Ottawa Hills Local School District

Fall 2026 Five Year Forecast Assumptions

REVENUES:

1.010 GENERAL PROPERTY TAX (REAL ESTATE)

Real Estate taxes account for approximately 71% of the total revenue for the district. In fiscal years 2024-2026 we recognized an average increase of 9.6%. Fiscal year 2027 is forecasted to receive $13,913,572. This takes into account the 12.9 mill operating levy passed by voters on March 19, 2024, inside millage increases, as well as current delinquencies. Future fiscal years include an estimated increase of 0.5%, as well as the full revenue generated by the 12.9 operating levy. The Ottawa Hills Local School District is located in Lucas County. Below is the County Reappraisal and Triennial Update Schedule.

County Reappraisal and Triennial Update Schedule (based on calendar year):

County	Triennial Update	Inc/Dec in Taxes	Reappraisal	Inc/Dec in Taxes
Lucas	2031	2032	2028	2029

Recent legislation adopted by the Ohio General Assembly, including House Bills 186, 335, 129, and 309, introduces new limits and adjustments to how property tax revenues are calculated and collected by school districts, with the intent of moderating revenue growth associated with rising property values.

These changes are still in the process of being implemented. The Ohio Department of Taxation is continuing to work through the technical and administrative details of the new laws, and county auditors are awaiting guidance and certified tax rates before final impacts can be communicated to school districts. In addition, several of these bills were enacted in close succession, and questions remain regarding how certain provisions interact with one another. Further guidance or technical changes may be needed as implementation continues.

Accordingly, revenue assumptions reflect the best information available at the time of this forecast and may be revised as additional guidance, certified rates, or statutory changes occur.

The Board of Education and administration regularly review financial forecasts and compare projected revenues to actual results to ensure resources remain aligned with educational priorities, operational needs, and long-term financial stability. While these evolving changes present planning challenges, the District remains committed to transparency, thoughtful fiscal management, and strong stewardship of community resources.

1.020 Tangible Personal Property Tax

The Public Utility Tax Payments are included in this line item. These are tax monies that are included in Real Estate Tax Settlements. Forecasted years are based on the prior years received amounts plus increases due to the 12.9 mil levy. Fiscal years 2027-2030 include small increases.

1.035 Unrestricted Grants-in-Aid (State Funding)

Fiscal Year 2027 is based on State projections of the district's estimated state funding. Fiscal years 2028 through 2030 project small decreases to follow current funding trends. This line item also consists of Casino tax revenue.

1.040 Restricted Grants-in-Aid

This line item contains funding from the State of Ohio for purposes of Career Tech, Student Wellness and Success, English Learners, Special Education, Gifted, and Economic Disadvantaged. Fiscal year 2027 is aligned to the ODEW forecasts. Future fiscal years remain stagnant.

1.050 Property Tax Allocation

Property tax allocation consists of homestead and rollback tax received from the State. These are the property tax credits on property tax that the state reimburses to the district. These tax credits were offered as an incentive for voters to initially approve a state income tax. New legislation has been passed which eliminated this tax credit on new and replacement levies. Fiscal years 2027-2030 are stagnant with estimated revenues of $1,452,554.

1.060 All Other Revenue

Revenue in this line includes tuition, fees, interest, and other sources. Future fiscal years account for interest increases as well as an increase in tuition payments due to new enrollees.

2.060 All Other Financing Sources

This category consists of any advances and transfers. The amounts forecasted in this line item are for permanent improvement advances back to the general fund. This is for the $2,400,000 advance, originally from the General Fund to the Permanent Improvement fund, approved on May 15, 2017 to complete the Elementary Building HB153 project.

EXPENDITURES:

3.010 Personnel Services

Fiscal years 2027 through 2030 are forecasted with a 2.0% increase for certified staff. Fiscal year 2027 is forecasted for a 2.75% increase for classified staff. Future fiscal years include step increases for certified and classified staff.

3.020 Employees' Benefits

All forecasted fiscal years include employer contributions for retirement, Medicare, Workers' Compensation, as well as medical, dental, vision, and life insurance premiums. Future fiscal years account for a 10.0% increase in medical premium costs to meet industry standards. This forecast also assumes the cost of retirement to increase in conjunction with salaries.

3.030 Purchased Services

Expenses in this category include: utilities, ESC service contracts, college credit plus, legal expenses, and property and fleet insurances. The expenditures in this category can fluctuate depending on the needs of certain students. Future fiscal years account for inflationary costs as well as budgeted amounts for HVAC, boiler, and large roofing repairs.

3.040 Supplies and Materials

Expenses in this category include instructional supplies, office supplies, software, textbooks, fuel, and maintenance supplies. Inflationary increases of 3% are forecasted for future years. Fiscal years 2027 through 2030 include the curriculum adoption plan which is available on the district website.

3.050 Capital Outlay

These expenditures represent administrative and instructional equipment as well as building and site improvements. The District has allocated funds in fiscal years 2027 through 2030 for building and ground improvements since the permanent improvement fund is expending most of its available resources on advances back to the general fund.

4.300 Other Objects

These expenditures include audit expenses, fees charged by the state and county for the collection of tax revenue and district memberships. Inflationary increases of 2% are included in this line item.

5.010 and 5.020 Operating Transfers - Out & Advances – Out

This includes any fund-to-fund transfers or advances for the fiscal year. We are forecasting transfers of $250,000 to the Terminations Fund, to help properly budget and save up for severance payments for retiring staff in the future.

13.01 New Levy

The district anticipates placing a levy on the ballot in May 2027. The details of the levy are still being discussed and should be determined this fall.