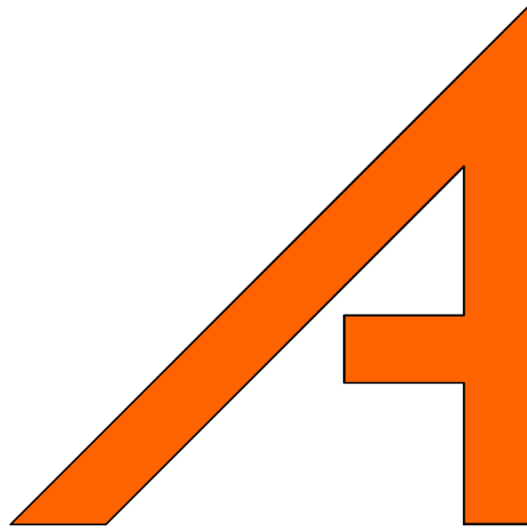


**ASHLAND CITY SCHOOL DISTRICT
ASHLAND COUNTY
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES
IN FUND BALANCES FOR THE FISCAL YEARS ENDED
JUNE 30, 2023, 2024, and 2025 ACTUAL
FORECASTED FISCAL YEARS ENDING
JUNE 30, 2026, THROUGH JUNE 30, 2030**



**Forecast Provided By
Ashland City School District
Treasurer's Office
Kyle Klingler, Treasurer
February 23, 2026**

Ashland City School District

Ashland County

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

	Actual				Average Change	Forecasted				
	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025			Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030
Revenues										
1.010	General Property Tax (Real Estate)	\$14,692,085	\$15,453,345	\$15,905,283	4.1%	\$15,979,408	\$16,126,543	\$15,261,806	\$14,639,476	\$15,150,249
1.020	Public Utility Personal Property Tax	4,216,865	4,417,312	4,781,127	6.5%	5,470,813	5,260,172	4,654,935	4,324,712	4,283,832
1.035	Unrestricted State Grants-in-Aid	12,399,013	13,501,409	12,879,217	2.1%	12,448,127	12,616,492	12,619,701	12,622,957	12,626,263
1.040	Restricted State Grants-in-Aid	835,578	1,053,643	951,496	8.2%	903,976	831,677	831,677	831,677	831,677
1.050	State Reimbursement for Property Tax Credits	1,761,621	1,754,642	1,757,445	-0.1%	1,761,628	1,771,202	1,763,433	1,741,149	1,811,091
1.060	All Other Revenues	1,374,858	1,986,005	1,908,294	20.3%	1,770,407	1,504,907	1,474,907	1,444,907	1,444,907
1.070	Total Revenues	\$35,280,020	\$38,166,356	\$38,182,862	4.1%	\$38,334,359	\$38,110,993	\$36,606,459	\$35,604,878	\$36,148,019
Other Financing Sources										
2.040	Operating Transfers-In	\$2,261	\$1,007	\$295	-63.1%	\$0	\$0	\$0	\$0	\$0
2.050	Advances-In	800,000	1,000,000	0	-37.5%	1,000,000	0	0	0	0
2.060	All Other Financing Sources	(585)	1,730	0	-247.9%	868	0	0	0	0
2.070	Total Other Financing Sources	\$801,676	\$1,002,737	\$295	-37.4%	\$1,000,868	\$0	\$0	\$0	\$0
2.080	Total Revenues and Other Financing Sources	\$36,081,696	\$39,169,093	\$38,183,157	3.0%	\$39,335,227	\$38,110,993	\$36,606,459	\$35,604,878	\$36,148,019
Expenditures										
3.010	Personal Services	\$17,545,089	\$18,410,982	\$19,514,756	5.5%	\$19,685,177	\$20,504,060	\$21,384,763	\$21,671,234	\$21,970,419
3.020	Employees' Retirement/Insurance Benefits	7,361,442	8,701,512	9,519,575	13.8%	9,716,743	10,171,983	10,749,860	11,284,400	11,803,226
3.030	Purchased Services	4,545,407	5,117,138	5,362,167	8.7%	5,605,338	5,773,498	5,946,702	6,125,103	6,308,855
3.040	Supplies and Materials	1,505,418	1,074,869	1,461,001	3.7%	1,534,051	1,610,753	1,691,292	1,775,856	1,864,649
3.050	Capital Outlay	675,105	25,735	118,651	132.4%	75,000	125,000	125,000	125,000	125,000
Debt Service:										
4.050	Principal-HB 264 Loans	309,750	300,000	0	-51.6%	0	0	0	0	0
4.060	Interest and Fiscal Charges	5,250	5,250	0	-50.0%	0	0	0	0	0
4.300	Other Objects	494,651	410,602	612,930	16.1%	631,318	650,258	719,766	691,359	712,099
4.500	Total Expenditures	\$32,442,112	\$34,046,088	\$36,589,080	6.2%	\$37,247,627	\$38,835,552	\$40,617,383	\$41,672,952	\$42,784,248
Other Financing Uses										
5.010	Operating Transfers-Out	\$505,024	\$1,253,321	\$3,329,117	156.9%	\$330,652	\$150,000	\$150,000	\$150,000	\$150,000
5.020	Advances-Out	800,000	1,000,000	1,000,000	12.5%	0	0	0	0	0
5.030	All Other Financing Uses	0	0	0	0.0%	0	0	0	0	0
5.040	Total Other Financing Uses	\$1,305,024	\$2,253,321	\$4,329,117	82.4%	\$330,652	\$150,000	\$150,000	\$150,000	\$150,000
5.050	Total Expenditures and Other Financing Uses	\$33,747,136	\$36,299,409	\$40,918,197	10.1%	\$37,578,279	\$38,985,552	\$40,767,383	\$41,822,952	\$42,934,248
6.010	<i>Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Uses</i>	\$2,334,560	\$2,869,684	(\$2,735,040)	-86.2%	\$1,756,948	(\$874,559)	(\$4,160,924)	(\$6,218,074)	(\$6,786,229)
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	\$10,379,649	\$12,714,209	\$15,583,893	22.5%	\$12,848,853	\$14,605,801	\$13,731,242	\$9,570,318	\$3,352,244
7.020	Cash Balance June 30	\$12,714,209	\$15,583,893	\$12,848,853	2.5%	\$14,605,801	\$13,731,242	\$9,570,318	\$3,352,244	(\$3,433,985)
8.010	Estimated Encumbrances June 30	\$1,117,831	\$772,663	\$712,227	-19.4%	\$712,227	\$712,227	\$712,227	\$712,227	\$712,227
Reservation of Fund Balance										
9.010	Textbooks and Instructional Materials	0	0	0	0.0%	0	0	0	0	0
9.020	Capital Improvements	0	0	0	0.0%	0	0	0	0	0
9.030	Budget Reserve	0	0	0	0.0%	0	0	0	0	0
9.040	DPIA	0	0	0	0.0%	0	0	0	0	0
9.045	Fiscal Stabilization	0	0	0	0.0%	0	0	0	0	0
9.050	Debt Service	0	0	0	0.0%	0	0	0	0	0
9.060	Property Tax Advances	0	0	0	0.0%	0	0	0	0	0
9.070	Bus Purchases	0	0	0	0.0%	0	0	0	0	0
9.080	Subtotal Reservations of fund Balance	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
10.010	Fund Balance June 30 for Certification of Appropriations	\$11,596,378	\$14,811,230	\$12,136,626	4.8%	\$13,893,574	\$13,019,015	\$8,858,091	\$2,640,017	(\$4,146,212)

Ashland City School District

Ashland County

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

	Actual				Average Change	Forecasted				
	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025			Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030
Revenue from Replacement/Renewal Levies										
11.010	Income Tax - Renewal	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
11.020	Property Tax - Renewal or Replacement	0	0	0	0.0%	0	0	1,525,309	2,464,391	2,272,301
11.300	Cumulative Balance of Renewal Levies	\$0	\$0	\$0	0.0%	\$0	\$0	\$1,525,309	\$3,989,700	\$6,262,001
<i>Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations</i>										
12.010		\$11,596,378	\$14,811,230	\$12,136,626	4.8%	\$13,893,574	\$13,019,015	\$10,383,400	\$6,629,717	\$2,115,789
Revenue from New Levies										
13.010	Income Tax - New	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
13.020	Property Tax - New	0	0	0	0.0%	0	0	0	0	0
13.030	Cumulative Balance of New Levies	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
14.010	Revenue from Future State Advancements	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
15.010	Unreserved Fund Balance June 30	\$11,596,378	\$14,811,230	\$12,136,626	4.8%	\$13,893,574	\$13,019,015	\$10,383,400	\$6,629,717	\$2,115,789

Ashland City School District –Ashland County
Notes to the Forecast
General Fund Only
February 23, 2026

Introduction to the Forecast

A forecast is a snapshot of today. Based on historical trends, what we know and future assumptions. That snapshot, however, will be adjusted because the further into the future the forecast extends, the more likely it is that the projections will deviate from experience. Various events will ultimately impact the latter years of the forecast, such as state budgets (adopted every two years), new state mandates, tax levies, property reappraisals and updates, salary increases, health insurance increases, enrollment variances, or changes to property valuations due to businesses moving in or out of the district.

As noted below the current state budget approved in HB96 changed the forecast based on what the state of Ohio and the Ohio Department of Workforce and Education will require, however the Board of Education will continue to plan over a five-year period. Our district leadership believes that the five-year forecast is a crucial management tool. A five-year planning horizon enables district management teams to examine future years' projections and identify when challenges will arise. This helps district management to be proactive in meeting those challenges.

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

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

Here are three essential purposes or objectives of the forecast:

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

Ohio HB96 was passed in June 2025 which amended O.R.C. 5705.391 and O.A.C. 3301-92.04 requiring a Board of Education (BOE) to file their current years budgeted revenue and expenses, and three additional years. This is essentially a four (4) year forecast. Beginning in fiscal year 2026 (July 1 to June 30) the financial forecast must be filed by October 15, and the end of February. The filing deadlines will change in fiscal year 2027 to August 31, and end of February each fiscal year thereafter. While the legislative requirement is to file a four-year forecast, as noted above, we believe it is a prudent business practice to continue to develop a five-year forecast for planning purposes. The five-year forecast includes three years of actual and five years of projected general fund revenues and expenditures. The first year of the financial forecast is considered the current year budget and is used as the base for future years projections. Our forecast is updated to reflect the most current economic data available for the February 2026 filing.

Forecast Risks and Uncertainty:

This financial forecast has risks and uncertainty due to economic changes, new property tax laws signed by Governor DeWine on December 19, 2025, and also due to state legislative changes that will occur in the spring of 2027 and 2029 due to deliberation of the following two (2) state biennium budgets for FY28-29 and FY30-31, all of which affect this forecast.

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

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

- HB129 implements new requirements for and restores fixed sum levies. It will also include fixed sum levy millage in the 20-mill floor calculation beginning in the next reappraisal or triennial update cycle of any county that contains district territory, but no later than Tax Year 2028 collect in calendar 2029. For some districts this will result in a loss due to a change in the 20-mill floor. Ashland City School District is not on the 20-mill floor for Class I or Class II.
- HB186 establishes Inflation Cap Credits, if applicable, following reappraisals and triennial updates for school district property taxes, preventing increases beyond the Gross Domestic Product Deflation Factor (GDP DF). HB186 also includes Temporary Tax Credits (claw back) provision that takes back tax revenue that has already been collected by school districts beginning with reappraisals and triennial updates that occurred before the effective date of the law retroactive back to tax year 2023, 2024 and 2025. These are funds that have already been realized and have been spent and/or included in future educational planning. While skyrocketing home values resulted in the need for property tax reform that limits tax growth for taxpayers, the retroactive claw back of taxes already paid is very detrimental to districts at the 20-mill floor.
- HB309 allows County Budget Commissions (CBC's) to reduce any voter-approved levy (except debt) to bring taxes levied within levels the CBC finds reasonable and prudent to avoid unnecessary collections. This law gives locally elected CBC officials the power to override voter-approved levies and local school board fiscal decisions. The impact of this new law is indeterminable and can be administered inconsistently in 88 counties across Ohio.
- HB335 limits revenue growth from inside millage due to valuation reappraisals or triennial updates to no more than the Gross Domestic Product Deflation Factor (GDP DF). Our district plans to project at or below anticipated GDP DF to avoid inflation cap credits on inside millage.

Because the new accelerated February, filing deadline for school district forecasts and the ODT's deadline of April 20, are misaligned, authoritative data concerning HB186's official impact on our district will not be received as of the filing of this forecast. We have estimated revenues and expenses based on the limited data

available and understanding of this legislation. As authoritative data concerning HB186 is made available to the district changes may need to be made to the forecast that may or may not be significant.

Data and assumptions noted in this forecast are based on the best and most reliable data available to us as of the date of this forecast. The items below give a short description of the current issues and how they may affect our forecast in the long term:

- 2) Property tax collections are the largest single revenue source for the school system and a significant risk to the forecast. We project growth in appraised values every three (3) years that aligns with the new HB186 Gross Domestic Product Deflation Factor (GDP DF) and new construction growth. The effects of HB186 will be to limit property tax growth following reappraisals and updates. Total local revenues, predominately local taxes, equate to 60.6% of the district's resources. As noted above, HB186 indicates any adjustment for prior year appraisals and updates that exceeded GDP DF in reappraisals and triennial updates that occurred in tax years 2023, 2024 and 2025 will result in possible significant reductions (claw back) in the second half property tax collections that typically occur in August to September 2026. If the Ohio Department of Taxation (ODT) determines adjustments are required due to HB186, further reductions in Tax Year 2026 collected in calendar year 2027 taxes will also result. We have included any estimated adjustment for HB186 in Line 1.01 assumptions below, but only the ODT will have actual authoritative data when it is released after this forecast filing deadline.
- 3) Ashland and Richland County experienced an update and reappraisal update in the 2023 tax year to be collected in 2024. The 2023 update increased assessed values by \$147.66 million, or 37.38%. Overall values rose \$136.73 million or 24.55%, including reappraisal and new construction for all property classes. A reappraisal update will occur in the tax year 2026 for collection in FY27. We anticipate value increases for Class I (Residential/Agriculture) and Class II (Commercial/Industrial) property within the Gross Domestic Product Deflation Factor range of 7% to 9%. HB335 inside millage cap will become effective for any reappraisal and update beginning in tax year 2026, and HB129 will become effective for our district in the next reappraisal/update in tax year 2026. We have anticipated any 20-mill floor adjustment at that time in Line 1.01 assumptions below. We do not anticipate any impact of HB335 on our tax projections due to our estimates for future growth in reappraisal being inline with anticipated GDP DF.
- 4) The Rover pipeline (natural gas) came "on-line" in calendar year 2018, payable in 2019. The second line was completed in calendar year 2019, payable in 2020. Rover filed an appeal of the value with the Ohio Department of taxation. It is anticipated that the payment in fiscal year 2023 and beyond will be based on the appeal value, reducing their annual payment by approximately \$1,516,700. The pipeline value is based on the construction of the line and will only gain value if improvements are made. The value will depreciate over 30 years. To be conservative we have assumed the \$24.08M in PUPP value will be removed from our values for future projections. That reduces PUPP tax revenue by \$1.8M per year in the forecast. We have reduced the PUPP values each year by \$800,000 for FY27 through FY30.

On August 13, 2025, the Ohio Supreme Court upheld the Board of Tax Appeals' (BTA) decision, valuing the Rover Pipeline at \$3.669 billion. Rover had previously disputed this value, seeking roughly 56% of the value. Since 2020, Rover has been paying taxes based on a lower value under a "Tender Paying" method while the case was pending.

With the supreme court case now closed there was supposed to be no further appeals possible. However, on November 10, 2025 Rover filed an appeal in Franklin County Common Pleas Court contesting the state department of taxation's post-2019 valuations. The case is not expected to be heard until November 18, 2026, if then. We have wisely not projected these values in our forecast, this won't impact our revenue risk, but it may increase revenues once finalized. We are closely monitoring this matter as it unfolds and will

include revenues as we have factual data on amount and timing of payments which may be several years in the future.

- 5) The state budget represented 39.4% of district revenues, which means it is a significant risk to the revenue. The future risk comes in FY28 and beyond if the state economy stalls due to a possible recession and the Fair School Funding Plan is not continued and/or funded in the next state biennium budget. In this forecast, there are two unknown future State Biennium Budgets covering FY28-29 and FY30-31. Future uncertainty in the state foundation funding formula and the state's economy makes this area an elevated risk to district funding long-range through FY30. We have projected our state funding in FY26 based on recent formula calculations and use of the Ohio Department of Education and Workforce (ODEW) funding simulator for FY27 projections. This forecast reflects state revenue to align with the FY27 funding levels through FY30, which we feel is conservative and should be close to what the state approves for the next two biennium budgets. We will adjust the forecast in future years as we have data to make an informed decision.
- 6) HB96, the current state budget, continues to phase in what has been referred to as the Fair School Funding Plan (FSFP) for FY26 and FY27. FY26 reflects 83.33% of the implementation cost at year five of a six-year phase-in plan, which increases by 16.66% each year. FY27 will result in 100% funding of (FSFP). HB96 did not increase the base cost inputs (no increase from the state on formula funding) while allowing local capacity inputs to increase. This causes more districts to appear to have greater local ability to fund their schools thus reducing the amount of State Aid they receive. We have used the most recent FY27 simulations published by the Department of Education and Workforce for our forecasted revenues in FY27-FY30.
- 7) HB96, the current state biennium budget also enacted a new provision called "Piggyback Property Tax Exemptions". This provision allows county commissioners in each county in Ohio to double the current Homestead Exemption and owner occupied 2.5% tax credit. Current Homestead and 2.5% owner occupied credits are reimbursed to the district from the state of Ohio. These expanded "Piggyback Property Tax Exemptions" will NOT be reimbursed. Richland County Commissioners approved the Piggyback exemption for owner homestead exemption for tax year 2025 collect in calendar year 2026. This will result in a small tax reductions for FY26 and FY27 noted in Line 1.01 Property Tax Estimates below. HB96 would allow this decision to occur every year and if all exemptions were to be approved could result in reduced property tax collections for the school district of roughly \$551,900 from current operating levies. This new law creates a potential risk to our local tax collections every year. County auditors have until December 2026 to implement this tax credit for tax year 2026. We will adjust the forecast in the future accordingly.
- 8) The Ohio Department of Taxation on January 15, 2026 announced an updated state property tax reappraisal and triennial update schedule. Sixteen counties will have their reappraisal moved back by one year in accordance with the new schedule. Our counties will not be impacted by this change.
- 9) The district's 2004 9.9 mill current expense levy is set to expire in 2027. Due to reduction factor that has occurred since this levy was passes in 2004, we are projected to be collecting 5.51 mills in 2027, but because we will be at 20.71 mills we will only drop by 0.51 mills for Class I whereas Class II and PUPP will see the full drop in millage. We believe the levy will be renewed, but there is always a chance it will not.

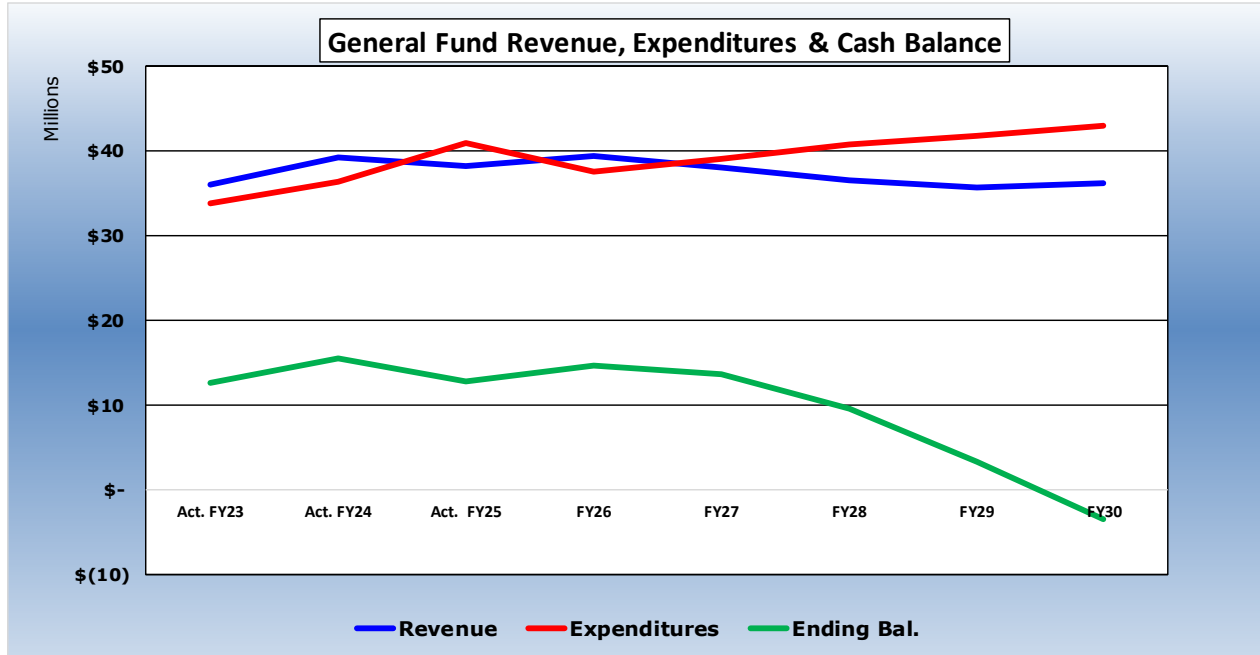
Labor relations in our district have been amicable, with all parties working for the best interest of students and realizing the resource challenges we face. Our positive working relationship will continue and grow stronger as we move forward.

The major lines of reference for the forecast are noted below in the headings to make it easier to relate the assumptions made for the forecast item and refer back to the forecast. It should be of assistance to the reader to

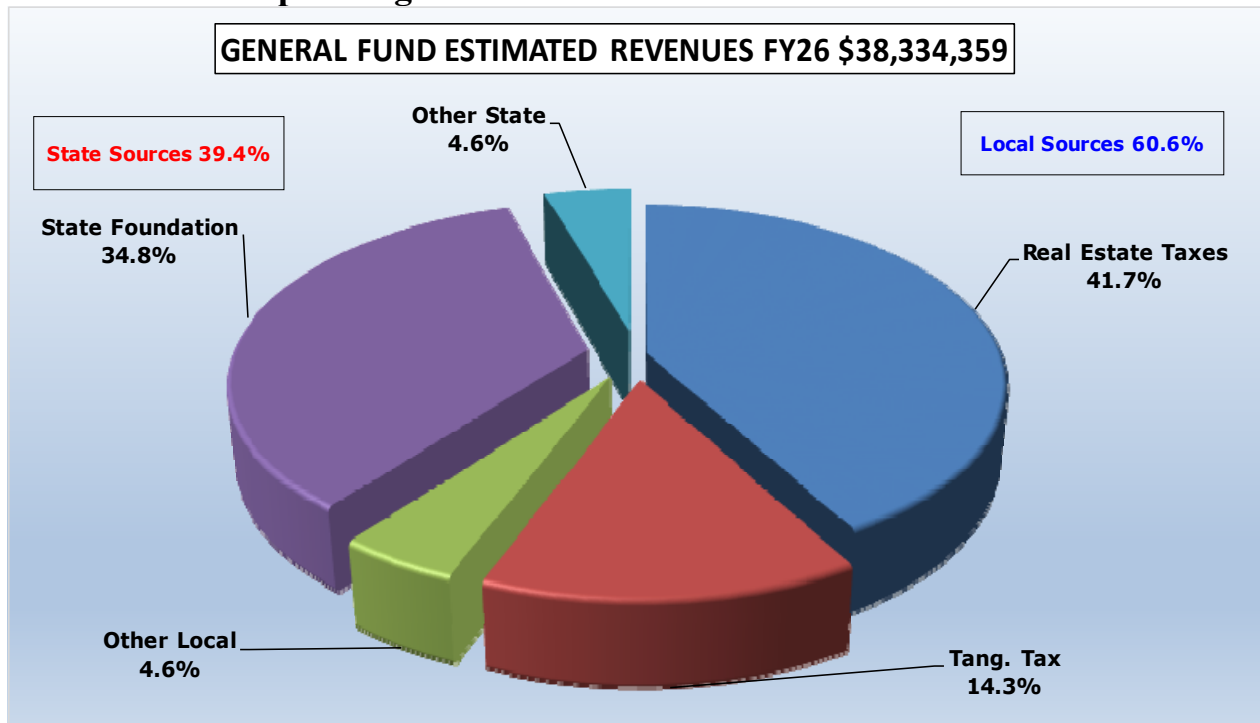
review the assumptions noted below in understanding the overall financial forecast for our district. If you would like further information, please feel free to contact Kyle Klingler, Treasurer at kyklingl@goarrows.org.

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

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



Revenue Assumptions Operating Revenue Sources General Fund FY26



Real Estate Value Assumptions – Line #1.010

Property Values are established annually by the County Auditor based on new construction, demolitions, BOR/BTA activity, and complete reappraisal or updated values. New HB186 allows new construction growth in property taxes irrespective of GDP DF. Ashland County experienced an update and Richland a reappraisal for the 2023 tax year to be collected in FY24. Due to the reappraisal led by an improving housing market, residential/agricultural values increased 37.38% or \$147.66 million. Overall values rose \$136.7 million or 24.55%, including new construction for all property classes.

A reappraisal update will occur in 2026 for collection in 2027, for which we estimate a 9.0% increase in residential and a 0.0% increase for commercial/industrial property. We anticipate Residential/Agricultural and Commercial/Industrial values to increase by \$49.4 million or 6.99% overall.

Public Utility Personal Property (PUPP) values increased by \$16.26 million in Tax Year 2024 because PUPP values were increased for utility providers across the State. We expect our values to continue to decrease by \$800,000 each year of the forecast due to the Rover Pipeline lawsuit. Due to Rover pipeline disputing the taxable valuation, they are currently paying at a tender rate, or the rate they believe it should be. The current forecast reflects values at the tender rate in an effort not to overinflate assumed collections in forecasted years.

We have been conservative with any future value increases for reappraisal or updates due to uncertainty over legislative actions that may take place in the spring of 2025 that limits property tax growth.

<u>Classification</u>	<u>Estimated TAX YEAR 2025 COLLECT 2026</u>	<u>Estimated TAX YEAR 2026 COLLECT 2027</u>	<u>Estimated TAX YEAR 2027 COLLECT 2028</u>	<u>Estimated TAX YEAR 2028 COLLECT 2029</u>	<u>Estimated TAX YEAR 2029 COLLECT 2030</u>
Res./Ag.	\$549,215,070	\$598,594,426	\$598,694,426	\$598,794,426	\$646,797,980
Comm./Ind.	157,223,380	157,223,380	157,223,380	157,223,380	157,223,380
Public Utility Personal Property (PUPP)	<u>86,760,334</u>	<u>85,960,334</u>	<u>85,160,334</u>	<u>84,360,334</u>	<u>83,560,334</u>
Total Assessed Value	<u>\$793,198,784</u>	<u>\$841,778,140</u>	<u>\$841,078,140</u>	<u>\$840,378,140</u>	<u>\$887,581,695</u>

Tax Rate Assumptions

The county auditor sets tax rates for each levy voted on to provide tax revenues for the school district. Ohio law provides for “reduction factors” of all voted property tax levies to adjust the millage rates lower for the levy to not increase from inflation of property values for the taxes received by a district to that of the actual amount of the levy at the time of the election. The reduction factors are applied separately to Residential/Agriculture (Class I) and Commercial/Industrial (Class II) resulting in different effective millage rates. The district-voted rate for all general fund levies is 61.0 mills while the Class I effective millage rate is 21.99 mills and the Class II effective millage rate is 34.31 mills. The Ohio law has a provision that the reduction factors cannot lower the total millage rate for each class less than 20 mills (excluding emergency and substitute emergency levies), which includes both the voted and the non-voted millage rates; this is called the “20-Mill Floor”. Currently, our district is very close to the floor for Class I.

HB129 is a new law that restores fixed sum levies and now includes them in the 20-mill floor calculation. HB129 will be in effect following the tax year 2026 reappraisal/triennial update. Our district does not have fixed sum, or emergency, levies, therefore, this will not impact our forecast.

Estimated Real Estate Tax Collection Assumptions & New Tax Laws

HB96 enacted a new provision called “Piggyback Property Tax Exemptions”. This provision allows county commissioners in each county in Ohio to double the current Homestead Exemption and owner occupied 2.5% tax credit. Richland County Commissioners approved the Piggyback exemption for homestead exemption only for tax year 2025 collect in calendar year 2026. This will result in estimated tax reductions for FY26 and FY27 noted in Line 1.01 Estimated Real Estate Tax Estimates below. County auditors have until December 2026 to implement this tax credit for tax year 2026. We will adjust the forecast in the future accordingly.

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

Ashland City School District is not at the 20-mill floor and all operating levies are affected by HB920 reduction factors which inflation proofs these current expense levies. We do not anticipate any claw back of previously paid taxes.

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

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

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

ESTIMATED ASSESSED VALUE (AV) BY COLLECTION YEARS

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Est. Real Estate Taxes	\$15,979,508	\$16,126,543	\$15,261,806	\$14,639,476	\$15,150,249
Piggyback Exemption HB96	-\$100	-\$100	\$0	\$0	\$0
Other Tax Adjustments	\$0	\$0	\$0	\$0	\$0
Total Line #1.01 Real Estate Taxes	<u>\$15,979,408</u>	<u>\$16,126,543</u>	<u>\$15,261,806</u>	<u>\$14,639,476</u>	<u>\$15,150,249</u>

Property tax levies are estimated to be collected at 97.77% of the annual amount. This allows 2.23% delinquency factor. In general, 58.85% of the Res/Ag and Comm/Ind property taxes are expected to be collected in the February tax settlement and 41.15% collected in the August tax settlement. The 2004 9.0 mill levy expires in calendar year 2027 and drops to line 11.02.

Renewal and Replacement Levies – Line #11.02

Tax levies that are not continuous by law cannot be included with the property taxes; therefore, there are no levies that will appear in this line until FY28 when the 2004 9.0 mill levy will need to be renewed. This levy is a current expense levy and is part of the 20 mill floor calculation, because the district is so close to the 20 mill floor, the district will not lose the full amount collected from this levy for Class I values if it is not renewed.

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Renewal Levy 2004	\$0	\$0	\$1,525,309	\$2,464,391	\$2,272,301
Total Line #11.020	<u>\$0</u>	<u>\$0</u>	<u>\$1,525,309</u>	<u>\$2,464,391</u>	<u>\$2,272,301</u>

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

Estimated Tangible Personal Tax & PUPP Taxes – Line #1.020

Amounts noted below are public utility tangible personal property (PUPP) tax payments from public utilities. Public Utility tax settlements (PUPP taxes) are estimated to be received 66% in March and 34% in August settlement from the County Auditor and are noted in line 1.02 totals below. As stated above Rover/pipeline payments are forecasted at a tender rate, or the value the companies believe it should be. We will continue to monitor and update as more information is provided.

On August 13, 2025, the Ohio Supreme Court upheld the Board of Tax Appeals' (BTA) decision, valuing the Rover Pipeline at \$3.669 billion. Rover had previously disputed this value, seeking roughly 56% of the value. Since 2020, Rover has been paying taxes based on a lower value under a “Tender Paying” method while the case was pending.

With the supreme court case now closed there was supposed to be no further appeals possible. However, on November 10, 2025 Rover filed an appeal in Franklin County Common Pleas Court contesting the state department of taxation’s post-2019 valuations. The case is not expected to be heard until November 18, 2026, if then. We have wisely not projected these values in our forecast, this won’t impact our revenue risk, but it may increase revenues once finalized. We are closely monitoring this matter as it unfolds and will include revenues as we have factual data on amount and timing of payments which may be several years in the future.

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Public Utility Personal Property	\$5,470,813	\$5,260,172	\$4,654,935	\$4,324,712	\$4,283,832
Total PUPP Tax Line #1.020	<u>\$5,470,813</u>	<u>\$5,260,172</u>	<u>\$4,654,935</u>	<u>\$4,324,712</u>	<u>\$4,283,832</u>

State Foundation Revenue Estimates – Lines #1.035, 1.040 & 1.045
Current State Funding Model per HB96 through June 30, 2027

A) Unrestricted State Foundation Revenue – Line #1.035

HB96, the current state budget, continued the Fair School Funding Plan for FY26 and FY27, which funds students where they are educated rather than where they live. We have projected FY26 funding based on the most current foundation settlement and funding factors.

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

A detailed overview of how foundation funding is calculated including all of the HB96 changes on the Ohio Department of Education and Workforce is now available. Please visit the Ohio Department of Education and Workforce at: <https://education.ohio.gov/Topics/Finance-and-Funding/Overview-of-School-Funding>.

State Funding FY26-FY27

The Fair School Funding Plan was presented as a six (6) year phase-in plan, the state legislature approved the final two (2) years of the funding plan in HB96 phasing in funding at 83.33% in FY26 and then 100% in FY27. However, the legislature did not increase the funding base inputs from FY25. In other words, the legislature did not increase funding in the foundation formula. They did increase transportation funding's state share percentage to 45.83% in FY26, and 50% in FY27, which could increase funding, and; they added three (3) Supplemental Payments outside the formula: a Base Funding Supplement, Enrollment Growth Supplement and Performance Supplement.

The Base Funding Supplement will be paid to all districts. The funding supplement per pupil is \$27 in FY26 and \$40 in FY27.

The Enrollment Growth Supplement is paid to eligible districts based on the current FY26 enrolled ADM multiplied by \$225 per student, and in FY27 based on FY27 enrolled ADM multiplied by \$250. To be eligible enrolled ADM growth between FY22 and FY25 must equal or exceed 5% growth, and FY27 enrolled ADM growth between FY23 and FY26 must equal or exceed 3%. Our district does not qualify for this payment.

The Performance Supplement was included in HB96. The eligibility for the supplement payment uses data from the state report card for the 2024-2025 school year for FY26 and 2025-2026 school year for FY27; the payment will be a separate payment of \$13 per pupil in FY26 and FY27. We are estimated to receive \$142,000 in FY26 and FY27.

The funding formula eliminated the Supplemental Targeted Assistance guarantee beginning in FY26, but still includes two (2) primary guarantees: 1) Temporary Transition Aid, and 2) Formula Transition Supplement. The two (2) guarantees in both temporary and permanent law ensure that no district will get fewer funds in FY26 and FY27 than they received in FY21. We expect to be on the Temporary Transition Aid guarantee in FY27.

Future State Budget Projections beyond FY27

Our funding status for FY28-FY31 will depend on unknown two (2) new state budgets. There is no guarantee that the current Fair School Funding Plan will be continued in future biennial budget processes; therefore, our state funding estimates are reasonable, and we will adjust the forecast when we have authoritative data to work with. For this reason, funding is held relatively constant in the forecast for FY28 through FY30.

Casino Revenue

On November 3, 2009, Ohio voters passed the Ohio casino ballot issue. This issue allowed four (4) casinos to open in Cleveland, Toledo, Columbus, and Cincinnati. Thirty-three percent (33%) of the gross casino revenue will be collected as a tax. School districts will receive 34% of the 33% of Gross Casino Revenue that will be paid into a student fund at the state level. These funds will be distributed to school districts on the 31st of January and August each year, beginning for the first time on January 31, 2013.

In FY25, the funding totaled \$114.30 million or \$65.70 per pupil. We expect the Casino revenues to have resumed their historical growth rate and are assuming a 1.5% annual growth rate for the remainder of the forecast.

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Basic Aid-Unrestricted	\$11,711,274	\$11,817,405	\$11,817,405	\$11,817,405	\$11,817,405
Additional Aid Items	<u>530,242</u>	<u>585,192</u>	<u>585,192</u>	<u>585,192</u>	<u>585,192</u>
Basic Aid-Unrestricted Subtotal	12,241,516	12,402,597	12,402,597	12,402,597	12,402,597
Ohio Casino Commission ODT	<u>206,611</u>	<u>213,895</u>	<u>217,104</u>	<u>220,360</u>	<u>223,666</u>
Total Unrestricted State Aid Line #1.035	<u>\$12,448,127</u>	<u>\$12,616,492</u>	<u>\$12,619,701</u>	<u>\$12,622,957</u>	<u>\$12,626,263</u>

B) Restricted State Revenues – Line #1.040

HB96 has continued Disadvantaged Pupil Impact Aid, Career Technical, Gifted, English Learners (ESL), and Student Wellness funding.

We have estimated revenues for these new restricted funding lines using the most current funding factors available. For fiscal years 2026 and 2027, HB96 modifies how DPIA is calculated by factoring in both directly certified and economically disadvantaged students. The new DPIA formula modified the weight given to these student groups over the biennium which has resulted in calculated DPIA state funding in FY26 being \$86.6 million less than in FY25. This change does not impact us at this time.

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
DPIA	\$298,199	\$323,170	\$323,170	\$323,170	\$323,170
Career Tech - Restricted	13,773	8,757	8,757	8,757	8,757
Gifted	151,581	131,260	131,260	131,260	131,260
ESL	20,674	16,716	16,716	16,716	16,716
Student Wellness	419,749	351,774	351,774	351,774	351,774
Other Restricted State Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Restricted State Revenues Line #1.040	<u>\$903,976</u>	<u>\$831,677</u>	<u>\$831,677</u>	<u>\$831,677</u>	<u>\$831,677</u>

C) Restricted Federal Grants in Aid – Line #1.045

There are no federal restricted grants projected during this forecast.

<u>SUMMARY</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Unrestricted Line #1.035	\$12,448,127	\$12,616,492	\$12,619,701	\$12,622,957	\$12,626,263
Restricted Line #1.040	<u>903,976</u>	<u>831,677</u>	<u>831,677</u>	<u>831,677</u>	<u>831,677</u>
Total State Foundation Revenue	<u>\$13,352,103</u>	<u>\$13,448,169</u>	<u>\$13,451,378</u>	<u>\$13,454,634</u>	<u>\$13,457,940</u>

State Share of Local Property Tax – Line #1.050

A) Rollback and Homestead Reimbursement

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

Partial HB186 Guarantee

New HB186 authorizes payments to school districts and JVSs that are located in a county that underwent a reappraisal or triennial update in tax years 2023 and 2024 and that, due to the act's temporary credit, would otherwise receive less property tax revenue in tax year 2025 than in tax year 2024. The revenue guarantee applies to tax year 2025, in the case of 2023 reappraisal or update counties, and to tax years 2025 and 2026, in the case of 2024 reappraisal and update counties. Under the act, the Tax Commissioner will calculate the

difference between a district’s real property tax revenue in tax year 2024 and its revenue in 2025 and, if applicable, 2026. We do not anticipate a hold harmless payment for HB186, but since the ODT has not released authoritative data on HB186 calculations, we cannot be certain of this. We will adjust the forecast as data from the ODT becomes available.

Summary of State Share of Local Property Tax Reimbursement – Line #1.050

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Rollback and Homestead	\$1,761,628	\$1,771,202	\$1,763,433	\$1,741,149	\$1,811,091
HB186 Partial Reimbursement	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Tax Reimbursements #1.050	<u>\$1,761,628</u>	<u>\$1,771,202</u>	<u>\$1,763,433</u>	<u>\$1,741,149</u>	<u>\$1,811,091</u>

Other Local Revenues – Line #1.060

All other local revenue encompasses any revenue that does not fit the above lines. The primary sources of revenue in this area have been open enrollment, interest on investments, tuition for court-placed students, student fees, Payment In Lieu of Taxes, threshold aide and general rental fees. In January, we were notified that Threshold reimbursements in FY26, and future years, are likely to be reduced by 30% from FY25 levels due to fixed state appropriations.

Interest income is based on the district’s cash balances. While interest income in FY26 should remain steady due to laddered investment strategies, expected Federal Reserve rate cuts will begin to have an impact on earnings in FY27 and future years. We will continue to monitor the investments for the district. We will continue to monitor the investments for the district. All other revenues are expected to continue on historical trends.

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Tuition Related Payments	\$176,500	\$176,500	\$176,500	\$176,500	\$176,500
Open Enrollment	0	0	0	0	0
Class & Sports Oriented Fees	101,608	101,608	101,608	101,608	101,608
Interest Earnings	885,000	619,500	589,500	559,500	559,500
Medicaid	426,402	426,402	426,402	426,402	426,402
Miscellaneous	<u>180,897</u>	<u>180,897</u>	<u>180,897</u>	<u>180,897</u>	<u>180,897</u>
Total Other Local Revenue Line #1.060	<u>\$1,770,407</u>	<u>\$1,504,907</u>	<u>\$1,474,907</u>	<u>\$1,444,907</u>	<u>\$1,444,907</u>

Short-Term Borrowing – Lines #2.010 & #2.020

There is no short term borrowing projected in this forecast.

Transfers In / Return of Advances – Lines #2.040 & #2.050

These are non-operating revenues which are the repayment of short term loans to other funds over the previous fiscal year and reimbursements for expenses received for a previous fiscal year in the current fiscal year. Return of advances are currently projected to cover balances in the Employee Benefits Self-Insurance Fund during the fiscal year.

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Transfers In - Line #2.040	\$0	\$0	\$0	\$0	\$0
Advance Returns - Line #2.050	<u>1,000,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Transfer & Advances In	<u>\$1,000,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

All Other Financial Sources – Line #2.060

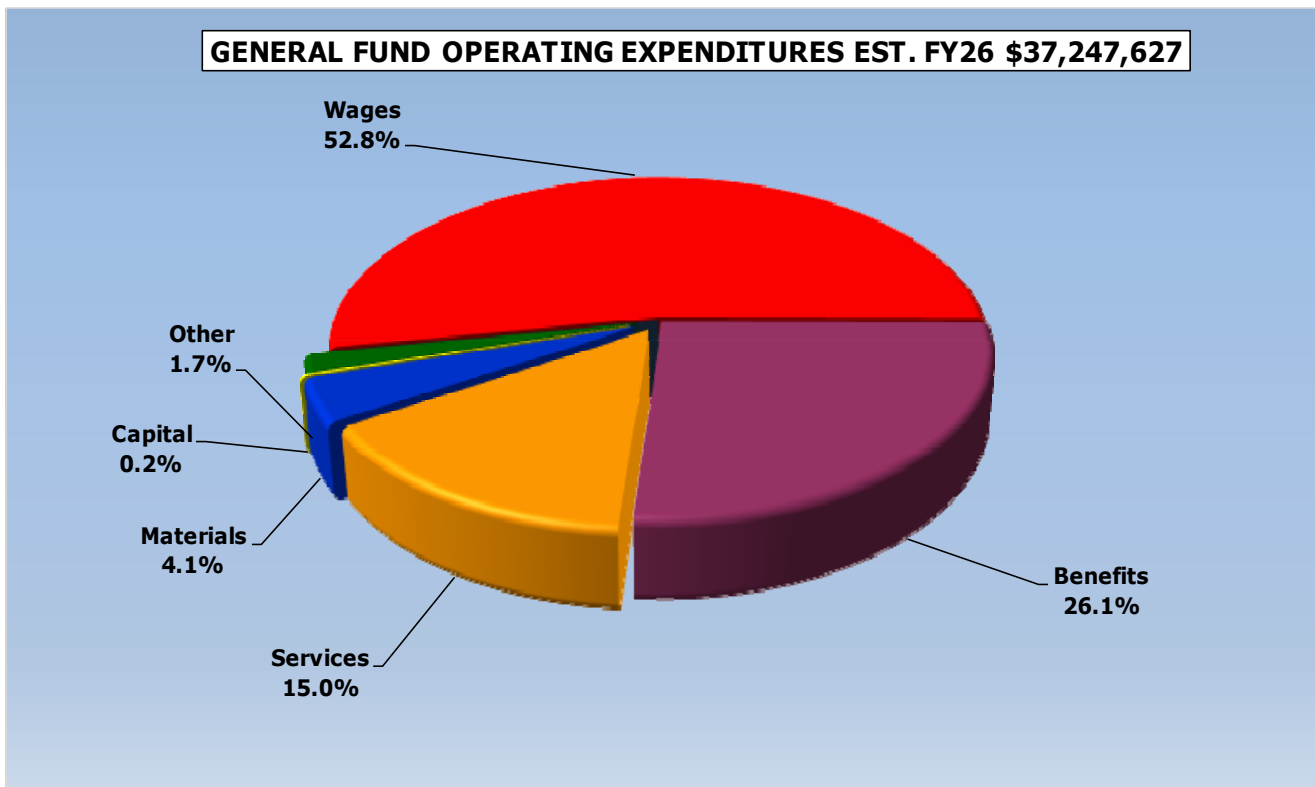
This funding source is typically a refund of prior year expenditures that is very unpredictable. These revenues are inconsistent year to year and we will not project that occurring in the remainder of the forecast.

	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Refund of prior years expenditures	<u>\$868</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Expenditures Assumptions

The district’s leadership team is always looking at ways to improve the education of the students whether it be with changes in staffing, curriculum, or new technology needs. As the administration of the district reviews expenditures, the education of the students is always the main focus for resource utilization.

Estimated Operating Expense Categories - General Fund FY26



Wages – Line #3.010

Negotiations with bargaining unit members resulted in an agreement with OAPSE members to include base increases of 0.20 dollars per Classification January 1, 2023 and then a 0.50 dollar increase on July 1, 2023 and July 1, 2024. Certified employees received a 2.75% increase starting July 1, 2025 and a 3.0% increase for FY27 and FY28. Step increases are calculated to increase wages 1.5% each year. For planning purposes, a 0.0% base increase is planned FY29 through FY30. Other adjustments were made to wages for growth of staff and staffing reductions, along with ESSER adjustments and Science of Reading stipends.

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Base Wages	\$18,169,529	\$18,311,287	\$19,098,041	\$19,945,651	\$20,232,122
Based Pay Increase	534,185	570,214	572,941	0	0
Steps & Academic Training	265,440	272,543	274,669	286,471	299,185
Growth Staff	23,255	0	0	0	0
Substitutes	302,929	302,929	302,929	302,929	302,929
Supplementals	1,070,961	1,103,090	1,136,183	1,136,183	1,136,183
Science of Reading	0	0	0	0	0
SWSF & ESSER Adjustments	(360,500)	0	0	0	0
Other Adjustments/Reductions	<u>(320,622)</u>	<u>(56,003)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Wages Line #3.010	<u>\$19,685,177</u>	<u>\$20,504,060</u>	<u>\$21,384,763</u>	<u>\$21,671,234</u>	<u>\$21,970,419</u>

Fringe Benefits Estimates

This area of the forecast captures all costs associated with benefits and retirement costs.

A) STRS/SERS will increase as Wages Increase

As required by law, the BOE pays 14% of all employee wages to STRS or SERS. The BOE also pick up 5% of Teachers STRS contributions.

B) Insurance

The district is on a self-insured medical insurance plan. The School District is self-insured for health benefits and through 2021 has not had increase in premiums since 2016. Claims and expenses in the Employee Benefits Self Insurance fund increase by 26% from 2021 to 2022, and premiums were increased 20% as a result for 2023 and rose 28.5% in FY24. We are estimating an increase of 7% for FY26 and 7% for the remainder of the forecast which reflects trend on our current employee census and claims data.

C) Workers Compensation & Unemployment Compensation

Workers Compensation is expected to be approximately 0.44% of wages FY26 through FY30. Unemployment is expected to remain at a very low level FY26 through FY30.

D) Medicare

Medicare will continue to increase at the rate of increases in wages and as new employees are hired. Contributions are 1.45% for all new employees to the district on or after April 1, 1986. These amounts are growing at the general growth rate of wages.

Summary of Fringe Benefits – Line #3.020

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
A) STRS/SERS	\$4,072,680	\$4,160,199	\$4,330,731	\$4,430,169	\$4,492,108
B) Insurance's	5,278,796	5,632,631	6,026,915	6,448,799	6,900,215
C) Workers Comp/Unemployment	86,615	90,218	94,093	95,353	96,670
D) Medicare	<u>278,652</u>	<u>288,935</u>	<u>298,121</u>	<u>310,079</u>	<u>314,233</u>
Total Fringe Benefits Line #3.020	<u>\$9,716,743</u>	<u>\$10,171,983</u>	<u>\$10,749,860</u>	<u>\$11,284,400</u>	<u>\$11,803,226</u>

Purchased Services – Line #3.030

College Credit Plus, excess costs and other tuition costs will continue to draw funds away from the district, which will continue in this area and have been adjusted based on historical trend. Overall, FY24 has a 4 percent inflationary increase with a \$170,000 reduction for TCCSA techs and FY25 we will recode some TCCSA techs

back to the General fund from ESSER funds. The remaining years have a 3 percent inflationary adjustment. In FY26 there will be a new electric Capacity Charge that will be assessed on all electric bills to help expand Ohio’s electric generating ability. This charge will begin June 2025 and end June 2026. It is anticipated it will increase electric costs by 20% annually for just that twelve (12) month period.

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Professional & Technical Services, ESC	\$3,309,981	\$3,409,280	\$3,511,558	\$3,616,905	\$3,725,412
Maintenance, Insurance & Garbage Removal	519,145	534,719	550,761	567,284	584,303
Professional Development	56,902	58,609	60,367	62,178	64,043
Communications, Postage, & Telephone	49,207	50,683	52,203	53,769	55,382
Utilities	580,990	598,420	616,373	634,864	653,910
Contracted Trades & Services	30,424	31,337	32,277	33,245	34,242
Tuition, Excess Costs & Scholarship Costs	596,283	614,171	632,596	651,574	671,121
College Credit Plus	436,922	450,030	463,531	477,437	491,760
Other Adjustments SWSF, ESSER, Etc.	25,484	26,249	27,036	27,847	28,682
Total Purchased Services Line #3.030	<u>\$5,605,338</u>	<u>\$5,773,498</u>	<u>\$5,946,702</u>	<u>\$6,125,103</u>	<u>\$6,308,855</u>

Supplies and Materials – Line #3.040

Expenses which are characterized by curricular supplies, testing supplies, copy paper, maintenance and custodial supplies, materials, and bus fuel. We have estimated a 5% inflationary increase for all years of the forecast in the supplies and materials category.

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
General Office Supplies & Materials	\$907,444	\$952,816	\$1,000,457	\$1,050,480	\$1,103,004
Textbooks & Instructional Supplies	192,968	202,616	212,747	223,384	234,553
Facility Supplies & Materials	190,112	199,618	209,599	220,079	231,083
Transportation Fuel & Supplies	242,888	255,032	267,784	281,173	295,232
Other adjustments SWSF, ESSER, Etc.	639	671	705	740	777
Total Supplies Line #3.040	<u>\$1,534,051</u>	<u>\$1,610,753</u>	<u>\$1,691,292</u>	<u>\$1,775,856</u>	<u>\$1,864,649</u>

Equipment – Line # 3.050

The District does not anticipate costs increasing significantly in this line because most capital outlay is paid by the Permanent Improvement Fund. For FY26 we have budgeted \$125,000 for equipment and \$125,000 for the remaining years of the forecast.

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Capital Outlay & Maintenance	\$75,000	\$125,000	\$125,000	\$125,000	\$125,000
Total Equipment Line #3.050	<u>\$75,000</u>	<u>\$125,000</u>	<u>\$125,000</u>	<u>\$125,000</u>	<u>\$125,000</u>

Principal and Interest Payment – Lines #4.05 & #4.06

In FY13, the School District issued \$3,045,000 in general obligation bonds to finance a HB264 energy conservation project. The bonds were issued for a ten year period with a final maturity at November 1, 2023. Principal and interest payments on the bond are reflected in this line item. These bonds were paid off in FY24.

Other Expenses – Line #4.300

The category of Other Expenses consists primarily of Auditor & Treasurer fees, our annual audit and other miscellaneous expenses. These costs are projected to remain stable over the forecast. We've added \$50,000 for levy fees to the County Auditor and Treasurer fees category for FY28.

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
County Auditor & Treasurer Fees	\$354,261	\$364,889	\$425,836	\$388,611	\$400,269
Annual Audit Costs	30,456	31,370	32,311	33,280	34,278
Dues, Fees & other Expenses	<u>246,601</u>	<u>253,999</u>	<u>261,619</u>	<u>269,468</u>	<u>277,552</u>
Total Other Expenses Line #4.300	<u>\$631,318</u>	<u>\$650,258</u>	<u>\$719,766</u>	<u>\$691,359</u>	<u>\$712,099</u>

Transfers Out/Advances Out – Lines #5.010 & #5.020

This account group covers fund to fund transfer and end of year short term loans from the General Fund to other funds until they have received reimbursements and can repay the General Fund. In prior years, transfers were made to pay for large construction project out of the capital improvements fund. Future transfers are currently projected to cover expenses in the Termination Benefits Fund as well as fund multiple construction projects within the Capital Project Funds.

<u>Source</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Operating Transfers Out Line #5.010	\$330,652	\$150,000	\$150,000	\$150,000	\$150,000
Advances Out Line #5.020	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Transfer & Advances Out	<u>\$330,652</u>	<u>\$150,000</u>	<u>\$150,000</u>	<u>\$150,000</u>	<u>\$150,000</u>

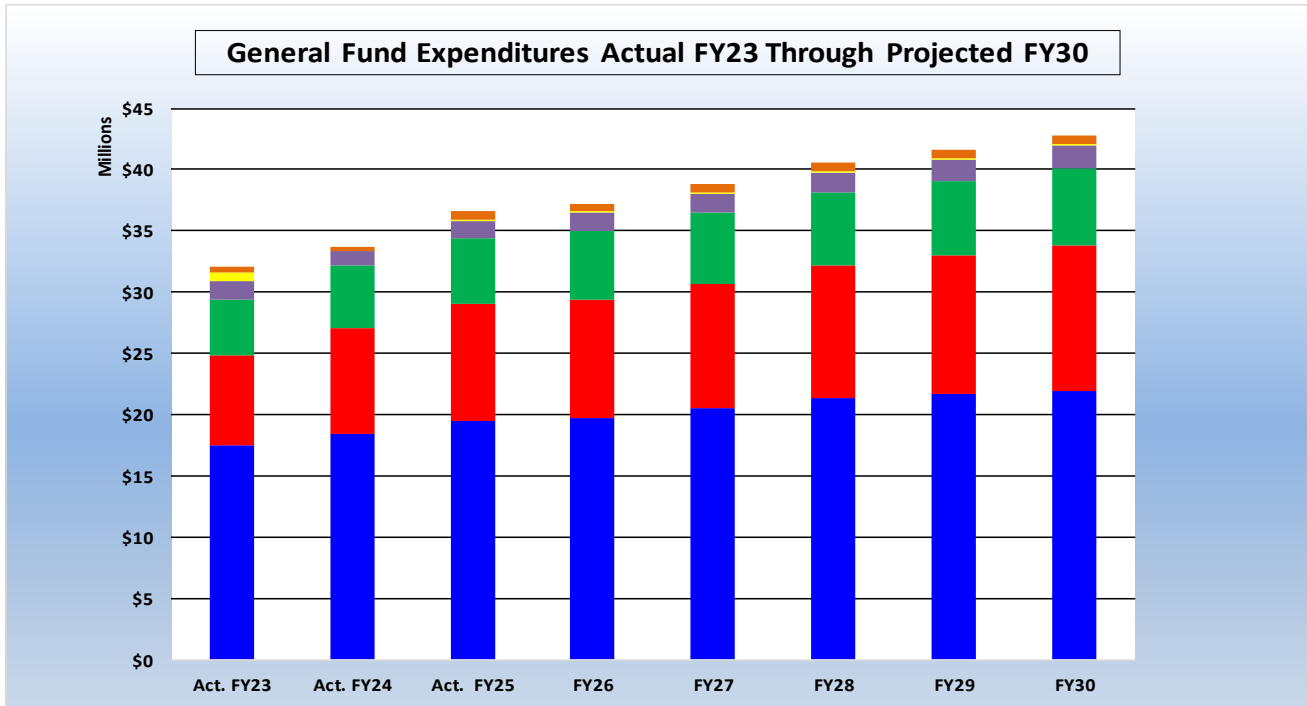
Encumbrances –Line #8.010

These are outstanding purchase orders that have not been approved for payment as the goods were not received in the fiscal year in which they were ordered.

	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Estimated Encumbrances Line #8.010	<u>\$712,227</u>	<u>\$712,227</u>	<u>\$712,227</u>	<u>\$712,227</u>	<u>\$712,227</u>

Operating Expenditures Actual FY23 through FY25 and Estimated FY26-FY30

As the graph on the following page indicates, we have been diligent at containing costs in reaction to lower and flat state revenues in the past. We are maintaining control over our expenses while balancing student academic needs to enable them to excel and do well on state performance standards.



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

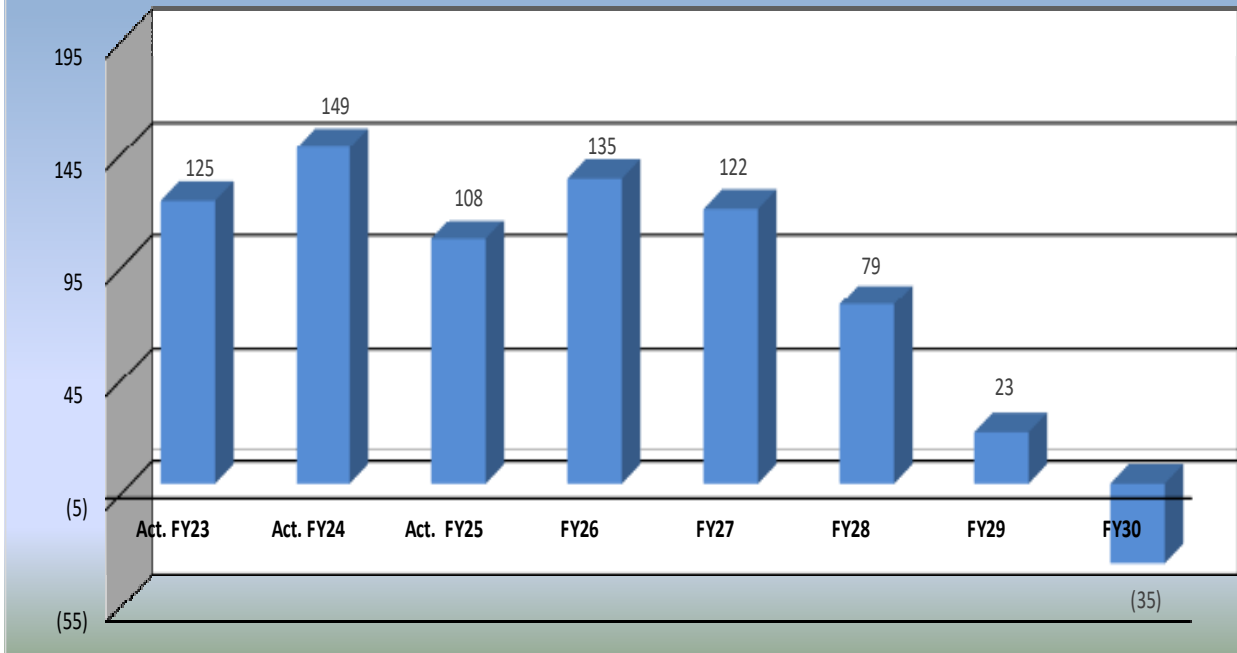
This amount must not go below \$0 or the district General Fund will violate all Ohio Budgetary Laws. Any multi-year contract which is knowingly signed which results in a negative unencumbered cash balance is a violation of 5705.412, ORC punishable by personal liability of \$10,000. It is recommended that a district maintains a minimum of thirty (30) day cash balance, which is about \$3.1 million for our district.

	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>	<u>FY30</u>
Ending Unreserved Cash Balance Line #15.01	<u>\$13,893,574</u>	<u>\$13,019,015</u>	<u>\$10,383,400</u>	<u>\$6,629,717</u>	<u>\$2,115,789</u>

True Cash Days Ending Balance

Another way to look at ending cash is to state it in ‘True Cash Days’. In other words, how many days could the district operate at year end if no additional revenues were received. This is the Current Years Ending Cash Balance divided by (Current Years Expenditures/365 days) = number of days the district could operate without additional resources or a severe resource interruption. The government finance officers association recommends no less than two (2) months or 60 days cash is on hand at year end but could be more depending on each districts complexity and risk factors for revenue collection. This is calculated including transfers as this is a predictable funding source for other funds such as capital, athletics and severance reserves.

Ending Unencumbered Cash Balance in True Cash Days



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