

Strongsville City Schools

FY 27 Annual Budget and Five Year Forecast

August 27, 2026



Strongsville City Schools

- Estimated Resources - All Funds

Estimated Resources - All Funds

Fund Number	Fund	Unencumbered Beginning Balance	Estimated Revenues	FY 27 Total Estimated Resources
001	General Fund	36,318,615.34	106,746,277.00	143,064,892.34
Special Revenue Funds:				
018	Public School Support	148,194.59	115,607.00	263,801.59
019	Other Local Grants	21,507.40	2,000.00	23,507.40
200	Student Managed Student Activity	118,886.63	193,085.00	311,971.63
300	District Managed Student Activity	231,556.62	949,992.00	1,181,548.62
499	Miscellaneous State Grants	22,441.00	27,085.02	49,526.02
516	IDEA, Part B Special Education	0.00	1,675,262.82	1,675,262.82
551	Title III - Limited English Proficiency	0.00	59,887.09	59,887.09
572	Title I - Disadvantaged Children	0.00	718,500.13	718,500.13
	Title IV-A - Student Support & Academic			
584	Enrichment	0.00	74,702.10	74,702.10
587	IDEA, Preschool Grant	0.00	28,968.64	28,968.64
590	Title II-A - Improving Teacher Quality	0.00	226,784.62	226,784.62
Debt Service Funds:				
002	Bond Retirement	6,495,991.81	3,554,440.00	10,050,431.81
Capital Projects Funds:				
003	Permanent Improvement	1,132,448.00	1,229,932.00	2,362,380.00
004	Building Fund	116,608.26	162,000.00	278,608.26
070	Capital Projects	21,769,497.02	500,000.00	22,269,497.02
Enterprise Funds:				
006	Food Services	210,602.74	2,467,659.45	2,678,262.19
009	Uniform School Supplies	376.06	296,000.00	296,376.06
Internal Service Funds:				
014	Internal Service Rotary Fund	210,965.53	373,480.00	584,445.53
023	Liability Self-Insurance	91,672.14	85,000.00	176,672.14
024	Employee Benefits Self-Insurance	2,187,657.94	17,191,024.00	19,378,681.94
035	Termination Benefits	500,000.00	500,000.00	1,000,000.00
Fiduciary Funds				
022	District Agency Fund	16,743.21	75,000.00	91,743.21
Total Estimated Resources		69,593,764.29	137,252,686.87	206,846,451.16

Annual Appropriation - All Funds

Fund Number	Fund	FY 2027 Appropriation	Carryover Encumbrances	FY27 Total Appropriation
001	General Fund	\$102,824,854.85	\$1,394,823.33	\$104,219,678.18
Special Revenue Funds:				
018	Public School Support	\$231,236.17	\$3,667.12	\$234,903.29
019	Other Local Grants	\$23,499.97	\$138,922.58	\$162,422.55
200	Student Managed Student Activity	\$291,595.71	\$1,980.47	\$293,576.18
300	District Managed Student Activity	\$1,121,520.57	\$85,168.59	\$1,206,689.16
499	Miscellaneous State Grants	\$49,526.02	\$3,240.00	\$52,766.02
516	IDEA, Part B Special Education	\$1,675,262.82	\$10,233.36	\$1,685,496.18
551	Title III - Limited English Proficiency	\$59,887.09	\$476.73	\$60,363.82
572	Title I - Disadvantaged Children	\$718,500.13	\$9,904.68	\$728,404.81
	Title IV-A - Student Support & Academic			
584	Enrichment	\$74,702.10	\$444.20	\$75,146.30
587	IDEA, Preschool Grant	\$28,968.64	\$0.00	\$28,968.64
590	Title II-A - Improving Teacher Quality	\$226,784.62	\$14,301.24	\$241,085.86
Debt Service Funds:				
002	Bond Retirement	\$3,571,607.64	\$0.00	\$3,571,607.64
Capital Projects Funds:				
003	Permanent Improvement	\$1,687,278.55	\$391,856.00	\$2,079,134.55
004	Building Fund	\$120,000.00	\$1,199,770.01	\$1,319,770.01
070	Capital Projects	\$3,275,979.53	\$87,578.61	\$3,363,558.14
Enterprise Funds:				
006	Food Services	\$2,678,262.19	\$56,715.27	\$2,734,977.46
009	Uniform School Supplies	\$296,000.00	\$20,028.80	\$316,028.80
Internal Service Funds:				
014	Internal Service Rotary Fund	\$392,718.77	\$15,480.52	\$408,199.29
023	Liability Self-Insurance	\$91,672.14	\$10,421.40	\$102,093.54
024	Employee Benefits Self-Insurance	\$17,568,114.00	\$14,831.63	\$17,582,945.63
035	Termination Benefits	\$760,000.00	\$29,547.44	\$789,547.44
Fiduciary Funds				
022	District Agency Fund	\$89,019.01	\$1,500.00	\$90,519.01
Total Appropriation		\$137,856,990.52	\$3,490,891.98	\$141,347,882.50

Strongsville City Schools

Five-Year Forecast Purpose / Objectives

The Ohio Department of Education's purpose / objectives for the five-year forecast are:

1. To engage the local board of education and the community in the long range planning and discussion of the 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.

Five Year Forecast - Contents

- Major Assumptions
- General Fund Revenues
- General Fund Expenditures
- Five Year Forecast Summary

Strongsville City Schools

- Major Assumptions

Major Assumptions

Revenue:

- Property Tax Collection Rate - The forecast assumes the gross collection rate (includes delinquencies) will be as follows:

	CY 22	CY 23	CY 24	CY 25	3 Year Average	CY 26 Forecast	CY 27 Forecast	CY 28 Forecast	CY 29 Forecast	CY 30 Forecast
Gross Collection Rates - Includes Delinquencies	99.26%	99.26%	99.88%	97.08%	98.74%	100.06%	100.06%	100.06%	100.06%	100.06%

- The forecast assumes a 98.74% gross collection rate, which represents the three-year average for Calendar Years 2023 through 2025, plus a manual adjustment of 1.32%, resulting in an adjusted gross collection rate of 100.06%. The manual adjustment reflects the following factors: A property that became taxable in the prior year due to a sale returned to tax-exempt status in Tax Year 2025. Additionally, Cuyahoga County corrected inaccurate commercial property assessed values. The error was limited to the tax abstract and did not impact actual tax revenues; however, for forecasting purposes, the inflated assessed values artificially reduced the calculated gross collection rate. An adjustment was made to the forecasted collection rate to offset any projected revenue decreases resulting from this correction.
- The gross collection rate decreased to 97.08% in Calendar Year 2025, compared to 99.88% in Calendar Year 2024.
- For reference, a 1.00% change in the collection rate represents approximately \$550,625 in revenue.

Major Assumptions - Continued

Revenue (continued):

- The forecast assumes the following changes to assessed valuation by collection calendar year:

Collection Year	Residential	Commercial	Public Utility	Total	YOY \$ Change	YOY % Change
CY 22 Actual	\$1,447,677,090	\$361,300,040	\$50,043,110	\$1,859,020,240	\$195,596,360	11.76%
CY 23 Actual	\$1,454,625,980	\$364,907,500	\$53,238,640	\$1,872,772,120	\$13,751,880	0.74%
CY 24 Actual	\$1,461,215,550	\$368,412,300	\$53,843,160	\$1,883,471,010	\$10,698,890	0.57%
CY 25 Actual	\$1,867,464,030	\$391,853,250	\$59,888,230	\$2,319,205,510	\$435,734,500	23.13%
CY 26 Actual	\$1,869,120,830	\$370,631,369	\$62,823,340	\$2,302,575,539	-\$16,629,971	-0.72%
CY 27 Forecast	\$1,874,351,222	\$370,618,130	\$66,569,073	\$2,311,538,425	\$8,962,886	0.39%
CY 28 Forecast	\$2,066,357,069	\$379,735,336	\$67,557,624	\$2,513,650,029	\$202,111,604	8.74%
CY 29 Forecast	\$2,072,139,723	\$379,735,336	\$68,560,855	\$2,520,435,914	\$6,785,885	0.27%
CY 30 Forecast	\$2,077,938,569	\$379,735,336	\$69,578,984	\$2,527,252,889	\$6,816,975	0.27%
CY 31 Forecast	\$2,083,753,652	\$379,735,336	\$70,612,232	\$2,534,101,220	\$6,848,331	0.27%

- Collection Year 2022 was a triennial update year for Cuyahoga County. Residential values increased by 15.74%, and commercial values increased by 1.59% (net) as a result of the revaluation. However, commercial values decreased by an additional 2.02% due to changes in property classification, resulting in a total net commercial decrease of 0.61%.
- In Collection Year 2023, residential values increased by 0.48%, while commercial values increased by 1.00%.

Major Assumptions - Continued

Revenue (continued):

- Collection Year 2025 was a sexennial update for Cuyahoga County, which occurs every six years, with the previous update completed in Tax Year 2018. The update resulted in a 27.73% increase in residential property valuations and a 4.27% increase in commercial property valuations. This valuation growth generated approximately \$2.2 million in additional revenue from inside millage. However, the increase was offset by the expiration of the May 2019 5.9-mill renewal levy, which was not renewed by the community. Collections expired on December 31, 2024. At 100% collection, the expired levy would have generated approximately \$9.9 million annually.
- In Collection Year 2026, the decrease in valuation was the result of a combination of factors. A property that became taxable in the prior year due to a sale returned to tax-exempt status in Tax Year 2025. Additionally, Cuyahoga County corrected inaccurate commercial property assessed values. The error was limited to the tax abstract and did not impact actual tax revenues; however, for forecasting purposes, the inflated assessed values artificially reduced the gross collection rate. An adjustment was made to the forecasted collection rate to offset any projected decreases in revenue resulting from this correction.
- The most recent triennial update occurred in Tax Year 2021. The next triennial update is scheduled for Tax Year 2027. The forecast assumes a 10% increase in residential valuations and a 2% increase in commercial valuations for the Tax Year 2027 triennial update, based on historical averages from prior triennial cycles.

Beginning in Tax Year 2026, House Bill 335 authorizes the County Budget Commission to reduce inside millage if a reappraisal increase exceeds the GDP-D (Gross Domestic Product Deflator). Current projections indicate the cumulative GDP-D is trending at approximately 8.00% for the Tax Year 2027 update. As a result, inside millage may be reduced to limit revenue growth to 8.00%.

- Public Utility property values increased by 6.39% in Collection Year 2023, 1.14% in Collection Year 2024, 11.23% in Collection Year 2025, and 4.92% in Collection Year 2026. The forecast assumes a 5.94% increase in Public Utility property valuations for Tax Year 2026, reflecting the historical average from Tax Years 2014 through 2025.

Due to recent legislative changes capping Public Utility valuation growth, the forecast assumes a reduced annual increase of 1.49% for Tax Years 2027 through 2029.

Major Assumptions - Continued

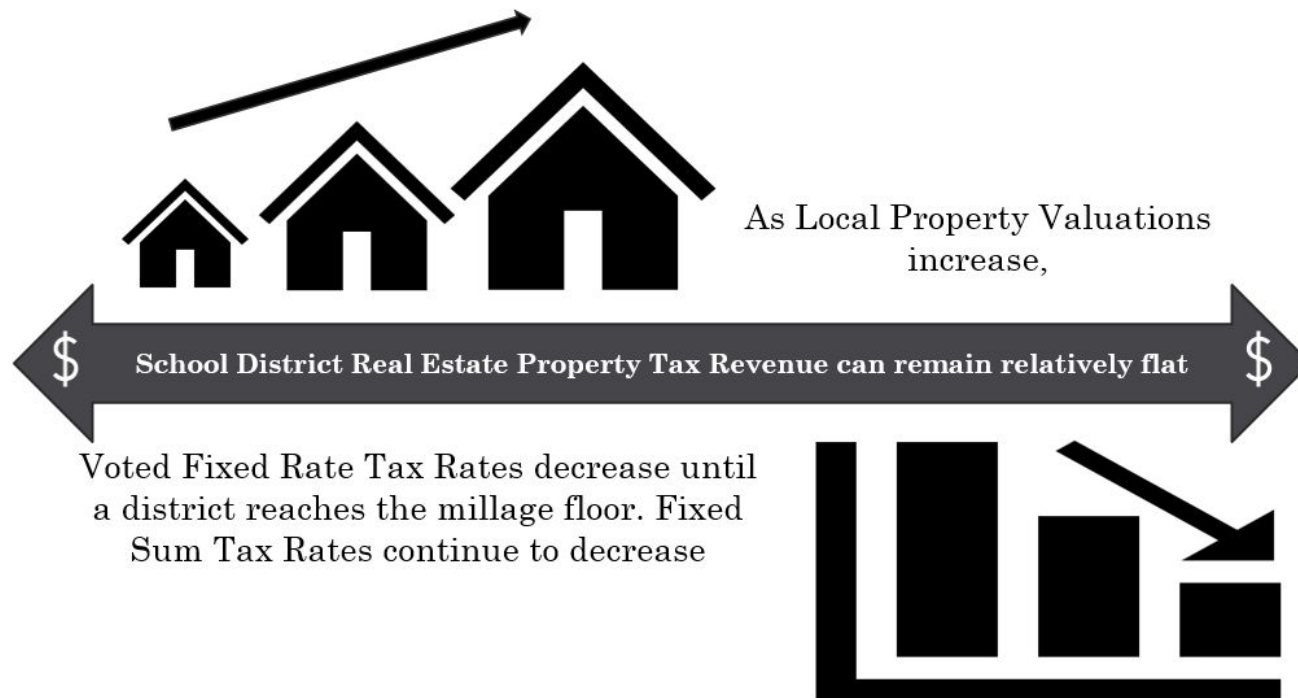
Revenue (continued):

- In May 2019 residents approved a 5 year 5.9 mill levy with collection beginning January 2020. The forecast assumes the levy **has expired** tax year December 31, 2023. Collections will continue through December 31, 2024. The renewal of the levy has been rejected by the community in November 2023 and March of 2024. The Board of Education voted to place a 4.9 mill continuous levy on the November 2024 ballot in its place which was also rejected by the community. The levy is officially expired, which represents \$9.9 million dollars.
- In November 2021 residents renewed a 5 year 6 mill levy with collection beginning January 2023. The forecast assumes the levy will expire tax year December 31, 2026. Collections will continue through December 31, 2027.

Major Assumptions - Continued

Property Values vs. Tax Rates

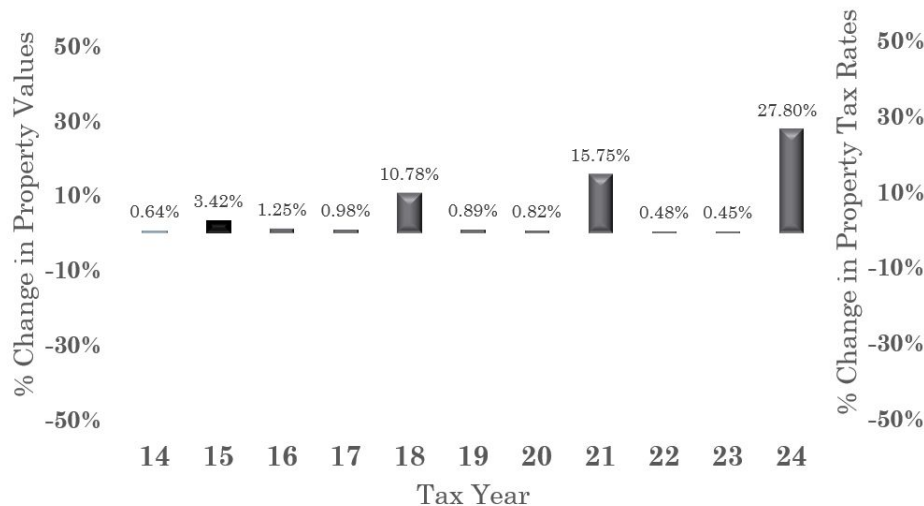
How do increasing home values impact tax rates?



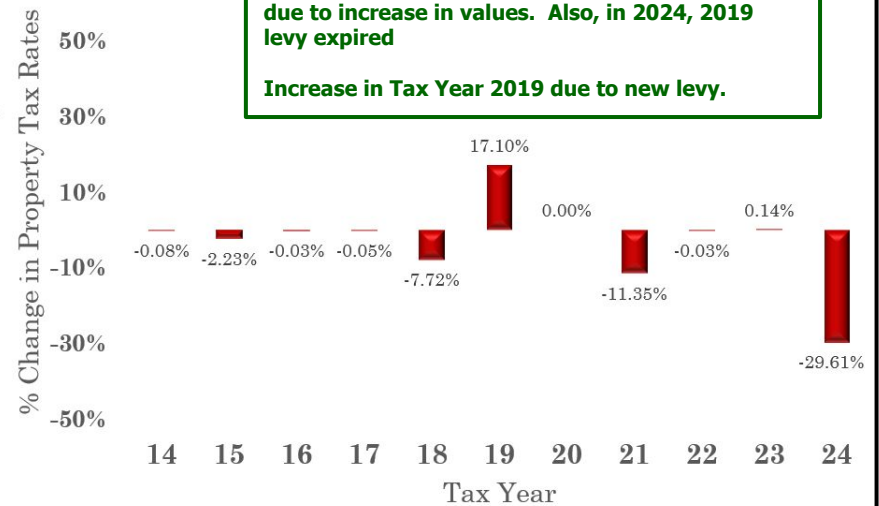
County Reappraisal

Historical District Values vs. Tax Rates *Class I (Residential + Agriculture)*

Year-Over-Year Change in Class I Property Values



Year-Over-Year Change in Property Tax Rates

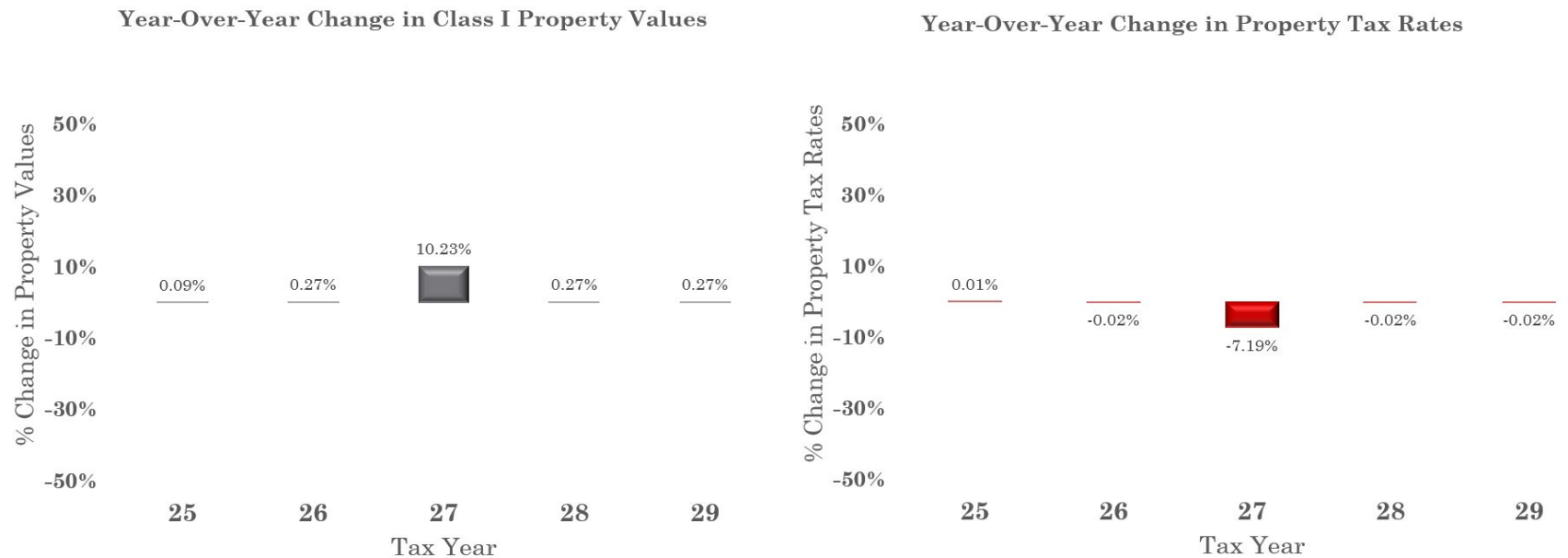


Tax rates are set each year by the Ohio Department of Taxation. Rates can change based upon valuation change, additional levies, non-renewal of levies, etc. The charts above show the YOY % change in Class I property values and the resulting tax rates (effective) for Class I.

Tax Year 2024 was the sexennial update for Cuyahoga County. The update resulted in a 27.80% increase in valuation which, along with the levy non-renewal, resulted in a 29.54% decrease in tax effective rate.

County Reappraisal

Projected District Values vs. Tax Rates *Class I (Residential + Agriculture)*



Tax rates are set each year by the Ohio Department of Taxation. Rates can change based upon valuation change, additional levies, non-renewal of levies, etc. The charts above show the YOY % change in Class I property values and the resulting tax rates (effective) for Class I.

Tax Year 2027 was a triennial update year for Cuyahoga County. The forecast assumed a 10.69% increase in valuation which was offset by a 7.05% decrease in tax effective rate.

County Reappraisal

District's Property Tax Rates

Year-Over-Year Change in School District General Fund Property Tax Rates



Effective rate:

- TY25 - 25.11 mills
- TY28 - 23.29 mills

Major Assumptions - Continued

Revenue (continued):

- State Funding - Beginning with FY 2022, state funding is calculated based on the fair funding formula that was approved in the FY 2022-2023 biennium state budget under House Bill 110.

Compared to FY 2021, State Funding may appear to have decreased in the forecast, however, under the fair funding formula pass through funds such as community school funding, private school scholarships, and open enrollment funds will be sent direct to the appropriate school rather than be included in the Districts revenue. Additionally, the appropriate expenditures are also decreasing in the Districts forecast/budget under purchase services. The District expects a combined net impact of \$1,124,303 in FY 2022. As information changes the estimates will be updated. The District is considered a guarantee district in FY 2022 and beyond.

Beginning with FY 2024, the FY 2024-2025 biennium state budget was approved, which continued the implementation of the fair funding formula. The District expects to see increases in state funding of \$248,000 in FY 2024 and \$316,000 in FY 2025 for a cumulative increase of \$564,000. The District is still considered a guarantee District in FY 2024 and beyond.

Major Assumptions - Continued

Revenue (continued):

- Beginning in FY 2026, the FY 2026–2027 biennium state budget was enacted, continuing the phase-in of the Fair School Funding Plan with guarantees to ensure that no district receives less state aid than it did in FY 2021.

The District anticipates increases in state funding of \$900,621 in FY 2026 and \$491,610 in FY 2027, for a cumulative increase of \$1,392,231. These projected increases include the performance supplement described below. The District is projected to remain on the state funding guarantee in FY 2026 and beyond.

- Additional changes include the implementation of a performance supplement in FY 2026 and FY 2027 for districts that earned any of the following on the 2024–2025 state report card: (a) an overall performance rating of four or more stars; (b) a Progress component rating of three or more stars; or (c) a higher Progress component rating than received in 2023–2024. The supplement is calculated by multiplying the district's current-year enrollment by \$59 and by the greater of the number of stars earned for the Overall Performance rating or the Progress component rating on the 2024–2025 report card.

See the table below for the forecasted performance supplement amounts.

Performance Supplement	FY2026 Actual	FY2027	FY2028	FY2029	FY2030	FY2031
Performance Supplement	\$302,491	\$302,802	\$303,177	\$303,552	\$303,928	\$304,303
Total Performance Supplement	\$302,491	\$302,802	\$303,177	\$303,552	\$303,928	\$304,303

Major Assumptions - Continued

Revenue (continued):

- Restricted aid is the portion of state per pupil funding that must be classified as restricted use. Historically the district's restricted state aid changed annually on average by \$17,813 and is projected to change annually on average by -\$18,022. Restricted funds represent 0.41% 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 \$200,517. This funding has implications on general fund expenditures in that certain spending now occurring in a fund external to the general fund could shift to the general fund. The expenditures in this forecast are adjusted to reflect this change.
- Below is a summary of the restricted aid by fiscal year and category:

Restricted State Funding	FY2026 Actual	FY2027	FY2028	FY2029	FY2030	FY2031
Success and Wellness	\$214,802	\$200,517	\$200,790	\$201,038	\$201,287	\$201,536
Career Tech, ELL	\$55,019	\$62,936	\$63,014	\$63,092	\$63,170	\$63,248
Disadvantaged Pupil Impact Aid (DPIA)	\$79,744	\$83,611	\$83,404	\$83,198	\$82,993	\$82,788
Gifted	\$120,795	\$92,634	\$92,826	\$93,169	\$93,248	\$93,355
Other (Science of Reading Reimbursement)	\$60,677	\$0	\$0	\$0	\$0	\$0
Total Restricted State Funding	\$531,037	\$439,698	\$440,034	\$440,497	\$440,698	\$440,927

Major Assumptions - Continued

Revenue (continued):

- **General Fund Transfer In** - During Fiscal Year 2027, the Board of Education plans to dissolve Fund 070, resulting in \$21,885,149 being transferred to the General Fund as a Transfer In. Of this amount, \$3,332,487 is committed to the Strongsville High School Baseball and Softball Turf Project, as approved by the Board of Education at its August 7, 2026 Special Meeting, and \$2,445,903 is reserved for the Muraski debt payoff

Together, these commitments total \$5,778,390. Upon dissolution of Fund 070, this amount will subsequently be transferred from the General Fund to a Permanent Improvement Fund to support these designated purposes.

Major Assumptions - Continued

Expenditures:

- **Reduction Plan** - Entering FY 2027, the District implemented Phase I of its reduction plan, resulting in annual savings of \$1,856,362 beginning in FY 2027. Phase II is scheduled to take effect in FY 2028 and is expected to generate an additional \$2,465,924 in savings. The financial impact of both Phase I and Phase II has been incorporated into the District's forecast.

Staffing Assumptions	FY 26	FY 27	FY 28	FY 29	FY 30	FY 31
General Fund	764	748	721	721	721	721
Prior Year Net Change	-12	-16	-27	0	0	0

- Forecast assumes all union agreements are as currently defined.

The forecast assumes 748 General Fund positions in FY 2027, a decrease of 16 positions from FY 2026. This reduction reflects the implementation of the District's Phase I Reduction Plan. For FY 2028, the forecast assumes 721 General Fund positions, a further decrease of 27 positions as part of the District's Phase II Reduction Plan.

In FY 2026, 764 positions were budgeted within the General Fund, a decrease of 12 positions from FY 2025. This decrease was primarily attributable to a reduction in full-time substitute positions, from 18 to 11, along with other staffing changes.

In FY 2025, 776 positions were budgeted within the General Fund, an increase of 51 positions from FY 2024. Of this increase, 35 positions were transferred to the General Fund from ESSER funding following the expiration of those federal funds at the end of FY 2024. The remaining 16 positions reflected increases in teaching and support staff, including additional guidance counselors at SMS and SHS and the addition of a Human Resources Coordinator position to address enrollment needs.²⁰

Major Assumptions - Continued

Expenditures (continued):

- From fiscal year 2022, health care premiums increased by 1.37%. For fiscal year 2023, health care premiums increased by 8.70%. For fiscal year 2024, health care premiums increased by 15.00%. For fiscal year 2025, health care premiums increased by 3.00%. For fiscal year 2026, health care premiums increased by 1.50%. **For fiscal year 2027, health care premiums increased by 6.90%.** For fiscal years 2028-2031, the projected annual increase was 7%, which was based on a five-year historical average.

- Purchase services decreased by \$1,950,730 from FY 2021 to FY 2022. The decrease was attributable to the implementation of the Fair School Funding Plan beginning in FY 2022, which funds only district-educated enrollment. As a result, tuition costs for open enrollment out, community schools, and scholarships were reduced.

In FY 2024, purchase services increased by \$304,112, followed by an increase of \$749,936 in FY 2025. These increases were driven by higher costs and additional special education placements, increased instructional service costs (including secondary Edmentum Online, previously funded through ESSER, and ELA and Math diagnostic tools), the lease of mobile units beginning in FY 2025, and increases in utility costs and risk/property insurance.

The \$1,367,717 increase in FY 2026 is attributable to a combination of additional special education placements, continued increases in utility and risk/property insurance costs, and the impact of budget savings realized in FY 2025.

The projected increases in FY 2027 and beyond reflect anticipated growth in utility and risk/property insurance costs, as well as additional special education placements and the related transportation costs associated with those placements.

Major Assumptions - Continued

Expenditures (continued):

- Textbooks represent the largest expenditure within the Materials and Supplies category. Annual textbook costs vary from year to year depending on the adoption cycle. During FY 2023, \$250,000 of the textbook budget was not expended and was carried forward into FY 2024 to support a larger textbook adoption.

In FY 2024, the District purchased new elementary ELA textbooks totaling approximately \$1.1 million to comply with recently approved legislation regarding High Quality Instructional Materials.

Overall, Materials and Supplies expenditures fluctuate annually based on instructional and operational needs. For FY 2027, Materials and Supplies account for approximately 2.51% of the District's General Fund budget.

- About 75.01% of the Capital Outlay category is the purchase of Chromebooks and infrastructure to support the District's 1:1 technology initiative.

During FY 2024 and FY 2025 the Technology Budget capital equipment increased by \$150,000 for the purposes of the replacement of all employees district desktop computers.

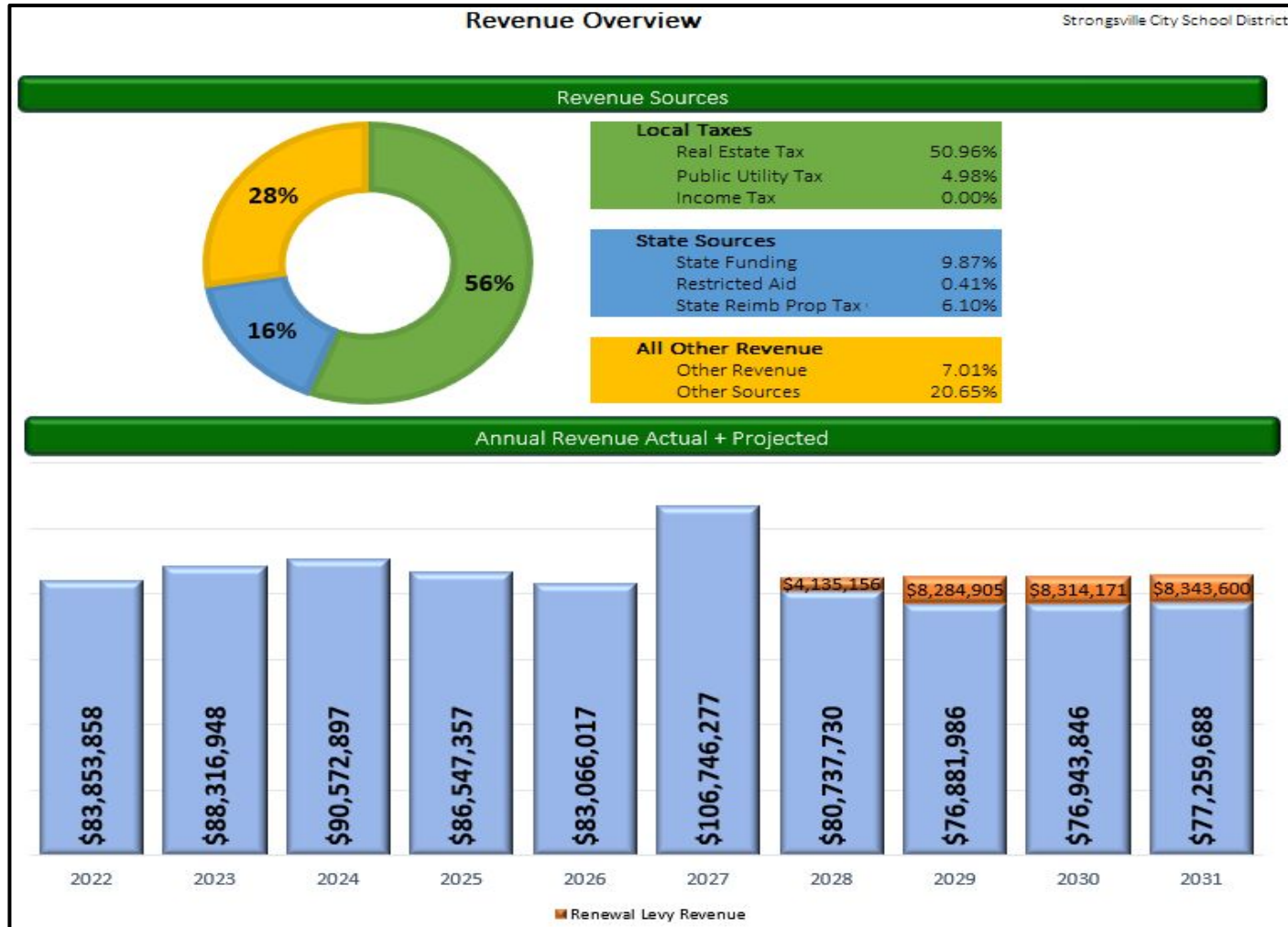
- The District has one General Fund school facilities improvement debt issuance from 2005 that will expire in 2035 (FY 2036). This issuance was for improvements to the Strongsville Early Learning Preschool Building.
- For Additional Assumptions and Details, see the accompanying Five Year Forecast Financial Report.

Strongsville City Schools

- General Fund Revenues

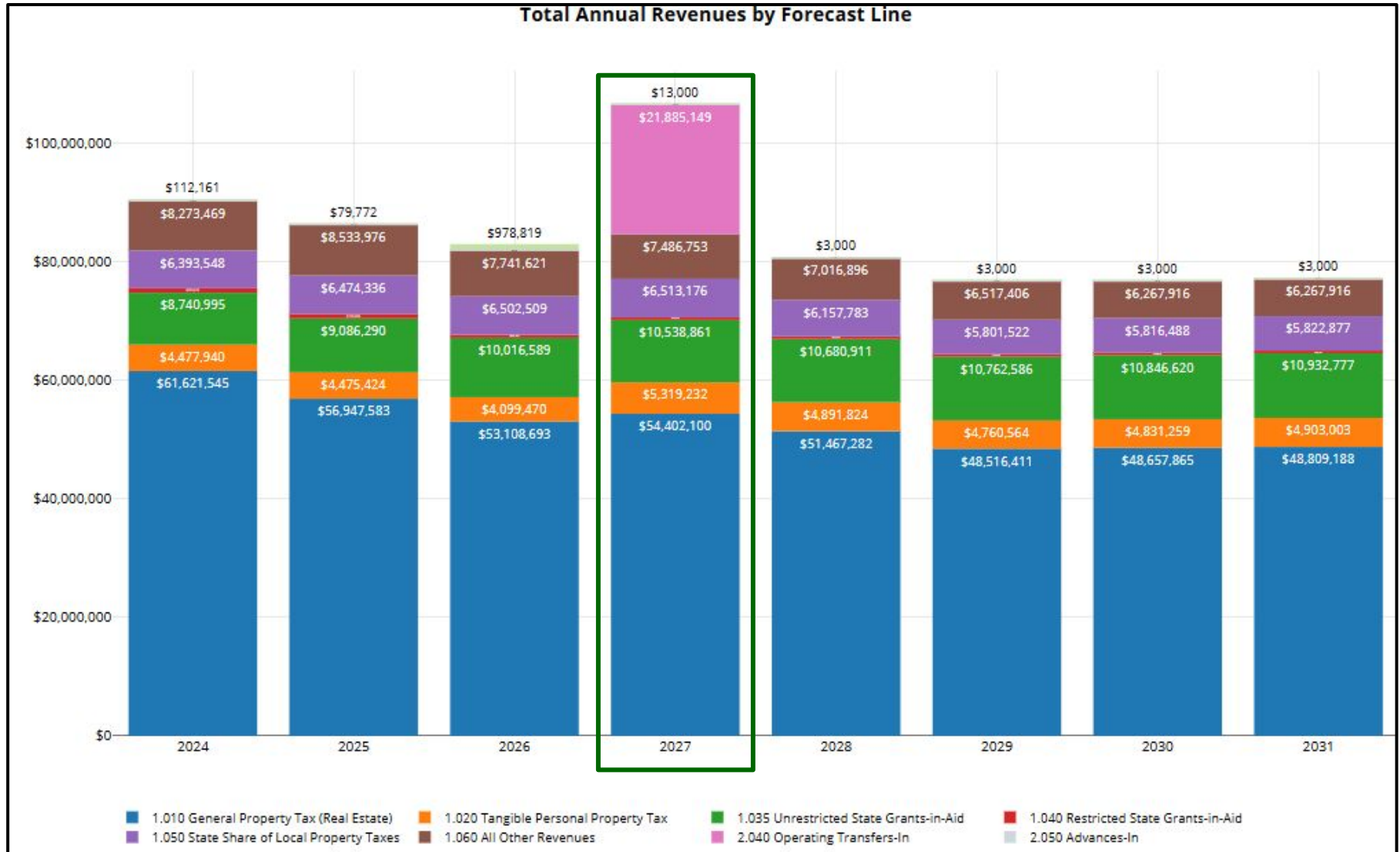
Strongsville City Schools

FY 2026-2027



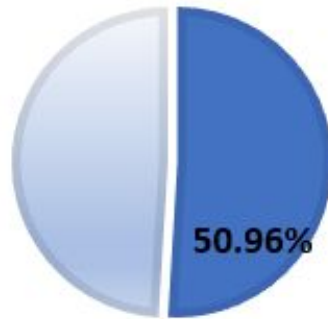
Strongsville City Schools

FY 2026-2027 Revenues (without renewals)

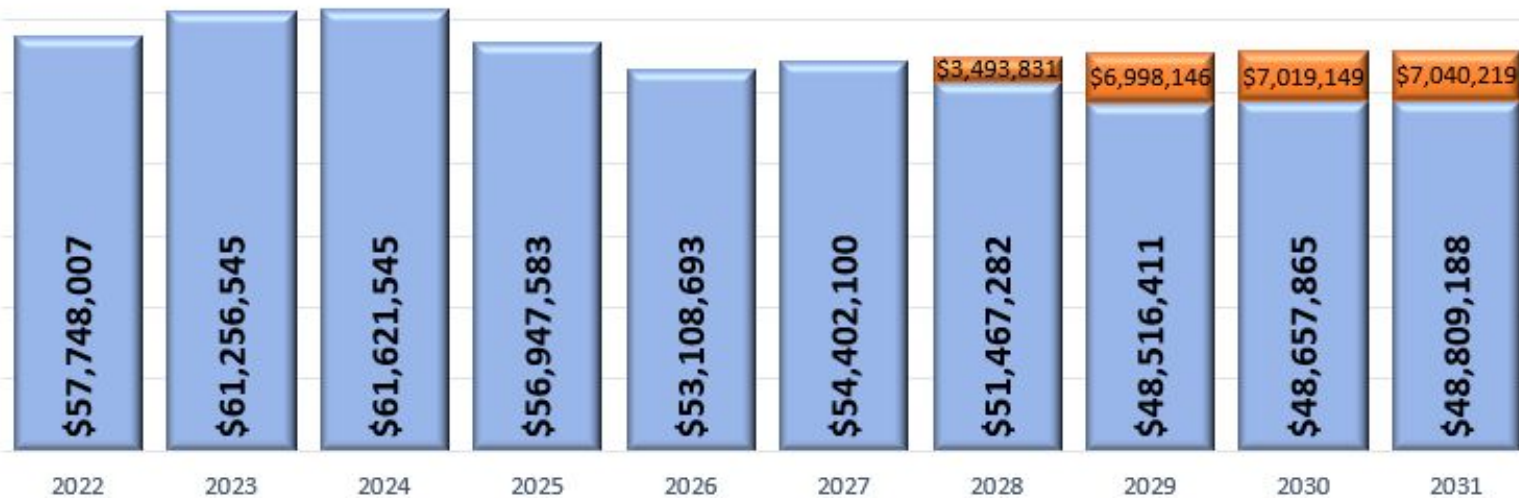


Strongsville City Schools

Local Taxes - Residential and Commercial



Real estate property tax revenue accounts for 50.96% of total district general fund revenue.



■ Renewal Levy Revenue

Strongsville City Schools

Local Taxes - Public Utility



Public Utility Personal Property tax revenue accounts for 4.98% of total district general fund revenue.



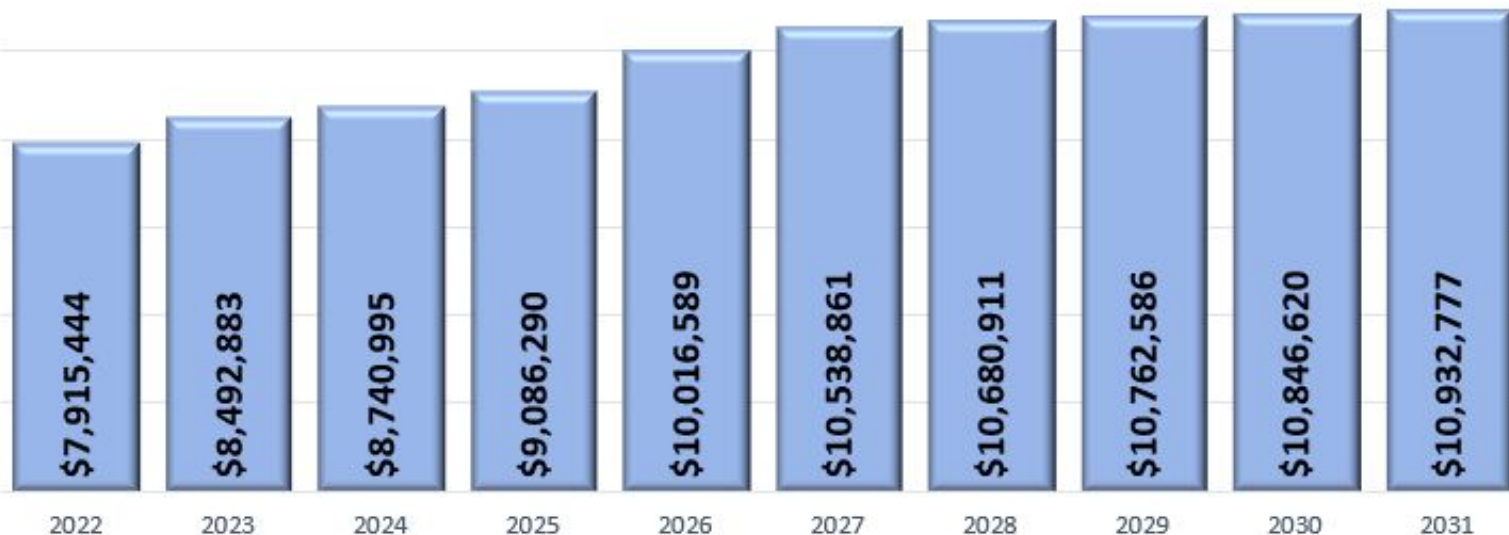
■ Renewal Levy Revenue

Strongsville City Schools

State Foundation - Unrestricted

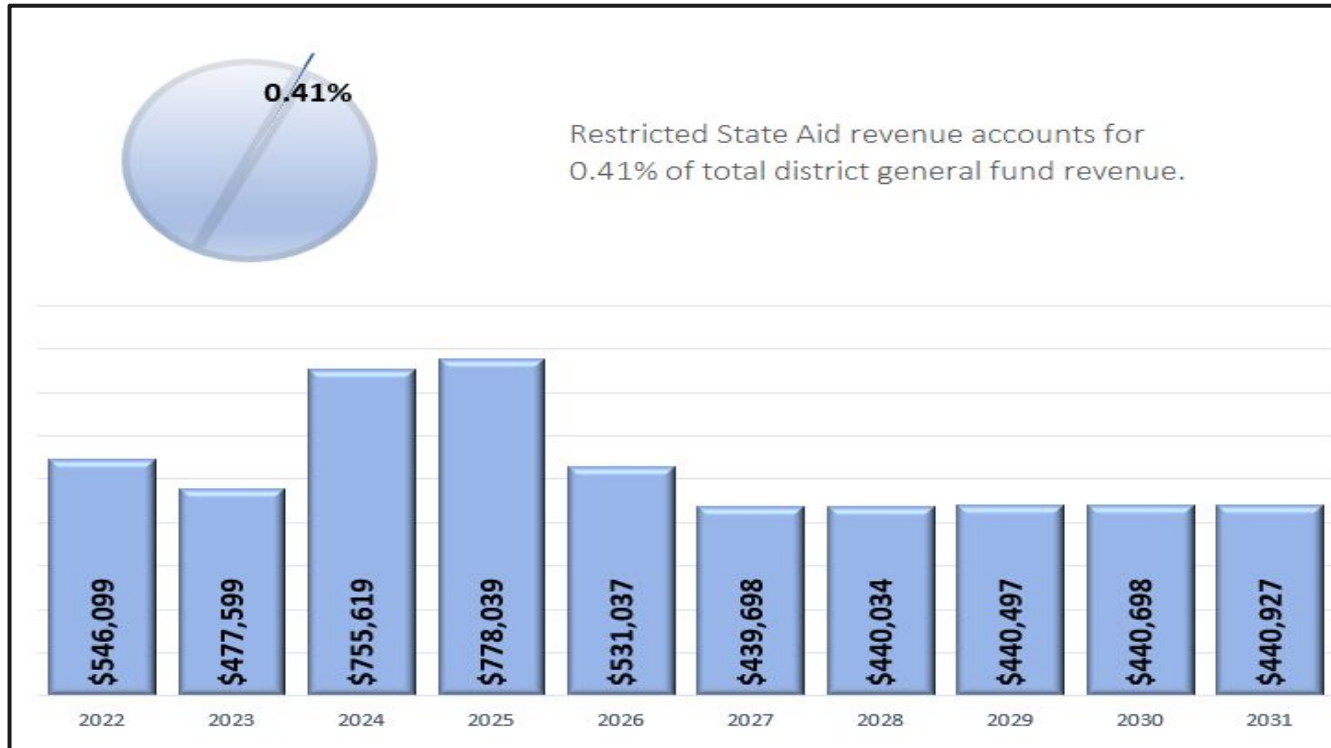


Unrestricted State Aid revenue accounts for 9.87% of total district general fund revenue.



Strongsville City Schools

State Foundation - Restricted



Restricted State Funding	FY2026 Actual	FY2027	FY2028	FY2029	FY2030	FY2031
Success and Wellness	\$214,802	\$200,517	\$200,790	\$201,038	\$201,287	\$201,536
Career Tech, ELL	\$55,019	\$62,936	\$63,014	\$63,092	\$63,170	\$63,248
Disadvantaged Pupil Impact Aid (DPIA)	\$79,744	\$83,611	\$83,404	\$83,198	\$82,993	\$82,788
Gifted	\$120,795	\$92,634	\$92,826	\$93,169	\$93,248	\$93,355
Other (Science of Reading Reimbursement)	\$60,677	\$0	\$0	\$0	\$0	\$0
Total Restricted State Funding	\$531,037	\$439,698	\$440,034	\$440,497	\$440,698	\$440,927

Strongsville City Schools

State Share of Local Property Taxes

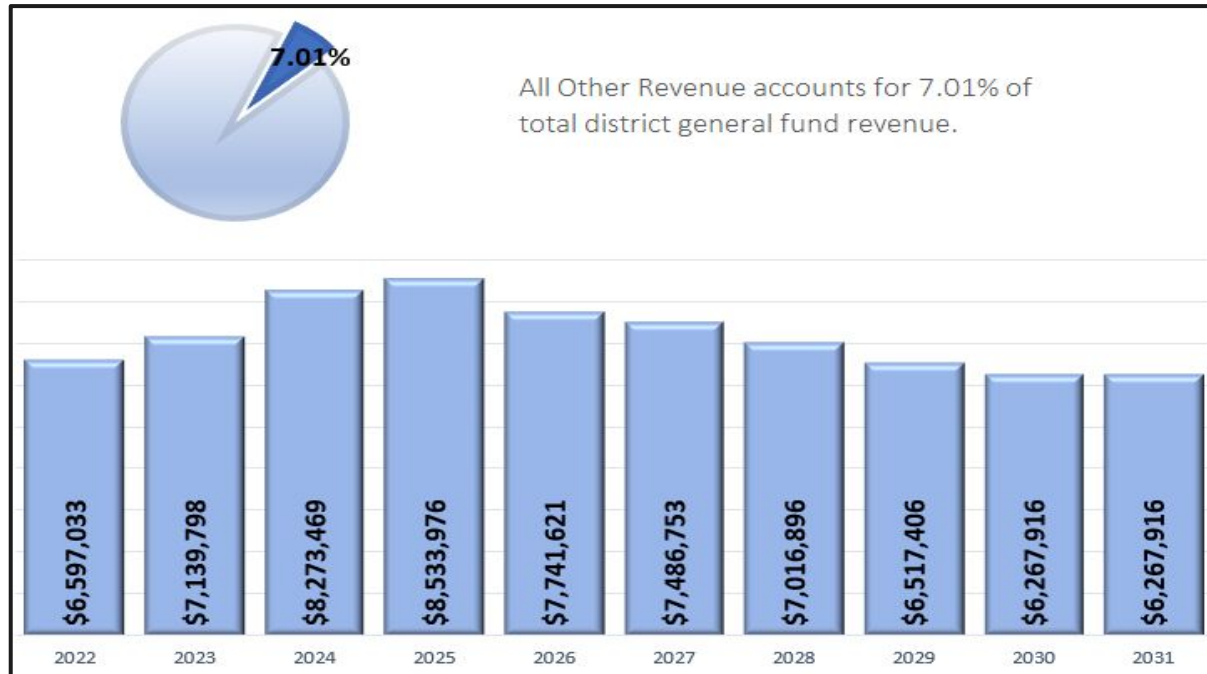


State Reimbursement of Property Tax Credit revenue accounts for 6.10% of total district general fund revenue.



Strongsville City Schools

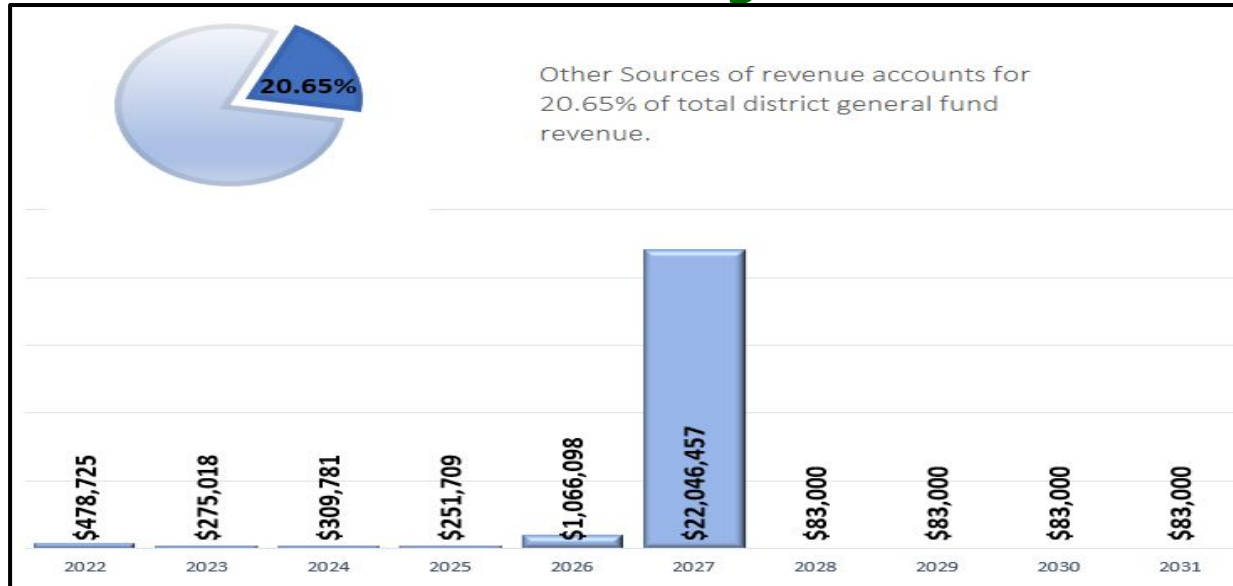
Other Revenue



Other Revenue Sources	FY2026 Actual	FY2027	FY2028	FY2029	FY2030	FY2031
Preschool Tuition	\$173,455	\$170,000	\$170,000	\$170,000	\$170,000	\$170,000
Full Day Kindergarten Tuition	\$575,469	\$575,000	\$575,000	\$575,000	\$575,000	\$575,000
Tuition From Other Districts	\$375,185	\$355,000	\$355,000	\$355,000	\$355,000	\$355,000
Interest income	\$1,926,817	\$1,500,000	\$1,000,000	\$500,000	\$250,000	\$250,000
Sports Pay to Play & Trainer	\$236,927	\$240,000	\$340,000	\$340,000	\$340,000	\$340,000
Special Ed Catastrophic Aid	\$462,019	\$460,000	\$460,000	\$460,000	\$460,000	\$460,000
Medicaid Reimbursement	\$318,904	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
Revenue in Lieu of Taxes/TIF's	\$3,377,489	\$3,598,403	\$3,548,036	\$3,548,036	\$3,548,036	\$3,548,036

Strongsville City Schools

Other Financing Sources



	FORECASTED					
	2026	2027	2028	2029	2030	2031
Transfers In	-	21,885,149	-	-	-	-
Advances In	87,279	148,308	80,000	80,000	80,000	80,000
All Other Financing Sources	978,819	13,000	3,000	3,000	3,000	3,000

Other sources includes revenue that is generally classified as non-operating. Return advances-in are the most common revenue source. In 2026 the district receipted \$87,279 as advances-in and is projecting advances of \$148,308 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 \$13,000 in 2027 and average \$3,000 annually through 2031.

During FY 2022, FY 2023, and FY 2024, the General Fund received reimbursements from ESSER funds for qualifying expenditures. The nature of these funds is one-time revenue and cannot be relied upon for ongoing annual operations.

The increase in FY 2026 is primarily due to a one-time reimbursement from Cuyahoga County totaling \$882,559 for unused funds previously collected from tax settlements to support the County's Sexennial Reappraisal process.

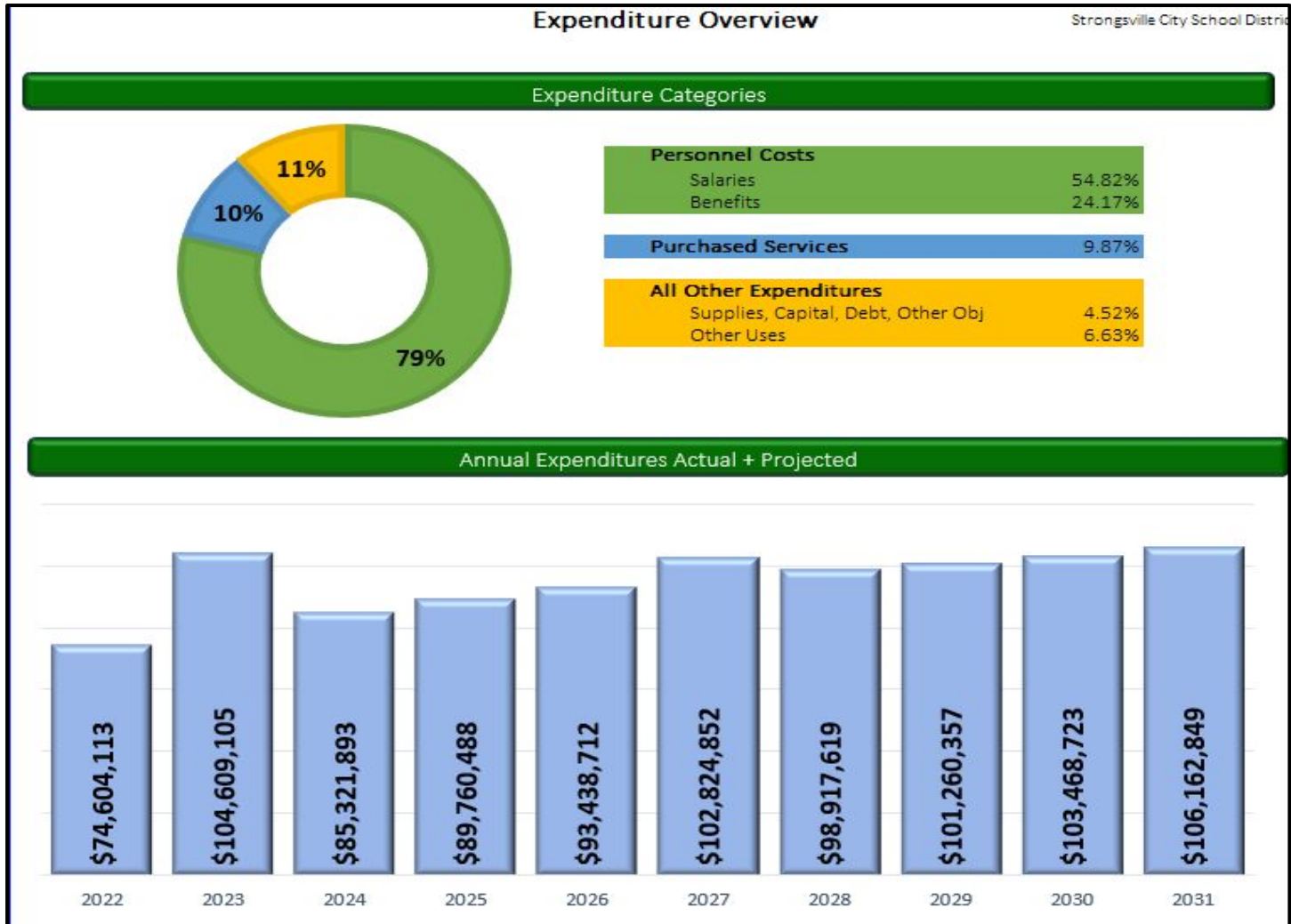
The transfer in during Fiscal Year 2027 is due to the Board of Education's dissolution of Fund 070, which resulted in \$21,885,149 being transferred back to the General Fund, as the General Fund was the original source of the funds.

Strongsville City Schools

- General Fund Expenditures

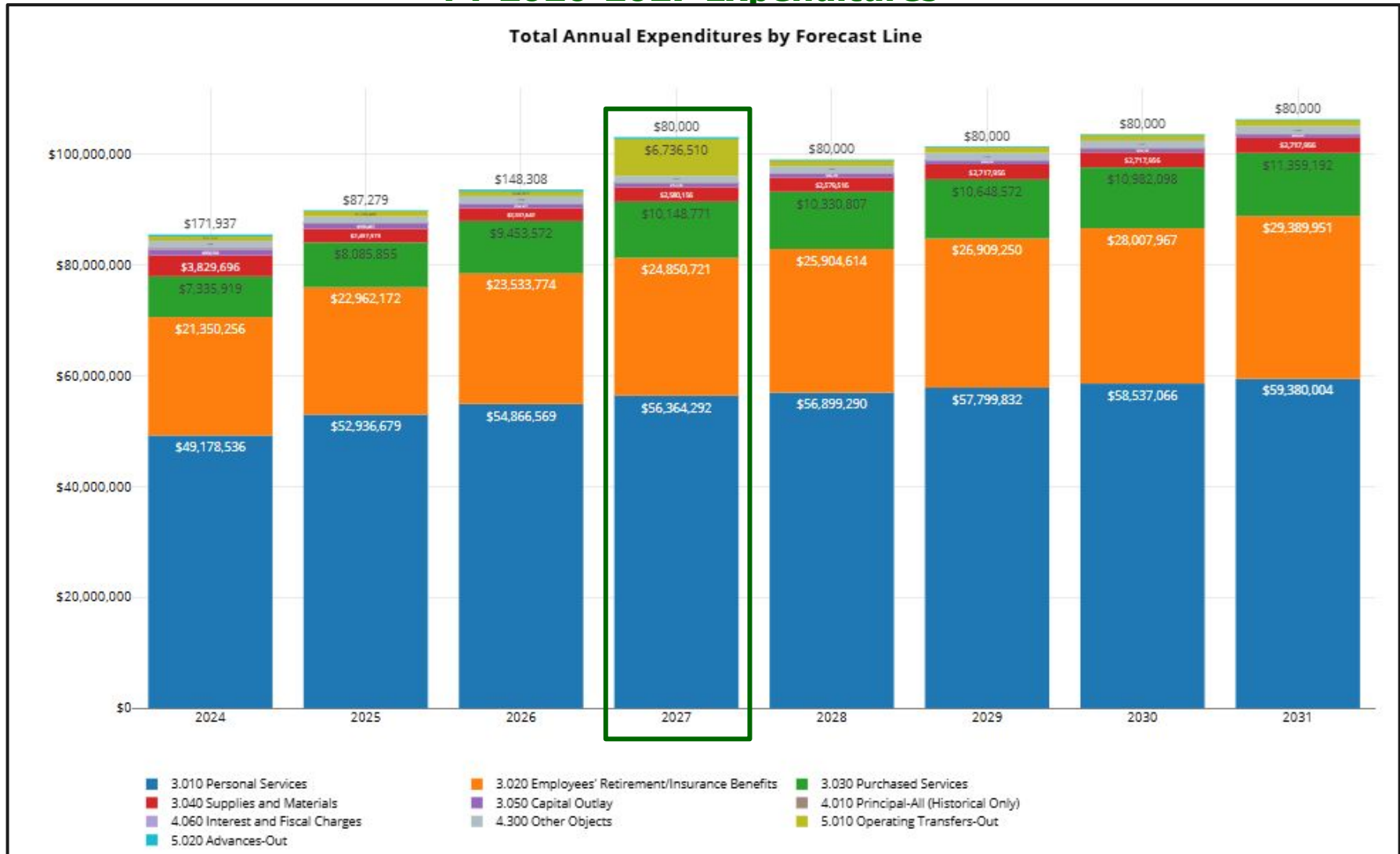
Strongsville City Schools

FY 2026-2027



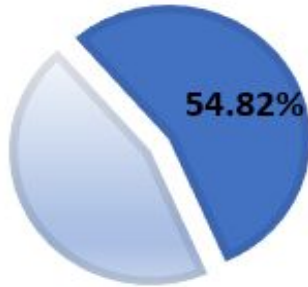
Strongsville City Schools

FY 2026-2027 Expenditures

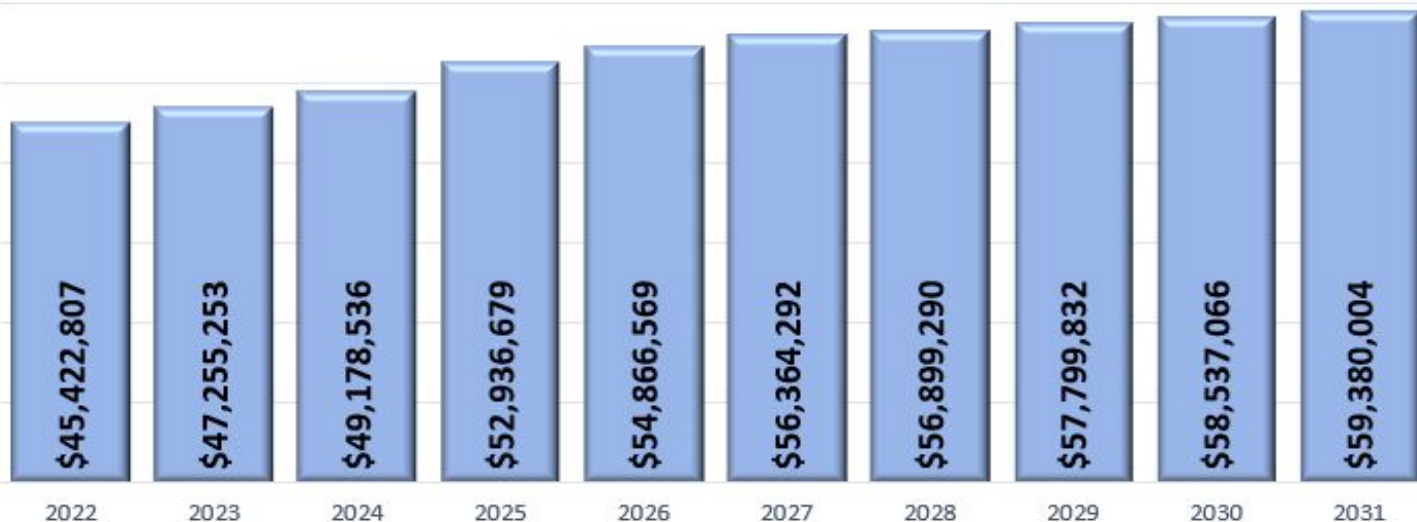


Strongsville City Schools

Salaries

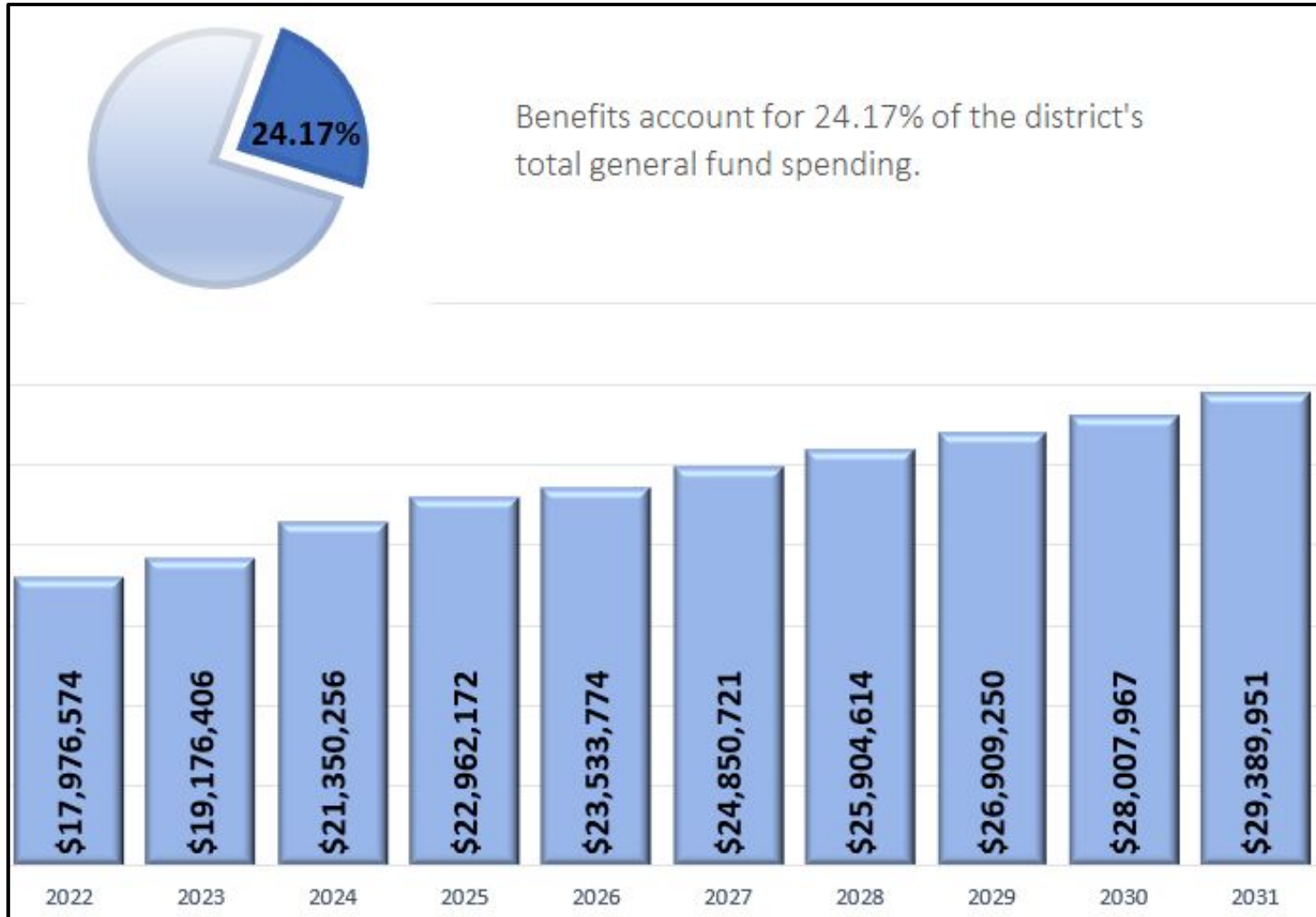


Salaries account for 54.82% of the district's total general fund spending.



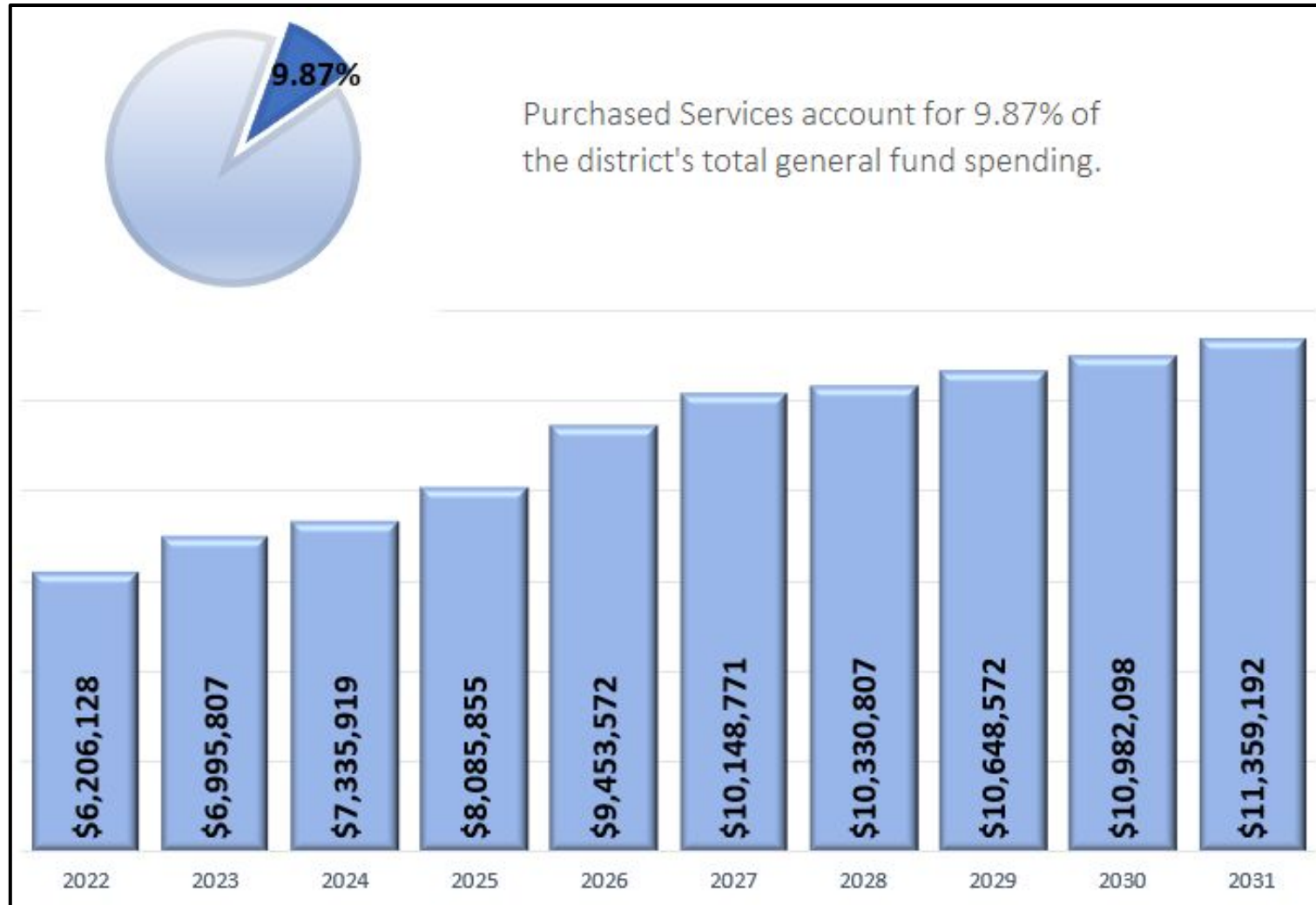
Strongsville City Schools

Benefits



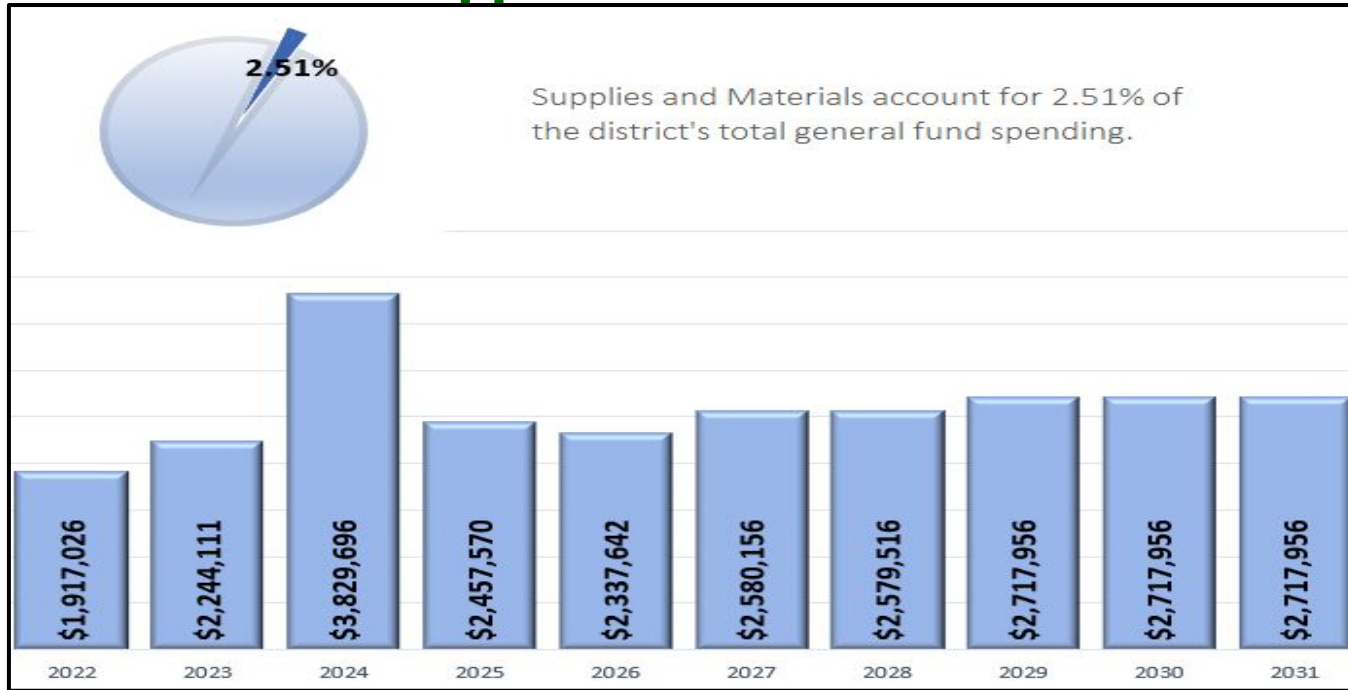
Strongsville City Schools

Purchased Services



Strongsville City Schools

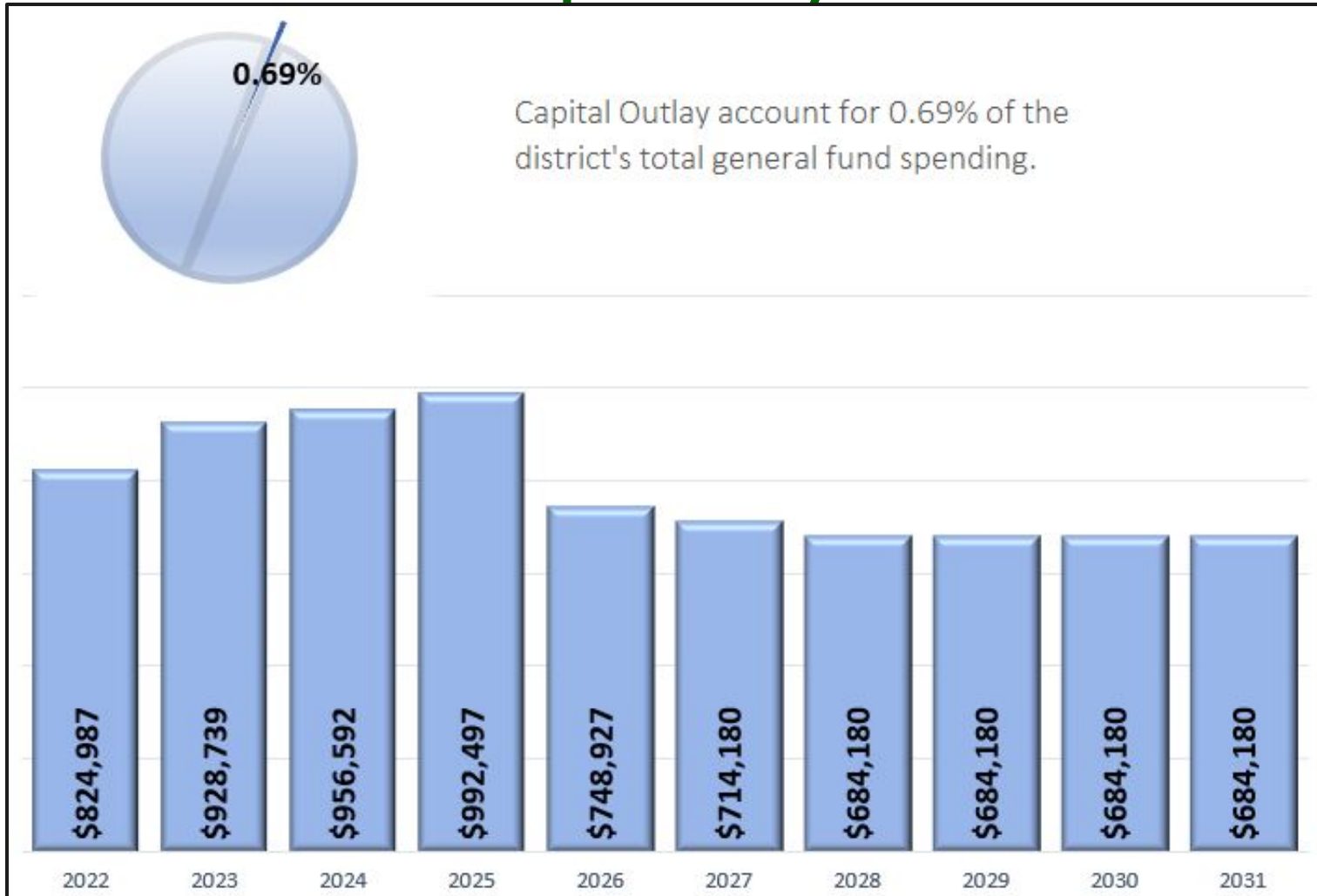
Supplies and Materials



Materials and Supplies	FY2026 Actual	FY2027	FY2028	FY2029	FY2030	FY2031
Instructional Supplies (511, 519)	\$343,256	\$374,340	\$374,340	\$374,340	\$374,340	\$374,340
Office Supplies	\$29,474	\$56,650	\$56,650	\$56,650	\$56,650	\$56,650
Textbooks	\$397,691	\$561,500	\$567,060	\$705,500	\$705,500	\$705,500
Software	\$354,715	\$370,835	\$364,635	\$364,635	\$364,635	\$364,635
Fuel	\$244,534	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
Building and Cleaning Supplies	\$420,580	\$336,501	\$336,501	\$336,501	\$336,501	\$336,501

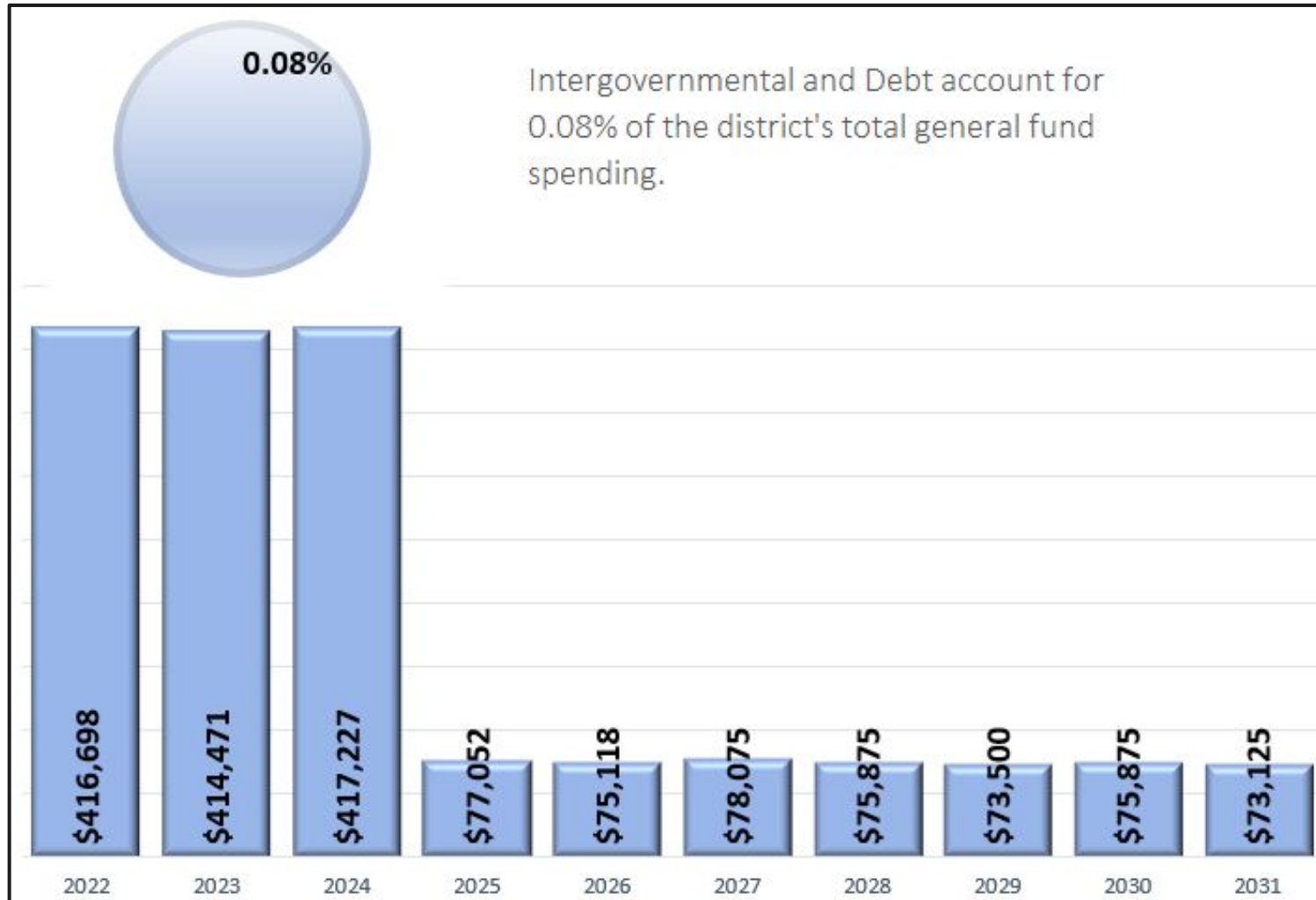
Strongsville City Schools

Capital Outlay



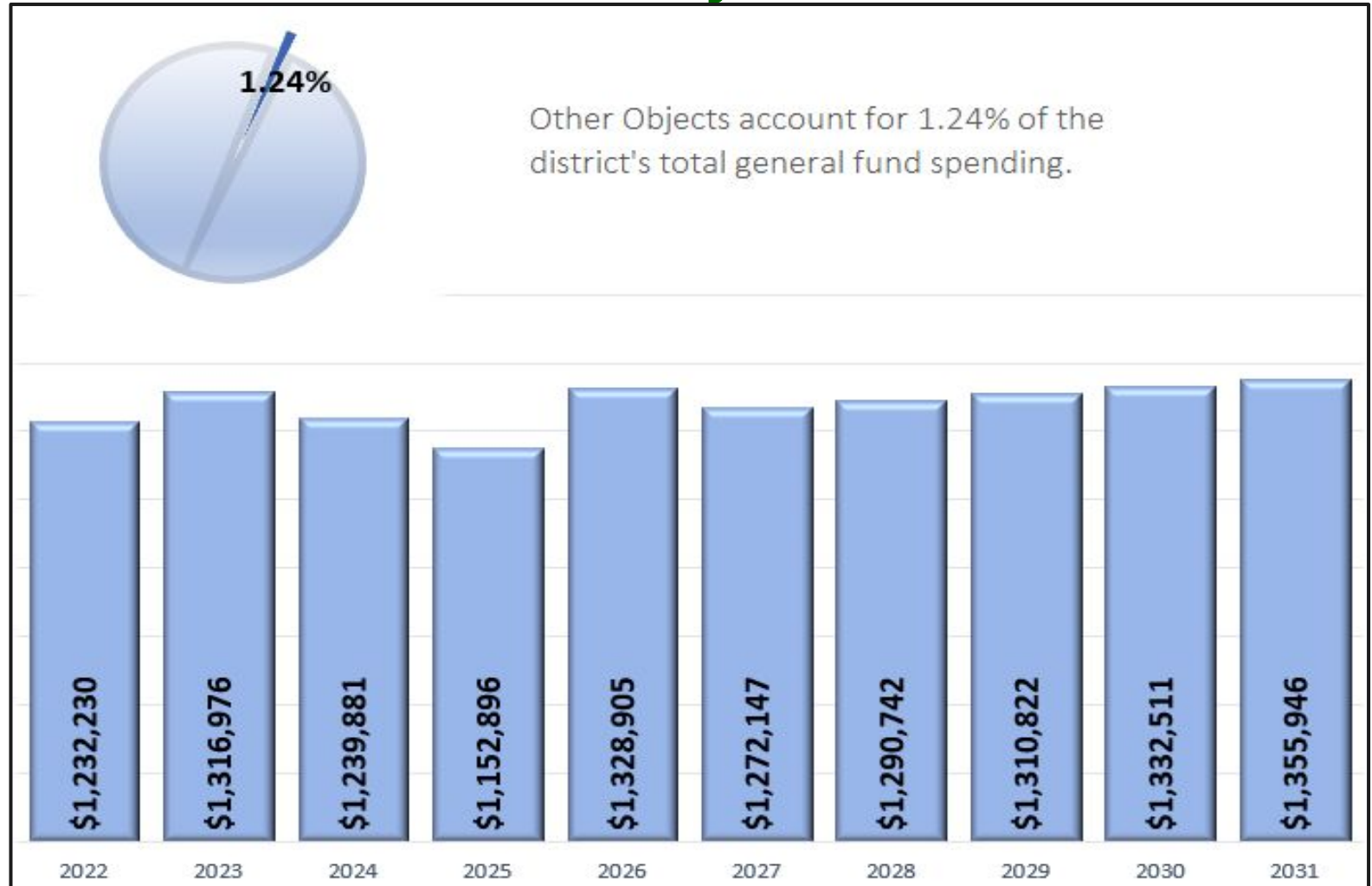
Strongsville City Schools

General Fund Debt



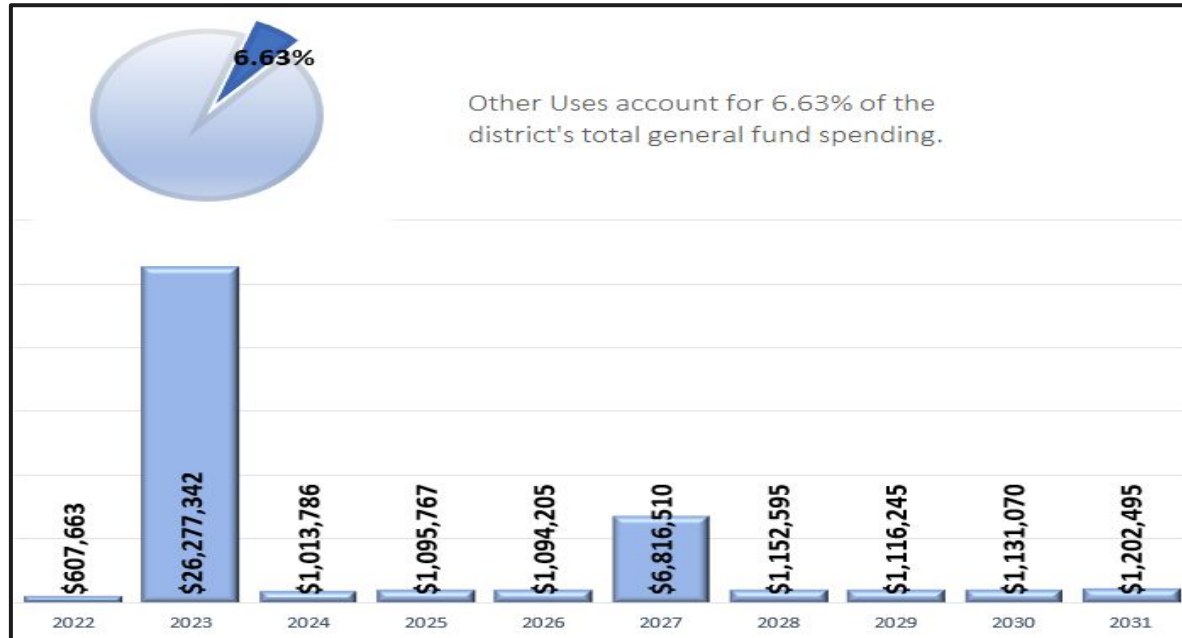
Strongsville City Schools

Other Objects



Strongsville City Schools

Other Financing Sources (transfers & advances out to other funds)



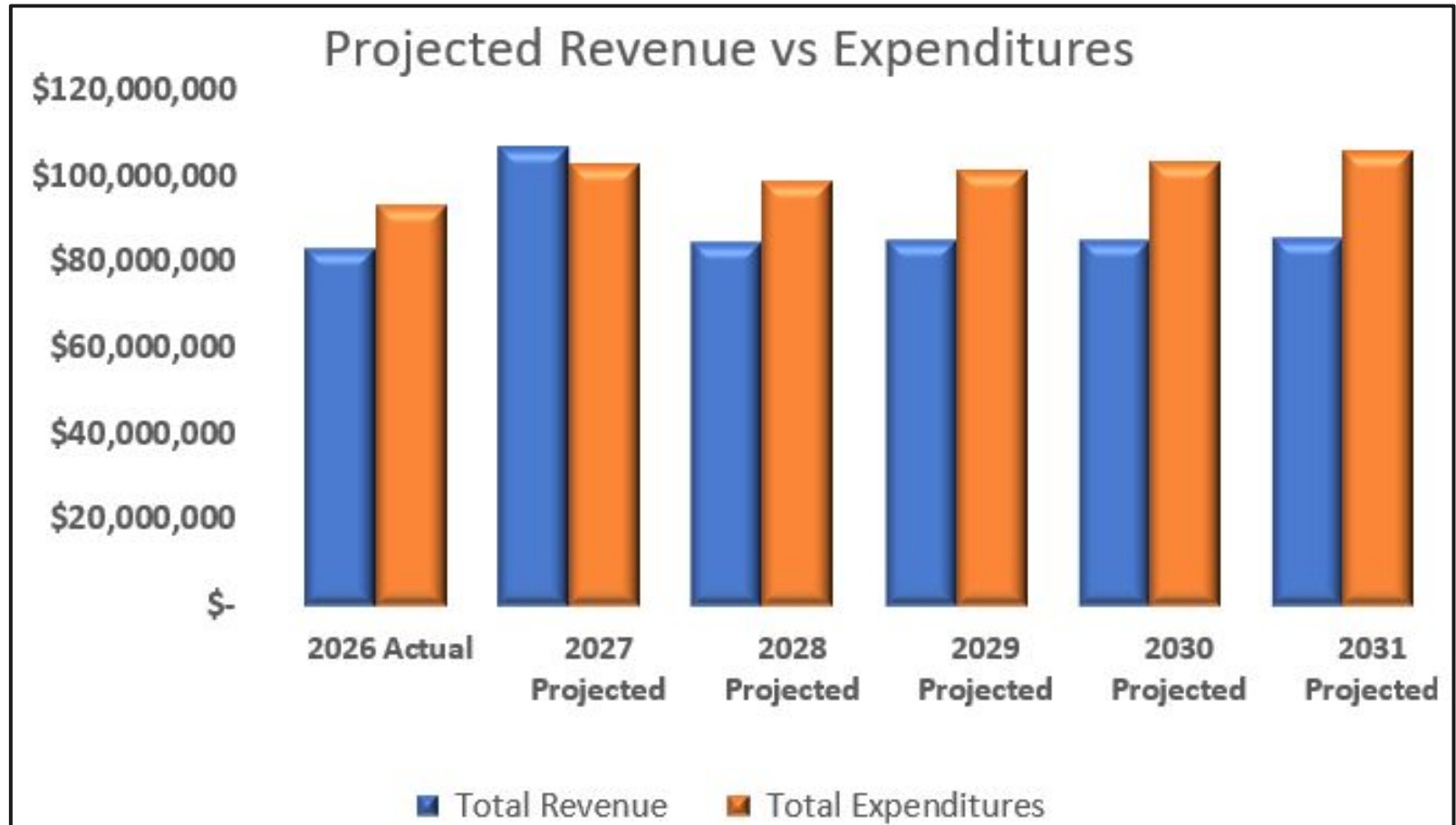
Transfer to:	FY2023	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031
Food Service Fund	\$0	\$0	\$0	\$0	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Uniform Schools Supplies	\$52,134	\$62,414	\$61,526	\$32,362	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Termination Benefits Fund	\$400,051	\$568,507	\$716,660	\$713,215	\$500,000	\$550,000	\$550,000	\$550,000	\$550,000
Summer School	\$0	\$20,700	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Field Turf Fund	\$55,144	\$54,327	\$53,481	\$52,605	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000
Fund 070 Facilities Fund	\$25,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PI Fund for SHS Track	\$565,562	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PI Fund for Baseball/Softball Turf (Fund 070 pass-through)	\$0	\$0	\$0	\$0	\$3,332,487	\$0	\$0	\$0	\$0
PI Fund for Muraski Debt (Fund 070 pass-through)	\$0	\$0	\$0	\$0	\$2,445,903	\$0	\$0	\$0	\$0
Athletics	\$6,381	\$135,902	\$176,821	\$147,715	\$273,120	\$261,345	\$284,445	\$283,945	\$283,945

Strongsville City Schools

- General Fund Summary

Strongsville City Schools

FY 2026-2027 Revenue & Expenditure Projections (with renewal and does not included encumbrances)



Strongsville City Schools

August 2026 Five-Year Forecast (in millions)

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Beginning Cash Balance	\$46.0	\$51.3	\$48.1	\$37.7	\$41.6	\$23.5	-\$0.9	-\$27.4
Total Revenues	90.6	86.6	83.1	106.7	80.8	76.9	76.9	77.3
Total Expenditures	85.3	89.8	93.5	102.8	98.9	101.3	103.4	106.2
<i>Revenues over Expenses</i>	<i>5.3</i>	<i>-3.2</i>	<i>-10.4</i>	<i>3.9</i>	<i>-18.1</i>	<i>-24.4</i>	<i>-26.5</i>	<i>-28.9</i>
Ending Cash Balance	51.3	48.1	37.7	41.6	23.5	-0.9	-27.4	-56.3
Encumbrances	1.8	2.0	1.4	2.0	2.0	2.0	2.0	2.0
Unencumbered Balance	49.5	46.1	36.3	39.6	21.5	-2.9	-29.4	-58.3
Property Tax - Renewal	0.0	0.0	0.0	0.0	4.1	8.3	8.3	8.3
Unencumbered Balance	\$49.5	\$46.1	\$36.3	\$39.6	\$25.6	\$9.5	-\$8.7	-\$29.3
Percent of Cash to Expenditures	58.03%	51.34%	38.82%	38.52%	25.88%	9.38%	-8.41%	-27.59%

Strongsville City Schools

August 2026 Five-Year Forecast (in millions)

Includes renewal levy within revenues

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Beginning Cash Balance	\$46.0	\$51.3	\$48.1	\$37.7	\$41.6	\$27.6	\$11.5	-\$6.7
Total Revenues	90.6	86.6	83.1	106.7	84.9	85.2	85.2	85.6
Total Expenditures	85.3	89.8	93.5	102.8	98.9	101.3	103.4	106.2
<i>Revenues over Expenses</i>	<i>5.3</i>	<i>-3.2</i>	<i>-10.4</i>	<i>3.9</i>	<i>-14.0</i>	<i>-16.1</i>	<i>-18.2</i>	<i>-20.6</i>
Ending Cash Balance	51.3	48.1	37.7	41.6	27.6	11.5	-6.7	-27.3
Encumbrances	1.8	2.0	1.4	2.0	2.0	2.0	2.0	2.0
Unencumbered Balance	\$49.5	\$46.1	\$36.3	\$39.6	\$25.6	\$9.5	-\$8.7	-\$29.3
Percent of Cash to Expenditures	58.03%	51.34%	38.82%	38.52%	25.88%	9.38%	-8.41%	-27.59%

Strongsville City Schools

FY 2026-2027 Forecast Summary

Strongsville City Schools has maintained an operating surplus since 2011. As a government entity, our school district is required to operate in the positive. Operating in a deficit could result in the following declarations by both the Ohio Department of Education and/or the Auditor of State: Fiscal Caution, Fiscal Watch, and/or Fiscal Emergency. To be removed from one of these categories, the school district must demonstrate fiscal stability by eliminating current deficits and avoiding future deficits.

At the close of fiscal year 2026, the ending cash balance within the general operating fund was \$36.3 million. Revenues totaled \$81.3 million and expenditures totaled \$93.5 million. This equates to revenues under expenditures of **\$-10.4 million**.

The August 2026 Five-Year Forecast for the General Fund FY 2027 revenues of \$106.7 million and expenditures of \$102.8 million, resulting in revenues exceeding expenditures by approximately \$3.9 million. These amounts include the one-time transfer of 070 Fund resources into the General Fund and the related pass-through expenditures.

Excluding the Fund 070 transfer and related pass-through expenditures provides a clearer picture of the District's ongoing operating activity. Without these transactions, FY 2027 revenues are projected at approximately \$84.9 million, while expenditures are projected at approximately \$97.1 million. This results in revenues under expenditures by approximately **\$-12.2 million**.

Strongsville City Schools

Cash Balance Policy

Cash Balance Policy:

The Board believes that maintaining a cash reserve unencumbered unreserved balance of ninety (90) days of operating expenditures is necessary in the interest of sound fiscal management. The Board affirms that tax levies may be pursued, and/or the District's finances otherwise managed, to ensure a General Operating Fund unencumbered unreserved cash balance equivalent to at least ninety (90) days of operating expenditures. Promptly upon receiving an indication that such cash balance may not be achieved within any year of the five (5) year forecast, the Treasurer/CFO shall report such a finding to the Board. Upon such notification by the Treasurer/CFO, the Superintendent and Treasurer/CFO will prepare and propose options that the Board may consider to forestall such an eventuality.

Further, when a General Operating Fund cash balance exceeds 150 days the Superintendent and/or Treasurer/CFO may recommend the funds be transferred to an approved 070 Capital Projects fund for future capital improvements as approved by the Board. The transfer must be approved by the Board and cannot result in the General Operating Fund cash balance falling below ninety (90) days in any year of the rolling five (5) year forecast.

Strongsville City Schools

FY 2026-2027 Days Cash on Hand (with renewal)



Strongsville City Schools

FY 2026-2027 Days Cash on Hand (with renewal)

Days Cash on Hand - Current Compared to Prior Forecast

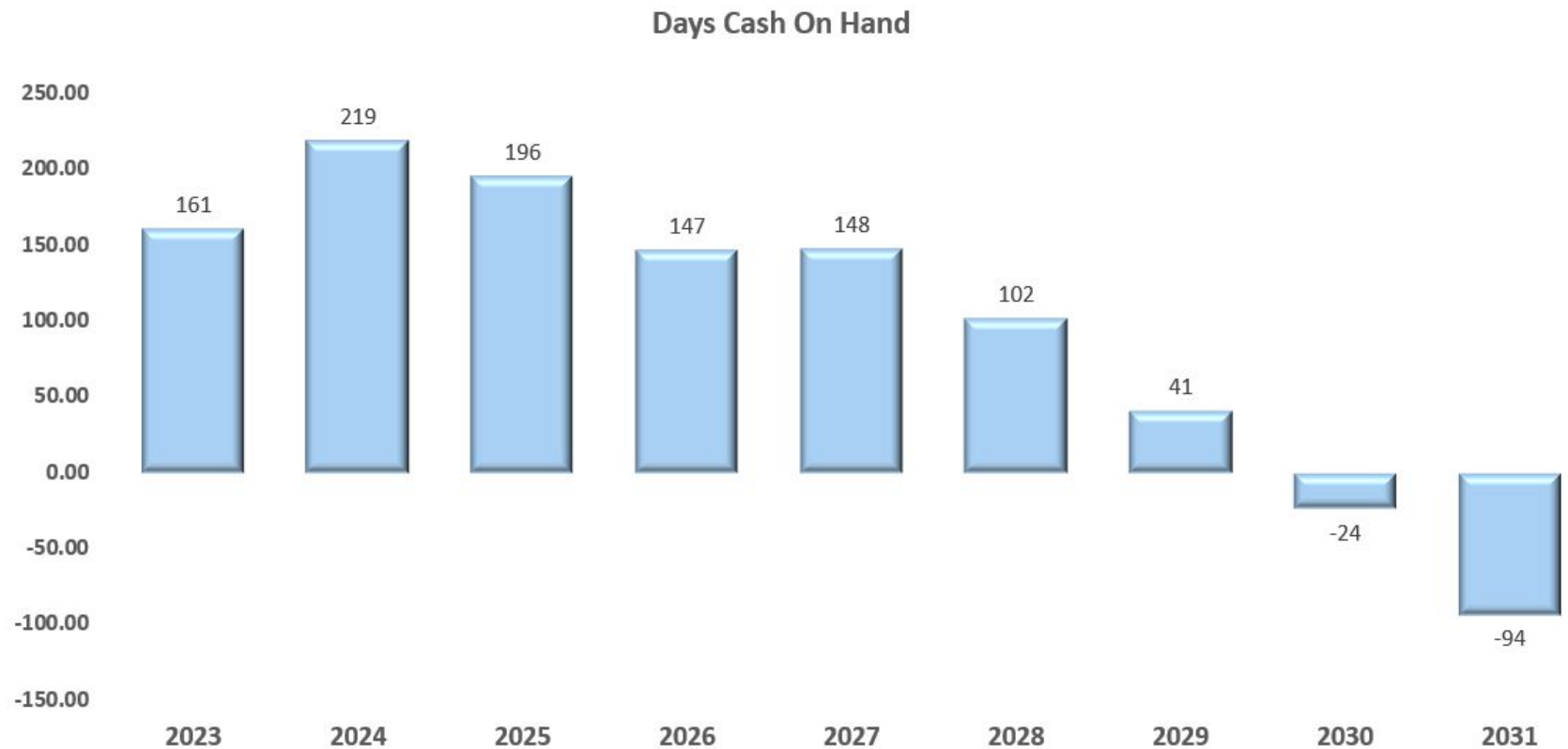


Days cash on hand is forecasted to decline, and is similar to the prior forecast trend.

**based on 365 days*

Strongsville City Schools

FY 2026-2027 Days Cash on Hand expanded historical (with renewal levy)



Note: Calculated on 365 Day Calendar Year

Strongsville City Schools

Cash Management / Cash Balances

Necessity of Cash Balances in Ohio:

School officials must plan and monitor district cash flow as they practice responsible stewardship. The District's five year forecast is an informed prediction for how long the revenue/expenses cycle will maintain a healthy cash balance. The revenue of surplus or deficit line within the five year forecast provides a picture of the district's changing financial obligations over time, pointing to the need for a fund balance in preparation for future expenses.

Reasons why a district may carry a cash balance at the end of the fiscal year:

- **Cash Flow:** Main sources of revenue is property taxes which is received 5 of out the 12 months on the year. Need a cash balance to sustain the low cash periods (December, January, first payroll in February, June, and first payroll in July) to meet liability obligations in those months.
- **Levy cycles:** Since levies are limited to a fixed dollar amount, tax revenues may not keep up with increases in operating costs. Particularly when expenditures typically increase 5-7 percent annually.
- **Expenditure volatility:**
 - **Staffing needs** - Over the past several years, general fund staffing has increased due to increasing enrollment coupled additional support for student needs.
 - **Health care** - Over the past two years, health care cost increased by 1.5% and 6.90%
 - **Non Personnel Expenditures** - cost of goods and services continues to increase.
- **Credit Score / Bond Rating:** Over the past several years, the District's Bond rating has received two credit ratings upgrades from Moody's a Aa3 to **Aa1**. As a result of the increased Bond ratings the District was able to refinance outstanding debt at a lower tax rate which **reduced the District debt obligation by \$19,862,030, a direct savings of \$30 per \$100,000 of valuation to the taxpayers over the life of the debt.**

Strongsville City Schools

Department of Education & Workforce Review

Forecast Examination:

The Department examines all five-year forecast submissions. If the Department determines a district has the potential to incur a deficit during the first three years of the five-year period, the district will be required to submit a written plan to eliminate the “flagged” deficit(s).

- In Fiscal Year 2027 and Fiscal Year 2028 the department uses Line 10.010 to identify potential deficits.
- Districts projecting deficits at Line 10.010 in Fiscal Year 2027 or Fiscal Year 2028 may be placed into fiscal oversight.

	ACTUAL					FORECASTED		
	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031
Fund Balance June 30 for Certification								
10.010 - of Appropriations	49,467,516	46,111,942	36,318,616	39,634,864	21,454,975	(2,923,396)	(29,448,273)	(58,351,434)

- In Fiscal Year 2029 the Department uses Line 12.010 to identify potential deficits, thereby assuming any projected renewal levies will pass.

	ACTUAL					FORECASTED		
	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031
Fund Balance June 30 for Certification								
10.010 - of Appropriations	49,467,516	46,111,942	36,318,616	39,634,864	21,454,975	(2,923,396)	(29,448,273)	(58,351,434)
Rev from Replacement/Renewal Levies								
11.010 - Income Tax - Renewal				-	-	-	-	-
11.020 - Property Tax - Renewal or Replacement				-	4,135,156	8,284,905	8,314,171	8,343,600
11.030 - Cumulative Balance of Replacement/Renewal Levies	-	-	-	-	4,135,156	12,420,061	20,734,232	29,077,832
Fund Balance June 30 for Certification								
12.010 - of Contracts, Salary and Other Obligations	49,467,516	46,111,942	36,318,616	39,634,864	25,590,131	9,496,665	(8,714,041)	(29,273,602)

Strongsville City Schools

- Levy Modeling / Cost Reductions

Strongsville City Schools

August 2026 Five-Year Forecast (in millions)

Levy Modeling - Nov 2026 Ballot Issue

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Beginning Cash Balance	\$46.0	\$51.3	\$48.1	\$37.7	\$49.2	\$46.2	\$36.9	\$25.5
Total Revenues	90.6	86.6	83.1	106.7	80.8	76.9	76.9	77.3
Property Tax - Renewal	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
6.70 Mill Levy - November 2026 Ballot Issue	0.0	0.0	0.0	7.6	15.1	15.1	15.1	15.1
Total Expenditures	85.3	89.8	93.5	102.8	98.9	101.3	103.4	106.2
<i>Revenues over Expenses</i>	<i>5.3</i>	<i>-3.2</i>	<i>-10.4</i>	<i>11.5</i>	<i>-3.0</i>	<i>-9.3</i>	<i>-11.4</i>	<i>-13.8</i>
Ending Cash Balance	51.3	48.1	37.7	49.2	46.2	36.9	25.5	11.7
Encumbrances	1.8	2.0	1.4	2.0	2.0	2.0	2.0	2.0
Unencumbered Balance	\$49.5	\$46.1	\$36.3	\$47.2	\$44.2	\$34.9	\$23.5	\$9.7
Percent of Cash to Expenditures	60.14%	53.56%	40.32%	47.86%	46.71%	36.43%	24.66%	11.02%
Number of Cash Days	219.51	195.51	147.17	174.69	170.51	132.96	90.01	40.21

Strongsville City Schools

August 2026 Five-Year Forecast (in millions)

Phase III Reduction Modeling - (If November 2026 Levy Fails)

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Beginning Cash Balance	\$46.0	\$51.3	\$48.1	\$37.7	\$41.6	\$38.7	\$29.5	\$18.2
Total Revenues	90.6	86.6	83.1	106.7	80.8	76.9	76.9	77.3
Property Tax - Renewal	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Expenditures	85.3	89.8	93.5	102.8	98.9	101.3	103.4	106.2
Levy Failure - Phase III Reductions Amount Needed	0.0	0.0	0.0	0.0	-15.2	-15.2	-15.2	-15.2
Revenues over Expenses	5.3	-3.2	-10.4	3.9	-2.9	-9.2	-11.3	-13.7
Ending Cash Balance	51.3	48.1	37.7	41.6	38.7	29.5	18.2	4.5
Encumbrances	1.8	2.0	1.4	2.0	2.0	2.0	2.0	2.0
Unencumbered Balance	\$49.5	\$46.1	\$36.3	\$39.6	\$36.7	\$27.5	\$16.2	\$2.5
Percent of Cash to Expenditures	60.14%	53.56%	40.32%	40.47%	39.13%	29.12%	17.60%	4.24%
Number of Cash Days	219.51	195.51	147.17	147.70	168.76	125.06	75.32	18.05

Strongsville City Schools

- Questions?