Mohawk Local School District

Fiscal Year 2027 August Financial Forecast Report

Prepared By: Cathyrn Zimmer

Treasurer/CFO

Mohawk Local School District

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Forecast Purpose/Objectives

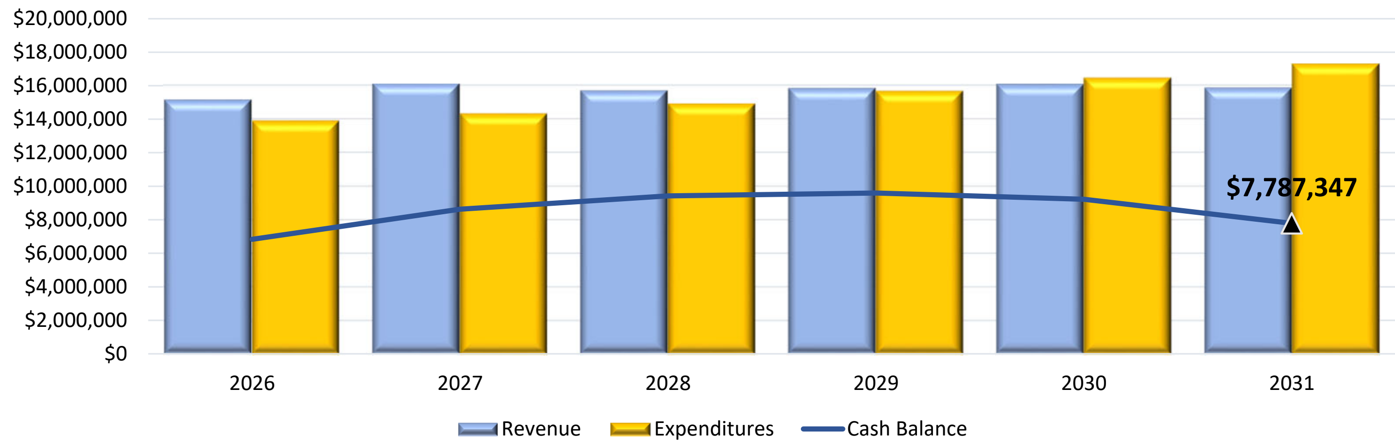
Ohio Department of Education and Workforce's purposes/objectives for the financial forecast are:

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

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*	6,832,293	8,630,075	9,421,029	9,599,774	9,219,622
+ Revenue	16,125,621	15,708,038	15,851,870	16,083,972	15,869,084
- Expenditures	(14,327,839)	(14,917,084)	(15,673,125)	(16,464,124)	(17,301,359)
= Revenue Surplus or Deficit	1,797,782	790,954	178,745	(380,152)	(1,432,275)
Line 7.020 Ending Balance with Renewal/New Levies	8,630,075	9,421,029	9,599,774	9,219,622	7,787,347

Financial Summary Notes

Expenditure change is projected to outpace revenue change. By the end of 2031, the cash balance is projected to increase by a total of $955,053 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 2.51% ($343,247 annually). However, it is projected to increase by 0.96% ($141,579 annually) through fiscal year 2031. Notably, State Funding, is expected to be $136,922 less per year compared to history, and is the biggest driver of trend change on the revenue side. Note: Final enrollment numbers are not in so this may affect State funding.

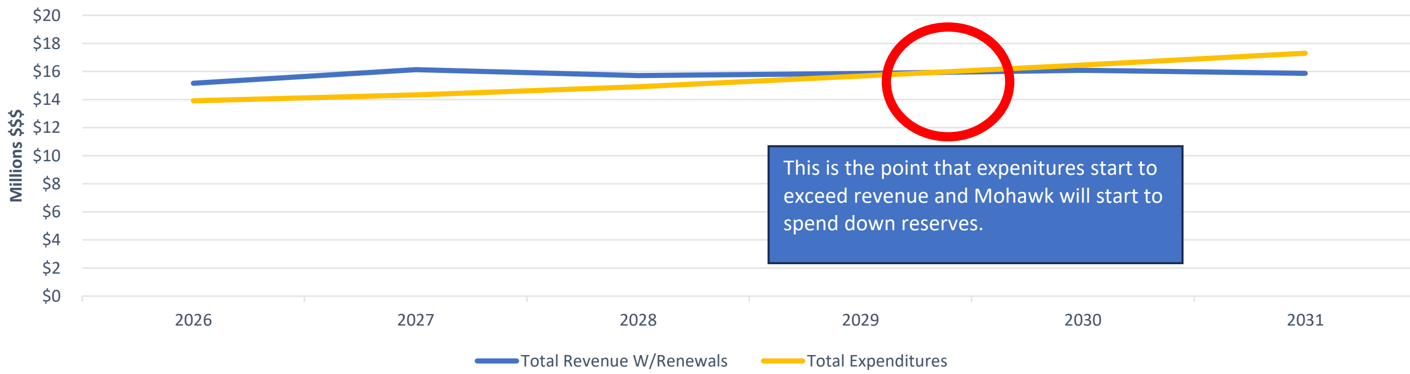
For expenses, projected change is forecasted to increase at a faster pace than the historical trend. Expenditures increased by 4.45% ($402,000, on average, annually) during the past 5-year period, and are projected to increase by 4.46% ($678,122 annually) through 2031. The forecast line with the most change on the expense side, Salaries, is anticpated to be $149,985 more per year in the projected period compared to historical averages.

When reviewing the projected cash balance, FY 2027 reflects a significant increase due to a one-time pipeline settlement. No related transfers from the General Fund for capital projects or improvements are currently included in the forecast, as a spending plan and project costs have not yet been finalized and approved by the Board. Until a plan is approved, these funds will remain in the General Fund and continue to earn interest, contributing to the projected cash balance. Transfers included in this forecast are limited to 20% of income tax revenue designated for regular maintenance needs. The District will monitor this forecast as years 4 and 5 show defict spening.

Disclosure Items:	*2027*	*2028*	*2029*	*2030*	*2031*
Modeled Renewal Levies - Annual Amount	*-*	*-*	*-*	*-*	*390,621*
Modeled New Levies - Annual Amount	*-*	*-*	*-*	*-*	*-*
Encumbrances (not subtracted from Cash Balance)	*210,000*	*210,000*	*210,000*	*210,000*	*210,000*

Forecast Analysis

Revenue Compared to Expenditures

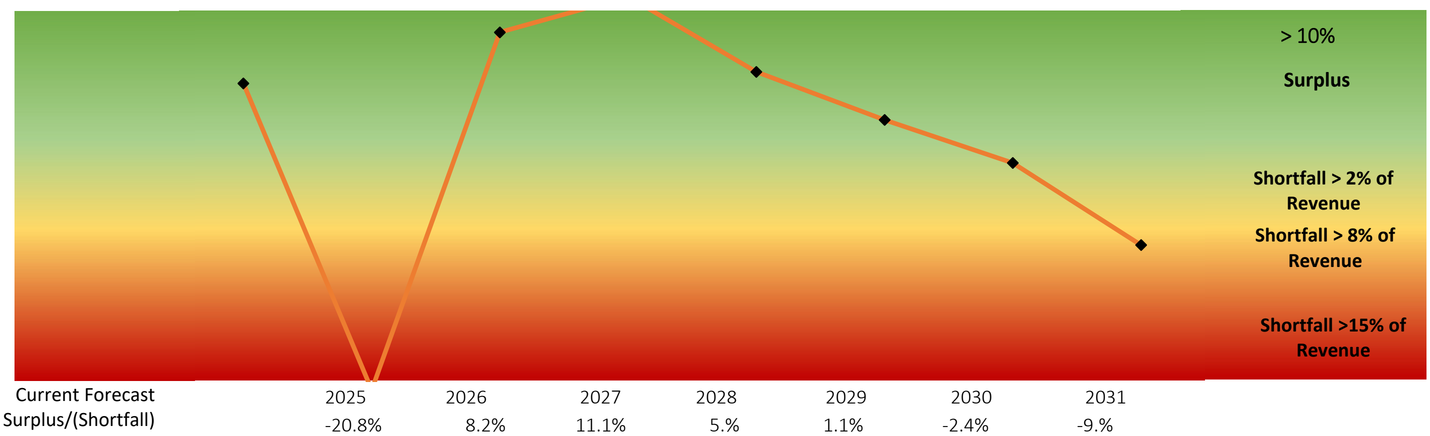


From 2027 to 2031, total revenues are projected to change by 0.96%

Revenue change is expected to outpace expenditure change.

From 2027 to 2031, total expenses are projected to change by 4.46%

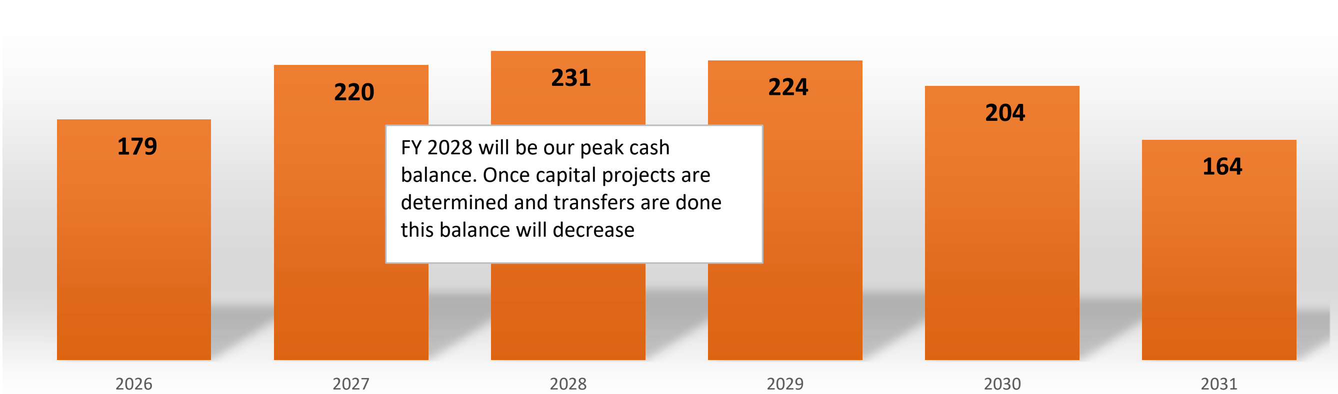
Revenue Surplus/(Shortfall) as a Percentage of Revenue



The district is trending toward revenue shortfall with the revenues increasing faster than expenditures.
A revenue increase of 2.36% is needed to balance the budget in fiscal year 2031, or a $1,432,275 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 Salaries.

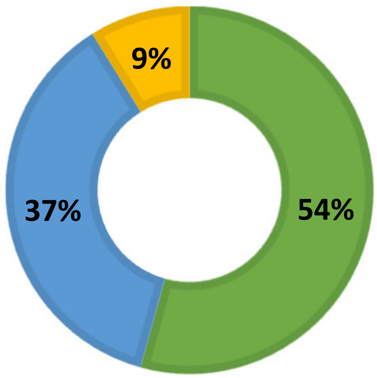
Days Cash on Hand at Fiscal Year-end



**based on 365 days*

Revenue Overview

Revenue Sources

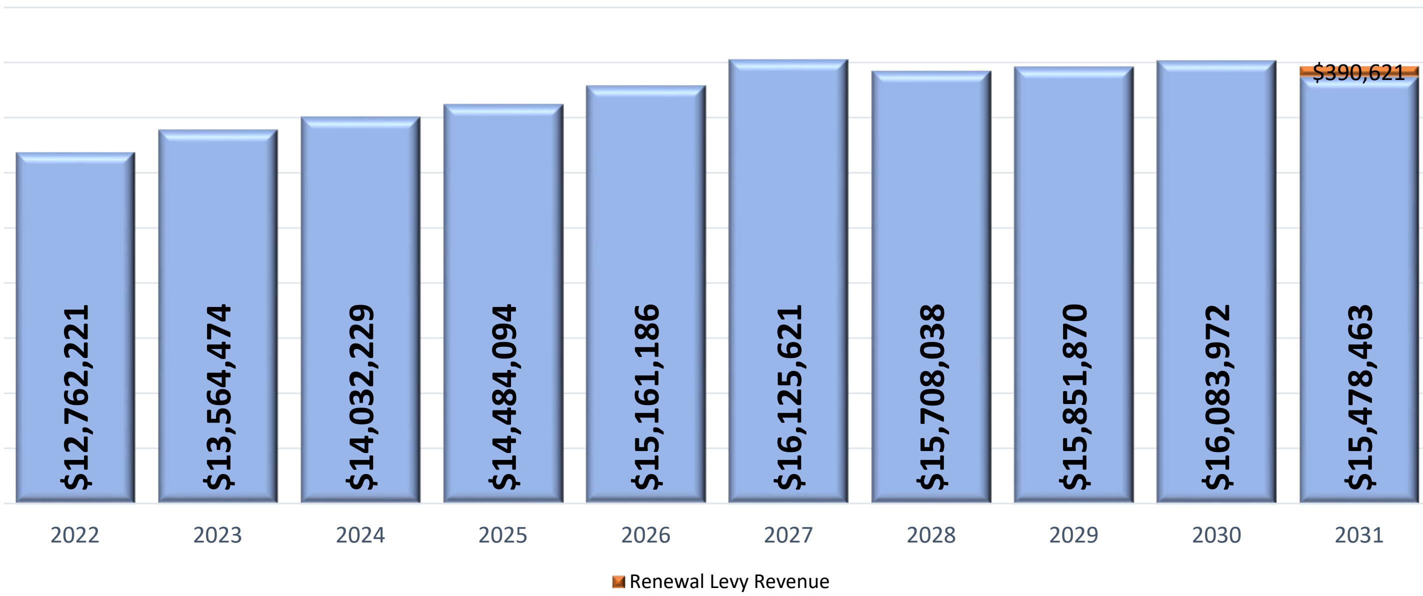


Local Taxes	
Real Estate Tax	20.50%
Public Utility Tax	18.88%
Income Tax	14.92%

State Sources	
State Funding	32.48%
Restricted Aid	0.91%
State Reimb Prop Tax Cre(	3.46%

All Other Revenue	
Other Revenue	8.84%
Other Sources	0.01%

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	$139,531	$46,210	($93,321)
Public Utility	($70,910)	($26,737)	$44,173
Income Tax	$156,229	$44,022	($112,206)
State Funding	$84,708	($52,214)	($136,922)
State Reimb Prop Tax Credits	$20,254	$24,968	$4,714
All Othr Op Rev	$24,821	$105,099	$80,277
Other Sources	($11,386)	$233	$11,619
Total Average Annual Change	$343,247	$141,579	($201,667)
	2.51%	0.96%	-1.55%

For Comparison:
Expenditure average annual change is projected to be > $678,122

Annually, on average, over the past five years, revenue increased by 2.51% ($343,247 annually). However, it is projected to increase by 0.96% ($141,579 annually) through fiscal year 2031. Notably, State Funding, is expected to be $136,922 less per year compared to history, and is the biggest driver of trend change on the revenue side.

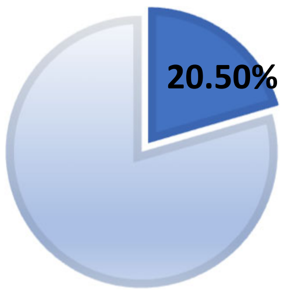
As revenue growth slows, the District will continue to monitor revenues and expenditures to maintain financial stability. With expenses growing approximately 3% annually compared to 1.54% revenue growth, this trend is not sustainable long term

Mohawk will receive a one-time $1.1 million pipeline receipt in FY27, resulting in a one year increase in Public Utility Personal Property (PUPP) tax collections. The Distric will have to renew its Income tax levy in FY30 for colections if FY 31.

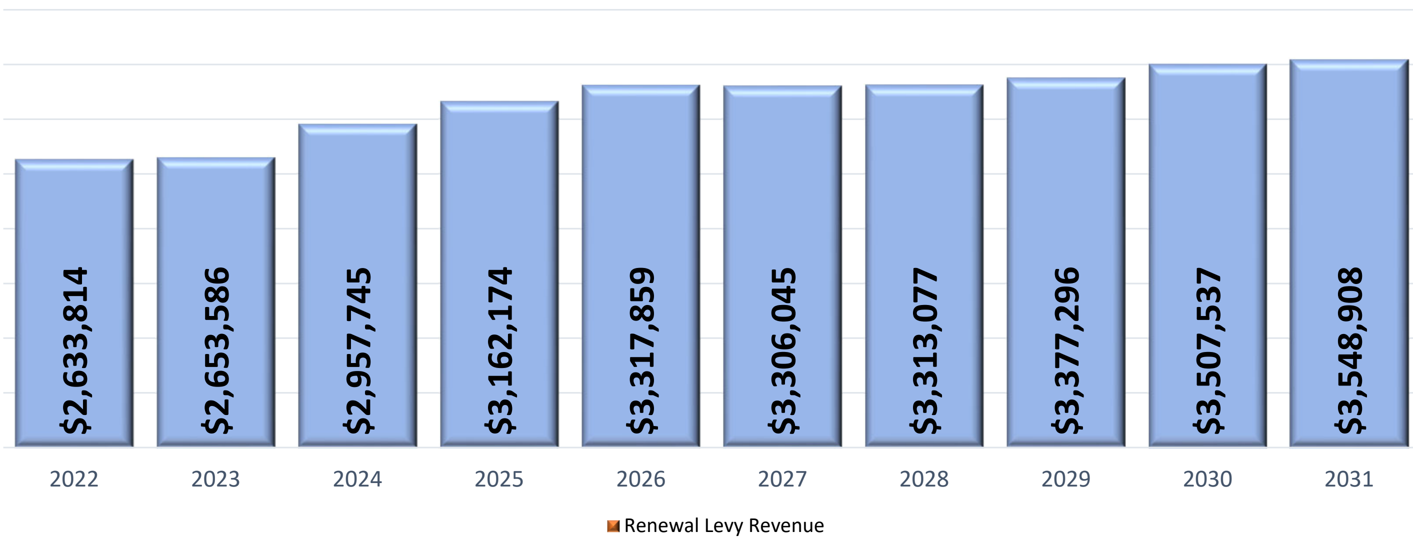
On an annual average basis, expenditures are projected to grow faster then revenue.

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 20.50% 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	203,549,412	21,343,032	20.00	-	22.17	-	99.4%
2026	220,650,412	17,101,000	20.00	(0.00)	22.16	(0.00)	99.4%
2027	221,951,412	1,301,000	20.00	-	22.16	(0.00)	99.4%
2028	231,052,412	9,101,000	20.00	-	22.16	(0.00)	99.4%
2029	242,153,412	11,101,000	20.00	-	22.15	(0.00)	99.4%
2030	242,153,412	0	20.00	-	22.15	(0.00)	99.4%

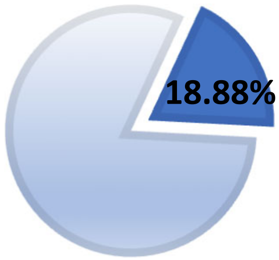
Class I, or residential/agricultural taxes make up approximately 97.09% of the real estate property tax revenue. The Class I tax rate is 20.00 mills in tax year 2026. The projections reflect an average gross collection rate of 99.4% annually through tax year 2030. The revenue changed at an average annual historical rate of 4.91% and is projected to change at an average annual rate of 1.37% through fiscal year 2031.

HB 186 has reduce property tax collections beginning in FY 2027 by limiting growth based on inflationary measures rather than the full impact of property reappraisal increases. As a result, the District is projecting lower property tax revenue in FY 2027 and beyond. FY 27 estimated loss is $425,000. This loss will carry forward and may increase depening on reappraisal.

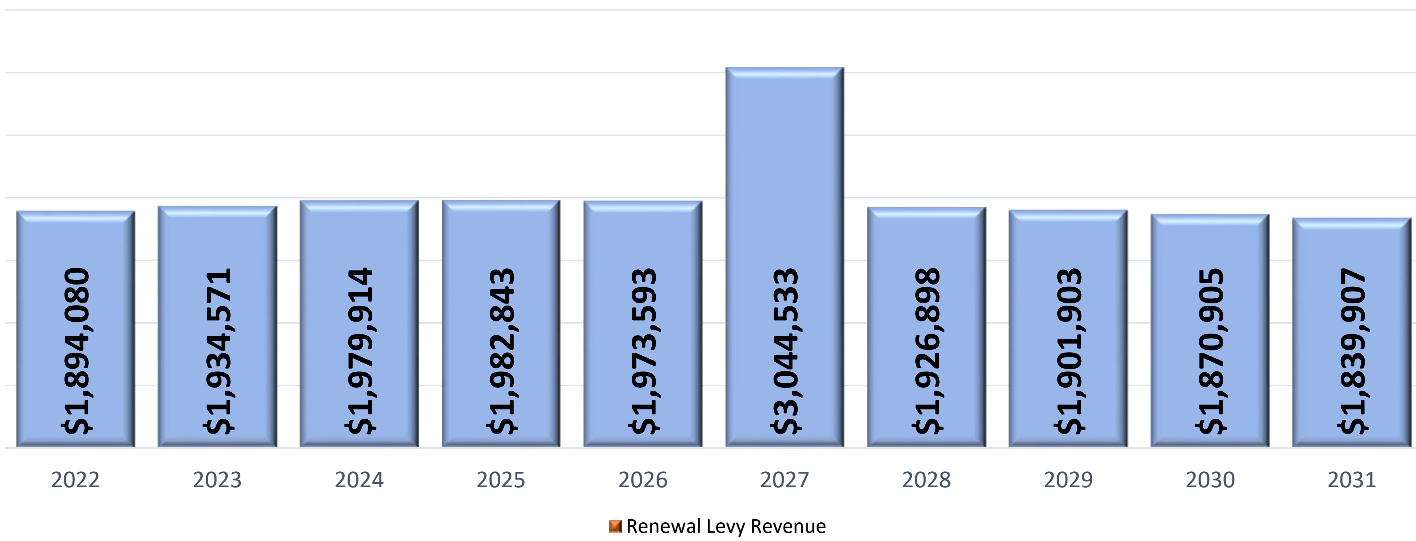
Ohio House Bill 309, effective March 20, 2026, expands the authority of County Budget Commissions to reduce certain voter-approved property tax levy collections when collections are determined to be unnecessary or excessive. To date, HB 309 has not impacted the District; however, it presents a potential future revenue risk if the County Budget Commission determines that collections exceed the District’s financial needs and adjusts property tax collections accordingly.

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 18.88% 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	94,242,131	(2,919,079)	36.90	-	56.0%
2026	93,242,131	(1,000,000)	36.90	-	56.0%
2027	93,242,131	-	36.90	-	56.0%
2028	91,742,131	(1,500,000)	36.90	-	56.0%
2029	90,242,131	(1,500,000)	36.90	-	56.0%
2030	88,742,131	(1,500,000)	36.90	-	56.0%

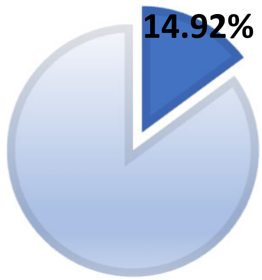
The public utility personal property tax revenue is generated from the personal property values, additions, and depreciation reported by the utility companies. The property is taxed at the full voted tax rate which in tax year 2026 is 36.90 mills. The forecast is modeling an average gross collection rate of 56.00%. The revenue changed historically at an average annual dollar amount of -$70,910 and is projected to change at an average annual dollar amount of -$26,737 through fiscal year 2031.

The District will receive a one-time $1.1 million pipeline payment related to the resolved 2019 valuation. Rover continues to contest valuations for tax years 2020–2025. The litigation remains pending, with a trial currently scheduled for November 2026; therefore, future pipeline tax revenues remain uncertain.

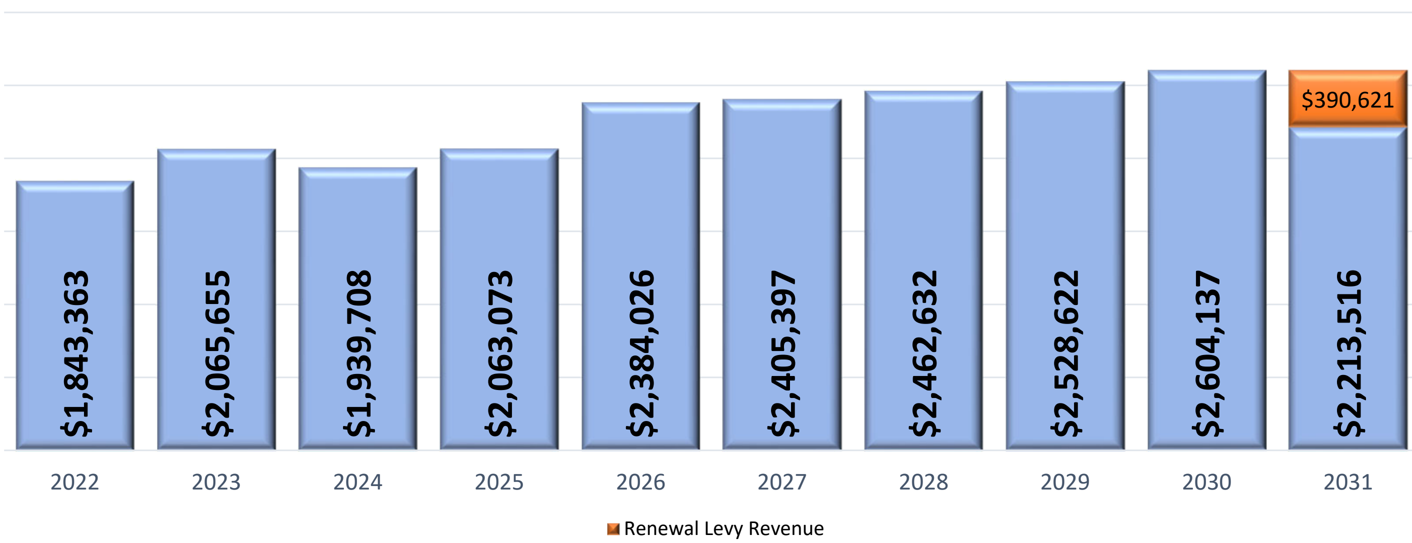
Public Utility Personal Property (PUPP) revenue is projected to gradually decline as existing utility property depreciates. Future growth would primarily result from new utility construction; however, because the District has limited industrial development, significant increases in PUPP revenue are not anticipated in the future.

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 14.92% of total district general fund revenue.



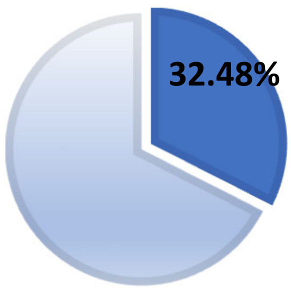
Key Assumptions & Notes

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 $44,022 through 2031. The district is projecting income tax renewal activity in the forecast period; related revenue is reflected in orange in the graph above. Income tax revenue is projected to account for 16.41% of the district's total revenue by fiscal year 2031.

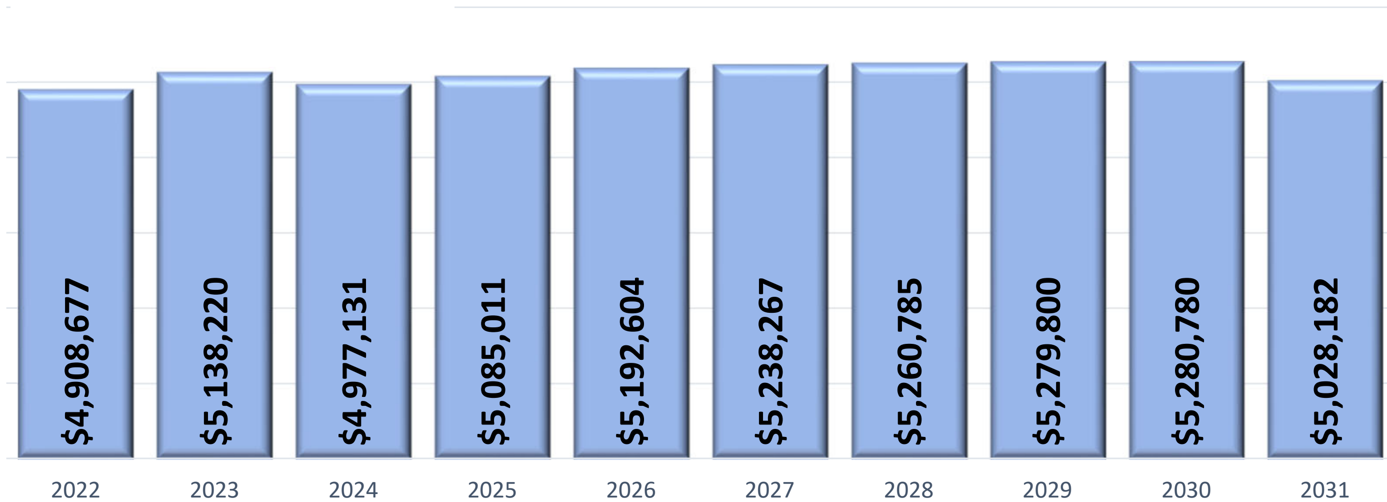
District residents approved the renewal of the 1% traditional income tax levy on November 5, 2024, for five years through December 31, 2030. FY 2026 reflects stronger-than-normal income tax growth, while FY 2027 is projected to remain relatively consistent with FY 2026 collections. Levy will need reapproved in FY 30 for Collections in FY 31.

1.035 - Unrestricted Grants-in-Aid

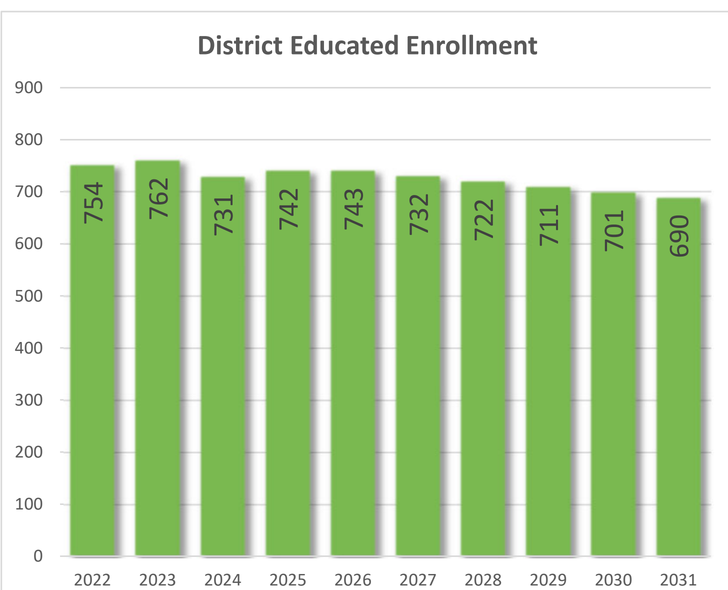
Funds received through the State Foundation Program with no restriction.



Unrestricted State Aid revenue accounts for 32.48% 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 Mohawk Local School District, the calculated Base Cost total is $6,700,762 in 2027.

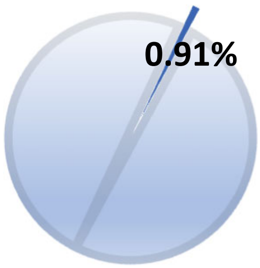
The State's Share of the calculated Base Cost total is $1,116,661, or $1,525 per pupil.

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.

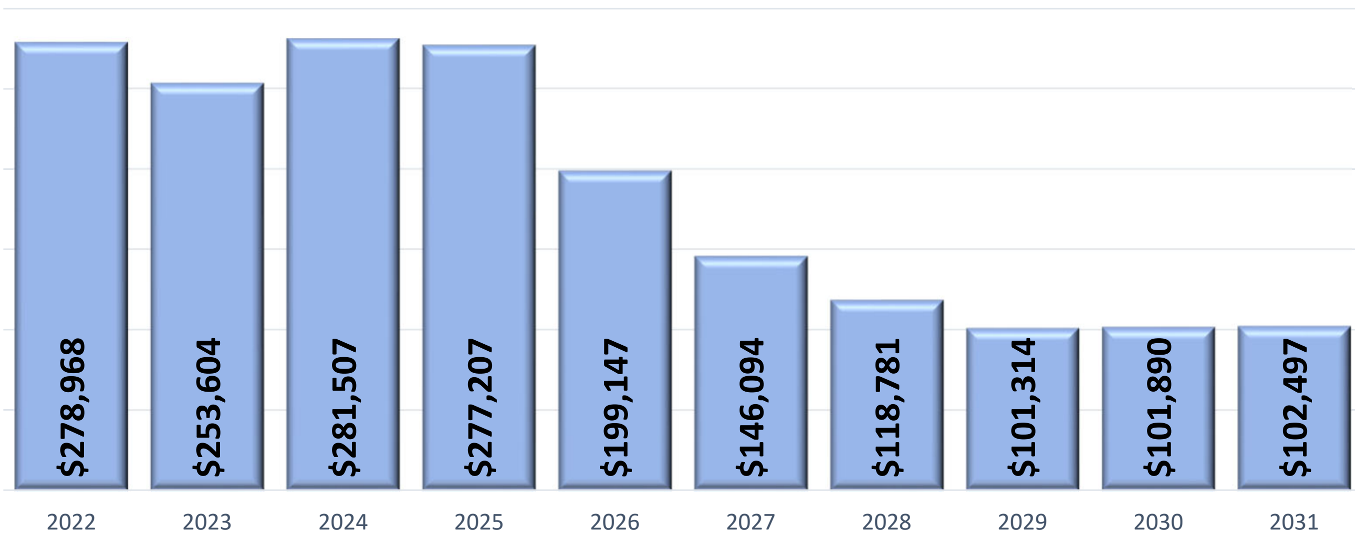
Current enrollment figures are estimates and are used to project Unrestricted Grants-in-Aid. Once final enrollment is determined in October, state aid will be adjusted accordingly.

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 0.91% of total district general fund revenue.



Key Assumptions & Notes

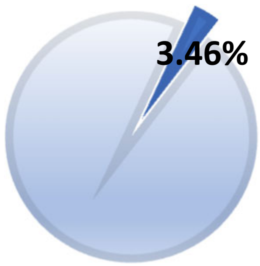
Restricted aid is the portion of state per pupil funding that must be classifed as restricted use. Historically the district's restricted state aid changed annually on average by -$18,152 and is projected to change annually on average by -$19,330. Restricted funds represent 0.91% of the district's total 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 $80,706. 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.

Restricted Grants in Aid reflect state funds that must be used for specific student needs under Ohio’s Fair School Funding Plan. This category includes Career Technical Education, Disadvantaged Pupil Impact Aid (DPIA), English Learner, and Gifted funding.
-Career Tech is tied directly to student enrollment in approved career-technical programs.
-DPIA provides additional support for disadvantaged students, including the continuation of Student Wellness & Success funding, which must be used for targeted purposes such as mental health services, mentoring, afterschool programming, partnerships with community providers, and reducing chronic absenteeism. Current funding is based on current enrollment figures. Once final enrollment is determined in October, restricted state aid will be adjusted accordingly.

Districts are required to submit an annual report to the Ohio Department of Education and Workforce (ODEW) outlining how these restricted dollars were spent. This ensures accountability, transparency, and alignment with state guidelines to create safe and supportive learning environments.

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 3.46% 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 11.2% local residential property taxes will be reimbursed by the state in the form of rollback credits and approximately 2.2% will be reimbursed in the form of qualifying homestead exemption credits.

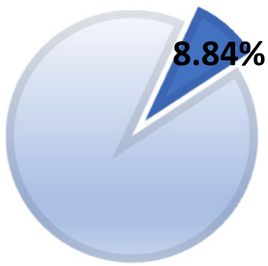
Mohawk Local Schools is unique in that the District spans three counties—Wyandot, Crawford, and Seneca. As a result, property tax revenues, including state rollbacks and homestead reimbursements, are influenced by the reappraisal and revaluation cycles of all three counties.

As these countywide valuation updates occur, the District anticipates corresponding changes in property tax collections and state rollback and homestead reimbursements.

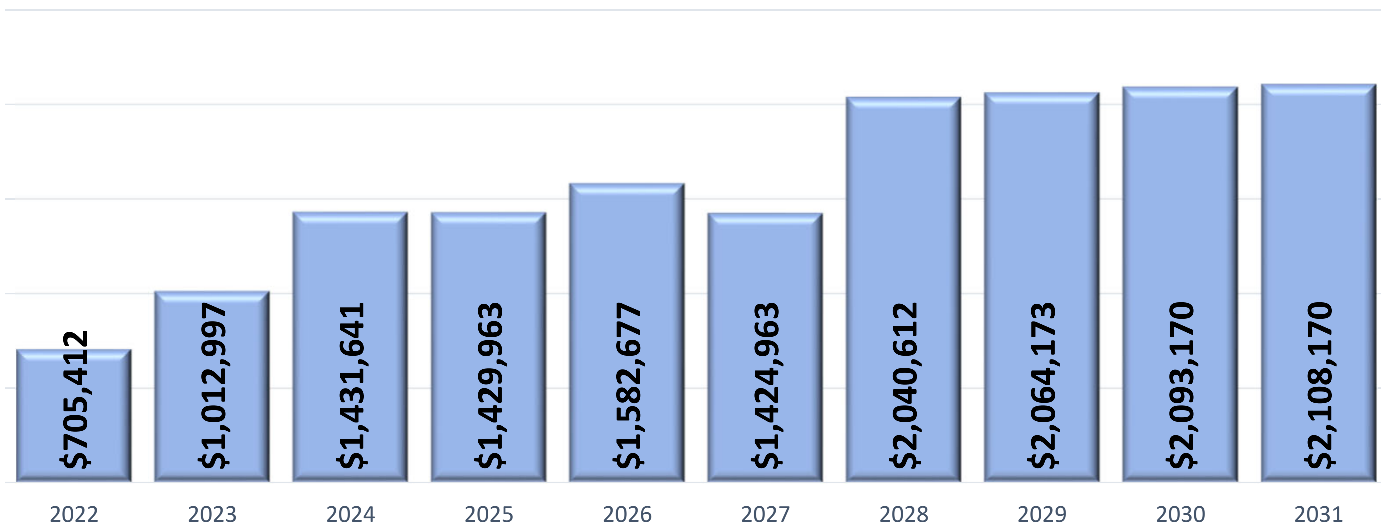
Beginning in FY 2030, the reappraisal schedule will change, with Crawford County's reappraisal delayed by one year. As a result, both Crawford and Wyandot Counties are scheduled for reappraisal in FY 2031.

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 8.84% 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 $24,821. The projected average annual change is $105,099 through fiscal year 2031.

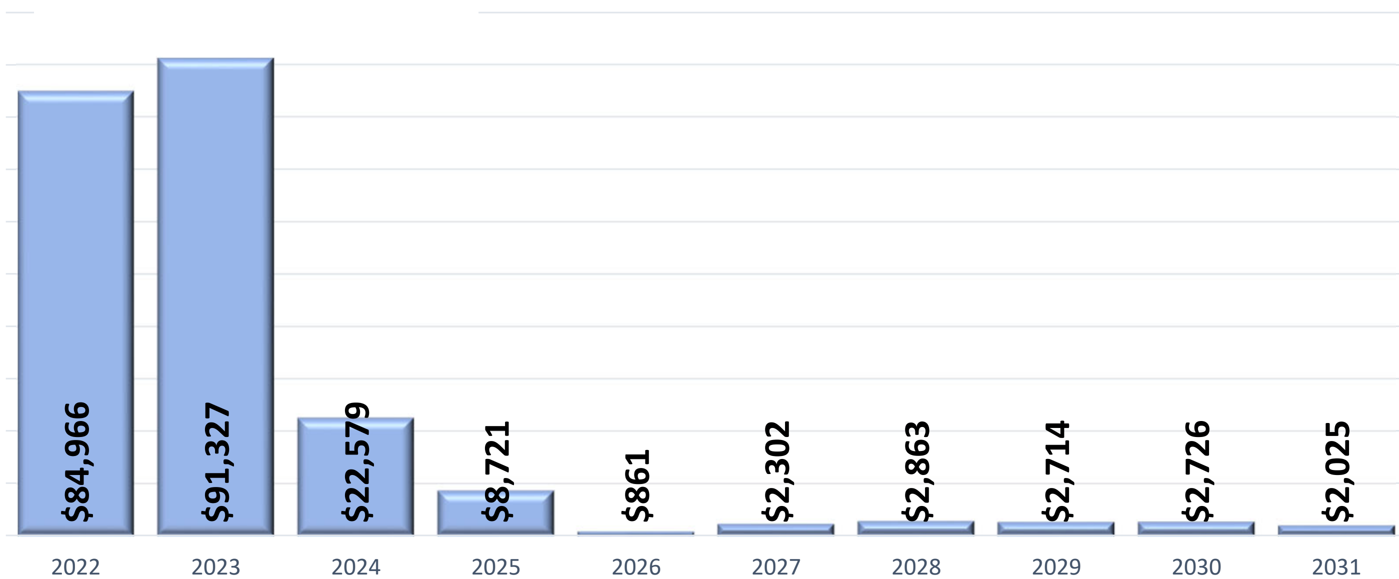
All Other Revenue includes operating revenues that do not fall within another revenue category. This category has experienced moderate growth in recent years and is projected to continue growing. The increase in FY 2024 reflects the reclassification of Medicare reimbursements previously reported under Other Financing Sources. The significant increase beginning in FY 2028 is attributable to payments from TotalEnergies for the Tymochtee Solar Project. These Payment in Lieu of Taxes (PILOT) revenues will be paid directly to the District.

There is a possibility of additional revenue from TotalEnergies in FY 2027 if the solar project is completed by December 2026. This anticipated completion date was communicated to the District in 2025; however, no recent confirmation has been received. Therefore, no related revenue has been included in the FY 2027 forecast. Future forecasts will be adjusted to reflect any PILOT revenue received upon completion of the project.

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 0.01% of total district general fund revenue.



Key Assumptions & Notes

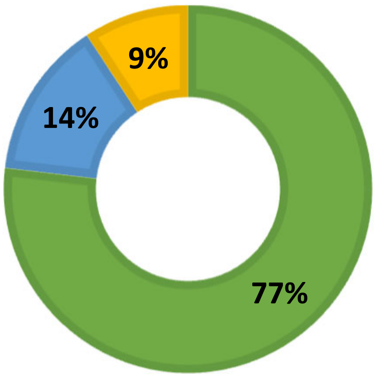
		FORECASTED				
	2026	2027	2028	2029	2030	2031
Transfers In	861	1,172	1,722	1,562	1,562	861
Advances In	-	-	-	-	-	-
All Other Financing Sources	-	1,130	1,141	1,153	1,164	1,164

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 $1,130 in 2027 and average $1,156 annually through 2031.

In FY 2022 and FY 2023, Medicare receipts were reported under All Other Financing Sources. Beginning in FY 2024, these receipts were reclassified as federal receipts and are now reported under All Other Operating Revenues. This reclassification should be considered when comparing revenue trends across fiscal years.

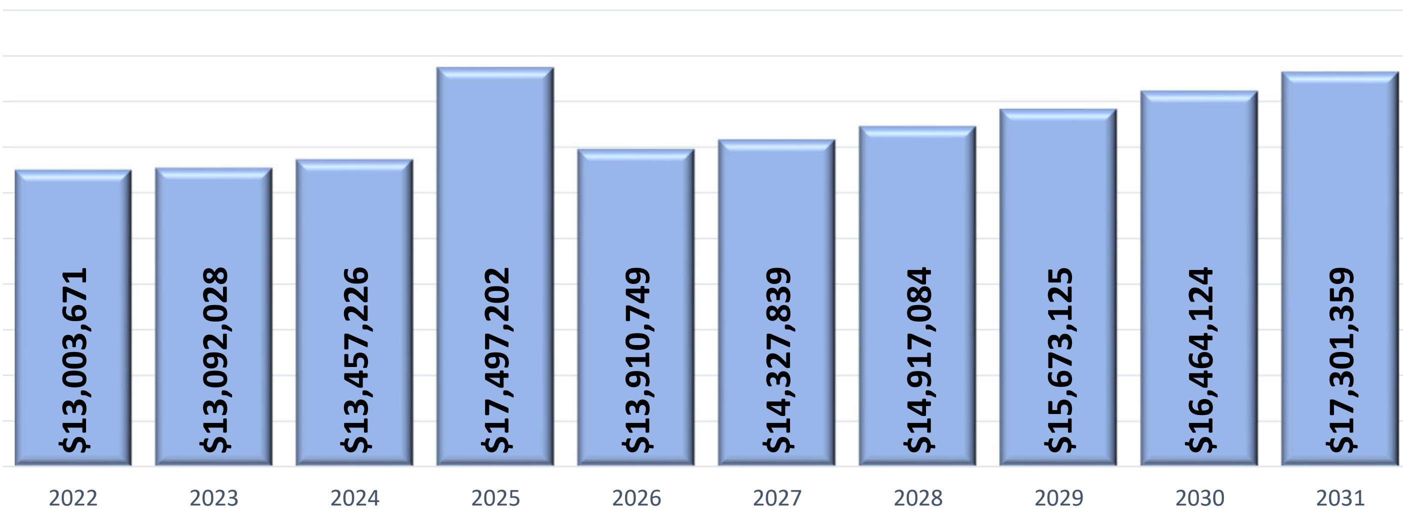
Expenditure Overview

Expenditure Categories



Personnel Costs	
Salaries	51.28%
Benefits	25.58%
Purchased Services	13.90%
All Other Expenditures	
Supplies, Capital, Debt, Other Obj	5.68%
Other Uses	3.56%

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	$262,142	$412,127	$149,985
Benefits	$238,368	$311,994	$73,626
Purchased Services	($124,819)	$23,773	$148,592
Supplies & Materials	$24,668	$8,307	($16,361)
Capital Outlay	($42,700)	$940	$43,640
Intergov & Debt	$0	$0	($0)
Other Objects	$32,697	($8,674)	($41,371)
Other Uses	$11,643	($70,345)	($81,988)
Total Average Annual Change	$402,000	$678,122	$276,122
	4.45%	4.46%	0.01%

Expenditures increased by 4.45% ($402,000, on average, annually) during the past 5-year period, and are projected to increase by 4.46% ($678,122 annually) through 2031. The forecast line with the most change on the expense side, Salaries, is anticpated to be $149,985 more per year in the projected period compared to historical averages.

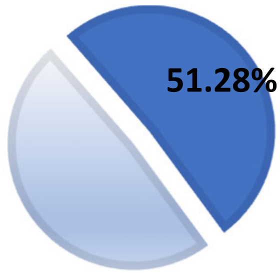
In FY 2025, the District made a significant transfer to the Capital Improvements Fund. Transfers decreased substantially in FY 2026. As of August 2026, FY 2027 transfers have not yet been determined. As capital projects and funding needs are identified, transfers will be made accordingly. All other expenditures are projected based on negotiated agreements and anticipated market-driven increases in the cost of supplies, materials, and services.

For Comparison:

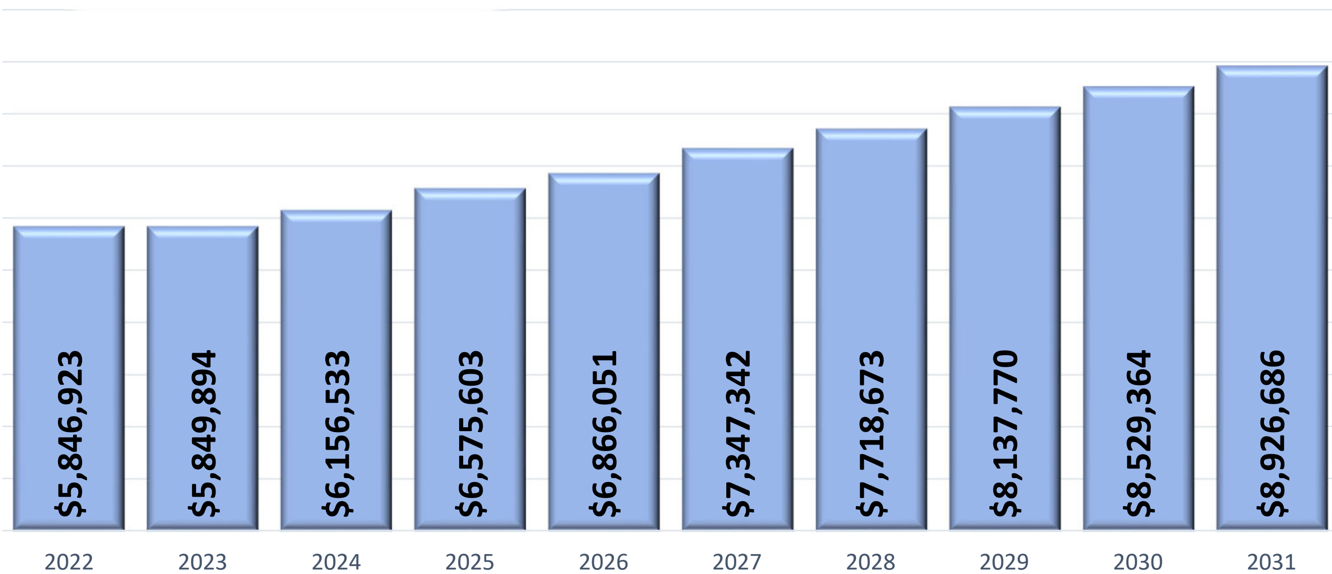
Revenue average annual change is projected to be > $141,579 On an annual average basis, revenues are projected to grow slower than expenditures.

3.010 - Personnel Services

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



Salaries account for 51.28% of the district's total general fund spending.



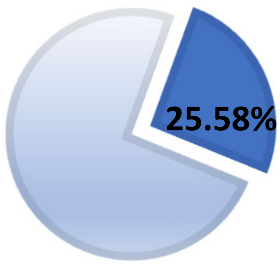
Key Assumptions & Notes

Salaries represent 51.28% of total expenditures and increased at a historical average annual rate of 4.35% (or $262,142). This category of expenditure is projected to grow at an annual average rate of 5.39% (or $412,127) through fiscal year 2031. The projected average annual rate of change is 1.04% more than the five year historical annual average.

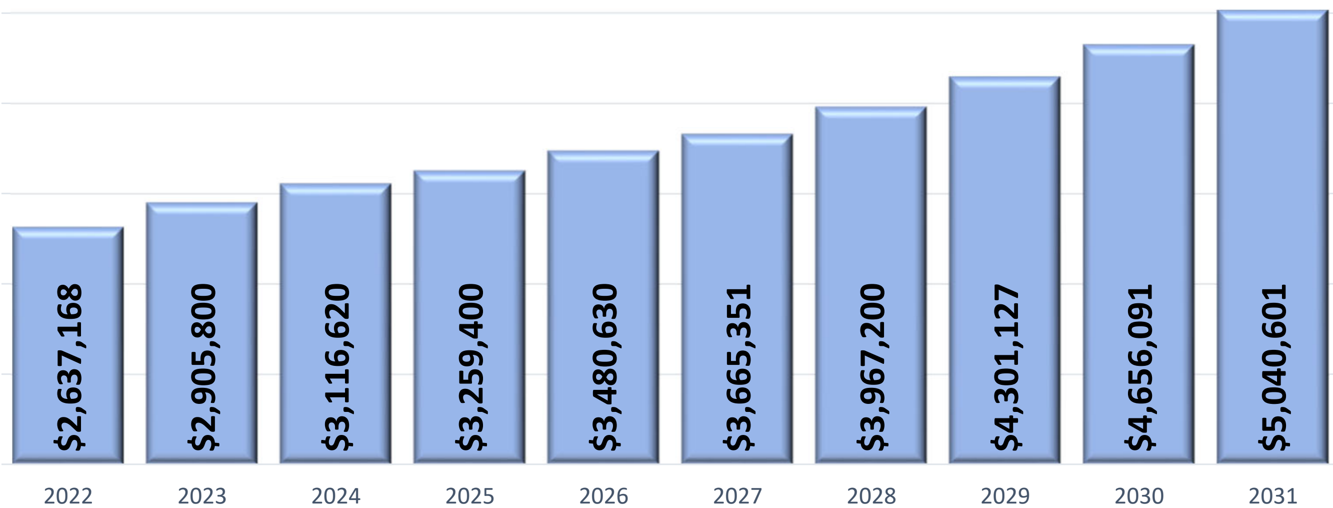
FY 2027 reflects a higher-than-normal increase in Personal Services due to additional staffing needs, including a STEAM teacher, two bus drivers, and one full-time aide. The District also adjusted the aide pay scale to better align compensation with actual job responsibilities. While these changes represent a one-time increase in the rate of salary growth, the additional staffing and pay adjustments will have an ongoing impact on future personnel costs.

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 25.58% of the district's total general fund spending.



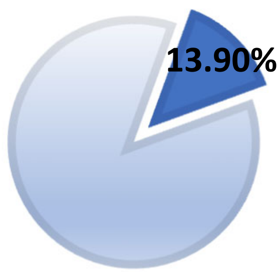
Key Assumptions & Notes

Benefits represent 25.58% of total expenditures and increased at a historical average annual rate of 8.81%. This category of expenditure is projected to grow at an annual average rate of 7.69% through fiscal year 2031. The projected average annual rate of change is 1.11% less than the five year historical annual average.

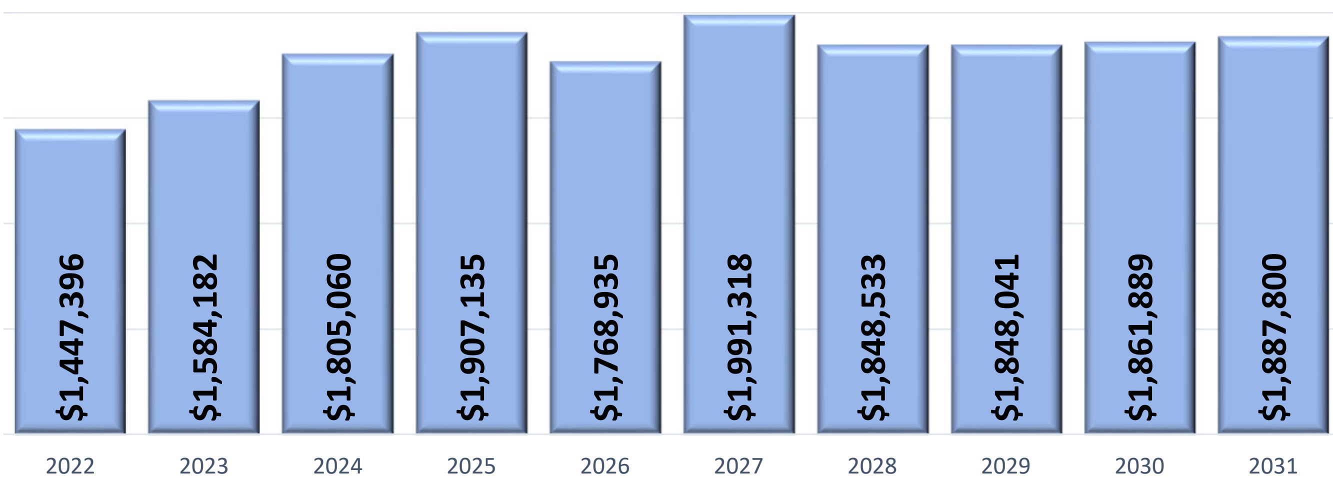
Benefits include medical, dental, vision, and life insurance, as well as retirement, workers' compensation, and Medicare costs. Insurance premiums are expected to continue rising, consistent with industry trends projecting continued growth in healthcare costs. Additionally, retirement, workers' compensation, and Medicare expenses are directly tied to salaries and will increase as payroll costs rise.

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 13.90% of the district's total general fund spending.



Key Assumptions & Notes

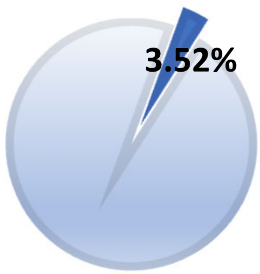
Purchased Services represent 13.90% of total expenditures and decreased at a historical average annual rate of 3.54%. This category of expenditure is projected to grow at an annual average rate of 1.50% through fiscal year 2031. Starting in 2022, the Fair School Funding Plan (State Funding) only accounted 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 represent the third-largest expenditure category in the General Fund and are projected to continue increasing. This category includes professional and technical services, insurance, travel, communications, utilities, and tuition. A significant portion of the growth is driven by services necessary to meet student needs, including educational consultants, special education aides, physical therapy, hearing and vision services, psychological services, and speech therapy. These services are essential to providing students with the appropriate educational support and resources needed for success.

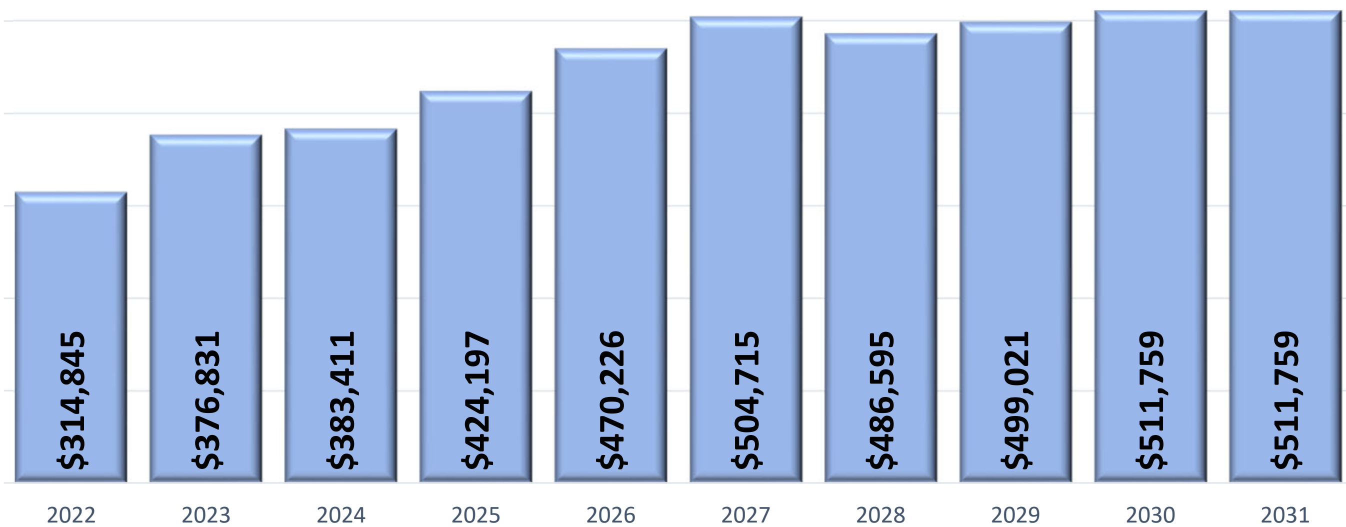
FY 2027 reflects a significant increase due to a change in student placement. The previous facility bills in arrears, while the new facility bills on a current basis. As a result, FY 2027 will include payments to both the previous facility for prior-year services and the new facility for current-year services. This timing difference creates a larger-than-normal expenditure in FY 2027 and is not expected to recur at the same level in future years.

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 3.52% of the district's total general fund spending.



Key Assumptions & Notes

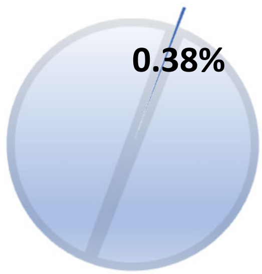
Supplies & Materials represent 3.52% of total expenditures and increased at a historical average annual rate of 6.74%. This category of expenditure is projected to grow at an annual average rate of 1.77% through fiscal year 2031. The projected average annual rate of change is 4.97% less than the five year historical annual average.

The Capital Outlay category includes items with an expected useful life of five years or more, such as land, buildings and improvements, technology, buses, vehicles, furnishings, and equipment. Many of these expenditures are funded through the Permanent Improvement Fund and are therefore not reflected in the General Fund forecast.

Historically, the District purchased one school bus annually, with state bus subsidy grants helping to offset a portion of the cost. In FY 2023 and prior years, bus purchases were funded through the General Fund. Going forward, the Permanent Improvement Fund will support a significant portion of the District's capital needs, including bus purchases. As a result, the General Fund forecast reflects only inflationary increases in capital outlay expenditures for the foreseeable future.

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 0.38% of the district's total general fund spending.

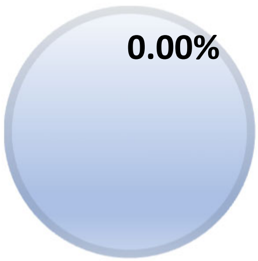
Key Assumptions & Notes

Capital Outlay represent 0.38% of total expenditures and decreased at a historical average annual amount of $42,700. This category of expenditure is projected to grow at an annual average rate of $940 through 2031. The projected average annual change is more than the five year historical annual average.

Other Objects expenditures typically remain relatively consistent and are primarily comprised of County Auditor and Treasurer fees associated with the collection of local tax revenues, as well as biennial audit costs. The increase in FY 2026 reflects a one-time District initiative to provide $100 per student toward student lunch accounts, resulting in an $87,900 expenditure. This expenditure is not expected to recur in future years.

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.

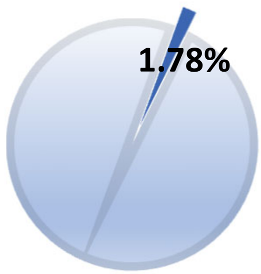
Key Assumptions & Notes

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

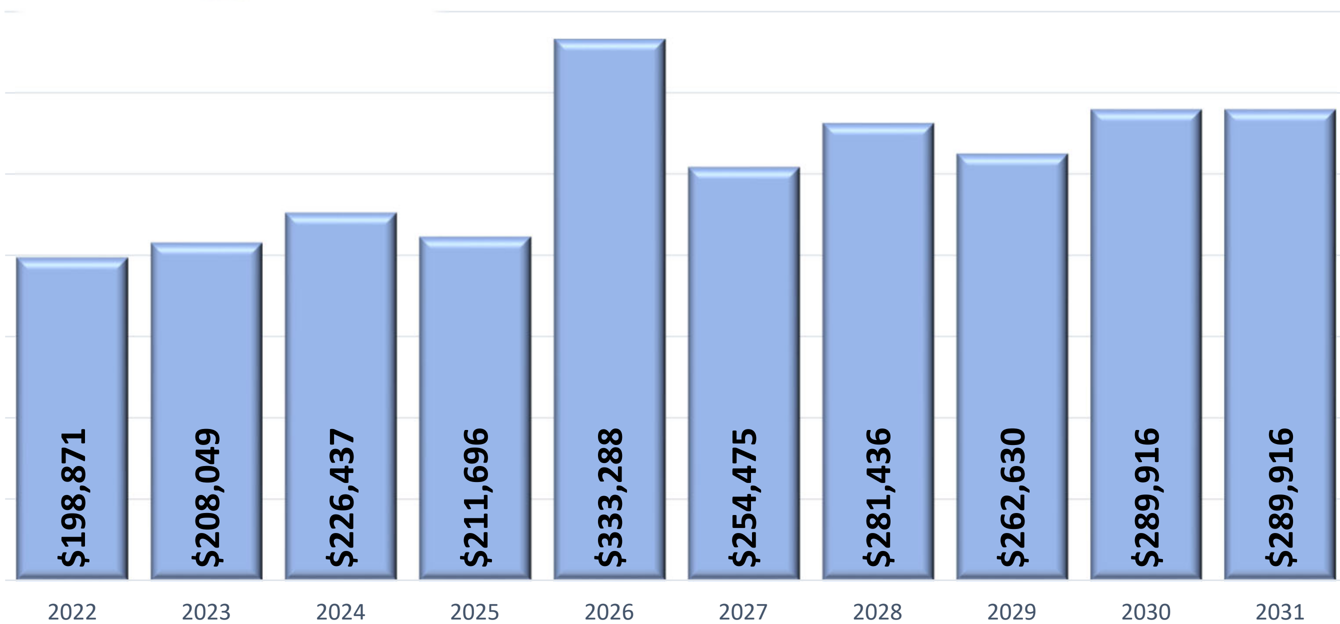
The District currently has no intergovernmental expenditures or debt obligations.

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 1.78% of the district's total general fund spending.



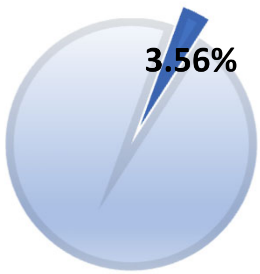
Key Assumptions & Notes

Other Objects represent 1.78% of total expenditures and increased at a historical average annual rate of 16.30%. This category of expenditure is projected to decrease at an annual average rate of 1.87% through fiscal year 2031. The projected average annual rate of change is 18.17% less than the five year historical annual average.

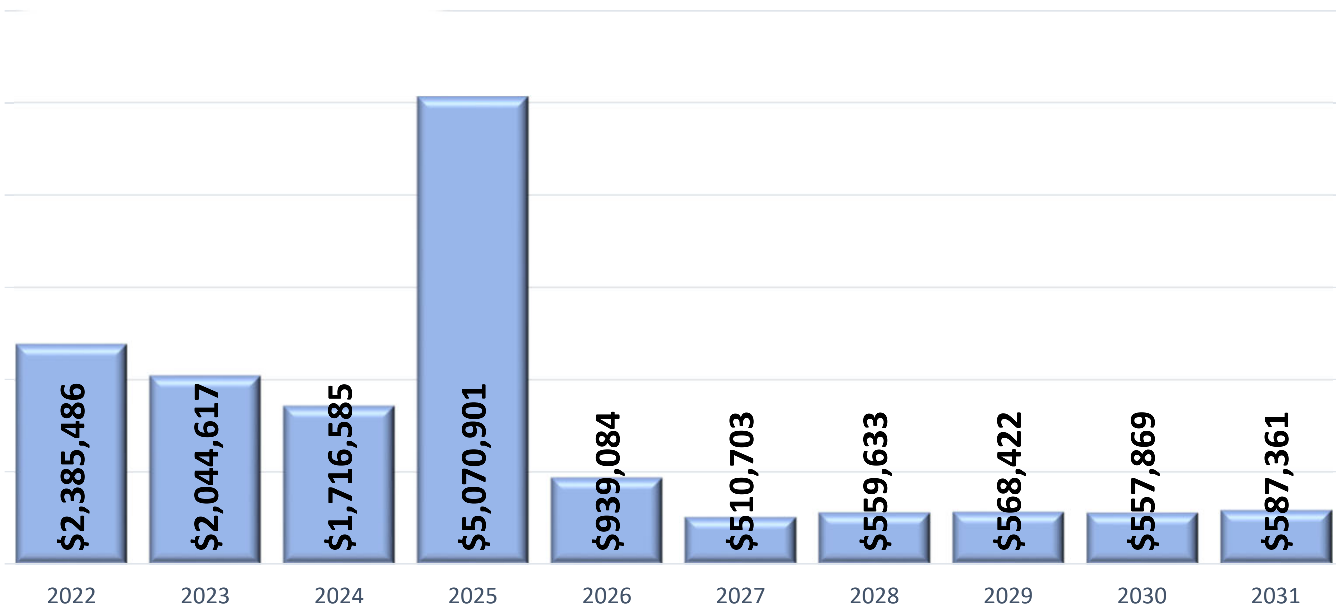
Other Objects expenditures typically remain relatively consistent and are primarily comprised of County Auditor and Treasurer fees associated with the collection of local tax revenues, as well as biennial audit costs. The increase in FY 2026 reflects a one-time District initiative to provide $100 per student toward student lunch accounts, resulting in an $87,900 expenditure. This expenditure is not expected to recur in future years.

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 3.56% of the district's total general fund spending.



Key Assumptions & Notes

		FORECASTED				
	2026	2027	2028	2029	2030	2031
Transfers Out	939,084	510,703	559,633	568,422	557,869	587,361
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.

In FY 2025, Transfers Out increased significantly as funds were transferred to the District’s capital project funds to support the master plan. Transfers are deternmined by the Districts capital improvement master plan. Once a capital improvement/spending plan is approved and project costs are established, the appropriate funds would be transferred to the District’s capital or special project funds. Transfers included in this forecast are limited to 20% of income tax revenue designated for regular maintenance needs.

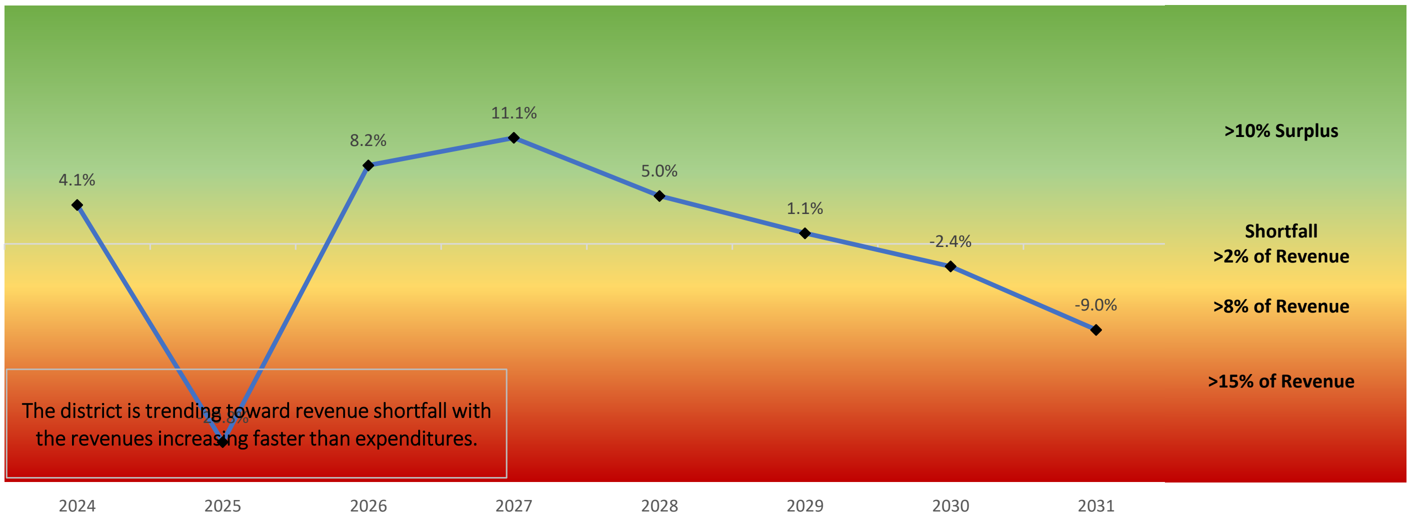
Mohawk Local School District

Five Year Forecast

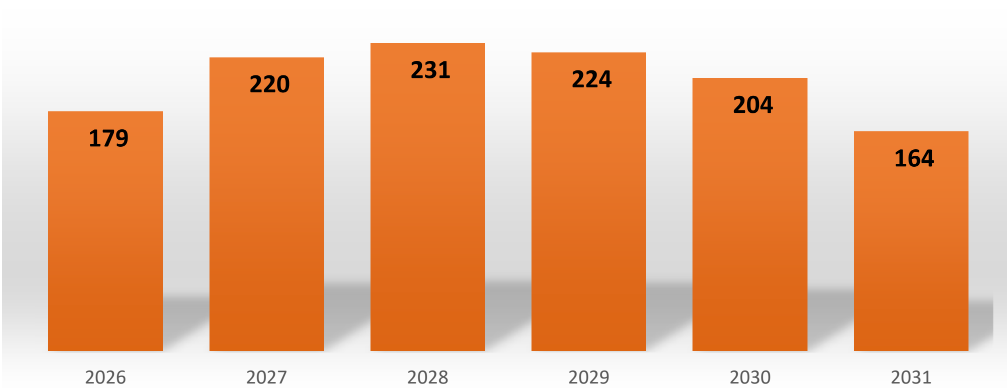
August Fiscal Year 2027

	Actual	FORECASTED				
Fiscal Year:	2026	2027	2028	2029	2030	2031
Revenue:						
1.010 - General Property Tax (Real Estate)	3,317,859	3,306,045	3,313,077	3,377,296	3,507,537	3,548,908
1.020 - Public Utility Personal Property	1,973,593	3,044,533	1,926,898	1,901,903	1,870,905	1,839,907
1.030 - Income Tax	2,384,026	2,405,397	2,462,632	2,528,622	2,604,137	2,213,516
1.035 - Unrestricted Grants-in-Aid	5,192,604	5,238,267	5,260,785	5,279,800	5,280,780	5,028,182
1.040 - Restricted Grants-in-Aid	199,147	146,094	118,781	101,314	101,890	102,497
1.050 - State Reimb Prop Tax Credits	510,420	558,020	582,390	596,047	622,827	635,258
1.060 - All Other Operating Revenues	1,582,677	1,424,963	2,040,612	2,064,173	2,093,170	2,108,170
1.070 - Total Revenue	15,160,325	16,123,319	15,705,175	15,849,155	16,081,246	15,476,438
Other Financing Sources:						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	861	1,172	1,722	1,562	1,562	861
2.050 - Advances-In	-	-	-	-	-	-
2.060 - All Other Financing Sources	-	1,130	1,141	1,153	1,164	1,164
2.070 - Total Other Financing Sources	861	2,302	2,863	2,714	2,726	2,025
2.080 - Total Rev & Other Sources	15,161,186	16,125,621	15,708,038	15,851,870	16,083,972	15,478,463
Expenditures:						
3.010 - Personnel Services	6,866,051	7,347,342	7,718,673	8,137,770	8,529,364	8,926,686
3.020 - Employee Benefits	3,480,630	3,665,351	3,967,200	4,301,127	4,656,091	5,040,601
3.030 - Purchased Services	1,768,935	1,991,318	1,848,533	1,848,041	1,861,889	1,887,800
3.040 - Supplies and Materials	470,226	504,715	486,595	499,021	511,759	511,759
3.050 - Capital Outlay	52,535	53,935	55,014	56,114	57,236	57,236
Intergovernmental & Debt Service	-	-	-	-	-	-
4.300 - Other Objects	333,288	254,475	281,436	262,630	289,916	289,916
4.500 - Total Expenditures	12,971,665	13,817,136	14,357,451	15,104,703	15,906,255	16,713,998
Other Financing Uses						
5.010 - Operating Transfers-Out	939,084	510,703	559,633	568,422	557,869	587,361
5.020 - Advances-Out	-	-	-	-	-	-
5.030 - All Other Financing Uses	-	-	-	-	-	-
5.040 - Total Other Financing Uses	939,084	510,703	559,633	568,422	557,869	587,361
5.050 - Total Exp and Other Financing Uses	13,910,749	14,327,839	14,917,084	15,673,125	16,464,124	17,301,359
6.010 - Excess of Rev Over/(Under) Exp	1,250,437	1,797,782	790,954	178,745	(380,152)	(1,822,896)
7.010 - Cash Balance July 1 (No Levies)	5,581,856	6,832,293	8,630,075	9,421,029	9,599,774	9,219,622
7.020 - Cash Balance June 30 (No Levies)	6,832,293	8,630,075	9,421,029	9,599,774	9,219,622	7,396,726
		Reservations				
8.010 - Estimated Encumbrances June 30	282,241	210,000	210,000	210,000	210,000	210,000
9.080 - Reservations Subtotal	2,080,313	2,080,313	2,080,313	2,080,313	2,080,313	2,080,313
10.010 - Fund Bal June 30 for Cert of App	4,469,739	6,339,762	7,130,716	7,309,461	6,929,309	5,106,413
Rev from Replacement/Renewal Levies						
11.010 & 11.020 - Renewal Levies		-	-	-	-	390,621
11.030 - Cumulative Balance of Levies	-	-	-	-	-	390,621
12.010 - Fund Bal June 30 for Cert of Obligations	4,469,739	6,339,762	7,130,716	7,309,461	6,929,309	5,497,034
Revenue from New Levies						
13.010 & 13.020 - New Levies		-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	4,469,739	6,339,762	7,130,716	7,309,461	6,929,309	5,497,034

Revenue Surplus/(Shortfall) - Current Forecast



Days Cash on Hand - Current Forecast

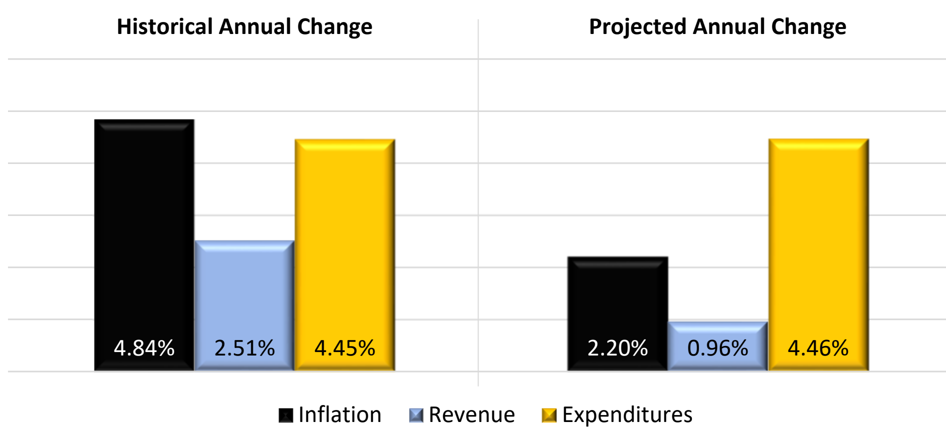


Days cash on hand is projected to decline.

based on 365 days

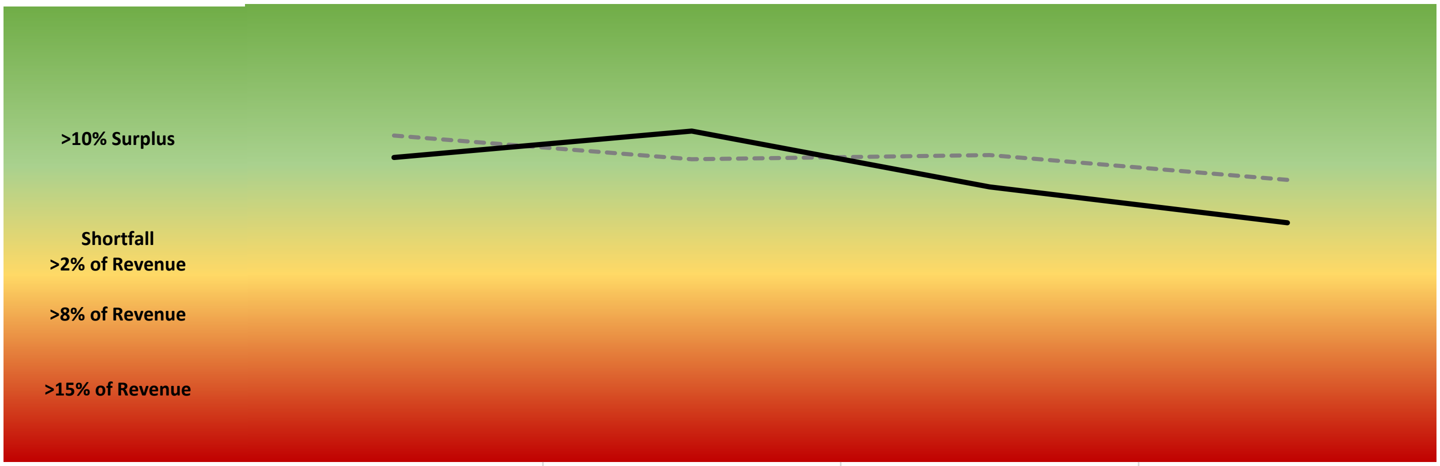
5-Year Average Annual Change - Inflation, Revenue and Expenditures

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



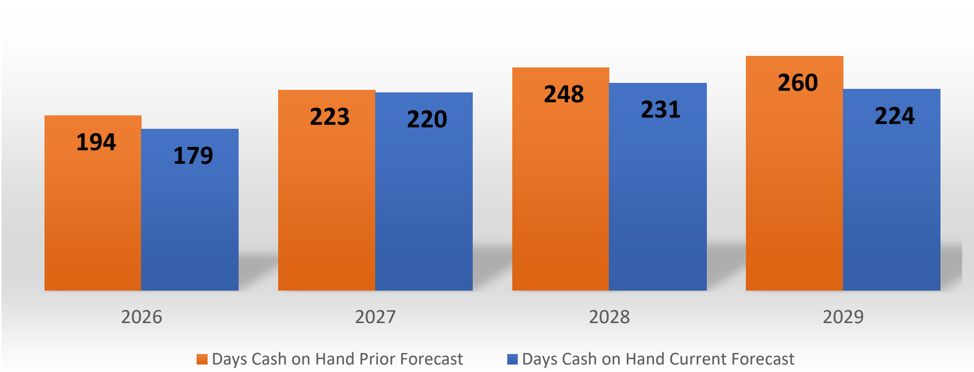
CPI (Inflation) Source: Federal Reserve Bank of St. Louis (July 1, 2026)
https://alfred.stlouisfed.org

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



	2026	2027	2028	2029
Prior Forecast	10.7%	8.1%	8.5%	5.8%
Current Forecast	8.2%	11.1%	5.0%	1.1%

Days Cash on Hand - Current Compared to Prior Forecast



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

**based on 365 days*

Revenue and Expenditure Variances - Current Compared to Prior Forecast

Revenue Variance

Cumulative Favorable Revenue Variance	**1.95%**	$1,204,667

Largest Revenue Variances

1.035,1.040 State	**-0.65%**	($399,041)
1.01 Real Estate	**0.12%**	$73,509
1.03 Income Tax	**0.45%**	$279,208
All Other Revenue Categories	**2.03%**	$1,250,992

The current revenue forecast is up by 1.95% compared to the prior forecast.

NET cumulative forecast impact for the forecast period 2026 - 2029 of Revenue and Expense variances is -2.05% (or -$1,058,688).

Expenditure Variance

4.00%	$2,263,355	Cumulative Unfavorable Expenditure Variance

Largest Expenditure Variances

2.14%	$1,163,888	3.01 Salaries
1.76%	$959,033	3.02 Benefits
-1.15%	($626,900)	3.03 Purchased Serv.
1.41%	$767,334	All Other Expenditure Categories

The current forecast for expenditures is up by 4.00% compared to the prior forecast.

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	5.00	5.00	5.00
Effective Outside Millage	15.00	15.00	15.00
Effective Inside + Outside Millage	20.00	20.00	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	Yes	Yes	Yes
Class I Combined Change	1.9%	10.9%	8.6%
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	1.86%	10.86%	8.60%
Outside Millage Reduction	(0.00)	(0.00)	(0.00)
Percentage Change in Millage	0.00%	0.00%	0.00%
Taxpayer Credits	**TY 2024**	**TY 2025**	**TY 2026**
If at the floor and exceeded GDP-D Growth	.	$ (173,277)	$ (504,888)

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
	$ (210,265)	$ (32,357)

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	Yes	Yes	No
Percent of District in Reappraisal/Update	0.00%	0.00%	0.00%	0.00%	0.00%
Class I Combined Change	8.4%	0.5%	4.1%	4.8%	0.0%
GDP-D	9.15%	8.00%	8.05%	7.65%	7.50%

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

	TY 2026	TY 2027	TY 2028	TY 2029	TY 2030
Inside Millage Class I & II*	5.00	5.00	5.00	5.00	5.00
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	15.00	15.00	15.00	15.00	15.00
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%
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	$ (504,888)	$ (545,513)	$ (602,747)	$ (645,782)	$ (645,782)

***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	$ (210,265)	$ (32,357)	$ (173,277)

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.