

Berea City School District

Fiscal Year
2027
August

Financial
Forecast
Report



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Berea City School District

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Forecast Purpose/Objectives

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

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

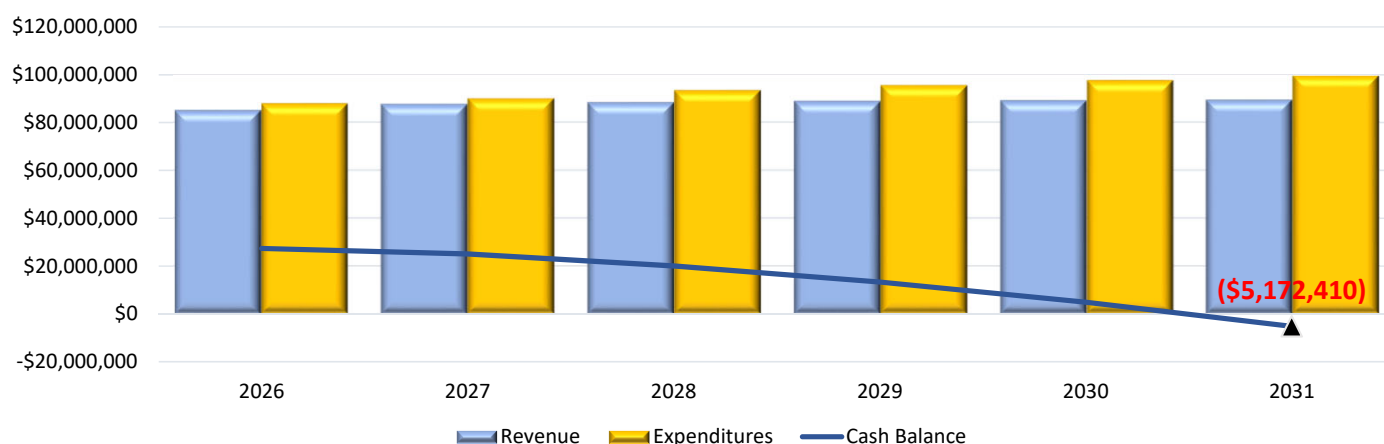
Forecast Methodology

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

Forecast Summary

Berea City School District

Projected Revenue, Expenditures, and Cash Balance



Financial Forecast Summary

	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031
Beginning Balance (Line 7.010) <i>*Includes Renewal/New Levy Revenue, see Disclosures</i>	27,384,679	25,080,473	20,041,685	13,367,570	4,956,307
+ Revenue	87,696,932	88,374,725	88,907,298	89,178,037	89,467,041
- Expenditures	(90,001,138)	(93,413,514)	(95,581,413)	(97,589,301)	(99,595,757)
= Revenue Surplus or Deficit	(2,304,206)	(5,038,789)	(6,674,115)	(8,411,264)	(10,128,716)
Line 7.020 Ending Balance with Renewal/New Levies	25,080,473	20,041,685	13,367,570	4,956,307	(5,172,410)

Financial Summary Notes

Expenditure growth is projected to outpace revenue change. By the end of 2031, the cash balance is projected to decline by a total of \$32,557,089 compared to 2026. For fiscal year 2031, expenditures are currently projected to exceed revenue, resulting in a revenue shortfall the final year of the forecast period.

For revenue, projected change is expected to be greater than the historical average. Annually, on average, over the past five years, revenue increased by 0.73% (\$535,591 annually). However, it is projected to increase by 1.01% (\$873,507 annually) through fiscal year 2031. Notably, State Reimb Prop Tax Credits, is expected to be \$666,475 more per year compared to history, and is the biggest driver of trend change on the revenue side.

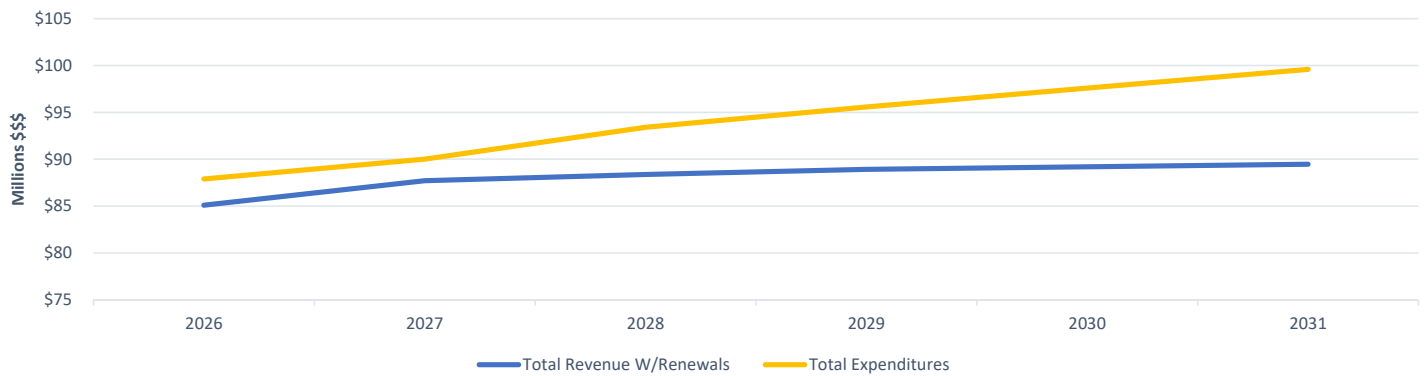
For expenses, projected change is forecasted to increase at a faster pace than the historical trend. Expenditures increased by 0.57% (\$451,166, on average, annually) during the past 5-year period, and are projected to increase by 2.53% (\$2,339,988 annually) through 2031. The forecast line with the most change on the expense side, Benefits, is anticipated to be \$1,070,327 more per year in the projected period compared to historical averages.

Disclosure Items:	2027	2028	2029	2030	2031
Modeled Renewal Levies - Annual Amount	-	-	-	-	-
Modeled New Levies - Annual Amount	-	-	-	-	-
Encumbrances (not subtracted from Cash Balance)	-	-	-	-	-

Forecast Analysis

Berea City School District

Revenue Compared to Expenditures

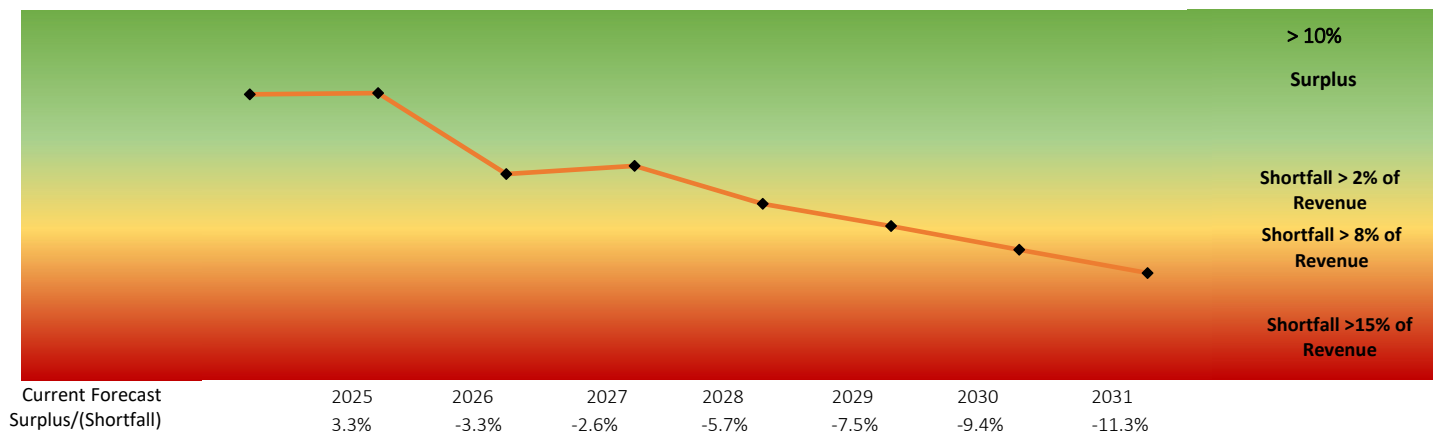


From 2027 to 2031, total revenues are projected to change by 1.01%

Expenditure change is expected to outpace revenue change.

From 2027 to 2031, total expenses are projected to change by 2.53%

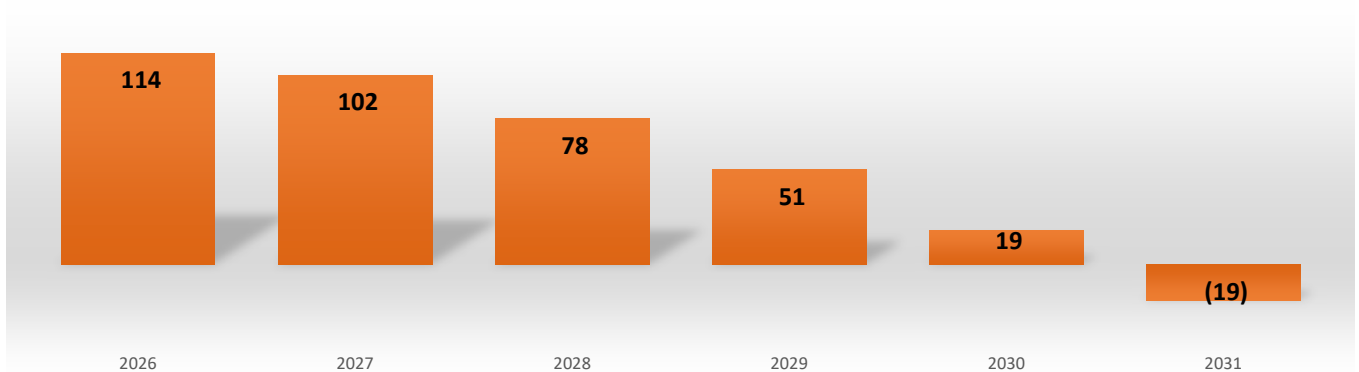
Revenue Surplus/(Shortfall) as a Percentage of Revenue



The district is trending toward revenue shortfall with the expenditures growing faster than revenue.
 A revenue increase of 9.43% is needed to balance the budget in fiscal year 2031, or a \$10,128,716 reduction in expenditures.

- The largest contributor to the projected revenue trend is the change in State Reimb Prop Tax Credits.
- The expenditure most impacting the changing trend is Benefits.

Days Cash on Hand at Fiscal Year-end

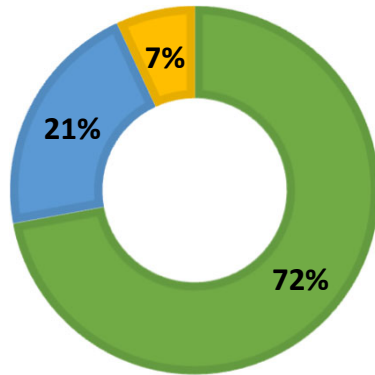


*based on 365 days

Revenue Overview

Berea City School District

Revenue Sources



Local Taxes

Real Estate Tax	65.11%
Public Utility Tax	7.01%
Income Tax	0.00%

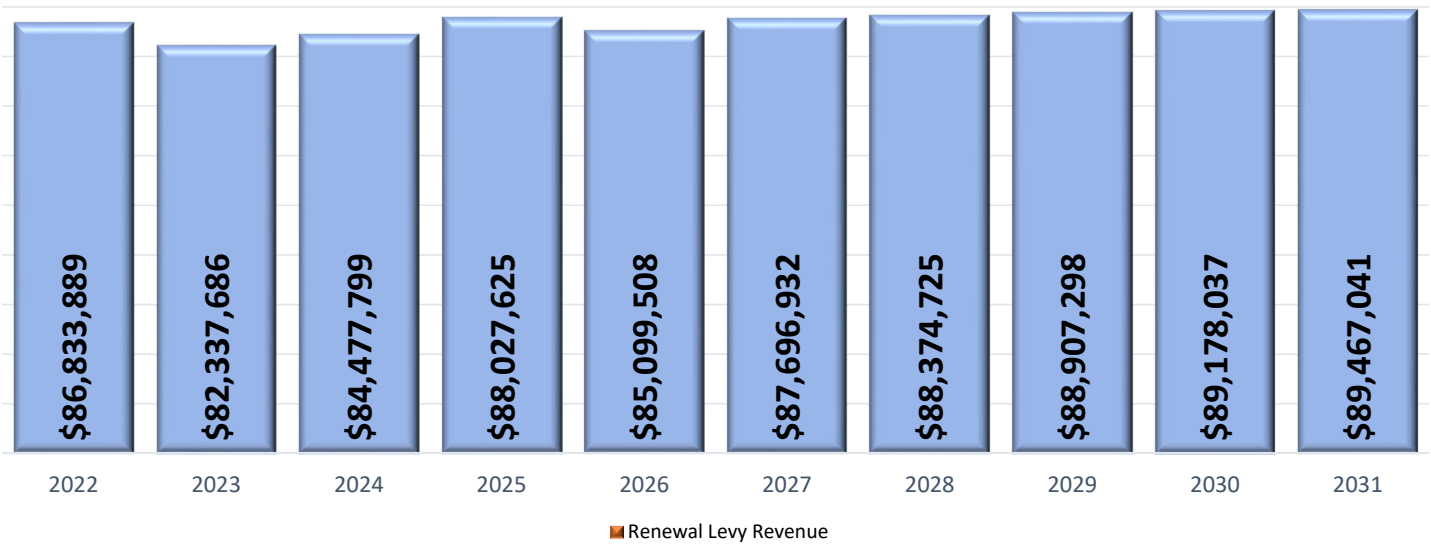
State Sources

State Funding	9.69%
Restricted Aid	4.60%
State Reimb Prop Tax Credit	6.67%

All Other Revenue

Other Revenue	6.81%
Other Sources	0.12%

Annual Revenue Actual + Projected



Historic Revenue Change versus Projected Revenue Change

	Historical Average Annual \$\$ Change	Projected Average Annual \$\$ Change	Projected Compared to Historical Variance	Annually, on average, over the past five years, revenue increased by 0.73% (\$535,591 annually). However, it is projected to increase by 1.01% (\$873,507 annually) through fiscal year 2031. Notably, State Reimb Prop Tax Credits, is expected to be \$666,475 more per year compared to history, and is the biggest driver of trend change on the revenue side.
Real Estate	\$364,329	\$657,584	\$293,255	
Public Utility	\$229,697	\$286,643	\$56,945	
Income Tax	\$0	\$0	\$0	
State Funding	\$406,604	\$56,568	(\$350,036)	
State Reimb Prop Tax Credits	(\$642,410)	\$24,065	\$666,475	
All Othr Op Rev	\$303,643	\$27,112	(\$276,532)	
Other Sources	(\$126,273)	(\$178,465)	(\$52,192)	
Total Average Annual Change	\$535,591 0.73%	\$873,507 1.01%	\$337,916 0.28%	

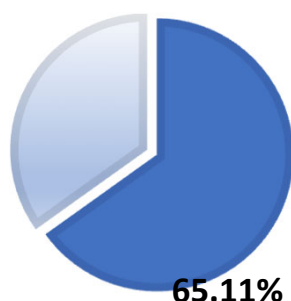
For Comparison:

Expenditure average annual change is projected to be >

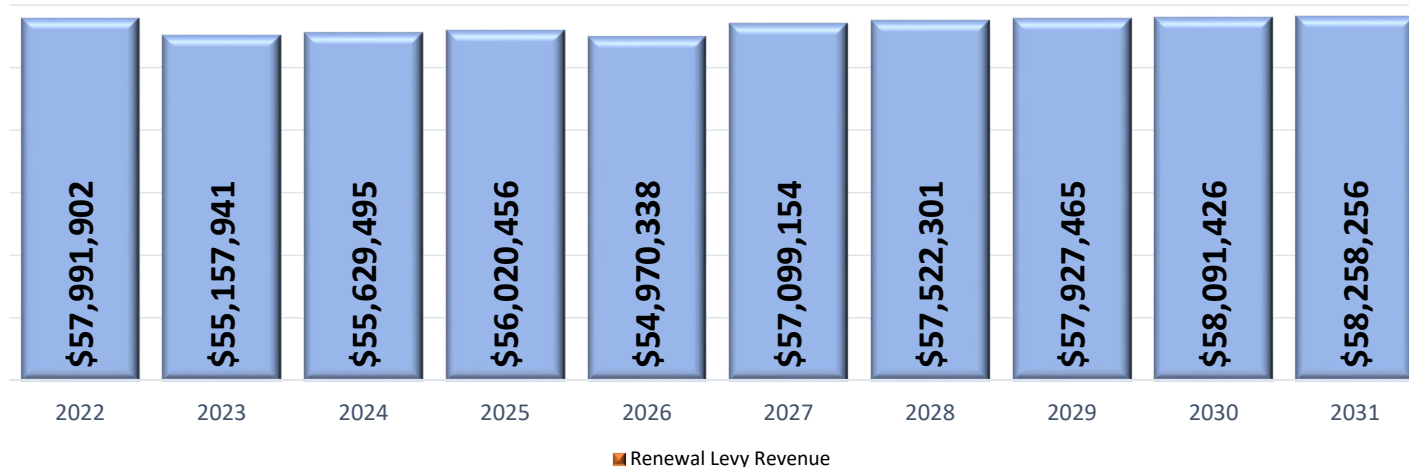
\$2,339,988 On an annual average basis, expenditures are projected to grow faster than revenue.

1.010 - General Property Tax (Real Estate)

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



Real estate property tax revenue accounts for 65.11% of total district general fund revenue.



Key Assumptions & Notes

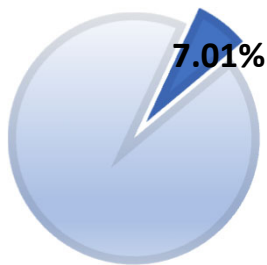
Values, Tax Rates and Gross Collections							Gross Collection Rate Including Delinquencies
Tax Yr	Valuation	Value Change	Class I Rate	Change	Class 2 Rate	Change	
2025	1,969,736,745	(8,228,305)	27.35	-	43.79	-	100.0%
2026	1,974,736,745	5,000,000	27.36	0.01	43.72	(0.07)	100.0%
2027	2,194,236,745	219,500,000	24.37	(2.99)	42.55	(1.17)	100.0%
2028	2,200,236,745	6,000,000	24.37	(0.01)	42.48	(0.07)	100.0%
2029	2,206,236,745	6,000,000	24.36	(0.01)	42.41	(0.07)	100.0%
2030	2,212,236,745	6,000,000	24.35	(0.01)	42.35	(0.07)	100.0%

Class I, or residential/agricultural taxes make up approximately 57.62% of the real estate property tax revenue. The Class I tax rate is 27.36 mills in tax year 2026. The projections reflect an average gross collection rate of 100.0% annually through tax year 2030. The revenue changed at an average annual historical rate of 0.78% and is projected to change at an average annual rate of 1.18% through fiscal year 2031.

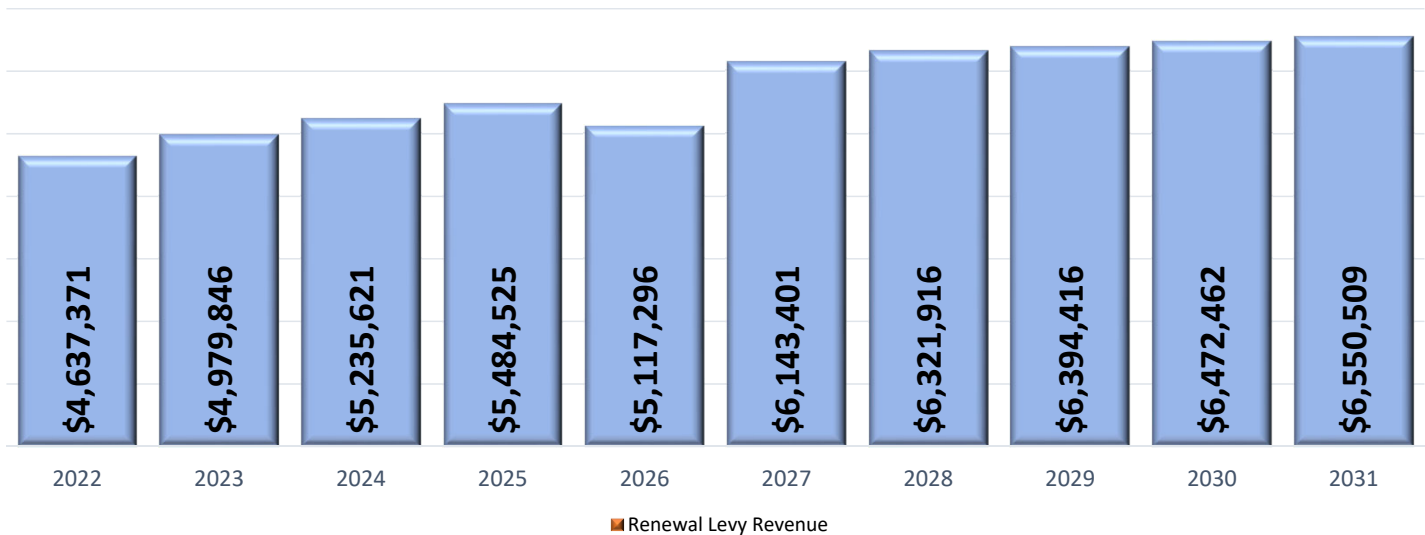
For fiscal year 2026, Real Estate revenue was less than actual projections due to the County Budget Commission making a clerical error in Class II valuations on the Abstract certified to the Department of Taxation. Valuations for calendar year 2025 were inflated with a clerical error which adjusted effective millage down. Calendar year 2026 valuations were correct but the effective millage was not corrected to collect the proper revenue. While working with the Budget Commission and the Department of Taxation an adjustment will be made to Class II millage rates for collections beginning in Spring of 2027 to allow the district to collect this missing revenue. Real Estate projections from fiscal year 2028 to fiscal year 2031 reflect normal collections.

1.020 - Public Utility Personal Property

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



Public Utility Personal Property tax revenue accounts for 7.01% of total district general fund revenue.



Key Assumptions & Notes

Values and Tax Rates					Gross Collection Rate Including Delinquencies
Tax Year	Valuation	Value Change	Full Voted Rate	Change	
2025	81,029,320	4,194,800	76.10	-	97.8%
2026	84,529,320	3,500,000	76.10	-	97.8%
2027	85,579,320	1,050,000	75.98	(0.12)	97.8%
2028	86,629,320	1,050,000	75.98	-	97.8%
2029	87,679,320	1,050,000	75.98	-	97.8%
2030	88,729,320	1,050,000	75.98	-	97.8%

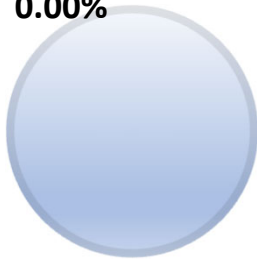
The public utility personal property tax revenue is generated from the personal property values, additions, and depreciation reported by the utility companies. The property is taxed at the full voted tax rate which in tax year 2026 is 76.10 mills. The forecast is modeling an average gross collection rate of 97.82%. The revenue changed historically at an average annual dollar amount of \$229,697 and is projected to change at an average annual dollar amount of \$286,643 through fiscal year 2031.

For fiscal year 2026 Public Utility revenue was less than actual projections due to a delinquent payment. The payment was made after the due date. The district will receive this revenue in July of 2026 (fiscal year 2027). Public Utility projections from fiscal year 2028 to fiscal year 2031 reflect normal collections.

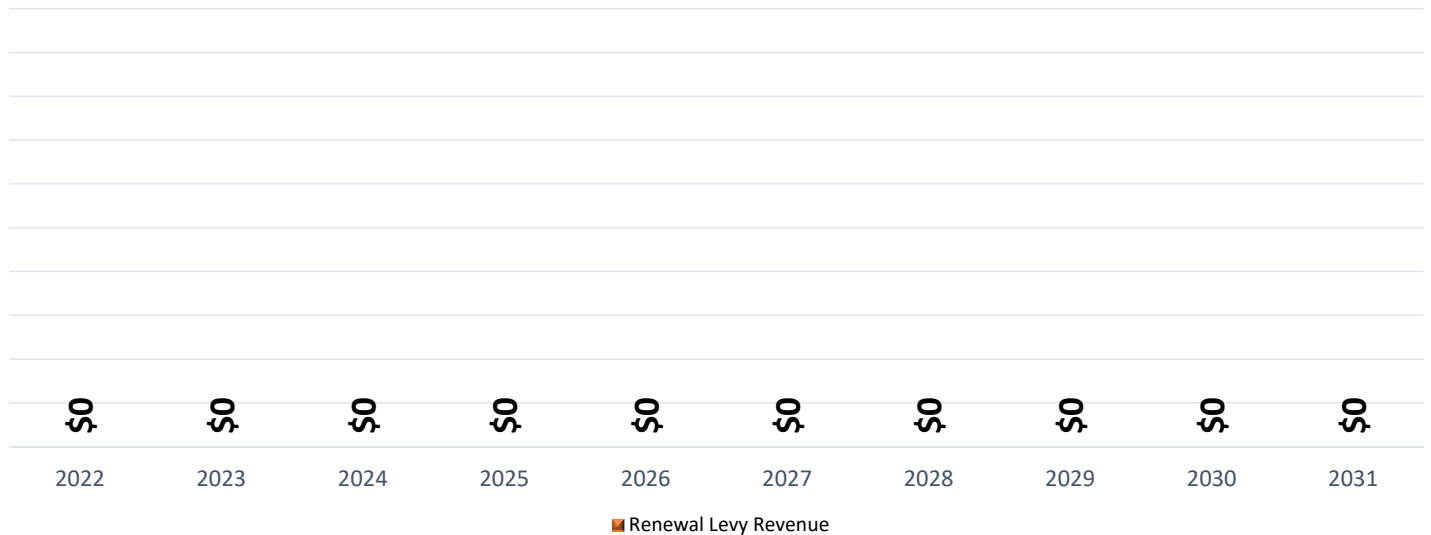
1.030 - School District Income Tax

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

0.00%



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

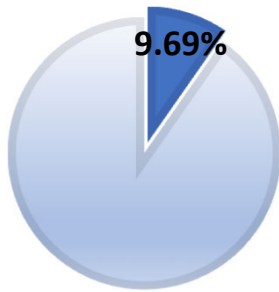


Key Assumptions & Notes

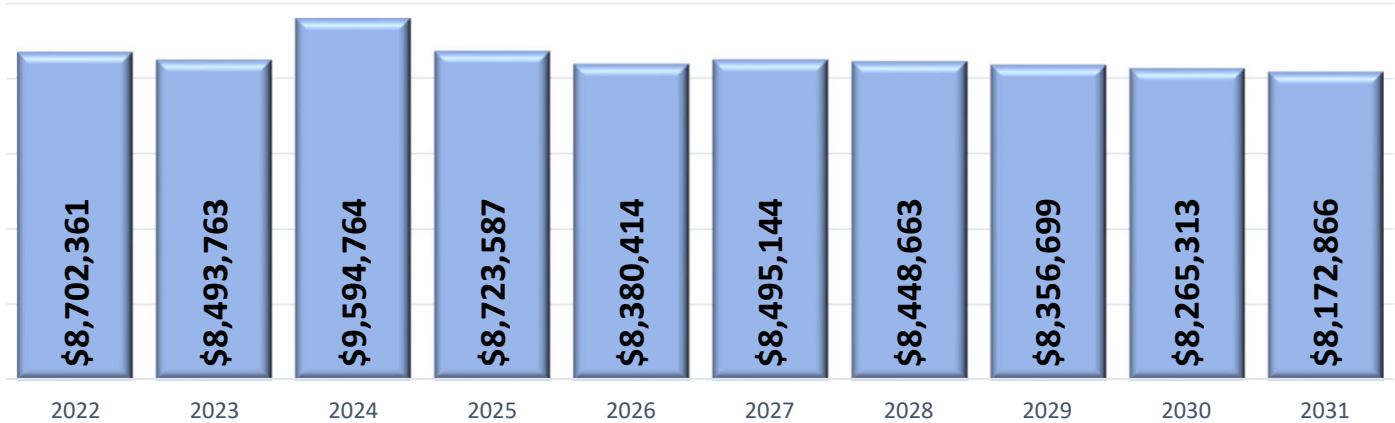
The district does not have an income tax levy.

1.035 - Unrestricted Grants-in-Aid

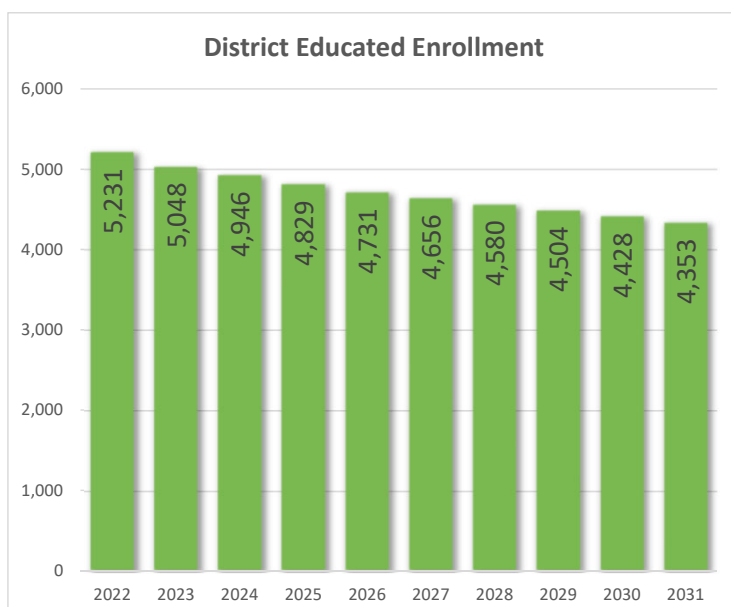
Funds received through the State Foundation Program with no restriction.



Unrestricted State Aid revenue accounts for 9.69% of total district general fund revenue.



Key Assumptions & Notes



Beginning in fiscal year 2022, Ohio adopted the Fair School Funding Plan (FSFP). Funding is driven by a base cost methodology that incorporates the four components identified as necessary to the education process. The Base Cost is currently calculated for two years using a statewide average from historical actual data.

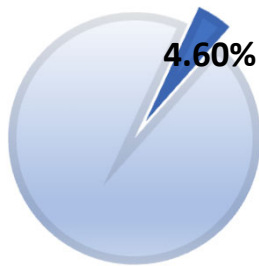
For Berea City School District, the calculated Base Cost total is \$39,458,222 in 2027.

The State's Share of the calculated Base Cost total is \$3,795,201, or \$815 per pupil.

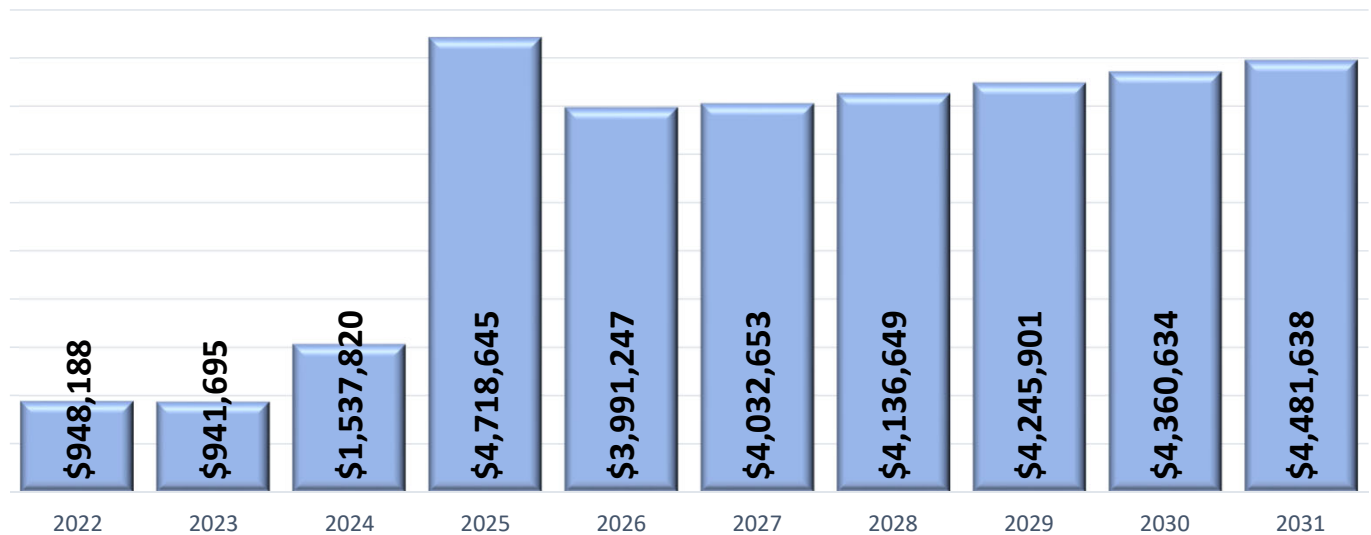
The FSFP also started funding students where they attended school. Therefore district educated enrollment is now used for per pupil funding. At the same time, the FSFP eliminated tuition transfer payments from school districts, which impacts the expense side of the forecast.

1.040 & 1.045 - Restricted Grants-in-Aid

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



Restricted State Aid revenue accounts for 4.60% of total district general fund revenue.



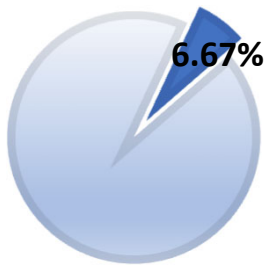
Key Assumptions & Notes

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 \$1,016,517 and is projected to change annually on average by \$98,078. Restricted funds represent 4.60% 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 \$180,175. 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.

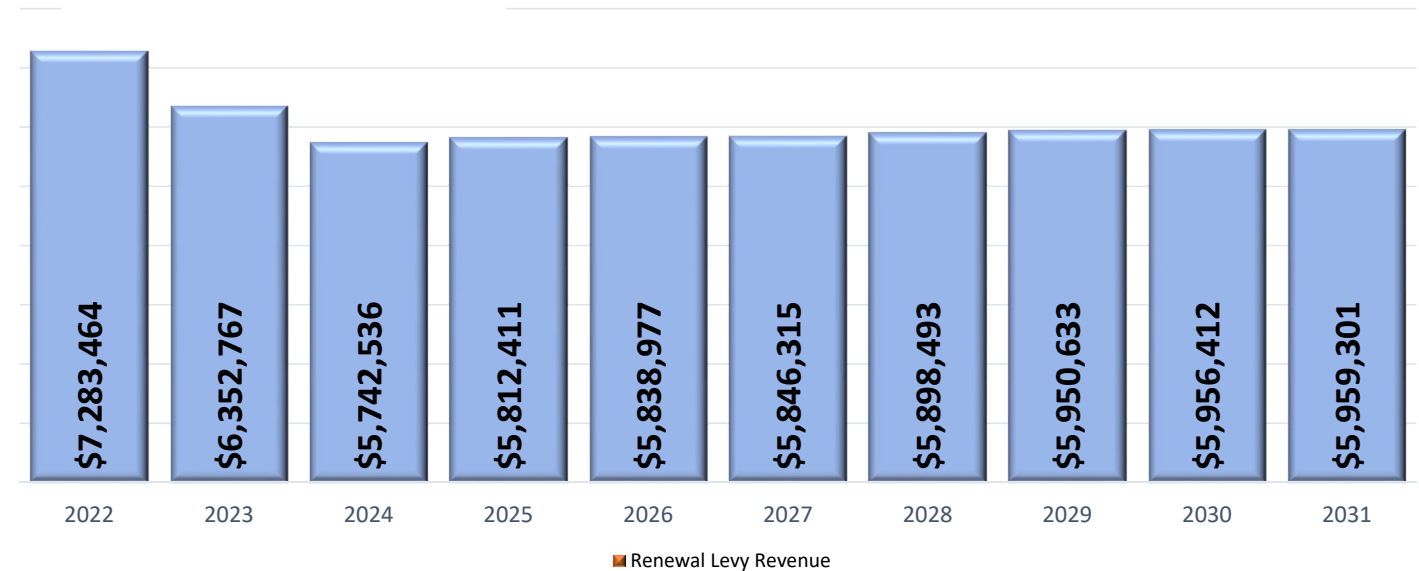
The district saw a large increase in this funding in fiscal year 2025 due to joining the Community Eligible Program (CEP), where every student is eligible to eat breakfast and lunch for free. By joining the CEP program it has a direct correlation to the amount of money the district will receive from the State of Ohio for Economically Disadvantaged Funding (called DPIA). Based on the current DPIA formula the more economically disadvantaged a district is, the more money it will receive. For fiscal year 2025 the district's economically disadvantaged percentage was 97%. Prior to joining the CEP the district's economically disadvantaged percentage was 44%. For fiscal year 2026 through fiscal year 2031 the DPIA formula was changed during the biennial budget process and lowered the DPIA percentage to 80%.

1.050 - State Reimbursement Property Tax Credits

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



State Reimbursement of Property Tax Credit revenue accounts for 6.67% of total district general fund revenue.



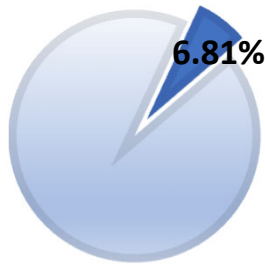
Key Assumptions & Notes

State Reimbursement of Property Tax Credits primarily consists of reimbursements from the state of Ohio for local taxpayer credits or reductions to their tax bill. The state reduces the local taxpayer's tax bill with a 10% rollback credit, and 2.5% owner-occupied rollback credit, plus a homestead credit for qualifying taxpayers. In fiscal year 2027, approximately 12.1% local residential property taxes will be reimbursed by the state in the form of rollback credits and approximately 2.9% will be reimbursed in the form of qualifying homestead exemption credits.

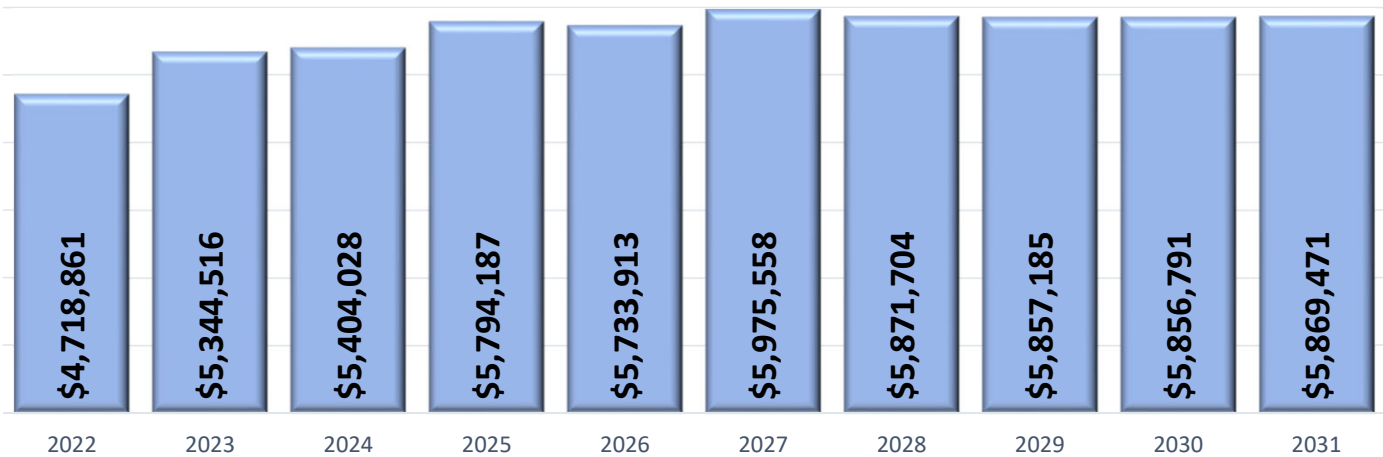
The largest change in this line was the district was receiving reimbursement from the State of Ohio for the Tangible Personal Property Tax Loss (the tax on inventory that was paid through the County in the past) but that reimbursement was phased out and ended in fiscal year 2023.

1.060 - All Other Operating Revenues

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



All Other Revenue accounts for 6.81% of total district general fund revenue.



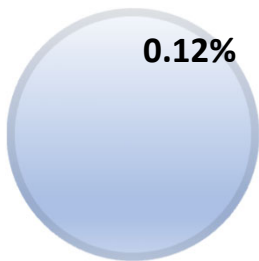
Key Assumptions & Notes

Other revenue includes tuition received by the district for non-resident students educated by the district. It also includes interest income, payments in lieu of taxes, and miscellaneous revenue. The historical average annual change was \$303,643. The projected average annual change is \$27,112 through fiscal year 2031.

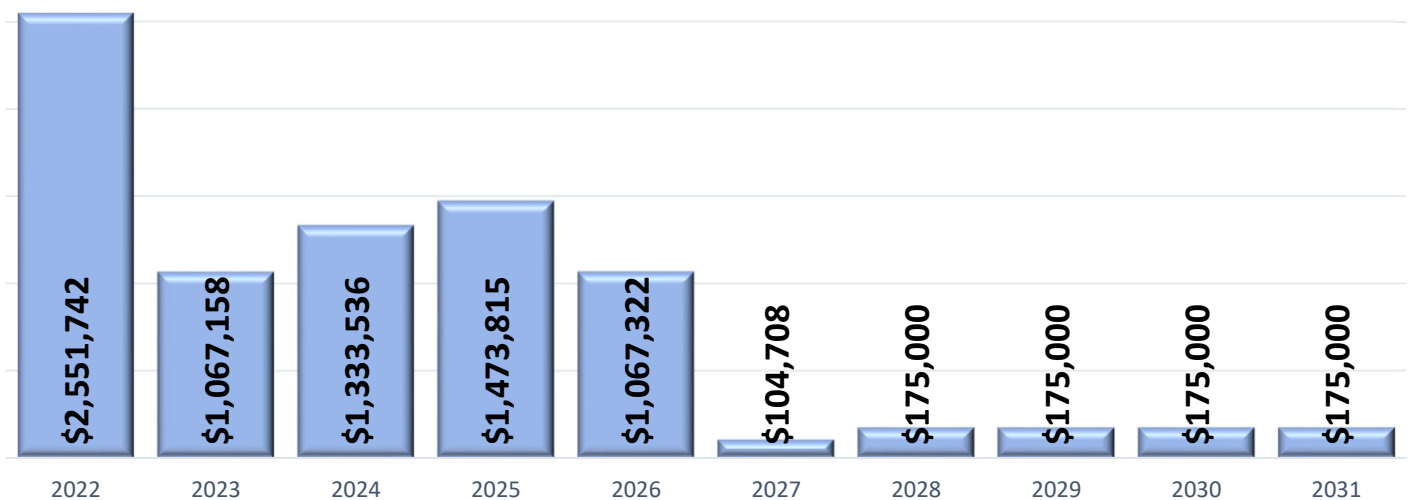
The district is projecting decreases in interest income throughout the forecast period. The district is also projecting increases in payments in lieu of taxes. This revenue is received when the municipalities within the district enter into a TIF or a CRA. There are several of these located within the municipalities within the district and the district is projecting there will be several more throughout the forecast period.

2.070 - Total Other Financing Sources

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



Other Sources of revenue accounts for 0.12% of total district general fund revenue.



Key Assumptions & Notes

	FORECASTED					
	2026	2027	2028	2029	2030	2031
Transfers In	-	-	-	-	-	-
Advances In	24,337	29,708	100,000	100,000	100,000	100,000
All Other Financing Sources	1,042,985	75,000	75,000	75,000	75,000	75,000

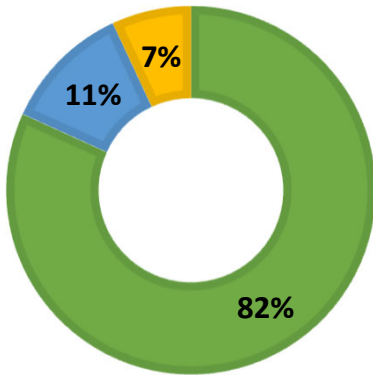
Other sources includes revenue that is generally classified as non-operating. Return advances-in are the most common revenue source. In 2026 the district receipted \$24,337 as advances-in and is projecting advances of \$29,708 in fiscal year 2027. The district also receives other financing sources such as refund of prior year expenditures in this category. The district is projecting that all other financing sources will be \$75,000 in 2027 and average \$75,000 annually through 2031.

The district has made advances to its health insurance fund at year end the past 5 years to combat a deficit within that fund. This advance is sent back to the general fund the following fiscal year. Due to taking higher premium increases within those 5 years, the advance to the health insurance fund will no longer be needed, thus lowering the advance in to the general fund in fiscal year 2027 through fiscal year 2031.

Expenditure Overview

Berea City School District

Expenditure Categories



Personnel Costs

Salaries	55.72%
Benefits	26.08%

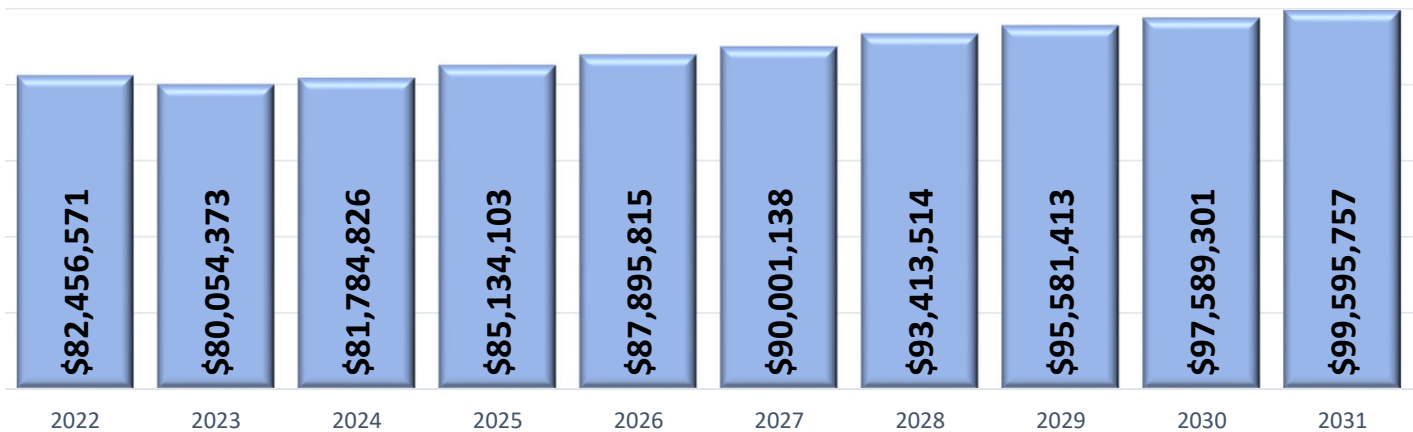
Purchased Services

11.27%

All Other Expenditures

Supplies, Capital, Debt, Other Obj	6.77%
Other Uses	0.17%

Annual Expenditures Actual + Projected



Historic Expenditures Change versus Projected Expenditures Change

	Historical Average Annual \$\$ Change	Projected Average Annual \$\$ Change	Projected Compared to Historical Variance	Expenditures increased by 0.57% (\$451,166, on average, annually) during the past 5-year period, and are projected to increase by 2.53% (\$2,339,988 annually) through 2031. The forecast line with the most change on the expense side, Benefits, is anticipated to be \$1,070,327 more per year in the projected period compared to historical averages.
Salaries	\$757,872	\$972,299	\$214,427	
Benefits	\$60,855	\$1,131,181	\$1,070,327	
Purchased Services	(\$60,927)	\$129,139	\$190,066	
Supplies & Materials	\$172,939	\$210,031	\$37,092	
Capital Outlay	(\$75,767)	(\$67,100)	\$8,667	
Intergov & Debt	\$316,424	(\$1,917)	(\$318,341)	
Other Objects	\$62,492	(\$44,012)	(\$106,504)	
Other Uses	(\$467,079)	\$10,367	\$477,446	
Total Average Annual Change	\$451,166 0.57%	\$2,339,988 2.53%	\$1,888,822 1.96%	

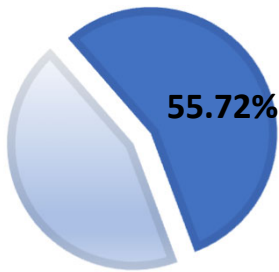
For Comparison:

Revenue average annual change is projected to be >

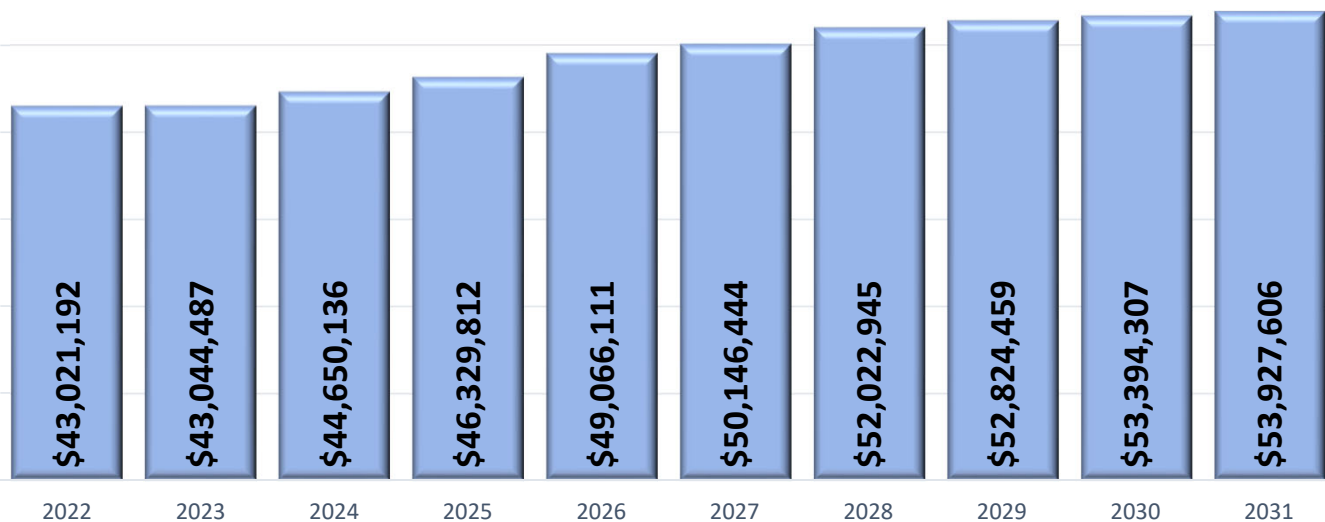
\$873,507 On an annual average basis, revenues are projected to grow slower than expenditures.

3.010 - Personnel Services

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



Salaries account for 55.72% of the district's total general fund spending.



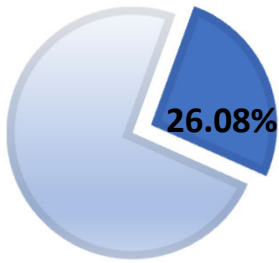
Key Assumptions & Notes

Salaries represent 55.72% of total expenditures and increased at a historical average annual rate of 1.69% (or \$757,872). This category of expenditure is projected to grow at an annual average rate of 1.91% (or \$972,299) through fiscal year 2031. The projected average annual rate of change is 0.22% more than the five year historical annual average.

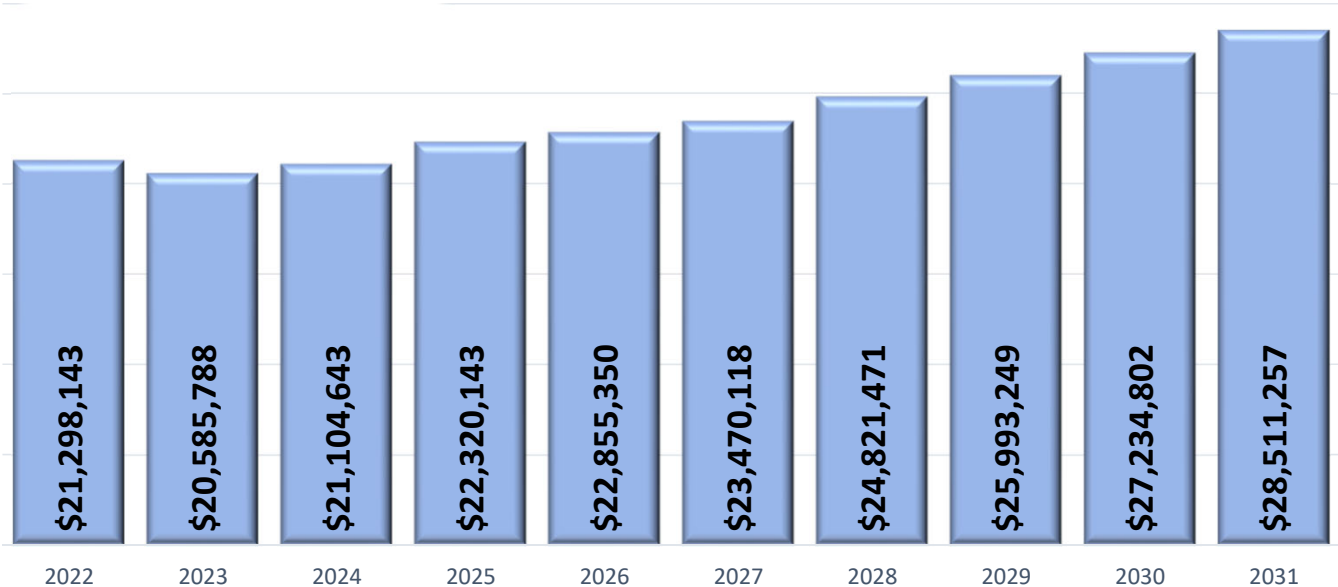
Expenses remain variable within this forecast as the district has many veteran employees who will possibly retire within this forecast period. With the change of veteran staff and new hires costing the district less in salary and benefits, the forecast could look very different as these employees retire. The district held negotiations with both the certified and classified staff in the spring of 2025. This forecast assumes the projected rates that were negotiated for fiscal year 2026 through fiscal year 2028.

3.020 - Employees' Benefits

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



Benefits account for 26.08% of the district's total general fund spending.



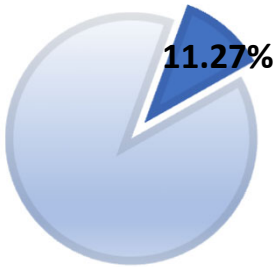
Key Assumptions & Notes

Benefits represent 26.08% of total expenditures and increased at a historical average annual rate of 0.36%. This category of expenditure is projected to grow at an annual average rate of 4.53% through fiscal year 2031. The projected average annual rate of change is 4.17% more than the five year historical annual average.

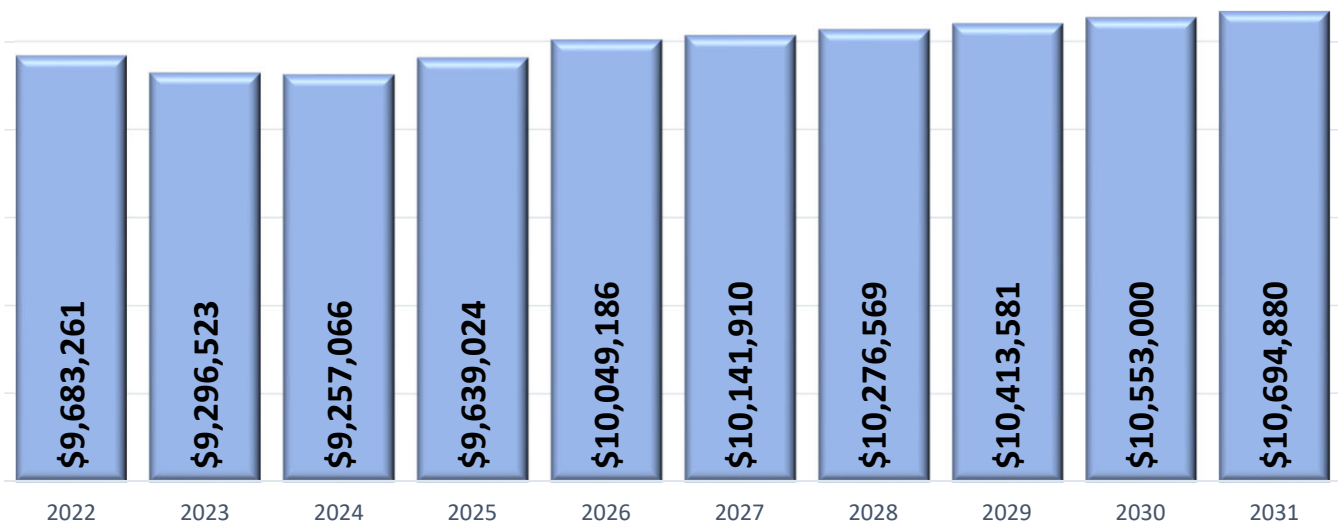
The district experienced several bad years of large health insurance claims. However, the past three years (fiscal year 2024, 2025 and 2026), have been favorable where premiums collected have met the claims incurred. This has allowed the district to see much lower premium increased from prior years. The district held negotiations with both the certified staff and classified staff in the spring of 2025. A negotiated plan design change was accomplished saving the district around \$200,000 per year. This forecast assumes a 10% increase in health insurance benefits for fiscal year 2028 through fiscal year 2031.

3.030 - Purchased Services

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



Purchased Services account for 11.27% of the district's total general fund spending.



Key Assumptions & Notes

Purchased Services represent 11.27% of total expenditures and decreased at a historical average annual rate of 0.50%. This category of expenditure is projected to grow at an annual average rate of 1.25% through fiscal year 2031. Starting in 2022, the Fair School Funding Plan (State Funding) only accounted for district educated enrollment, thereby reducing district tuition costs for open enrollment 'out,' community schools, STEM, and scholarship students. This change resulted in lower district costs, but also less per pupil state revenue since per pupil funding is now paid directly by the state to the district students attend.

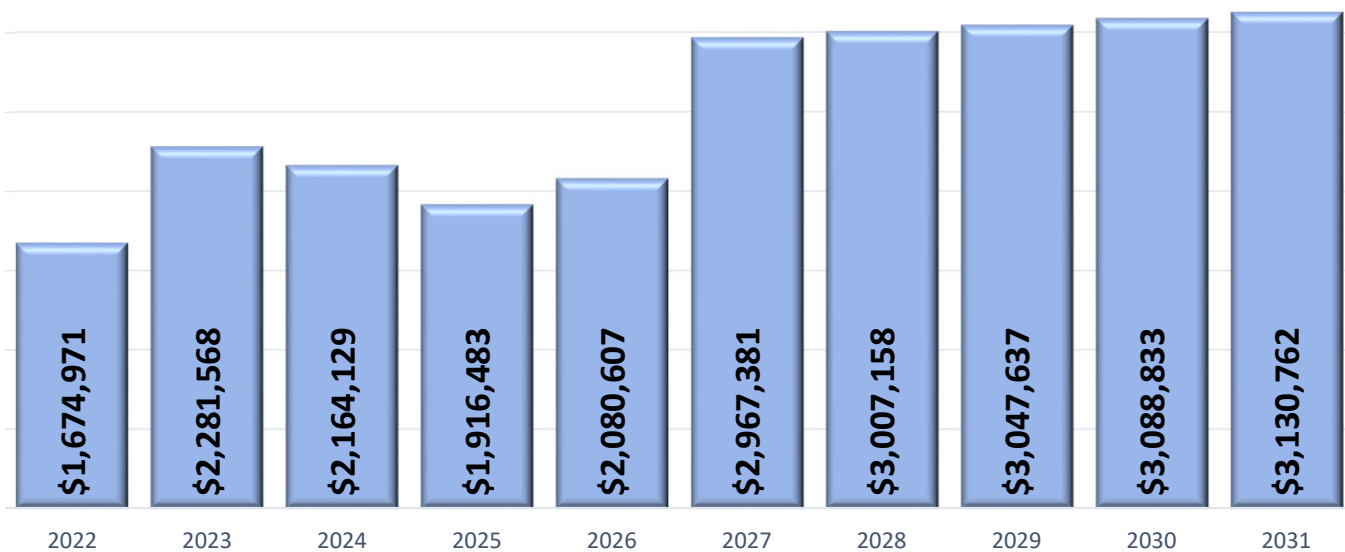
Utilities are included within this line on the forecast and can be volatile. However, the district is currently enrolled in consortiums to help combat the volatility of this expense. The district is currently monitoring natural gas, electricity, gas and diesel prices and ensuring all measures are taken to control this potential volatility.

3.040 - Supplies & Materials

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



Supplies and Materials account for 3.30% of the district's total general fund spending.



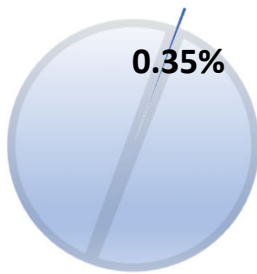
Key Assumptions & Notes

Supplies & Materials represent 3.30% of total expenditures and increased at a historical average annual rate of 13.19%. This category of expenditure is projected to grow at an annual average rate of 9.60% through fiscal year 2031. The projected average annual rate of change is 3.59% less than the five year historical annual average.

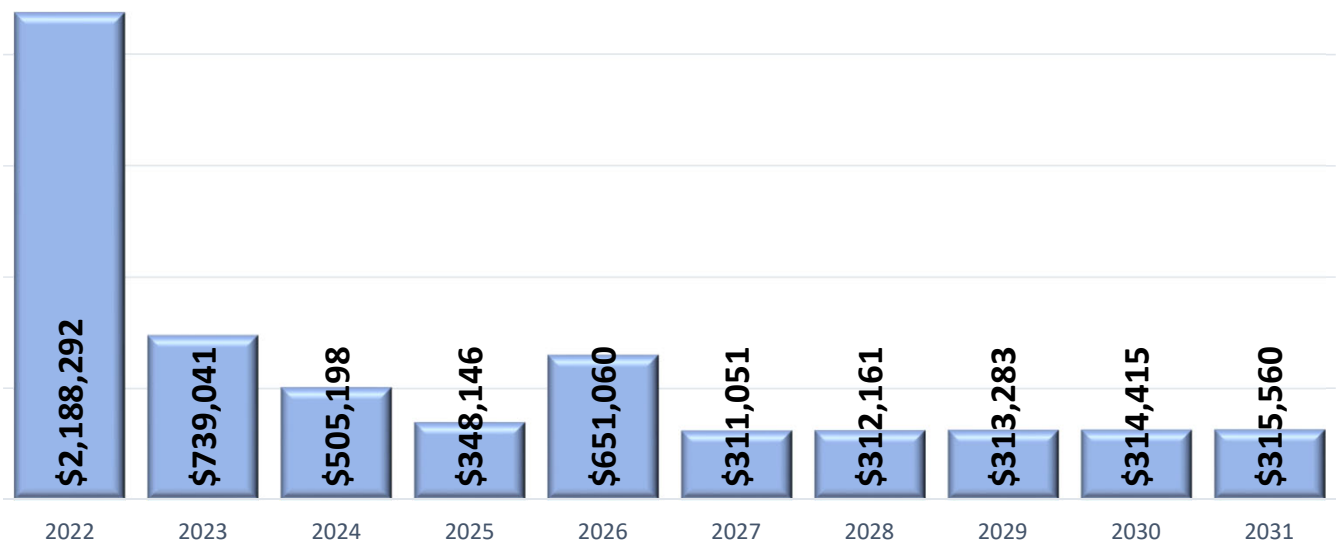
The district saw an increase within this line due to ESSER federal stimulus funds ending. Many of the items the district purchased with the stimulus funding included curriculum based items for student achievement. The district began planning for these expenditures to be included within the general fund in fiscal year 2023 and beyond as soon as the stimulus funding was made available and plans were made on spending.

3.050 - Capital Outlay

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



Capital Outlay account for 0.35% of the district's total general fund spending.



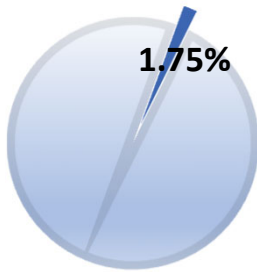
Key Assumptions & Notes

Capital Outlay represent 0.35% of total expenditures and decreased at a historical average annual amount of \$75,767. This category of expenditure is projected to decrease at an annual average rate of \$67,100 through 2031. The projected average annual change is less than the five year historical annual average.

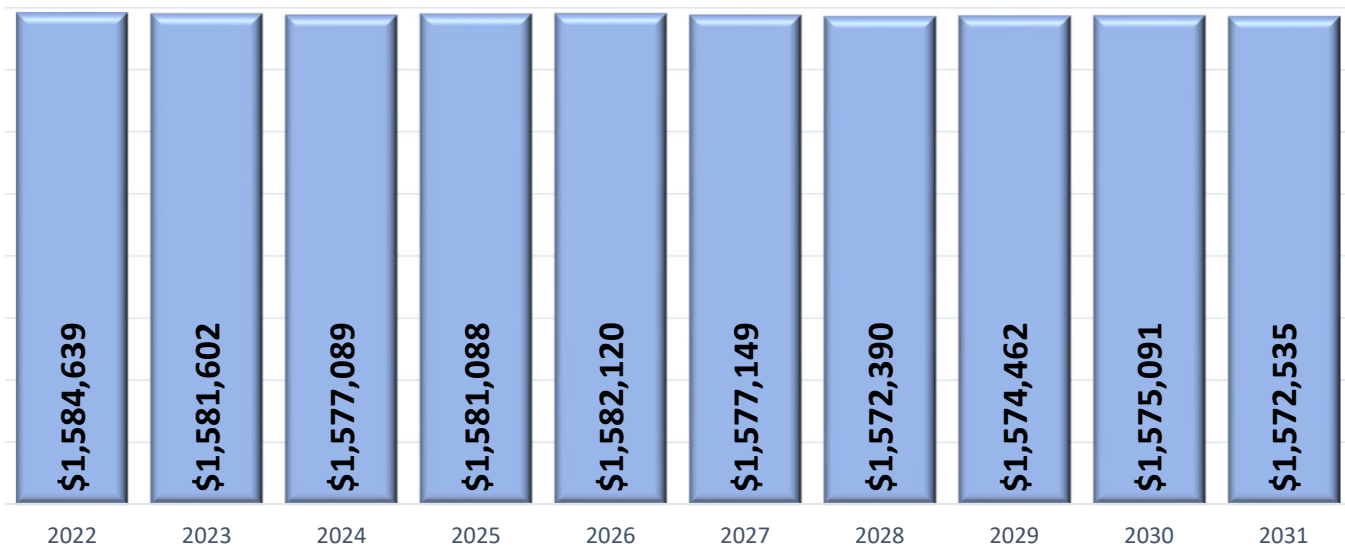
The district had a large increase in this line in fiscal year 2022. This was due to the district allocating a worker's compensation refund of approximately \$1 million dollars to new roofs and parking lot repairs. Capital Outlay will remain consistent throughout the forecast period.

3.060-4.060 - Intergovernmental & Debt

These lines account for pass through payments, as well as monies received by a district on behalf of another governmental entity, plus principal and interest payments for general fund borrowing.



Intergovernmental and Debt account for 1.75% of the district's total general fund spending.



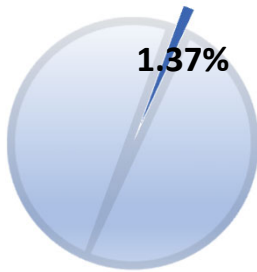
Key Assumptions & Notes

The Intergovernmental/Debt expenditure category details general fund debt issued by the District.

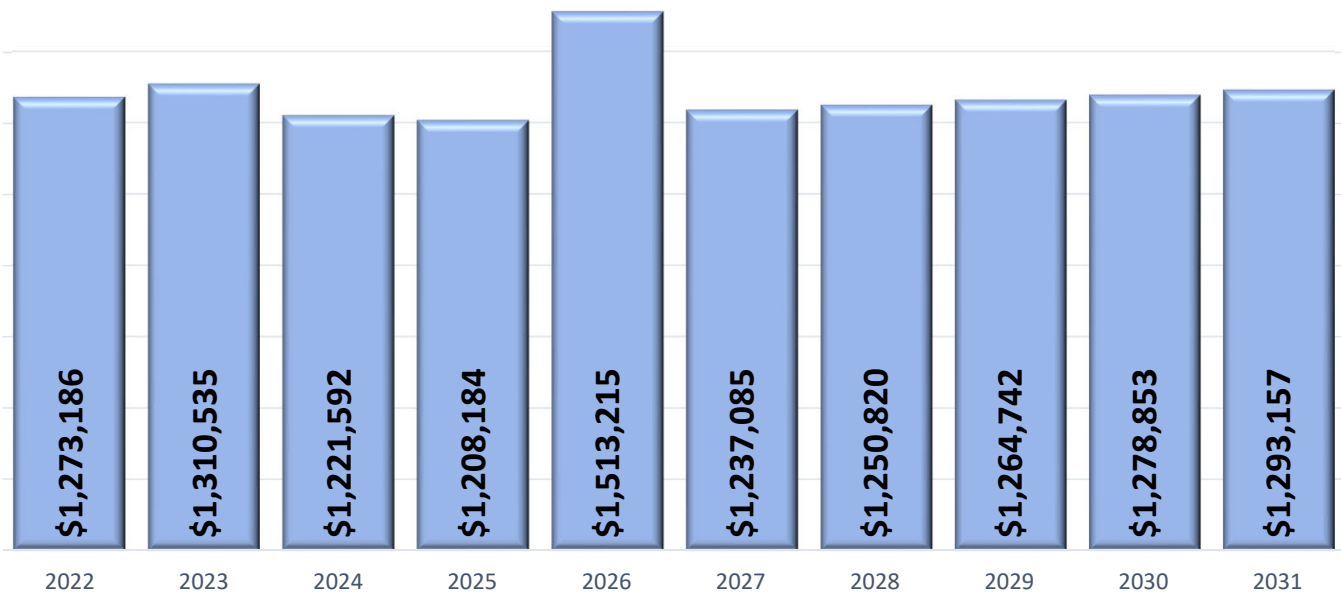
The district utilized a funding mechanism called Build American Bonds to construct a new elementary school, Grindstone Elementary School in 2011. This new elementary consolidated 4 elementary buildings into one. The general fund pays the debt on the bonds for this elementary school.

4.300 - Other Objects

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



Other Objects account for 1.37% of the district's total general fund spending.



Key Assumptions & Notes

Other Objects represent 1.37% of total expenditures and increased at a historical average annual rate of 5.27%. This category of expenditure is projected to decrease at an annual average rate of 2.76% through fiscal year 2031. The projected average annual rate of change is 8.02% less than the five year historical annual average.

The largest expense in Other Objects include County Auditor/Treasurer tax collection fees. These fees range from \$850,000 per year to \$1 million per year, depending on collection rates and delinquency collection rates.

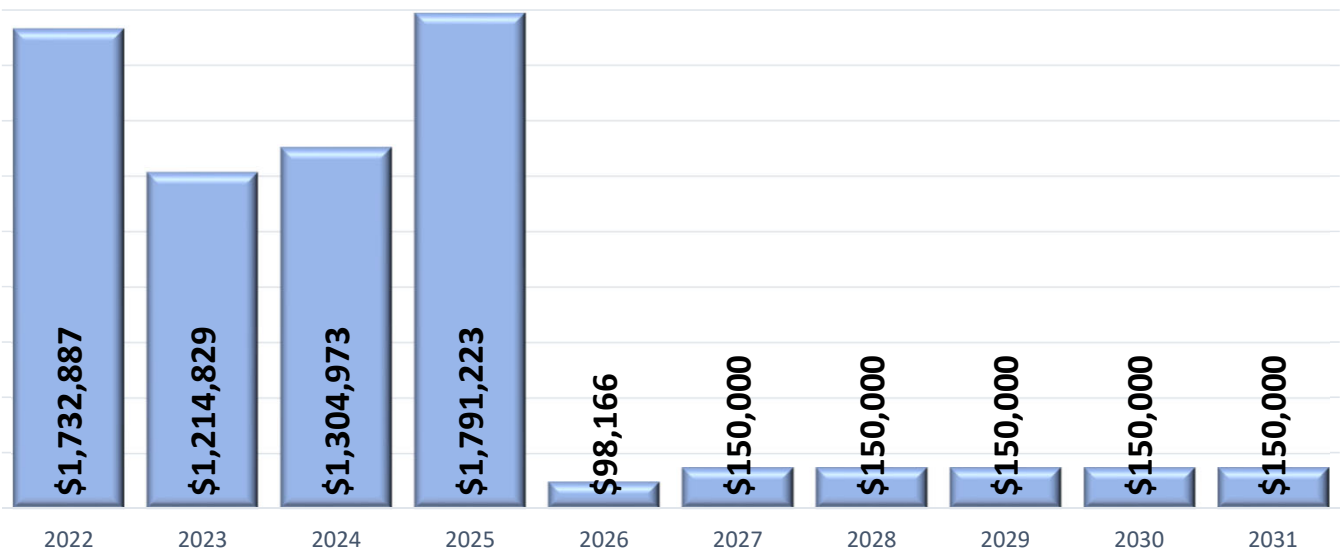
5.040 - Total Other Financing Uses

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



0.17%

Other Uses account for 0.17% of the district's total general fund spending.



Key Assumptions & Notes

	FORECASTED					
	2026	2027	2028	2029	2030	2031
Transfers Out	68,458	50,000	50,000	50,000	50,000	50,000
Advances Out	29,708	100,000	100,000	100,000	100,000	100,000
Other Financing Uses	-	-	-	-	-	-

Other uses includes expenditures that are generally classified as non-operating. It is typically in the form of advances-out which are then repaid into the general fund from the other district funds. In 2026 the district had advances-out and has advances-out forecasted through fiscal year 2031. The district can also move general funds permanently to other funds, and as the schedule above presents, the district has transfers forecasted through fiscal year 2031. The table above presents the district's planned advances and transfers. The district can also have other uses of funds which is reflected in the table above.

The district has made advances to its health insurance fund at year end the past 5 years to combat a deficit within that fund. This advance is sent back to the general fund the following fiscal year. Fiscal year 2025 represented the final year this advance was needed. Several other fund, mainly Federal Funds will require advances to avoid negative fund balances at year end.

Berea City School District

Five Year Forecast

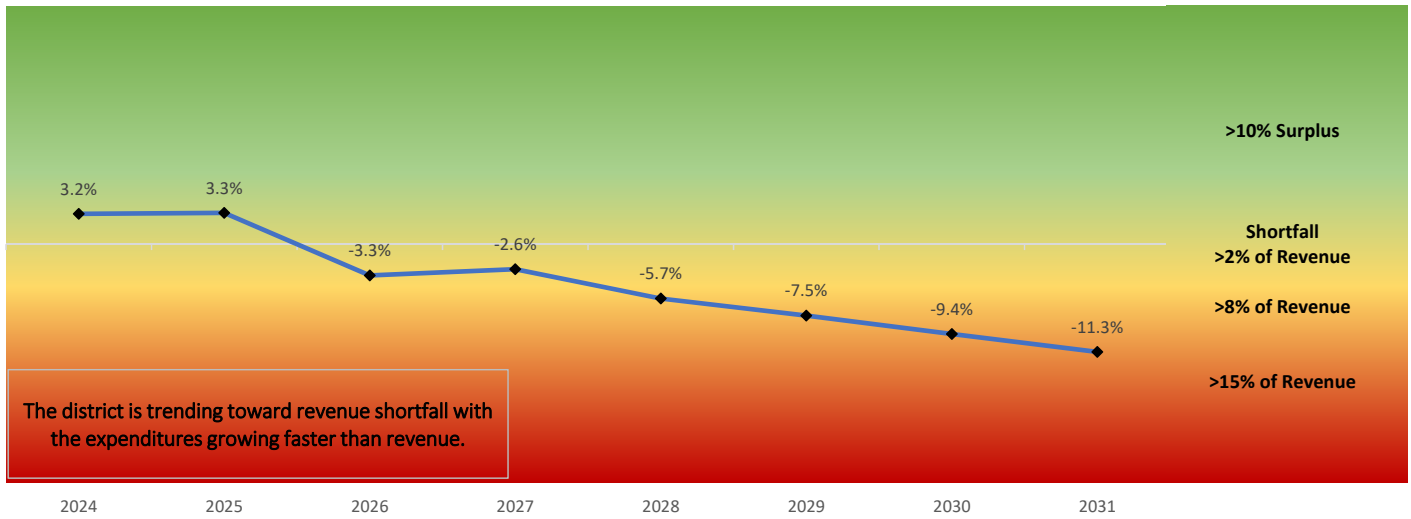
August Fiscal Year 2027

Fiscal Year:	Actual	FORECASTED				
	2026	2027	2028	2029	2030	2031
Revenue:						
1.010 - General Property Tax (Real Estate)	54,970,338	57,099,154	57,522,301	57,927,465	58,091,426	58,258,256
1.020 - Public Utility Personal Property	5,117,296	6,143,401	6,321,916	6,394,416	6,472,462	6,550,509
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	8,380,414	8,495,144	8,448,663	8,356,699	8,265,313	8,172,866
1.040 - Restricted Grants-in-Aid	3,991,247	4,032,653	4,136,649	4,245,901	4,360,634	4,481,638
1.050 - State Reimb Prop Tax Credits	5,838,977	5,846,315	5,898,493	5,950,633	5,956,412	5,959,301
1.060 - All Other Operating Revenues	5,733,913	5,975,558	5,871,704	5,857,185	5,856,791	5,869,471
1.070 - Total Revenue	84,032,186	87,592,225	88,199,726	88,732,299	89,003,038	89,292,041
Other Financing Sources:						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	-	-	-	-	-	-
2.050 - Advances-In	24,337	29,708	100,000	100,000	100,000	100,000
2.060 - All Other Financing Sources	1,042,985	75,000	75,000	75,000	75,000	75,000
2.070 - Total Other Financing Sources	1,067,322	104,708	175,000	175,000	175,000	175,000
2.080 - Total Rev & Other Sources	85,099,508	87,696,932	88,374,725	88,907,298	89,178,037	89,467,041
Expenditures:						
3.010 - Personnel Services	49,066,111	50,146,444	52,022,945	52,824,459	53,394,307	53,927,606
3.020 - Employee Benefits	22,855,350	23,470,118	24,821,471	25,993,249	27,234,802	28,511,257
3.030 - Purchased Services	10,049,186	10,141,910	10,276,569	10,413,581	10,553,000	10,694,880
3.040 - Supplies and Materials	2,080,607	2,967,381	3,007,158	3,047,637	3,088,833	3,130,762
3.050 - Capital Outlay	651,060	311,051	312,161	313,283	314,415	315,560
Intergovernmental & Debt Service	1,582,120	1,577,149	1,572,390	1,574,462	1,575,091	1,572,535
4.300 - Other Objects	1,513,215	1,237,085	1,250,820	1,264,742	1,278,853	1,293,157
4.500 - Total Expenditures	87,797,649	89,851,138	93,263,514	95,431,413	97,439,301	99,445,757
Other Financing Uses						
5.010 - Operating Transfers-Out	68,458	50,000	50,000	50,000	50,000	50,000
5.020 - Advances-Out	29,708	100,000	100,000	100,000	100,000	100,000
5.030 - All Other Financing Uses	-	-	-	-	-	-
5.040 - Total Other Financing Uses	98,166	150,000	150,000	150,000	150,000	150,000
5.050 - Total Exp and Other Financing Uses	87,895,815	90,001,138	93,413,514	95,581,413	97,589,301	99,595,757
6.010 - Excess of Rev Over/(Under) Exp	(2,796,307)	(2,304,206)	(5,038,789)	(6,674,115)	(8,411,264)	(10,128,716)
7.010 - Cash Balance July 1 (No Levies)	30,180,987	27,384,679	25,080,473	20,041,685	13,367,570	4,956,307
7.020 - Cash Balance June 30 (No Levies)	27,384,679	25,080,473	20,041,685	13,367,570	4,956,307	(5,172,410)
		Reservations				
8.010 - Estimated Encumbrances June 30	1,020,742	-	-	-	-	-
9.080 - Reservations Subtotal	-	-	-	-	-	-
10.010 - Fund Bal June 30 for Cert of App	26,363,937	25,080,473	20,041,685	13,367,570	4,956,307	(5,172,410)
Rev from Replacement/Renewal Levies						
11.010 & 11.020 - Renewal Levies	-	-	-	-	-	-
11.030 - Cumulative Balance of Levies	-	-	-	-	-	-
12.010 - Fund Bal June 30 for Cert of Obligations	26,363,937	25,080,473	20,041,685	13,367,570	4,956,307	(5,172,410)
Revenue from New Levies						
13.010 & 13.020 - New Levies	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	26,363,937	25,080,473	20,041,685	13,367,570	4,956,307	(5,172,410)

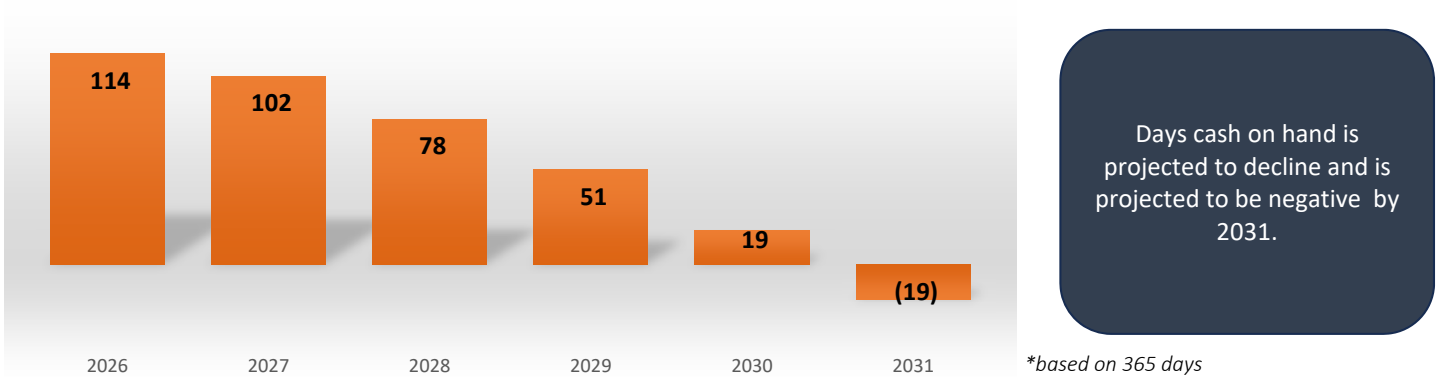
Financial Health Indicators

Berea City School District

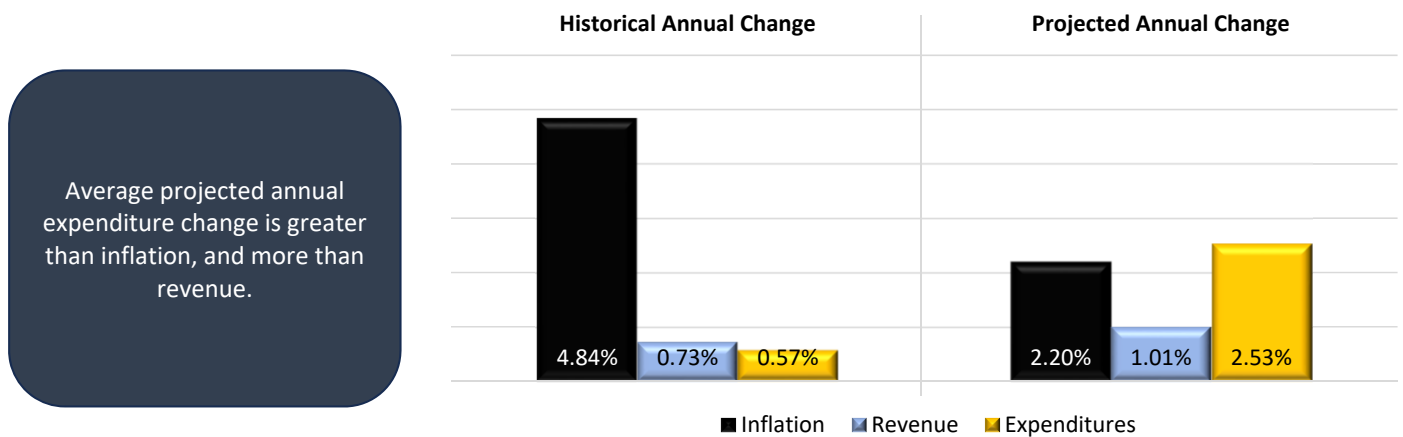
Revenue Surplus/(Shortfall) - Current Forecast



Days Cash on Hand - Current Forecast



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

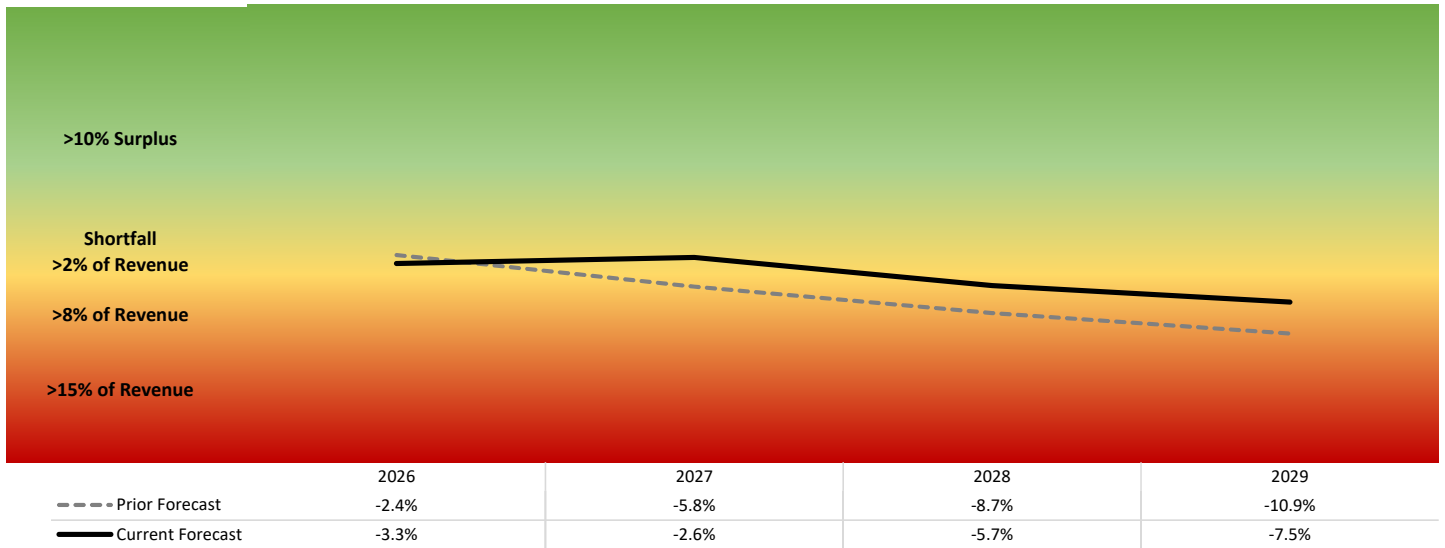


CPI (Inflation) Source: Federal Reserve Bank of St. Louis (July 1, 2026)
<https://alfred.stlouisfed.org>

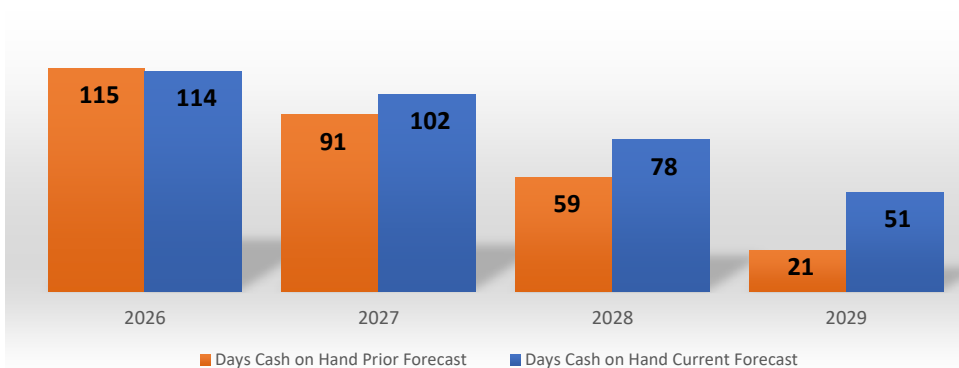
Current to Prior Forecast Comparison

Berea City School District

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



Days Cash on Hand - Current Compared to Prior Forecast



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

*based on 365 days

Revenue and Expenditure Variances - Current Compared to Prior Forecast

Revenue Variance		
Cumulative Unfavorable Revenue Variance	-0.16%	(\$1,107,544)
Largest Revenue Variances		
1.035,1.040 State	0.23%	\$795,644
1.01 Real Estate	-0.38%	(\$1,343,744)
1.03 Income Tax	0.00%	\$0
All Other Revenue Categories	-0.16%	(\$559,444)

The current revenue forecast is down by 0.16% compared to the prior forecast.

NET cumulative forecast impact for the forecast period 2026 - 2029 of Revenue and Expense variances is 2.03% (or \$7,088,385).

The current forecast for expenditures is down by 2.19% compared to the prior forecast.

Expenditure Variance		
Cumulative Favorable Expenditure Variance	-2.19%	(\$8,195,929)
Largest Expenditure Variances		
3.01 Salaries	-0.47%	(\$1,752,695)
3.02 Benefits	-0.20%	(\$759,645)
3.03 Purchased Serv.	-0.86%	(\$3,222,233)
All Other Expenditure Categories	-0.66%	(\$2,461,356)

Property Tax Reform Impact - Retrospective Look

Tax Years 2023, 2024, and 2025

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

Class I	TY 2024	TY 2025	TY 2026	Before property tax reform, H.B. 920 prevented inside plus outside millage from dropping below the 20-mill floor, resulting in large increases in taxpayer bills after reappraisals.
Inside Millage	4.05	4.05	4.05	
Effective Outside Millage	23.30	23.30	23.31	
Effective Inside + Outside Millage	27.35	27.35	27.36	

Class I Property Values Change	TY 2024	TY 2025	TY 2026
Reappraisal or Update Year	Yes	No	No

Class I Combined Change	28.2%	0.0%	0.0%
New GDP-D Allowed Growth	15.40%	13.30%	9.15%

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

Millage Change	TY 2024	TY 2025	TY 2026	H.B. 186 taxpayer credits can occur when a district was at the millage floor and the reappraisal or update growth exceeded GDP-D. Otherwise, no credits are generated.
Combined Ag/Residential Inflation	28.23%	0.00%	0.00%	
Outside Millage Reduction	(6.58)	0.00	0.01	
Percentage Change in Millage	-22.03%	0.01%	0.04%	
Taxpayer Credits	TY 2024	TY 2025	TY 2026	H.B. 186 credits should apply to 2nd half tax year
If at the floor and exceeded GDP-D Growth	.	\$ -	\$ -	

Property Tax Reform - Prospective Look

Tax Years 2026, 2027, 2028, and 2029

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

	TY 2026	TY 2027	TY 2028	TY 2029	TY 2030
Reappraisal or Update Year	No	Yes	No	No	No
Percent of District in Reappraisal/Update	0.00%	0.00%	133.06%	0.00%	0.00%
Class I Combined Change	0.0%	0.0%	133.1%	0.0%	0.0%
GDP-D	9.15%	8.00%	8.05%	7.65%	7.50%

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

	TY 2026	TY 2027	TY 2028	TY 2029	TY 2030
Inside Millage Class I & II*	4.05	3.93	3.93	3.93	3.93
Millage Change	0.00	-0.12	0.00	0.00	0.00
Percentage Change in Millage	0.00%	-2.89%	0.00%	0.00%	0.00%

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

	TY 2026	TY 2027	TY 2028	TY 2029	TY 2030
Outside Millage	23.31	20.44	20.43	20.43	20.42
Millage Change	0.01	-2.87	-0.01	-0.01	-0.01
Percentage Change in Millage	0.03%	-10.49%	-0.03%	-0.03%	-0.03%
Fixed Sum Millage	0.00	0.00	0.00	0.00	0.00
Millage Change (no change)	0.00	0.00	0.00	0.00	0.00
Percentage Change in Millage	0.00%	0.00%	0.00%	0.00%	0.00%

	TY 2026	TY 2027	TY 2028	TY 2029	TY 2030
Total Effective Rate (Inside+Outside+Fixed Sum)	27.36	24.37	24.37	24.36	24.35

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

Does the Reappraisal/Update/Inflation generate taxpayer credits?

	TY 2026	TY 2027	TY 2028	TY 2029	TY 2030
H.B. 186 - Calculated Credit if at 20 Mill Floor	\$ -	\$ -	\$ -	\$ -	\$ -

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

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

	FY 2027	FY 2028	FY 2029	FY 2030
Homestead/Owner-Occupied Credits	\$ (0)	\$ (0)	\$ (0)	\$ (0)

Property Tax Reform Disclosure Items

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

Property Tax Reform includes the following pieces of legislation:

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

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

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

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

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