Akron City School District

Fiscal Year 2027 August

Financial Forecast Report

Prepared By:

Treasurer/CFO

Akron City School District

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Forecast Purpose/Objectives

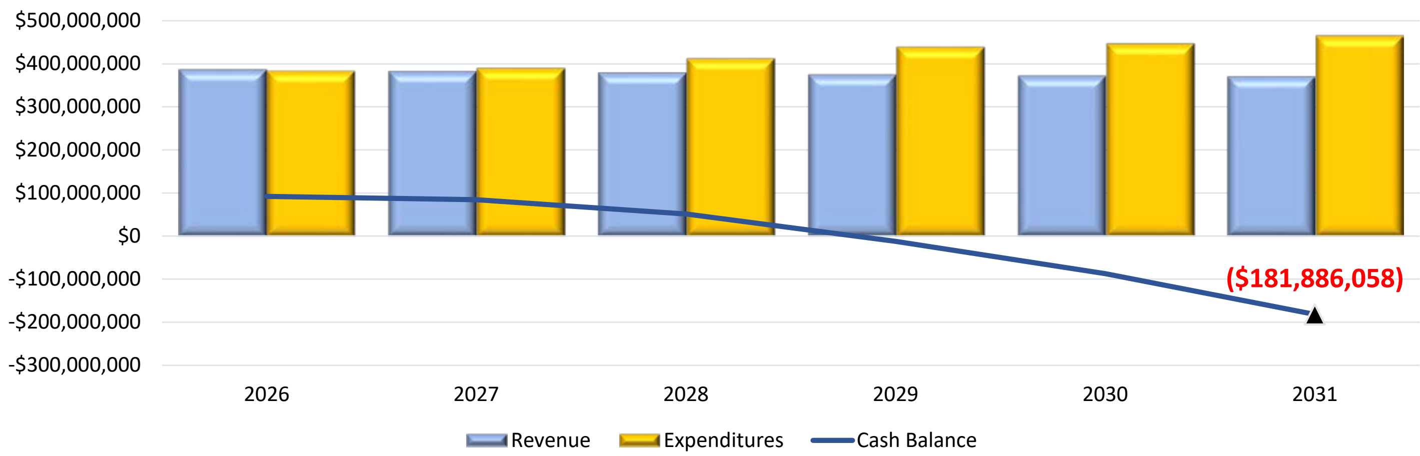
Ohio Department of Education and Workforce's purposes/objectives for the financial forecast are:

1. To engage the local board of education and the community in the long range planning and discussions of financial issues facing the school district.
2. To serve as a basis for determining the school district's ability to sign the certificate required by O.R.C. §5705.412, commonly known as the "412 certificate."
3. To provide a method for the Department of Education and Auditor of State to identify school districts with potential financial problems.

Forecast Methodology

This forecast is prepared based upon historical trends and current factors. This information is then extrapolated into estimates for subsequent years. The forecast variables can change multiple times throughout the fiscal year, and while cash flow monitoring helps to identify unexpected variances, no process is guaranteed. The intent is to provide the district's financial trend over time and a roadmap for decisions aimed at encouraging financial sustainability and stability.

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*	92,143,258	84,739,062	51,554,604	(12,197,940)	(87,065,839)
+ Revenue	383,183,103	380,428,665	375,788,400	373,017,576	371,372,319
- Expenditures	(390,587,298)	(413,613,124)	(439,540,944)	(447,885,474)	(466,192,538)
= Revenue Surplus or Deficit	(7,404,195)	(33,184,459)	(63,752,544)	(74,867,899)	(94,820,219)
Line 7.020 Ending Balance with Renewal/New Levies	84,739,062	51,554,604	(12,197,940)	(87,065,839)	(181,886,058)

Financial Summary Notes

Expenditure growth is projected to outpace revenue change. By the end of 2031, the cash balance is projected to decline by a total of $274,029,315 compared to 2026. For fiscal year 2031, expenditures are currently projected to exceed revenue, resulting in a revenue shortfall the final year of the forecast period.

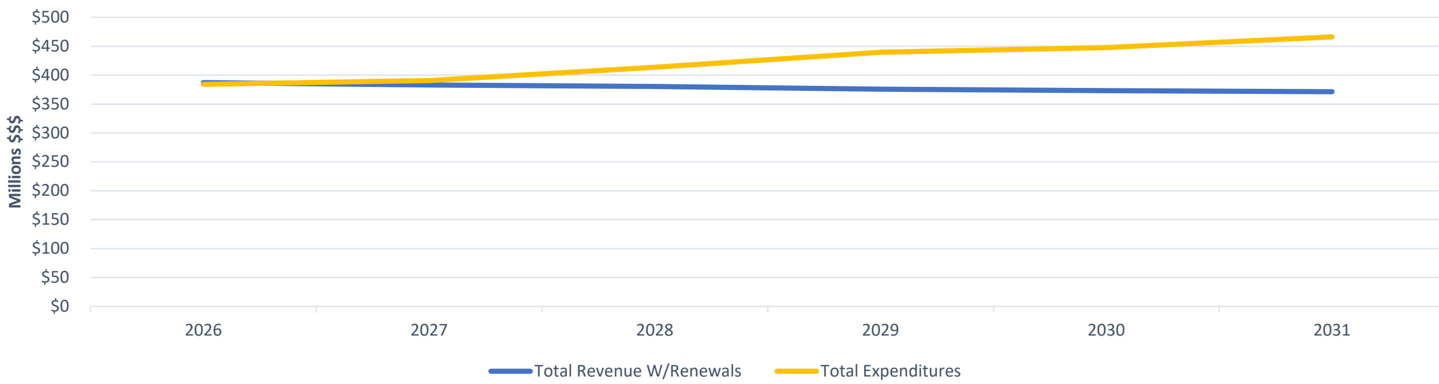
For revenue, projected change is expected to be less than the historical average. Annually, on average, over the past five years, revenue increased by 4.41% ($14,922,896 annually). However, it is projected to decrease by -0.83% (-$3,151,773 annually) through fiscal year 2031. Notably, Real Estate, is expected to be $8,262,917 less per year compared to history, and is the biggest driver of trend change on the revenue side.

For expenses, projected change is forecasted to increase at a faster pace than the historical trend. Expenditures increased by 3.07% ($11,002,815, on average, annually) during the past 3-year period, and are projected to increase by 3.96% ($16,403,656 annually) through 2031. The forecast line with the most change on the expense side, Purchased Services, is anticpated to be $4,622,005 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)	*518,152*	*600,000*	*600,000*	*600,000*	*600,000*

Forecast Analysis

Revenue Compared to Expenditures

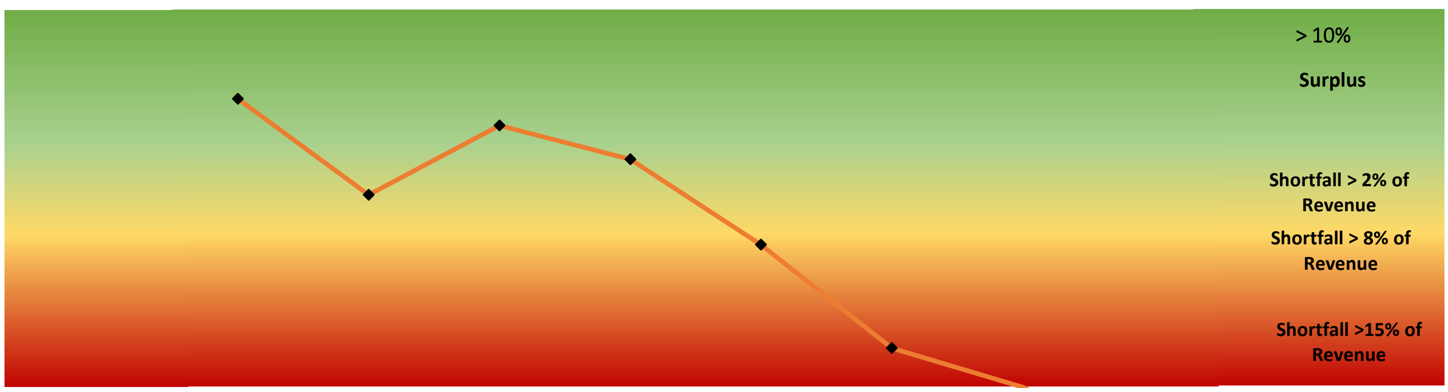


From 2027 to 2031, total revenues are projected to change by -0.83%

Expenditure change is expected to outpace revenue change.

From 2027 to 2031, total expenses are projected to change by 3.96%

Revenue Surplus/(Shortfall) as a Percentage of Revenue

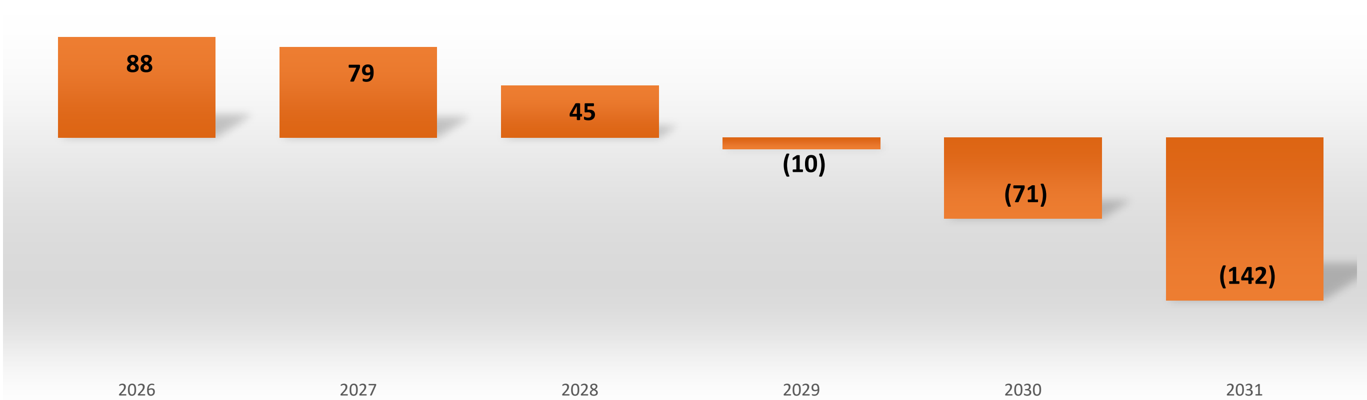


Current Forecast Surplus/(Shortfall)	2025	2026	2027	2028	2029	2030	2031
	-4.8%	.8%	-1.9%	-8.7%	-17.%	-20.1%	-25.%

The district is trending toward revenue shortfall with the expenditures growing faster than revenue.
A revenue increase of 20.07% is needed to balance the budget in fiscal year 2031, or a $94,820,219 reduction in expenditures.

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

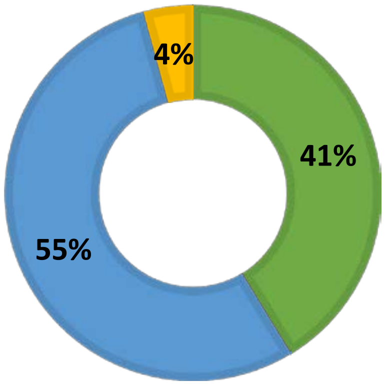
Days Cash on Hand at Fiscal Year-end



based on 365 days

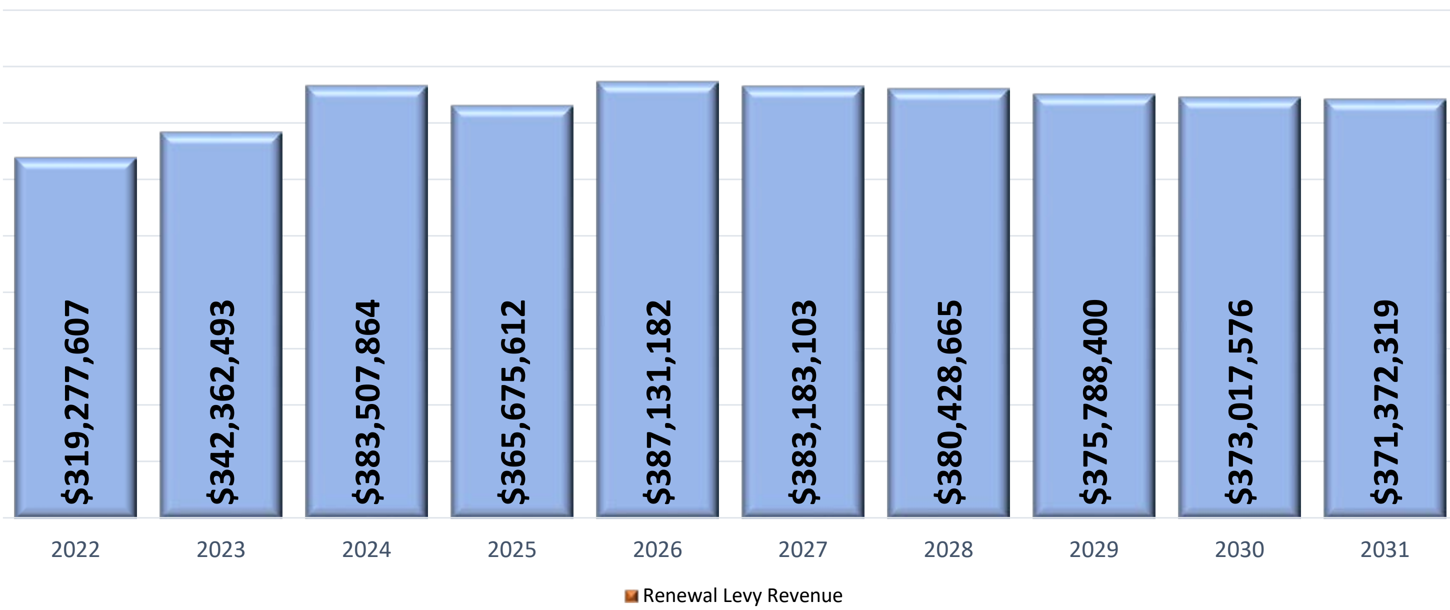
Revenue Overview

Revenue Sources



Local Taxes	
Real Estate Tax	36.29%
Public Utility Tax	4.99%
Income Tax	0.00%
State Sources	
State Funding	42.46%
Restricted Aid	8.41%
State Reimb Prop Tax Cr	3.60%
All Other Revenue	
Other Revenue	4.20%
Other Sources	0.05%

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	$8,665,785	$402,868	($8,262,917)
Public Utility	$1,443,994	$423,089	($1,020,905)
Income Tax	$0	$0	$0
State Funding	$5,262,422	($2,402,640)	($7,665,062)
State Reimb Prop Tax Credits	$117,094	$53,675	($63,419)
All Othr Op Rev	$2,823,331	($1,626,493)	($4,449,823)
Other Sources	($3,389,729)	($2,272)	$3,387,457
Total Average Annual Change	$14,922,896	($3,151,773)	($18,074,669)
	4.41%	-0.83%	-5.24%

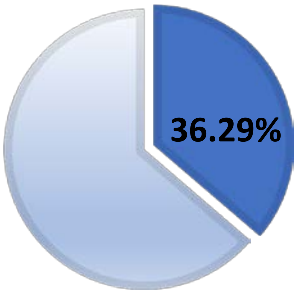
Annually, on average, over the past five years, revenue increased by 4.41% ($14,922,896 annually). However, it is projected to decrease by -0.83% (-$3,151,773 annually) through fiscal year 2031. Notably, Real Estate, is expected to be $8,262,917 less per year compared to history, and is the biggest driver of trend change on the revenue side.

For Comparison:

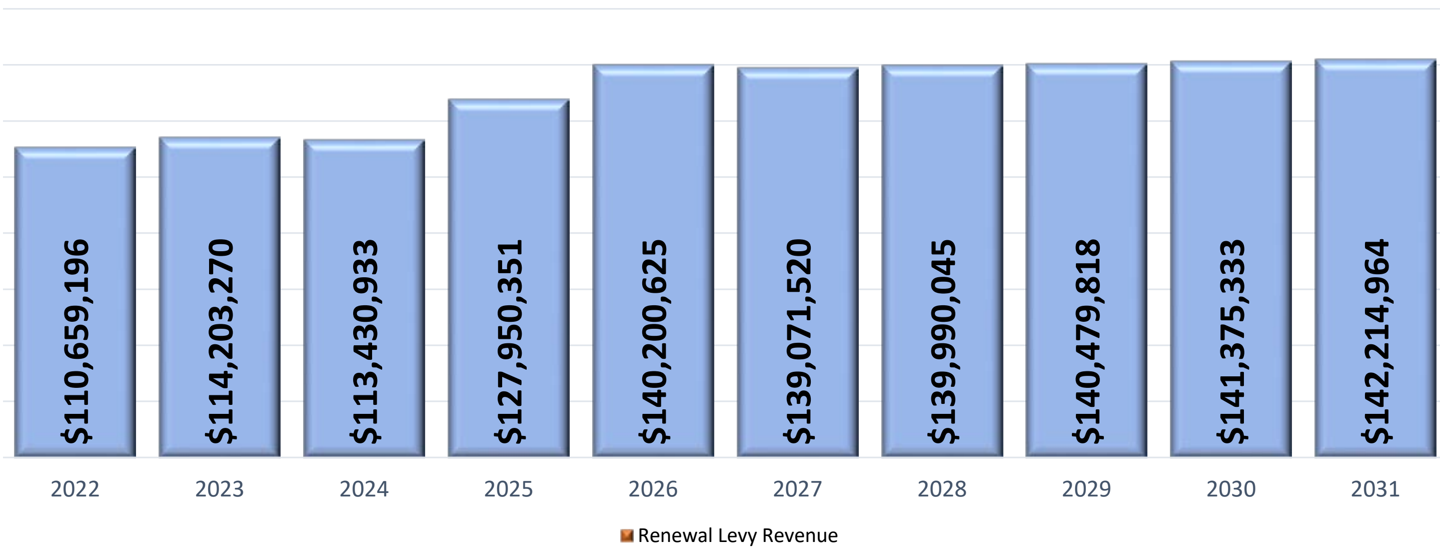
Expenditure average annual change is projected to be > $16,403,656 On an annual average basis, expenditures are projected to grow faster than revenue.

1.010 - General Property Tax (Real Estate)

Revenue collected from taxes levied by a school district by the assessed valuation of real property using effective tax rates for class I (residential/agricultural) and class II (business).



Real estate property tax revenue accounts for 36.29% of total district general fund revenue.



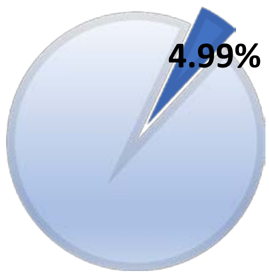
Key Assumptions & Notes

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	3,279,875,593	(895,677)	42.08	-	63.06	-	98.3%
2026	3,697,875,593	418,000,000	37.00	(5.08)	60.39	(2.67)	98.3%
2027	3,697,875,593	0	37.06	0.06	60.60	0.21	98.3%
2028	3,697,875,593	0	37.12	0.06	60.80	0.21	98.3%
2029	3,915,875,593	218,000,000	34.96	(2.16)	60.13	(0.67)	98.3%
2030	3,915,875,593	0	35.01	0.05	60.33	0.20	98.3%

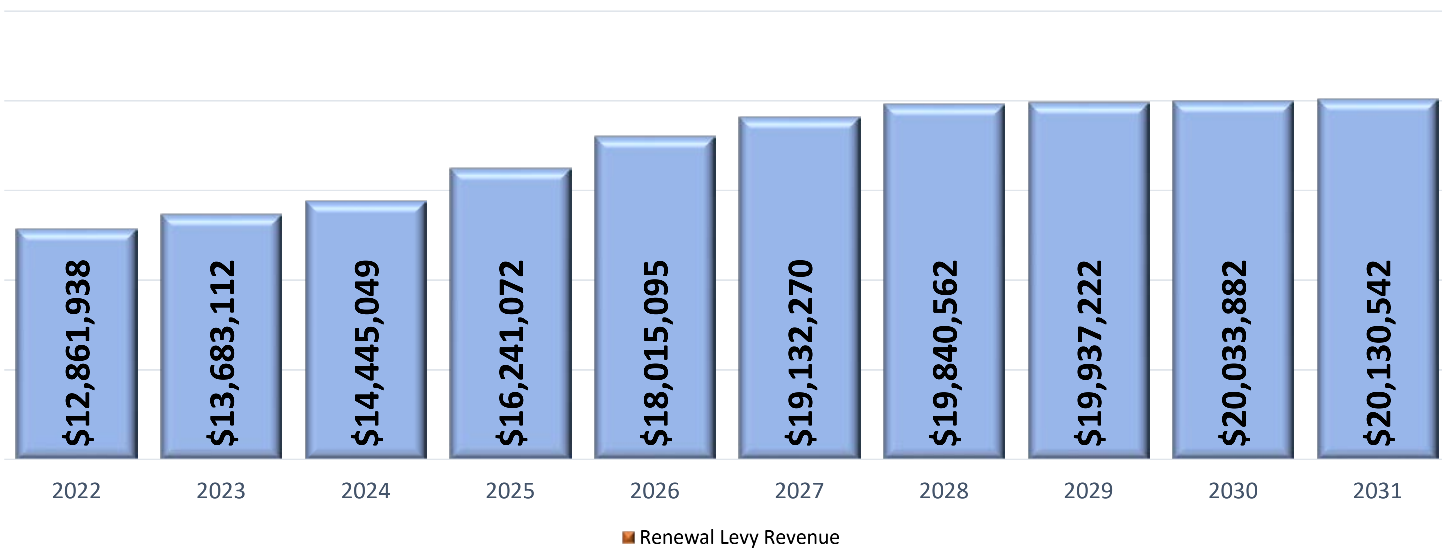
Class I, or residential/agricultural taxes make up approximately 63.44% of the real estate property tax revenue. The Class I tax rate is 37.00 mills in tax year 2026. The projections reflect an average gross collection rate of 98.3% annually through tax year 2030. The revenue changed at an average annual historical rate of 7.23% and is projected to change at an average annual rate of 0.29% through fiscal year 2031.

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 4.99% of total district general fund revenue.



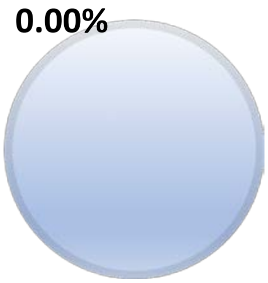
Key Assumptions & Notes

Values and Tax Rates					Gross Collection Rate Including Delinquencies
Tax Year	Valuation	Value Change	Full Voted Rate	Change	
2025	235,885,045	12,296,835	83.60	-	93.6%
2026	240,585,046	4,700,001	83.46	(0.14)	98.6%
2027	241,760,046	1,175,000	83.46	-	98.6%
2028	242,935,046	1,175,000	83.46	-	98.6%
2029	244,110,046	1,175,000	83.46	-	98.6%
2030	245,285,046	1,175,000	83.46	-	98.6%

The public utility personal property tax revenue is generated from the personal property values, additions, and depreciation reported by the utility companies. The property is taxed at the full voted tax rate which in tax year 2026 is 83.46 mills. The forecast is modeling an average gross collection rate of 98.57%. The revenue changed historically at an average annual dollar amount of $1,443,994 and is projected to change at an average annual dollar amount of $423,089 through fiscal year 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.



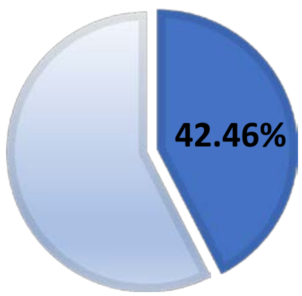
School District Income Tax revenue accounts for 0.00% of total district general fund revenue.

Key Assumptions & Notes

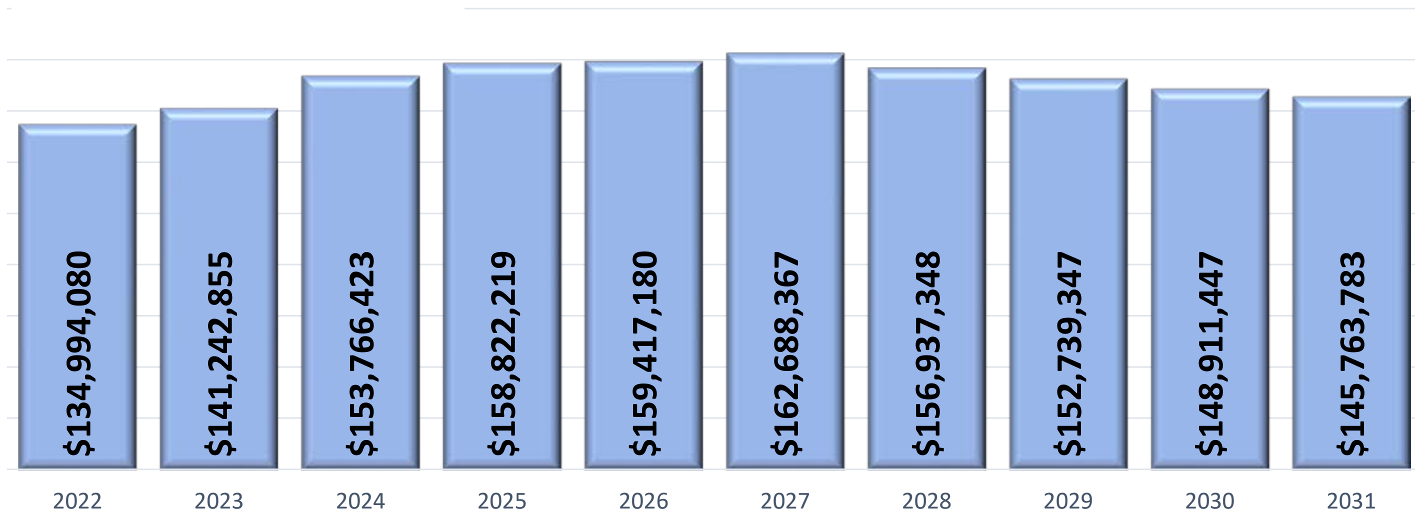
The district does not have an income tax levy.

1.035 - Unrestricted Grants-in-Aid

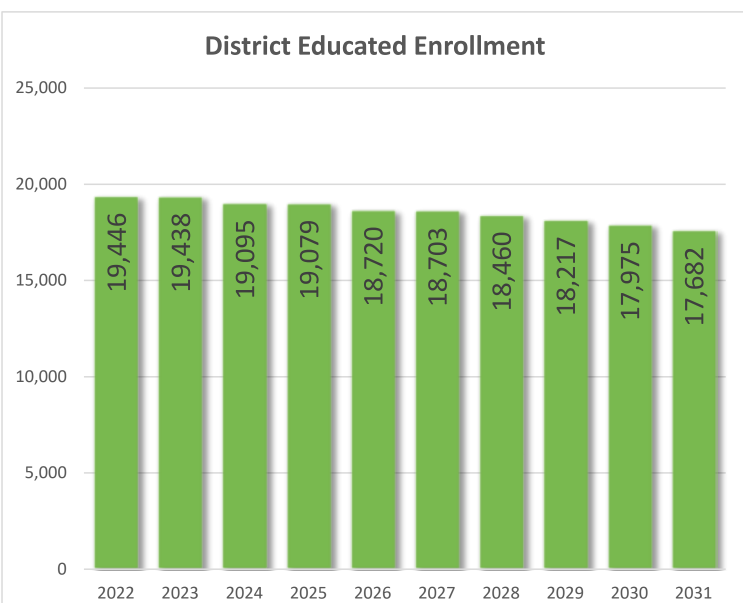
Funds received through the State Foundation Program with no restriction.



Unrestricted State Aid revenue accounts for 42.46% 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.

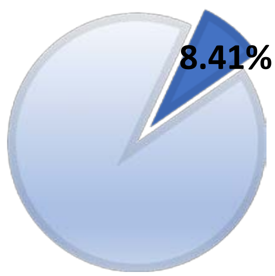
For Akron City School District, the calculated Base Cost total is $155,283,464 in 2027.

The State's Share of the calculated Base Cost total is $98,489,324, or $5,266 per pupil.

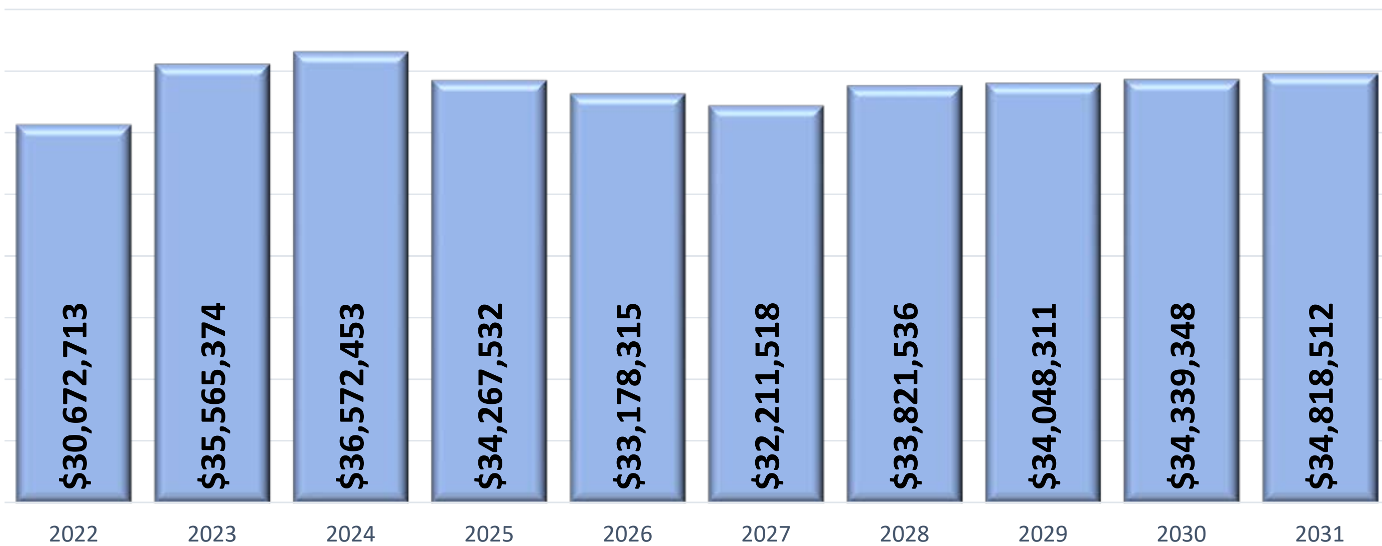
The FSFP also started funding students where they attended school. Therefore district educated enrollment is now used for per pupil funding. At the same time, the FSFP eliminated tuition transfer payments from school districts, which impacts the expense side of the forecast.

1.040 & 1.045 - Restricted Grants-in-Aid

Funds received through the State Foundation Program or other allocations that are restricted for specific purposes.



Restricted State Aid revenue accounts for 8.41% of total district general fund revenue.

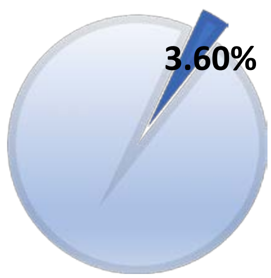


Key Assumptions & Notes

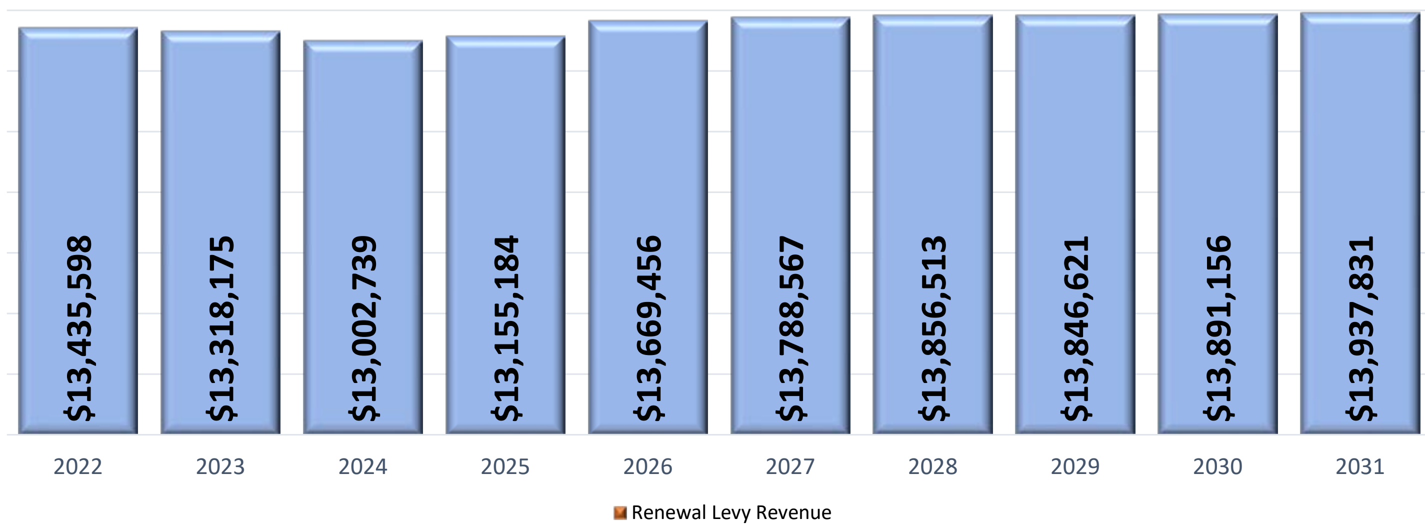
Restricted aid is the portion of state per pupil funding that must be classifed as restricted use. Historically the district's restricted state aid changed annually on average by -$795,686 and is projected to change annually on average by $328,039. Restricted funds represent 8.41% of the district's total 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 $4,660,343. 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 3.60% of total district general fund revenue.

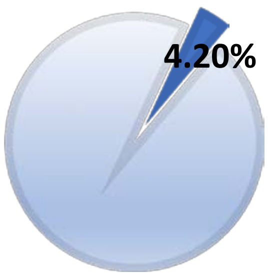


Key Assumptions & Notes

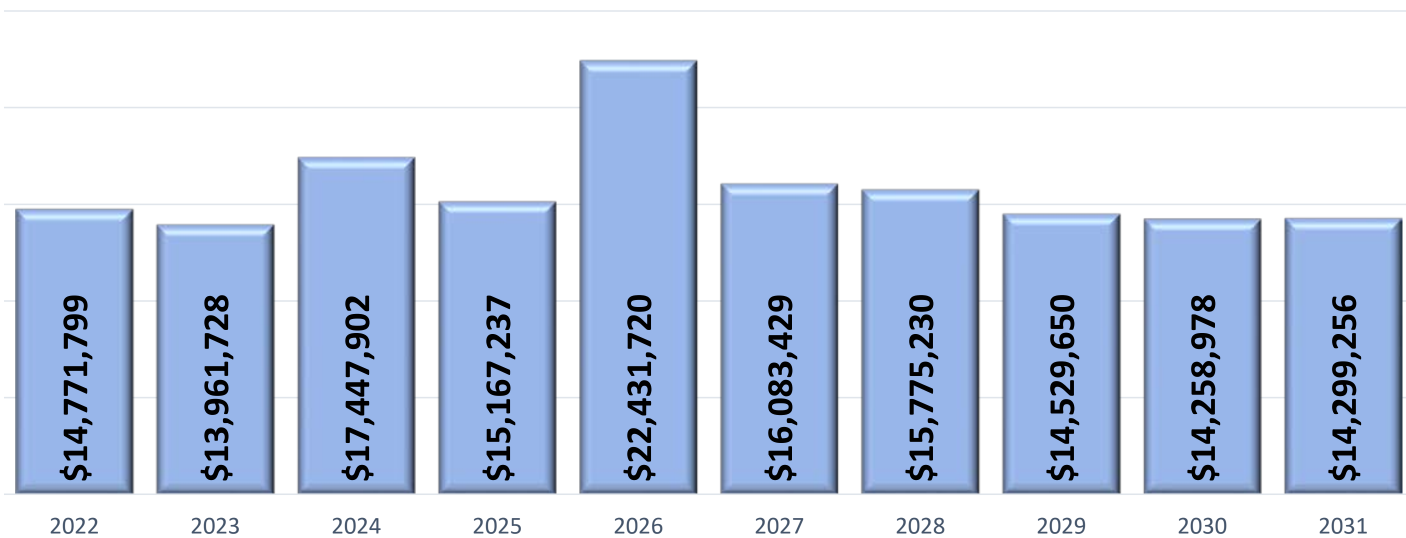
State Reimbursement of Property Tax Credits primarily consists of reimbursements from the state of Ohio for local taxpayer credits or reductions to their tax bill. The state reduces the local taxpayer's tax bill with a 10% rollback credit, and 2.5% owner-occupied rollback credit, plus a homestead credit for qualifying taxpayers. In fiscal year 2027, approximately 9.6% local residential property taxes will be reimbursed by the state in the form of rollback credits and approximately 3.4% 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 4.20% of total district general fund revenue.

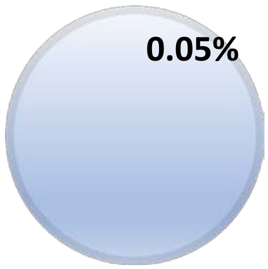


Key Assumptions & Notes

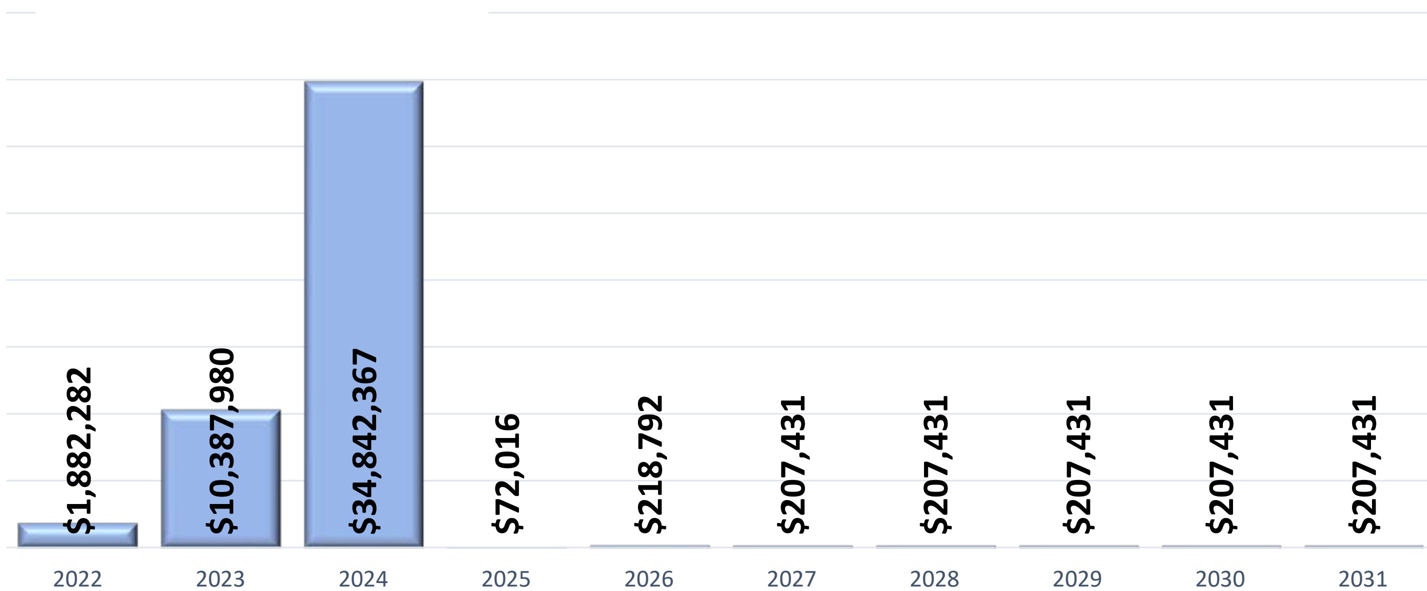
Other revenue includes tuition received by the district for non-resident students educated by the district. It also includes interest income, payments in lieu of taxes, and miscellaneous revenue. The historical average annual change was $2,823,331. The projected average annual change is -$1,626,493 through fiscal year 2031.

2.070 - Total Other Financing Sources

Includes proceeds from sale of notes, state emergency loans and advancements, operating transfers-in, and all other financing sources like sale and loss of assets, and refund of prior year expenditures.



Other Sources of revenue accounts for 0.05% of total district general fund revenue.



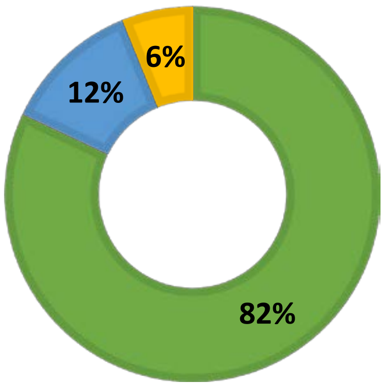
Key Assumptions & Notes

		FORECASTED				
	2026	2027	2028	2029	2030	2031
Transfers In	28,679	16,795	16,795	16,795	16,795	16,795
Advances In	-	-	-	-	-	-
All Other Financing Sources	190,114	190,636	190,636	190,636	190,636	190,636

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 $190,636 in 2027 and average $190,636 annually through 2031.

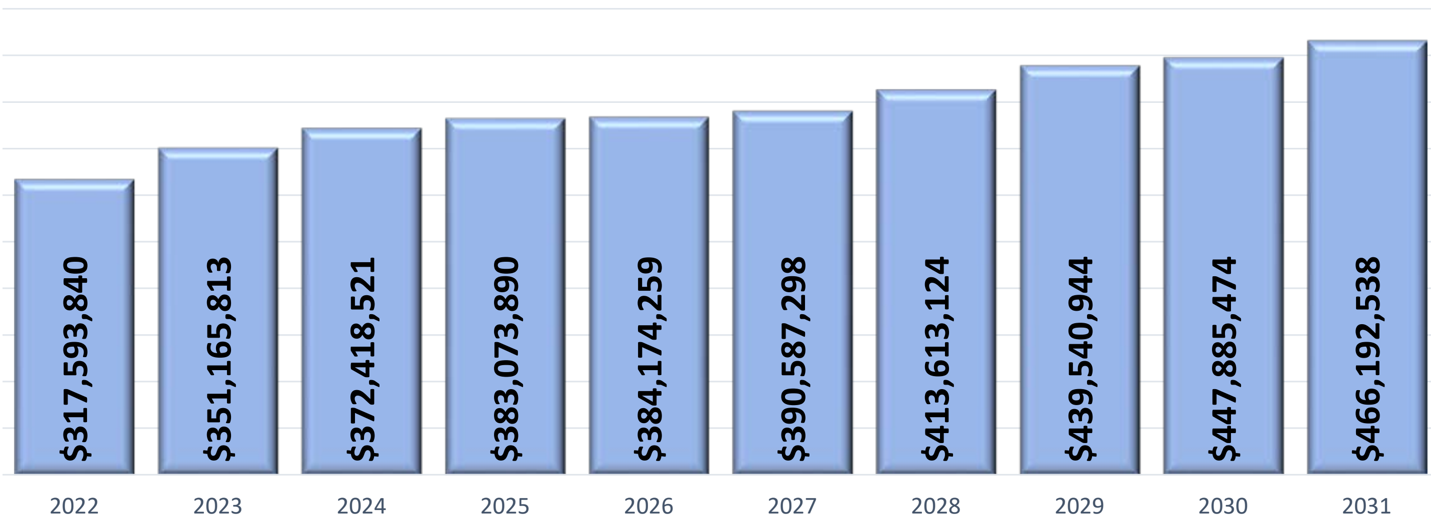
Expenditure Overview

Expenditure Categories



Personnel Costs	
Salaries	56.57%
Benefits	25.46%
Purchased Services	11.87%
All Other Expenditures	
Supplies, Capital, Debt, Other Obj	5.96%
Other Uses	0.15%

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	$2,867,114	$6,447,026	$3,579,912
Benefits	$3,947,142	$8,298,608	$4,351,466
Purchased Services	$4,811,187	$189,183	($4,622,005)
Supplies & Materials	($1,159,431)	$670,853	$1,830,284
Capital Outlay	($904,963)	$469,084	$1,374,046
Intergov & Debt	$700,040	$108,156	($591,884)
Other Objects	$764,382	$206,879	($557,503)
Other Uses	($22,656)	$13,867	$36,523
Total Average Annual Change	$11,002,815	$16,403,656	$5,400,840
	3.07%	3.96%	0.90%

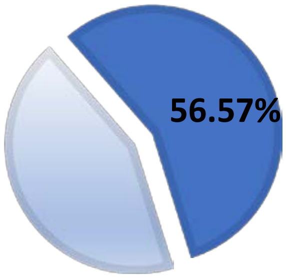
Expenditures increased by 3.07% ($11,002,815, on average, annually) during the past 3-year period, and are projected to increase by 3.96% ($16,403,656 annually) through 2031. The forecast line with the most change on the expense side, Purchased Services, is anticpated to be $4,622,005 less per year in the projected period compared to historical averages.

For Comparison:

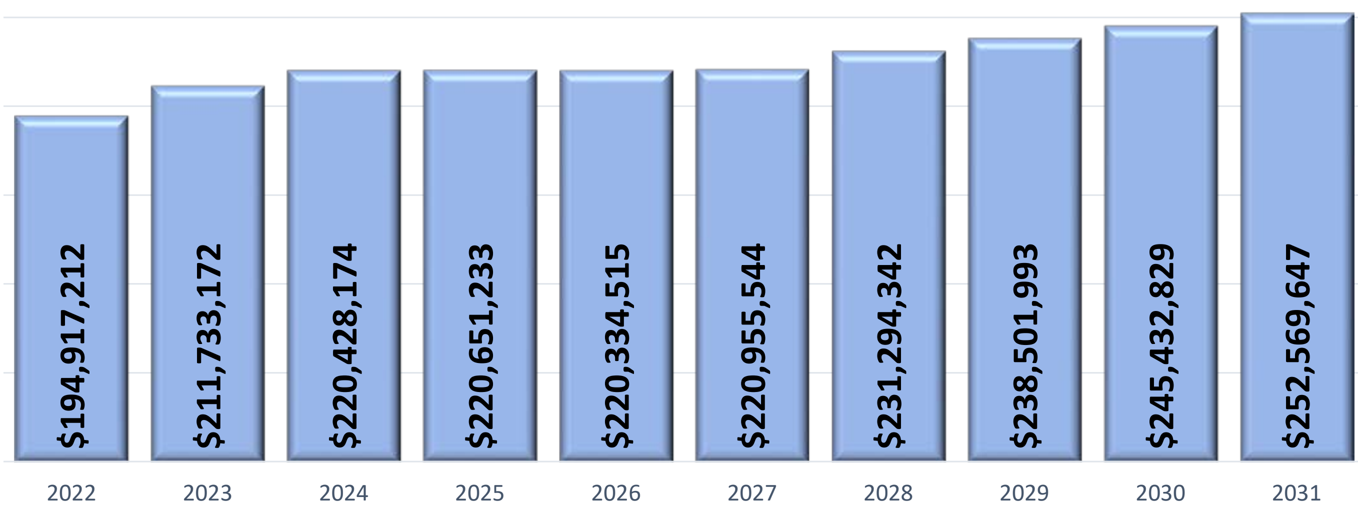
Revenue average annual change is projected to be > ($3,151,773) On an annual average basis, revenues are projected to contract while expenditures grows

3.010 - Personnel Services

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



Salaries account for 56.57% of the district's total general fund spending.

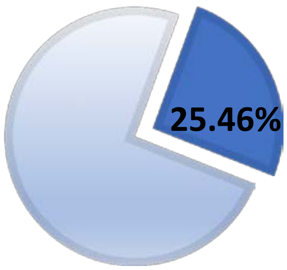


Key Assumptions & Notes

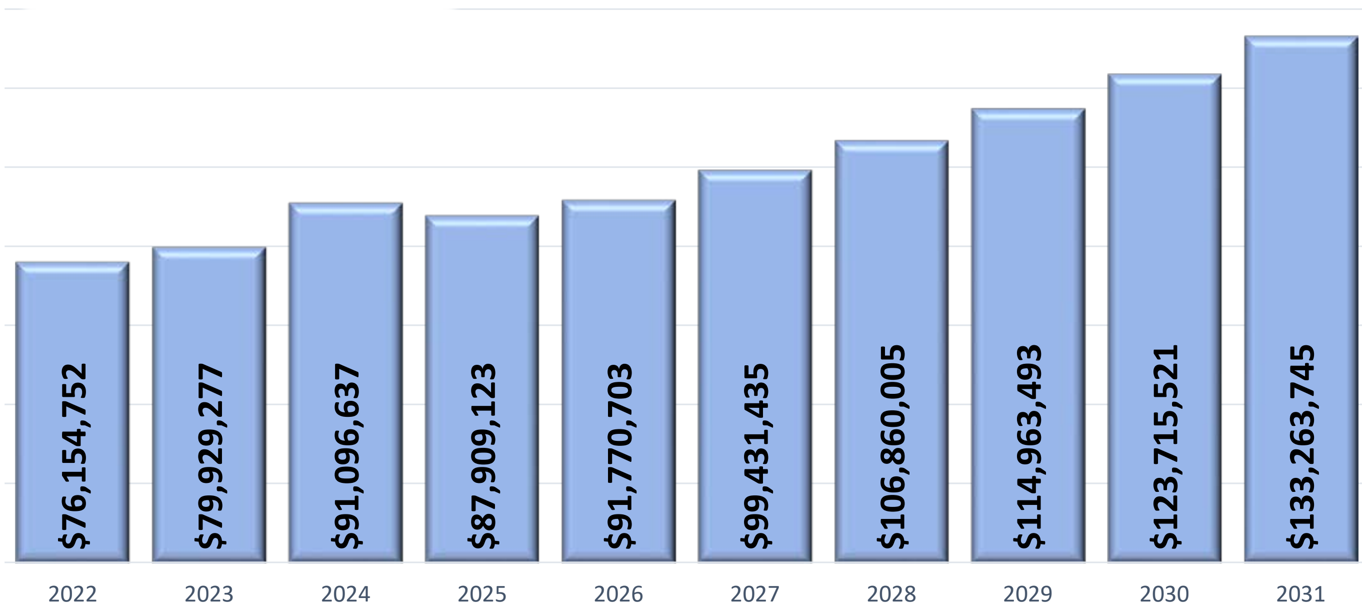
Salaries represent 56.57% of total expenditures and increased at a historical average annual rate of 1.35% (or $2,867,114). This category of expenditure is projected to grow at an annual average rate of 2.78% (or $6,447,026) through fiscal year 2031. The projected average annual rate of change is 1.42% more than the five year historical annual average.

3.020 - Employees' Benefits

Retirement for all employees, Workers Compensation, early retirement incentives, Medicare, unemployment, pickup on pickup, and all health-related insurances.



Benefits account for 25.46% of the district's total general fund spending.

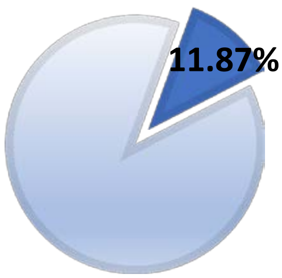


Key Assumptions & Notes

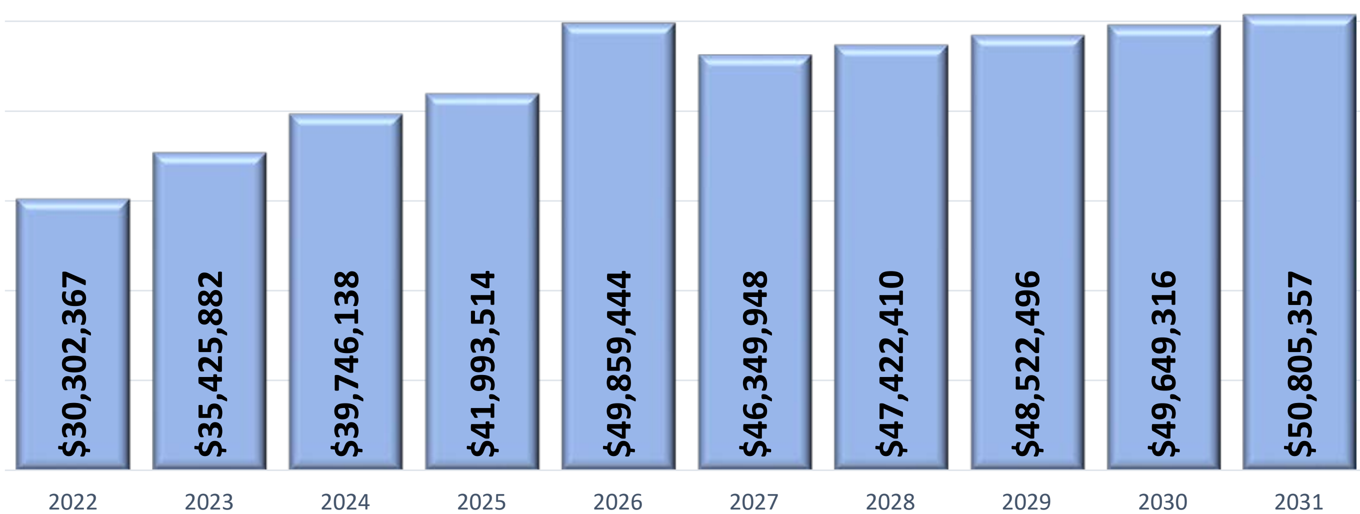
Benefits represent 25.46% of total expenditures and increased at a historical average annual rate of 4.96%. This category of expenditure is projected to grow at an annual average rate of 7.75% through fiscal year 2031. The projected average annual rate of change is 2.79% more than the five year historical annual average.

3.030 - Purchased Services

Amounts paid for services rendered by personnel who are not on the payroll of the school district, expenses for tuition paid to other districts, utility costs and other services which the school district may purchase.



Purchased Services account for 11.87% of the district's total general fund spending.

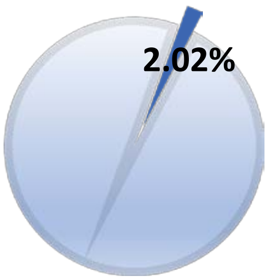


Key Assumptions & Notes

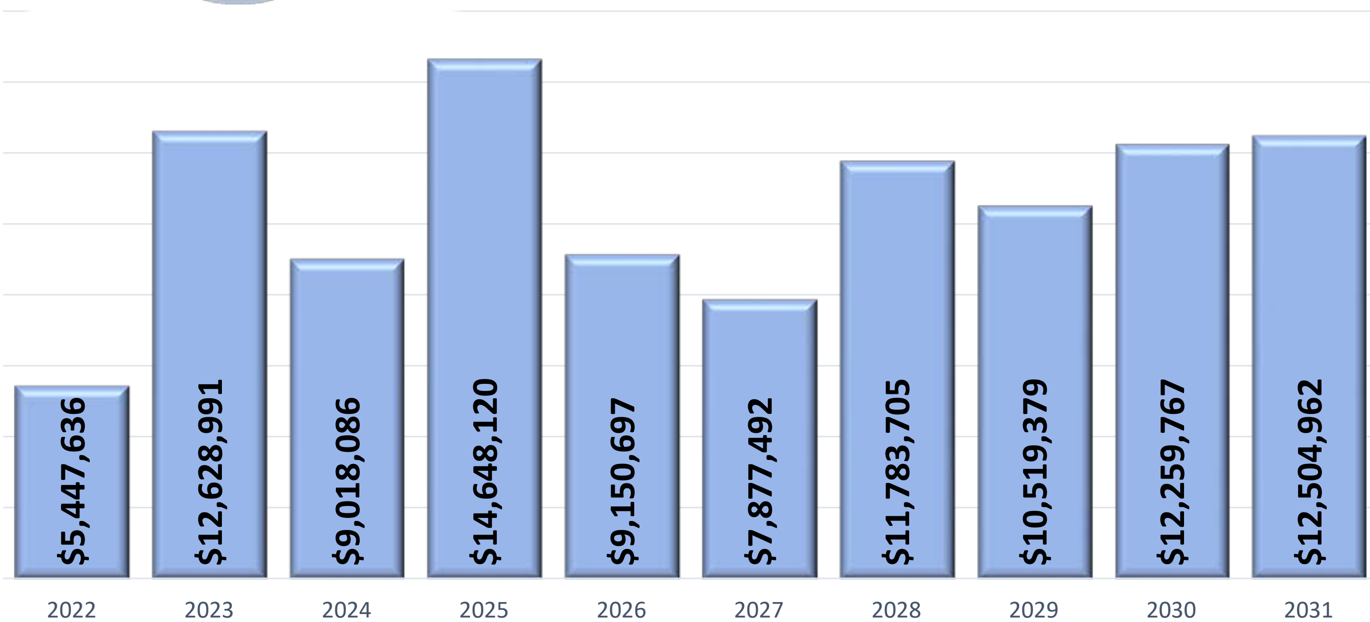
Purchased Services represent 11.87% of total expenditures and increased at a historical average annual rate of 12.19%. This category of expenditure is projected to grow at an annual average rate of 0.45% through fiscal year 2031. Starting in 2022, the Fair School Funding Plan (State Funding) only accounted 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.

3.040 - Supplies & Materials

Expenditures for general supplies, instructional materials including textbooks and media material, bus fuel and tires, and all other maintenance supplies.



Supplies and Materials account for 2.02% of the district's total general fund spending.

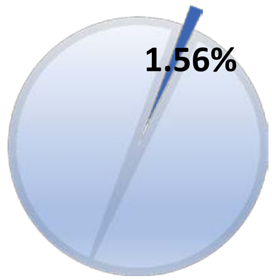


Key Assumptions & Notes

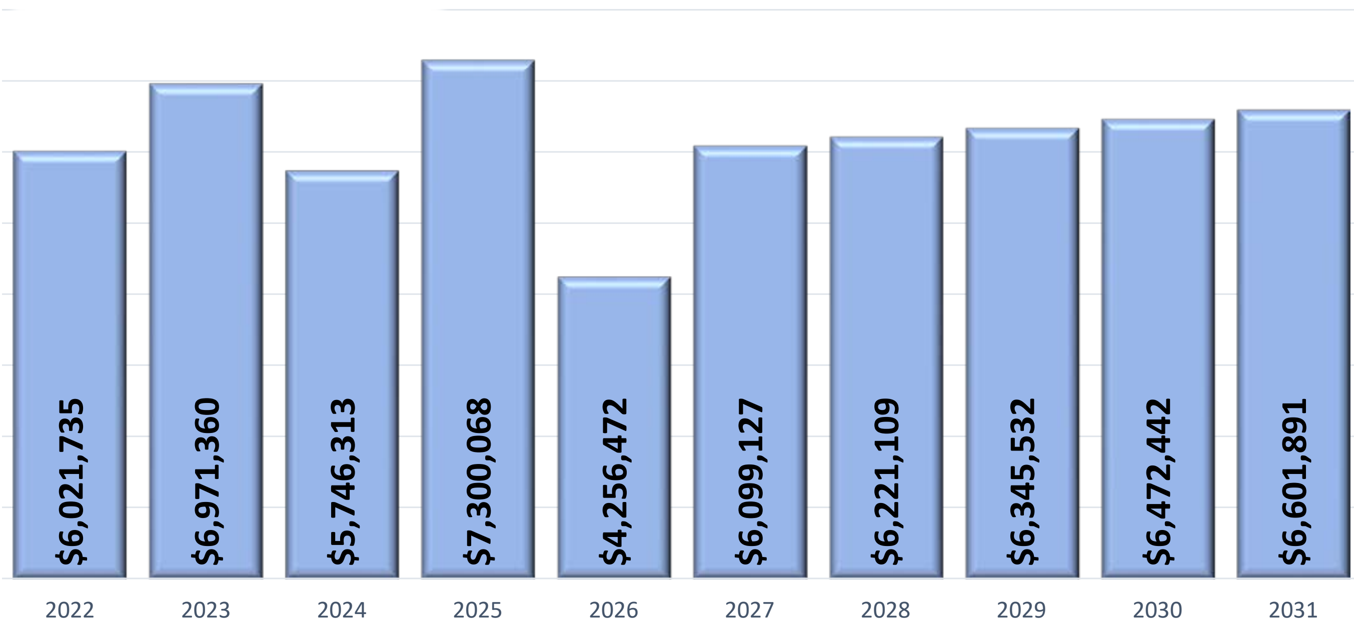
Supplies & Materials represent 2.02% of total expenditures and decreased at a historical average annual rate of 1.23%. This category of expenditure is projected to grow at an annual average rate of 8.70% through fiscal year 2031. The projected average annual rate of change is 9.93% more than the five year historical annual average.

3.050 - Capital Outlay

This line includes expenditures for items having at least a five-year life expectancy, such as land, buildings, improvements of grounds, equipment, computers/technology, furnishings, and buses.



Capital Outlay account for 1.56% of the district's total general fund spending.

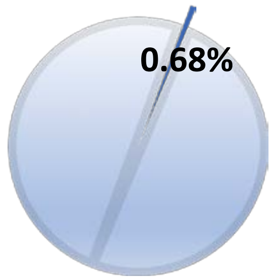


Key Assumptions & Notes

Capital Outlay represent 1.56% of total expenditures and decreased at a historical average annual amount of $904,963. This category of expenditure is projected to grow at an annual average rate of $469,084 through 2031. The projected average annual change is more than the five year historical annual average.

3.060-4.060 - Intergovernmental & Debt

These lines account for pass through payments, as well as monies received by a district on behalf of another governmental entity, plus principal and interest payments for general fund borrowing.



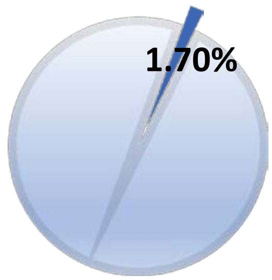
Intergovernmental and Debt account for 0.68% of the district's total general fund spending.

Key Assumptions & Notes

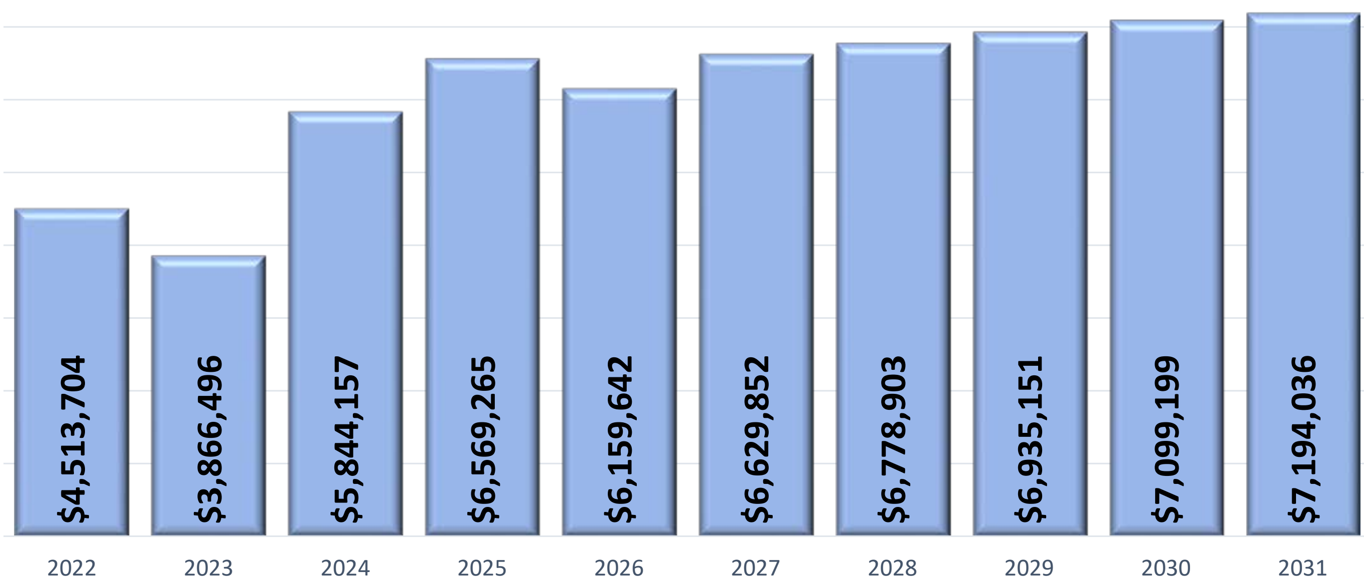
The Intergovernmental/Debt expenditure category details general fund debt issued by the District.

4.300 - Other Objects

Primary components for this expenditure line are membership dues and fees, ESC contract deductions, County Auditor/Treasurer fees, audit expenses, and election expenses.



Other Objects account for 1.70% of the district's total general fund spending.

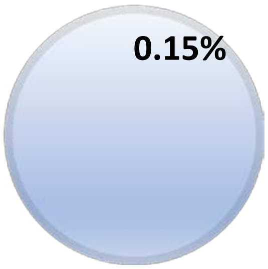


Key Assumptions & Notes

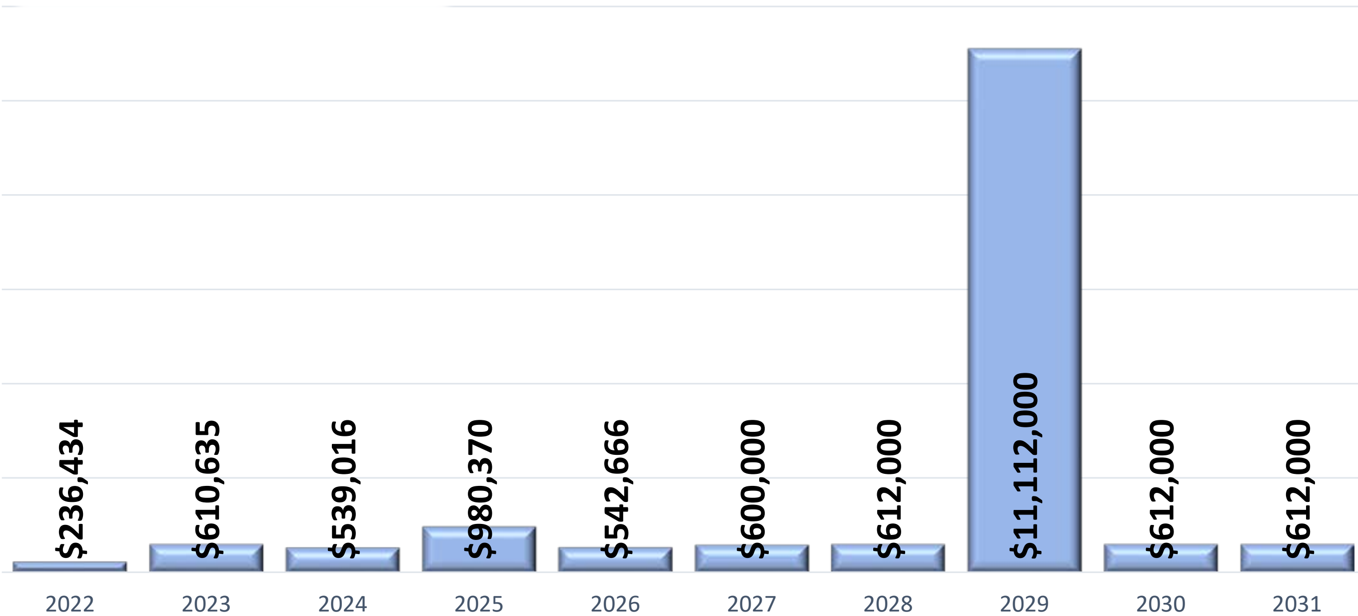
Other Objects represent 1.70% of total expenditures and increased at a historical average annual rate of 19.11%. This category of expenditure is projected to grow at an annual average rate of 3.18% through fiscal year 2031. The projected average annual rate of change is 15.93% less than the five year 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 0.15% of the district's total general fund spending.



Key Assumptions & Notes

		FORECASTED				
	2026	2027	2028	2029	2030	2031
Transfers Out	542,666	600,000	612,000	11,112,000	612,000	612,000
Advances Out	-	-	-	-	-	-
Other Financing Uses	-	-	-	-	-	-

Other uses includes expenditures that are generally classified as non-operating. It is typically in the form of advances-out which are then repaid into the general fund from the other district funds. In 2026 the district had no advances-out and has no advances-out forecasted through fiscal year 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.

Akron City School District

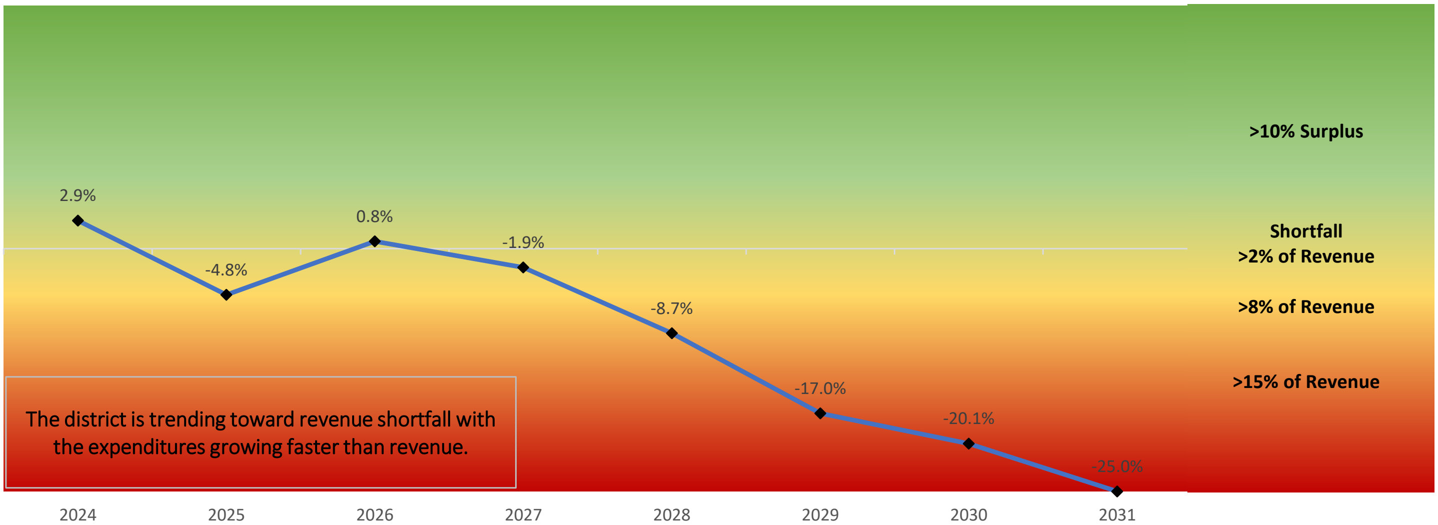
Five Year Forecast

August Fiscal Year 2027

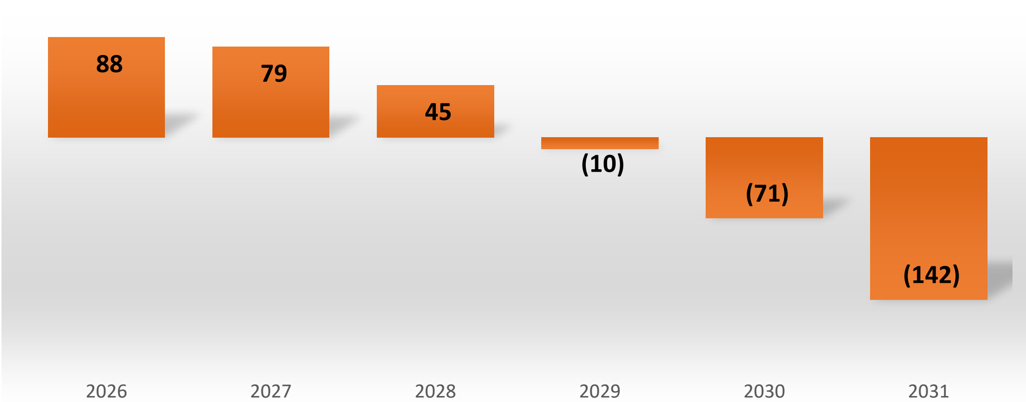
	Actual	FORECASTED				
Fiscal Year:	2026	2027	2028	2029	2030	2031
Revenue:						
1.010 - General Property Tax (Real Estate)	140,200,625	139,071,520	139,990,045	140,479,818	141,375,333	142,214,964
1.020 - Public Utility Personal Property	18,015,095	19,132,270	19,840,562	19,937,222	20,033,882	20,130,542
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	159,417,180	162,688,367	156,937,348	152,739,347	148,911,447	145,763,783
1.040 - Restricted Grants-in-Aid	33,178,315	32,211,518	33,821,536	34,048,311	34,339,348	34,818,512
1.050 - State Reimb Prop Tax Credits	13,669,456	13,788,567	13,856,513	13,846,621	13,891,156	13,937,831
1.060 - All Other Operating Revenues	22,431,720	16,083,429	15,775,230	14,529,650	14,258,978	14,299,256
1.070 - Total Revenue	386,912,390	382,975,671	380,221,234	375,580,969	372,810,144	371,164,888
Other Financing Sources:						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	28,679	16,795	16,795	16,795	16,795	16,795
2.050 - Advances-In	-	-	-	-	-	-
2.060 - All Other Financing Sources	190,114	190,636	190,636	190,636	190,636	190,636
2.070 - Total Other Financing Sources	218,792	207,431	207,431	207,431	207,431	207,431
2.080 - Total Rev & Other Sources	387,131,182	383,183,103	380,428,665	375,788,400	373,017,576	371,372,319
Expenditures:						
3.010 - Personnel Services	220,334,515	220,955,544	231,294,342	238,501,993	245,432,829	252,569,647
3.020 - Employee Benefits	91,770,703	99,431,435	106,860,005	114,963,493	123,715,521	133,263,745
3.030 - Purchased Services	49,859,444	46,349,948	47,422,410	48,522,496	49,649,316	50,805,357
3.040 - Supplies and Materials	9,150,697	7,877,492	11,783,705	10,519,379	12,259,767	12,504,962
3.050 - Capital Outlay	4,256,472	6,099,127	6,221,109	6,345,532	6,472,442	6,601,891
Intergovernmental & Debt Service	2,100,120	2,643,900	2,640,650	2,640,900	2,644,400	2,640,900
4.300 - Other Objects	6,159,642	6,629,852	6,778,903	6,935,151	7,099,199	7,194,036
4.500 - Total Expenditures	383,631,593	389,987,298	413,001,124	428,428,944	447,273,474	465,580,538
Other Financing Uses						
5.010 - Operating Transfers-Out	542,666	600,000	612,000	11,112,000	612,000	612,000
5.020 - Advances-Out	-	-	-	-	-	-
5.030 - All Other Financing Uses	-	-	-	-	-	-
5.040 - Total Other Financing Uses	542,666	600,000	612,000	11,112,000	612,000	612,000
5.050 - Total Exp and Other Financing Uses	384,174,259	390,587,298	413,613,124	439,540,944	447,885,474	466,192,538
6.010 - Excess of Rev Over/(Under) Exp	2,956,923	(7,404,195)	(33,184,459)	(63,752,544)	(74,867,899)	(94,820,219)
7.010 - Cash Balance July 1 (No Levies)	89,186,335	92,143,258	84,739,062	51,554,604	(12,197,940)	(87,065,839)
7.020 - Cash Balance June 30 (No Levies)	92,143,258	84,739,062	51,554,604	(12,197,940)	(87,065,839)	(181,886,058)
		Reservations				
8.010 - Estimated Encumbrances June 30	-	518,152	600,000	600,000	600,000	600,000
9.080 - Reservations Subtotal	-	-	-	-	-	-
10.010 - Fund Bal June 30 for Cert of App	92,143,258	84,220,910	50,954,604	(12,797,940)	(87,665,839)	(182,486,058)
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	92,143,258	84,220,910	50,954,604	(12,797,940)	(87,665,839)	(182,486,058)
Revenue from New Levies						
13.010 & 13.020 - New Levies		-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	92,143,258	84,220,910	50,954,604	(12,797,940)	(87,665,839)	(182,486,058)

Financial Health Indicators

Revenue Surplus/(Shortfall) - Current Forecast



Days Cash on Hand - Current Forecast

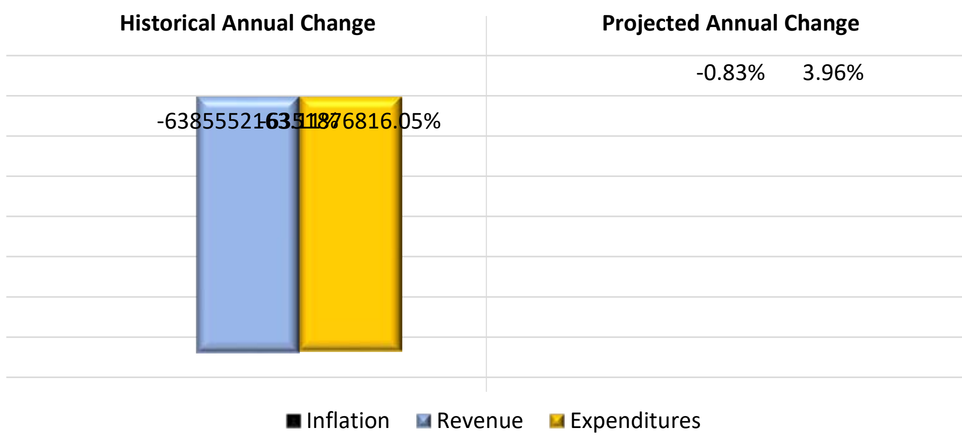


Days cash on hand is projected to decline and is projected to be negative by 2031.

based on 365 days

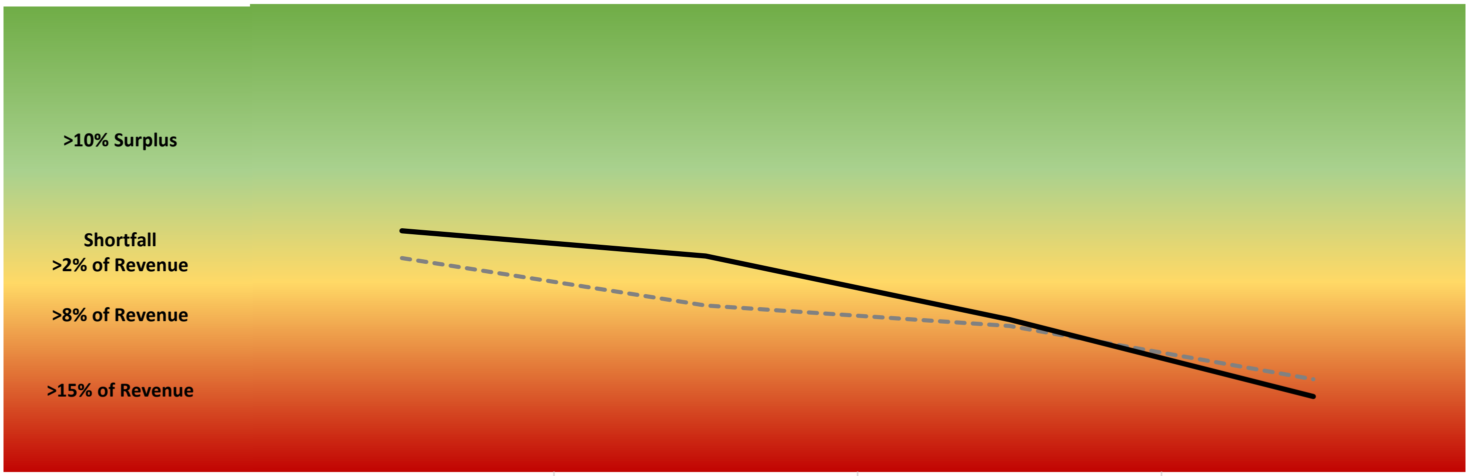
5-Year Average Annual Change - Inflation, Revenue and Expenditures

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



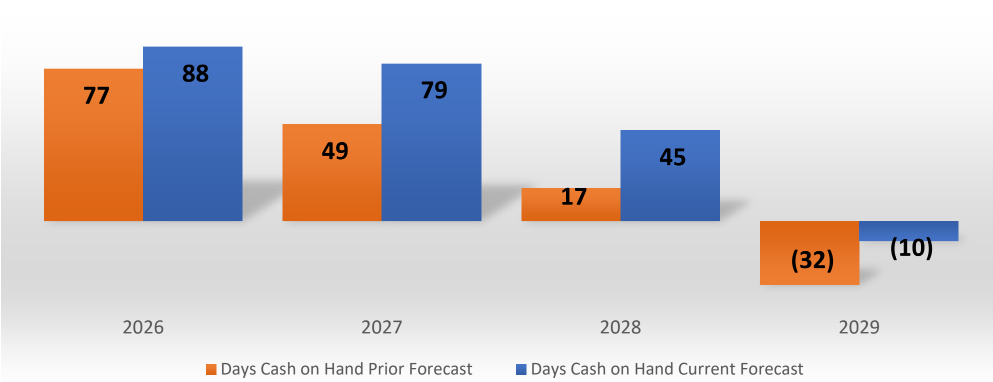
CPI (Inflation) Source: Federal Reserve Bank of St. Louis (July 1, 2026)
https://alfred.stlouisfed.org

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



	2026	2027	2028	2029
Prior Forecast	-2.2%	-7.2%	-9.4%	-15.1%
Current Forecast	0.8%	-1.9%	-8.7%	-17.0%

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 Favorable Revenue Variance	**1.90%**	$28,445,715
	Largest Revenue Variances	
1.035,1.040 State	**1.05%**	$15,743,962
1.01 Real Estate	**0.04%**	$653,220
1.03 Income Tax	**0.00%**	$0
All Other Revenue Categories	**0.80%**	$12,048,534

The current revenue forecast is up by 1.90% compared to the prior forecast.

NET cumulative forecast impact for the forecast period 2026 - 2029 of Revenue and Expense variances is 1.69% (or $24,983,879).

Expenditure Variance		
0.21%	$3,461,836	Cumulative Unfavorable Expenditure Variance
Largest Expenditure Variances		
0.98%	$15,754,441	3.01 Salaries
0.29%	$4,586,414	3.02 Benefits
-0.30%	($4,879,596)	3.03 Purchased Serv.
-0.75%	($11,999,423)	All Other Expenditure Categories

The current forecast for expenditures is up by 0.21% 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	4.20	4.20	4.06
Effective Outside Millage	37.86	37.88	32.94
Effective Inside + Outside Millage	42.06	42.08	37.00

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	No	Yes
Class I Combined Change	0.0%	0.0%	15.0%
New GDP-D Allowed Growth	15.40%	13.30%	9.15%

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%	0.00%	14.98%
Outside Millage Reduction	7.65	0.02	(5.08)
Percentage Change in Millage	25.32%	0.04%	-13.04%

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

H.B. 186 taxpayer credits can occur when a district was at the millage floor and the reappraisal or update growth exceeded GDP-D. Otherwise, no credits are generated.

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

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

Property Tax Reform - Prospective Look

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

Does projected property value Reappraisal/Update/Inflation exceed cumulative GDP-D?					
	TY 2026	**TY 2027**	**TY 2028**	**TY 2029**	**TY 2030**
Reappraisal or Update Year	Yes	No	No	Yes	No
Percent of District in Reappraisal/Update	0.00%	0.00%	0.00%	0.00%	0.00%
Class I Combined Change	12.5%	0.0%	0.0%	5.7%	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*	4.06	4.06	4.06	4.06	4.06
Millage Change	-0.14	0.00	0.00	0.00	0.00
Percentage Change in Millage	-3.31%	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	32.94	33.00	33.06	30.90	30.95
Millage Change	-4.94	0.06	0.06	-2.16	0.05
Percentage Change in Millage	-11.73%	0.16%	0.16%	-5.82%	0.14%
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)	37.00	37.06	37.12	34.96	35.01

***Beginning with the first reappraisal or update cycle occurring in tax year 2026 or after, H.B. 129 includes fixed sum levies in the district floor calculation.

Does the Reappraisal/Update/Inflation generate taxpayer credits?					
	TY 2026	**TY 2027**	**TY 2028**	**TY 2029**	**TY 2030**
H.B. 186 - Calculated Credit if at 20 Mill Floor	$ -	$ -	$ -	$ -	$ -

***H.B. 186 credits are only for districts at the floor, if H.B. 129 and the inclusion of fixed-sum levies may bring districts off the floor and end credits.

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

Is the district modeling county budget commission imposed homestead and owner-occupied credit increases?				
	FY 2027	**FY 2028**	**FY 2029**	**FY 2030**
Homestead/Owner-Occupied Credits	$ (0)	$ (0)	$ (0)	$ (0)

Property Tax Reform Disclosure Items

The Ohio Department of Taxation, county auditors, and other partners are actively working through interpertation and implementation of property tax reform. As details are finalized, assumptions may evolve and updated forecasts may be necessary.

Property Tax Reform includes the following pieces of legistlation:

H.B. 129 revises the 20-mill floor calculation to include fixed-sum levies. Impact begins in first update/ reappraisal cycle after tax year 2025.

H.B. 186 limits revenue increases associated with the 20-mill and 2-mill floors to inflation measured by three years of Gross Domestic Product Deflator (GDP-D) change. Taxpayers are given a credit based on update/reappraisal changes beginning in Tax Year 2023; credits are recalculated with each update/reappraisal. Districts first experience a fiscal impact in FY 2027 the impact represents full Tax Year 2025 revenue loss and one half of Tax Year 2026 revenue loss. In FY2028 and beyond the impact is only one year of revenue loss. Districts above the floor are not eligible for Inflation Cap Credits. DEW will reimburse districts on the 2023/2024 reappraisal cycles for the credit until the next reappraisal/ update cycle (2026/2027).

H.B. 335 caps inside millage revenue growth due to inflation. Beginning with update/reappraisal in tax year 2026 requires County Budget Commission to adjust inside millage rates to limit real property revenue increases to GDP-D growth over the three preceding years. Reduction applies to real and public utility personal property.

H.B. 96 allows counties to offer a property tax exemption that "piggy-backs" on existing state homestead exemption and owner-occupied credit. Unlike existing credit and exemption the piggy-back amounts are not reimbursed to the district by the state.

The Gross Domestic Product Delfator (GDP-D) is estimated based on available data from the U.S. Bureau of Economic Analysis (BEA) and Federal Reserve Bank's forward inflation expectation rate.