



FIVE YEAR FORECAST

May 2025

TREASURER'S OFFICE

Ryan Cook, MBA, LSSBB, SFO
CFO/Treasurer



Before we get to the numbers ...

- A financial forecast is somewhat like a painting of the future based upon a snapshot of today.
- The five-year forecast is viewed as a key management tool and should be updated periodically.
- In a financial forecast, the numbers only tell a small part of the story. For the numbers to be meaningful, one must review and consider the Notes and Assumptions before drawing conclusions or using the data as a basis for other calculations.
- The five-year forecast encourages district management teams to examine future years' projections and identify when challenges will arise.
- This helps district management to be proactive in meeting those challenges.





Why Does It Matter?



Engage the Board of Education and community in long range planning and discussions of financial issues facing our schools.



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".



To provide a method for the Ohio Department of Education & Workforce and Auditor of State to identify school districts with potential financial problems.



The five-year forecast is divided into two sections: revenue and expenditures.



A district's revenue is made up of two main sources, local and state funding.

- Local 74.5%
- State 22.3%
- Non-Operating 3.2%

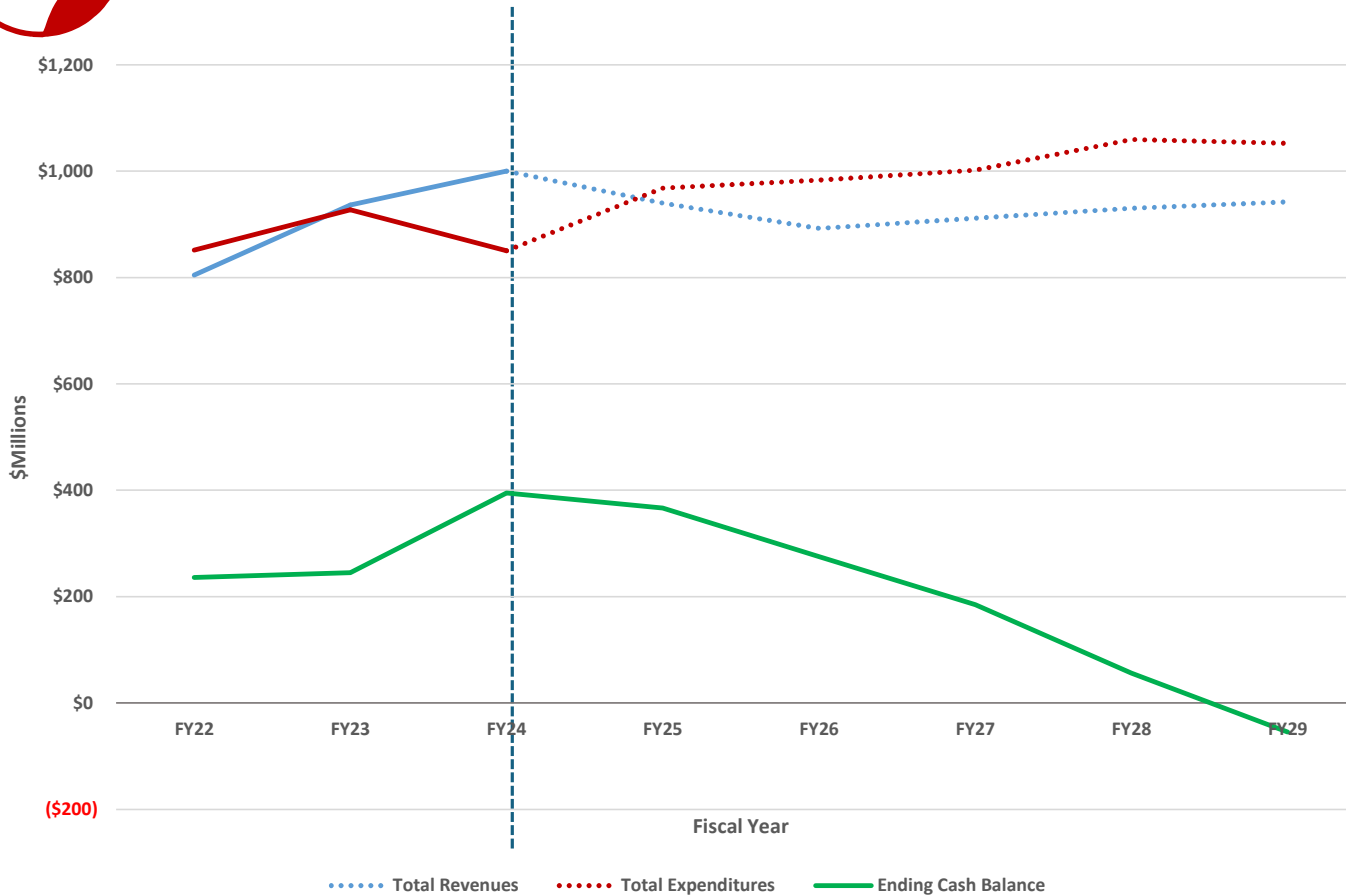


The expenditures are mainly salary and wages, benefits, purchased services, and supplies and materials.

- Personnel 83.7%
- Purchased Services 10.1%
- Supplies 3.6%
- Other 2.6%



May 2025 FYF



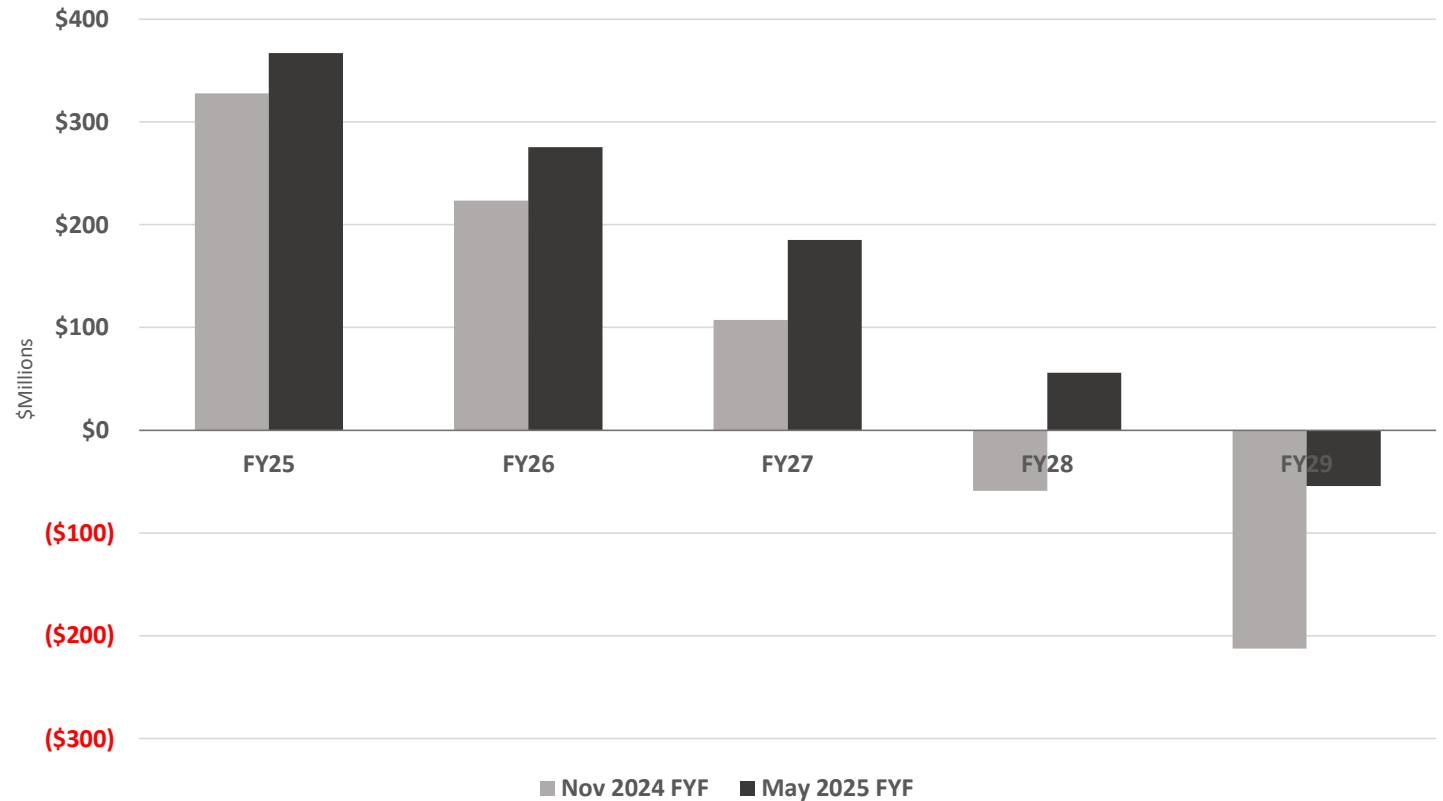
- Cash balance is positive through FY28
- Expenses exceed revenue starting in FY25 (deficit spending)
- Cash deficit projected in FY29 is \$54.4 million



November 2024 vs. May 2025 FYF



Ending Cash Balance May 2025 vs November 2024 FYF



- FY 28 and FY29 projected cash balance increased by \$114.9 million and \$157.9 million, respectively.



Summary of Changes- Revenues

State Aid

- Maintains funding formula assumptions from November FYF
 - 66.67% Phase In
 - FY22 Cost Inputs
 - No change in enrollment
- State funding formula projected based on the April #2 Payment
- \$31.1 million increase in Special Education Transportation Funding
- Update for timing of Transportation penalty

All Other Revenues

- \$21.8 million increase related to updated actuals projected forward



Summary of Changes- Transportation Penalty

- \$7.5 million increase related to the delay of transportation penalty expected from this year being delayed to FY 26
 - FY 26 to FY29 Transportation Penalty projected at \$15 million (No change)

Transportation Penalty Summary		
FY 24 Penalty (Assessed in FY25)	FY 25 Projected Penalty (Assessed in FY25)	FY 25 Projected Penalty (Assessed in FY26)
\$2.2 Million	\$5.3 Million	\$10.0 Million

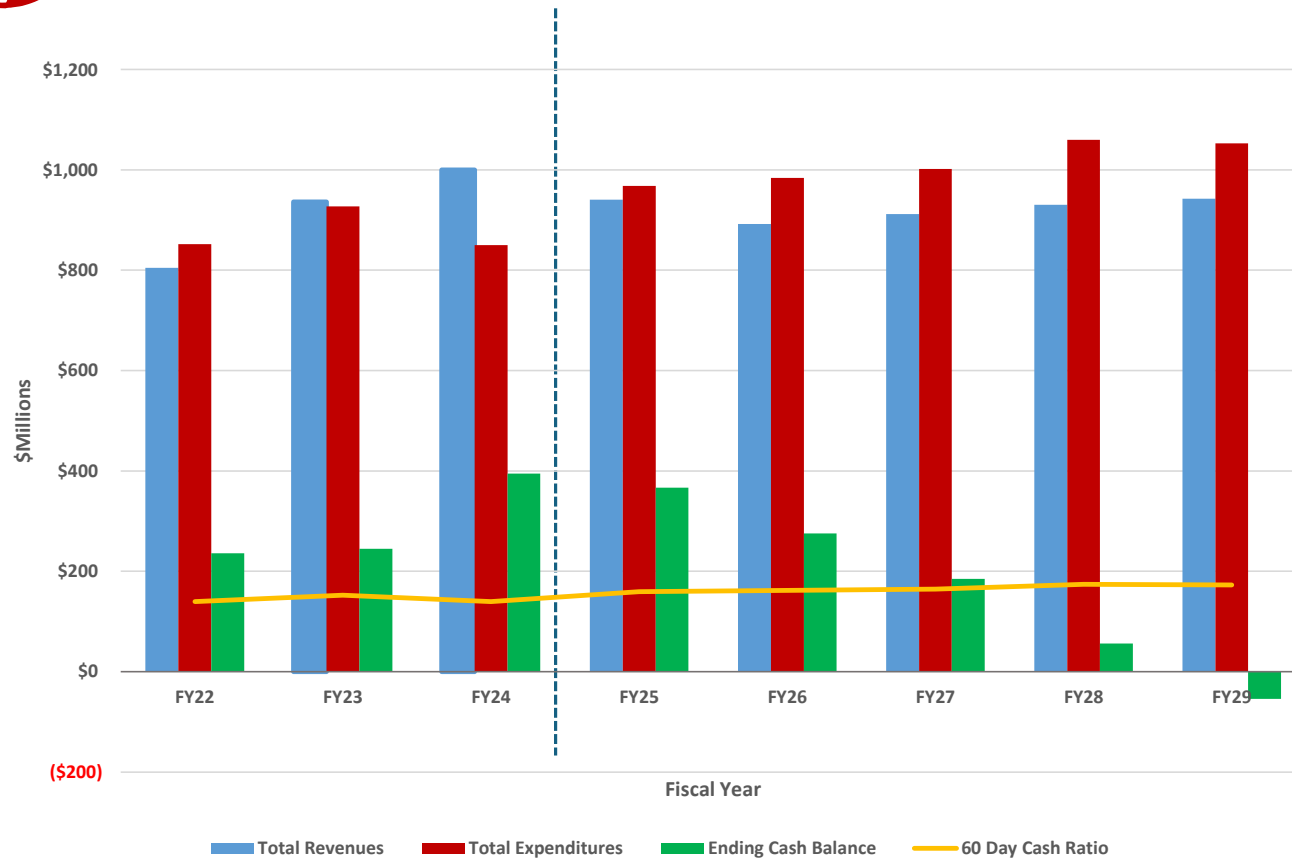


Summary of Changes- Expenditures

- \$108.2 million decrease related to revising the assumed base annual increases from 2.5% to 1% for FY 26 to FY29.
- \$13.3 million increase related to updated actuals in payroll and nonpayroll expenditures for FY25 YTD and projected forward



May 2025 FYF Revenue Vs. Expenditure



- Cash balance positive through FY28
- Expenses exceed revenues starting in FY25
- Days Cash on Hand
 - 2025: 138
 - 2026: 102
 - 2027: 67
 - 2028: 19
 - 2029: (19)



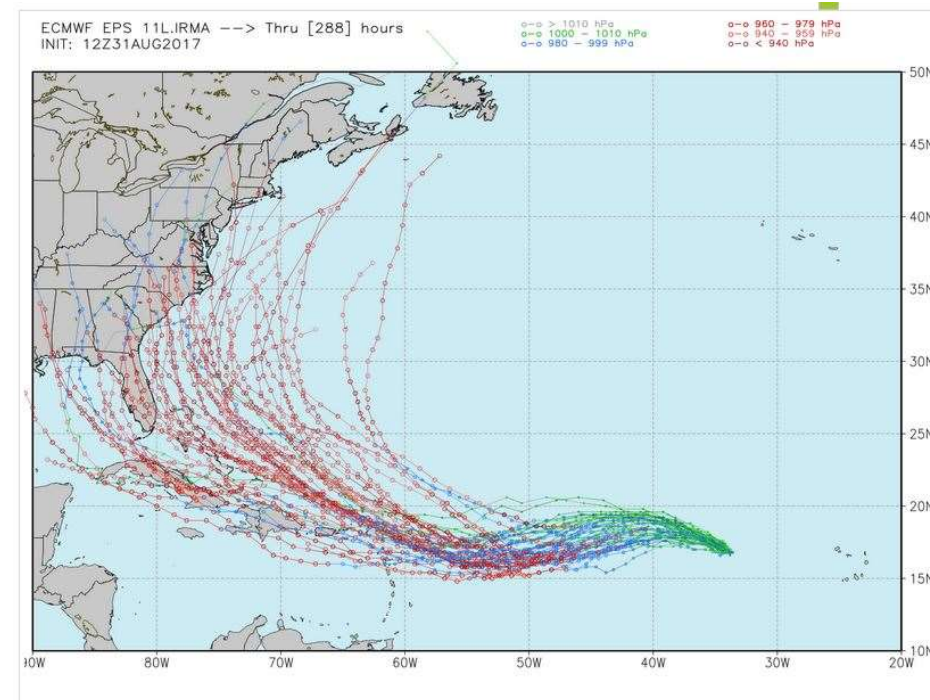
In Conclusion- Ongoing Risks

- Pending State Budget
 - HB 96 cash balance 30% limit

Fiscal Year	2025	2026	2027	2028	2029
Cash balance as % of expenditures	37.9%	28.0%	18.5%	5.3%	-5.2%

- Pending Federal Budget and Litigation
- Upcoming personnel negotiations; current assumptions reflect a 1.0% base increase
- Expenses exceed revenues starting in FY25
 - District will need to look at budget cuts (attrition), new revenues or a combination of both for long term sustainability

Fiscal Year	2025	2026	2027	2028	2029
Revenues over (under) Expenditures	(\$27.8)	(\$91.4)	(\$90.3)	(\$129.2)	(\$110.3)





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