

Lowellville Local School District

Fiscal Year
2027
August

Financial
Forecast
Report



Prepared By:

Treasurer/CFO

Lowellville Local 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.

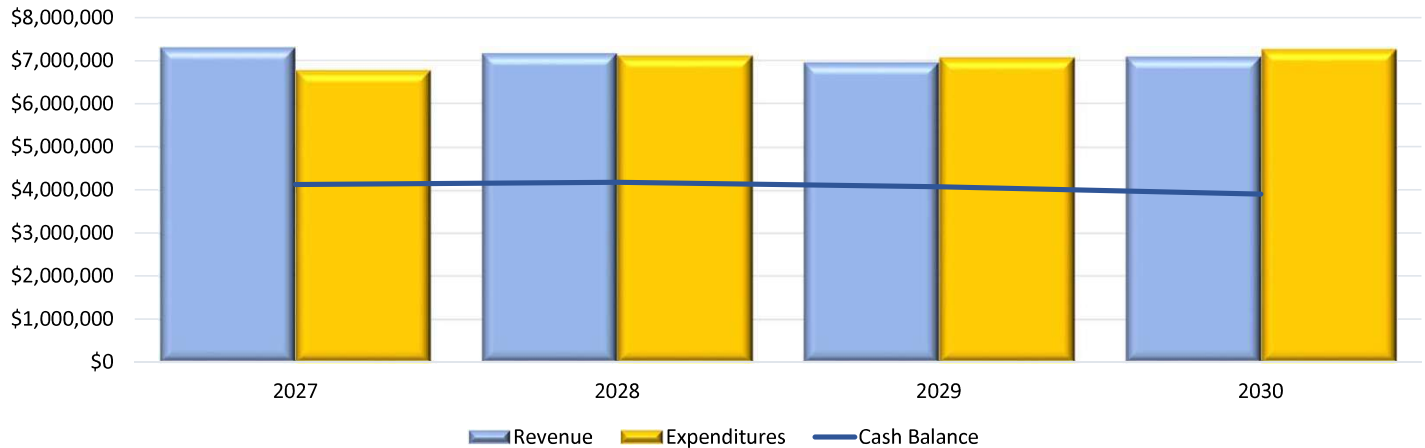
Forecast Methodology

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

Lowellville Local School District

Projected Revenue, Expenditures, and Cash Balance



Financial Forecast Summary

	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030
Beginning Balance (Line 7.010) <i>*Includes Renewal/New Levy Revenue, see Disclosures</i>	3,610,303	4,126,356	4,176,662	4,065,040
+ Revenue	7,289,740	7,156,345	6,949,819	7,083,377
- Expenditures	(6,773,687)	(7,106,039)	(7,061,441)	(7,250,660)
= Revenue Surplus or Deficit	516,053	50,306	(111,622)	(167,283)
Line 7.020 Ending Balance with Renewal/New Levies	4,126,356	4,176,662	4,065,040	3,897,758

Financial Summary Notes

Expenditure growth is projected to outpace revenue change. By the end of 2030, the cash balance is projected to increase by a total of \$287,455 compared to 2026. For fiscal year 2030, 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. On average, annually, over the past five years, revenue increased by 4.44% (\$253,648 annually). However, it is projected to increase by 1.17% (\$75,356 annually) through fiscal year 2030. Notably, State Funding, is expected to be \$354,347 less per year compared to history, and is the biggest driver of trend change on the revenue side.

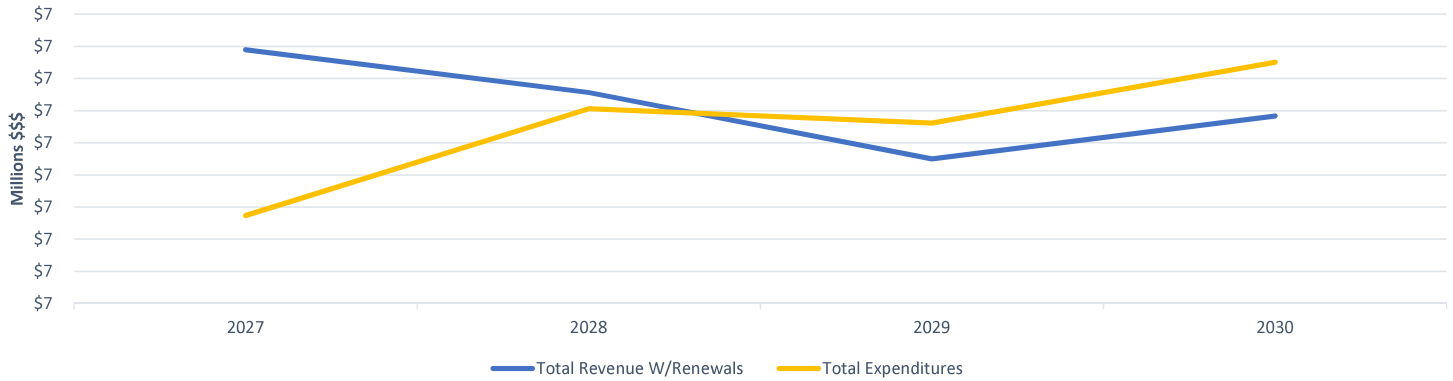
For expenditures, projected change is expected to be at a slower pace than the historical trend. Expenditures increased by 4.44% (\$261,587 on average, annually) during the past 5-year period, and are projected to increase by 1.94% (\$132,871 annually) through 2030. The forecast line with the most change on the expense side, Salaries, is anticipated to be \$132,374 less per year in the projected period compared to historical averages.

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

Forecast Analysis

Lowellville Local School District

Revenue Compared to Expenditures

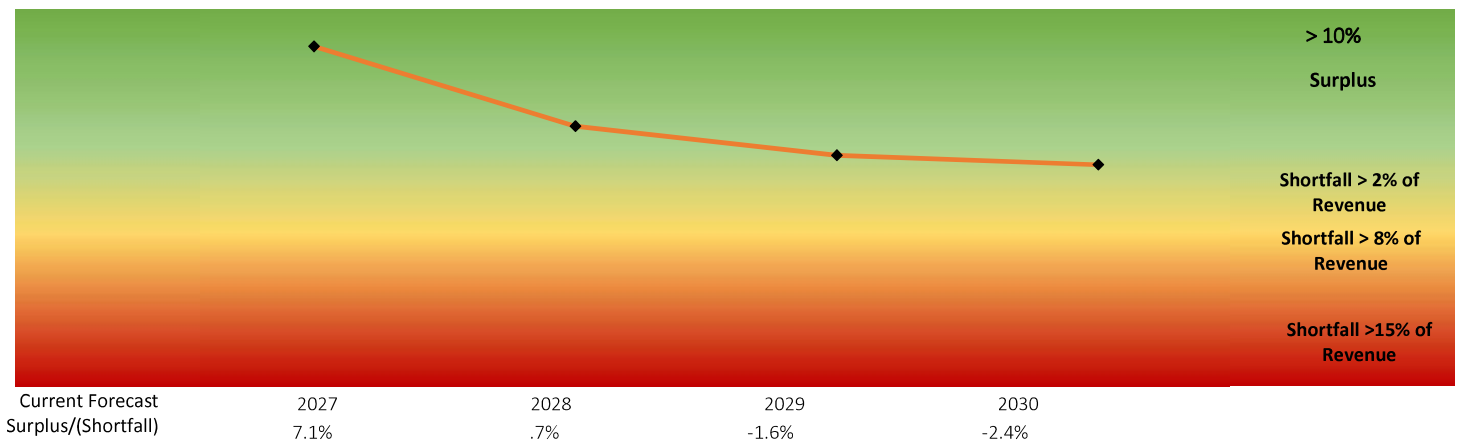


From 2027 to 2031, total revenues are projected to change by 1.17%

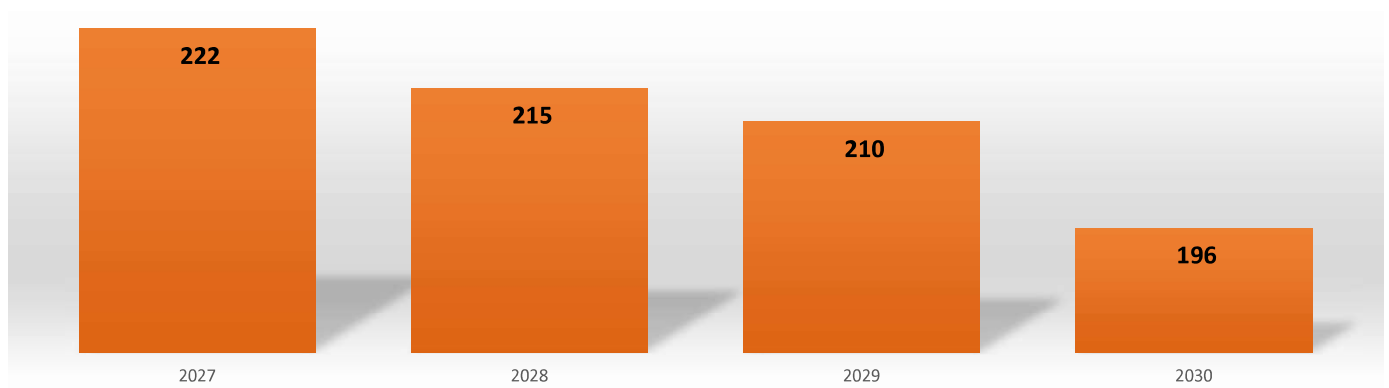
Expenditure change is expected to outpace revenue change.

From 2027 to 2031, total expenses are projected to change by 1.94%

Revenue Surplus/(Shortfall) as a Percentage of Revenue



Days Cash on Hand at Fiscal Year-end

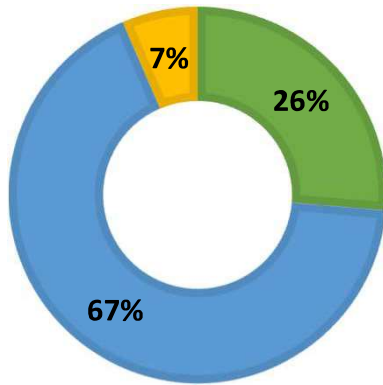


*based on 365 days

Revenue Overview

Lowellville Local School District

Revenue Sources



Local Taxes

Real Estate Tax	10.96%
Public Utility Tax	15.37%
Income Tax	0.00%

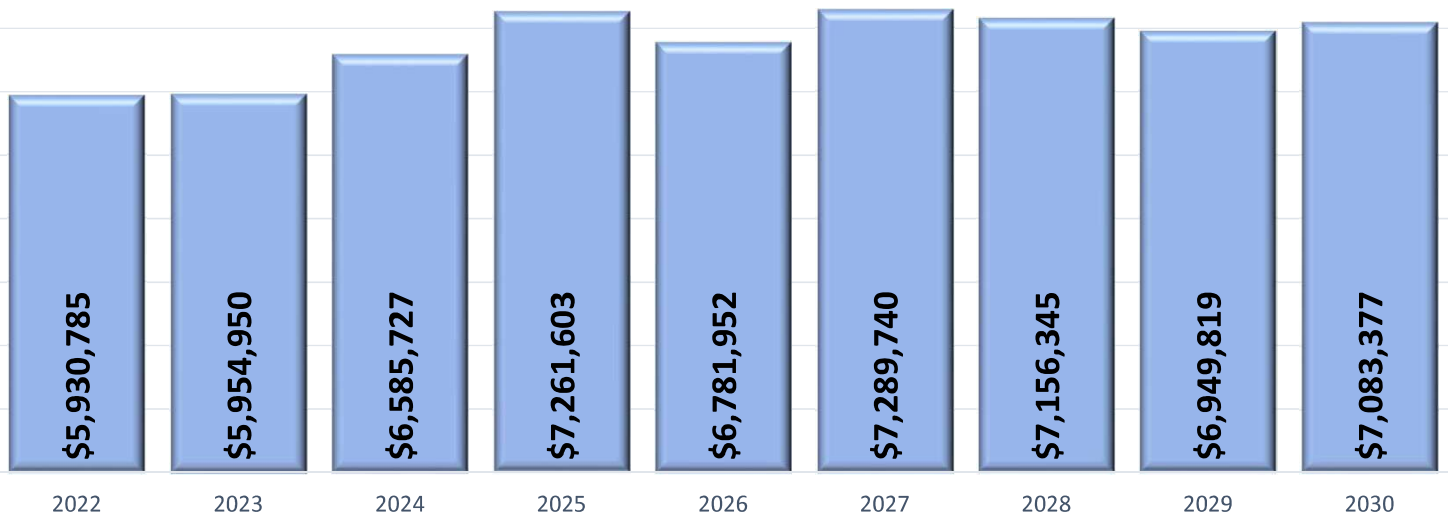
State Sources

State Funding	58.27%
Restricted Aid	6.95%
State Reimb Prop Tax Cri	1.97%

All Other Revenue

Other Revenue	6.44%
Other Sources	0.04%

Annual Revenue Actual + Projected



■ Renewal Levy Revenue

Historic Revenue Change versus Projected Revenue Change

	Historical Average Annual \$\$ Change	Projected Average Annual \$\$ Change	Projected Compared to Historical Variance	On average, annually, over the past five years, revenue increased by 4.44% (\$253,648 annually). However, it is projected to increase by 1.17% (\$75,356 annually) through fiscal year 2030. Notably, State Funding, is expected to be \$354,347 less per year compared to history, and is the biggest driver of trend change on the revenue side.
Real Estate	45,399	(\$18,881)	(\$64,280)	
Public Utility	\$45,097	\$12,385	(\$32,712)	
Income Tax	\$0	\$0	\$0	
State Funding	\$439,627	\$85,280	(\$354,347)	
State Reimb Prop Tax Credits	\$4,886	\$8,934	\$4,048	
All Othr Op Rev	(\$282,161)	(\$12,104)	\$270,057	
Other Sources	\$799	(\$258)	(\$1,057)	
Total Average Annual Change	\$253,648 4.44%	\$75,356 1.17%	(\$178,291) -3.27%	

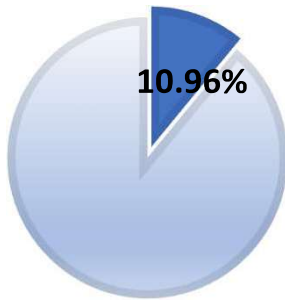
For Comparison:

Expenditure average annual change is projected to be >

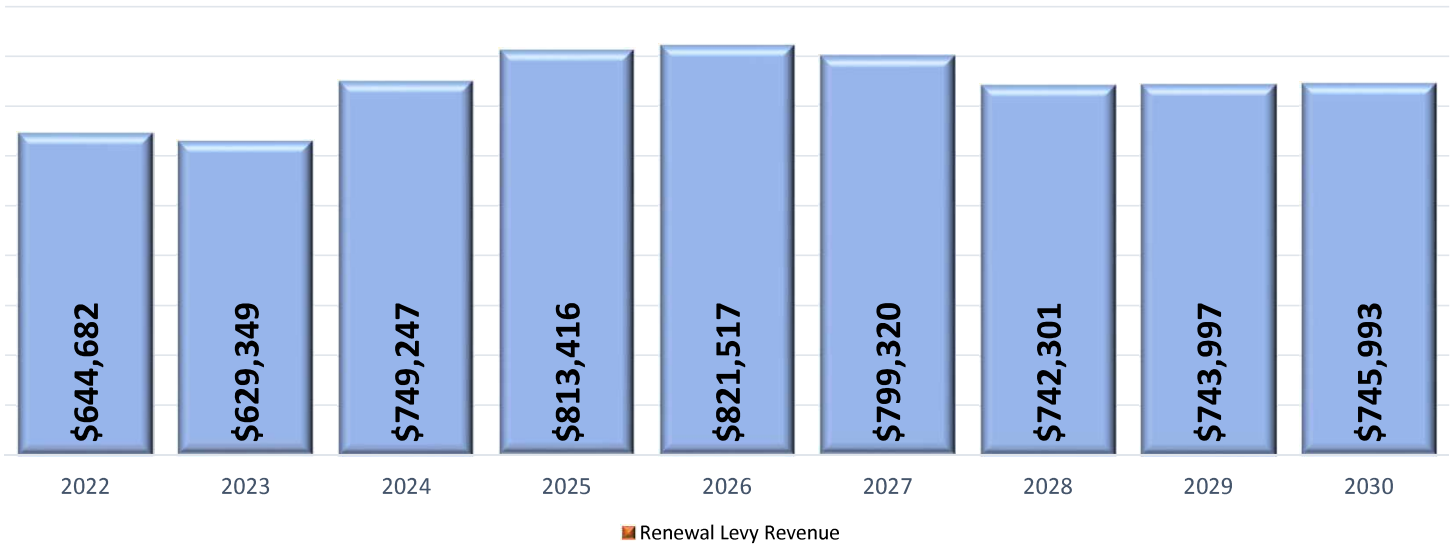
\$132,871 On an annual average basis, expenditures are projected to grow faster than revenue.

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 10.96% of total district general fund revenue.



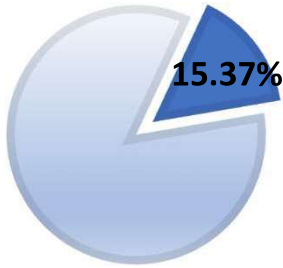
Key Assumptions & Notes

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	46,310,953	269,913	20.00	-	30.26	-	99.7%
2026	58,747,953	12,437,000	20.00	(0.00)	27.44	(2.82)	98.7%
2027	58,839,953	92,000	20.00	-	27.44	(0.00)	98.7%
2028	58,931,953	92,000	20.00	-	27.44	(0.00)	98.7%
2029	59,173,953	242,000	20.00	-	26.51	(0.92)	98.7%
2030	68,463,953	9,290,000	20.00	-	26.27	(0.24)	98.7%

Class I, or residential/agricultural taxes make up approximately 87.44% of the real estate property tax revenue. The Class I tax rate is 20.00 mills in tax year 2026. The projections reflect an average gross collection rate of 98.7% annually through tax year 2030. The revenue changed at an average annual historical rate of 6.93% and is projected to change at an average annual rate of -2.33% through fiscal year 2030.

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 15.37% of total district general fund revenue.



Key Assumptions & Notes

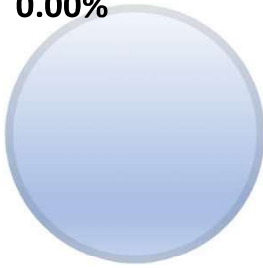
Values and Tax Rates					Gross Collection Rate Including Delinquencies
Tax Year	Valuation	Value Change	Full Voted Rate	Change	
2025	20,325,820	235,670	55.90	-	98.0%
2026	20,825,820	500,000	55.20	(0.70)	98.0%
2027	20,950,820	125,000	55.20	-	98.0%
2028	21,075,820	125,000	55.20	-	98.0%
2029	21,200,820	125,000	55.20	-	98.0%
2030	21,325,820	125,000	54.96	(0.24)	98.0%

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 55.20 mills. The forecast is modeling an average gross collection rate of 98.02%. The revenue changed historically at an average annual dollar amount of \$45,097 and is projected to change at an average annual dollar amount of \$12,385 through fiscal year 2030.

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.

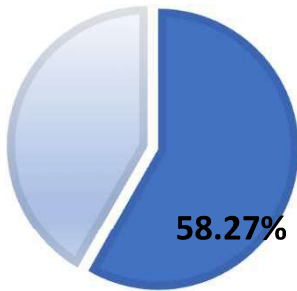


Key Assumptions & Notes

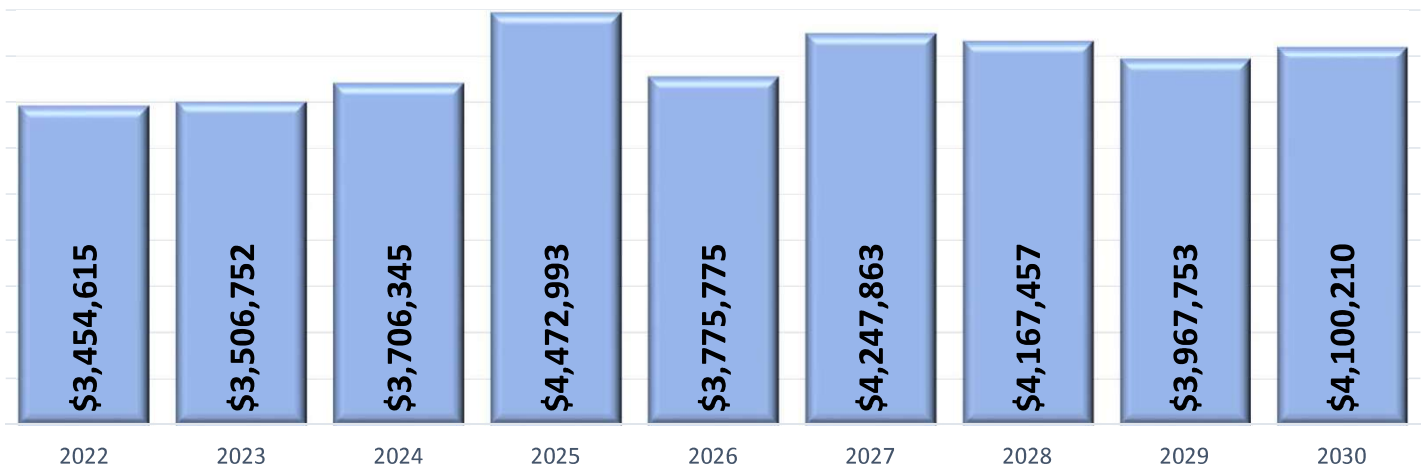
The district does not have an income tax levy.

1.035 - Unrestricted Grants-in-Aid

Funds received through the State Foundation Program with no restriction.

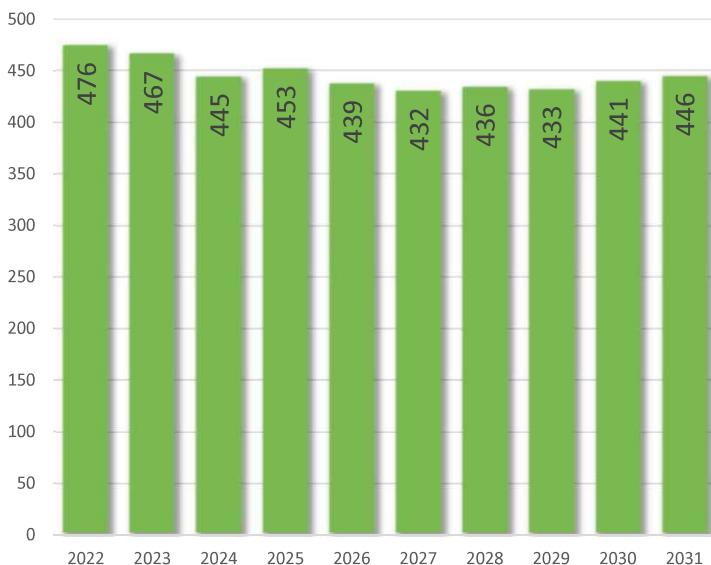


Unrestricted State Aid revenue accounts for 58.27% of total district general fund revenue.



Key Assumptions & Notes

District Educated Enrollment



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 Lowellville Local School District, the calculated Base Cost total is \$4,766,660 in 2027.

The State's Share of the calculated Base Cost total is \$3,267,551, or \$7,569 per pupil.

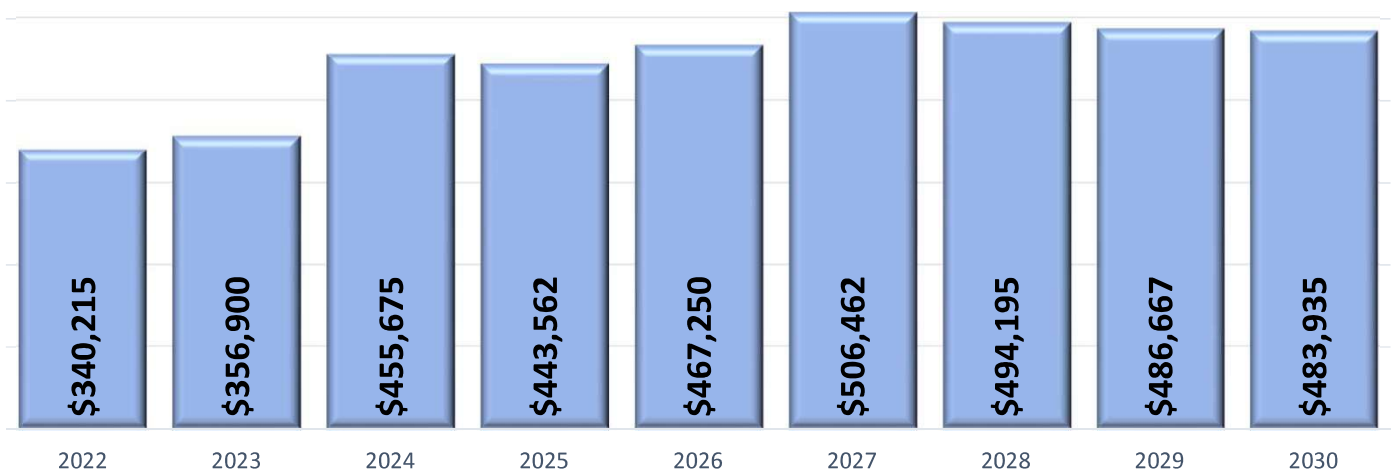
The FSFP also started funding students where they attended school. Therefore district educated enrollment is now used for per pupil funding. At the same time, the FSFP eliminated tuition transfer payments from school districts, which impacts the expense side of the forecast.

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 6.95% of total district general fund revenue.



Key Assumptions & Notes

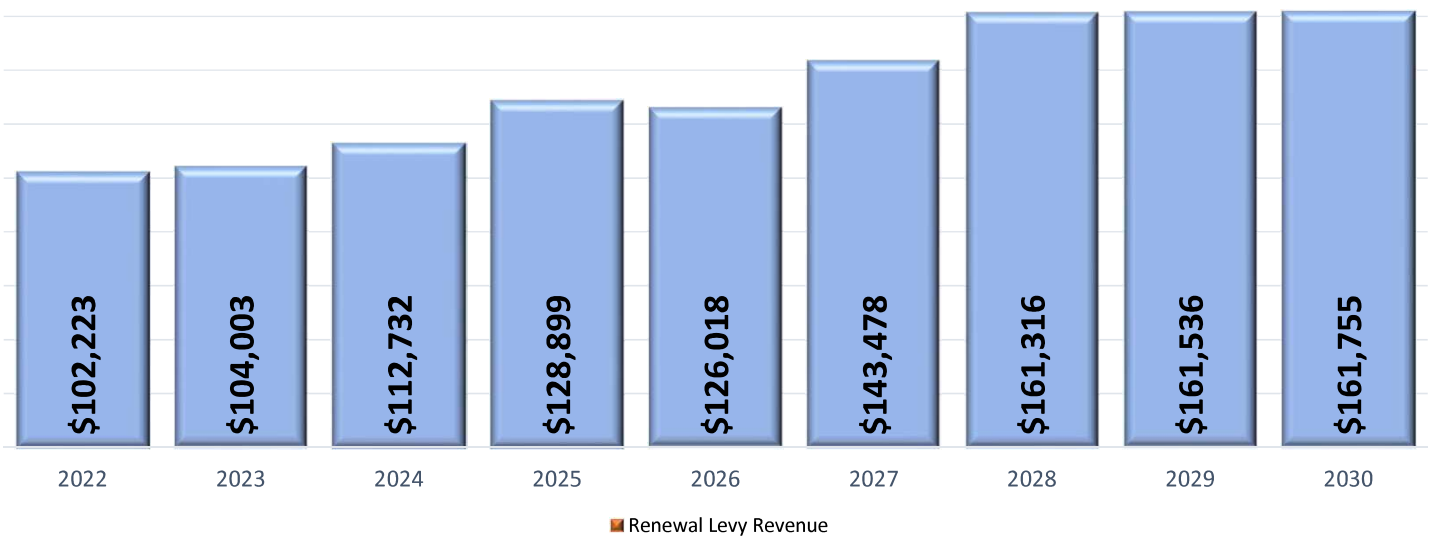
Restricted aid is the portion of state per pupil funding that must be classified as restricted use. Historically the district's restricted state aid changed annually on average by \$36,784 and is projected to change annually on average by \$4,171. Restricted funds represent 6.95% of the district's total 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 \$331,986. 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.

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 1.97% of total district general fund revenue.

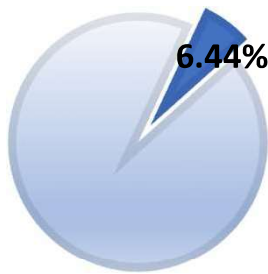


Key Assumptions & Notes

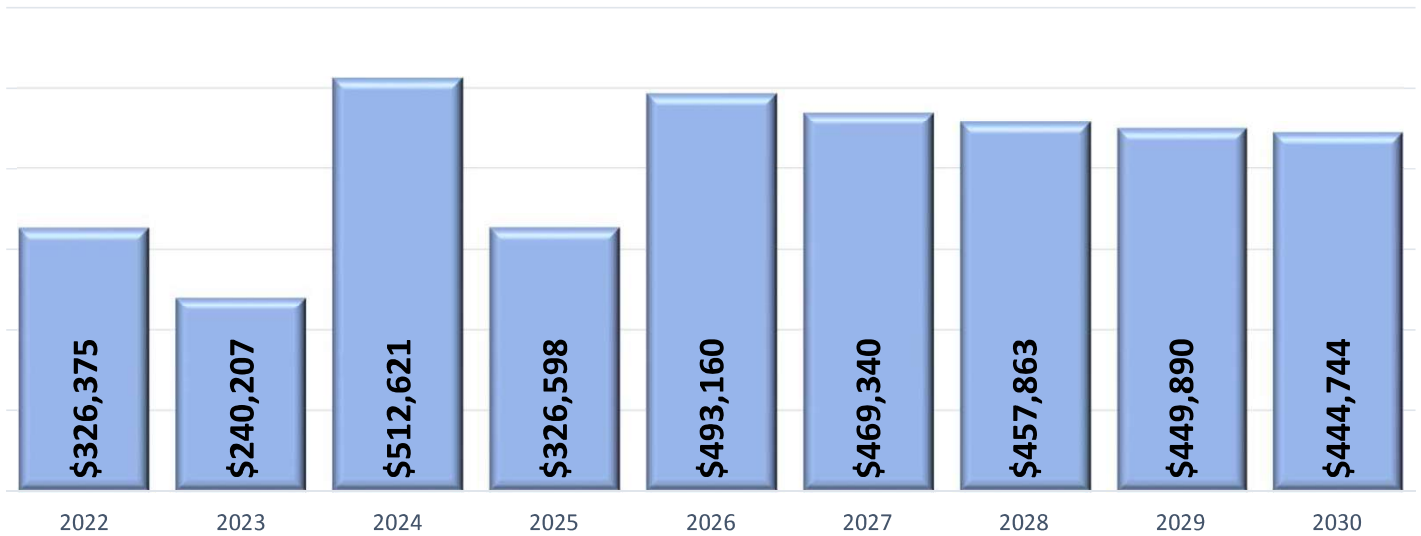
State Reimbursement of Property Tax Credits primarily consists of reimbursements from the state of Ohio for local taxpayer credits or reductions to their tax bill. The state reduces the local taxpayer's tax bill with a 10% rollback credit, and 2.5% owner-occupied rollback credit, plus a homestead credit for qualifying taxpayers. In fiscal year 2027, approximately 11.9% local residential property taxes will be reimbursed by the state in the form of rollback credits and approximately 2.8% will be reimbursed in the form of qualifying homestead exemption credits.

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 6.44% of total district general fund revenue.



Key Assumptions & Notes

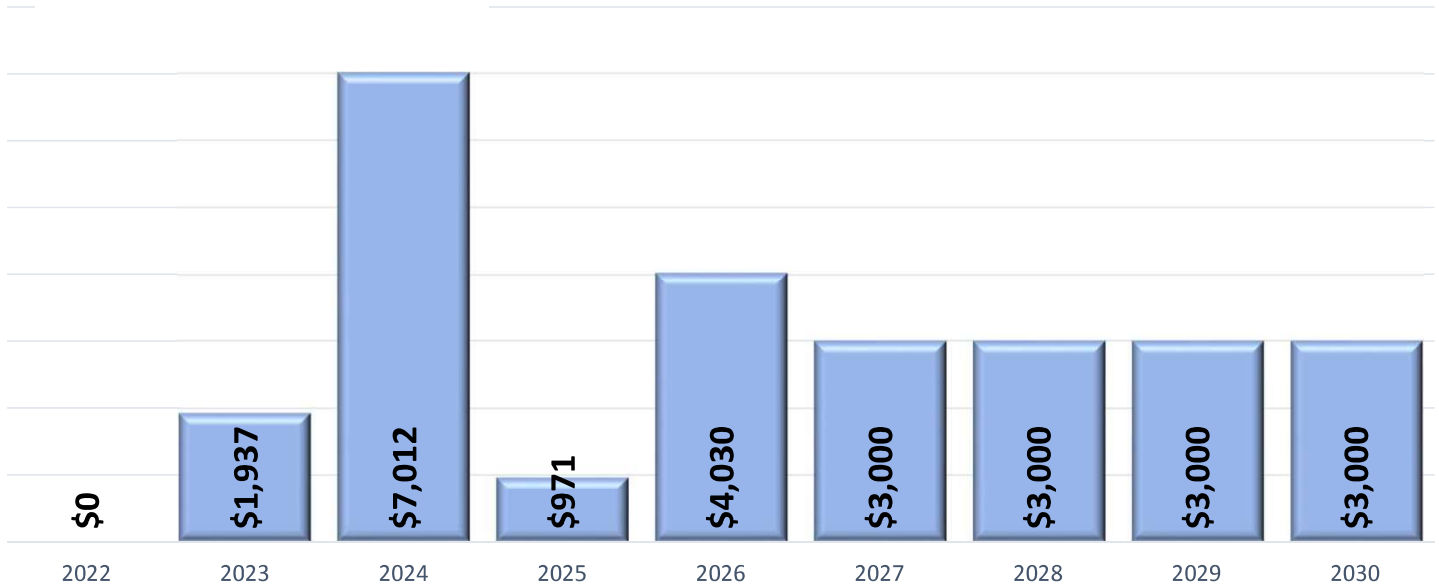
Other revenue includes tuition received by the district for non-resident students educated by the district. It also includes interest income, payments in lieu of taxes, and miscellaneous revenue. The historical average annual change was -\$282,161. The projected average annual change is -\$12,104 through fiscal year 2030.

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 0.04% of total district general fund revenue.



Key Assumptions & Notes

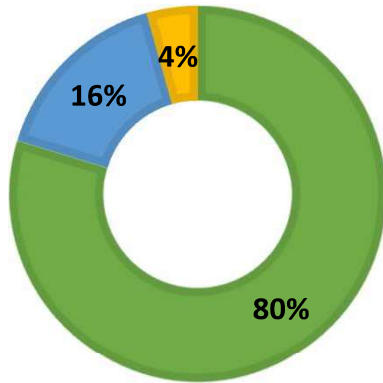
	2026	FORECASTED			
		2027	2028	2029	2030
Transfers In	-	-	-	-	-
Advances In	-	-	-	-	-
All Other Financing Sources	4,030	3,000	3,000	3,000	3,000

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 \$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 \$3,000 in 2027 and average \$3,000 annually through 2030.

Expenditure Overview

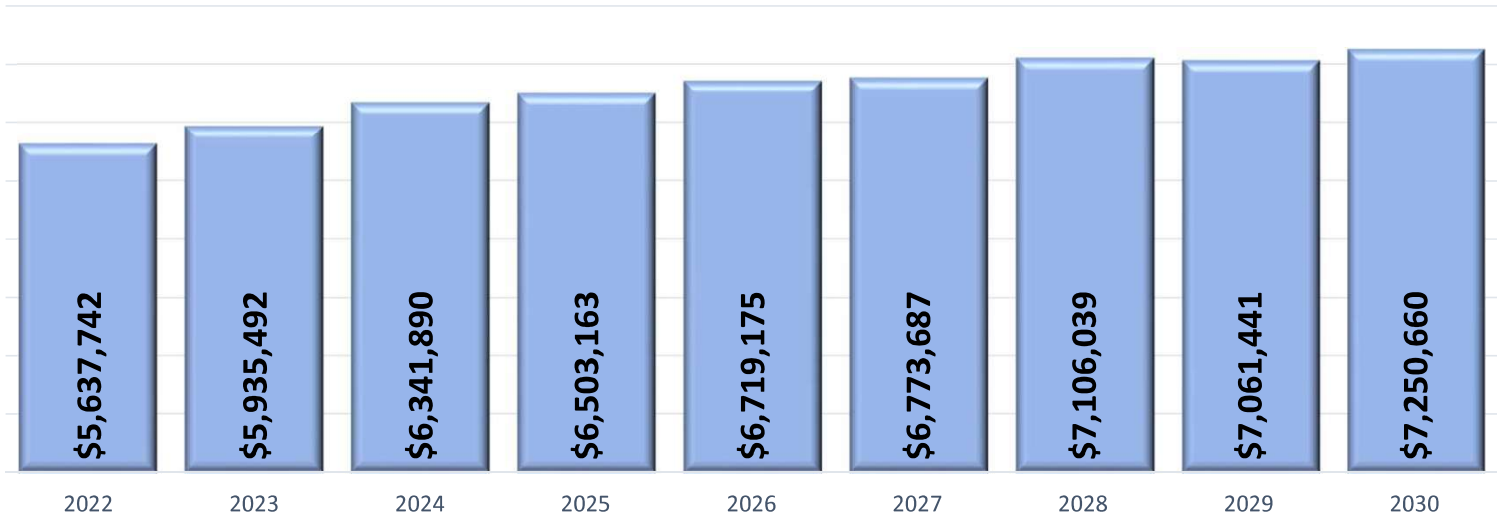
Lowellville Local School District

Expenditure Categories



Personnel Costs	
Salaries	57.58%
Benefits	22.11%
Purchased Services	
	15.95%
All Other Expenditures	
Supplies, Capital, Debt, Other Obj	3.63%
Other Uses	0.74%

Annual Expenditures Actual + Projected



Historic Expenditures Change versus Projected Expenditures Change

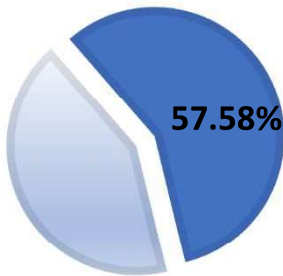
	Historical Average Annual \$\$ Change	Projected Average Annual \$\$ Change	Projected Compared to Historical Variance	Expenditures increased by 4.44% (\$261,587 on average, annually) during the past 5-year period, and are projected to increase by 1.94% (\$132,871 annually) through 2030. The forecast line with the most change on the expense side, Salaries, is anticipated to be \$132,374 less per year in the projected period compared to historical averages.
Salaries	\$155,720	\$23,346	(\$132,374)	
Benefits	\$35,843	\$90,427	\$54,584	
Purchased Services	\$33,729	\$27,408	(\$6,320)	
Supplies & Materials	\$21,480	(\$4,914)	(\$26,394)	
Capital Outlay	\$5,860	(\$6,817)	(\$12,678)	
Intergov & Debt	\$0	\$0	(\$0)	
Other Objects	\$3,904	\$921	(\$2,983)	
Other Uses	\$5,051	\$2,500	(\$2,551)	
Total Average Annual Change	\$261,587	\$132,871	(\$128,715)	
	4.44%	1.94%	-2.49%	

For Comparison:
Revenue average annual change is projected to be >

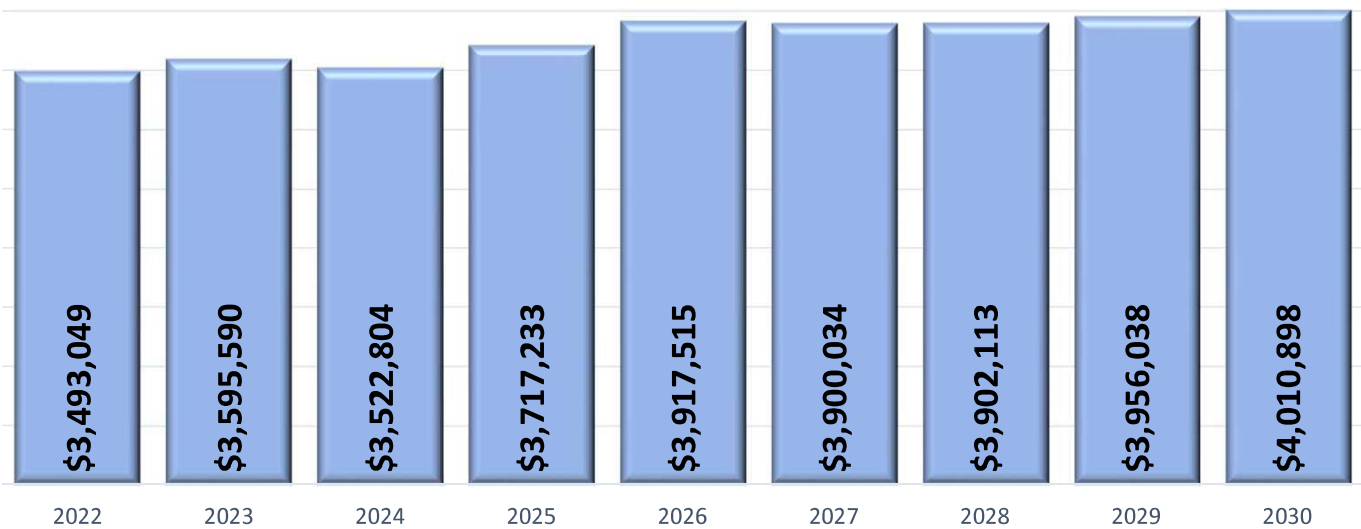
\$75,356 On an annual average basis, revenues are projected to grow slower than expenditures.

3.010 - Personnel Services

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



Salaries account for 57.58% of the district's total general fund spending.



Key Assumptions & Notes

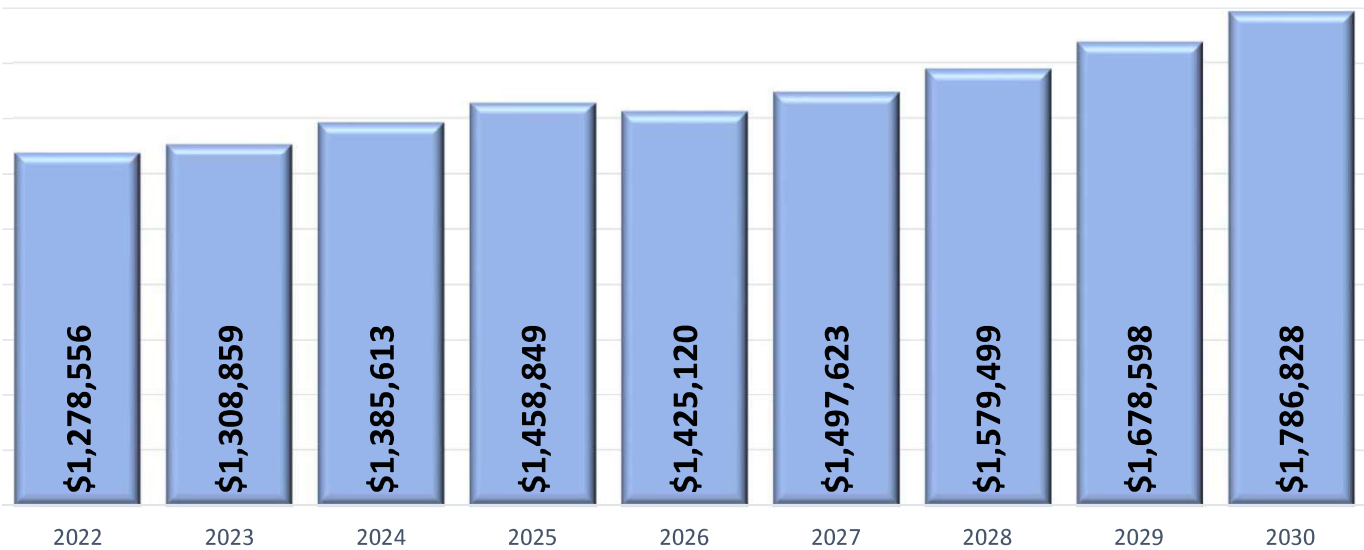
Salaries represent 57.58% of total expenditures and increased at a historical average annual rate of 4.62% (or \$155,720). This category of expenditure is projected to grow at an annual average rate of 0.59% (or \$23,346) through fiscal year 2030. The projected average annual rate of change is 4.03% less than the five year historical annual average.

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 22.11% of the district's total general fund spending.



Key Assumptions & Notes

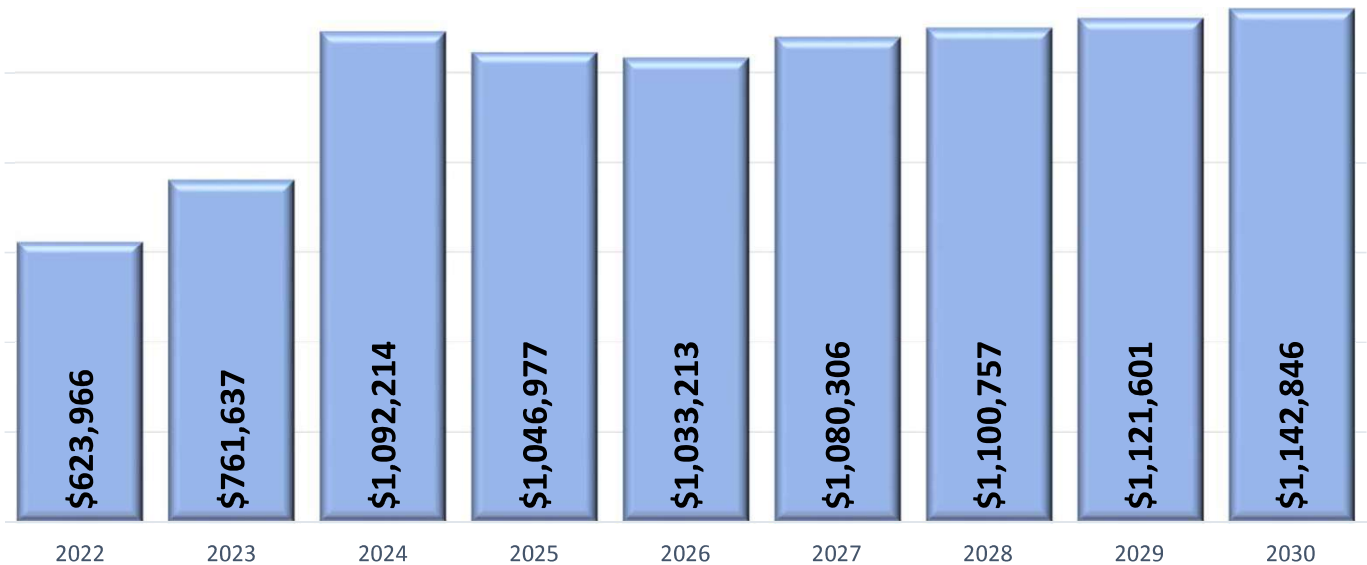
Benefits represent 22.11% of total expenditures and increased at a historical average annual rate of 2.77%. This category of expenditure is projected to grow at an annual average rate of 5.82% through fiscal year 2030. The projected average annual rate of change is 3.05% more than the five year historical annual average.

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 15.95% of the district's total general fund spending.



Key Assumptions & Notes

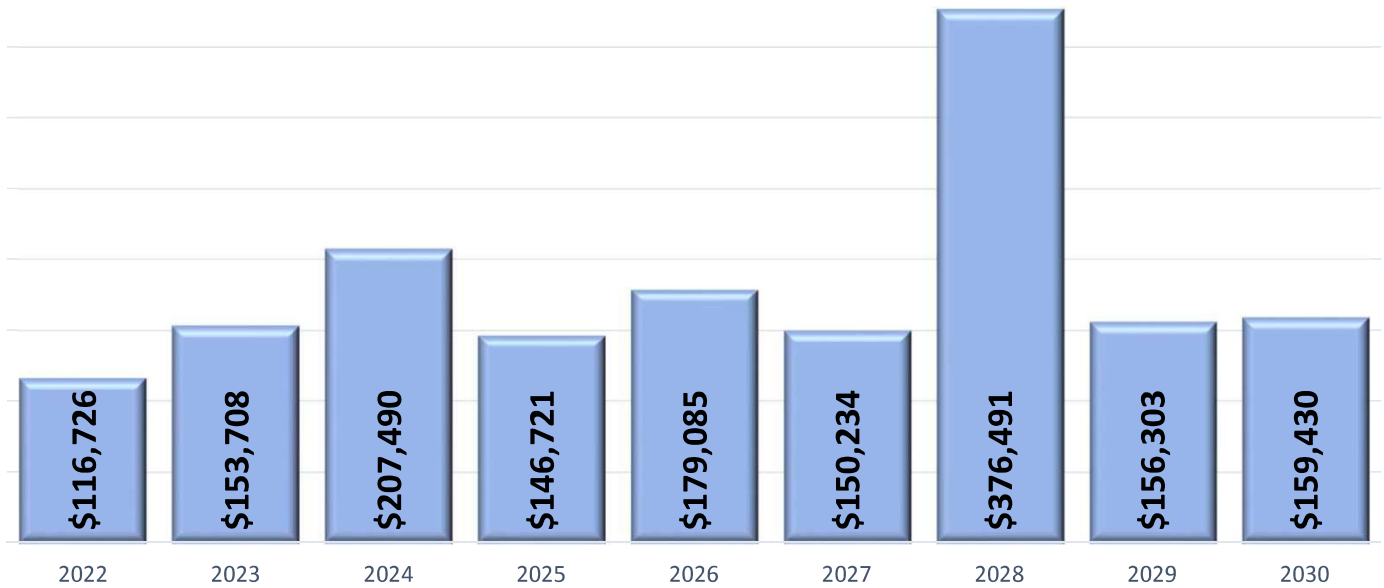
Purchased Services represent 15.95% of total expenditures and increased at a historical average annual rate of 6.44%. This category of expenditure is projected to grow at an annual average rate of 2.56% through fiscal year 2030. Starting in 2022, the Fair School Funding Plan (State Funding) only accounted 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.

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 2.22% of the district's total general fund spending.



Key Assumptions & Notes

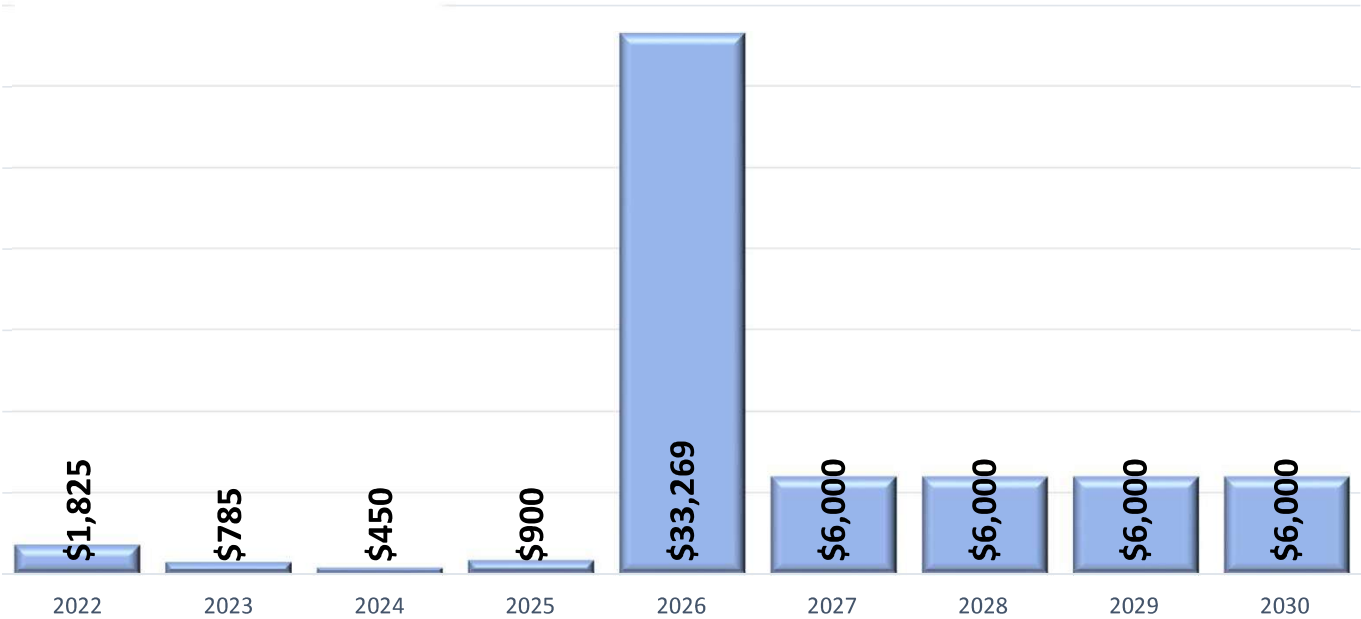
Supplies & Materials represent 2.22% of total expenditures and increased at a historical average annual rate of 24.45%. This category of expenditure is projected to grow at an annual average rate of 19.50% through fiscal year 2030. The projected average annual rate of change is 4.95% less than the five year historical annual average.

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 0.09% of the district's total general fund spending.

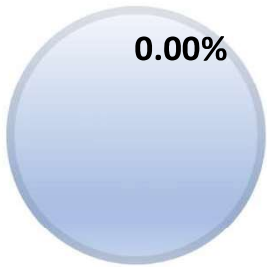


Key Assumptions & Notes

Capital Outlay represent 0.09% of total expenditures and increased at a historical average annual amount of \$5,860. This category of expenditure is projected to decrease at an annual average rate of \$6,817 through 2030. 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.

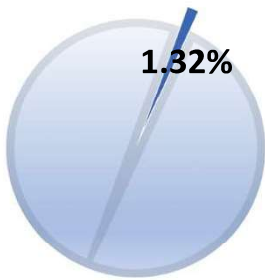
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Key Assumptions & Notes

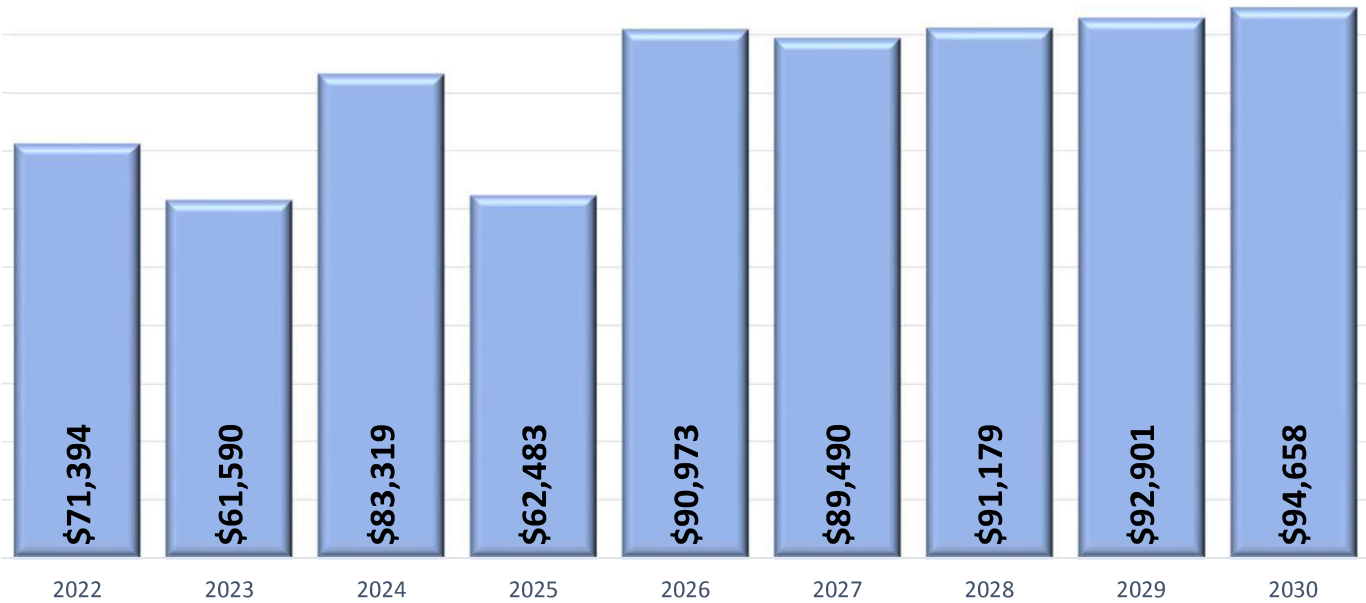
The Intergovernmental/Debt expenditure category details general fund debt issued by the District.

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 1.32% of the district's total general fund spending.

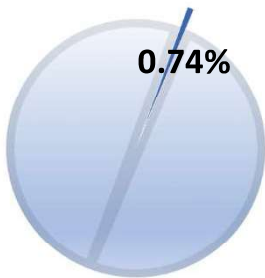


Key Assumptions & Notes

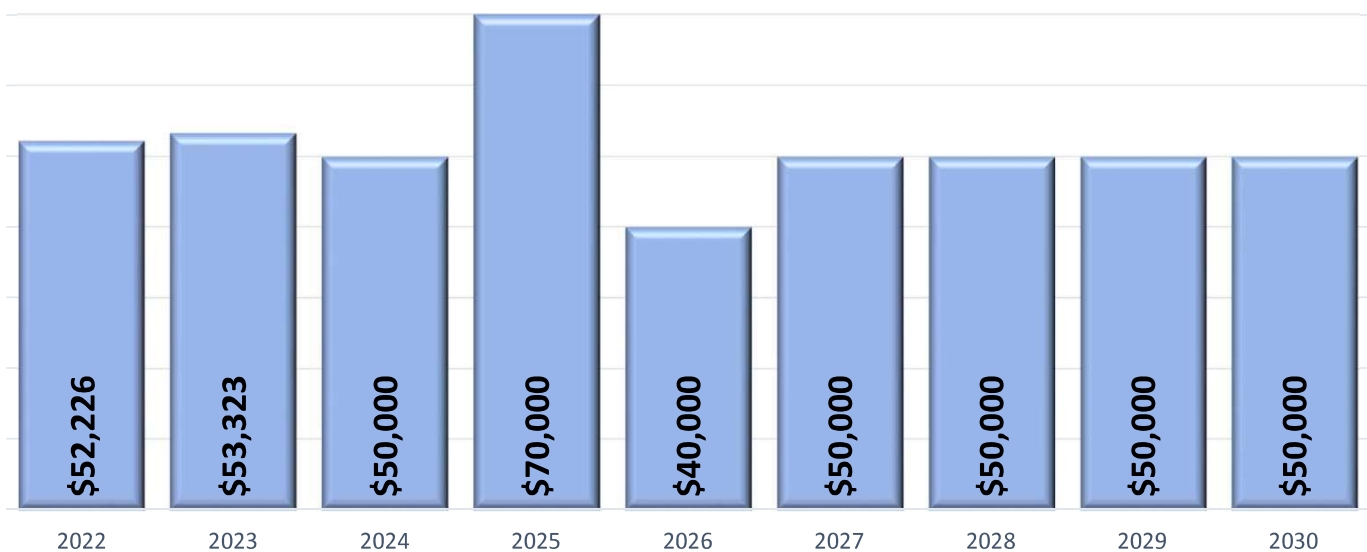
Other Objects represent 1.32% of total expenditures and increased at a historical average annual rate of 8.41%. This category of expenditure is projected to grow at an annual average rate of 1.01% through fiscal year 2030. The projected average annual rate of change is 7.40% less than the five year historical annual average.

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 0.74% of the district's total general fund spending.



Key Assumptions & Notes

	2026	FORECASTED			
		2027	2028	2029	2030
Transfers Out	40,000	50,000	50,000	50,000	50,000
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 2030. 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 2030. 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.

Lowellville Local School District

Five Year Forecast

August Fiscal Year 2027

Fiscal Year:	Actual	FORECASTED			
	2026	2027	2028	2029	2030
Revenue:					
1.010 - General Property Tax (Real Estate)	821,517	799,320	742,301	743,997	745,993
1.020 - Public Utility Personal Property	1,094,201	1,120,277	1,130,213	1,136,976	1,143,740
1.030 - Income Tax	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	3,775,775	4,247,863	4,167,457	3,967,753	4,100,210
1.040 - Restricted Grants-in-Aid	467,250	506,462	494,195	486,667	483,935
1.050 - State Reimb Prop Tax Credits	126,018	143,478	161,316	161,536	161,755
1.060 - All Other Operating Revenues	493,160	469,340	457,863	449,890	444,744
1.070 - Total Revenue	6,777,922	7,286,740	7,153,345	6,946,819	7,080,377
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	4,030	3,000	3,000	3,000	3,000
2.070 - Total Other Financing Sources	4,030	3,000	3,000	3,000	3,000
2.080 - Total Rev & Other Sources	6,781,952	7,289,740	7,156,345	6,949,819	7,083,377
Expenditures:					
3.010 - Personnel Services	3,917,515	3,900,034	3,902,113	3,956,038	4,010,898
3.020 - Employee Benefits	1,425,120	1,497,623	1,579,499	1,678,598	1,786,828
3.030 - Purchased Services	1,033,213	1,080,306	1,100,757	1,121,601	1,142,846
3.040 - Supplies and Materials	179,085	150,234	376,491	156,303	159,430
3.050 - Capital Outlay	33,269	6,000	6,000	6,000	6,000
Intergovernmental & Debt Service	-	-	-	-	-
4.300 - Other Objects	90,973	89,490	91,179	92,901	94,658
4.500 - Total Expenditures	6,679,175	6,723,687	7,056,039	7,011,441	7,200,660
Other Financing Uses					
5.010 - Operating Transfers-Out	40,000	50,000	50,000	50,000	50,000
5.020 - Advances-Out	-	-	-	-	-
5.030 - All Other Financing Uses	-	-	-	-	-
5.040 - Total Other Financing Uses	40,000	50,000	50,000	50,000	50,000
5.050 - Total Exp and Other Financing Uses	6,719,175	6,773,687	7,106,039	7,061,441	7,250,660
6.010 - Excess of Rev Over/(Under) Exp	62,777	516,053	50,306	(111,622)	(167,283)
7.010 - Cash Balance July 1 (No Levies)	3,547,526	3,610,303	4,126,356	4,176,662	4,065,040
7.020 - Cash Balance June 30 (No Levies)	3,610,303	4,126,356	4,176,662	4,065,040	3,897,758
		Reservations			
8.010 - Estimated Encumbrances June 30	-	-	-	-	-
9.080 - Reservations Subtotal	-	-	-	-	-
10.010 - Fund Bal June 30 for Cert of App	3,610,303	4,126,356	4,176,662	4,065,040	3,897,758
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	3,610,303	4,126,356	4,176,662	4,065,040	3,897,758
Revenue from New Levies					
13.010 & 13.020 - New Levies	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	3,610,303	4,126,356	4,176,662	4,065,040	3,897,758