Loveland City School District

Fiscal Year

2027

August

Financial Forecast Report

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Loveland City School District

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Forecast Purpose/Objectives

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

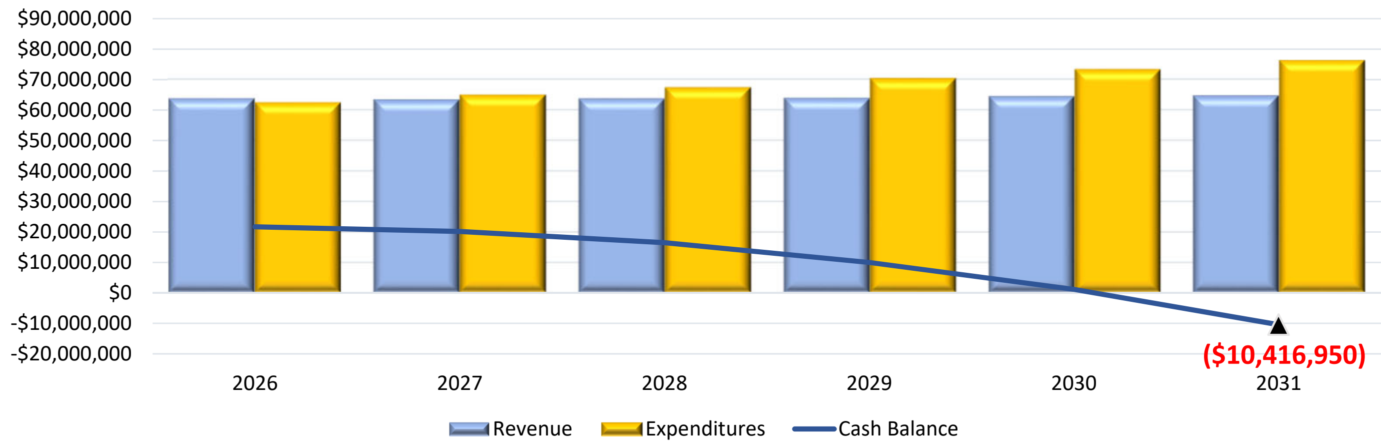
1. To engage the local board of education and the community in the long range planning and discussions of financial issues facing the school district.
2. To serve as a basis for determining the school district's ability to sign the certificate required by O.R.C. §5705.412, commonly known as the "412 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

Forecast Summary

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) *Includes Renewal/New Levy Revenue, see Disclosures*	21,686,517	20,144,535	16,483,525	9,994,703	1,171,318
+ Revenue	63,402,813	63,734,098	63,889,196	64,491,503	64,742,057
- Expenditures	(64,944,796)	(67,395,108)	(70,378,018)	(73,314,887)	(76,330,325)
= Revenue Surplus or Deficit	(1,541,983)	(3,661,010)	(6,488,822)	(8,823,384)	(11,588,268)
Line 7.020 Ending Balance with Renewal/New Levies	20,144,535	16,483,525	9,994,703	1,171,318	(10,416,950)

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 $32,103,468 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.

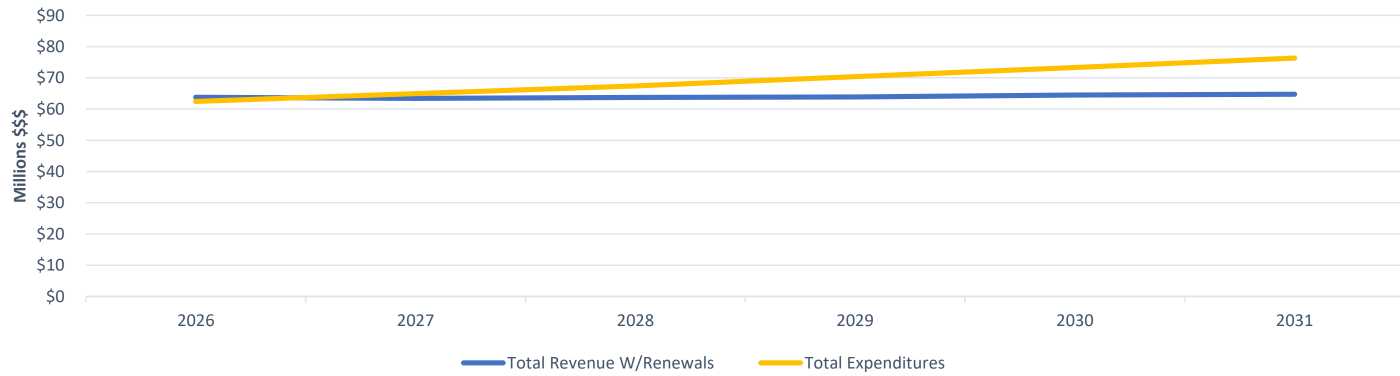
For revenue, projected change is expected to be less than the historical average. Annually, on average, over the past five years, revenue increased by 4.86% ($2,681,693 annually). However, it is projected to increase by 0.30% ($192,956 annually) through fiscal year 2031. Notably, Real Estate, is expected to be $1,567,616 less 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 3.34% ($1,858,694, on average, annually) during the past 5-year period, and are projected to increase by 4.09% ($2,772,976 annually) through 2031. The forecast line with the most change on the expense side, Salaries, is anticpated to be $531,204 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)	*201,804*	*201,804*	*201,804*	*201,804*	*201,804*

Forecast Analysis

Revenue Compared to Expenditures

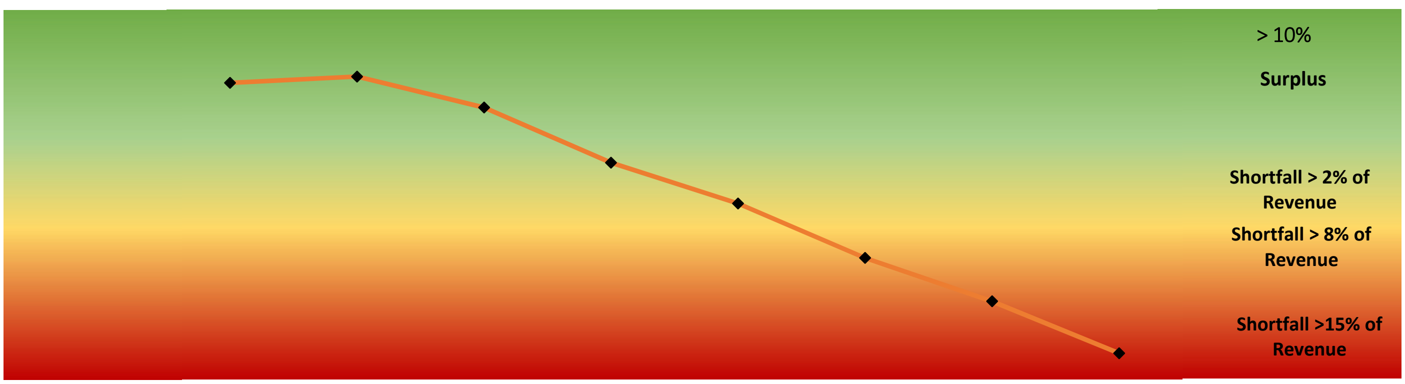


From 2027 to 2031, total revenues are projected to change by 0.30%

Expenditure change is expected to outpace revenue change.

From 2027 to 2031, total expenses are projected to change by 4.09%

Revenue Surplus/(Shortfall) as a Percentage of Revenue

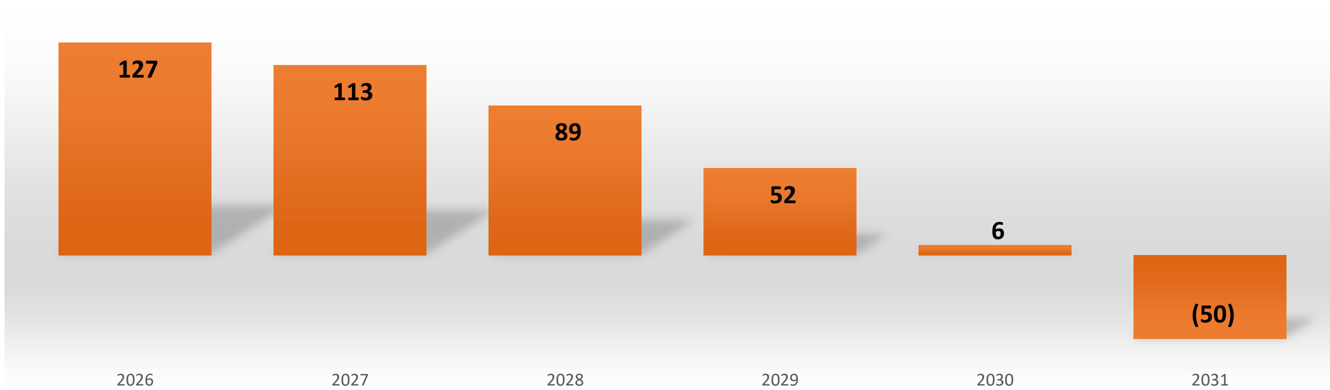


Current Forecast Surplus/(Shortfall)	2025	2026	2027	2028	2029	2030	2031
	4.6%	2.1%	-2.4%	-5.7%	-10.2%	-13.7%	-17.9%

The district is trending toward revenue shortfall with the expenditures growing faster than revenue.
A revenue increase of 13.68% is needed to balance the budget in fiscal year 2031, or a $11,588,268 reduction in expenditures.

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

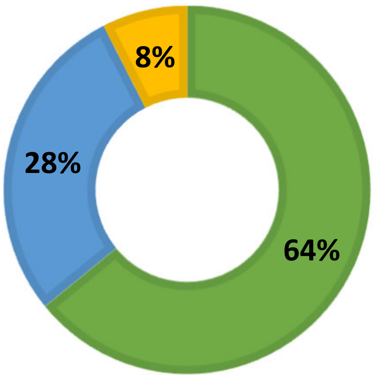
Days Cash on Hand at Fiscal Year-end



**based on 365 days*

Revenue Overview

Revenue Sources

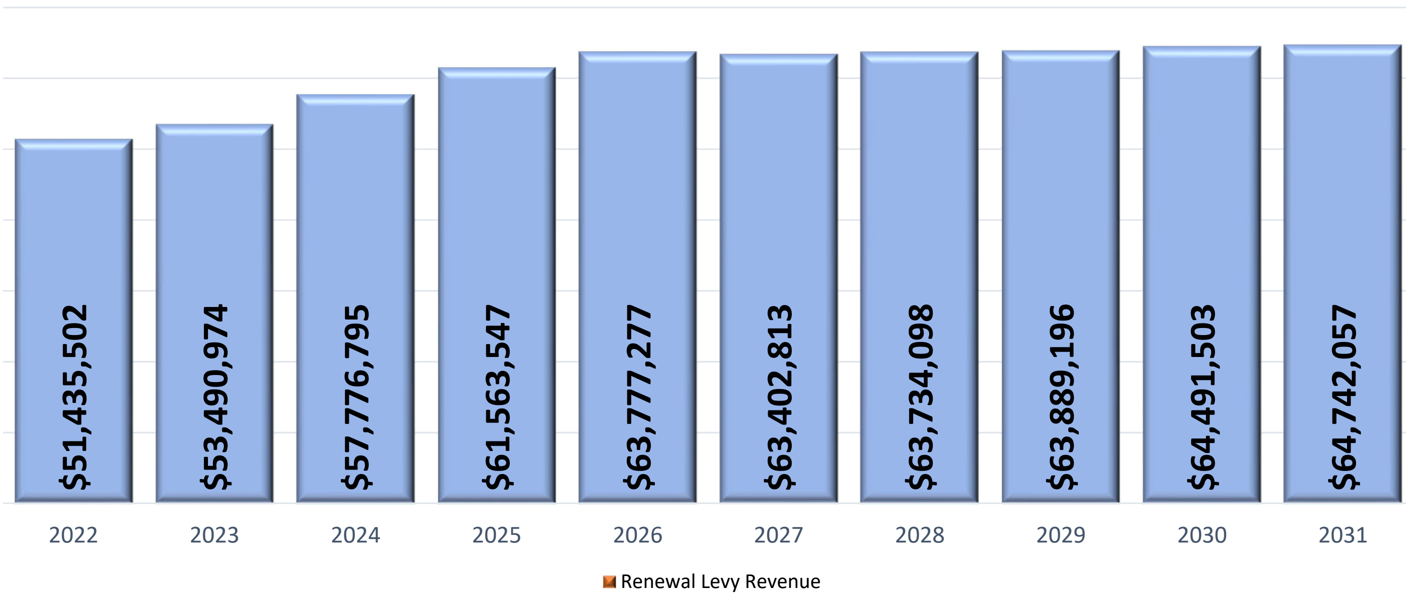


Local Taxes	
Real Estate Tax	60.78%
Public Utility Tax	3.33%
Income Tax	0.00%

State Sources	
State Funding	21.34%
Restricted Aid	0.56%
State Reimb Prop Tax Cre	6.46%

All Other Revenue	
Other Revenue	6.57%
Other Sources	0.96%

Annual Revenue Actual + Projected



Historic Revenue Change versus Projected Revenue Change

	Historical Average Annual $$ Change	Projected Average Annual $$ Change	Projected Compared to Historical Variance
Real Estate	$1,722,400	$154,784	($1,567,616)
Public Utility	$138,513	$48,596	($89,917)
Income Tax	$0	$0	$0
State Funding	$238,030	($13,829)	($251,859)
State Reimb Prop Tax Credits	$61,396	$33,199	($28,197)
All Othr Op Rev	$548,542	($88,057)	($636,599)
Other Sources	($27,188)	$58,262	$85,450
Total Average Annual Change	$2,681,693	$192,956	($2,488,738)
	4.86%	0.30%	-4.55%

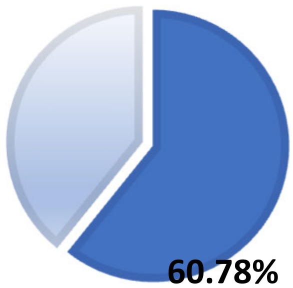
Annually, on average, over the past five years, revenue increased by 4.86% ($2,681,693 annually). However, it is projected to increase by 0.30% ($192,956 annually) through fiscal year 2031. Notably, Real Estate, is expected to be $1,567,616 less per year compared to history, and is the biggest driver of trend change on the revenue side.

For Comparison:
Expenditure average annual change is projected to be > $2,772,976

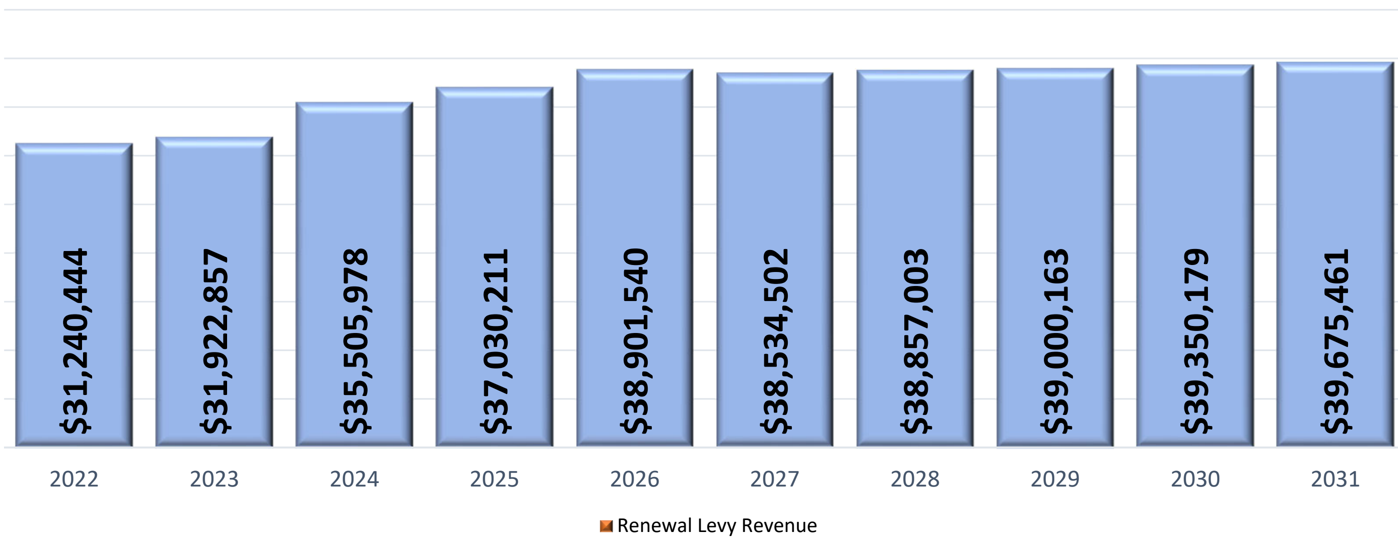
On an annual average basis, expenditures are projected to grow faster than revenue.

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 60.78% of total district general fund revenue.



Key Assumptions & Notes

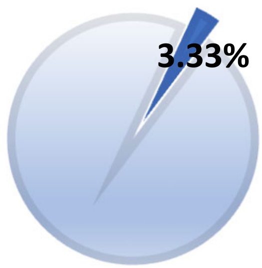
Values, Tax Rates and Gross Collections							Gross Collection Rate Including Delinquencies
Tax Yr	Valuation	Value Change	Class I Rate	Change	Class 2 Rate	Change	
2025	1,331,168,126	7,472,326	31.78	-	38.30	-	98.5%
2026	1,519,653,126	188,485,000	28.15	(3.63)	36.85	(1.45)	98.5%
2027	1,526,263,126	6,610,000	28.14	(0.01)	36.65	(0.20)	98.5%
2028	1,532,873,126	6,610,000	28.13	(0.01)	36.46	(0.19)	98.5%
2029	1,641,283,126	108,410,000	26.59	(1.54)	35.35	(1.11)	98.5%
2030	1,647,893,126	6,610,000	26.58	(0.01)	35.17	(0.18)	98.5%

Class I, or residential/agricultural taxes make up approximately 91.71% of the real estate property tax revenue. The Class I tax rate is 28.15 mills in tax year 2026. The projections reflect an average gross collection rate of 98.5% annually through tax year 2030. The revenue changed at an average annual historical rate of 5.18% and is projected to change at an average annual rate of 0.40% through fiscal year 2031.

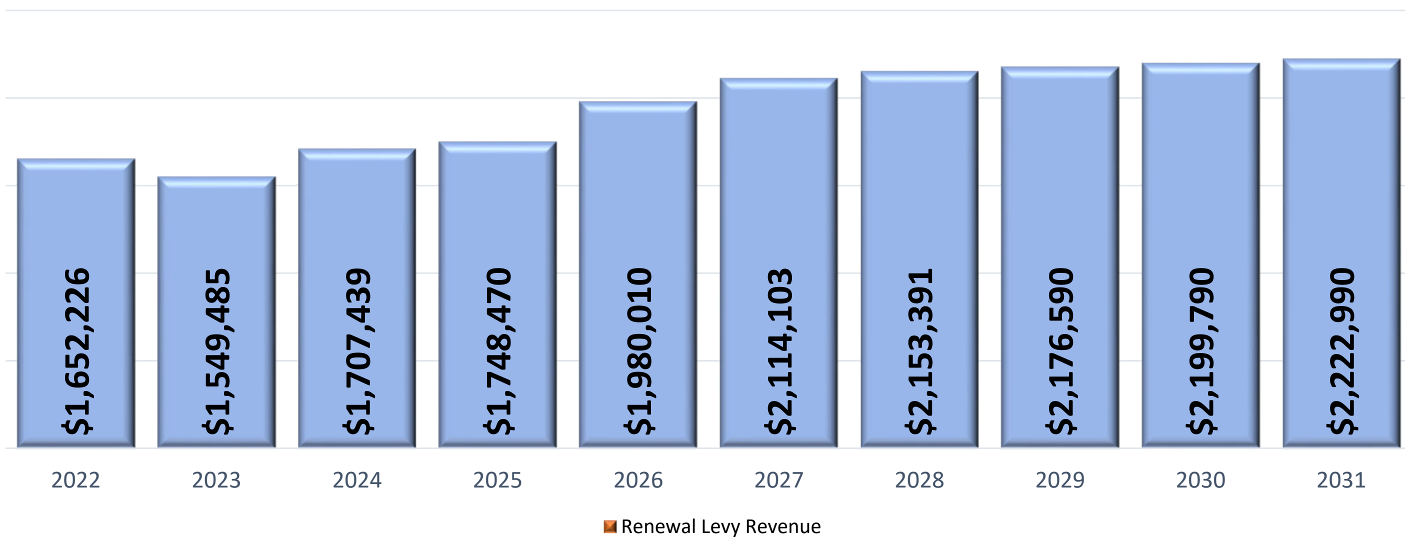
Loveland City Schools passed a 4.9 Mill operating levy in May 2023. This along with a 35.59% property valuation increase tied to Clermont and Hamilton Counties going through the 2023 reappraisal, led to an effective millage rate decrease of 4.88 mills to 32.02 of the 80.24 fully voted mills. This is due to the reduction factor tied to HB 920, passed in 1976, that prevents the school district from seeing additional revenue due to property valuation increases. In 2025, property tax reform legislation, notably HB124, HB129, HB309, HB335, and HB186.

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 3.33% of total district general fund revenue.



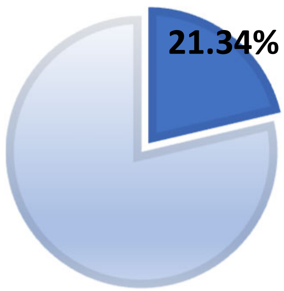
Key Assumptions & Notes

Values and Tax Rates					Gross Collection Rate
Tax Year	Valuation	Value Change	Full Voted Rate	Change	Including Delinquencies
2025	26,925,316	1,314,926	80.24	-	96.6%
2026	27,700,316	775,000	80.03	(0.21)	96.6%
2027	28,000,316	300,000	80.03	-	96.6%
2028	28,300,316	300,000	80.03	-	96.6%
2029	28,600,316	300,000	80.03	-	96.6%
2030	28,900,316	300,000	80.03	-	96.6%

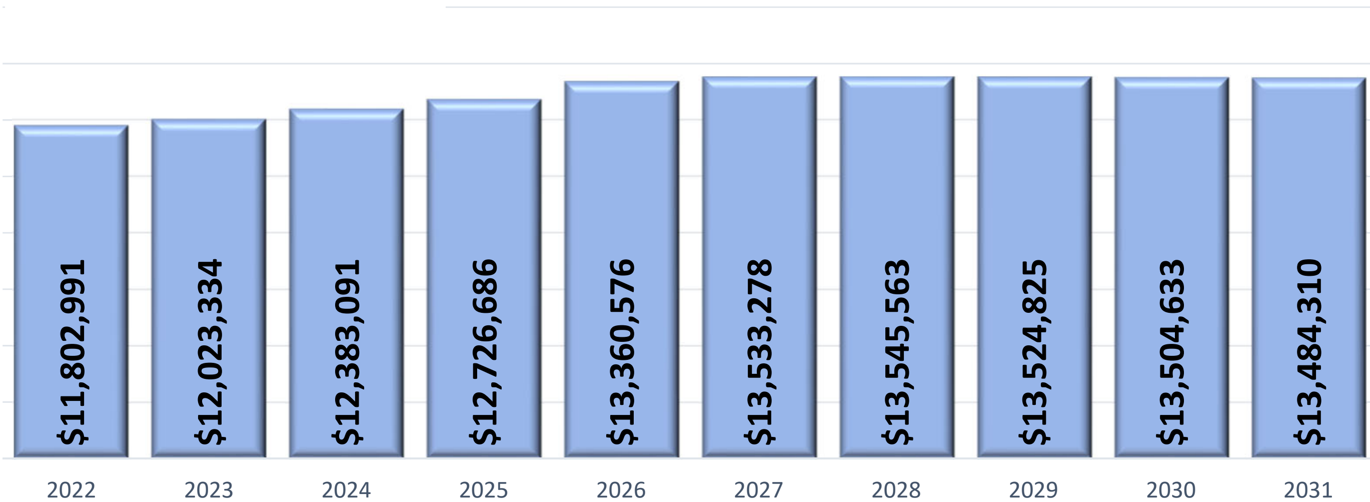
The public utility personal property tax revenue is generated from the personal property values, additions, and depreciation reported by the utility companies. The property is taxed at the full voted tax rate which in tax year 2026 is 80.03 mills. The forecast is modeling an average gross collection rate of 96.63%. The revenue changed historically at an average annual dollar amount of $138,513 and is projected to change at an average annual dollar amount of $48,596 through fiscal year 2031.

1.035 - Unrestricted Grants-in-Aid

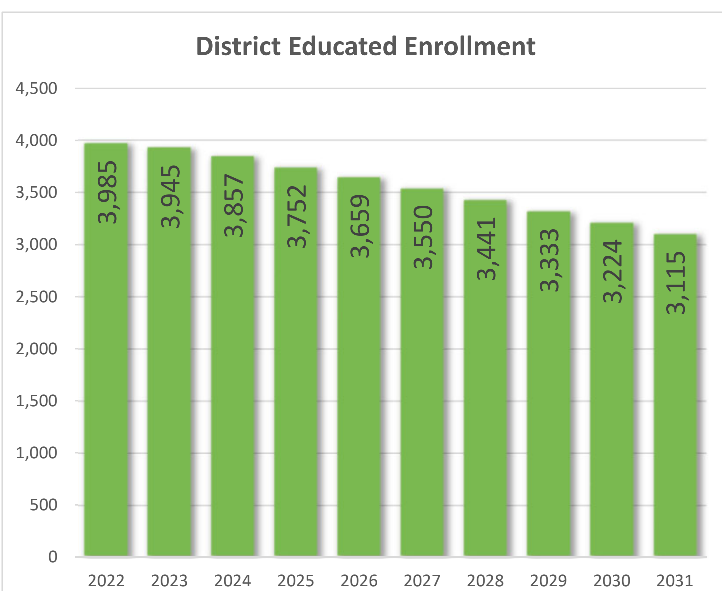
Funds received through the State Foundation Program with no restriction.



Unrestricted State Aid revenue accounts for 21.34% 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 Loveland City School District, the calculated Base Cost total is $30,480,196 in 2027.

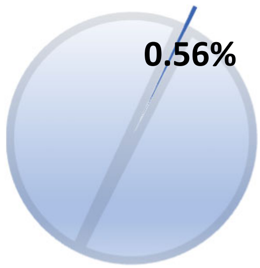
The State's Share of the calculated Base Cost total is $2,881,723, or $812 per pupil.

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.

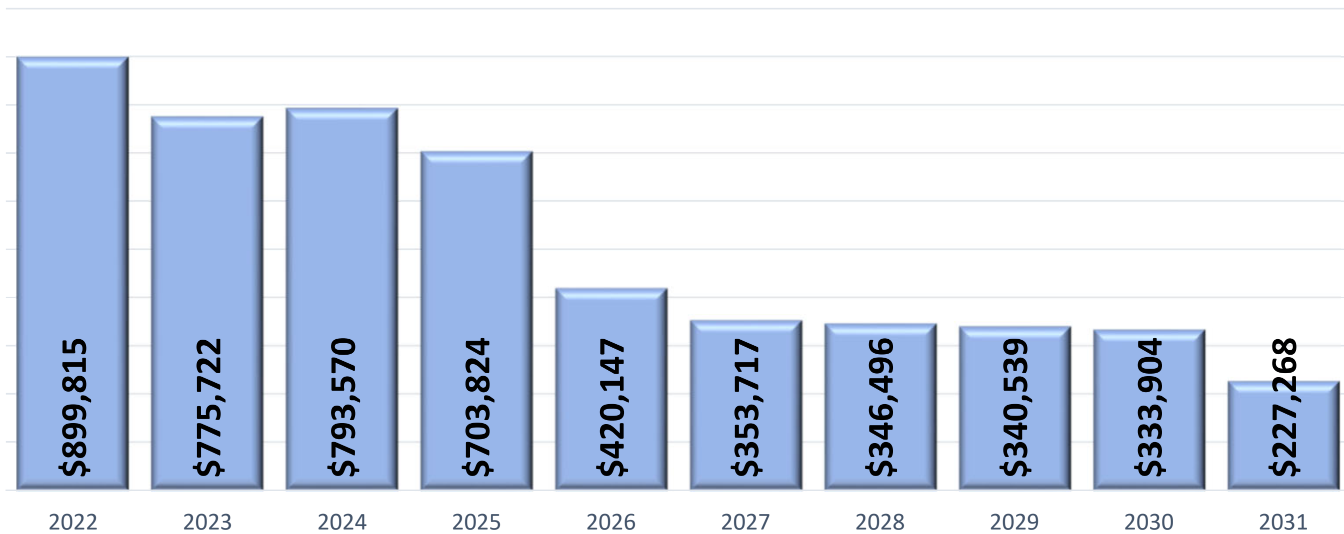
In August 2026, preliminary enrollment numbers show that LCSD has over 130 additional students enrolled in comparison to the 2025-26 school year.

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 0.56% of total district general fund revenue.



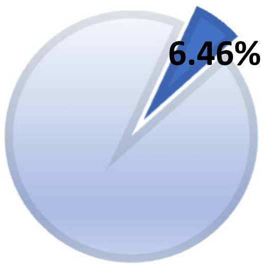
Key Assumptions & Notes

Restricted aid is the portion of state per pupil funding that must be classifed as restricted use. Historically the district's restricted state aid changed annually on average by -$118,525 and is projected to change annually on average by -$38,576. Restricted funds represent 0.56% 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 $137,545. This funding has implications on general fund expenditures in that certain spending now occuring 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.

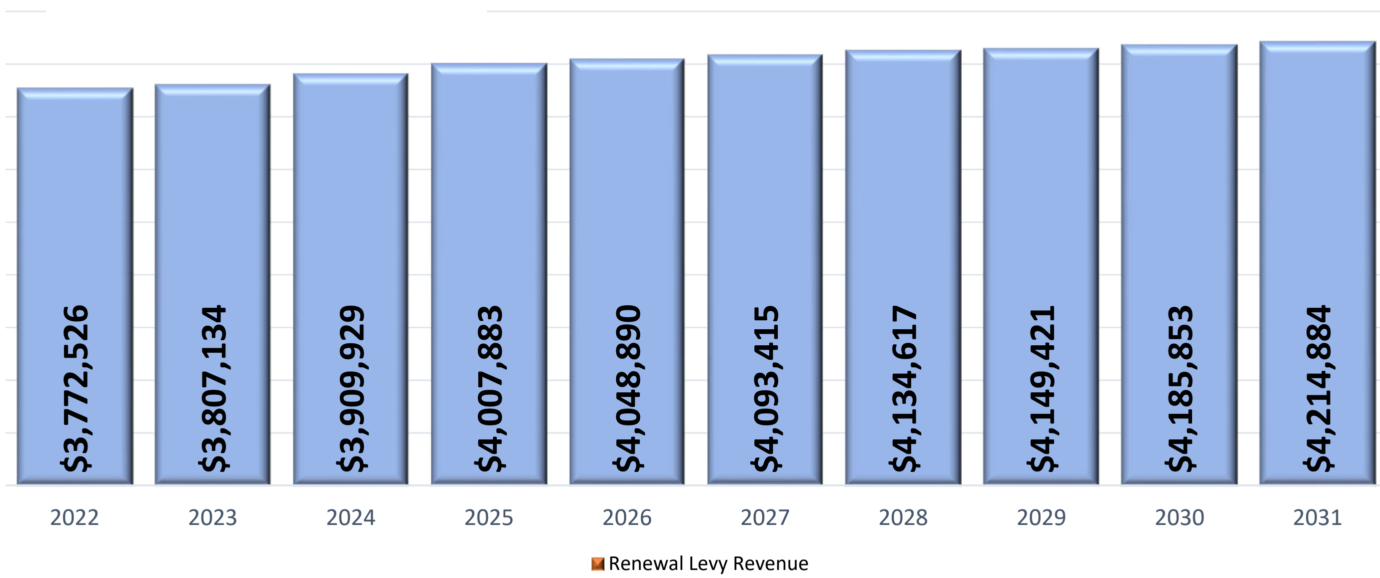
In June, 2023 HB33, the new budget bill, was signed into law. The new biennium budget will continue the Fair School Funding Plan phase in. HB33 changed the base cost component calculation to 2022 cost data, from 2018, which was significant for many districts. Loveland is a guarantee funded district, meaning that the state guarantees that we will receive the same amount of funding as the year before. Therefore, the changes mentioned above have no effect on Loveland's funding. If legislation is ever passed to reduce the guarantee Loveland could lose significant funding. Loveland's enrollment would have to increase by over 1600 students to come off of the guarantee. The minimum state share for transportation funding is moving to 50%. Loveland's transportation state share was 10%, is now 37.5% and will gradually move to 50% by 2027, which represents the increased funding above. Additionally, in restricted revenue, LCS saw a one time revenue for high quality instructional materials tied to the Science of Reading intiatives at the state level. This accounted for the increase in FY24 and forecasted increase for FY25. HB96 provided the district with modest increases as well as increases tied to the star rating of Ohio's state report card. The amounts of the increase are $591,183 and $226,356 for FY26 and FY27, respectively. This equates to an increase equivalent of .82% and .31% in FY26 and FY27, respectively, while the July 2026 CPI rate was at 3.4%.

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 6.46% of total district general fund revenue.



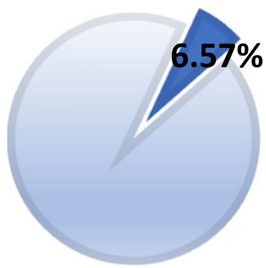
Key Assumptions & Notes

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 9.5% local residential property taxes will be reimbursed by the state in the form of rollback credits and approximately 0.7% will be reimbursed in the form of qualifying homestead exemption credits.

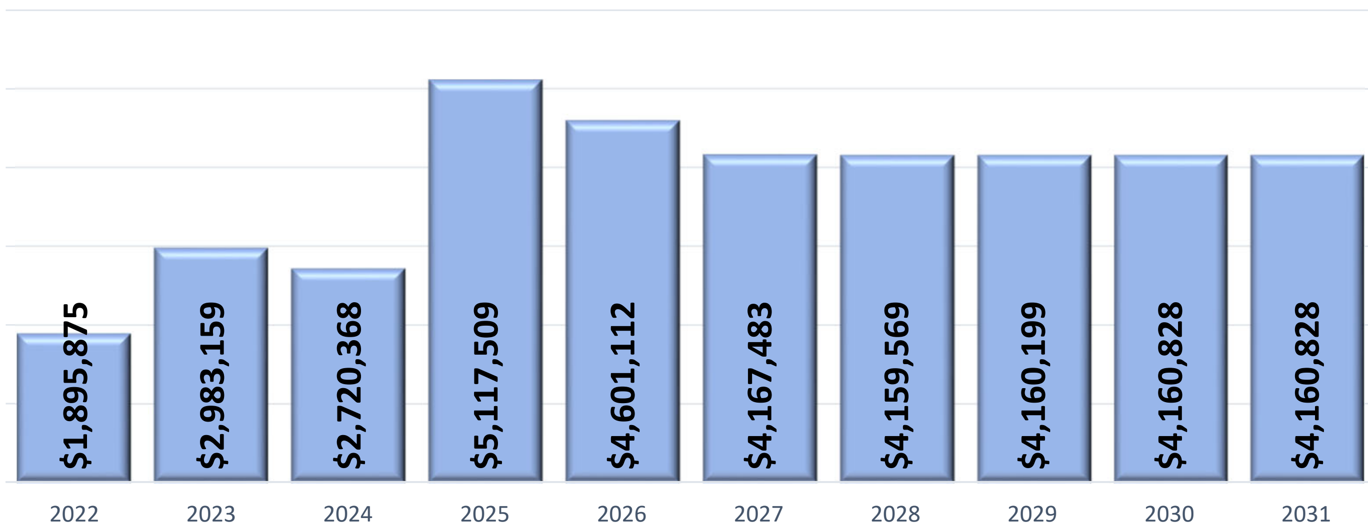
The district began school fee reminder calls in FY25 that led to collecting outstanding fees for full day kindergarten and pay to participate fees. This has an effect on instructional fees as well, however, those fees are not deposited into the general fund. Additionally, the district was able to receive 2.5 years of TIF payments tied to delays with the Ohio Department of Taxation. This led to the one time increase in revenue for this subset of revenues, however, the property tax revenue was reduced commensurate with this payment. The district expects both fee collections and TIF payments to stabilize in the current and future fiscal years leading to the projection presented in this revenue area. Interest income also was higher than past years and is conservatively projected to be near FY26 levels.

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 6.57% of total district general fund revenue.

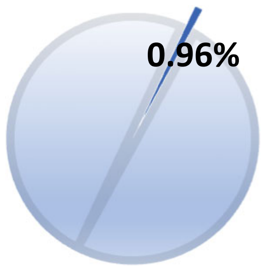


Key Assumptions & Notes

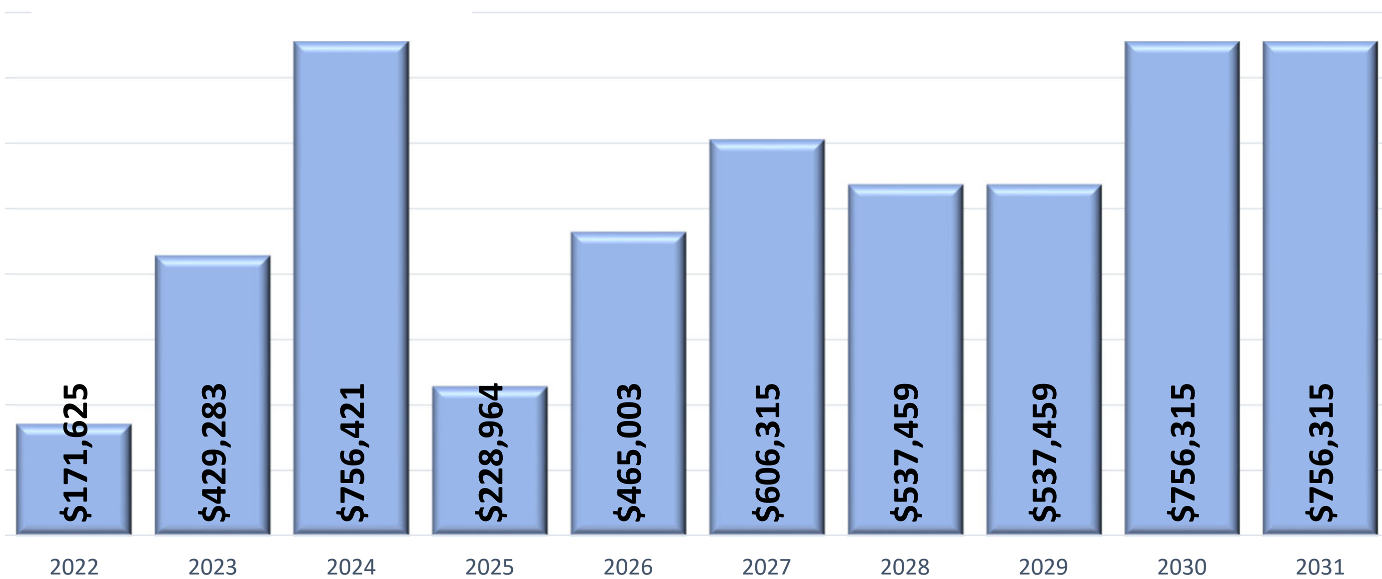
Other revenue includes tuition received by the district for non-resident students educated by the district. It also includes interest income, payments in lieu of taxes, and miscellaneous revenue. The historical average annual change was $548,542. The projected average annual change is -$88,057 through fiscal year 2031.

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 0.96% of total district general fund revenue.



Key Assumptions & Notes

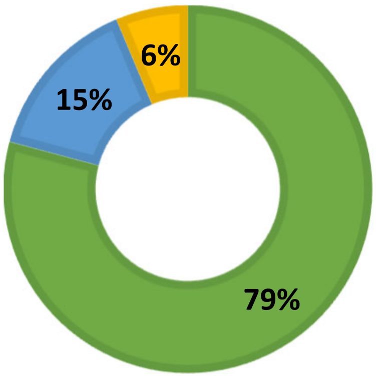
		FORECASTED				
	2026	2027	2028	2029	2030	2031
Transfers In	-	-	-	-	-	-
Advances In	-	-	-	-	-	-
All Other Financing Sources	465,003	606,315	537,459	537,459	756,315	756,315

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 $0 as advances-in and is projecting advances of $0 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 $606,315 in 2027 and average $646,887 annually through 2031.

It should be noted that this subset of revenues is rooted in the timing in which the funds are received. Medicaid reimbursements make up a large portion of this revenue and have been delayed over fiscal years in the past. Should an adjustment to the realized revenue be needed, this will occur in future forecasts.

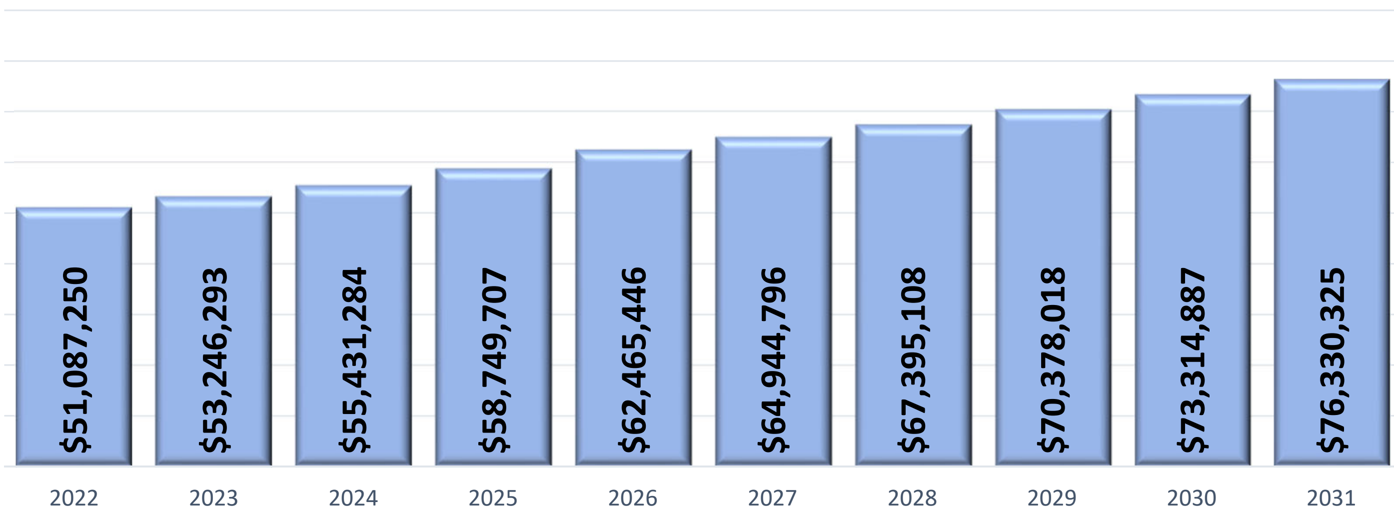
Expenditure Overview

Expenditure Categories



Personnel Costs	
Salaries	58.74%
Benefits	20.42%
Purchased Services	14.52%
All Other Expenditures	
Supplies, Capital, Debt, Other Obj	4.78%
Other Uses	1.54%

Annual Expenditures Actual + Projected



Historic Expenditures Change versus Projected Expenditures Change

	Historical Average Annual $$ Change	Projected Average Annual $$ Change	Projected Compared to Historical Variance
Salaries	$794,470	$1,325,673	$531,204
Benefits	$307,332	$760,565	$453,232
Purchased Services	$487,681	$589,337	$101,656
Supplies & Materials	$80,670	$56,636	($24,034)
Capital Outlay	($51,972)	($400)	$51,572
Intergov & Debt	$0	$0	($0)
Other Objects	$68,181	$17,305	($50,875)
Other Uses	$172,331	$23,859	($148,472)
Total Average Annual Change	$1,858,694	$2,772,976	$914,282
	3.34%	4.09%	0.75%

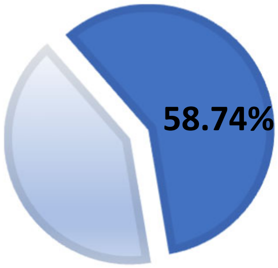
Expenditures increased by 3.34% ($1,858,694, on average, annually) during the past 5-year period, and are projected to increase by 4.09% ($2,772,976 annually) through 2031. The forecast line with the most change on the expense side, Salaries, is anticpated to be $531,204 more per year in the projected period compared to historical averages.

For Comparison:

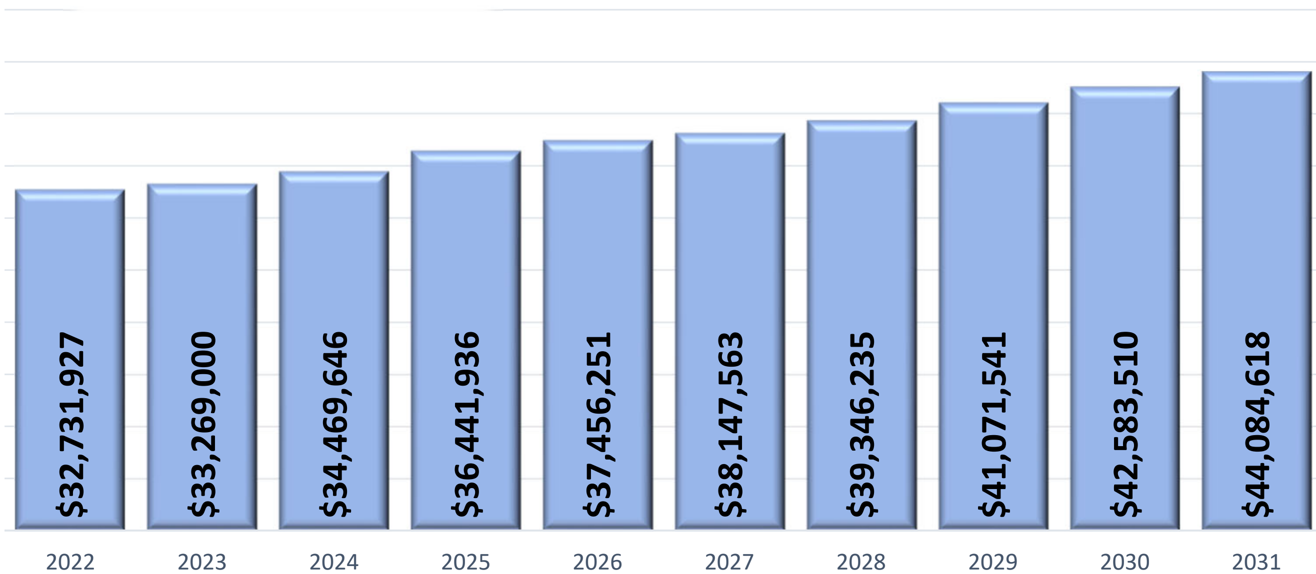
Revenue average annual change is projected to be > $192,956 On an annual average basis, revenues are projected to grow slower than expenditures.

3.010 - Personnel Services

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



Salaries account for 58.74% of the district's total general fund spending.



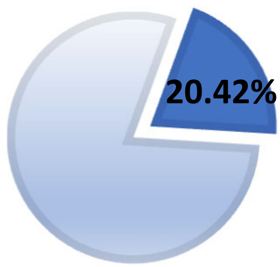
Key Assumptions & Notes

Salaries represent 58.74% of total expenditures and increased at a historical average annual rate of 2.30% (or $794,470). This category of expenditure is projected to grow at an annual average rate of 3.32% (or $1,325,673) through fiscal year 2031. The projected average annual rate of change is 1.01% more than the five year historical annual average.

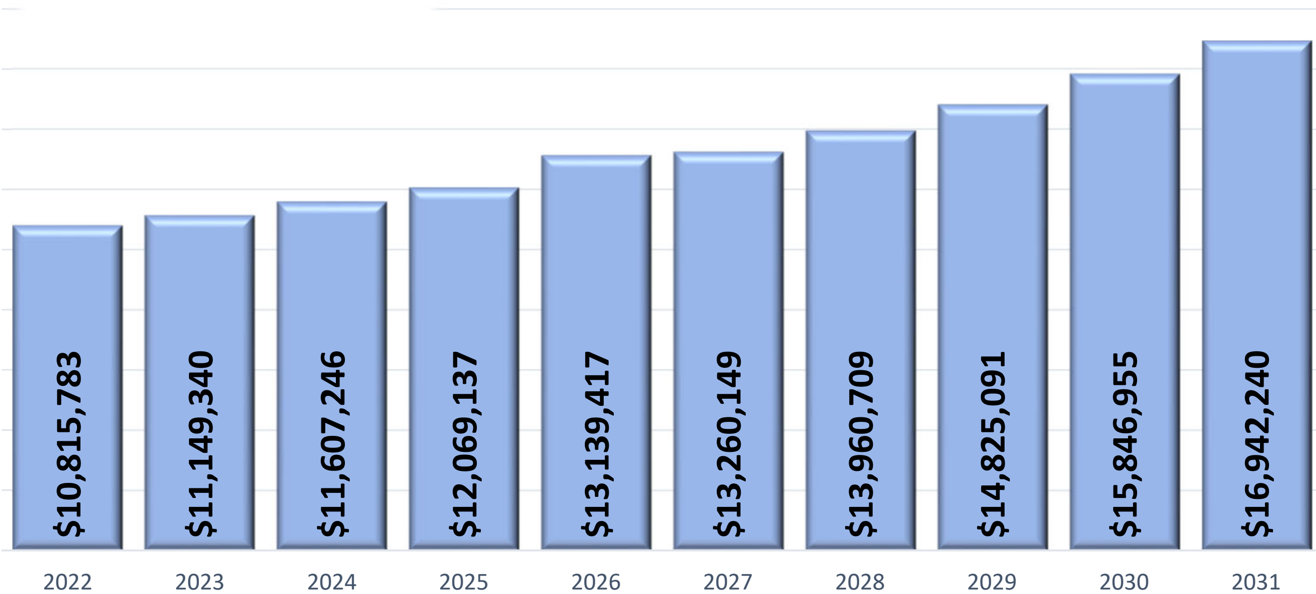
Loveland City Schools manages staffing through careful consideration when staff resign or retire. This results in a regular in/out savings that assumes a net $1,000,000 reduction in FY27 that will compound over the remainder of the five year forecast. It should be noted that while this expenditure category reduces, LCSD does realize additional expenditures in transfers out that are tied to fund to fund transfers from the 001 general fund to the 035 retirement fund for severance payments owed to employees. This is causing expenditures to be greater than the 5 year average of expenditures while the district works through the years when there are a large number of retirees. The district believes that this will level out reducing the average growth in expenditures to at or below the 5 year average of expenditures given the current retirement parameters set forth by SERS and STRS retirement systems.

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 20.42% of the district's total general fund spending.



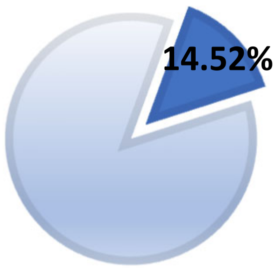
Key Assumptions & Notes

Benefits represent 20.42% of total expenditures and increased at a historical average annual rate of 2.65%. This category of expenditure is projected to grow at an annual average rate of 5.24% through fiscal year 2031. The projected average annual rate of change is 2.59% more than the five year historical annual average.

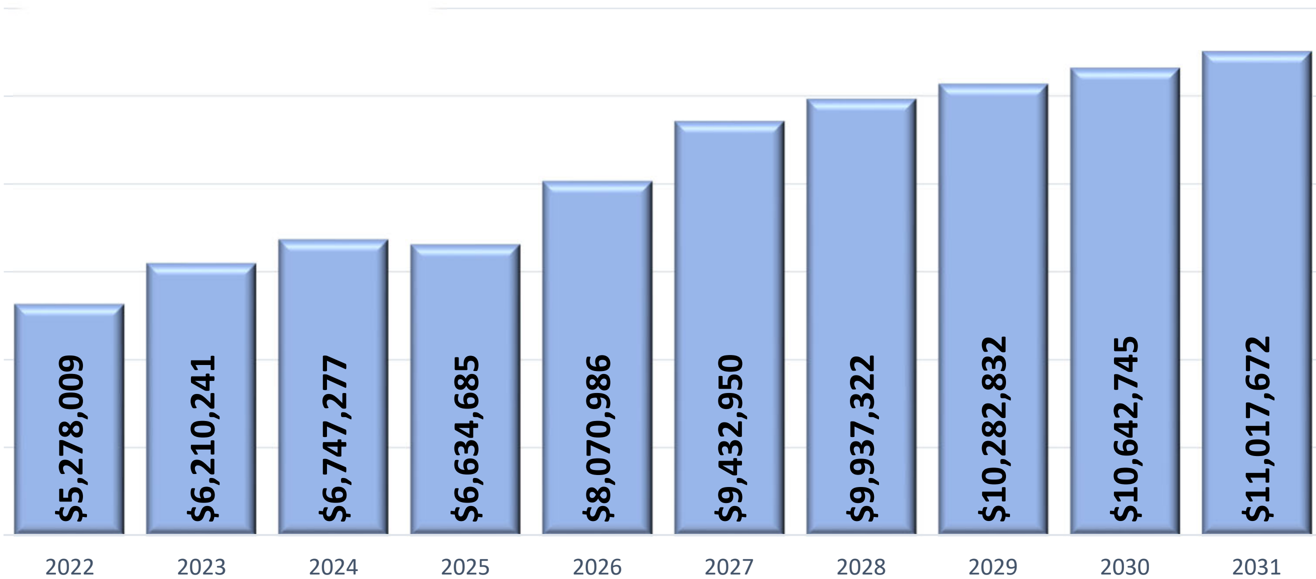
Loveland City Schools is part of the Greater Cincinnati Insurance Consortium (GCIC). The increase in health care premiums for FY26 is known at 7%. The GCIC has had a 10 year average increase of 4% with max being 10% and the minimum being 0%. Due to the increased projected cost of prescription drugs, FY27 through FY29 assume an 8% increase with FY30 and FY31 assuming a 10% increase to be conservative on this volatile expenditure type that is the second largest for the school district.

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 14.52% of the district's total general fund spending.



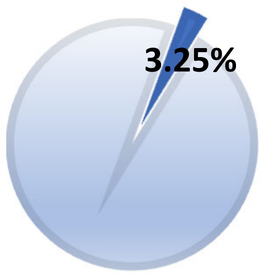
Key Assumptions & Notes

Purchased Services represent 14.52% of total expenditures and increased at a historical average annual rate of 8.00%. This category of expenditure is projected to grow at an annual average rate of 6.54% 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.

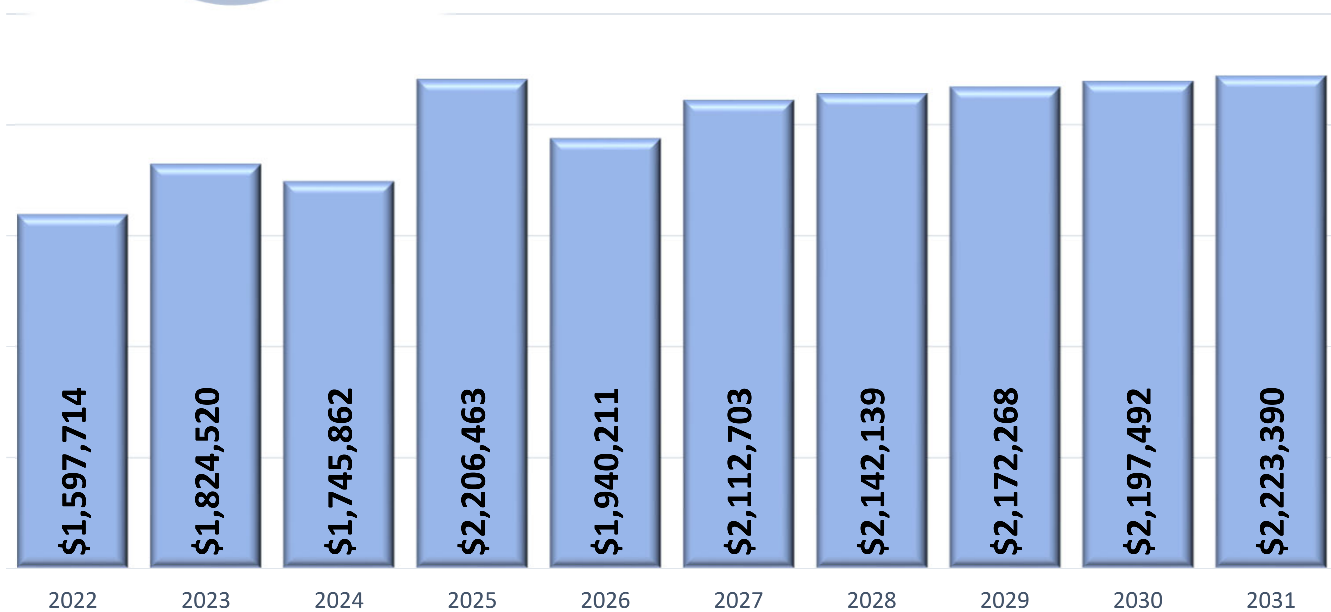
Beginning in FY26, LCSD moved a large portion of contracted special education expenses to the general fund with the historic expenses moving from the 516 IDEA fund. This allows LCSD to claim these funds towards threshold costs to receive payment on these expenses from the state of Ohio. The district will see a net benefit of this assuming the percentage of reimbursement remains the same from the state of Ohio, which is based on the number of school districts requests reimbursement.

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 3.25% of the district's total general fund spending.



Key Assumptions & Notes

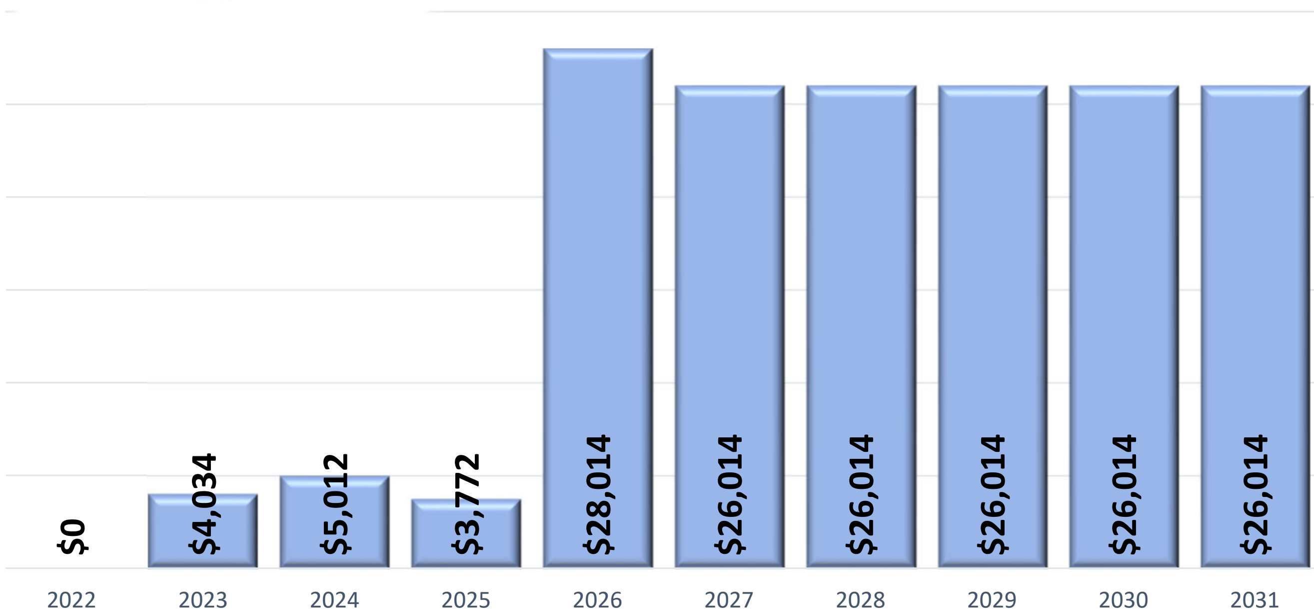
Supplies & Materials represent 3.25% of total expenditures and increased at a historical average annual rate of 5.63%. This category of expenditure is projected to grow at an annual average rate of 2.81% through fiscal year 2031. The projected average annual rate of change is 2.83% less than the five year historical annual average.

Projected increases are tied to curriculum adoption projections for FY27 and future years. Both hardcopy curriculum and digital curriculum fall into this category.

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 0.04% of the district's total general fund spending.

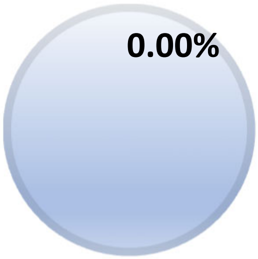


Key Assumptions & Notes

Capital Outlay represent 0.04% of total expenditures and decreased at a historical average annual amount of $51,972. This category of expenditure is projected to decrease at an annual average rate of $400 through 2031. The projected average annual change is less than the five year historical annual average.

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.



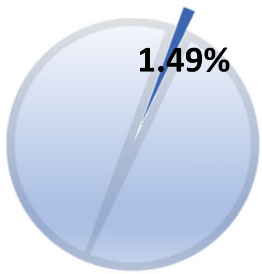
Intergovernmental and Debt account for 0.00% of the district's total general fund spending.

Key Assumptions & Notes

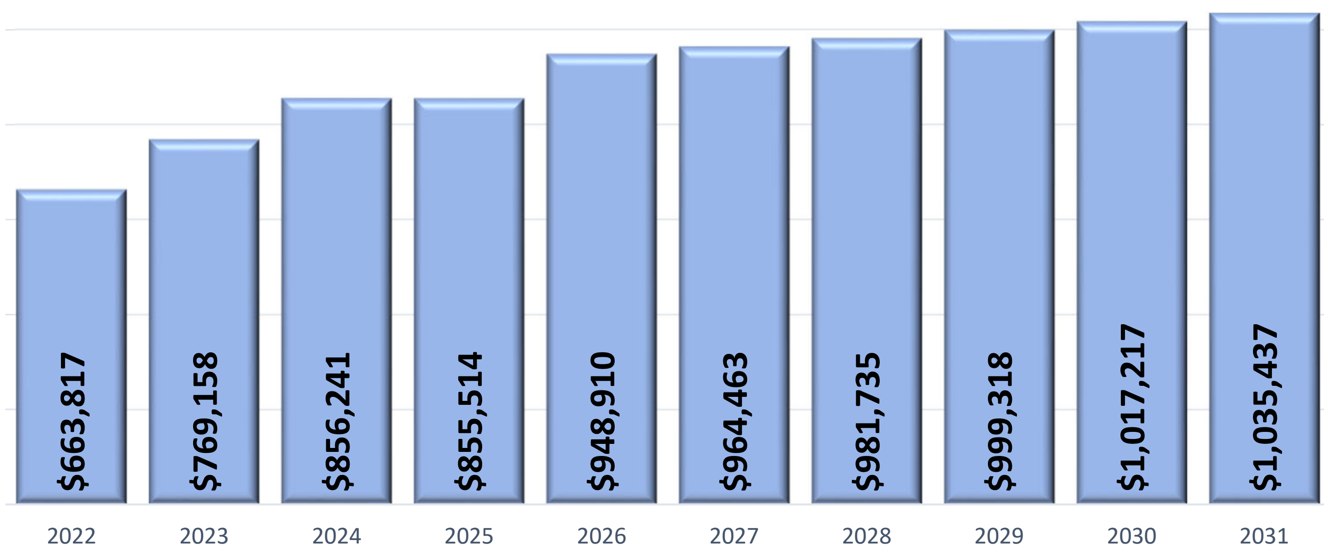
The Intergovernmental/Debt expenditure category details general fund debt issued by the District.

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 1.49% of the district's total general fund spending.



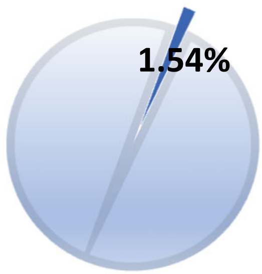
Key Assumptions & Notes

Other Objects represent 1.49% of total expenditures and increased at a historical average annual rate of 9.44%. This category of expenditure is projected to grow at an annual average rate of 1.76% through fiscal year 2031. The projected average annual rate of change is 7.68% less than the five year historical annual average.

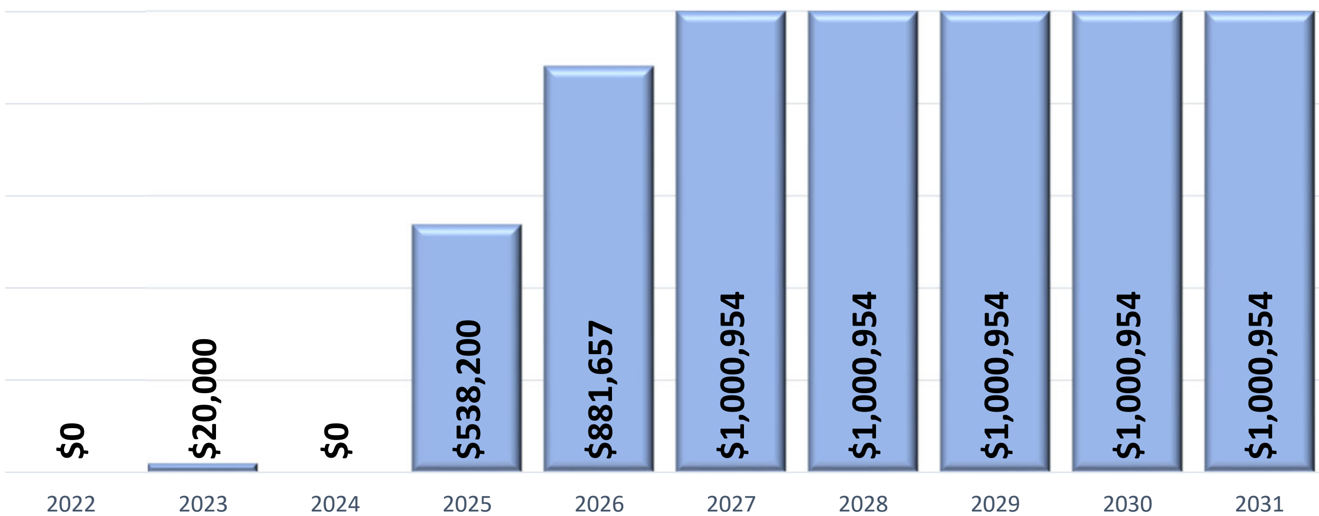
This category of expenses include primarily of tuition payments to Educational Service Centers, audit fees, county auditor property collection fees for current and delinquent property taxes.

5.040 - Total Other Financing Uses

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



Other Uses account for 1.54% of the district's total general fund spending.



Key Assumptions & Notes

		FORECASTED				
	2026	2027	2028	2029	2030	2031
Transfers Out	881,657	1,000,954	1,000,954	1,000,954	1,000,954	1,000,954
Advances Out	-	-	-	-	-	-
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 no advances-out and has no 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.

This expense category assumes a transfer of $965,457 to the 035 Severance Fund, and a $35,497 transfer to the 027 Worker's Compensation Fund in FY27 and holding that same transfer amount through 2031. This is tied to projected retirements within the district over the next several years due to STRS retirement requirement changes. Also, note that severance benefits have now been removed from the general fund (benefits category) as they will now be paid from Fund 035.

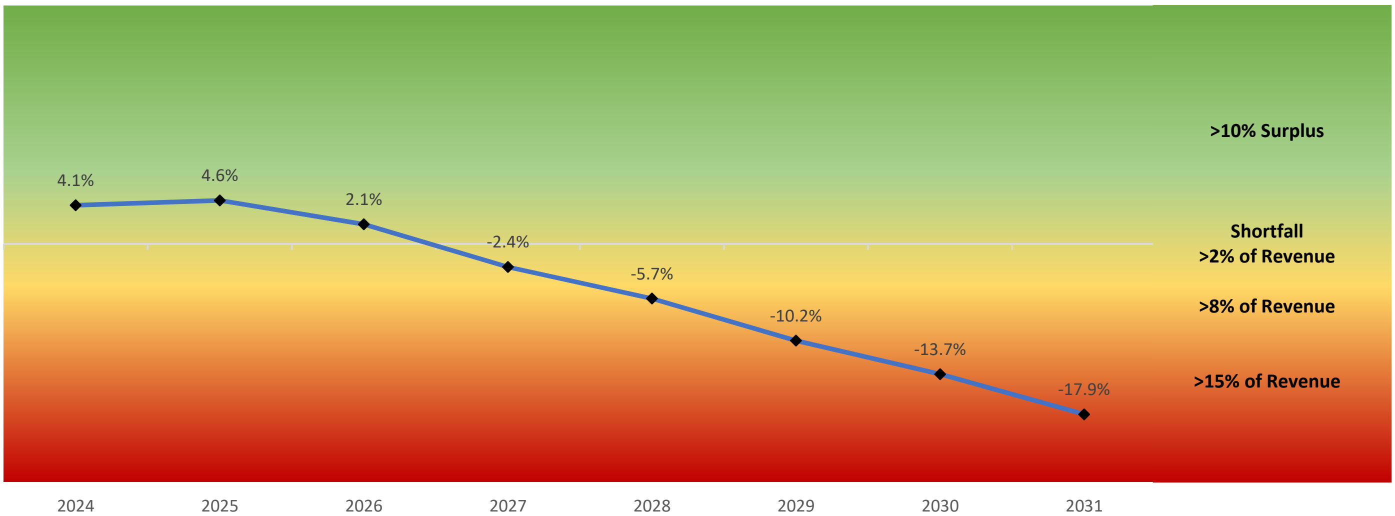
Loveland City School District

Five Year Forecast

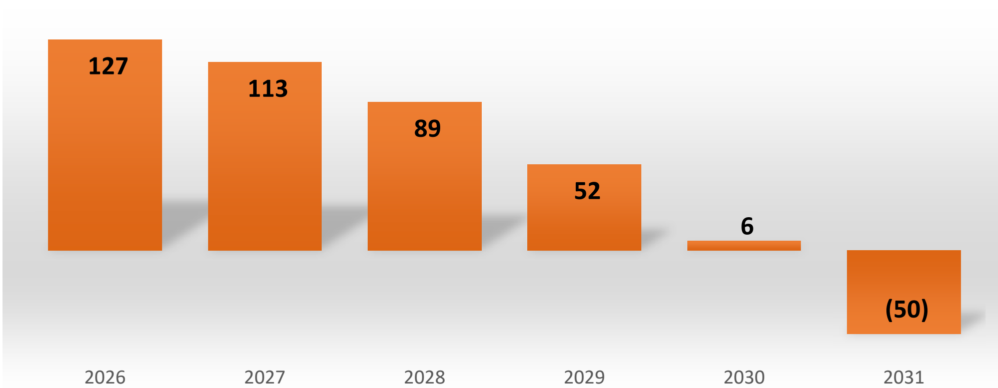
August Fiscal Year 2027

	Actual	FORECASTED				
Fiscal Year:	2026	2027	2028	2029	2030	2031
Revenue:						
1.010 - General Property Tax (Real Estate)	38,901,540	38,534,502	38,857,003	39,000,163	39,350,179	39,675,461
1.020 - Public Utility Personal Property	1,980,010	2,114,103	2,153,391	2,176,590	2,199,790	2,222,990
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	13,360,576	13,533,278	13,545,563	13,524,825	13,504,633	13,484,310
1.040 - Restricted Grants-in-Aid	420,147	353,717	346,496	340,539	333,904	227,268
1.050 - State Reimb Prop Tax Credits	4,048,890	4,093,415	4,134,617	4,149,421	4,185,853	4,214,884
1.060 - All Other Operating Revenues	4,601,112	4,167,483	4,159,569	4,160,199	4,160,828	4,160,828
1.070 - Total Revenue	63,312,274	62,796,498	63,196,639	63,351,737	63,735,187	63,985,741
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	-	-	-	-	-	-
2.060 - All Other Financing Sources	465,003	606,315	537,459	537,459	756,315	756,315
2.070 - Total Other Financing Sources	465,003	606,315	537,459	537,459	756,315	756,315
2.080 - Total Rev & Other Sources	63,777,277	63,402,813	63,734,098	63,889,196	64,491,503	64,742,057
Expenditures:						
3.010 - Personnel Services	37,456,251	38,147,563	39,346,235	41,071,541	42,583,510	44,084,618
3.020 - Employee Benefits	13,139,417	13,260,149	13,960,709	14,825,091	15,846,955	16,942,240
3.030 - Purchased Services	8,070,986	9,432,950	9,937,322	10,282,832	10,642,745	11,017,672
3.040 - Supplies and Materials	1,940,211	2,112,703	2,142,139	2,172,268	2,197,492	2,223,390
3.050 - Capital Outlay	28,014	26,014	26,014	26,014	26,014	26,014
Intergovernmental & Debt Service	-	-	-	-	-	-
4.300 - Other Objects	948,910	964,463	981,735	999,318	1,017,217	1,035,437
4.500 - Total Expenditures	61,583,789	63,943,842	66,394,154	69,377,064	72,313,933	75,329,371
Other Financing Uses						
5.010 - Operating Transfers-Out	881,657	1,000,954	1,000,954	1,000,954	1,000,954	1,000,954
5.020 - Advances-Out	-	-	-	-	-	-
5.030 - All Other Financing Uses	-	-	-	-	-	-
5.040 - Total Other Financing Uses	881,657	1,000,954	1,000,954	1,000,954	1,000,954	1,000,954
5.050 - Total Exp and Other Financing Uses	62,465,446	64,944,796	67,395,108	70,378,018	73,314,887	76,330,325
6.010 - Excess of Rev Over/(Under) Exp	1,311,831	(1,541,983)	(3,661,010)	(6,488,822)	(8,823,384)	(11,588,268)
7.010 - Cash Balance July 1 (No Levies)	20,374,686	21,686,517	20,144,535	16,483,525	9,994,703	1,171,318
7.020 - Cash Balance June 30 (No Levies)	21,686,517	20,144,535	16,483,525	9,994,703	1,171,318	(10,416,950)
		Reservations				
8.010 - Estimated Encumbrances June 30	363,202	201,804	201,804	201,804	201,804	201,804
9.080 - Reservations Subtotal	-	-	-	-	-	-
10.010 - Fund Bal June 30 for Cert of App	21,323,315	19,942,731	16,281,721	9,792,899	969,514	(10,618,754)
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	21,323,315	19,942,731	16,281,721	9,792,899	969,514	(10,618,754)
Revenue from New Levies						
13.010 & 13.020 - New Levies		-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	21,323,315	19,942,731	16,281,721	9,792,899	969,514	(10,618,754)

Revenue Surplus/(Shortfall) - Current Forecast



Days Cash on Hand - Current Forecast

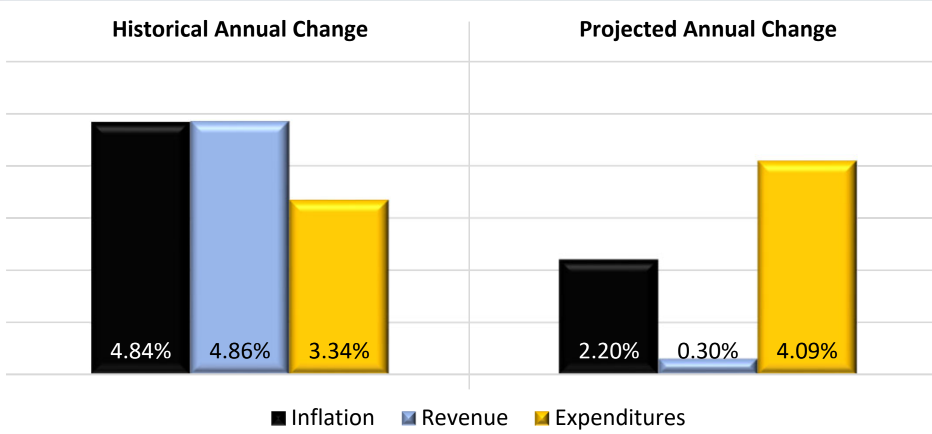


Days cash on hand is projected to decline and is projected to be negative by 2031.

based on 365 days

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

Average projected annual expenditure change is greater than inflation, and more than revenue.



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

Property Tax Reform Impact - Retrospective Look

Tax Years 2024, 2025, and 2026

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

Class I	**TY 2024**	**TY 2025**	**TY 2026**
Inside Millage	4.56	4.56	4.35
Effective Outside Millage	27.24	27.22	23.80
Effective Inside + Outside Millage	31.80	31.78	28.15

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.

Class I Property Values Change	**TY 2024**	**TY 2025**	**TY 2026**
Reappraisal or Update Year	Yes	No	Yes
Class I Combined Change	0.3%	0.0%	14.4%
New GDP-D Allowed Growth	15.40%	13.30%	9.15%

<< district is in more than one county

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**
Combined Ag/Residential Inflation	0.27%	0.00%	14.45%
Outside Millage Reduction	(0.07)	(0.01)	(3.63)
Percentage Change in Millage	-0.27%	-0.04%	-12.57%

Taxpayer Credits	**TY 2024**	**TY 2025**	**TY 2026**
If at the floor and exceeded GDP-D Growth	.	$ -	$ -

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.

H.B. 186 credits should apply to 2nd half tax year

Memo: Retrospective Credits	TY23 Retro Credit	TY24 Retro Credit
	$ -	$ -

Property Tax Reform - Prospective Look

Tax Years 2026, 2027, 2028, 2029, and 2030

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	Yes	Yes	No	Yes	Yes
Percent of District in Reappraisal/Update	0.00%	0.00%	0.00%	0.00%	0.00%
Class I Combined Change	13.8%	0.1%	0.0%	6.8%	0.1%
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*	4.35	4.35	4.35	4.35	4.35
Millage Change	-0.21	0.00	0.00	0.00	0.00
Percentage Change in Millage	-4.59%	0.00%	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 GPD-D

	TY 2026	TY 2027	TY 2028	TY 2029	TY 2030
Outside Millage	23.80	23.79	23.78	22.24	22.23
Millage Change	-3.42	-0.01	-0.01	-1.54	-0.01
Percentage Change in Millage	-10.76%	-0.04%	-0.04%	-5.46%	-0.04%
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)	28.15	28.14	28.13	26.59	26.58

***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.

	Retro TY 2023	Retro TY 2024	TY 2025
Memo: Historical Credits for Reference	$ -	$ -	$ -

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 interpertation 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 legistlation:

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 Delfator (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.