Reynoldsburg City School District

Financial Forecast Report

August 2026

Fiscal Year ending June 30, 2026

Fiscal Years 2027, 2028, 2029, 2030, & 2031 ending June 30

Prepared By:

Treasurer/CFO

Emily Hatfield, MBA

Table of Contents

Forecast Summary 3

Forecast Analysis 4

Revenue Overview 5
- 1.010 - General Property Tax (Real Estate) 6
- 1.020 - Public Utility Personal Property 7
- 1.030 - Income Tax 8
- 1.035 - Unrestricted Grants-in-Aid 9
- 1.040 & 1.045 - Restricted Grants-in-Aid 10
- 1.050 - State Reimb Prop Tax Credits 11
- 1.060 - All Other Operating Revenues 12
- 2.070 - Total Other Financing Sources 13

Expenditures Overview 14
- 3.010 - Personnel Services 15
- 3.020 - Employee Benefits 16
- 3.030 - Purchased Services 17
- 3.040 - Supplies and Materials 18
- 3.050 - Capital Outlay 19
- 3.060 - 4.060 - Intergovernmental & Debt 20
- 4.300 - Other Objects 21
- 5.040 - Total Other Financing Uses 22

Five Year Forecast 23

Risk Assessment 24

Appendix
- Financial Health Indicators 25
- Current to Prior Forecast Compare 26
- Property Tax Reform 27

Forecast Purpose/Objectives

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

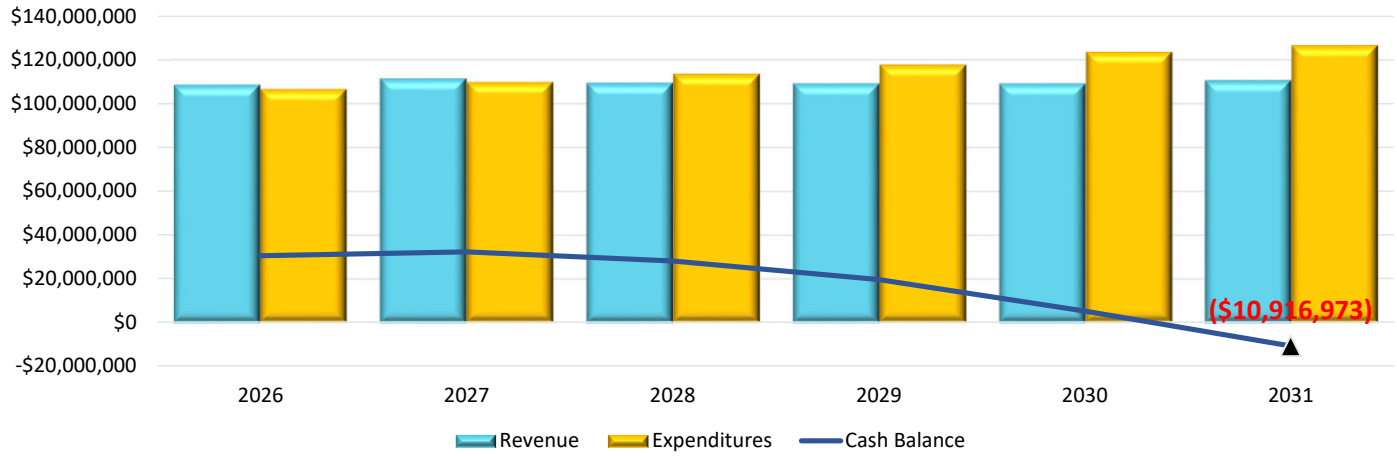
1. To engage the local board of education and the community in the long range planning and discussions of financial issues facing the school district.
2. To serve as a basis for determining the school district's ability to sign the certificate required by O.R.C. §5705.412, commonly known as the "412 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*	30,460,370	32,148,650	28,039,456	19,489,982	5,083,926
+ Revenue	111,619,416	109,595,259	109,286,721	109,285,128	110,731,403
- Expenditures	(109,931,136)	(113,704,452)	(117,836,195)	(123,691,184)	(126,732,302)
= Revenue Surplus or Deficit	1,688,280	(4,109,193)	(8,549,474)	(14,406,056)	(16,000,899)
Line 7.020 Ending Balance with Renewal/New Levies	32,148,650	28,039,456	19,489,982	5,083,926	(10,916,973)

Financial Summary Notes

Expenditure change is projected to outpace revenue change. By the end of 2031, the cash balance is projected to decline by a total of $41,377,343 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.

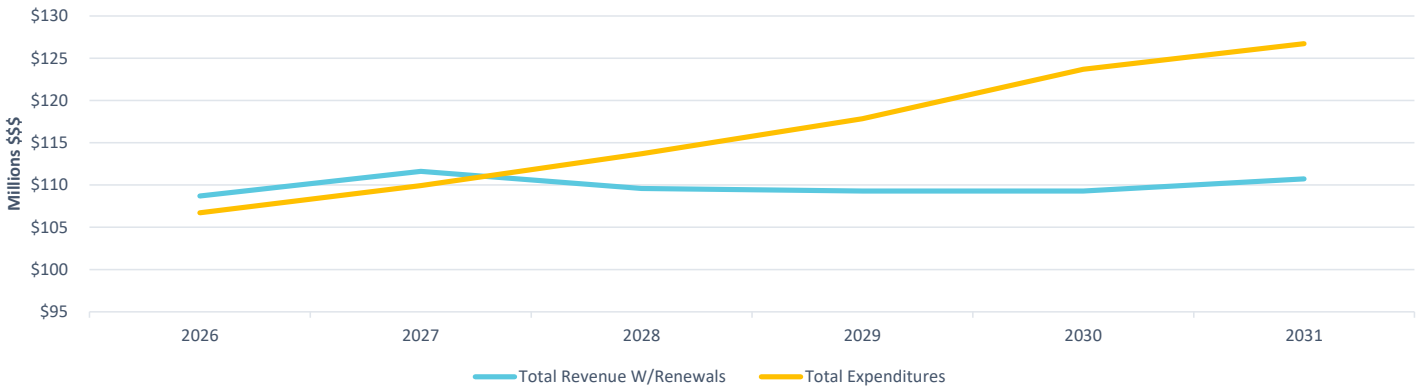
For revenue, projected change is expected to be less than the historical average. Annually, on average, over the past five years, revenue increased by 6.34% ($5,564,055 annually). However, it is projected to increase by 0.38% ($404,827 annually) through fiscal year 2031. Notably, State Funding, is expected to be $4,504,154 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 7.50% ($5,310,249, on average, annually) during the past 5-year period, and are projected to increase by 3.50% ($4,001,315 annually) through 2031. The forecast line with the most change on the expense side, Purchased Services, is anticpated to be $650,274 less 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)	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*	*1,000,000*

Forecast Analysis

Revenue Compared to Expenditures

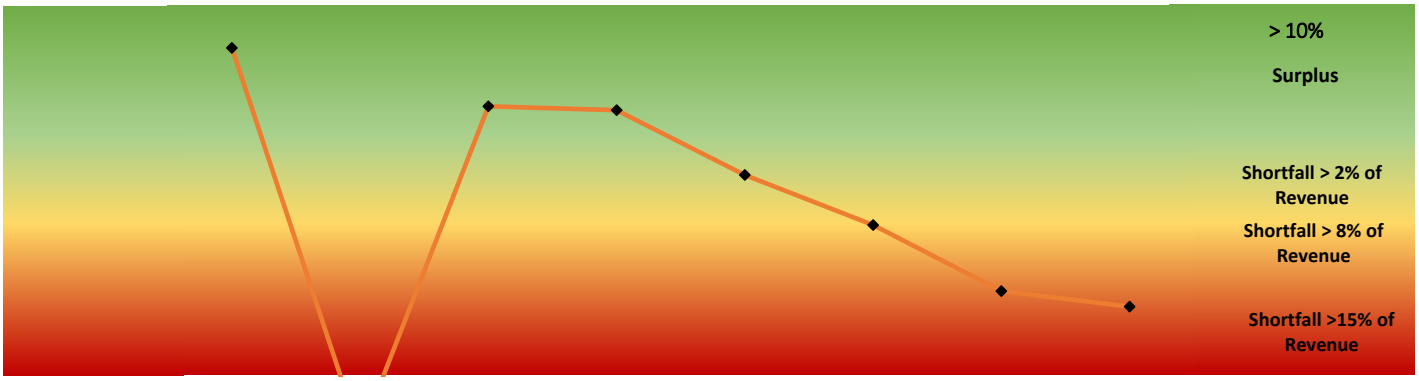


From 2027 to 2031, total revenues are projected to change by 0.38%

Revenue change is expected to outpace expenditure change.

From 2027 to 2031, total expenses are projected to change by 3.50%

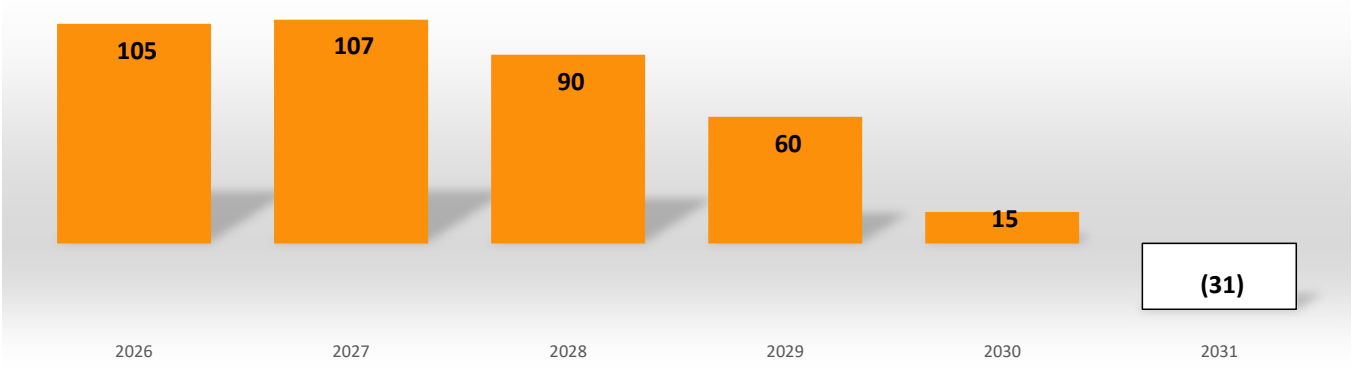
Revenue Surplus/(Shortfall) as a Percentage of Revenue



Current Forecast Surplus/(Shortfall)	2025	2026	2027	2028	2029	2030	2031
	-24.9%	1.8%	1.5%	-3.7%	-7.8%	-13.2%	-14.5%

The district is trending toward revenue shortfall with the revenues increasing faster than expenditures.
A revenue increase of 13.18% is needed to balance the budget in fiscal year 2031, or a $16,000,899 reduction in expenditures.
- The largest contributor to the projected revenue trend is the change in State Funding.
- The expenditure most impacting the changing trend is Purchased Services.

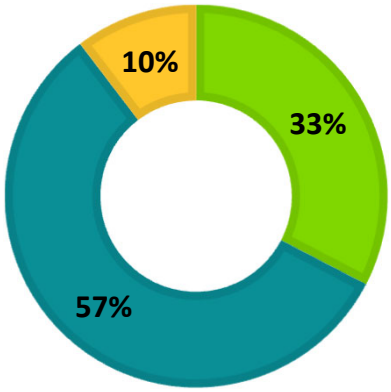
Days Cash on Hand at Fiscal Year-end



**based on 365 days*

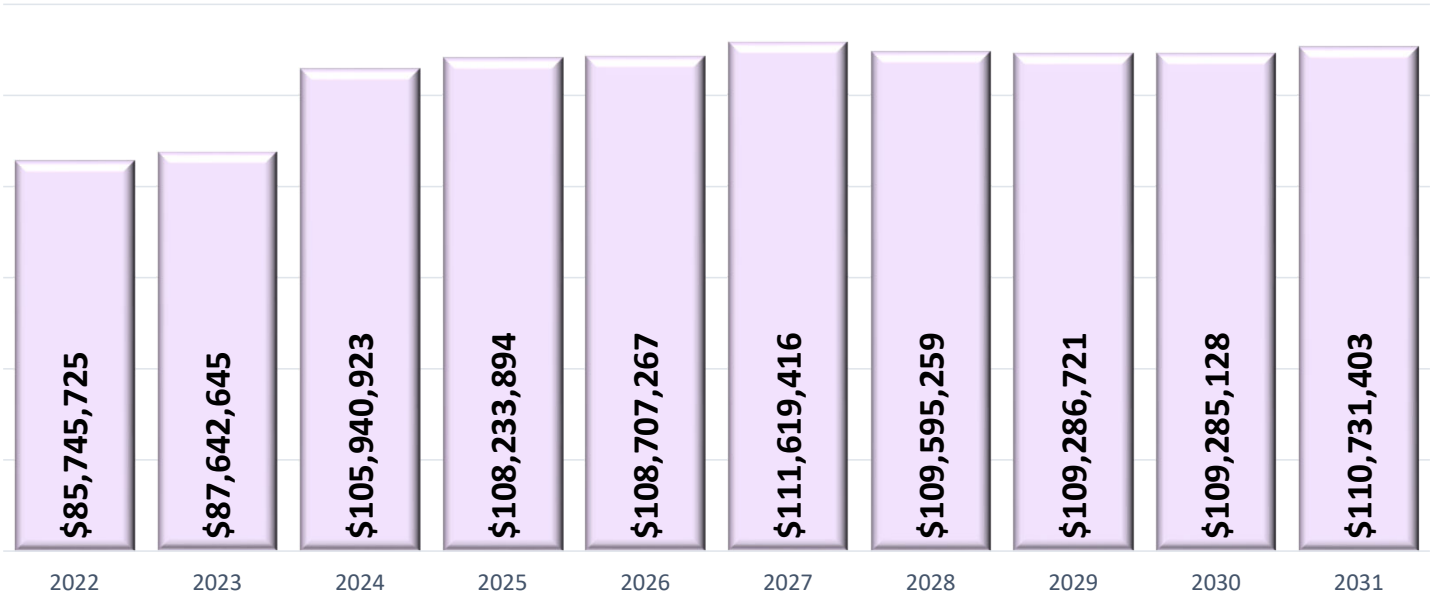
Revenue Overview

Revenue Sources



Local Taxes	
Real Estate Tax	23.55%
Public Utility Tax	1.86%
Income Tax	7.21%
State Sources	
State Funding	49.07%
Restricted Aid	5.09%
State Reimb Prop Tax Cre	2.86%
All Other Revenue	
Other Revenue	9.83%
Other Sources	0.53%

Annual Revenue Actual + Projected



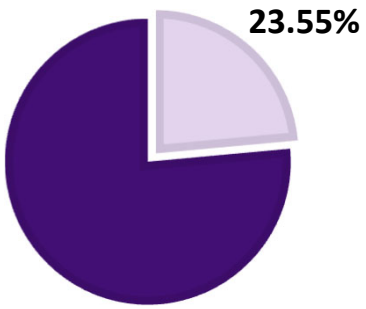
Historic Revenue Change versus Projected Revenue Change

	Historical Average Annual $$ Change	Projected Average Annual $$ Change	Projected Compared to Historical Variance
Real Estate	$570,691	$385,683	($185,008)
Public Utility	$333,951	$106,822	($227,129)
Income Tax	$356,152	$242,503	($113,649)
State Funding	$3,999,064	($505,090)	($4,504,154)
State Reimb Prop Tax Credits	$44,052	$44,765	$712
All Other Op Rev	$51,641	$478,249	$426,608
Other Sources	$208,504	($348,104)	($556,608)
Total Average Annual Change	$5,564,055	$404,827	($5,159,228)
	6.34%	0.38%	-5.96%

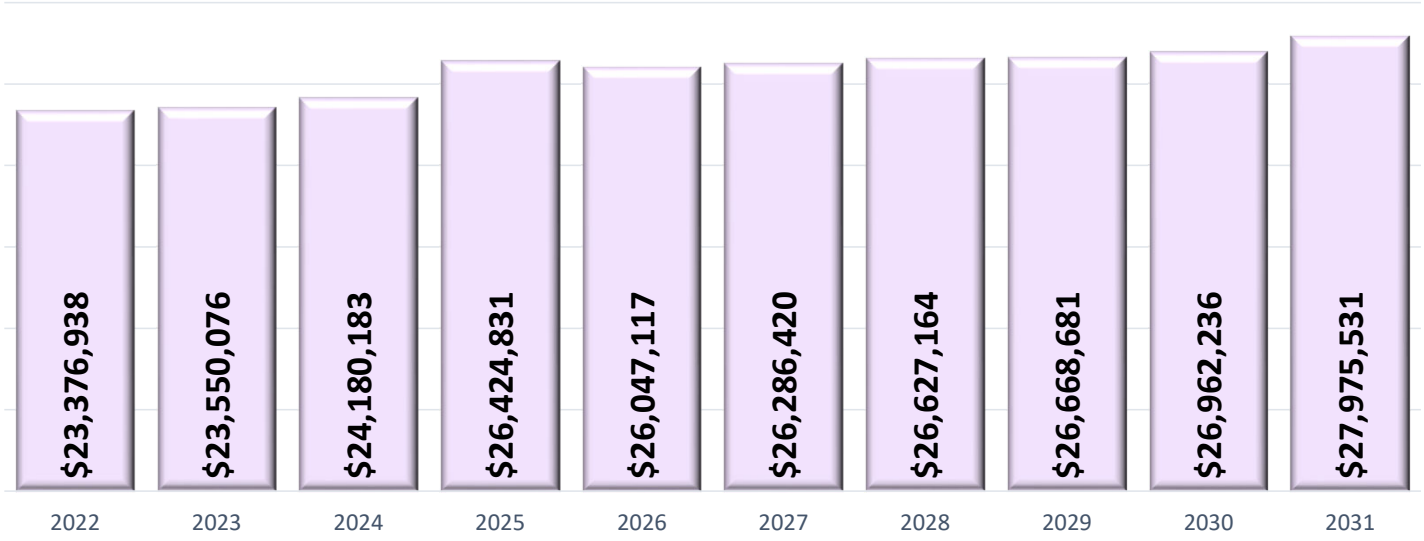
Annually, on average, over the past five years, revenue increased by 6.34% ($5,564,055 annually). However, it is projected to increase by 0.38% ($404,827 annually) through fiscal year 2031. Notably, State Funding, is expected to be $4,504,154 less per year compared to history, and is the biggest driver of trend change on the revenue side.

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 23.55% 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	1,277,727,040	19,328,470	21.13	-	33.86	-	99.4%
2026	1,391,802,040	114,075,000	20.00	(1.13)	32.03	(1.84)	99.4%
2027	1,393,672,040	1,870,000	20.00	-	32.03	(0.00)	99.4%
2028	1,395,622,040	1,950,000	20.00	-	32.02	(0.01)	99.4%
2029	1,428,807,040	33,185,000	20.00	-	31.84	(0.18)	99.4%
2030	1,513,692,040	84,885,000	20.00	-	30.16	(1.67)	99.4%

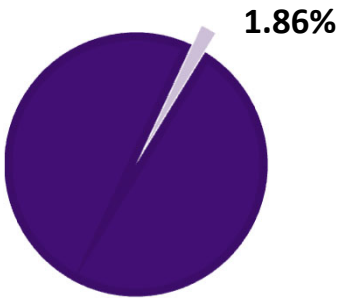
Class I, or residential/agricultural taxes make up approximately 77.62% of the real estate property tax revenue. The Class I tax rate is 20.00 mills in tax year 2026. The projections reflect an average gross collection rate of 99.4% annually through tax year 2030. The revenue changed at an average annual historical rate of 2.41% and is projected to change at an average annual rate of 1.45% through fiscal year 2031.

Notice that the district no longer drops below the 20-mill floor. HB475 protects the Gross Domestic Product Deflator (GDP-D) from reducing millage below the floor. Please see pages 27 - 30 for more information on property tax reform.

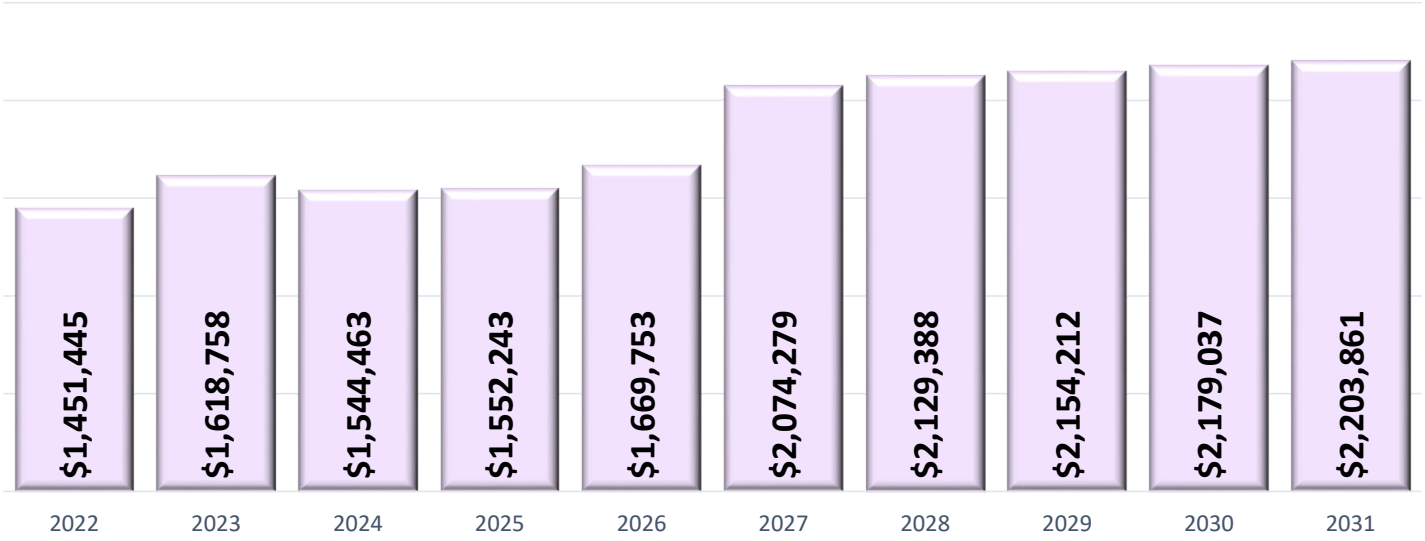
Franklin and Fairfield counties have postposed the next property reappraisal from 2029 to 2030, delaying valuation, and therefore collections, for a year.

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 1.86% of total district general fund revenue.



Key Assumptions & Notes

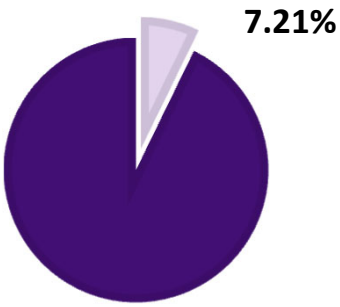
Values and Tax Rates					Gross Collection Rate Including Delinquencies
Tax Year	Valuation	Value Change	Full Voted Rate	Change	
2025	37,905,315	387,625	59.80	-	90.2%
2026	39,280,315	1,375,000	59.80	(0.00)	90.2%
2027	39,740,315	460,000	59.80	-	90.2%
2028	40,200,315	460,000	59.80	-	90.2%
2029	40,660,315	460,000	59.80	-	90.2%
2030	41,120,315	460,000	59.80	-	90.2%

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 59.80 mills. The forecast is modeling an average gross collection rate of 90.24%. The revenue changed historically at an average annual dollar amount of $333,951 and is projected to change at an average annual dollar amount of $106,822 through fiscal year 2031.

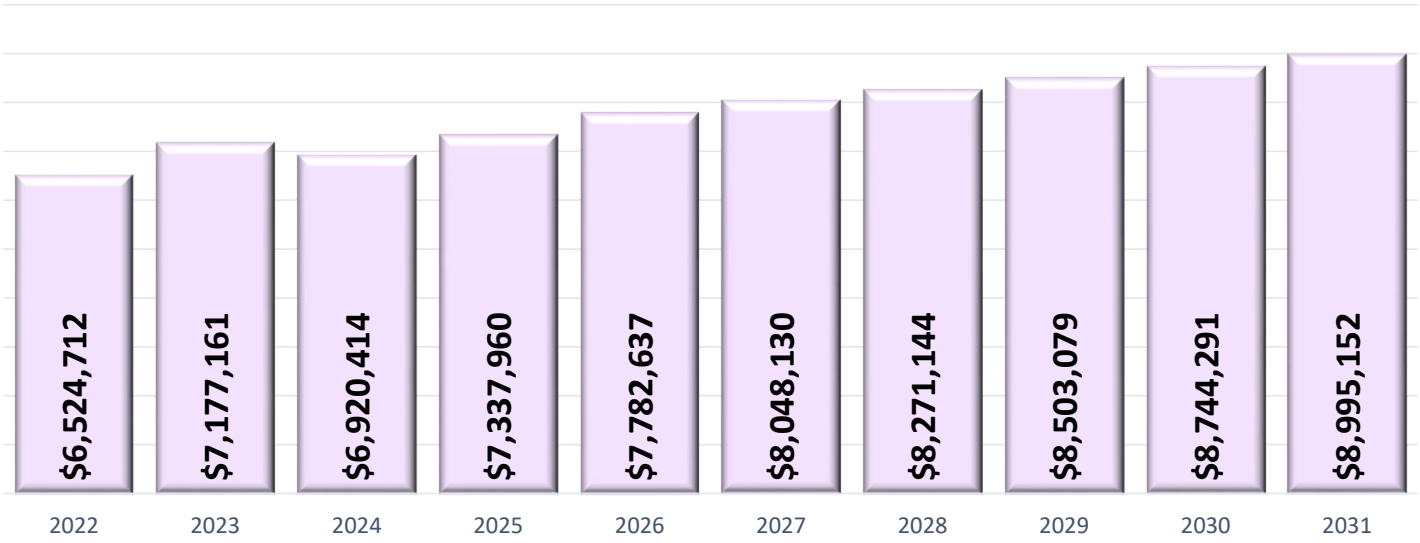
Public utility personal property tax collection rates have been reduced to collect less than half of the prior year rates. The model reflects the effect of the reduction in fiscal years 2027 through 2031.

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.



School District Income Tax revenue accounts for 7.21% of total district general fund revenue.

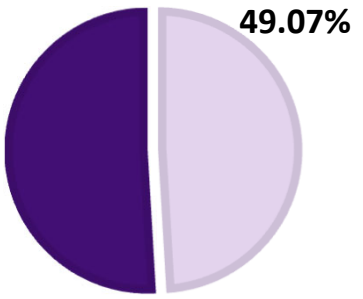


Key Assumptions & Notes

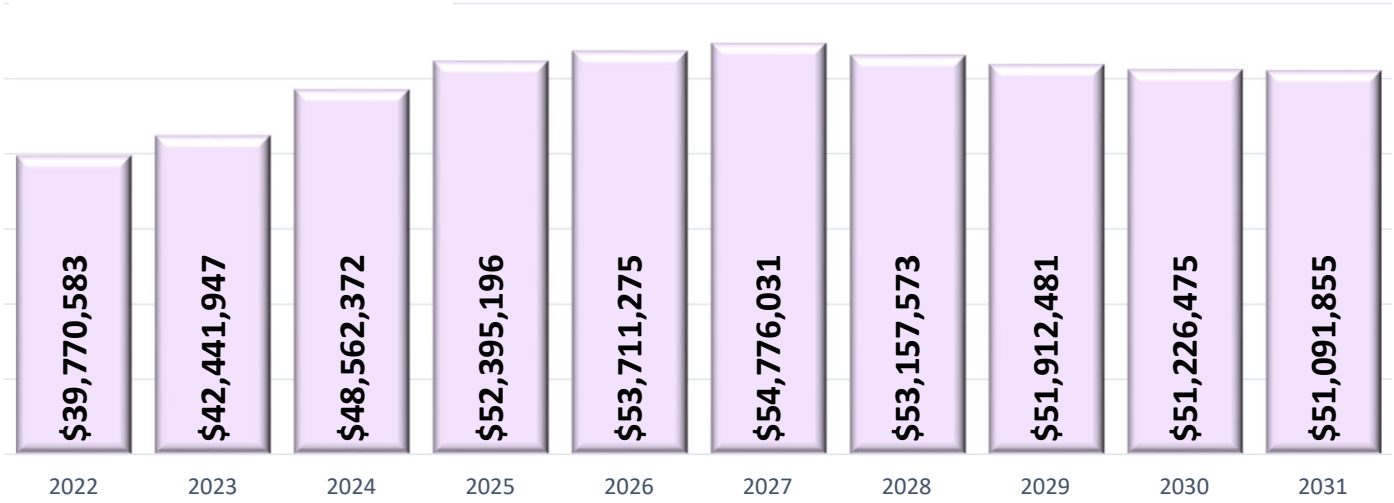
The district maintained one income tax levy in fiscal year 2027. The average annual dollar change in total income tax revenue is forecasted to be $242,503 through 2031.

1.035 - Unrestricted Grants-in-Aid

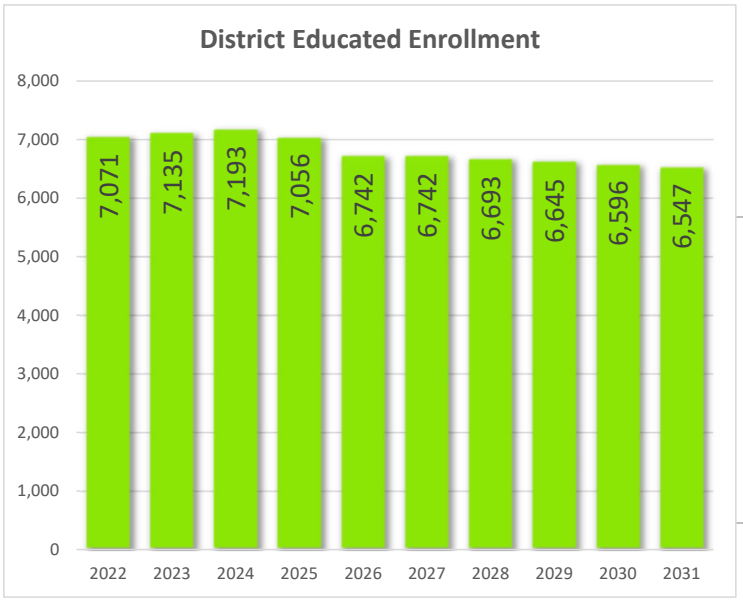
Funds received through the State Foundation Program with no restriction.



Unrestricted State Aid revenue accounts for 49.07% 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 RSCD, the calculated Base Cost total is $56,920,936 in 2027.

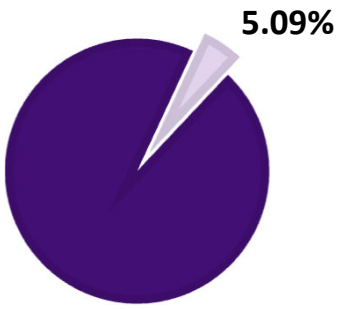
The State's Share of the calculated Base Cost total is $31,242,867, or $4,634 per pupil.

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.

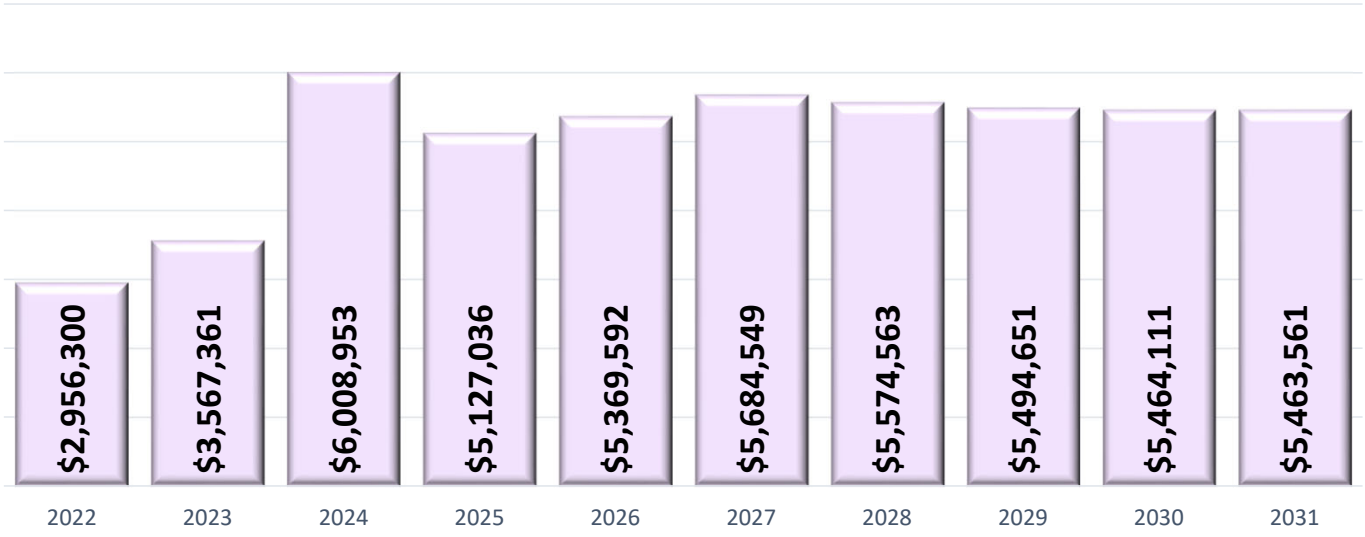
The State continues to use FY 2022 data for base cost rates and FY 2025 income information to fund RCSD. We continue to be underfunded by the State. This perpetuates over reliance on local tax dollars to sustain operations.

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 5.09% of total district general fund revenue.

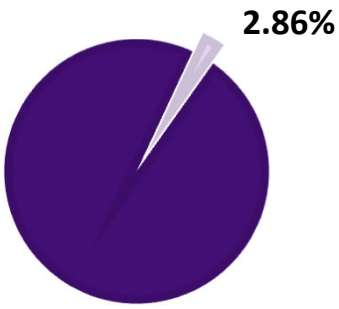


Key Assumptions & Notes

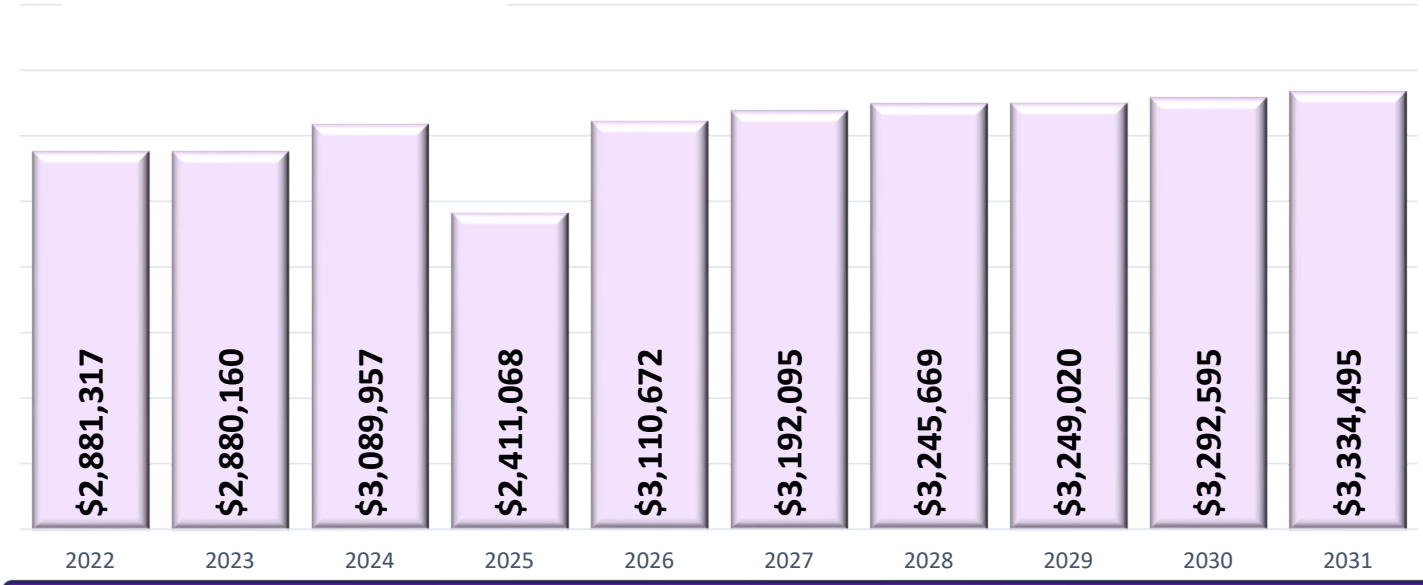
Restricted aid is the portion of state per pupil funding that must be classifed as restricted use. Historically, the district's restricted state aid changed annually on average by $600,744 and is projected to change annually on average by $18,794. Restricted funds represent 5.09% of the district's total 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 $1,488,068. 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.

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 2.86% of total district general fund revenue.

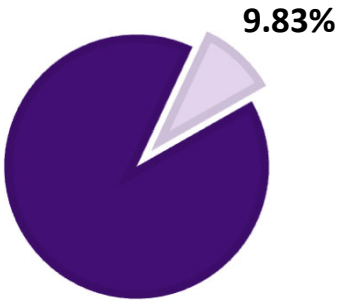


Key Assumptions & Notes

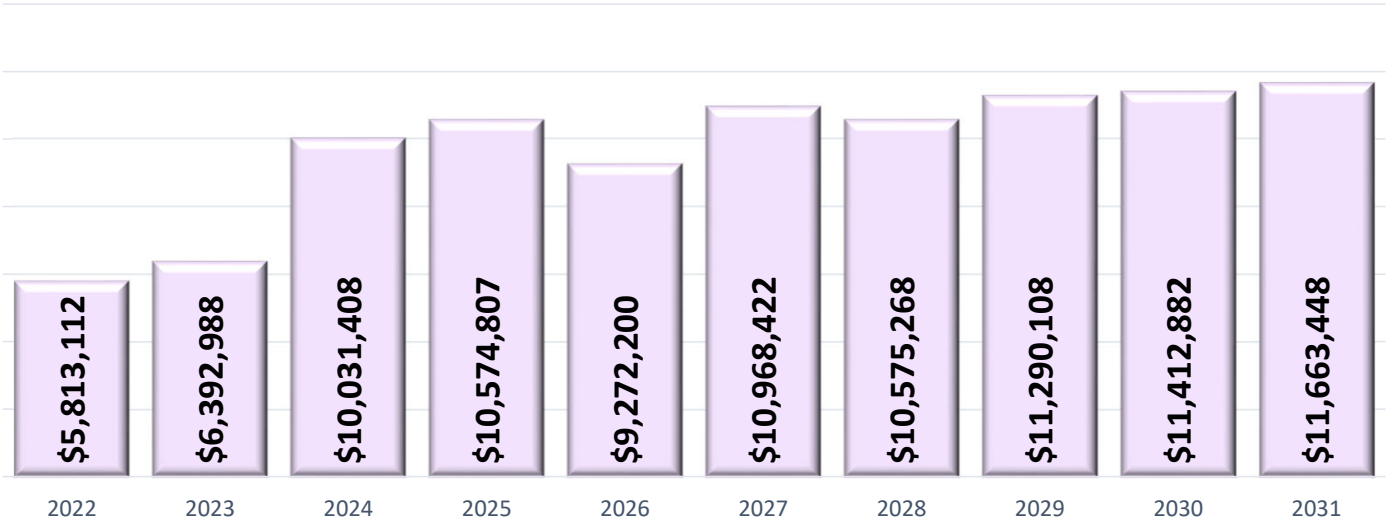
State Reimbursement of Property Tax Credits primarily consists of reimbursements from the state of Ohio for local taxpayer credits or reductions to their tax bill. The state reduces the local taxpayer's tax bill with a 10% rollback credit, and 2.5% owner-occupied rollback credit, plus a homestead credit for qualifying taxpayers. In fiscal year 2027, approximately 12.0% local residential property taxes will be reimbursed by the state in the form of rollback credits and approximately 1.4% 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 9.83% of total district general fund revenue.



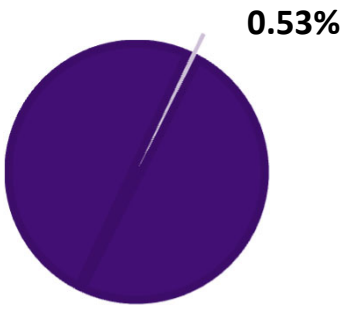
Key Assumptions & Notes

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 $51,641. The projected average annual change is $478,249 through fiscal year 2031.

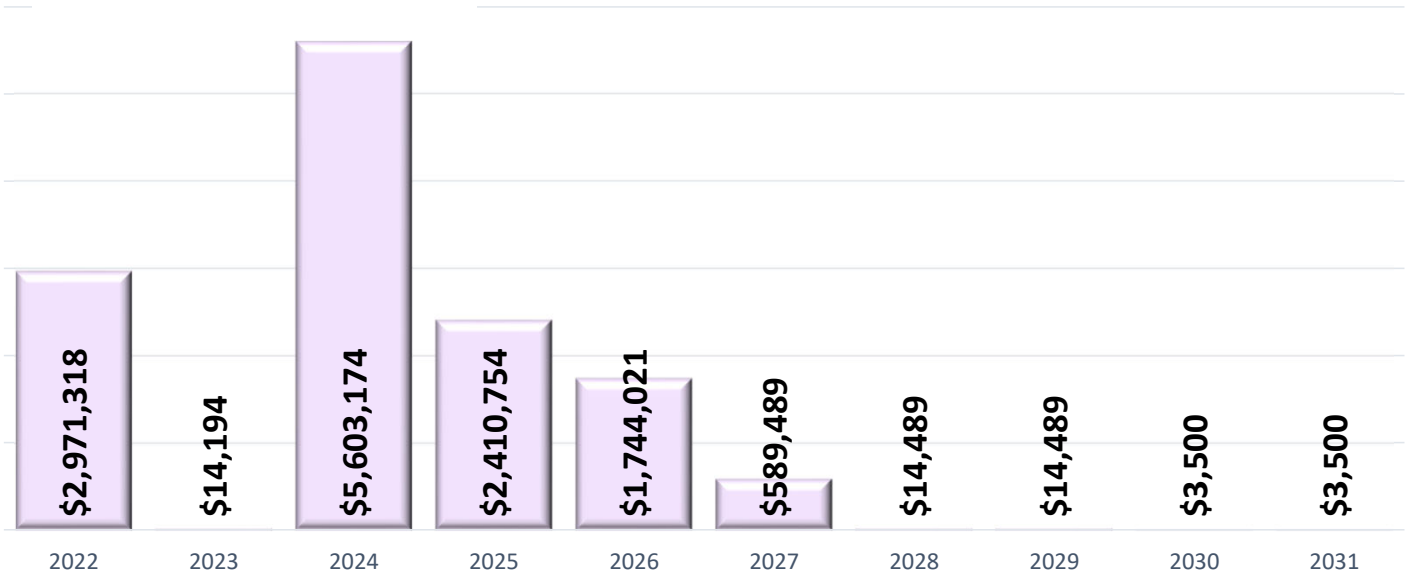
2027 Other Revenue (in millions)	
TIF	$6.20
Tuition/Special Education	$1.10
Interest	$2.60
All Other	$1.10
Subtotal	$11.00

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 0.53% of total district general fund revenue.



Key Assumptions & Notes

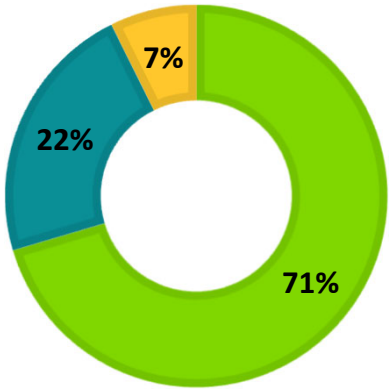
		FORECASTED				
	2026	2027	2028	2029	2030	2031
Transfers In	1,342,762	-	-	-	-	-
Advances In	400,000	575,000	-	-	-	-
All Other Financing Sources	1,260	14,489	14,489	14,489	3,500	3,500

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 $400,000 as advances-in and is projecting advances of $575,000 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 $14,489 in 2027, and average $8,995 annually through 2031.

It is important to note that the district reported transfers within General Fund/Special Cost Centers to report budget movement. This is an outdated methodology and will not be used FY 2027 forward. Only Transfers or Advances between other Funds will be recorded here.

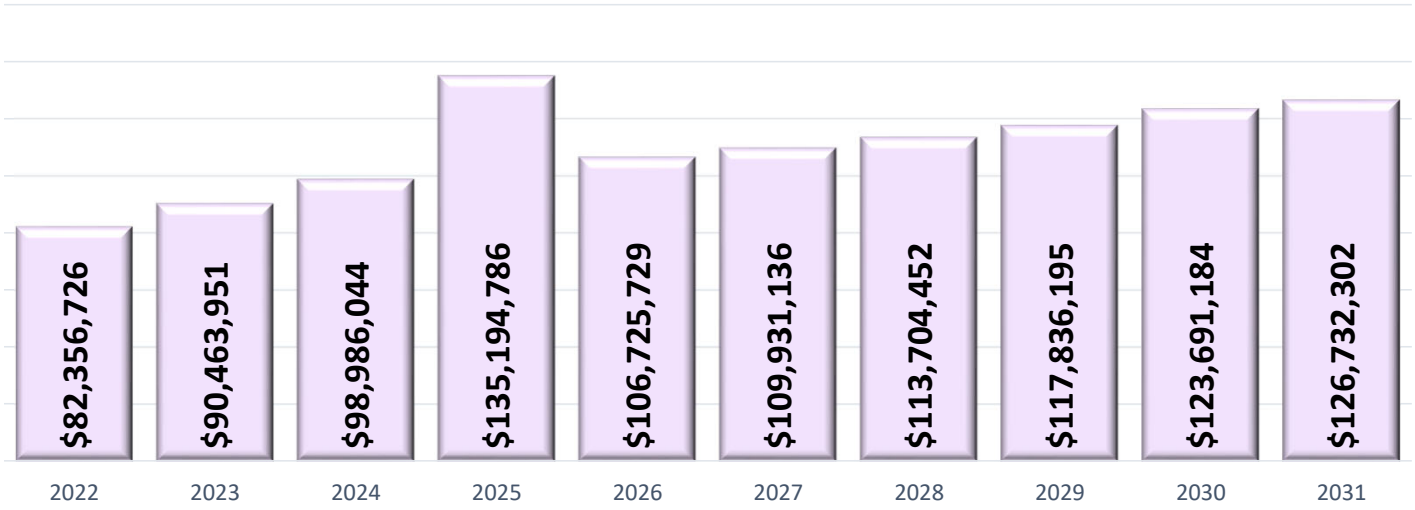
Expenditure Overview

Expenditure Categories



Personnel Costs	
Salaries	48.31%
Benefits	22.12%
Purchased Services	22.27%
All Other Expenditures	
Supplies, Capital, Debt, Other Obj	6.76%
Other Uses	0.55%

Annual Expenditures Actual + Projected



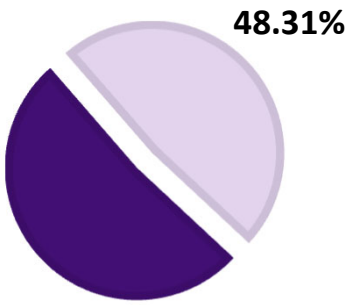
Historic Expenditures Change versus Projected Expenditures Change

	Historical Average Annual $$ Change	Projected Average Annual $$ Change	Projected Compared to Historical Variance
Salaries	$2,089,316	$2,004,314	($85,002)
Benefits	$1,690,078	$1,459,909	($230,169)
Purchased Services	$1,217,787	$567,513	($650,274)
Supplies & Materials	$269,361	$30,994	($238,367)
Capital Outlay	($202,885)	$76,205	$279,090
Intergov & Debt	$214,487	$247	($214,240)
Other Objects	$104,072	$238,542	$134,471
Other Uses	$156,681	($376,410)	($533,091)
Total Average Annual Change	$5,310,249	$4,001,315	($1,308,934)
	7.50%	3.50%	-4.00%

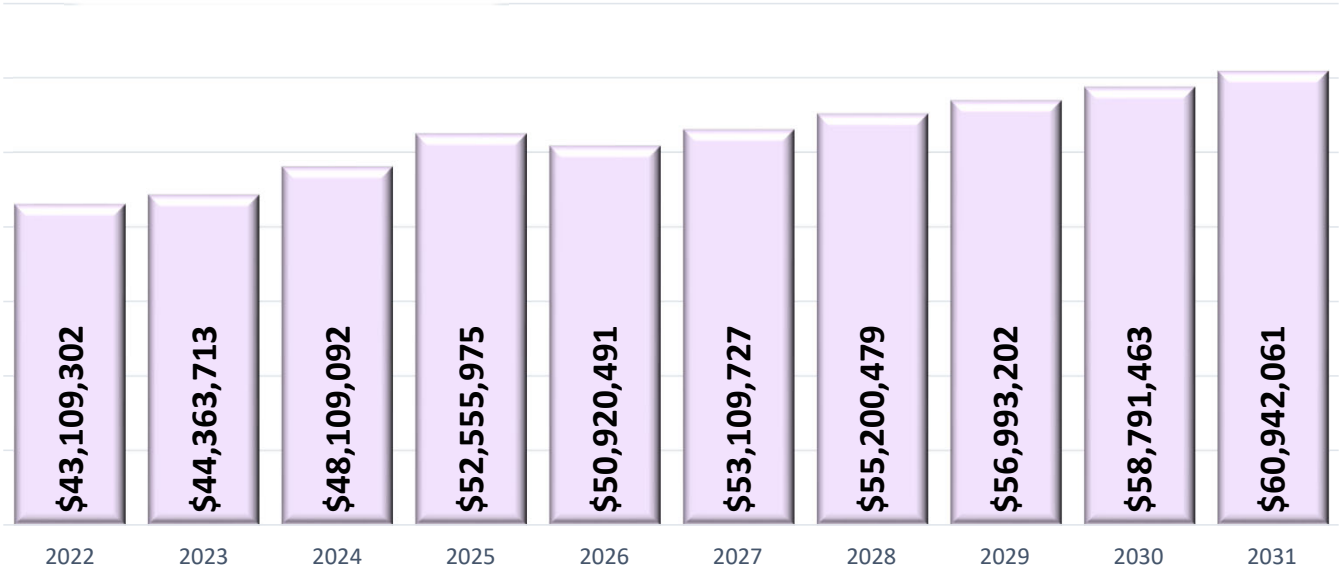
Expenditures increased by 7.50% ($5,310,249, on average, annually) during the past 5-year period, and are projected to increase by 3.50% ($4,001,315 annually) through 2031. The forecast line with the most change on the expense side, Purchased Services, is anticpated to be $650,274 less per year in the projected period compared to historical averages.

3.010 - Personnel Services

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



Salaries account for 48.31% of the district's total general fund spending.



Key Assumptions & Notes

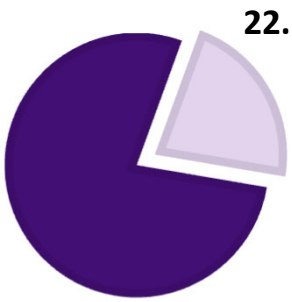
Salaries represent 48.31% of total expenditures and increased at a historical average annual rate of 4.80% (or $2,089,316). This category of expenditure is projected to grow at an annual average rate of 3.66% (or $2,004,314) through fiscal year 2031. The projected average annual rate of change is 1.14% less than the five year historical annual average.

The district has two (2) association agreements that establish wage rates; the Reynoldsburg Education Association (REA) and the Reynoldsburg School Support Association (RSSA). The REA association was awarded a 2.5% base wage increase for FY 2027 and FY2028 in addition to an average step raise of 2.5%. The REA agreement is scheduled to expire on July 31, 2028. The RSSA association was awarded a 2.5% base wage increase in FY 2027, in addition to an average step raise of 1.25% . The RSSA agreements is scheduled to expire on June 30, 2027. The forecast assumes a 1.5% base wage increase and average step rates for years not currently contracted.

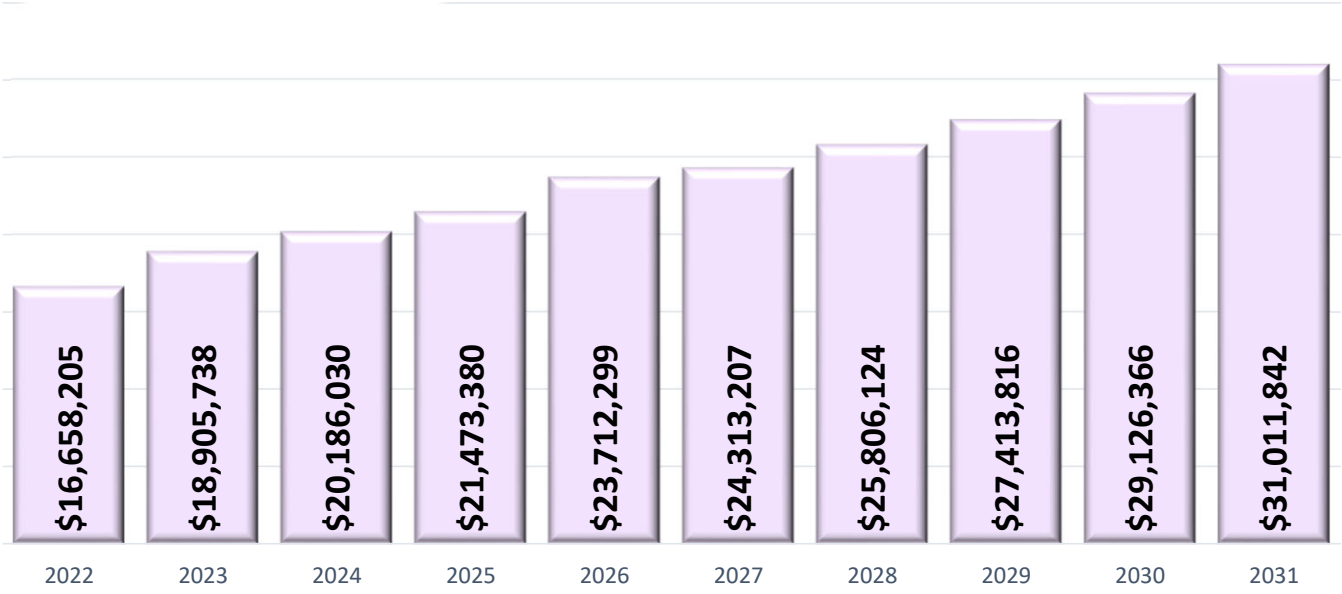
Declining student enrollment is creating ongoing financial pressures for the district and requires careful consideration of staffing levels. As positions become vacant, the district may determine that certain roles do not need to be backfilled based on current and projected enrollment, operational needs, and available resources. These decisions are intended to align staffing with student enrollment while maintaining fiscal responsibility and protecting the district's long-term financial stability.

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 22.12% of the district's total general fund spending.



Key Assumptions & Notes

Benefits represent 22.12% of total expenditures and increased at a historical average annual rate of 9.24%. This category of expenditure is projected to grow at an annual average rate of 5.52% through fiscal year 2031. The projected average annual rate of change is 3.72% less than the five year historical annual average.

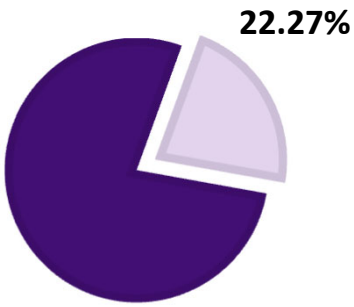
The district contracts with a third party insurance broker to facilitate negotiations with insurance carriers. The district offers medical, dental, vision, life insurance coverages. Estimated premium rates tor calendar year 2027 are as follows: 7.0% increase over prior year for medical, 5.0% increase over prior year for dental, and 0.0% for both vision and life insurance coverages. Historical average rate increases are used to project future costs.

There are several ways insurance costs can be influenced; being self-insured, enrollee consumerism of the plan, and plan design options. The district is self-insured. Responsible consumerism is supported through tools for shopping for least cost or lower cost services and providers, reducing claims costs. The district also supports a Wellness plan which provides tools to build healthy life skills and offers a reduced premium to employees based on participation metrics. Plan design components are negotiated with district associations partners.

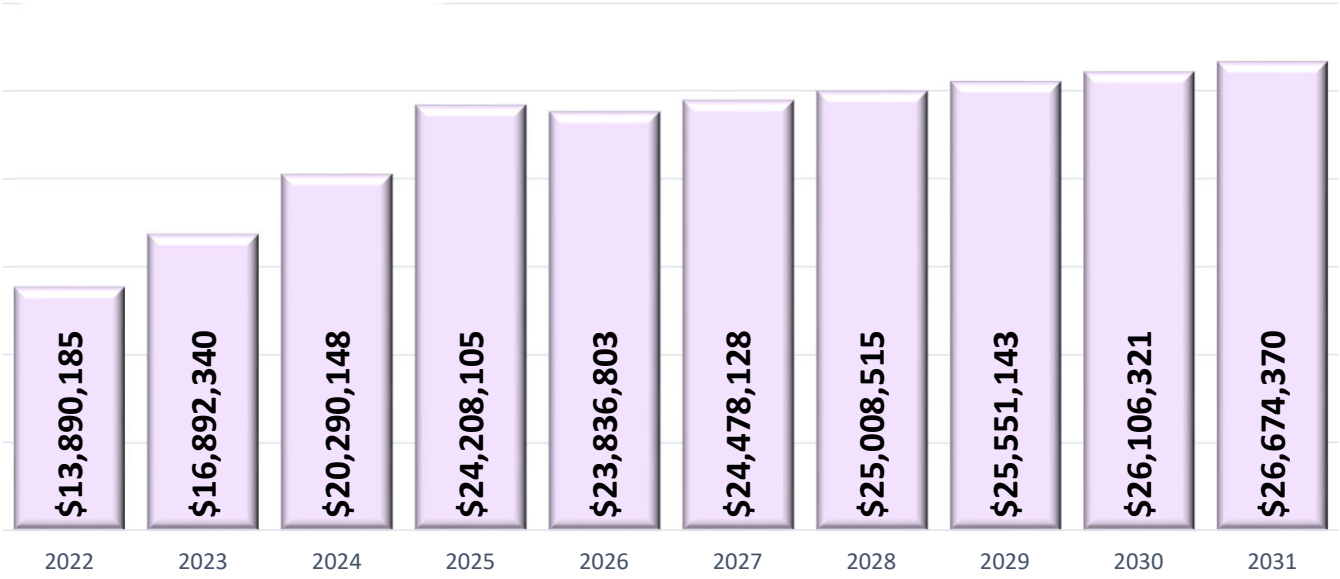
Benefits also include employer contributions to the School Employees Retirement System, State Teacher Retirement System, Medicare, and Workers' Compensation. These benefits are calculated as a percentage of salaries. Tuition reimbursements, unemployment, and custodial uniform allowance are also included in benefits.

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 22.27% of the district's total general fund spending.



Key Assumptions & Notes

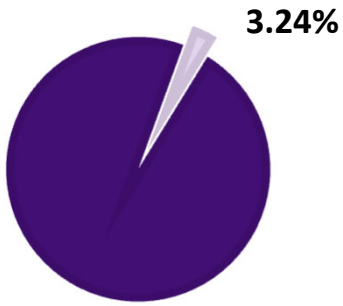
Purchased Services represent 22.27% of total expenditures and increased at a historical average annual rate of 7.55%. This category of expenditure is projected to grow at an annual average rate of 2.28% through fiscal year 2031. Starting in 2022, the Fair School Funding Plan (State Funding) only accounted 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.

Purchased services include, among other things, utilities, building repairs and maintenance, bus repairs and maintenance, service agreements, copier leases, META computer services, meeting and mileage expenses, special education tuition and special education services. This line item accounts for 23% of total expenditures (line 4.500) and is the most volatile. Many of the items in this category, such as special education costs, transportation costs and support services personnel costs vary widely from year to year.

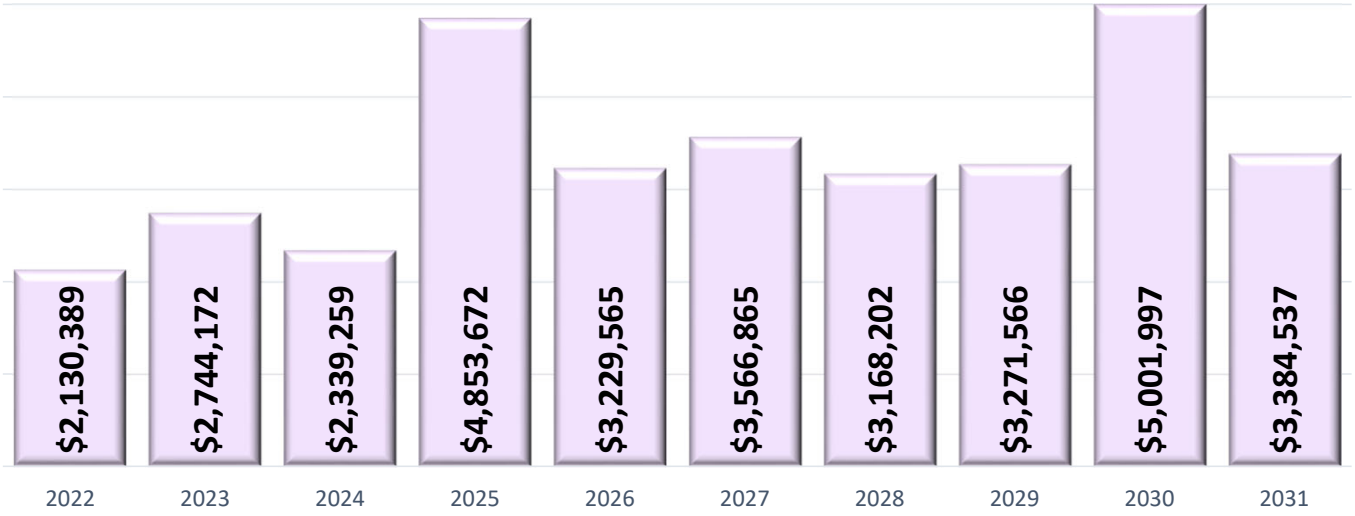
2027 top expenditures (in millions)	
Professional & Technical Services	$9.0
Tuition & Special Education	$5.5
Property Services (non-utilities)	$5.7
All Other	$4.3
Subtotal	$24.5

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 3.24% of the district's total general fund spending.



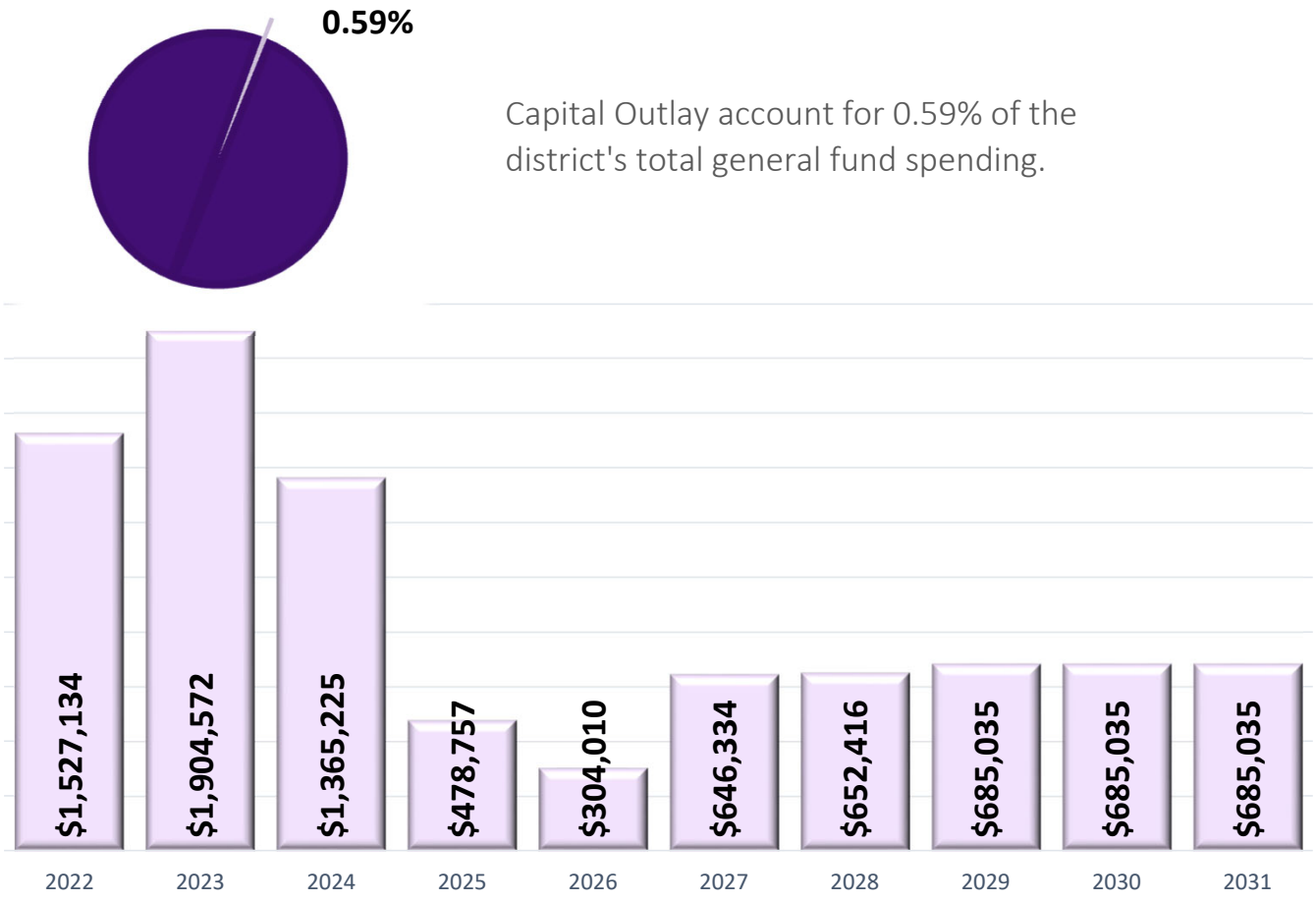
Key Assumptions & Notes

Supplies & Materials represent 3.24% of total expenditures and increased at a historical average annual rate of 20.25%. This category of expenditure is projected to grow at an annual average rate of 4.62% through fiscal year 2031. The projected average annual rate of change is 15.63% less than the five year historical annual average.

FY 2025 was driven by larger than expected inflationary costs of fuel and maintenance supplies. In addition, a curriculum adoption was made and supplies for additional special educational units were purchased. The purchase cycle of curricular materials has been reviewed and new cycle has been developed. Materials were purchased at the end of FY 2026 and the beginning of FY 2027. The replacement of those materials is expected in FY 2030.

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.



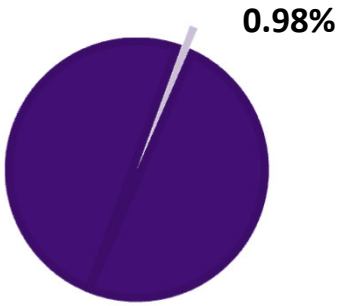
Key Assumptions & Notes

Capital Outlay represent 0.59% of total expenditures and decreased at a historical average annual amount of $202,885. This category of expenditure is projected to grow at an annual average rate of $76,205 through 2031. The projected average annual change is more than the five year historical annual average.

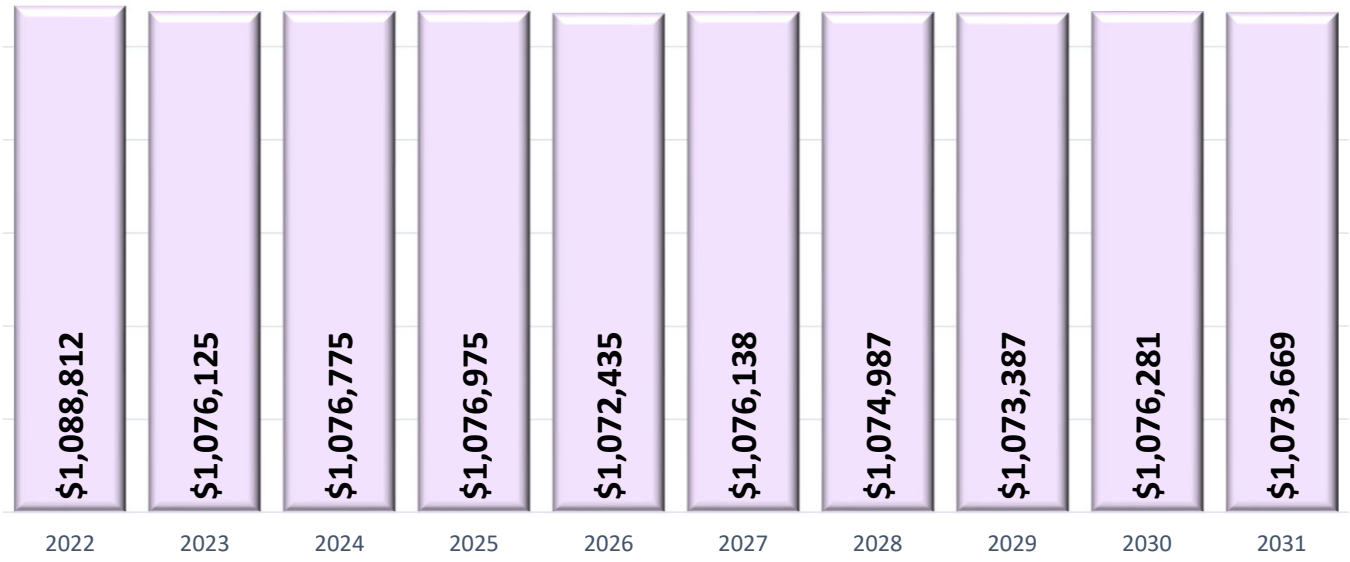
The district has contracted with Triad Architects to develop a Master Plan. The plan will include a comprehensive study of current maintenance needs as well as an assessment of buildings and grounds across the district. This plan will help the district to develop a Capital Spending plan with non-general fund dollars. Reductions of capital spending from the general fund have been made in anticipation of that work.

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 0.98% of the district's total general fund spending.

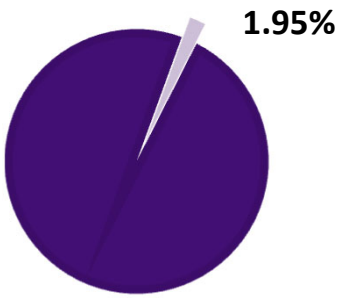


Key Assumptions & Notes

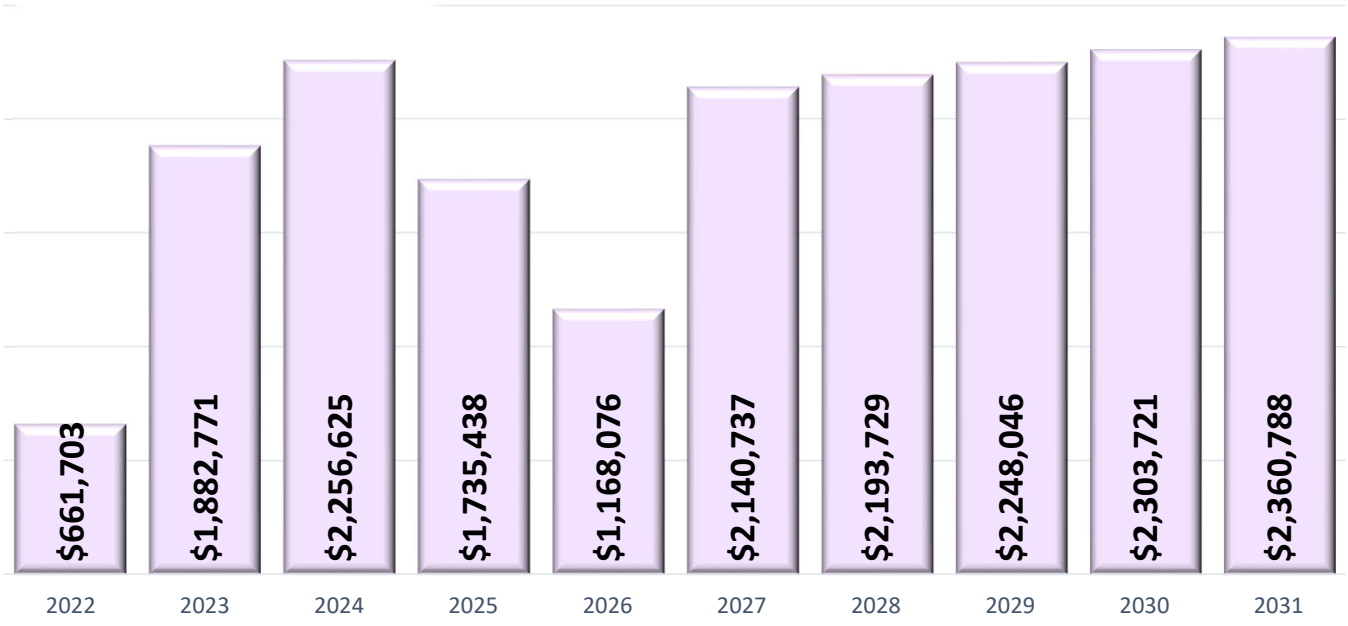
The Intergovernmental/Debt expenditure category details general fund debt issued by the District. The Capital One ground lease payments are scheduled will end December of 2032.

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 1.95% of the district's total general fund spending.

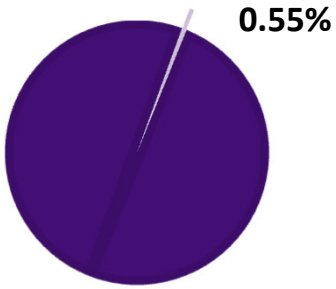


Key Assumptions & Notes

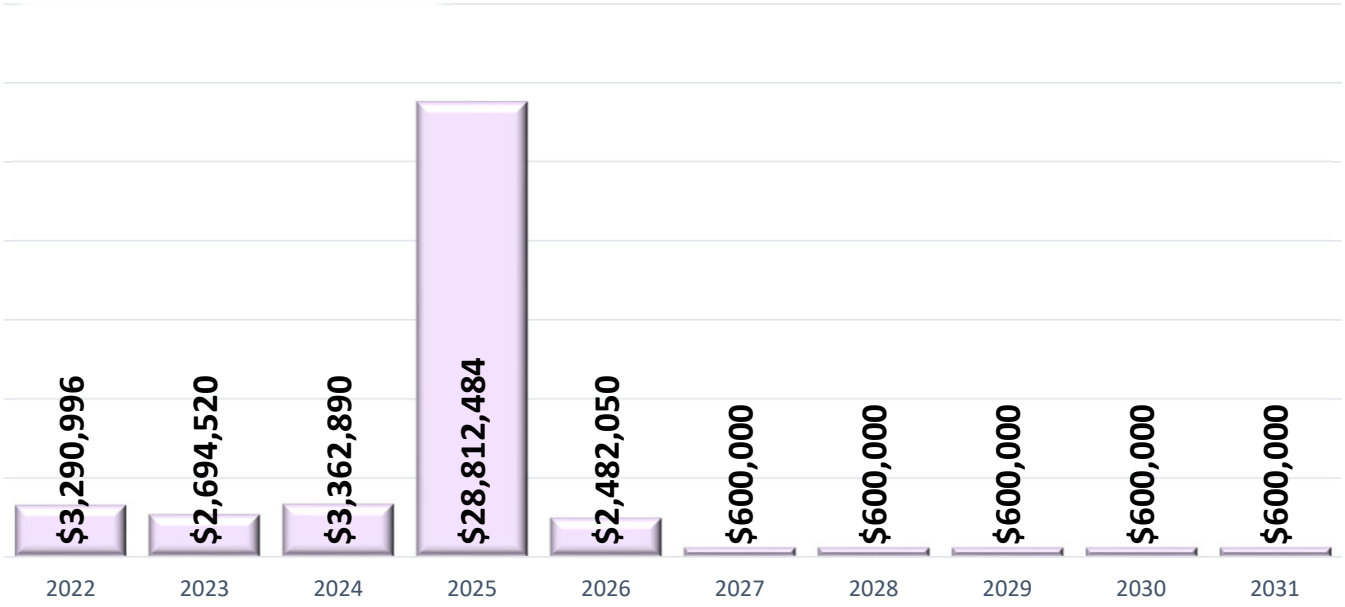
Other Objects represent 1.95% of total expenditures and increased at a historical average annual rate of 30.15%. This category of expenditure is projected to grow at an annual average rate of 18.64% through fiscal year 2031. The projected average annual rate of change is 11.52% less than the five year 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 0.55% of the district's total general fund spending.



Key Assumptions & Notes

		FORECASTED				
	2026	2027	2028	2029	2030	2031
Transfers Out	1,907,050	600,000	600,000	600,000	600,000	600,000
Advances Out	575,000	-	-	-	-	-
Other Financing Uses	-	-	-	-	-	-

Other uses includes expenditures that are generally classified and 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 2025, the district had approximately $29M advances out. In 2026, that figure is reduced to $2M. In 2027 through 2030, the district will make minimal transfers out.

Funds Transferred Out	2025	2026	2027	
Athletics	$74,156	$80,000		*Past transfers were done between general funds with different special cost centers. This is an outdated practice. A transfer out will be booked in 2026 to offset transfers in.
LPDC Fund	$14,114	$13,198		
Building	$2,313,146	$0		
Grant Fund	$0	$400,000	$400,000	*Grant fund transfer will be booked to offset revenue transfer in.
Permanent	$35,000	$200,000	$200,000	
Music Funds	$34,580	$0		
Student	$128,815	$0		*The district transferred funds into the Capital Outlay fund to support future needs of the district.
Capital	$26,198,754	$1,400,000		

Reynoldsburg City School District

August Five Year Forecast

Fiscal Year 2027

	Actual	FORECASTED				
Fiscal Year:	2026	2027	2028	2029	2030	2031
Revenue:						
1.010 - General Property Tax (Real Estate)	26,047,117	26,286,420	26,627,164	26,668,681	26,962,236	27,975,531
1.020 - Public Utility Personal Property	1,669,753	2,074,279	2,129,388	2,154,212	2,179,037	2,203,861
1.030 - Income Tax	7,782,637	8,048,130	8,271,144	8,503,079	8,744,291	8,995,152
1.035 - Unrestricted Grants-in-Aid	53,711,275	54,776,031	53,157,573	51,912,481	51,226,475	51,091,855
1.040 - Restricted Grants-in-Aid	5,369,592	5,684,549	5,574,563	5,494,651	5,464,111	5,463,561
1.050 - State Reimb Prop Tax Credits	3,110,672	3,192,095	3,245,669	3,249,020	3,292,595	3,334,495
1.060 - All Other Operating Revenues	9,272,200	10,968,422	10,575,268	11,290,108	11,412,882	11,663,448
1.070 - Total Revenue	106,963,246	111,029,926	109,580,769	109,272,232	109,281,627	110,727,903
Other Financing Sources:						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	1,342,762	-	-	-	-	-
2.050 - Advances-In	400,000	575,000	-	-	-	-
2.060 - All Other Financing Sources	1,260	14,489	14,489	14,489	3,500	3,500
2.070 - Total Other Financing Sources	1,744,021	589,489	14,489	14,489	3,500	3,500
2.080 - Total Rev & Other Sources	108,707,267	111,619,416	109,595,259	109,286,721	109,285,128	110,731,403
Expenditures:						
3.010 - Personnel Services	50,920,491	53,109,727	55,200,479	56,993,202	58,791,463	60,942,061
3.020 - Employee Benefits	23,712,299	24,313,207	25,806,124	27,413,816	29,126,366	31,011,842
3.030 - Purchased Services	23,836,803	24,478,128	25,008,515	25,551,143	26,106,321	26,674,370
3.040 - Supplies and Materials	3,229,565	3,566,865	3,168,202	3,271,566	5,001,997	3,384,537
3.050 - Capital Outlay	304,010	646,334	652,416	685,035	685,035	685,035
Intergovernmental & Debt Service	1,072,435	1,076,138	1,074,987	1,073,387	1,076,281	1,073,669
4.300 - Other Objects	1,168,076	2,140,737	2,193,729	2,248,046	2,303,721	2,360,788
4.500 - Total Expenditures	104,243,679	109,331,136	113,104,452	117,236,195	123,091,184	126,132,302
Other Financing Uses						
5.010 - Operating Transfers-Out	1,907,050	600,000	600,000	600,000	600,000	600,000
5.020 - Advances-Out	575,000	-	-	-	-	-
5.030 - All Other Financing Uses	-	-	-	-	-	-
5.040 - Total Other Financing Uses	2,482,050	600,000	600,000	600,000	600,000	600,000
5.050 - Total Exp and Other Financing Uses	106,725,729	109,931,136	113,704,452	117,836,195	123,691,184	126,732,302
6.010 - Excess of Rev Over/(Under) Exp	1,981,538	1,688,280	(4,109,193)	(8,549,474)	(14,406,056)	(16,000,899)
7.010 - Cash Balance July 1 (No Levies)	28,478,832	30,460,370	32,148,650	28,039,456	19,489,982	5,083,926
7.020 - Cash Balance June 30 (No Levies)	30,460,370	32,148,650	28,039,456	19,489,982	5,083,926	(10,916,973)
8.010 - Estimated Encumbrances June 30	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
9.080 - Reservations Subtotal	-	-	-	-	-	-
10.010 - Fund Bal June 30 for Cert of App	29,460,370	31,148,650	27,039,456	18,489,982	4,083,926	(11,916,973)
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	29,460,370	31,148,650	27,039,456	18,489,982	4,083,926	(11,916,973)
Revenue from New Levies						
13.010 & 13.020 - New Levies		-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	29,460,370	31,148,650	27,039,456	18,489,982	4,083,926	(11,916,973)

Risk Assessment

1.010 - General Property Tax (Real Estate) - Property tax reform limits revenue assumptions. The Ohio Department of Taxation, county auditors, and other state partners are actively working through interpretation and implementation of recent property tax changes (HB 124, HB 129, HB 186, HB 309, HB 335). As details are finalized, assumptions may evolve and updated forecasts may be necessary. It is also important to note that Franklin and Fairfield counties will move property reappraisals from 2029 to 2030, delaying opportunity to see growth in collections for a year.

1.035 - Unrestricted Grants-in-Aid - The Fair School Funding Formula will be fully implemented by the end of fiscal year 2027. However, the state holds the base cost estimates to 2022 levels. This prevents districts from receiving inflationary gains for expeneses. At the same time, the state is updating districts' local wealth calculations to one year prior to the current year. Thus limiting further limiting the amount of state funding districts receive. Additionally, this forecast is influenced by three (3) separate state budgets the outcomes of which are not known.

1.060 - All Other Operating Revenues - Tax Incentive Financing (TIF) and Interest Income are heavily infulenced by economic conditions. The better the economic conditions, the better the rate of return on these revenue streams.

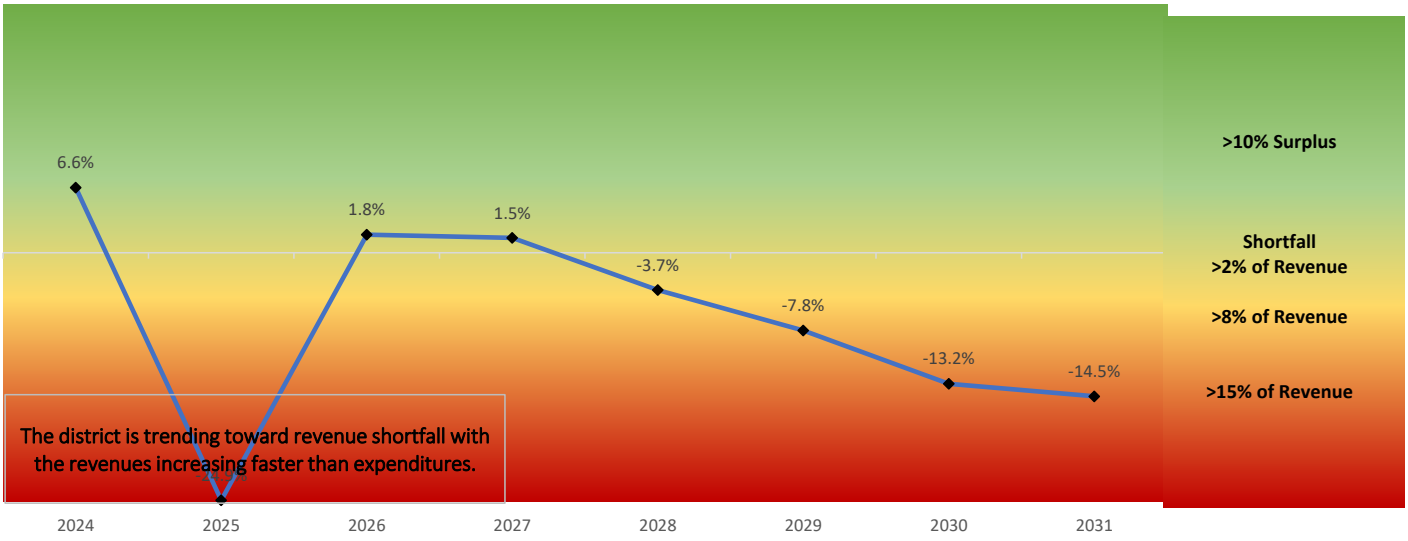
3.010 - Personnel Services - Personnel costs include two (2) association agreements. Negotiated agreements establish wages for a large portion of district staff. Relationships continue to be cultivated between these associations and district leadership.

3.020 - Employees' Benefits - Market rates for health insurance coverage continue to rise. Costs are influenced by the use of the plans by employees, plan designs, negotiated contracts with third party providers, and negotiated plan designs with the district's two (2) associations. The district will continue to persue cost savings measures in efforts to mitigate rising costs.

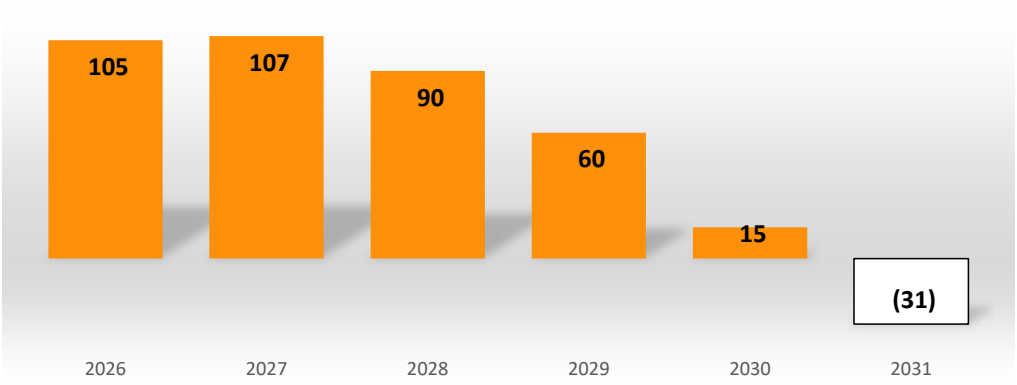
3.030 - Purchased Services - Purchased services are used to supplement staff positions that are difficult to fill for various reasons.

Financial Health Indicators

Revenue Surplus/(Shortfall) - Current Forecast



Days Cash on Hand - Current Forecast

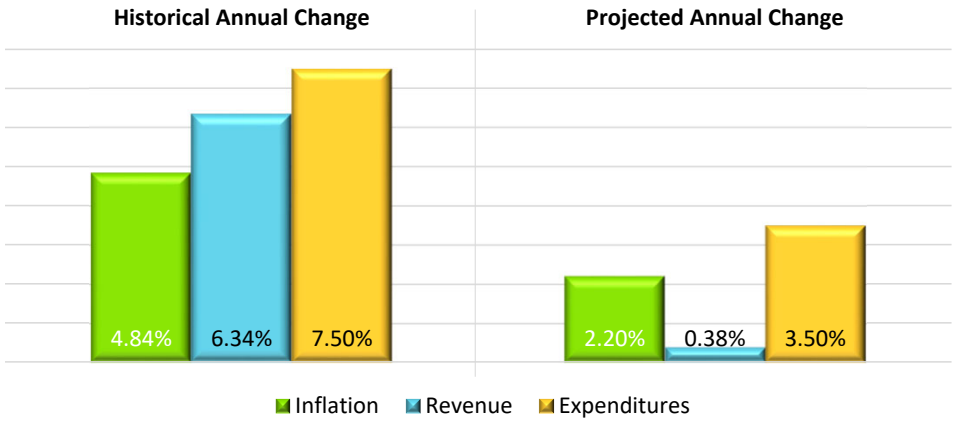


Days cash on hand is projected to decline and is projected to be negative by 2031.

*based on 365 days

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

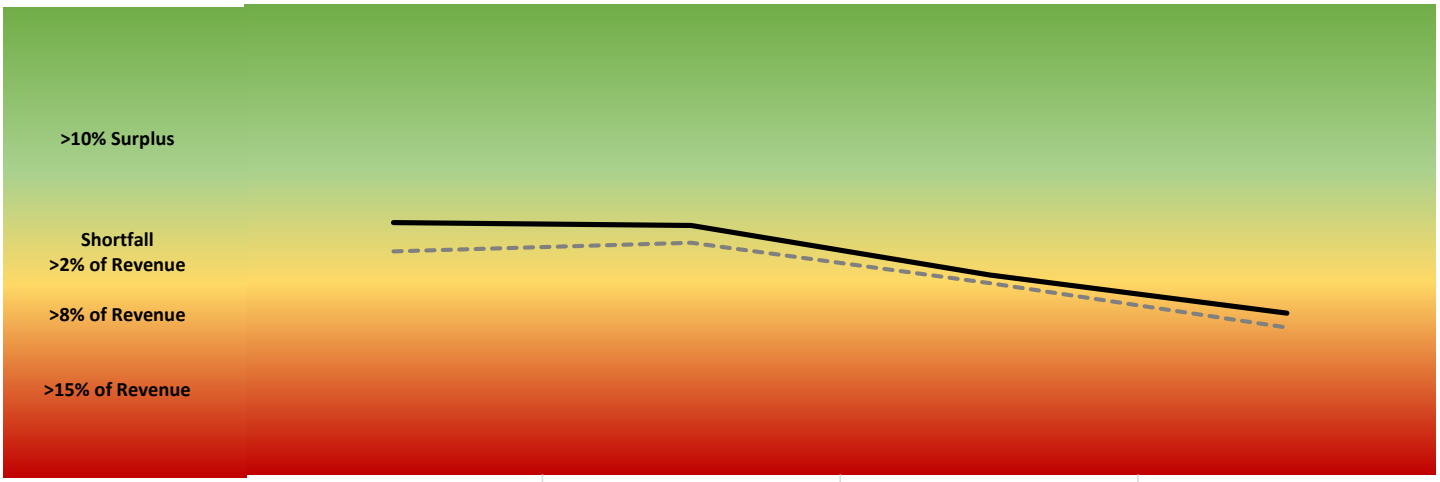
Average projected annual expenditure change is greater than inflation, and more than revenue.



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

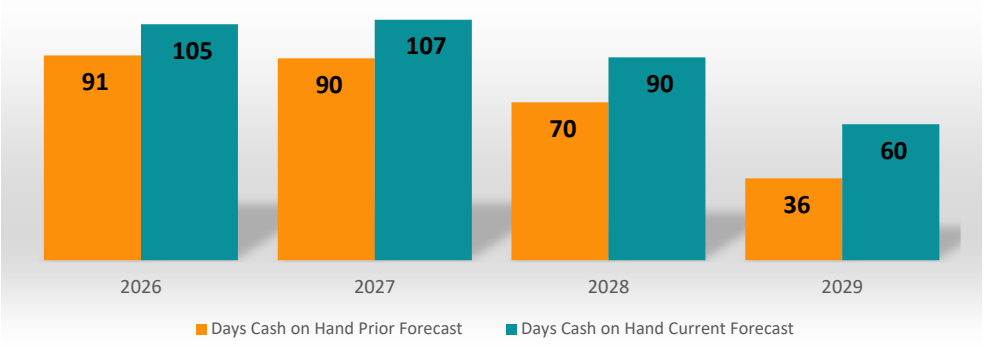
Current to Prior Forecast Comparison

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



	2026	2027	2028	2029
Prior Forecast	-1.2%	-0.3%	-4.6%	-9.4%
Current Forecast	1.8%	1.5%	-3.7%	-7.8%

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	**-0.01%**	$2,194,879	
	Largest Revenue Variances		
1.035,1.040 State	**0.57%**	$2,513,163	
1.01 Real Estate	**-0.43%**	($1,894,901)	
1.03 Income Tax	**0.13%**	$550,457	
All Other Revenue Categories	**0.23%**	$1,026,160	

The current revenue forecast is down by 0.01% compared to the prior forecast.

NET cumulative forecast impact for the forecast period 2026 - 2029 of Revenue and Expense variances is 1.76% (or $10,279,238).

The current forecast for expenditures is down by 1.77% compared to the prior forecast.

Expenditure Variance		
-1.77%	($8,084,359)	Cumulative Favorable Expenditure Variance
Largest Expenditure Variances		
-0.74%	($3,330,841)	3.01 Salaries
-0.75%	($3,395,534)	3.02 Benefits
0.68%	$3,079,935	3.03 Purchased Serv.
-0.98%	($4,437,919)	All Other Expenditure Categories

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	6.40	6.40	6.40
Effective Outside Millage	14.75	14.73	13.60
Effective Inside + Outside Millage	21.15	21.13	20.00

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	No	Yes	Yes
Class I Combined Change	0.0%	0.2%	9.2%
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	0.00%	0.15%	9.19%
Outside Millage Reduction	0.01	(0.02)	(1.13)
Percentage Change in Millage	0.03%	-0.15%	-7.67%

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.

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

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	No	Yes	Yes	Yes
Percent of District in Reappraisal/Update	0.00%	0.00%	0.00%	0.00%	0.00%
Class I Combined Change	8.9%	0.0%	0.0%	2.3%	5.9%
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*	6.40	6.40	6.40	6.40	6.40
Millage 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%

*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	13.60	13.60	13.60	13.60	13.60
Millage Change	-1.13	0.00	0.00	0.00	0.00
Percentage Change in Millage	-5.35%	0.00%	0.00%	0.00%	0.00%
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)	20.00	20.00	20.00	20.00	20.00

***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	$ -	$ -	$ -	$ (68,458)	$ (143,746)

***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 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.



Prepared for the Reynoldsburg City School District

Board of Education

7244 E. Main Street
Reynoldsburg, OH 43068
614.501.1026
treasurer@reyn.org