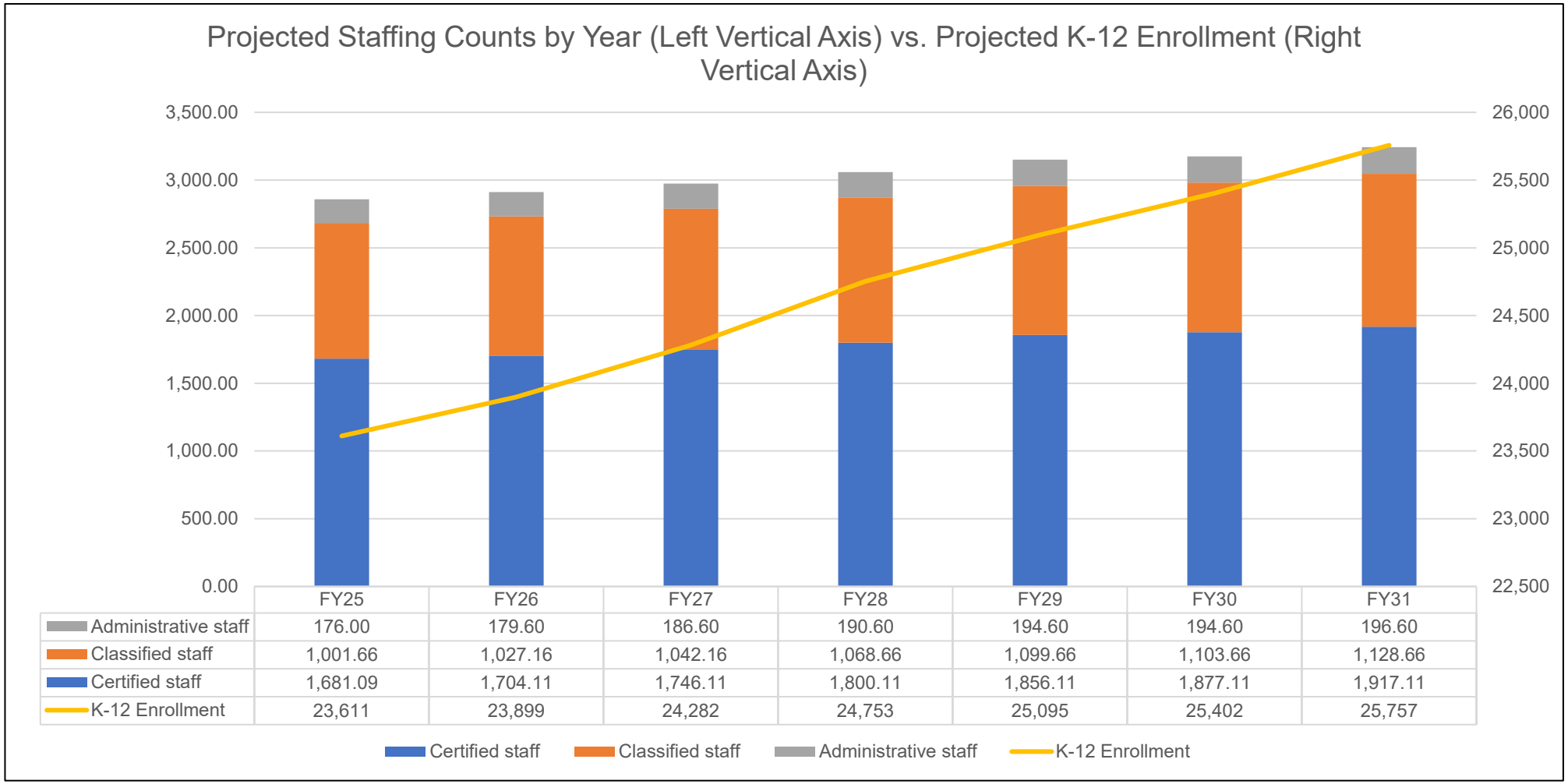
	2025-26	2026-27	2027-28	2028-29	2029-30
Certified Staff	2.50%	3.00%	3.00%	2.50%	2.50%
Classified Staff	2.50%	3.00%	3.00%	2.50%	2.50%
Administrative Staff	2.50%	3.00%	3.00%	2.50%	2.50%

Forecasted Step Increases in Aggregate

	2025-26	2026-27	2027-28	2028-29	2029-30
Certified Staff	2.70%	2.70%	2.70%	2.70%	2.70%
Classified Staff	2.90%	2.90%	2.90%	2.90%	2.90%
Administrative Staff	N/A	N/A	N/A	N/A	N/A

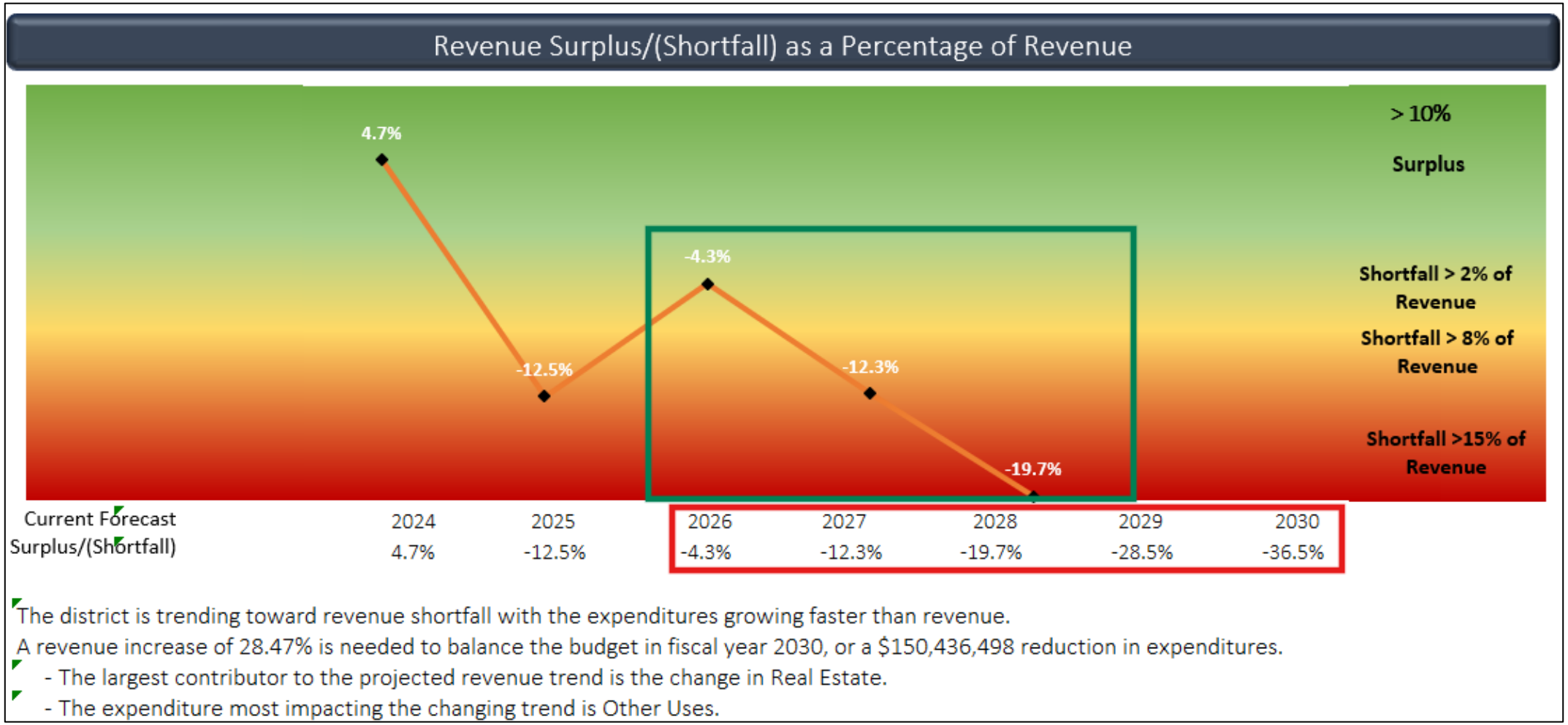
Current bargaining unit agreements are in place with the Olentangy Teacher's Association, and with all classified unions (the Ohio Association of Public School Employees (OAPSE) Locals 039 (Transportation), 222 (Intervention & Clinic Aides) and 322 (Custodial, Maintenance & Field Tech), through June 30, 2028.

PERSONNEL EXPENSES:WHAT'S DRIVING THE SALARY COSTS—PROJECTED GROWTH



	FY25	FY26	FY27	FY28	FY29	FY30	FY31
Administrative staff	176.00	179.60	186.60	190.60	194.60	194.60	196.60
Classified staff	1,001.66	1,027.16	1,042.16	1,068.66	1,099.66	1,103.66	1,128.66
Certified staff	1,681.09	1,704.11	1,746.11	1,800.11	1,856.11	1,877.11	1,917.11
K-12 Enrollment	23,611	23,899	24,282	24,753	25,095	25,402	25,757

THE NEED FOR AN OPERATING LEVY?



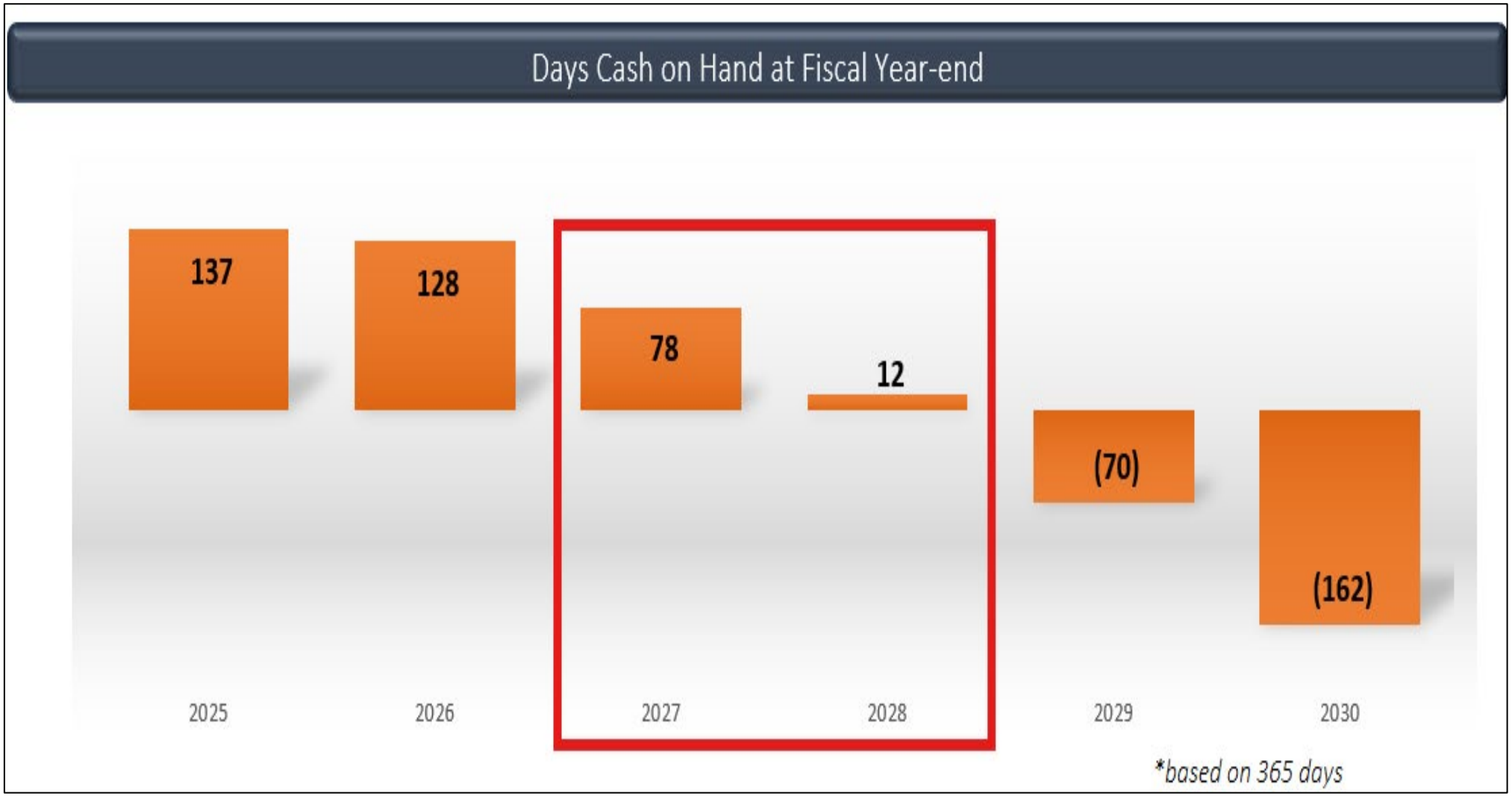
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THE NEED FOR AN OPERATING LEVY?





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