Lakota Local Schools

ANNUAL REPORT

FISCAL YEAR 2026

From the Treasurer

Every financial decision at Lakota Local Schools begins with the same question: How will this support students? The funding decisions we make shape the programs that spark our students' interests, the classrooms where learning happens, the buses that bring students safely to school and the staff who support them every day.

This annual report shares how school funding works and how Lakota uses community tax dollars responsibly to support students, care for our schools and plan ahead so learning remains strong for years to come.

Lakota serves 17,000 students every day across 23 schools, supported by 2,000 teachers, support staff and administrators. Our budget supports course offerings, safe facilities and the programs that help students discover their interests and strengths, helping to prepare them for a successful future.

Like school districts across Ohio, Lakota is navigating rising costs, aging facilities, state mandates and enrollment changes. At the same time, the State has changed how schools are funded, which means districts must rely more heavily on local tax dollars. Transparency, clear communication and long-term planning are especially important to protecting learning opportunities for students now and in the future.

The purpose of this publication is to help you understand school finances and how they impact our community. You'll learn how school funding works in Ohio, how Lakota compares with surrounding districts and how long-term financial planning supports student learning while using community tax dollars wisely. You'll also see how careful budgeting and planning have allowed us to operate efficiently while maintaining strong educational opportunities for students.

Without a doubt, we are at a critical juncture with our facilities to continue providing the same high-quality level of instruction our community expects and our students deserve. We have an opportunity to fix overcrowding, enhance educational programming and minimize the financial burden of some of our oldest facilities with some help from the State and at no additional cost to taxpayers.

On behalf of the Finance Department, thank you for taking the time to learn more about Lakota's finances and for your continued support of our schools.

As I transition out of my role at Lakota, I am working closely with Randy Bertram to take over as interim treasurer in August. It's been an honor serving Lakota for the past 10 years. Together, we can ensure every financial decision strengthens student learning and keeps Lakota Local Schools strong today and well prepared for the future.

Adam Zink
Treasurer/
Chief Financial Officer

Lakota Board of Education

Sitting (left to right): **Julie Shaffer, President Kelley Casper**
Standing (left to right): **Alex Argo, Benjamin Nguyen, Vice President Douglas Horton**

We are proud to serve the families of West Chester and Liberty townships.

Lakota at a Glance	17,000 students	2,000 employees	23 schools *(plus preschool)*	63 square miles
Top 10 largest public school districts in Ohio	4.5 stars on the 2025 state report card	10,500 students transported daily	1.2 million meals served annually	$350 million annual budget

Accountability You Can See

We plan ahead.
Financial planning drives how we operate. While a financial forecast is approved by the Board of Education twice a year, the long-term impact of every financial decision is considered on a daily basis. We track enrollment and plan staffing and transportation based on current and projected needs. For example, long-term facility and technology plans guide purchases on a rotating schedule to reduce surprise expenditures. Furthermore, a five-year curriculum adoption cycle supports student learning while aiding the budget process.

We control costs and look for savings.
Major purchases follow a competitive bidding process, including price comparisons. We also partner with other organizations to capture savings through joint purchasing power. We invest in preventative maintenance to avoid bigger repair costs later and regularly review contracts and services to find efficiencies without reducing student supports.

We are independently reviewed.
Lakota has earned the Auditor of State clean audit for 12 consecutive years, an honor received by fewer than eight percent of government entities in Ohio. A clean audit means independent reviewers found no financial issues or concerns.

The Board of Education provides ongoing oversight.
Every month, the Board approves the monthly financial and cash summary reports at its regular meeting. The financial forecast is presented and approved twice a year before being submitted to the State. Additionally, the Board approves all multi-year contracts in these public meetings.

Lakota Ranks High with Independent Financial Experts

Aa1 MOODY'S RATINGS

AA+ S&P Global Ratings

Similar to major organizations and homeowners, school districts receive financial ratings that reflect their overall financial health. Higher ratings lead to lower interest rates.

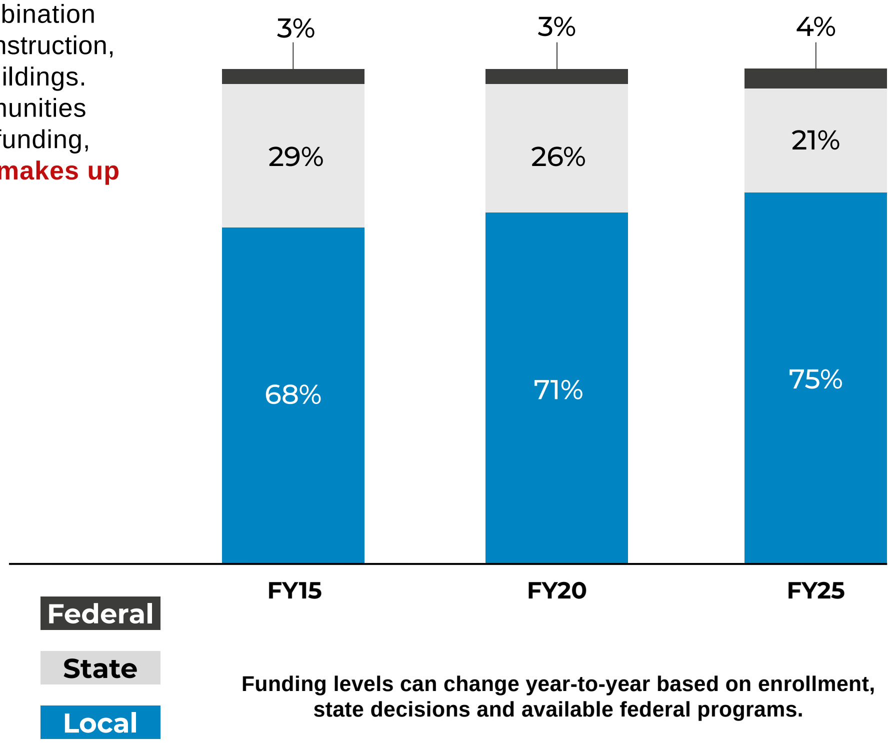
Lakota Local Schools consistently earns top ratings from Moody's Investors Service (Aa1) and Standard and Poor's (AA+), just one level below the highest ratings. These strong ratings have allowed the District to refinance debt at lower interest rates, saving taxpayer dollars over time.

Learn more about Lakota's finances by visiting our website. →

How Schools are Funded

Lakota's Revenue Sources

Ohio public schools are funded through a combination of local, state and federal dollars that support instruction, transportation, student services and school buildings. While all three sources play a role, local communities across Ohio now provide the largest share of funding, as shown in the chart at right. **Local funding makes up more than two-thirds of Lakota's revenue.**



Funding levels can change year-to-year based on enrollment, state decisions and available federal programs.

Did you know?

Ohio now ranks 45th in the nation for how much the State spends on public education. Homeowners and farmers now pay nearly 70% of school property taxes in Ohio, up from 47% in 1991.

Source: Ohio Education Policy Institute

Why is Lakota forecasting an operating levy in November 2028?

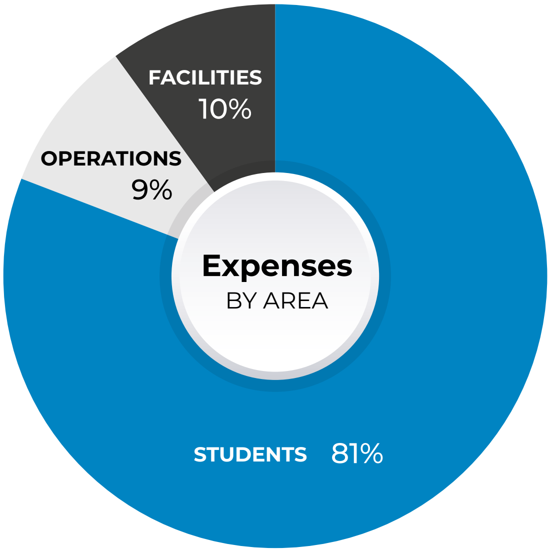
Although state funding continues to decline, costs continue to rise, often driven by factors outside of the District's control. Examples include healthcare benefits, fuel, utilities, materials, supplies and aging facilities in need of more costly repairs. These are many of the same costs families experience at home, which is why careful budgeting, transparency and long-term planning are essential to managing our resources responsibly.

In spite of declining state funding and no local levy since 2013, Lakota has found ways to live within its means. While the refined master facilities plan will help with some long-term operational savings, Lakota is still forecasting the need for an operating levy in November 2028 to continue providing the same high-quality programs and services offered today.

How Funding is Used

Major Spending Categories for All Funds

Categories in the chart below break down the day-to-day costs to educate and operate schools.



Examples of Expenses by Area

- **Students:** Instruction, special education, technology and transportation
- **Facilities:** Safety and maintenance
- **Operations:** Essential services, systems and administrative supports

A Closer Look: Administrator Support

Staffing decisions play an important role in how school resources are used.

Compared to neighboring districts, Lakota has fewer administrators per student and is well below the state average. This reflects a responsible staffing approach that emphasizes efficiency, while still providing student support.

District	Students:Admin
Lebanon	114:1
Princeton	116:1
Ross	123:1
State Average	125:1
Hamilton	134:1
Mason	142:1
Lakota	**161:1**
Fairfield	163:1
Monroe	178:1
Talawanda	192:1
Middletown	195:1

Did you know?

Lakota provides services like transportation and speech therapy to non-Lakota students living within our boundaries. However, Lakota only receives state funding for students attending our schools.

How can school tax dollars be used?

Each type of tax levy is legally restricted to specific uses. In other words, dollars cannot be shifted from one bucket to another.

Bond Issue: Like a mortgage, pays for building projects and major construction.

Operating Levy: Like a checking account, pays for daily costs like salaries, supplies, transportation and activities.

Permanent Improvement Levy: Like a savings account, pays for long-term needs with a lifespan of at least five years like technology, curriculum and building upkeep.

From Investment to Student Experience

School funding supports the people, programs and safe learning environments that help students succeed. Families and taxpayers see that return in everyday ways: access to high-quality academic programs, safe and functional learning spaces that also serve the larger community and the supports that help schools meet students' needs.

Thoughtful investment leads to educational value that shows up across the full student experience, not just academic results.

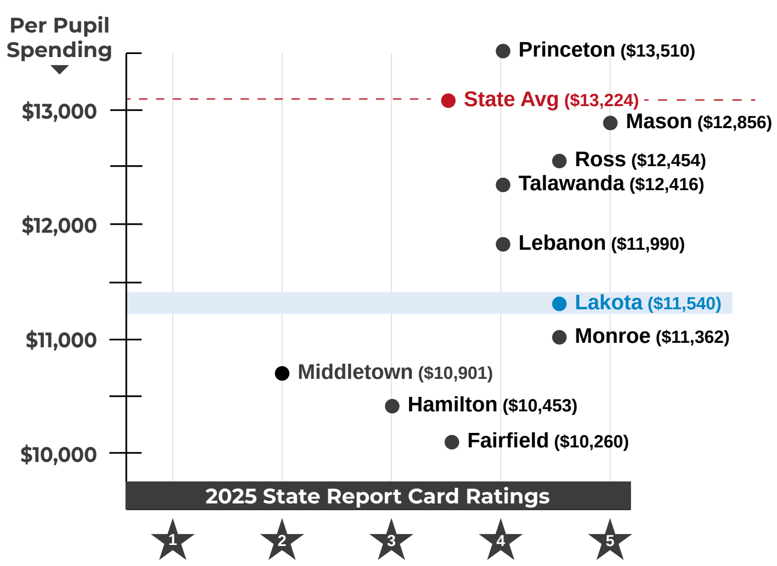
- **Access to high-quality academic programs and supports:** Funding supports core academic courses, electives, career pathways, arts, athletics and extracurriculars that allow students to explore interests and strengths.
- **Safe, functional learning environments:** Investments in buildings, maintenance and operations help ensure schools are safe and well-maintained for both student and community use.
- **Student safety:** Counselors, nurses, mental health professionals and school resource officers support student safety and well-being.
- **Uniform opportunities across schools:** Consistent funding and planning help provide students with access to similar programs, services and learning environments across the District, regardless of which school they attend.

Why this matters:

Behind every tax dollar is a student who benefits from the instruction, opportunities and supports Lakota provides.

Spending and Student Outcomes: Putting the Numbers into Context

Looking at spending per student alongside district ratings, as shown at right is one way to see how a community's investment translates to student learning and achievement.



Why this matters:

With lower than average per pupil spending and higher than average report card results, Lakota taxpayers are getting a good return on their investment, as compared to other neighboring districts.

How much does one mill cost me?

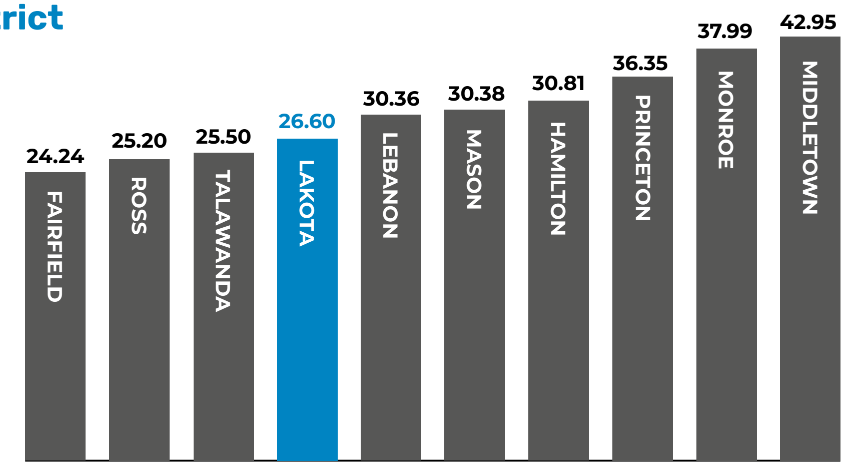
A mill is the annual tax rate applied to a home's taxable value, which is 35% of the home's assessed value (as calculated by the Butler County Auditor). In Ohio, one mill is valued at $1 per $1,000 of taxable value. Use this easy math on a $100,000 home to calculate your individual cost of one mill, per month and year. ►

How Our Community Compares

Effective Tax Millage by School District

The chart at right shows the portion of property taxes that specifically supports public schools in each community. Lakota's effective millage rate is in line or lower than many nearby communities.

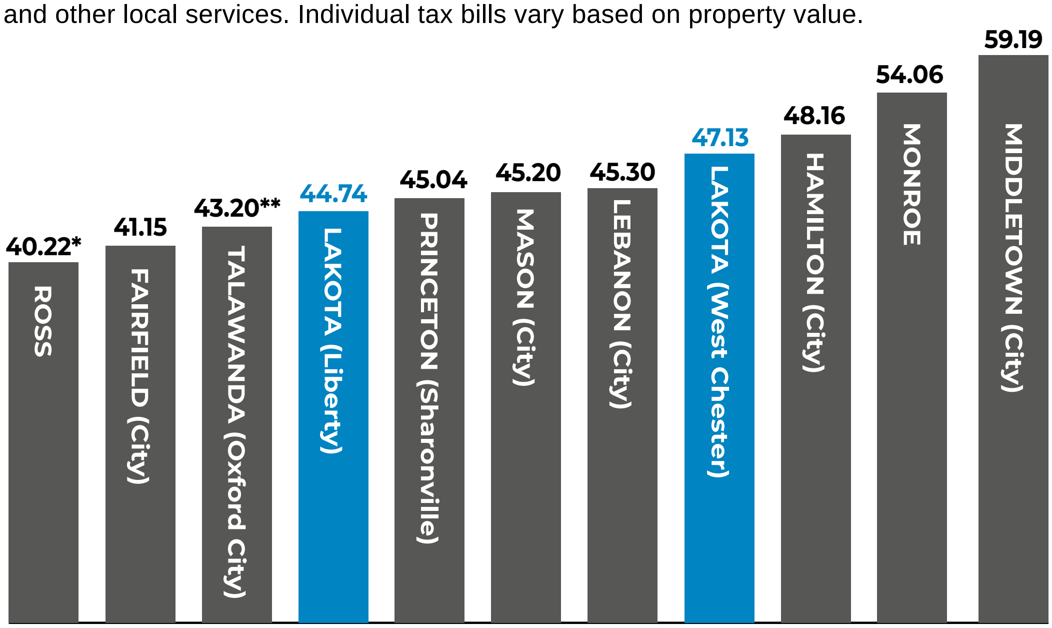
Differences in enrollment, building age, transportation needs and student services all affect costs and revenue sources.



Effective Tax Millage by Community

Looking at total effective millage helps show the full property tax picture. While school funding is one part of local taxes, residents also support services like city/township operations, parks and public safety.

The chart below shows **total property taxes** across communities, including schools and other local services. Individual tax bills vary based on property value.



**In addition to a 1.25% Earned Income Tax for schools*
***In addition to a 1% Traditional Income Tax for schools*

Did you know?

Adjustments to the actual tax rate residents pay ensure school levy revenue never exceeds the total amount approved by taxpayers, even when property values rise. This is called effective millage.

Learn more ►

1. **$100,000** (Assessed Value)
   x .35
   $35,000 (Taxable Value)
2. **$35,000** (Taxable Value)
   ÷ 1,000
   $35 (Annual tax per mill)
3. **$35**
   ÷ 12 (Months)
   $2.92 (Monthly tax per mill)

Lakota Local Schools

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Phone: 513-874-5505 (Central Office)

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A Look Ahead: Nov. 2026 Master Facilities Ballot Issue

The Lakota Board of Education unanimously approved placing a bond issue on the Nov. 2026 ballot to fund phase one of its revised Master Facilities Plan. The plan reflects community feedback from the November 2025 ballot issue. Construction focuses primarily on grades 6-12 but all students will benefit from fewer school transitions, expanded learning opportunities and improved operational efficiency.

Educational Benefits to Students

All Students
- Fewer grade band moves: Preschool, K-5, 6-8, 9-12
- More time in each building for a better school experience

K-5 Elementary Schools
- Less overcrowding and smaller class sizes
- Consistent, year-round specials (e.g. art, music, gym)

6-8 Middle Schools
- Expanded electives (e.g. foreign language)
- Access to electives starting in sixth grade

9-12 High Schools
- Freshmen attend the main high school campus
- More elective opportunities

Operational Efficiencies

- More efficient bus routes, which could support a return of K-12 transportation
- More stable class sizes
- Three fewer buildings to operate and maintain

Scan the QR code to visit Lakota's MFP website and **learn more.▶**

At a Glance: New Facilities Footprint

When phase one construction is completed, Adena Elementary, Ridge Junior and the West Freshman/Creekside/Lakota Central building will close. The total number of school buildings would drop from 21 to 18.

- **Preschool:** Liberty ECS
- **Grades K-5:** Remaining 13 early childhood, elementary and junior schools
- **Grades 6-8:** East Freshman & Plains Junior (renovations & additions to both)
- **Grades 9-12:** East & West high schools additions to both)

Funding the Plan with No Tax Increase

\$300 million	Total estimated cost to complete phase one
- \$77 million	State co-funding through the Ohio Facilities Construction Commission
\$223 million	**Local share (as compared to \$400 million on Nov. 2025 ballot)**

The November 2026 bond issue proposes:

- 2.2 mill bond to begin collection in 2029
- Replaces 2.2 mill bond rolling off in 2028 for **no increase in taxes**
- \$6.42/month/\$100,000 auditor-assessed home value