

Lebanon City School District

Fiscal Year  
**2026**  
February

**Financial  
Forecast  
Report**



Prepared By:

Treasurer/CFO

Lebanon City School District

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## Forecast Purpose/Objectives

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

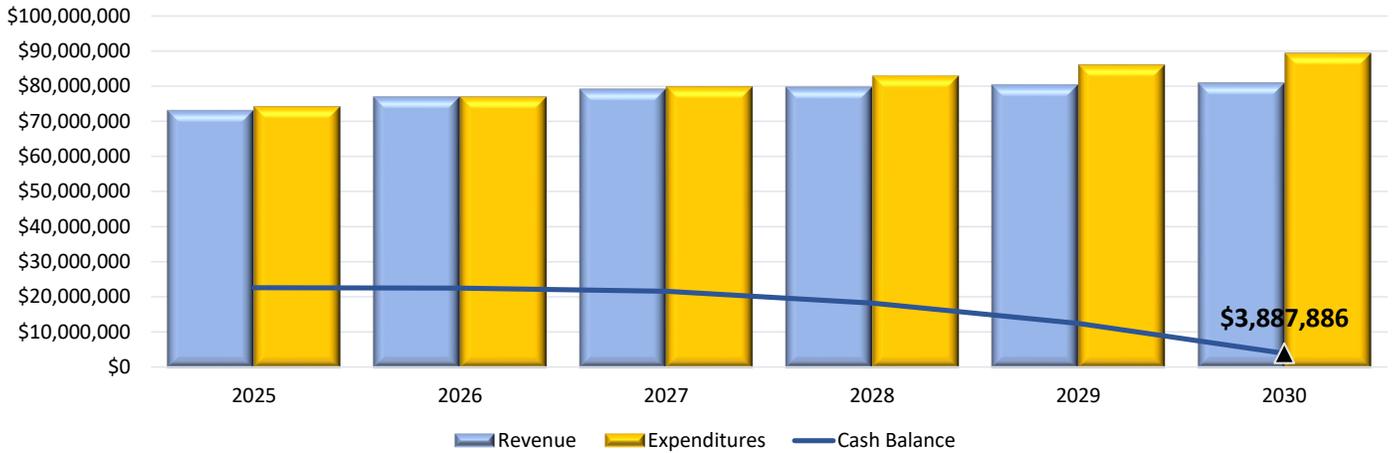
1. To engage the local board of education and the community in the long range planning and discussions of financial issues facing the school district.
2. To serve as a basis for determining the school district's ability to sign the certificate required by O.R.C. §5705.412, commonly known as the "412 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.

## Forecast Summary

### Projected Revenue, Expenditures, and Cash Balance



### Financial Forecast Summary

	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030
Beginning Balance (Line 7.010) <i>*Includes Renewal/New Levy Revenue, see Disclosures</i>	22,595,264	22,448,283	21,612,212	18,220,376	12,449,995
+ Revenue	76,906,127	79,132,464	79,666,608	80,378,015	80,850,437
- Expenditures	(77,053,108)	(79,968,535)	(83,058,444)	(86,148,396)	(89,412,546)
= Revenue Surplus or Deficit	(146,981)	(836,071)	(3,391,836)	(5,770,381)	(8,562,109)
Line 7.020 Ending Balance with Renewal/New Levies	22,448,283	21,612,212	18,220,376	12,449,995	3,887,886

### Financial Summary Notes

Expenditure growth is projected to outpace revenue change. By the end of 2030, the cash balance is projected to decline by a total of \$18,707,378 compared to 2025. For fiscal year 2030, expenditures are currently projected to exceed revenue, resulting in a revenue shortfall the final year of the forecast period.

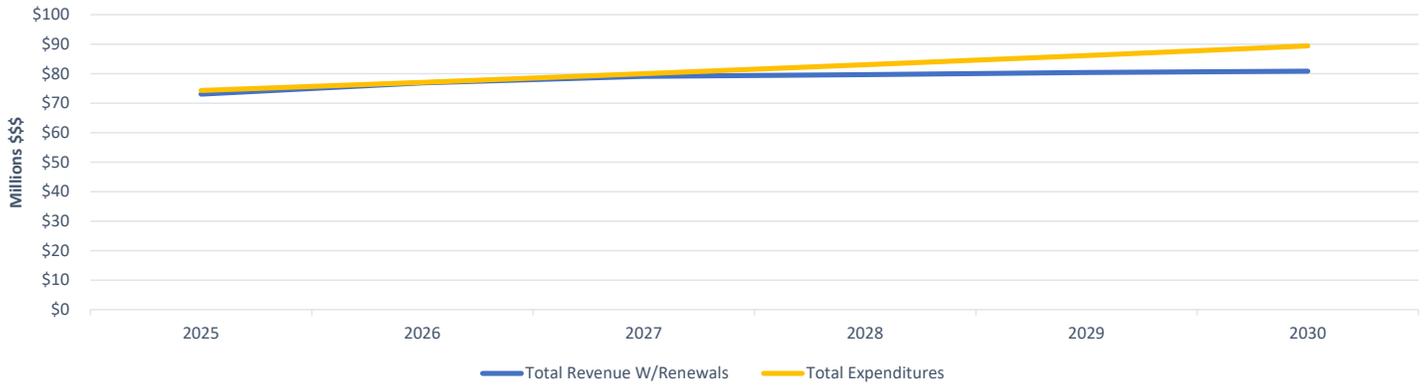
For revenue, projected change is expected to be less than the historical average. Over the past five years, revenue increased by 5.31% (\$3,315,392 annually). However, it is projected to increase by 2.06% (\$1,558,309 annually) through fiscal year 2030. Notably, Real Estate, is expected to be \$1,009,100 less per year compared to history, and is the biggest driver of trend change on the revenue side.

For expenditures, projected change is expected to be at a slower pace than the historical trend. Expenditures increased by 5.82% (\$3,659,223 annually) during the past 5-year period, and are projected to increase by 3.77% (\$3,021,866 annually) through 2030. The forecast line with the most change on the expense side, Salaries, is anticipated to be \$850,397 less per year in the projected period compared to historical averages.

Disclosure Items:	2026	2027	2028	2029	2030
<i>Modeled Renewal Levies - Annual Amount</i>	-	-	-	-	-
<i>Modeled New Levies - Annual Amount</i>	-	-	-	-	-
<i>Encumbrances (not subtracted from Cash Balance)</i>	850,000	850,000	850,000	850,000	850,000

# Forecast Analysis

## Revenue Compared to Expenditures

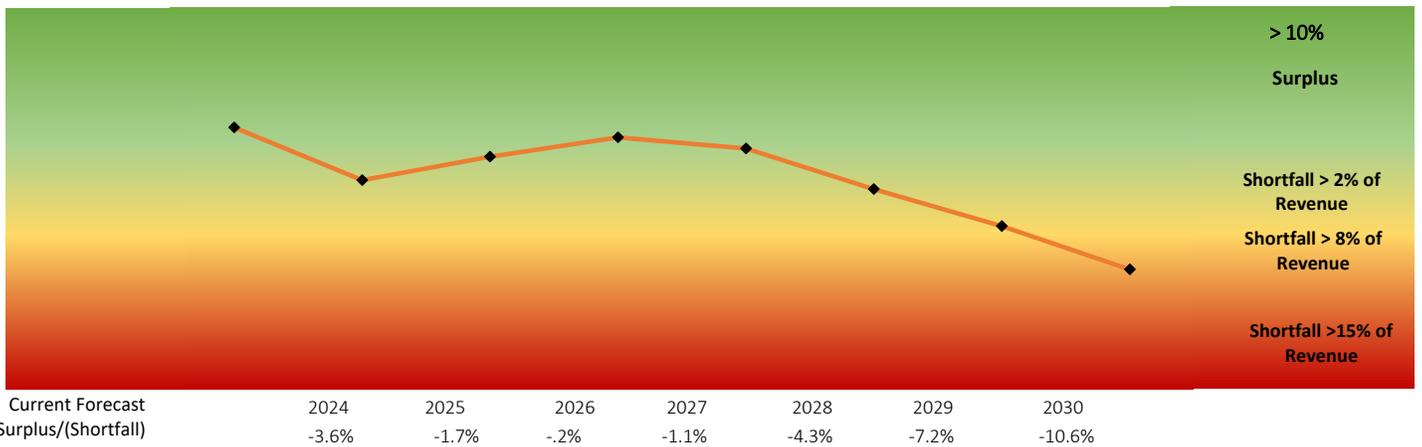


From 2026 to 2030, total revenues are projected to change by 2.06%

Expenditure change is expected to outpace revenue change.

From 2026 to 2030, total expenses are projected to change by 3.77%

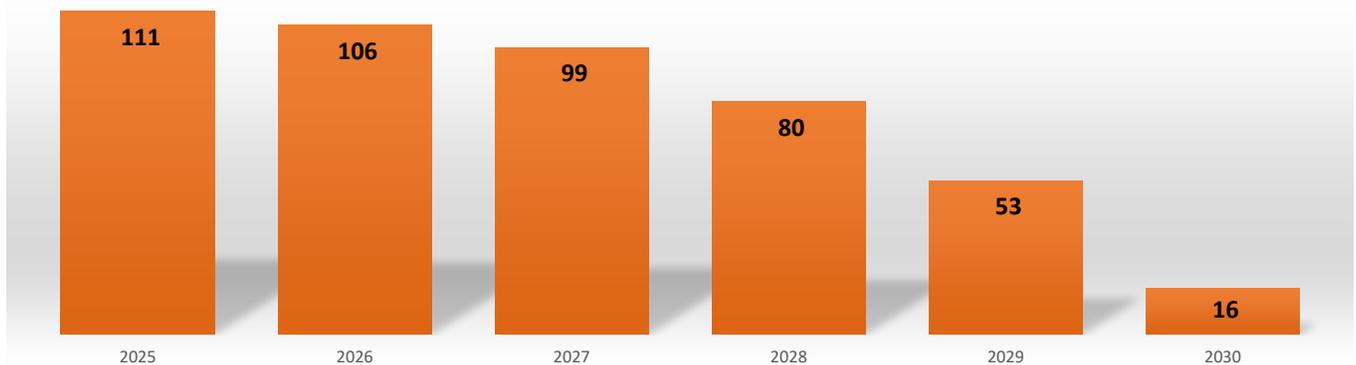
## Revenue Surplus/(Shortfall) as a Percentage of Revenue



The district is trending toward revenue shortfall with the expenditures growing faster than revenue. A revenue increase of 7.18% is needed to balance the budget in fiscal year 2030, or a \$8,562,109 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 Salaries.

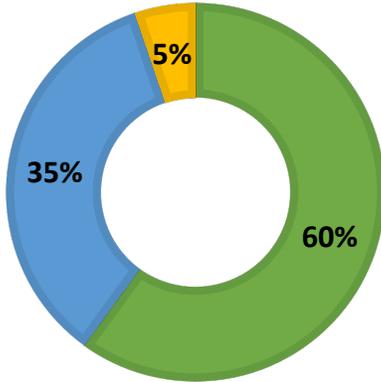
## Days Cash on Hand at Fiscal Year-end



\*based on 365 days

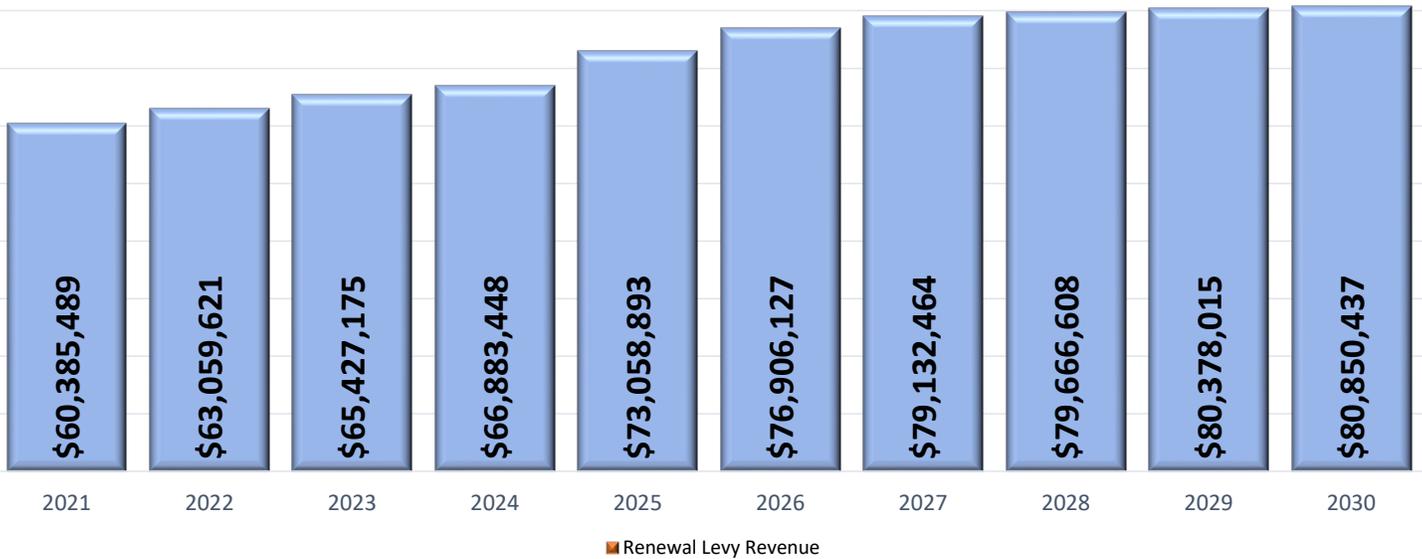
# Revenue Overview

## Revenue Sources



Local Taxes	
Real Estate Tax	54.53%
Public Utility Tax	5.46%
Income Tax	0.00%
State Sources	
State Funding	27.36%
Restricted Aid	1.27%
State Reimb Prop Tax Cr	6.18%
All Other Revenue	
Other Revenue	5.15%
Other Sources	0.06%

## Annual Revenue Actual + Projected



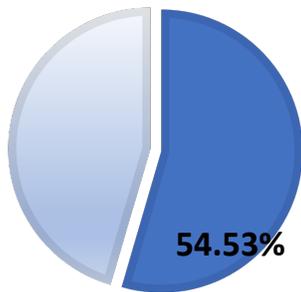
## Historic Revenue Change versus Projected Revenue Change

	Historical Average Annual \$ Change	Projected Average Annual \$ Change	Projected Compared to Historical Variance	
Real Estate	\$2,330,345	\$1,321,244	(\$1,009,100)	Over the past five years, revenue increased by 5.31% (\$3,315,392 annually). However, it is projected to increase by 2.06% (\$1,558,309 annually) through fiscal year 2030. Notably, Real Estate, is expected to be \$1,009,100 less per year compared to history, and is the biggest driver of trend change on the revenue side.
Public Utility	\$372,560	\$78,900	(\$293,661)	
Income Tax	\$0	\$0	\$0	
State Funding	\$183,910	\$90,026	(\$93,884)	
State Reimb Prop Tax Credits	\$214,026	\$154,074	(\$59,952)	
All Othr Op Rev	\$450,740	(\$103,799)	(\$554,539)	
Other Sources	(\$236,189)	\$17,864	\$254,054	
<b>Total Average Annual Change</b>	<b>\$3,315,392</b> 5.31%	<b>\$1,558,309</b> 2.06%	<b>(\$1,757,083)</b> -3.25%	

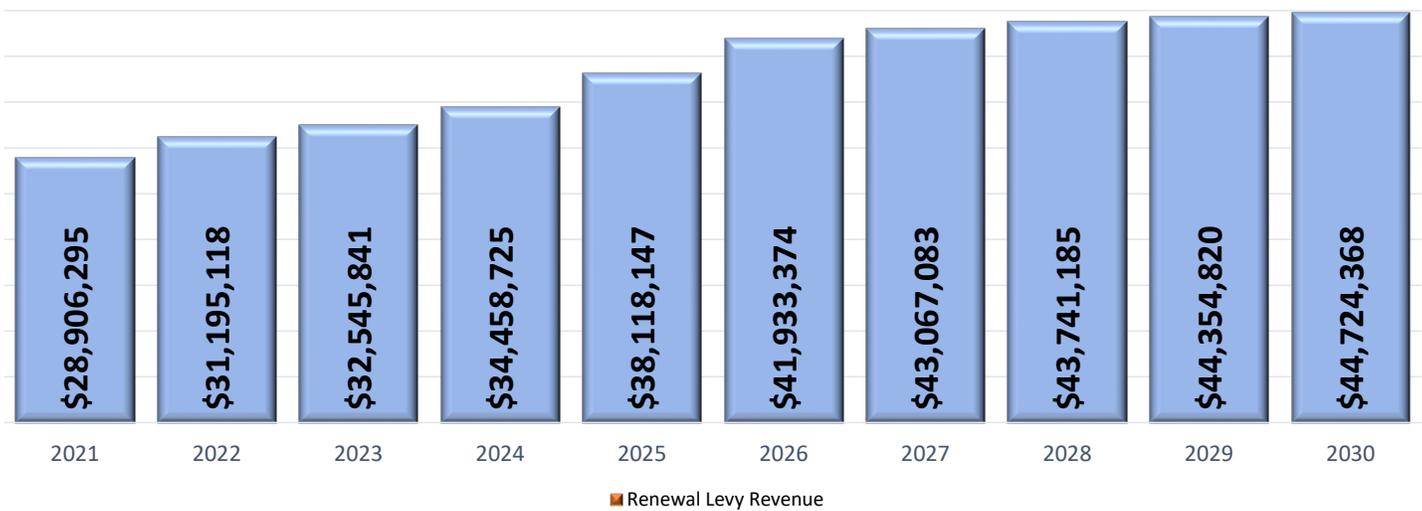
For Comparison:  
 Expenditure average annual change is projected to be > \$3,021,866 On an annual average basis, expenditures are projected to grow faster than revenue.

### 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 54.53% of total district general fund revenue.



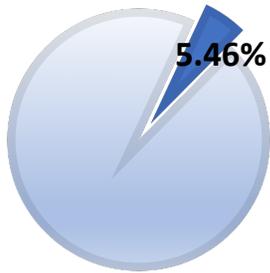
#### Key Assumptions & Notes

Values, Tax Rates and Gross Collections							Gross Collection Rate Including Delinquencies
Tax Yr	Valuation	Value Change	Class I Rate	Change	Class 2 Rate	Change	
2024	1,654,048,920	355,014,410	27.66	-	27.66	-	99.6%
2025	1,732,674,060	78,625,140	27.49	(0.17)	27.49	(0.17)	100.0%
2026	1,755,474,060	22,800,000	27.40	(0.08)	27.41	(0.07)	100.0%
2027	2,042,124,060	286,650,000	23.83	(3.57)	25.79	(1.62)	100.0%
2028	2,064,424,060	22,300,000	23.78	(0.06)	25.74	(0.06)	100.0%
2029	2,086,224,060	21,800,000	23.72	(0.05)	25.68	(0.06)	100.0%

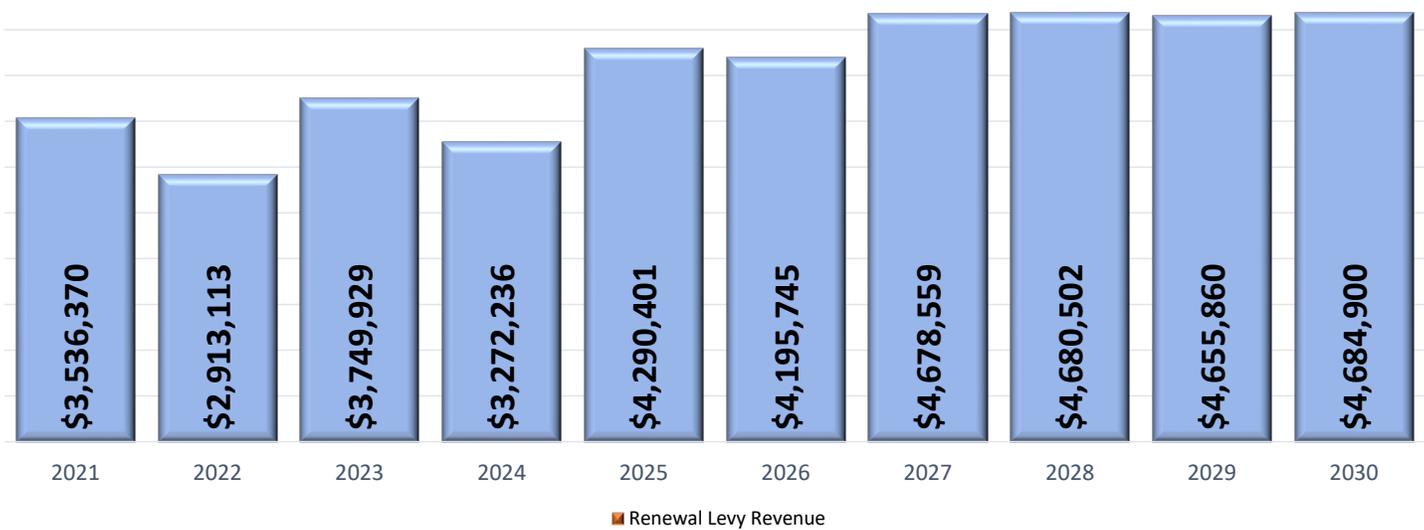
Class I, or residential/agricultural taxes make up approximately 86.36% of the real estate property tax revenue. The Class I tax rate is 27.49 mills in tax year 2025. The projections reflect an average gross collection rate of 100.0% annually through tax year 2029. The revenue changed at an average annual historical rate of 7.59% and is projected to change at an average annual rate of 3.30% through fiscal year 2030.

### 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 5.46% of total district general fund revenue.



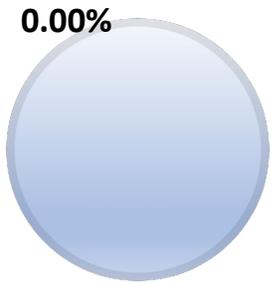
#### Key Assumptions & Notes

Values and Tax Rates					Gross Collection Rate Including Delinquencies
Tax Year	Valuation	Value Change	Full Voted Rate	Change	
2024	73,532,850	1,982,460	52.77	(1.78)	95.5%
2025	87,914,900	14,382,050	52.60	(0.17)	100.0%
2026	89,914,900	2,000,000	52.56	(0.03)	100.0%
2027	90,514,900	600,000	51.27	(1.30)	100.0%
2028	91,114,900	600,000	51.25	(0.02)	100.0%
2029	91,714,900	600,000	51.23	(0.02)	100.0%

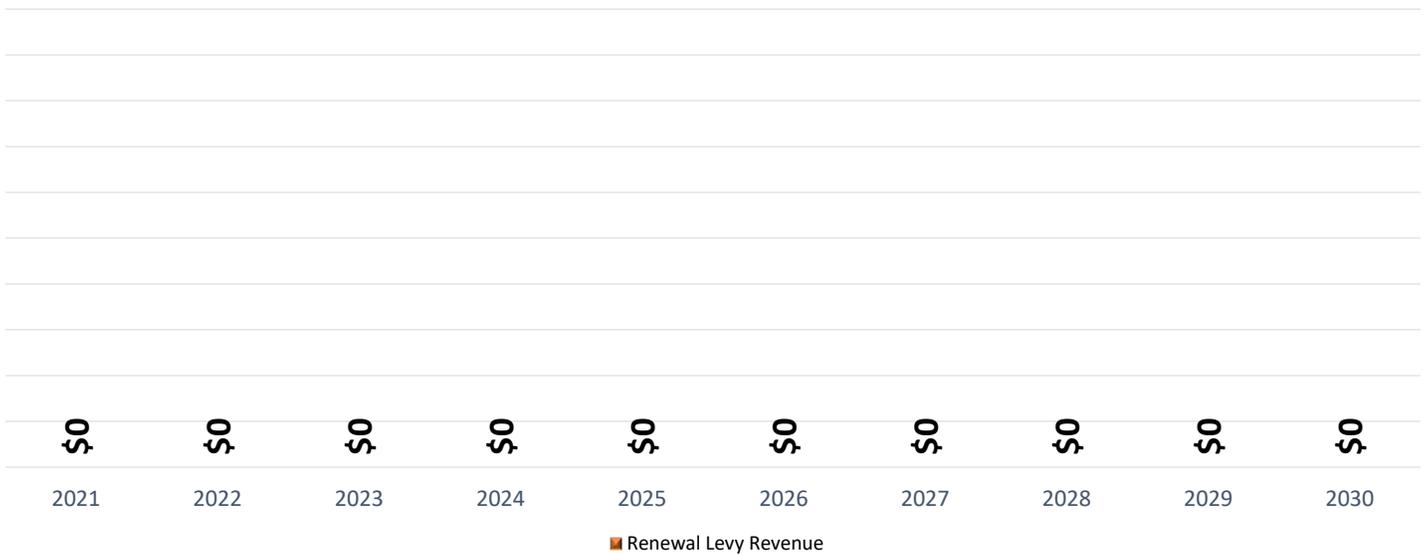
The public utility personal property tax revenue is generated from the personal property values, additions, and depreciation reported by the utility companies. The property is taxed at the full voted tax rate which in tax year 2025 is 52.60 mills. The forecast is modeling an average gross collection rate of 100.00%. The revenue changed historically at an average annual dollar amount of \$372,560 and is projected to change at an average annual dollar amount of \$78,900 through fiscal year 2030.

### 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.



The district does not have a School District Income Tax levy.

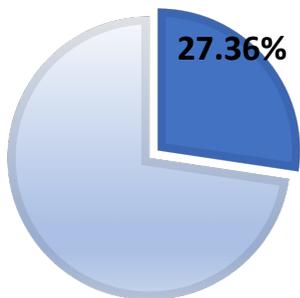


#### Key Assumptions & Notes

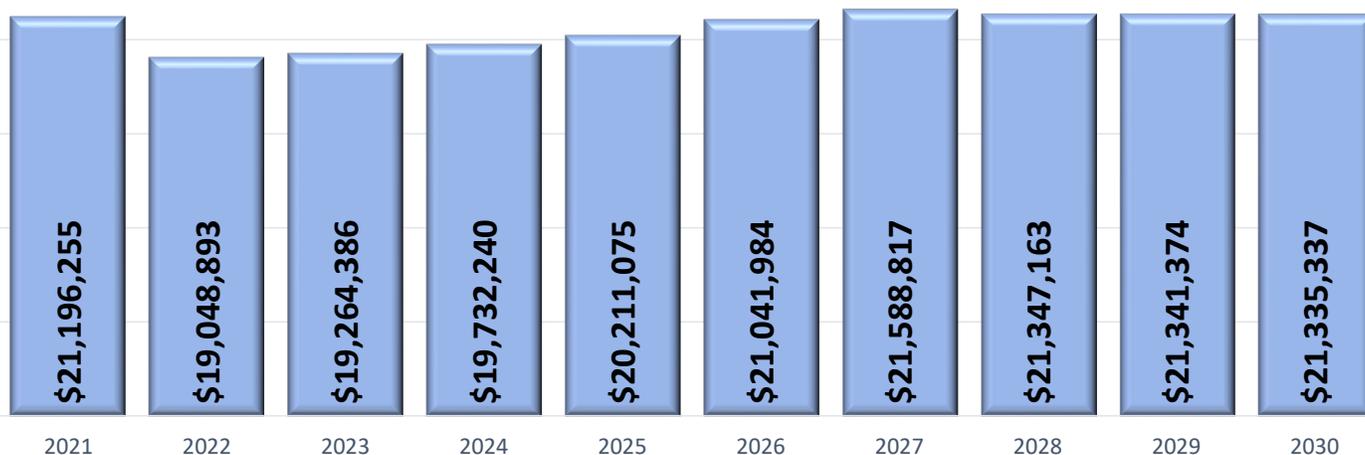
The district does not have an income tax levy.

### 1.035 - Unrestricted Grants-in-Aid

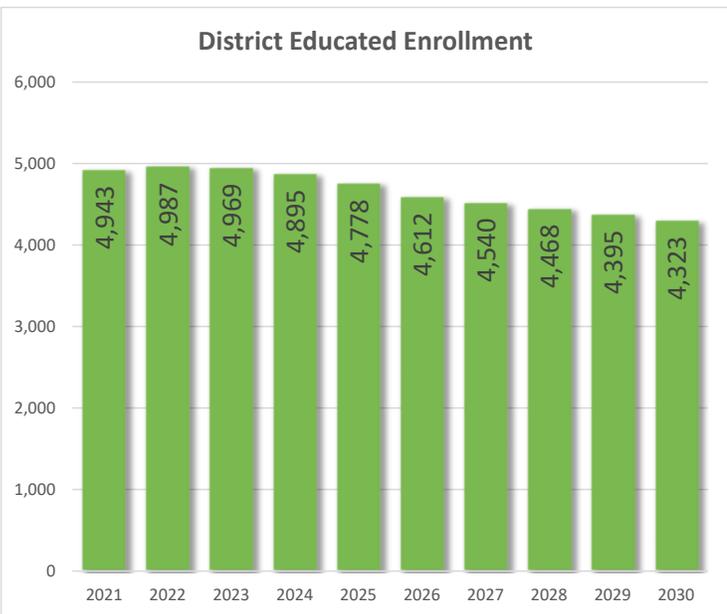
Funds received through the State Foundation Program with no restriction.



Unrestricted State Aid revenue accounts for 27.36% 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.

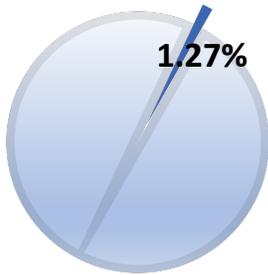
For Lebanon City School District, the calculated Base Cost total is \$39,714,223 in 2026.

The State's Share of the calculated Base Cost total is \$3,978,962, or \$863 per pupil.

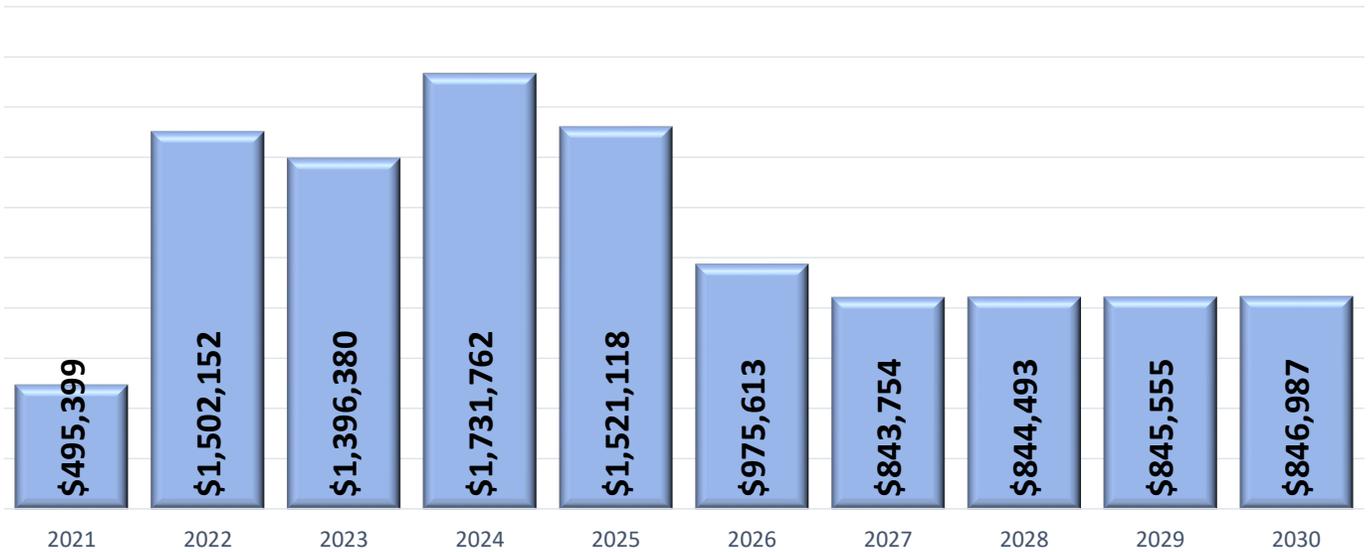
The FSFP also started funding students where they attended school. Therefore district educated enrollment is now used for per pupil funding. At the same time, the FSFP eliminated tuition transfer payments from school districts, which impacts the expense side of the forecast.

### 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 1.27% of total district general fund revenue.

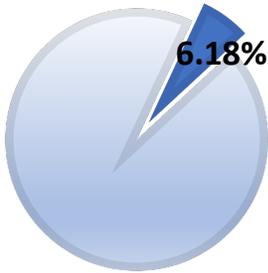


#### Key Assumptions & Notes

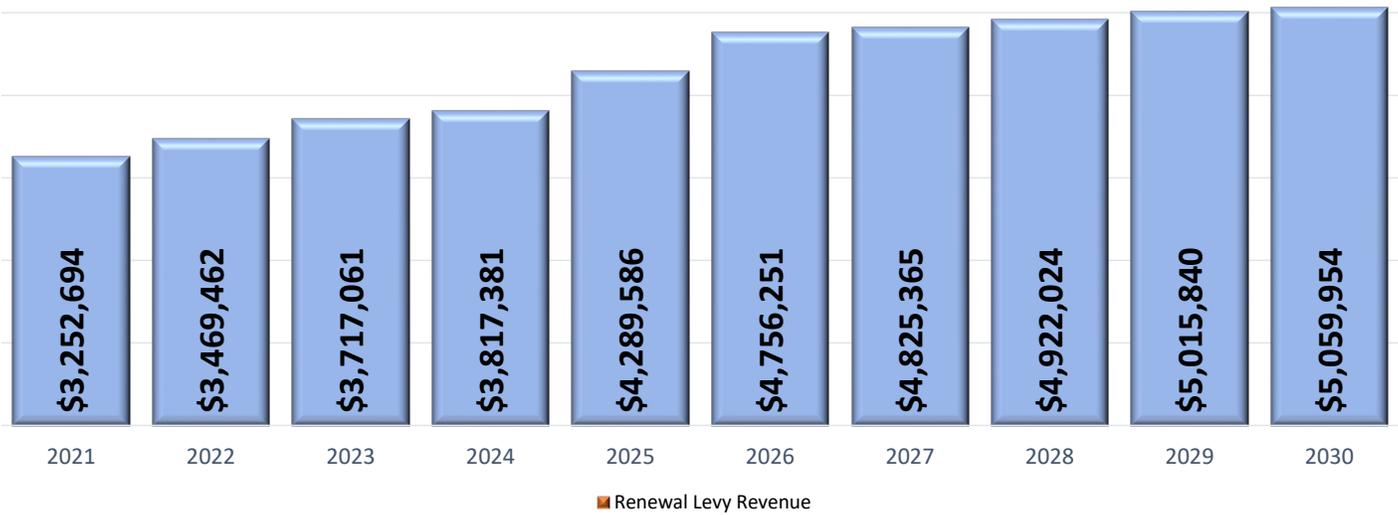
Restricted aid is the portion of state per pupil funding that must be classified as restricted use. Historically the district's restricted state aid changed annually on average by \$6,322 and is projected to change annually on average by -\$134,826. Restricted funds represent 1.27% of the district's 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 \$273,550. 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.

### 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 6.18% of total district general fund revenue.



Key Assumptions & Notes

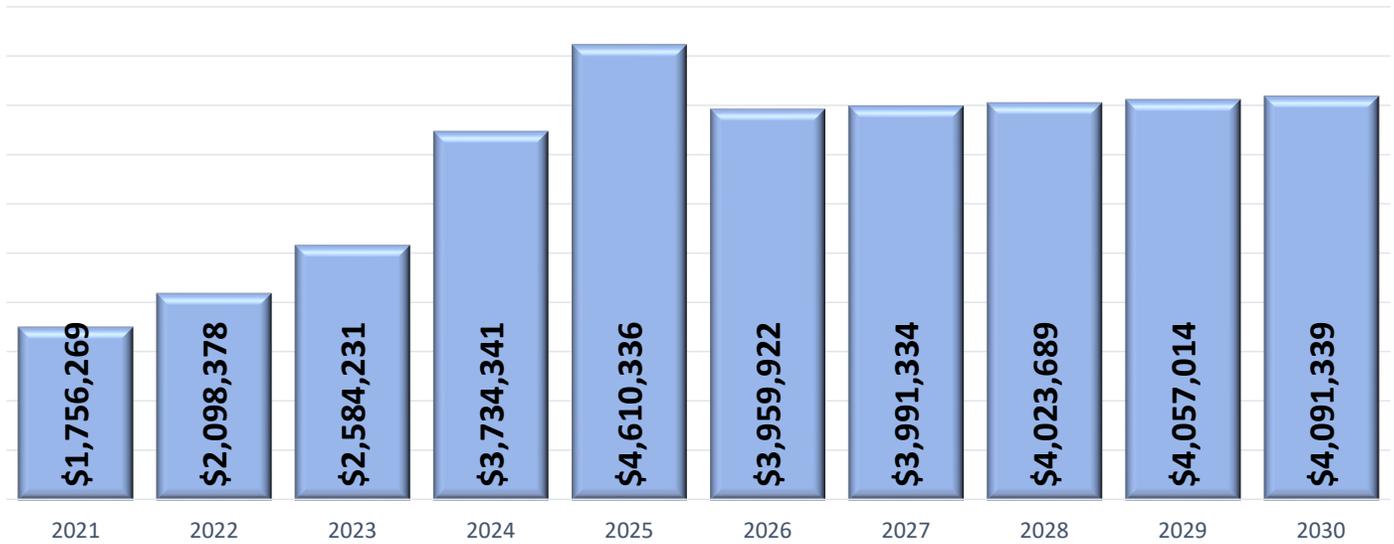
State Reimbursement of Property Tax Credits primarily consists of reimbursements from the state of Ohio for local taxpayer credits or reductions to their tax bill. The state reduces the local taxpayer's tax bill with a 10% rollback credit, and 2.5% owner-occupied rollback credit, plus a homestead credit for qualifying taxpayers. In fiscal year 2026, approximately 10.6% local residential property taxes will be reimbursed by the state in the form of rollback credits and approximately 1.0% 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 5.15% of total district general fund revenue.

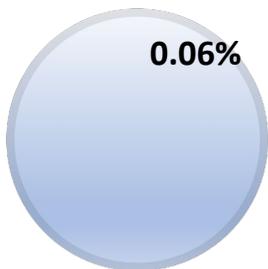


#### Key Assumptions & Notes

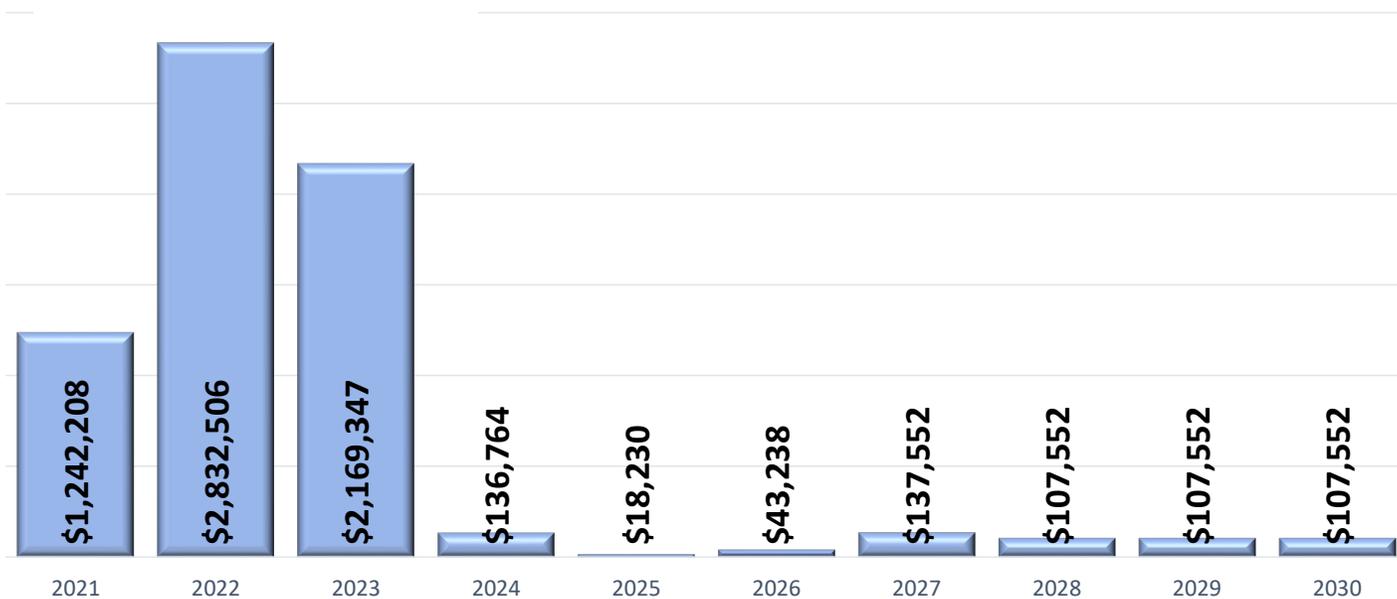
Other revenue includes tuition received by the district for non-resident students educated by the district. It also includes interest income, payments in lieu of taxes, and miscellaneous revenue. The historical average annual change was \$450,740. The projected average annual change is -\$103,799 through fiscal year 2030.

### 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 0.06% of total district general fund revenue.



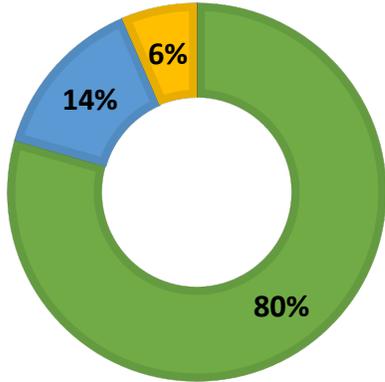
Key Assumptions & Notes

	2025	FORECASTED				
		2026	2027	2028	2029	2030
Transfers In	137	25	25	25	25	25
Advances In	323	35,686	130,000	100,000	100,000	100,000
All Other Financing Sources	17,770	7,527	7,527	7,527	7,527	7,527

Other sources includes revenue that is generally classified as non-operating. Return advances-in are the most common revenue source. In 2025 the district received \$323 as advances-in and is projecting advances of \$35,686 in fiscal year 2026. 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 \$7,527 in 2026 and average \$7,527 annually through 2030.

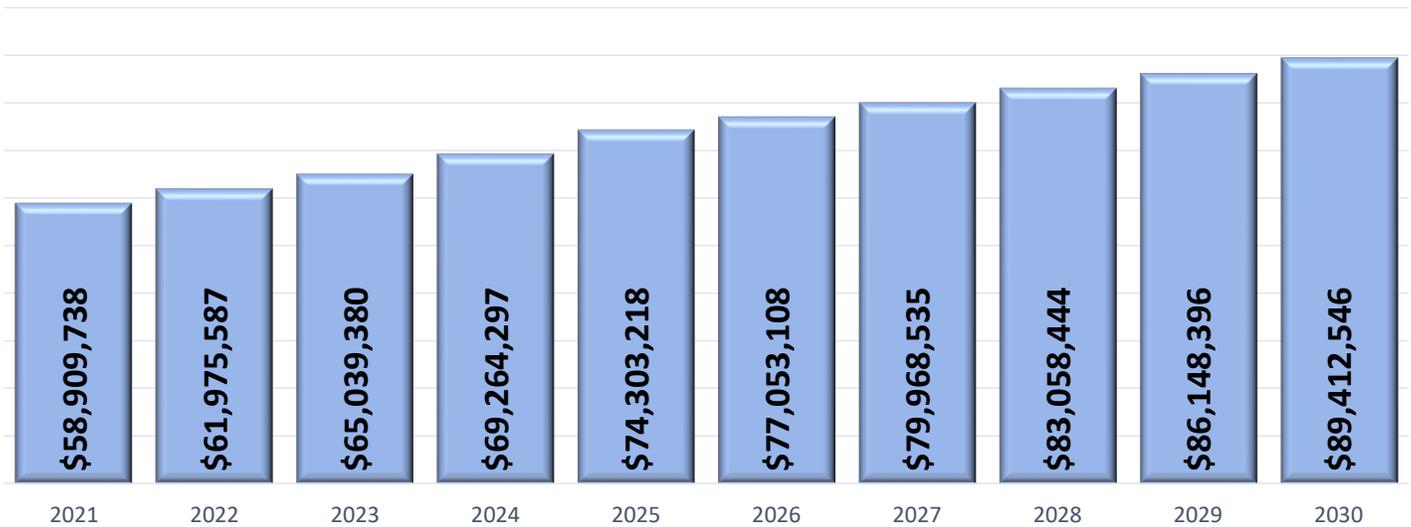
# Expenditure Overview

## Expenditure Categories



Personnel Costs	
Salaries	56.87%
Benefits	22.58%
Purchased Services	
	14.12%
All Other Expenditures	
Supplies, Capital, Debt, Other Obj	6.37%
Other Uses	0.06%

## Annual Expenditures Actual + Projected



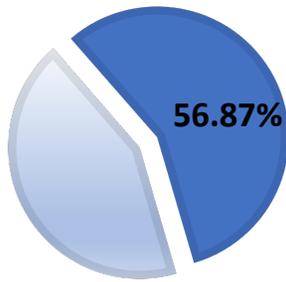
## Historic Expenditures Change versus Projected Expenditures Change

	Historical Average Annual \$\$\$ Change	Projected Average Annual \$\$\$ Change	Projected Compared to Historical Variance	Expenditures increased by 5.82% (\$3,659,223 annually) during the past 5-year period, and are projected to increase by 3.77% (\$3,021,866 annually) through 2030. The forecast line with the most change on the expense side, Salaries, is anticipated to be \$850,397 less per year in the projected period compared to historical averages.
Salaries	\$2,319,414	\$1,469,017	(\$850,397)	
Benefits	\$712,347	\$1,154,295	\$441,948	
Purchased Services	\$439,663	\$336,968	(\$102,695)	
Supplies & Materials	\$309,401	\$82,362	(\$227,040)	
Capital Outlay	\$32,311	\$6,534	(\$25,777)	
Intergov & Debt	\$196,161	(\$79,771)	(\$275,932)	
Other Objects	(\$22,607)	\$58,052	\$80,659	
Other Uses	(\$168,439)	(\$5,590)	\$162,849	
<b>Total Average Annual Change</b>	<b>\$3,659,223</b> 5.82%	<b>\$3,021,866</b> 3.77%	<b>(\$637,358)</b> -2.05%	

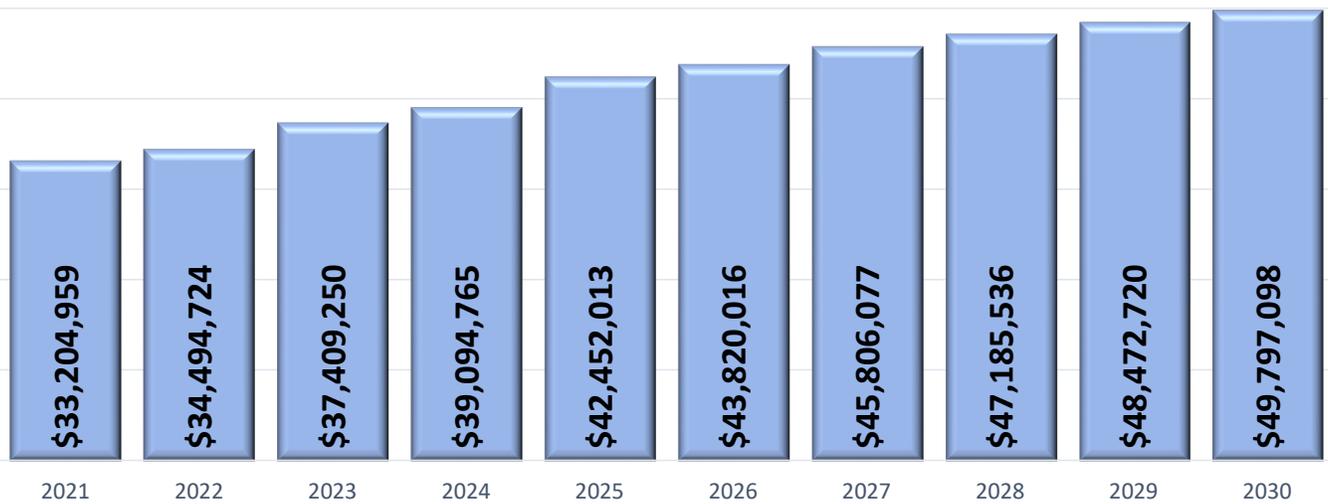
For Comparison: Revenue average annual change is projected to be > \$1,558,309 On an annual average basis, revenues are projected to grow slower than expenditures.

### 3.010 - Personnel Services

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



Salaries account for 56.87% of the district's total general fund spending.

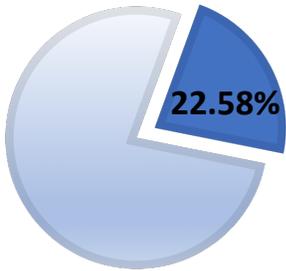


#### Key Assumptions & Notes

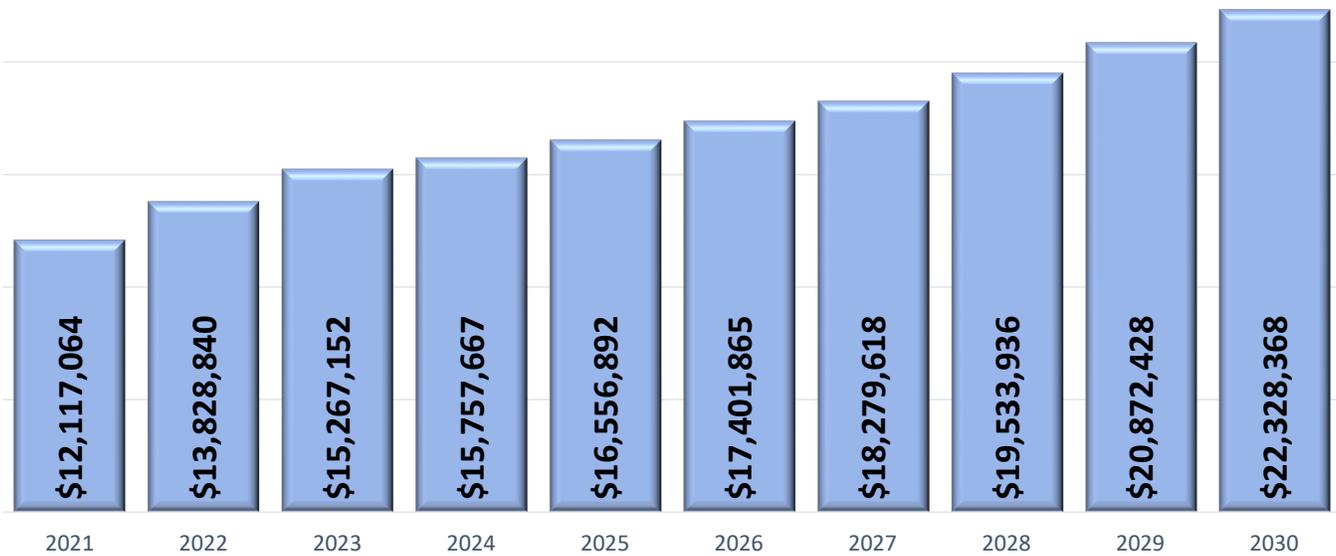
Salaries represent 56.87% of total expenditures and increased at a historical average annual rate of 6.61% (or \$2,319,414). This category of expenditure is projected to grow at an annual average rate of 3.25% (or \$1,469,017) through fiscal year 2030. The projected average annual rate of change is 3.36% less 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 22.58% of the district's total general fund spending.

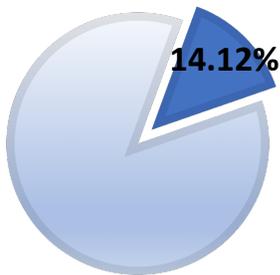


#### Key Assumptions & Notes

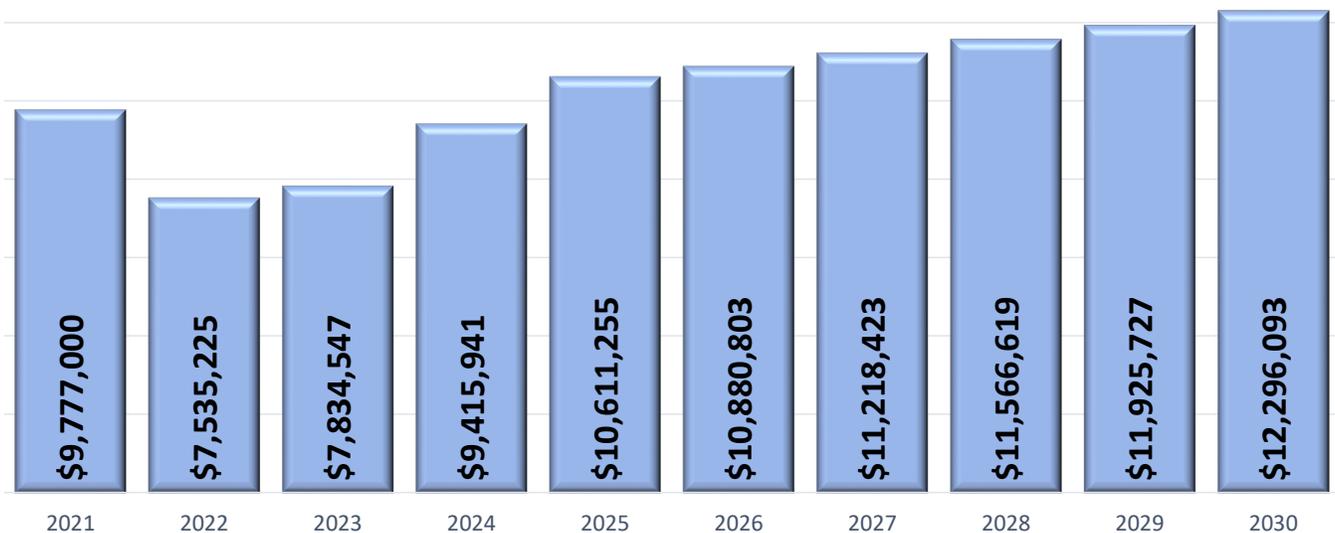
Benefits represent 22.58% of total expenditures and increased at a historical average annual rate of 5.21%. This category of expenditure is projected to grow at an annual average rate of 6.17% through fiscal year 2030. The projected average annual rate of change is 0.96% more than the five year historical 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 14.12% of the district's total general fund spending.

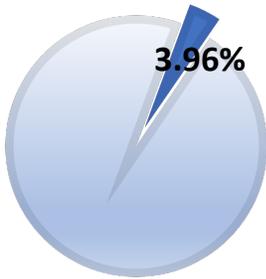


#### Key Assumptions & Notes

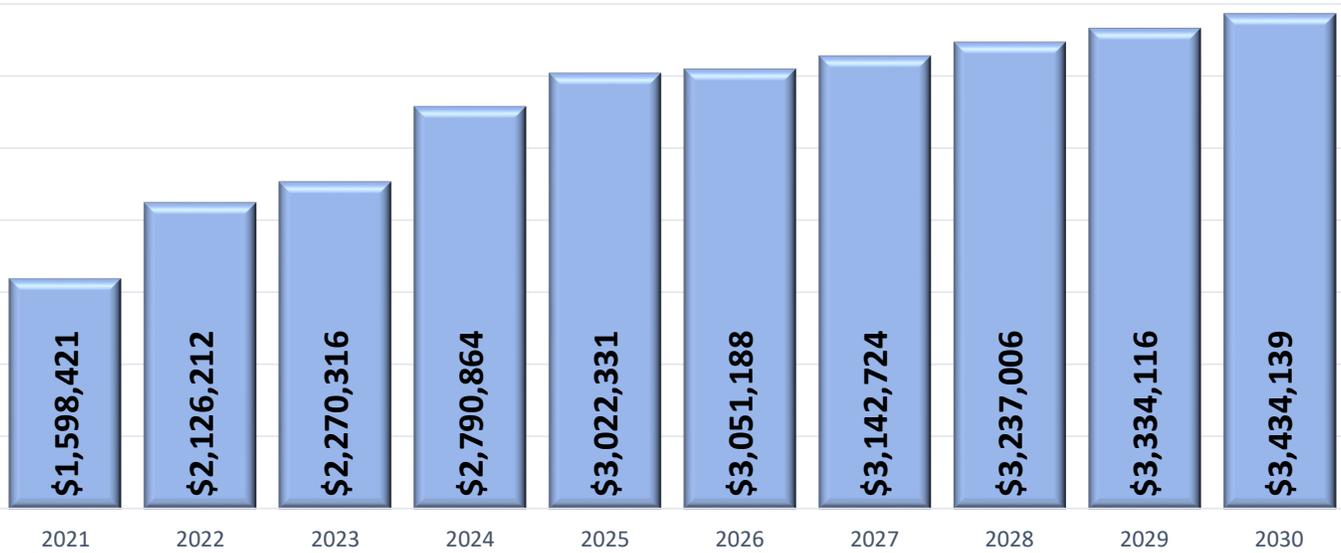
Purchased Services represent 14.12% of total expenditures and increased at a historical average annual rate of 6.03%. This category of expenditure is projected to grow at an annual average rate of 2.99% through fiscal year 2030. Starting in 2022, the Fair School Funding Plan (State Funding) only accounted 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 3.96% of the district's total general fund spending.

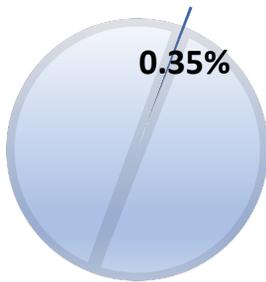


#### Key Assumptions & Notes

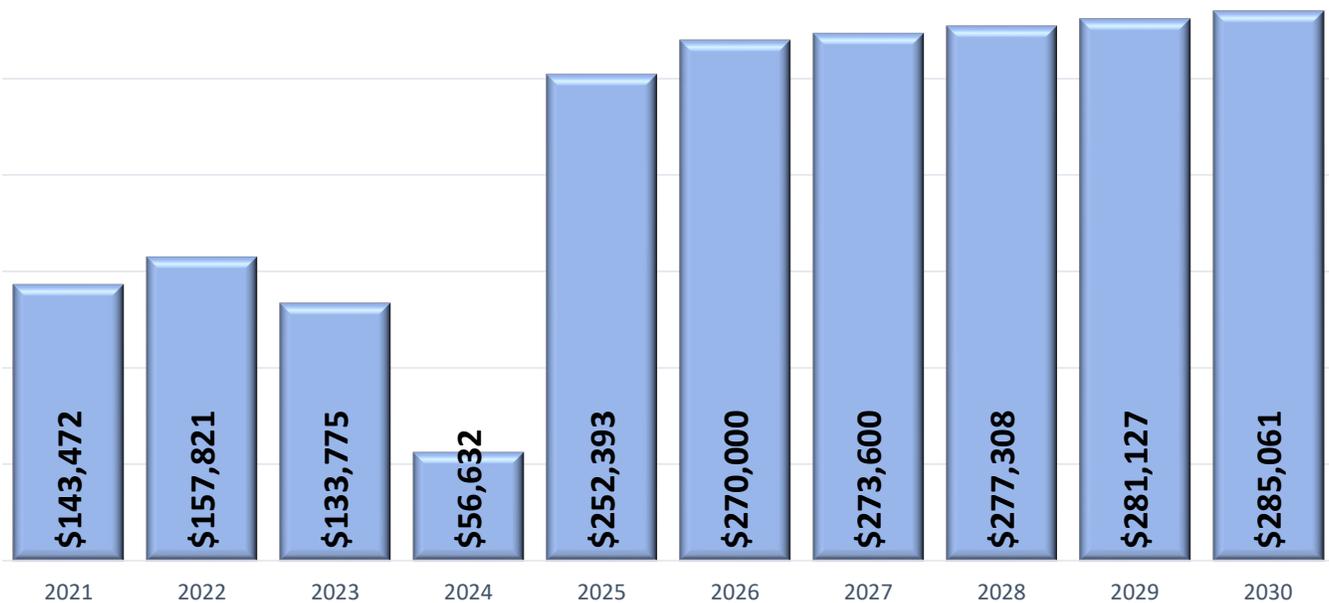
Supplies & Materials represent 3.96% of total expenditures and increased at a historical average annual rate of 15.87%. This category of expenditure is projected to grow at an annual average rate of 2.59% through fiscal year 2030. The projected average annual rate of change is 13.28% less than the five 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 0.35% of the district's total general fund spending.

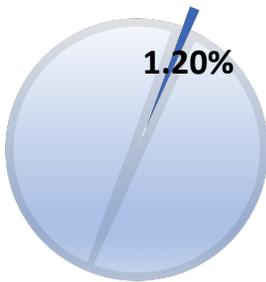


#### Key Assumptions & Notes

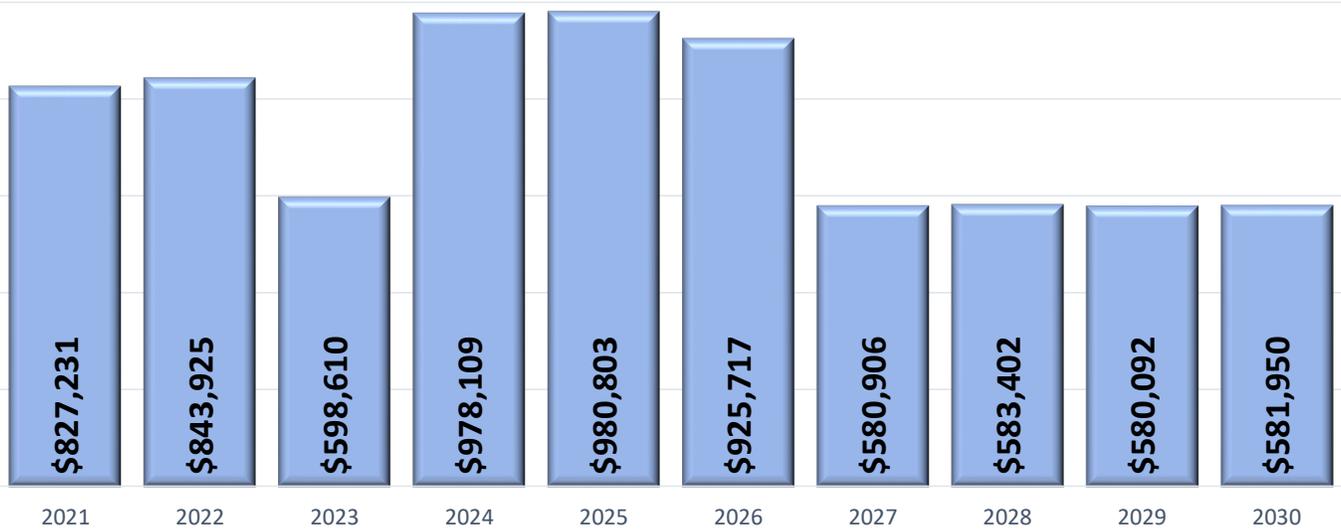
Capital Outlay represent 0.35% of total expenditures and increased at a historical average annual amount of \$32,311. This category of expenditure is projected to grow at an annual average rate of \$6,534 through 2030. The projected average annual change is less than the five year historical annual average.

### 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 1.20% of the district's total general fund spending.

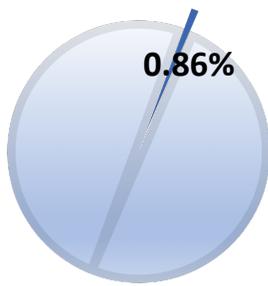


**Key Assumptions & Notes**

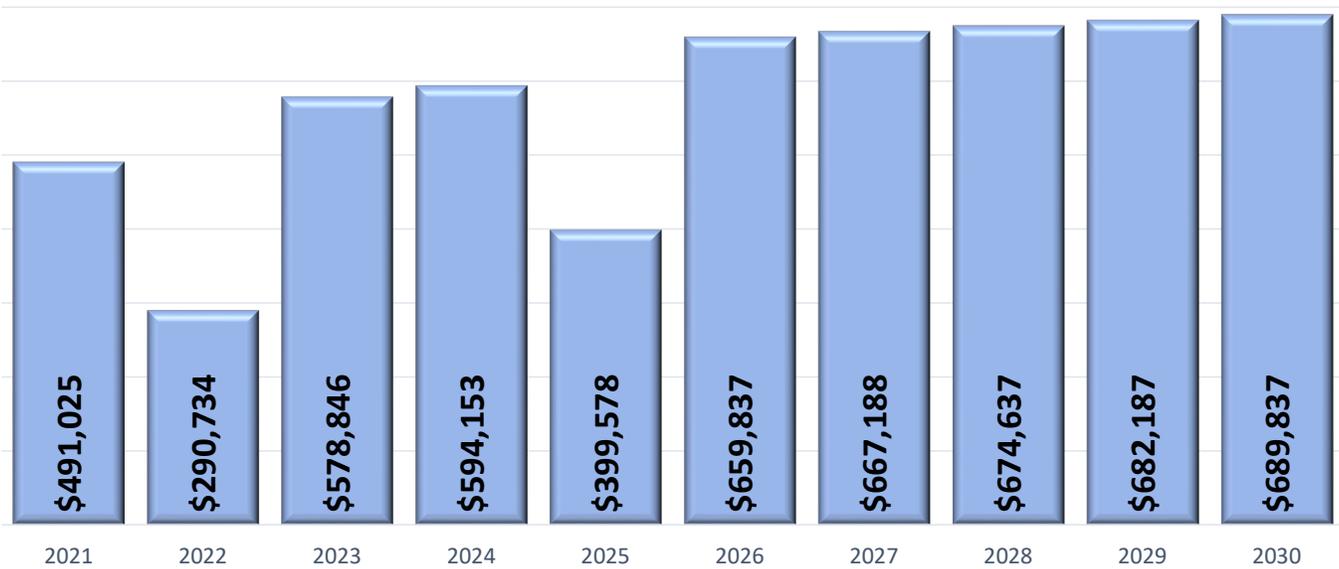
The Intergovernmental/Debt expenditure category details general fund debt issued by the District.

### 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 0.86% of the district's total general fund spending.

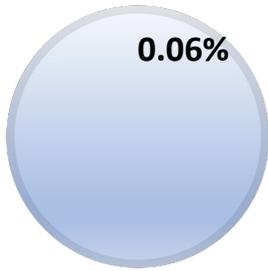


#### Key Assumptions & Notes

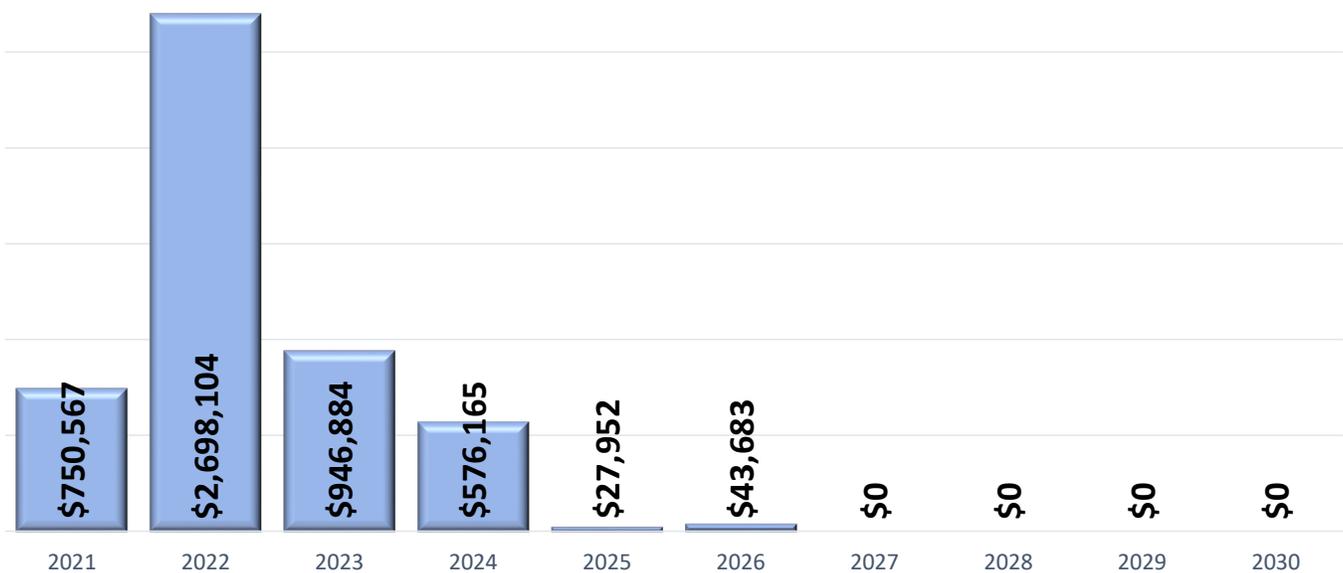
Other Objects represent 0.86% of total expenditures and increased at a historical average annual rate of 4.80%. This category of expenditure is projected to grow at an annual average rate of 13.92% through fiscal year 2030. The projected average annual rate of change is 9.12% more than the five year 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 0.06% of the district's total general fund spending.



#### Key Assumptions & Notes

	2025	FORECASTED				
		2026	2027	2028	2029	2030
Transfers Out	5,949	-	-	-	-	-
Advances Out	22,003	43,683	-	-	-	-
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 2025 the district had advances-out and has advances-out forecasted through fiscal year 2030. The district can also move general funds permanently to other funds, and as the schedule above presents, the district has no transfers forecasted through fiscal year 2030. 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.

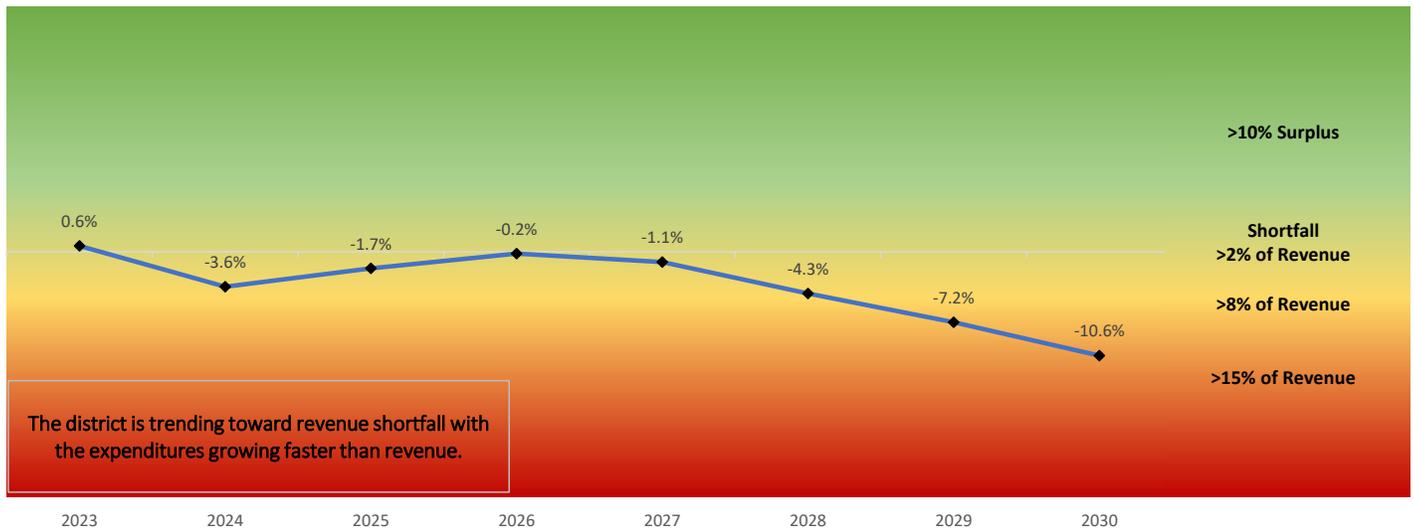
Lebanon City School District

Five Year Forecast

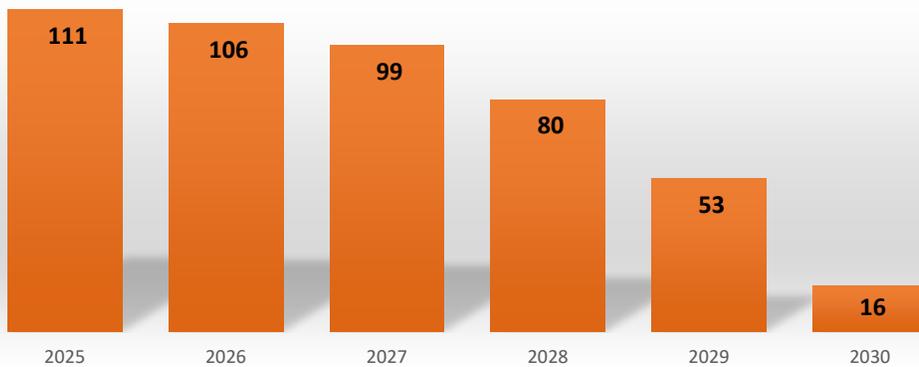
February Fiscal Year 2026

Fiscal Year:	Actual	FORECASTED				
	2025	2026	2027	2028	2029	2030
<b>Revenue:</b>						
1.010 - General Property Tax (Real Estate)	38,118,147	41,933,374	43,067,083	43,741,185	44,354,820	44,724,368
1.020 - Public Utility Personal Property	4,290,401	4,195,745	4,678,559	4,680,502	4,655,860	4,684,900
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	20,211,075	21,041,984	21,588,817	21,347,163	21,341,374	21,335,337
1.040 - Restricted Grants-in-Aid	1,521,118	975,613	843,754	844,493	845,555	846,987
1.050 - State Reimb Prop Tax Credits	4,289,586	4,756,251	4,825,365	4,922,024	5,015,840	5,059,954
1.060 - All Other Operating Revenues	4,610,336	3,959,922	3,991,334	4,023,689	4,057,014	4,091,339
<b>1.070 - Total Revenue</b>	<b>73,040,663</b>	<b>76,862,889</b>	<b>78,994,912</b>	<b>79,559,056</b>	<b>80,270,463</b>	<b>80,742,885</b>
<b>Other Financing Sources:</b>						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	137	25	25	25	25	25
2.050 - Advances-In	323	35,686	130,000	100,000	100,000	100,000
2.060 - All Other Financing Sources	17,770	7,527	7,527	7,527	7,527	7,527
<b>2.070 - Total Other Financing Sources</b>	<b>18,230</b>	<b>43,238</b>	<b>137,552</b>	<b>107,552</b>	<b>107,552</b>	<b>107,552</b>
<b>2.080 - Total Rev &amp; Other Sources</b>	<b>73,058,893</b>	<b>76,906,127</b>	<b>79,132,464</b>	<b>79,666,608</b>	<b>80,378,015</b>	<b>80,850,437</b>
<b>Expenditures:</b>						
3.010 - Personnel Services	42,452,013	43,820,016	45,806,077	47,185,536	48,472,720	49,797,098
3.020 - Employee Benefits	16,556,892	17,401,865	18,279,618	19,533,936	20,872,428	22,328,368
3.030 - Purchased Services	10,611,255	10,880,803	11,218,423	11,566,619	11,925,727	12,296,093
3.040 - Supplies and Materials	3,022,331	3,051,188	3,142,724	3,237,006	3,334,116	3,434,139
3.050 - Capital Outlay	252,393	270,000	273,600	277,308	281,127	285,061
Intergovernmental & Debt Service	980,803	925,717	580,906	583,402	580,092	581,950
4.300 - Other Objects	399,578	659,837	667,188	674,637	682,187	689,837
<b>4.500 - Total Expenditures</b>	<b>74,275,266</b>	<b>77,009,425</b>	<b>79,968,535</b>	<b>83,058,444</b>	<b>86,148,396</b>	<b>89,412,546</b>
<b>Other Financing Uses</b>						
5.010 - Operating Transfers-Out	5,949	-	-	-	-	-
5.020 - Advances-Out	22,003	43,683	-	-	-	-
5.030 - All Other Financing Uses	-	-	-	-	-	-
<b>5.040 - Total Other Financing Uses</b>	<b>27,952</b>	<b>43,683</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>5.050 - Total Exp and Other Financing Uses</b>	<b>74,303,218</b>	<b>77,053,108</b>	<b>79,968,535</b>	<b>83,058,444</b>	<b>86,148,396</b>	<b>89,412,546</b>
<b>6.010 - Excess of Rev Over/(Under) Exp</b>	<b>(1,244,326)</b>	<b>(146,981)</b>	<b>(836,071)</b>	<b>(3,391,836)</b>	<b>(5,770,381)</b>	<b>(8,562,109)</b>
<b>7.010 - Cash Balance July 1 (No Levies)</b>	<b>23,839,590</b>	<b>22,595,264</b>	<b>22,448,283</b>	<b>21,612,212</b>	<b>18,220,376</b>	<b>12,449,995</b>
<b>7.020 - Cash Balance June 30 (No Levies)</b>	<b>22,595,264</b>	<b>22,448,283</b>	<b>21,612,212</b>	<b>18,220,376</b>	<b>12,449,995</b>	<b>3,887,886</b>
		Reservations				
8.010 - Estimated Encumbrances June 30	850,000	850,000	850,000	850,000	850,000	850,000
9.080 - Reservations Subtotal	-	-	-	-	-	-
<b>10.010 - Fund Bal June 30 for Cert of App</b>	<b>21,745,264</b>	<b>21,598,283</b>	<b>20,762,212</b>	<b>17,370,376</b>	<b>11,599,995</b>	<b>3,037,886</b>
<b>Rev from Replacement/Renewal Levies</b>						
11.010 & 11.020 - Renewal Levies	-	-	-	-	-	-
11.030 - Cumulative Balance of Levies	-	-	-	-	-	-
<b>12.010 - Fund Bal June 30 for Cert of Obligations</b>	<b>21,745,264</b>	<b>21,598,283</b>	<b>20,762,212</b>	<b>17,370,376</b>	<b>11,599,995</b>	<b>3,037,886</b>
<b>Revenue from New Levies</b>						
13.010 & 13.020 - New Levies	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
<b>15.010 - Unreserved Fund Balance June 30</b>	<b>21,745,264</b>	<b>21,598,283</b>	<b>20,762,212</b>	<b>17,370,376</b>	<b>11,599,995</b>	<b>3,037,886</b>

Revenue Surplus/(Shortfall) - Current Forecast



Days Cash on Hand - Current Forecast

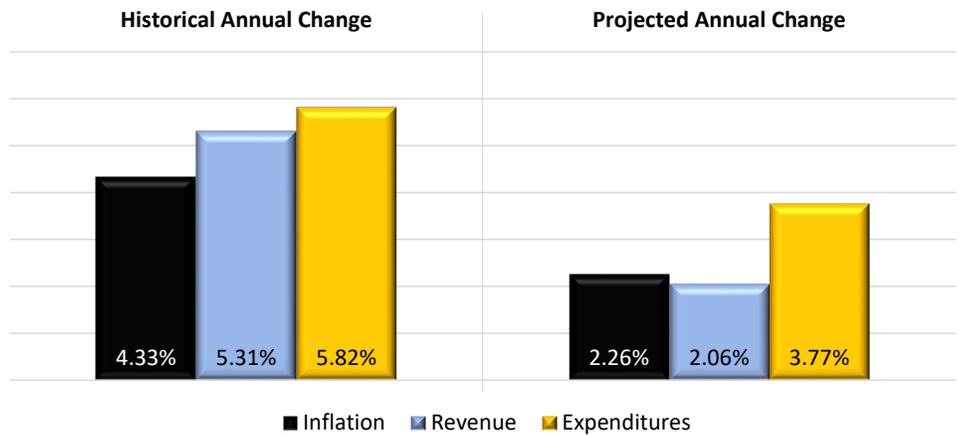


Days cash on hand is projected to decline and is less than 60 days by 2030.

\*based on 365 days

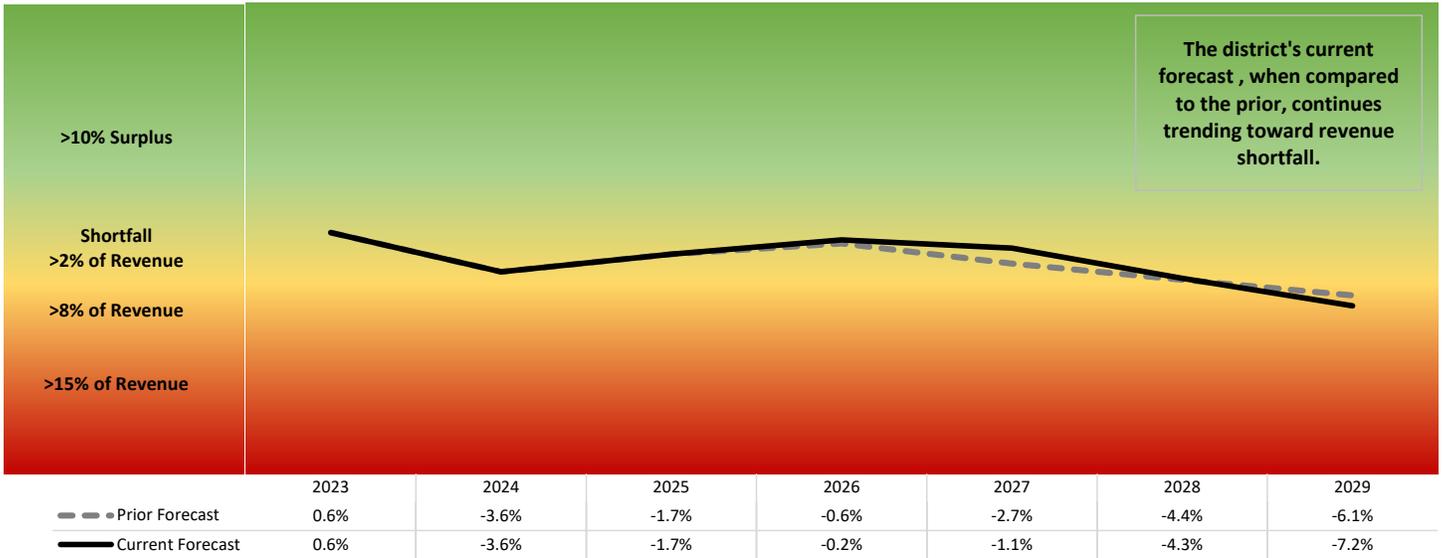
5-Year Average Annual Change - Inflation, Revenue and Expenditures

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



CPI (Inflation) Source: Federal Reserve Bank of St. Louis (July 1, 2025)  
<https://alfred.stlouisfed.org>

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



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

	<b>Revenue Variance</b>	
Cumulative Unfavorable Revenue Variance	<b>-0.16%</b>	<b>(\$622,087)</b>
	<b>Largest Revenue Variances</b>	
1.02 Pub Utility	<b>0.55%</b>	\$2,129,121
1.035,1.040 State	<b>-0.37%</b>	<b>(\$1,426,638)</b>
1.060 All Other 2.xx Other Sources	<b>-0.33%</b>	<b>(\$1,298,049)</b>
All Other Revenue Categories	<b>-0.01%</b>	<b>(\$26,521)</b>

The current revenue forecast is down by 0.16% compared to the prior forecast.

NET cumulative forecast impact for the forecast period 2025 - 2029 of Revenue and Expense variances is 0.22% (or \$914,250).

The current forecast for expenditures is down by 0.38% compared to the prior forecast.

	<b>Expenditure Variance</b>		<b>Cumulative Favorable Expenditure Variance</b>
	<b>-0.38%</b>	<b>(\$1,536,338)</b>	
	<b>Largest Expenditure Variances</b>		
	<b>-0.49%</b>	<b>(\$1,954,755)</b>	3.01 Salaries
	<b>0.13%</b>	\$508,318	3.03 Purchased Serv.
	<b>0.09%</b>	\$362,248	3.05 Capital
	<b>-0.11%</b>	<b>(\$452,148)</b>	All Other Expenditure Categories

## Detailed Comparison of Net Revenue Change Since October

Lebanon City School District

Forecast Compare \$\$ Variance

Current Over/(Under) Prior

		Actual	FORECASTED			
		2025	2026	2027	2028	2029
Revenue:	1.01 Real Estate	(0)	517,491	809,030	(114,037)	(880,095)
	1.02 Pub Utility	(0)	341,603	640,282	594,036	553,200
	1.03 Income Tax	-	-	-	-	-
	1.035,1.040 State	0	(280,385)	(311,126)	(374,544)	(460,583)
	1.050 - State Reimb Prop Tax Credits	0	(2,352)	(22,124)	(121,899)	(212,535)
	1.060 All Other	(0)	(330,380)	(322,280)	(313,937)	(305,344)
	2.010-2.060 Other Sources	(0)	(78,765)	37,552	7,552	7,552
	Levy Renewals	-	-	-	-	-
	<b>Total 2.08 Rev plus Renewals</b>	<b>(0)</b>	<b>167,212</b>	<b>831,334</b>	<b>(322,829)</b>	<b>(1,297,805)</b>
	<b>Total 2.08 Revenue Percentage Change</b>	<b>0.0%</b>	<b>0.2%</b>	<b>1.1%</b>	<b>-0.4%</b>	<b>-1.6%</b>

The table above reflects the net change in revenue when comparing the current forecast results to the forecast submitted to Ohio DEW in October.



## Property Tax Reform Impact - Retrospective Look

Tax Years 2023, 2024, and 2025

### District's Outside Millage "Floor" Status Before Property Tax Reform

Class I	TY 2023	TY 2024	TY 2025	
Inside Millage	4.61	4.61	4.61	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.
Effective Outside Millage	15.39	15.39	15.39	
Effective Inside + Outside Millage	20.00	20.00	20.00	
Class I Property Values Change	TY 2023	TY 2024	TY 2025	
Reappraisal or Update Year	No	Yes	No	
Percent of District in Reappraisal/Update	0.00%	100.00%	0.00%	
Class I Combined Change	1.0%	26.4%	0.7%	
New GDP-D Allowed Growth	13.00%	15.40%	13.30%	

### Do local taxpayers qualify for prior property tax relief in the way of Credits or Millage reductions?

Millage Change	TY 2023	TY 2024	TY 2025	
Combined Ag/Residential Inflation	1.05%	26.39%	0.71%	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.
Outside Millage Reduction	0.00	(0.00)	(0.00)	
Percentage Change in Millage	0.00%	0.00%	0.00%	
Taxpayer Credits	TY 2023	TY 2024	TY 2025	
If at the floor and exceeded GDP-D Growth	\$ -	\$ (2,341,027)	\$ -	H.B. 186 credits should apply to 2nd half tax year 2025 tax bills

## Property Tax Reform - Prospective Look

Tax Years 2026, 2027, 2028, and 2029

### Does projected property value Reappraisal/Update/Inflation exceed cumulative GDP-D?

	TY 2025	TY 2026	TY 2027	TY 2028	TY 2029
Reappraisal or Update Year	No	No	Yes	No	No
Percent of District in Reappraisal/Update	0.00%	0.00%	100.00%	0.00%	0.00%
Class I Combined Change	0.7%	0.3%	17.4%	0.3%	0.3%
GDP-D	13.30%	9.15%	8.00%	8.05%	7.65%

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

	TY 2025	TY 2026	TY 2027	TY 2028	TY 2029
<b>Inside Millage Class I &amp; II*</b>	4.61	4.61	4.26	4.26	4.26
Millage Change	0.00	0.00	-0.35	0.00	0.00
Percentage Change in Millage	0.00%	0.00%	-7.65%	0.00%	0.00%

\*Starting in TY 2026, H.B. 335 provides for the County Budget Commission to reduce inside millage when reappraisal exceeds GDP-D

	TY 2025	TY 2026	TY 2027	TY 2028	TY 2029
<b>Outside Millage</b>	15.39	15.34	13.07	13.03	12.99
Millage Change	0.00	-0.05	-2.27	-0.04	-0.04
Percentage Change in Millage	0.00%	-0.26%	-11.39%	-0.21%	-0.21%
<b>Fixed Sum Millage</b>	7.49	7.45	6.51	6.49	6.47
Millage Change (no change)	-0.17	-0.03	-0.95	-0.02	-0.02
Percentage Change in Millage	-2.28%	-0.41%	-12.69%	-0.29%	-0.29%

	TY 2025	TY 2026	TY 2027	TY 2028	TY 2029
<b>Total Effective Rate (Inside+Outside+Fixed Sum)</b>	27.49	27.40	23.83	23.78	23.72

\*\*\*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?

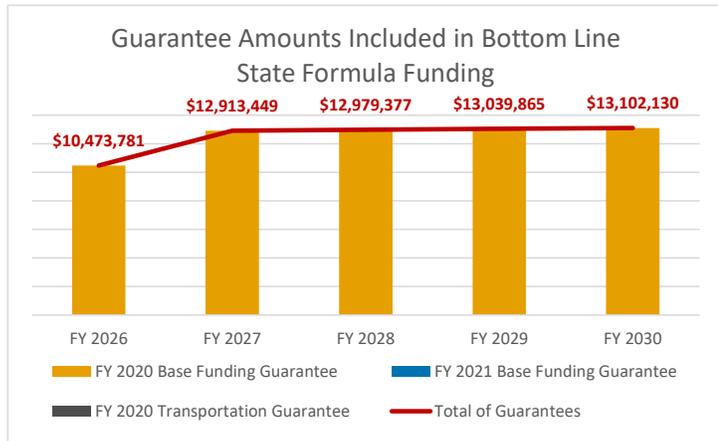
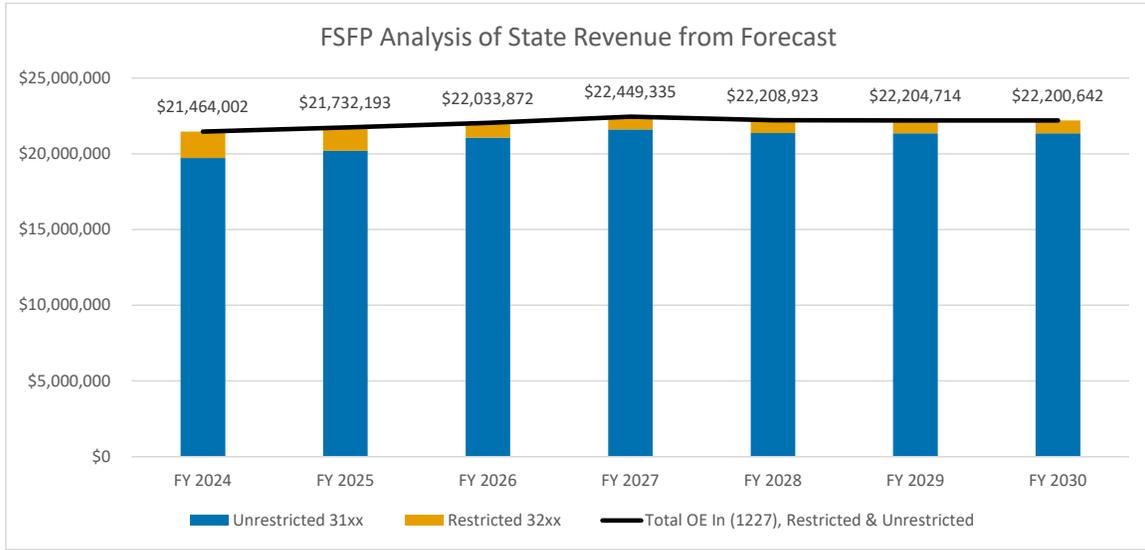
	TY 2025	TY 2026	TY 2027	TY 2028	TY 2029
H.B. 186 - Calculated Credit if at 20 Mill Floor	\$ -	\$ -	\$ -	\$ -	\$ -

\*\*\*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.

### Is the district modeling county budget commission imposed homestead and owner-occupied credit increases?

	FY 2026	FY 2027	FY 2028	FY 2029
Homestead/Owner-Occupied Credits	\$ -	\$ (0)	\$ (0)	\$ (0)

## State Foundation Funding Results



	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Base Cost Per Pupil Total Funding	\$8,138	\$8,146	\$8,148	\$8,162	\$8,171
Local Share	89.4%	90.0%	90.0%	90.0%	90.0%
State Share	10.6%	10.0%	10.0%	10.0%	10.0%

## Property Tax Reform Disclosure Items

The Ohio Department of Taxation, county auditors, and other partners are actively working through interpretation 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 legislation:**

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 Deflator (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.