

Lebanon City School District

Fiscal Year
2027
August

Financial Forecast Report



Prepared By:

Treasurer/CFO

Lebanon City School District

Table of Contents

Forecast Summary	3
Forecast Analysis	4
Revenue Overview	5
1.010 - General Property Tax (Real Estate)	6
1.020 - Public Utility Personal Property	7
1.030 - Income Tax	8
1.035 - Unrestricted Grants-in-Aid	9
1.040 & 1.045 - Restricted Grants-in-Aid	10
1.050 - State Reimb Prop Tax Credits	11
1.060 - All Other Operating Revenues	12
2.070 - Total Other Financing Sources	13
Expenditures Overview	14
3.010 - Personnel Services	15
3.020 - Employee Benefits	16
3.030 - Purchased Services	17
3.040 - Supplies and Materials	18
3.050 - Capital Outlay	19
3.060 - 4.060 - Intergovernmental & Debt	20
4.300 - Other Objects	21
5.040 - Total Other Financing Uses	22
Five Year Forecast	23
Appendix	
Financial Health Indicators	24
Current to Prior Forecast Compare	25

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.

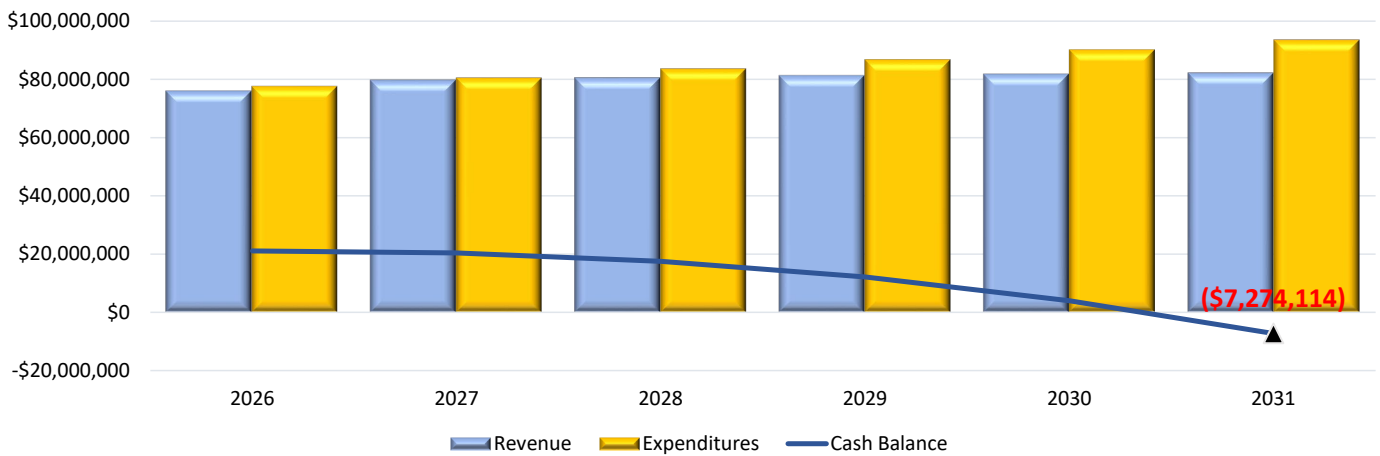
Forecast Methodology

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

Lebanon City School District

Projected Revenue, Expenditures, and Cash Balance



Financial Forecast Summary

	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031
Beginning Balance (Line 7.010) <i>*Includes Renewal/New Levy Revenue, see Disclosures</i>	21,088,984	20,431,326	17,521,877	12,175,553	3,952,220
+ Revenue	79,763,706	80,639,807	81,370,573	81,839,658	82,217,499
- Expenditures	(80,421,364)	(83,549,257)	(86,716,896)	(90,062,992)	(93,443,832)
= Revenue Surplus or Deficit	(657,658)	(2,909,450)	(5,346,323)	(8,223,334)	(11,226,333)
Line 7.020 Ending Balance with Renewal/New Levies	20,431,326	17,521,877	12,175,553	3,952,220	(7,274,114)

Financial Summary Notes

Expenditure growth is projected to outpace revenue change. By the end of 2031, the cash balance is projected to decline by a total of \$28,363,098 compared to 2026. For fiscal year 2031, expenditures are currently projected to exceed revenue, resulting in a revenue shortfall the final year of the forecast period.

For revenue, projected change is expected to be less than the historical average. Over the past five years, revenue increased by 6.20% (\$3,918,254 annually). However, it is projected to increase by 1.58% (\$1,228,860 annually) through fiscal year 2031. Notably, Real Estate, is expected to be \$1,880,145 less per year compared to history, and is the biggest driver of trend change on the revenue side.

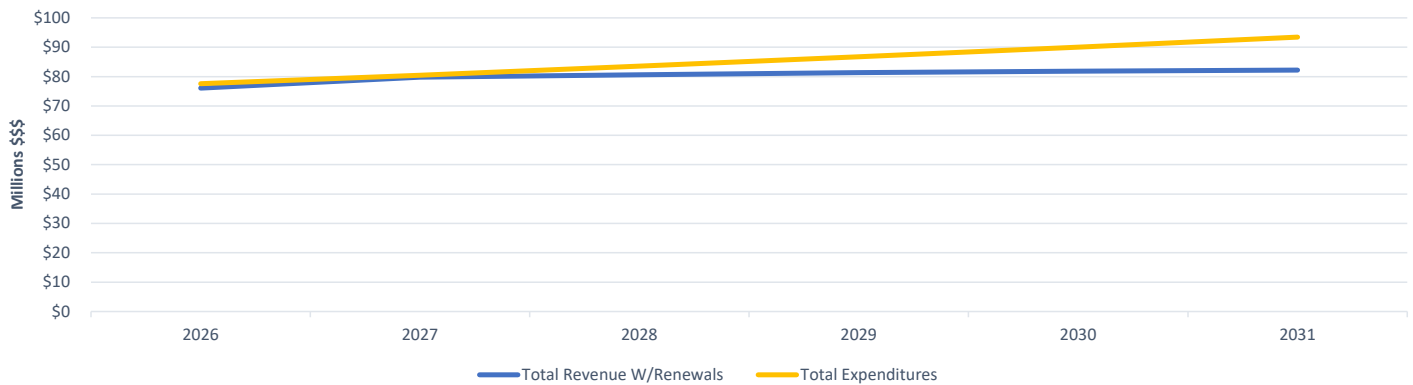
For expenditures, projected change is expected to be at a slower pace than the historical trend. Expenditures increased by 6.76% (\$4,314,476 annually) during the past 5-year period, and are projected to increase by 3.79% (\$3,172,870 annually) through 2031. The forecast line with the most change on the expense side, Salaries, is anticipated to be \$1,104,239 less per year in the projected period compared to historical averages.

Disclosure Items:	2027	2028	2029	2030	2031
Modeled Renewal Levies - Annual Amount	-	-	-	-	-
Modeled New Levies - Annual Amount	-	-	-	-	-
Encumbrances (not subtracted from Cash Balance)	850,000	850,000	850,000	850,000	850,000

Forecast Analysis

Lebanon City School District

Revenue Compared to Expenditures

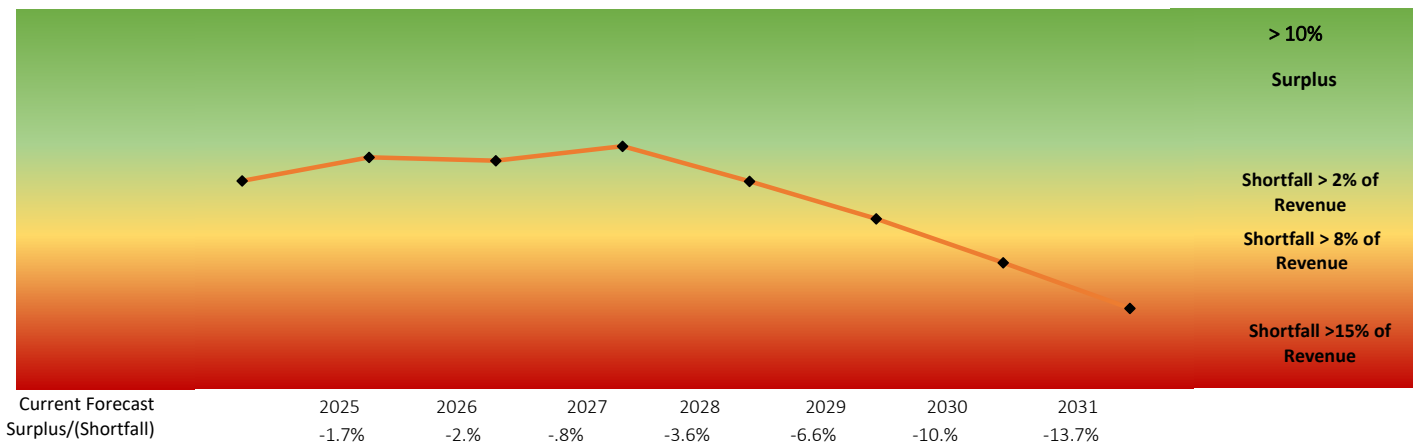


From 2027 to 2031, total revenues are projected to change by 1.58%

Expenditure change is expected to outpace revenue change.

From 2027 to 2031, total expenses are projected to change by 3.79%

Revenue Surplus/(Shortfall) as a Percentage of Revenue

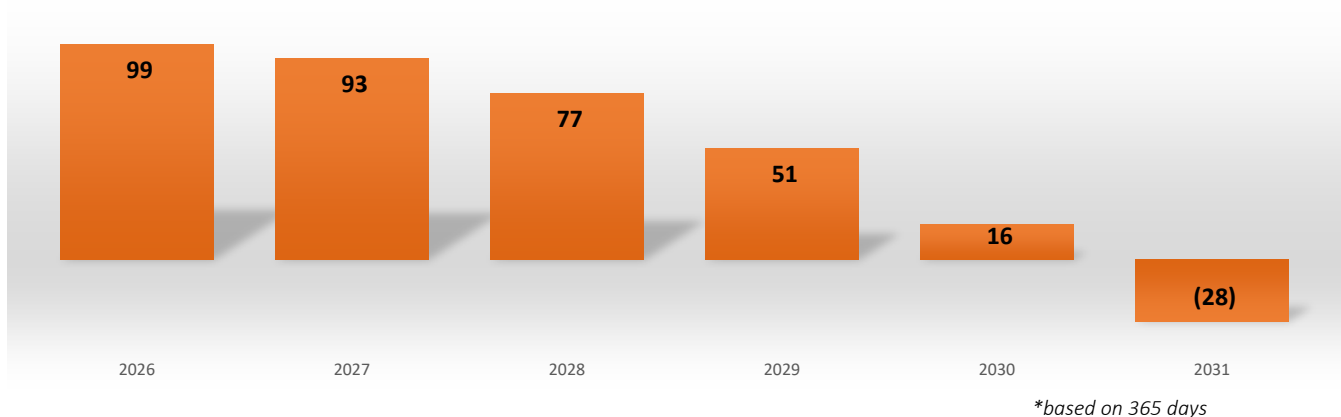


The district is trending toward revenue shortfall with the expenditures growing faster than revenue.

A revenue increase of 10.05% is needed to balance the budget in fiscal year 2031, or a \$11,226,333 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.

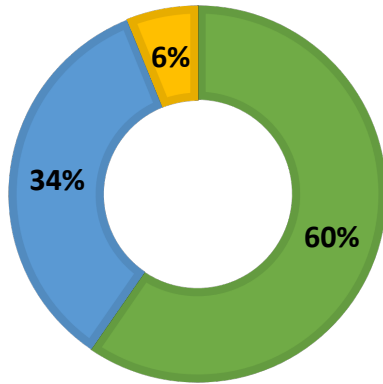
Days Cash on Hand at Fiscal Year-end



Revenue Overview

Lebanon City School District

Revenue Sources



Local Taxes

Real Estate Tax	53.72%
Public Utility Tax	5.84%
Income Tax	0.00%

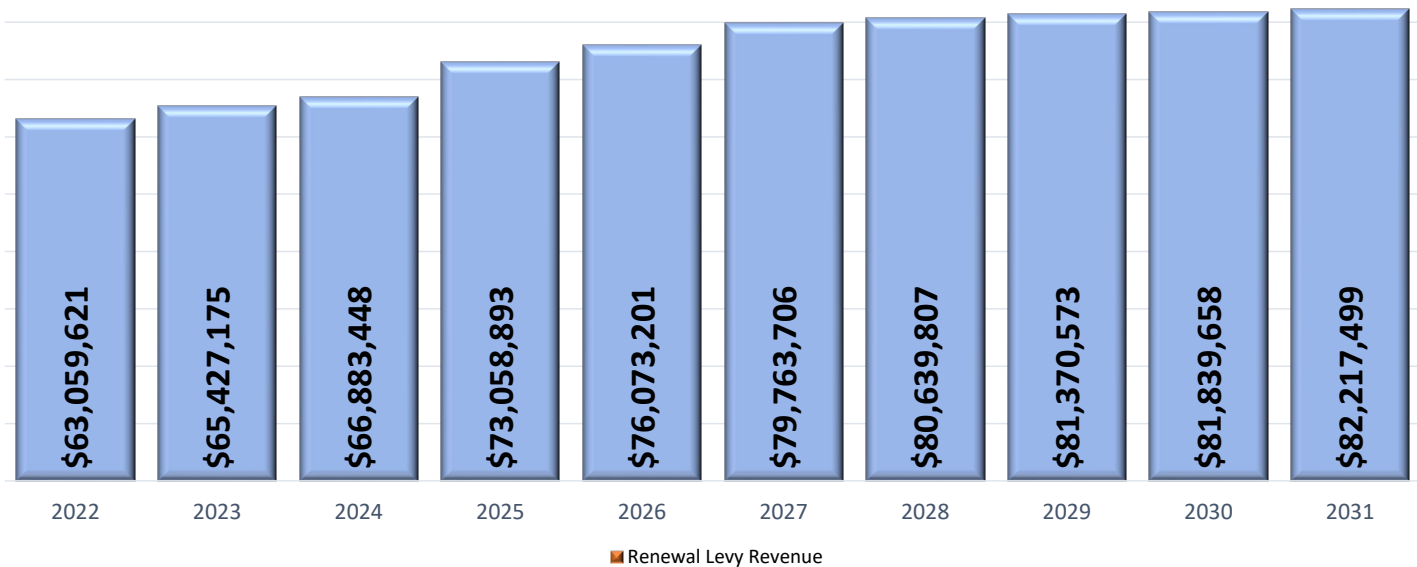
State Sources

State Funding	27.24%
Restricted Aid	1.07%
State Reimb Prop Tax Cr	6.04%

All Other Revenue

Other Revenue	5.91%
Other Sources	0.17%

Annual Revenue Actual + Projected



Historic Revenue Change versus Projected Revenue Change

	Historical Average Annual \$\$ Change	Projected Average Annual \$\$ Change	Projected Compared to Historical Variance	Over the past five years, revenue increased by 6.20% (\$3,918,254 annually). However, it is projected to increase by 1.58% (\$1,228,860 annually) through fiscal year 2031. Notably, Real Estate, is expected to be \$1,880,145 less per year compared to history, and is the biggest driver of trend change on the revenue side.
Real Estate	\$2,835,821	\$955,676	(\$1,880,145)	
Public Utility	\$308,930	\$140,114	(\$168,816)	
Income Tax	\$0	\$0	\$0	
State Funding	\$236,621	\$18,363	(\$218,258)	
State Reimb Prop Tax Credits	\$306,586	\$66,409	(\$240,177)	
All Othr Op Rev	\$462,256	\$35,231	(\$427,025)	
Other Sources	(\$231,960)	\$13,065	\$245,026	
Total Average Annual Change	\$3,918,254 6.20%	\$1,228,860 1.58%	(\$2,689,394) -4.62%	

For Comparison:

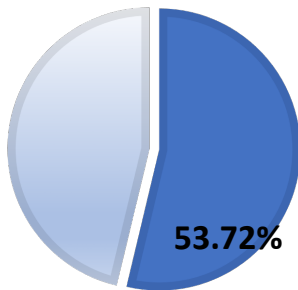
Expenditure average annual change is projected to be >

\$3,172,870

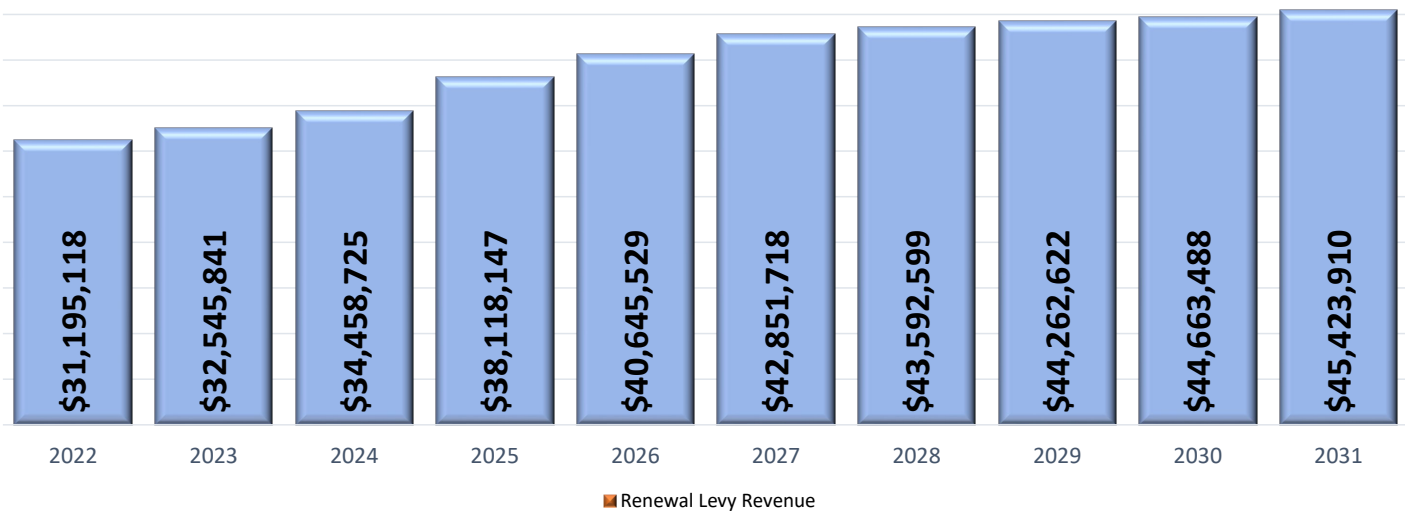
On an annual average basis, expenditures are projected to grow faster than revenue.

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 53.72% of total district general fund revenue.



Key Assumptions & Notes

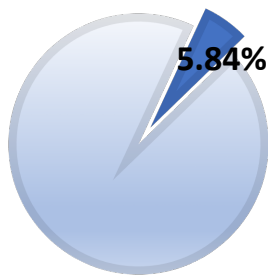
Values, Tax Rates and Gross Collections

Tax Yr	Valuation	Value Change	Class I Rate	Change	Class 2 Rate	Change	Gross Collection Rate Including Delinquencies
2025	1,732,674,662	78,625,742	27.33	-	27.33	-	100.0%
2026	1,756,474,662	23,800,000	27.30	(0.03)	27.30	(0.03)	100.0%
2027	2,044,624,662	288,150,000	23.76	(3.54)	25.71	(1.59)	100.0%
2028	2,067,924,662	23,300,000	23.70	(0.06)	25.66	(0.06)	100.0%
2029	2,091,224,662	23,300,000	23.65	(0.05)	25.60	(0.06)	100.0%
2030	2,319,874,662	228,650,000	21.65	(1.99)	24.88	(0.72)	100.0%

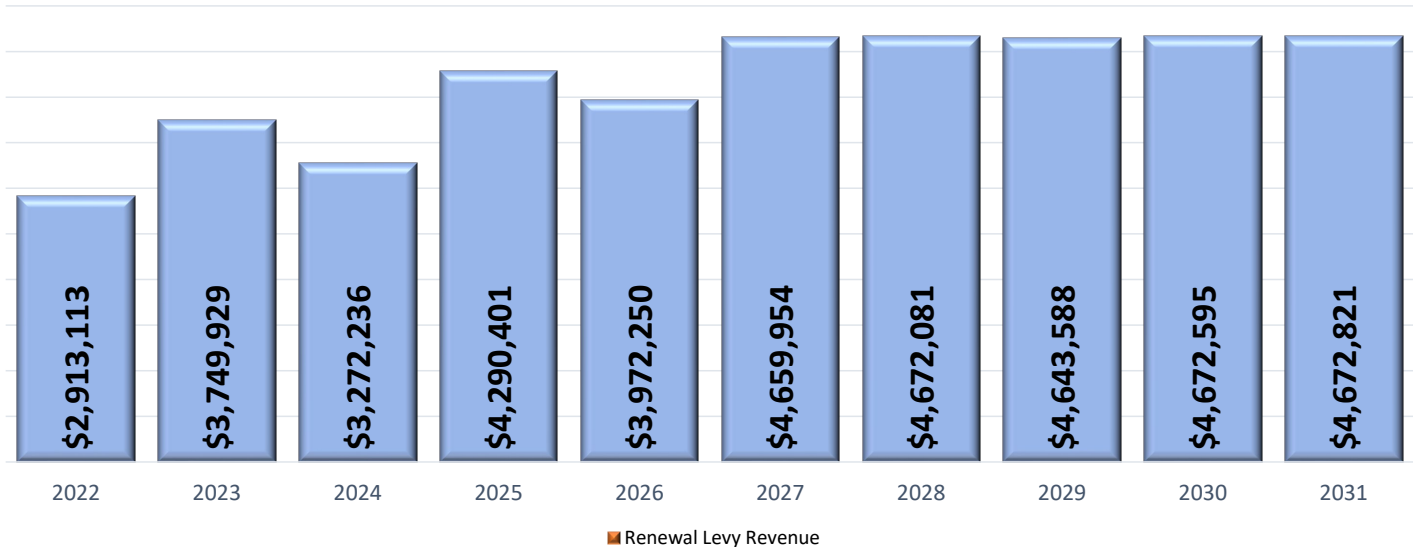
Class I, or residential/agricultural taxes make up approximately 86.58% of the real estate property tax revenue. The Class I tax rate is 27.30 mills in tax year 2026. The projections reflect an average gross collection rate of 100.0% annually through tax year 2030. The revenue changed at an average annual historical rate of 9.06% and is projected to change at an average annual rate of 2.26% through fiscal year 2031.

1.020 - Public Utility Personal Property

Revenue generated from public utility personal property valuations multiplied by the district's full voted tax rate.



Public Utility Personal Property tax revenue accounts for 5.84% of total district general fund revenue.



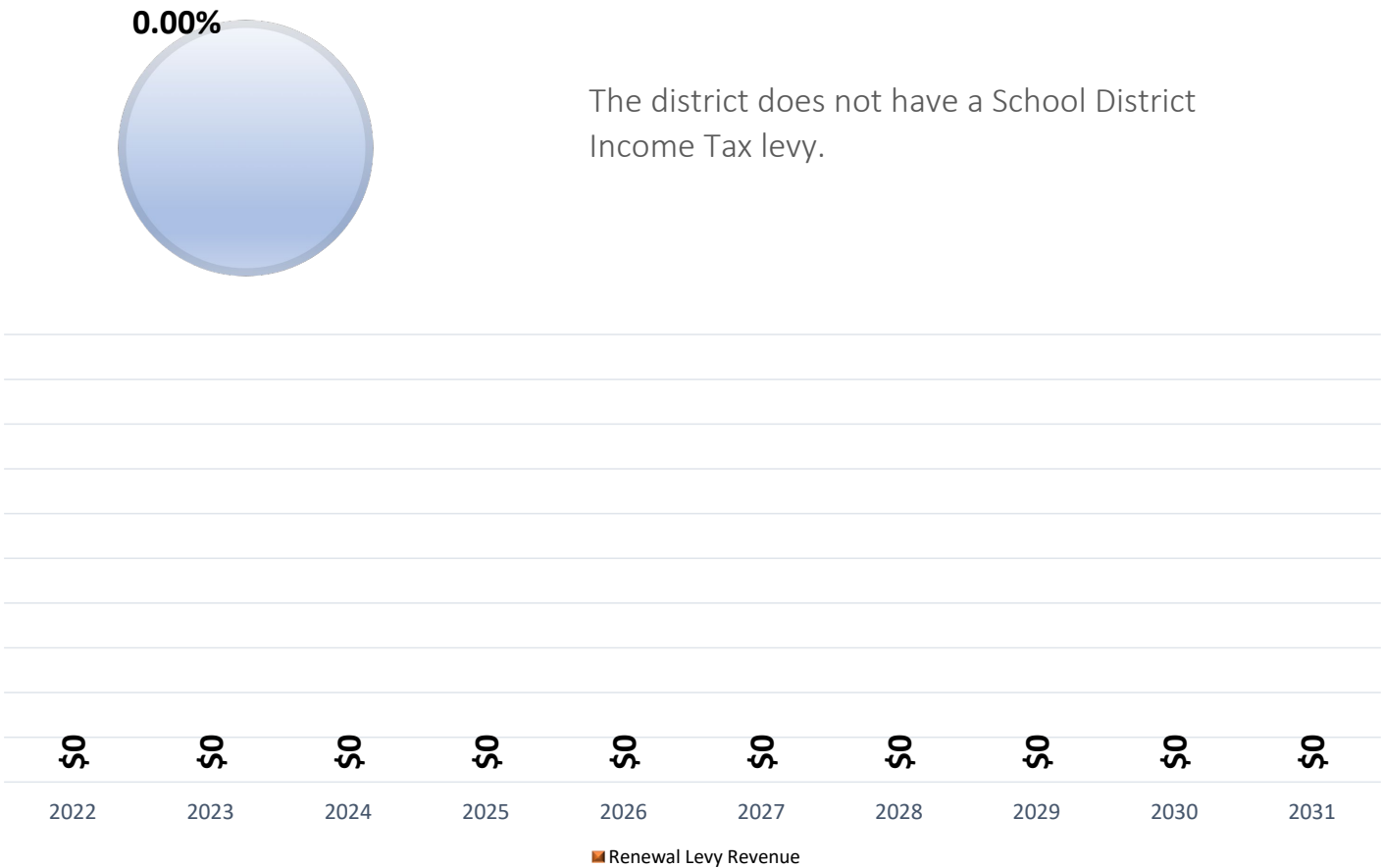
Key Assumptions & Notes

Values and Tax Rates					Gross Collection Rate Including Delinquencies
Tax Year	Valuation	Value Change	Full Voted Rate	Change	
2025	87,914,900	14,382,050	52.44	(0.33)	100.0%
2026	89,914,900	2,000,000	52.41	(0.03)	100.0%
2027	90,514,900	600,000	51.15	(1.26)	100.0%
2028	91,114,900	600,000	51.13	(0.02)	100.0%
2029	91,714,900	600,000	51.11	(0.02)	100.0%
2030	92,314,900	600,000	50.45	(0.66)	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 2026 is 52.41 mills. The forecast is modeling an average gross collection rate of 100.00%. The revenue changed historically at an average annual dollar amount of \$308,930 and is projected to change at an average annual dollar amount of \$140,114 through fiscal year 2031.

1.030 - School District Income Tax

Revenue collected from income tax earmarked specifically to support schools with a voter approved tax by residents of the school district; separate from federal, state and municipal income taxes.

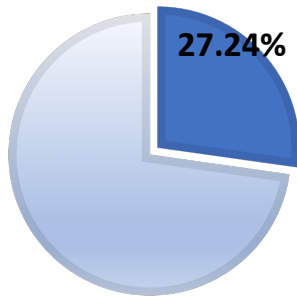


Key Assumptions & Notes

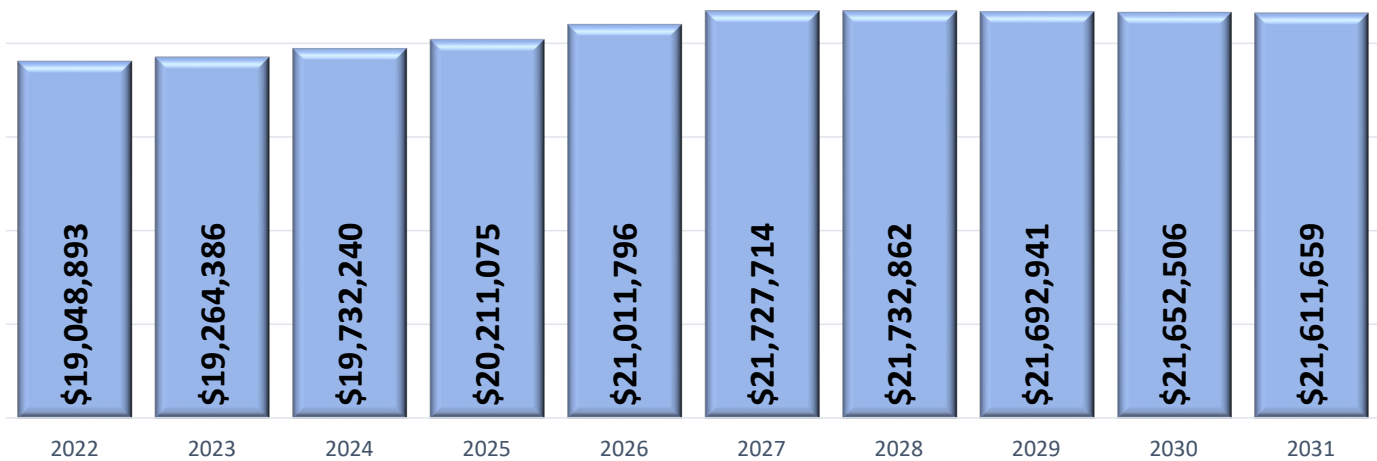
The district does not have an income tax levy.

1.035 - Unrestricted Grants-in-Aid

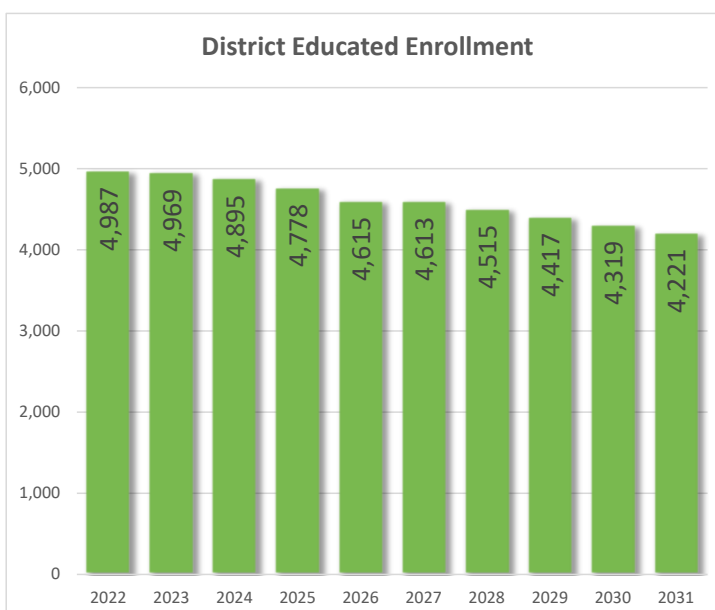
Funds received through the State Foundation Program with no restriction.



Unrestricted State Aid revenue accounts for 27.24% 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.

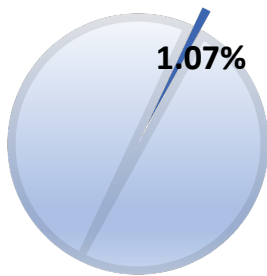
For Lebanon City School District, the calculated Base Cost total is \$38,765,377 in 2027.

The State's Share of the calculated Base Cost total is \$3,753,272, or \$814 per pupil.

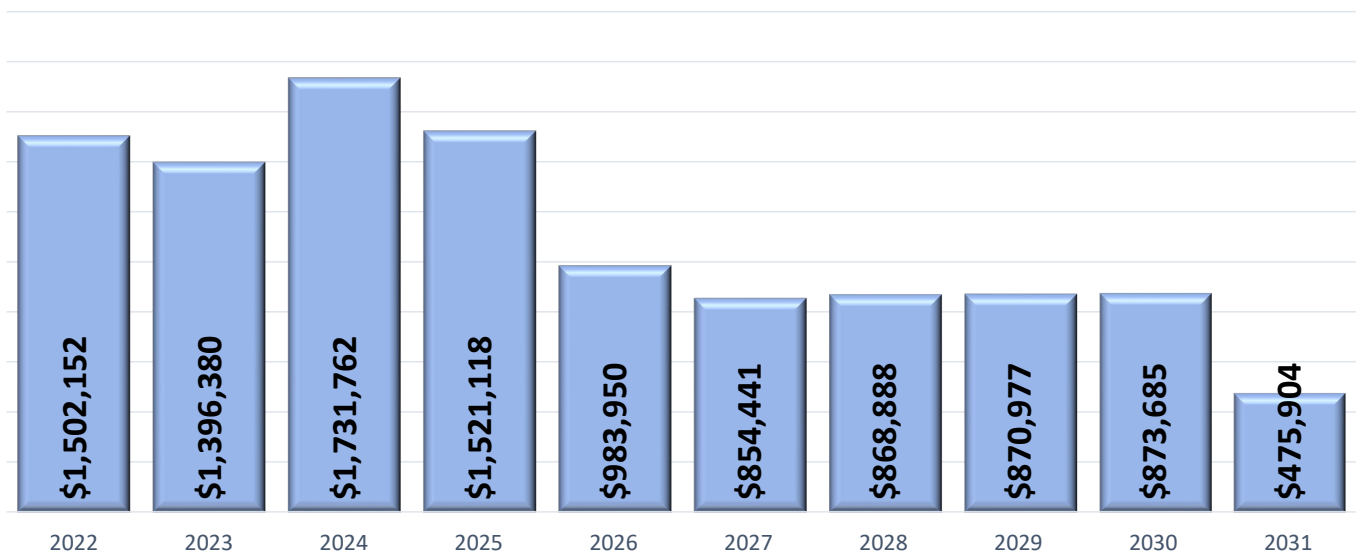
The FSFP also started funding students where they attended school. Therefore district educated enrollment is now used for per pupil funding. At the same time, the FSFP eliminated tuition transfer payments from school districts, which impacts the expense side of the forecast.

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 1.07% of total district general fund revenue.

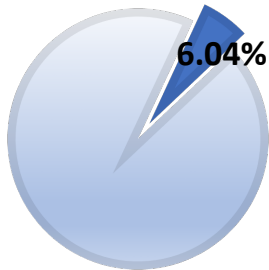


Key Assumptions & Notes

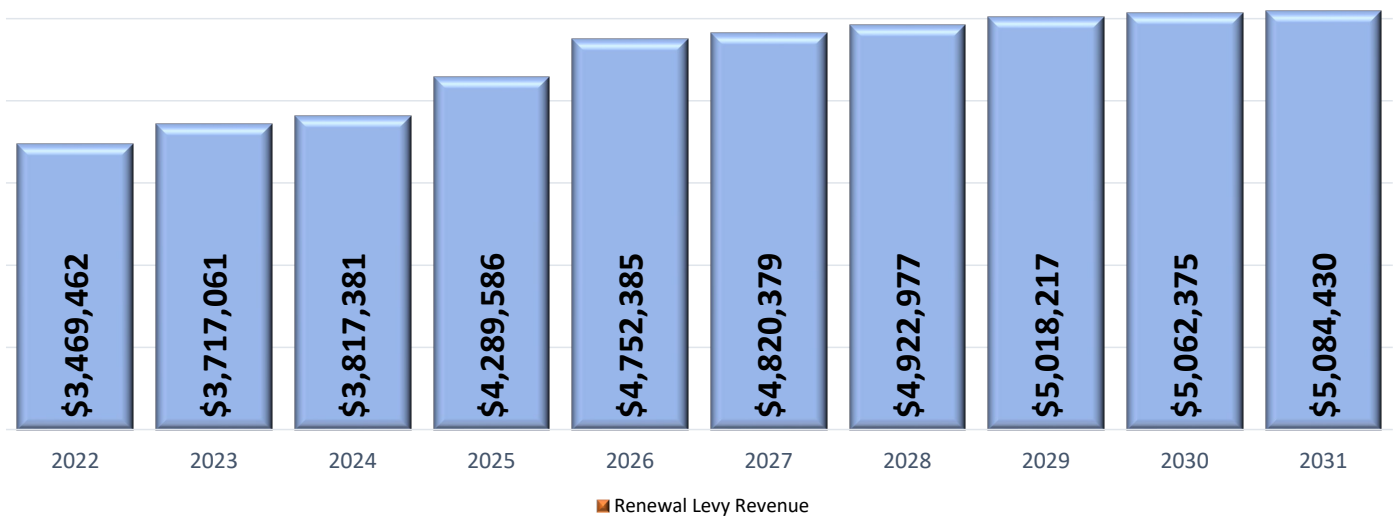
Restricted aid is the portion of state per pupil funding that must be classified as restricted use. Historically the district's restricted state aid changed annually on average by -\$137,477 and is projected to change annually on average by -\$101,609. Restricted funds represent 1.07% of the district's 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 \$178,650. 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 6.04% of total district general fund revenue.

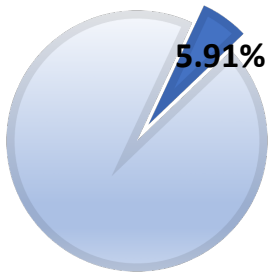


Key Assumptions & Notes

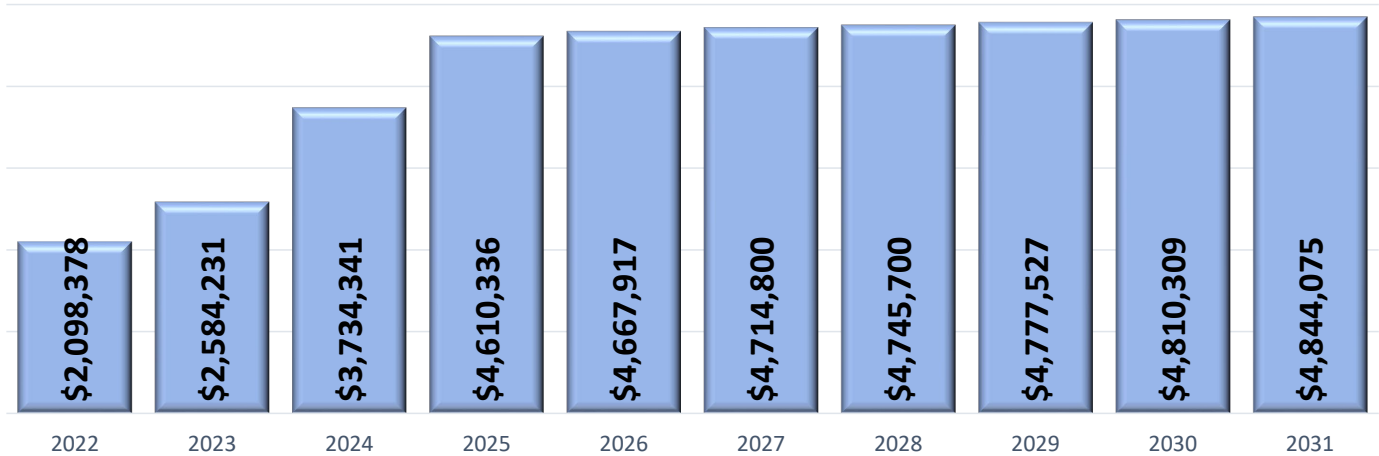
State Reimbursement of Property Tax Credits primarily consists of reimbursements from the state of Ohio for local taxpayer credits or reductions to their tax bill. The state reduces the local taxpayer's tax bill with a 10% rollback credit, and 2.5% owner-occupied rollback credit, plus a homestead credit for qualifying taxpayers. In fiscal year 2027, approximately 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 5.91% of total district general fund revenue.



Key Assumptions & Notes

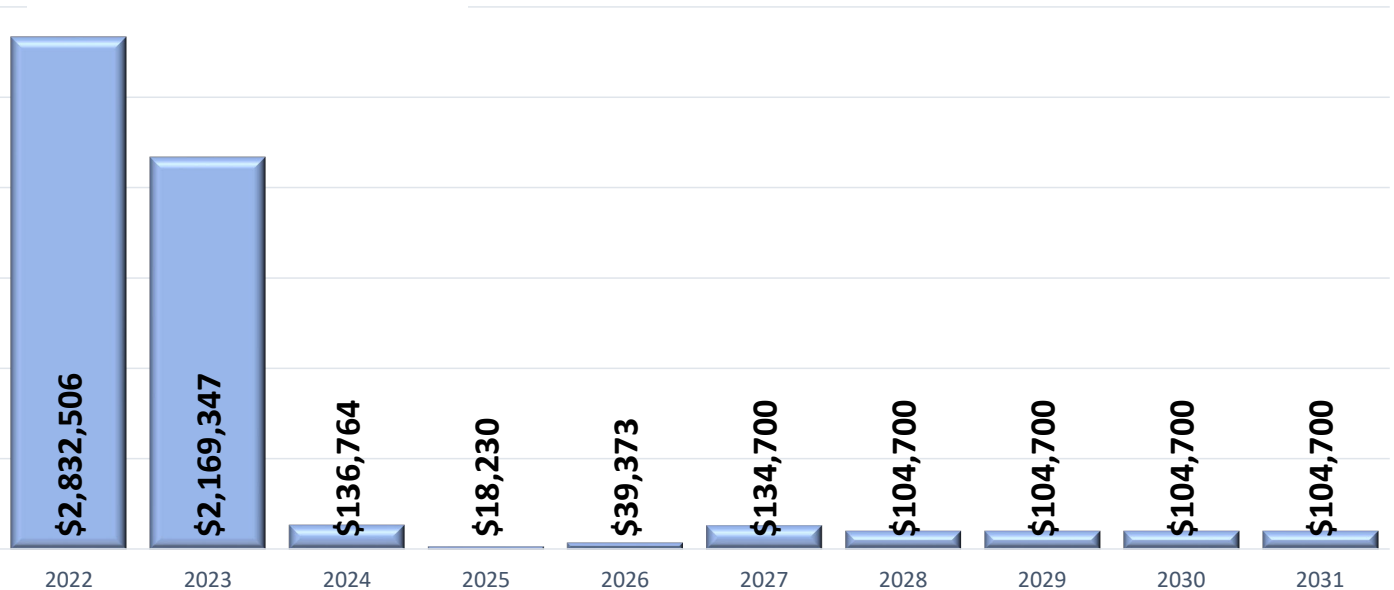
Other revenue includes tuition received by the district for non-resident students educated by the district. It also includes interest income, payments in lieu of taxes, and miscellaneous revenue. The historical average annual change was \$462,256. The projected average annual change is \$35,231 through fiscal year 2031.

2.070 - Total Other Financing Sources

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



Other Sources of revenue accounts for 0.17% of total district general fund revenue.



Key Assumptions & Notes

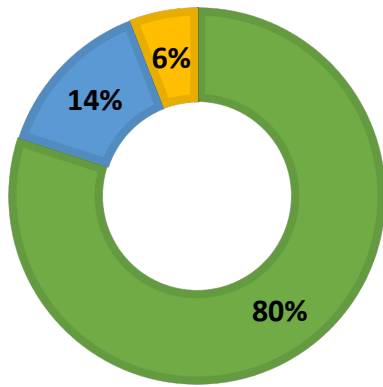
	FORECASTED					
	2026	2027	2028	2029	2030	2031
Transfers In	25	-	-	-	-	-
Advances In	35,687	130,000	100,000	100,000	100,000	100,000
All Other Financing Sources	3,661	4,700	4,700	4,700	4,700	4,700

Other sources includes revenue that is generally classified as non-operating. Return advances-in are the most common revenue source. In 2026 the district received \$35,687 as advances-in and is projecting advances of \$130,000 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 \$4,700 in 2027 and average \$4,700 annually through 2031.

Expenditure Overview

Lebanon City School District

Expenditure Categories



Personnel Costs

Salaries	57.01%
Benefits	23.02%

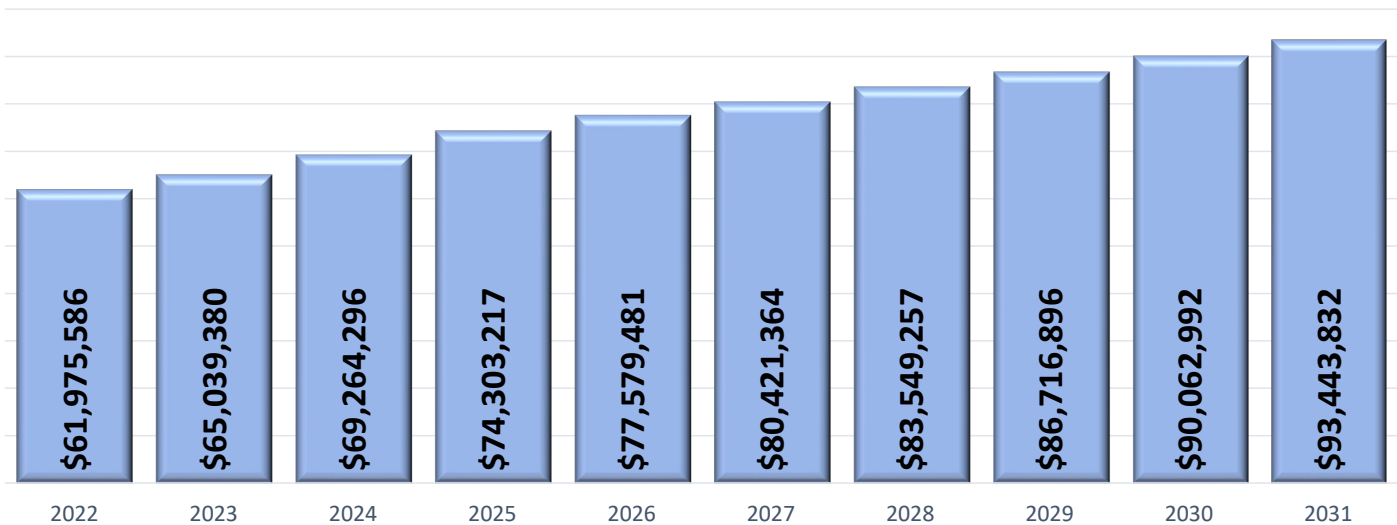
Purchased Services

14.11%

All Other Expenditures

Supplies, Capital, Debt, Other Obj	5.86%
Other Uses	0.00%

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 6.76% (\$4,314,476 annually) during the past 5-year period, and are projected to increase by 3.79% (\$3,172,870 annually) through 2031. The forecast line with the most change on the expense side, Salaries, is anticipated to be \$1,104,239 less per year in the projected period compared to historical averages.
Salaries	\$2,603,016	\$1,498,778	(\$1,104,239)	
Benefits	\$915,261	\$1,334,173	\$418,912	
Purchased Services	\$511,947	\$370,703	(\$141,244)	
Supplies & Materials	\$323,974	\$88,906	(\$235,068)	
Capital Outlay	\$44,260	(\$24,161)	(\$68,421)	
Intergov & Debt	\$159,871	(\$43,321)	(\$203,192)	
Other Objects	\$86,462	(\$49,466)	(\$135,928)	
Other Uses	(\$171,288)	(\$2,742)	\$168,546	
Total Average Annual Change	\$4,314,476 6.76%	\$3,172,870 3.79%	(\$1,141,606) -2.96%	

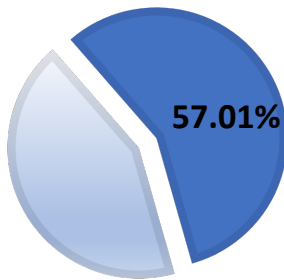
For Comparison:

Revenue average annual change is projected to be >

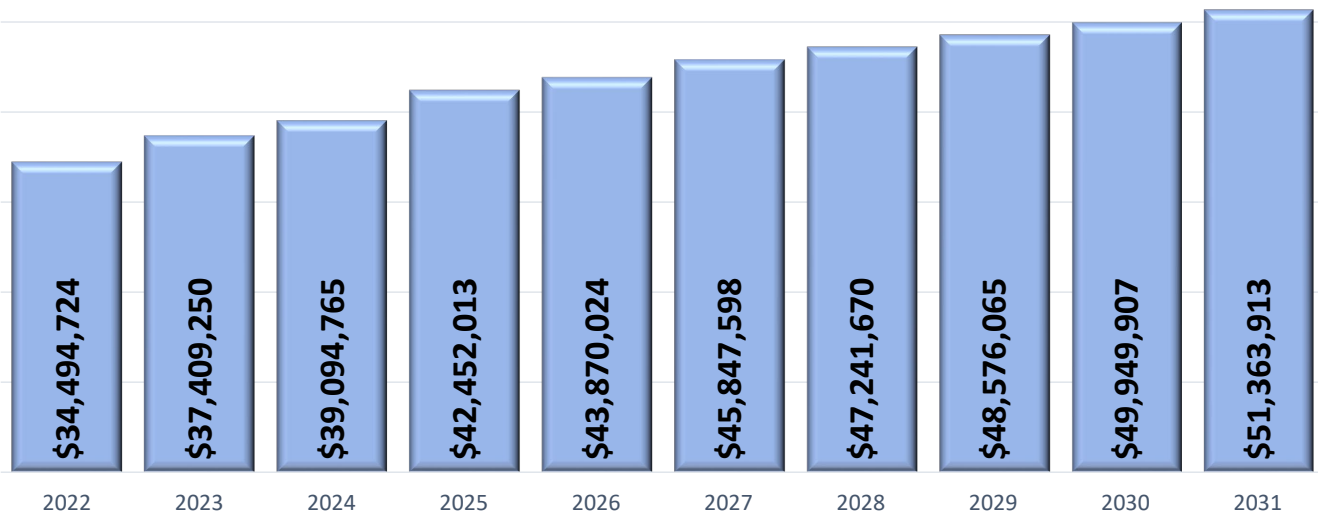
\$1,228,860 On an annual average basis, revenues are projected to grow slower than expenditures.

3.010 - Personnel Services

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



Salaries account for 57.01% of the district's total general fund spending.

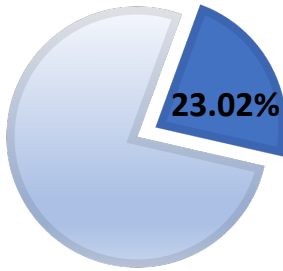


Key Assumptions & Notes

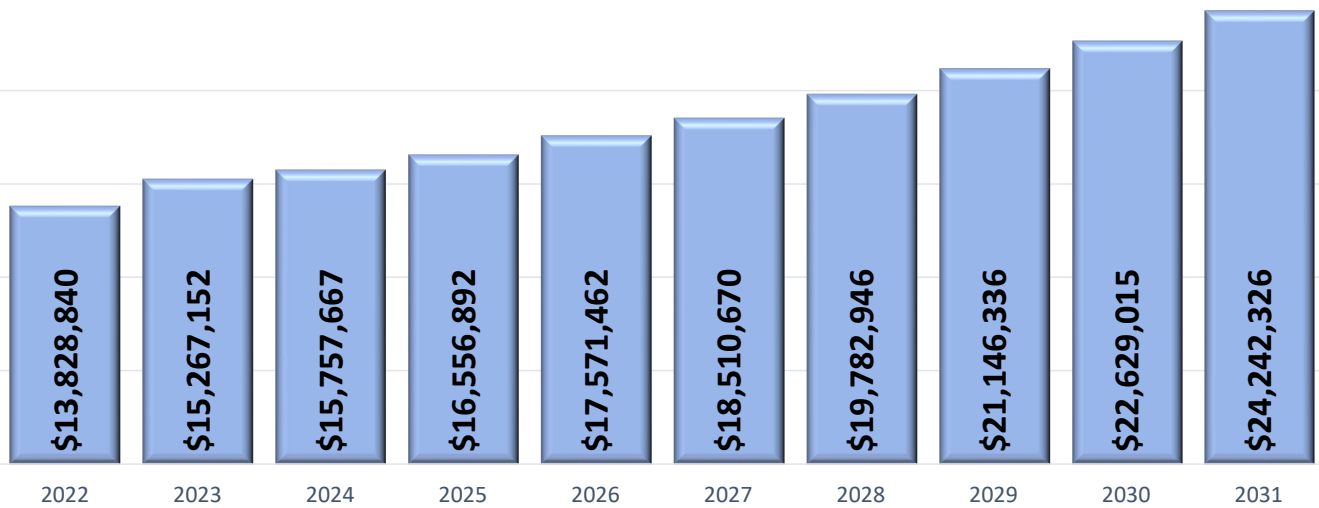
Salaries represent 57.01% of total expenditures and increased at a historical average annual rate of 7.34% (or \$2,603,016). This category of expenditure is projected to grow at an annual average rate of 3.21% (or \$1,498,778) through fiscal year 2031. The projected average annual rate of change is 4.13% 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 23.02% of the district's total general fund spending.

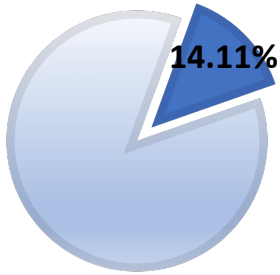


Key Assumptions & Notes

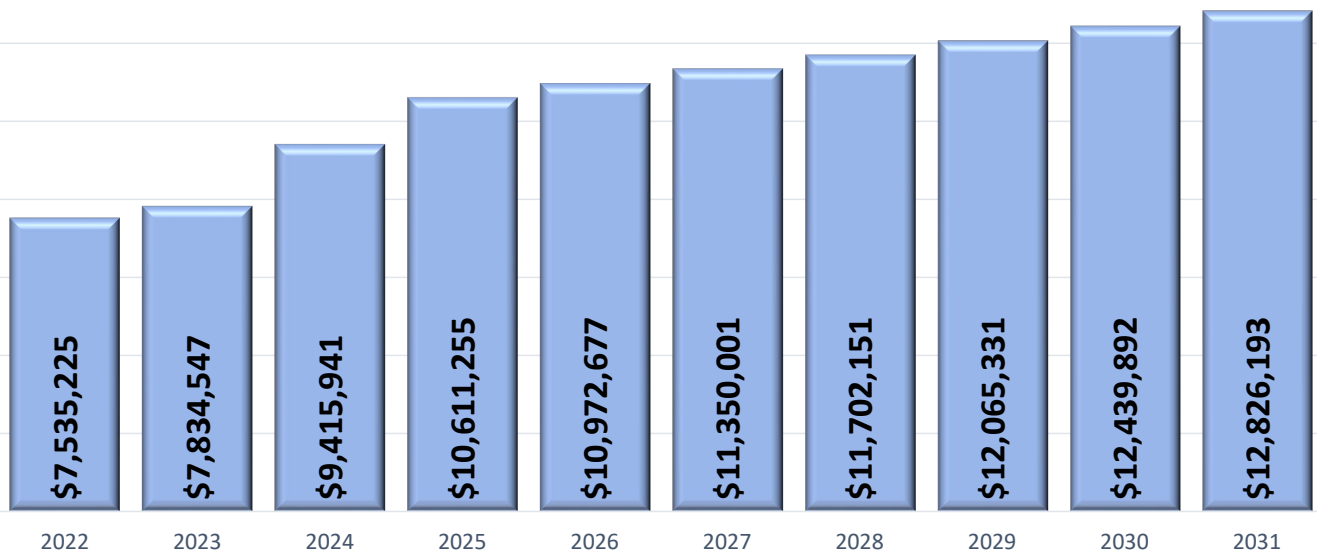
Benefits represent 23.02% of total expenditures and increased at a historical average annual rate of 6.25%. This category of expenditure is projected to grow at an annual average rate of 6.65% through fiscal year 2031. The projected average annual rate of change is 0.40% more than the five year historical 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 14.11% of the district's total general fund spending.

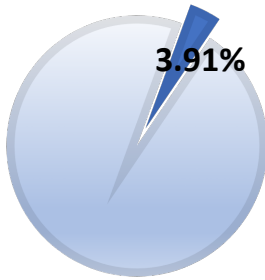


Key Assumptions & Notes

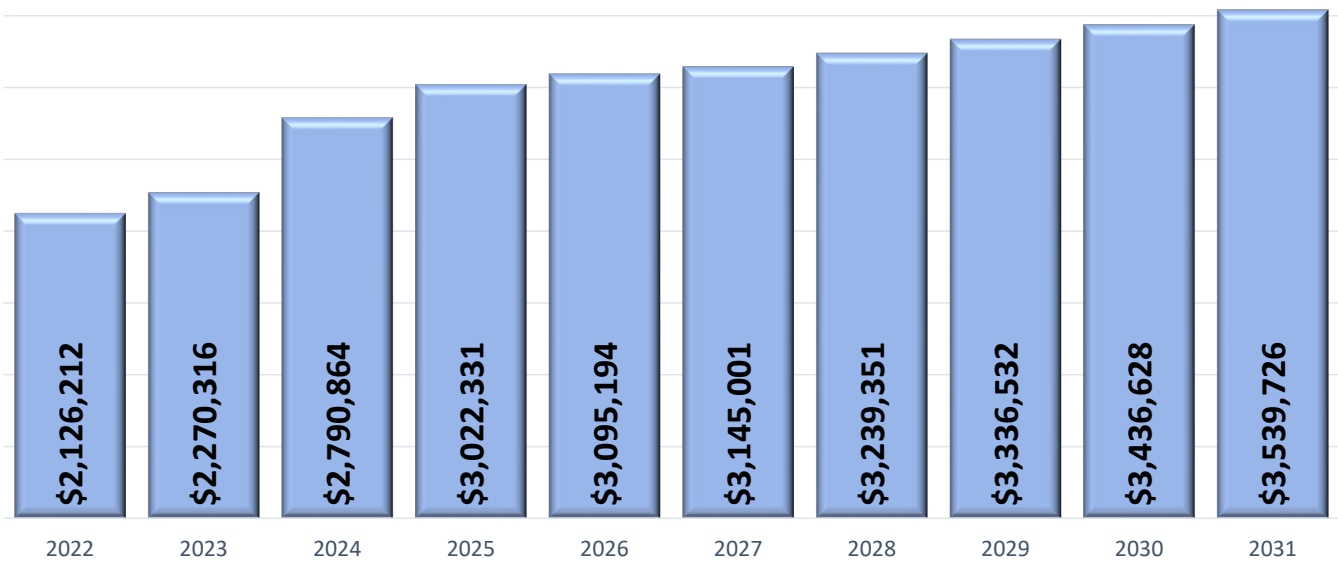
Purchased Services represent 14.11% of total expenditures and increased at a historical average annual rate of 5.96%. This category of expenditure is projected to grow at an annual average rate of 3.17% through fiscal year 2031. Starting in 2022, the Fair School Funding Plan (State Funding) only accounted for district educated enrollment, thereby reducing district tuition costs for open enrollment 'out,' community schools, STEM, and scholarship students. This change resulted in lower district costs, but also less per pupil state revenue since per pupil funding is now paid directly by the state to the district students attend.

3.040 - Supplies & Materials

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



Supplies and Materials account for 3.91% of the district's total general fund spending.

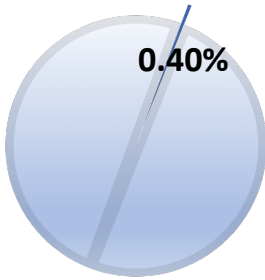


Key Assumptions & Notes

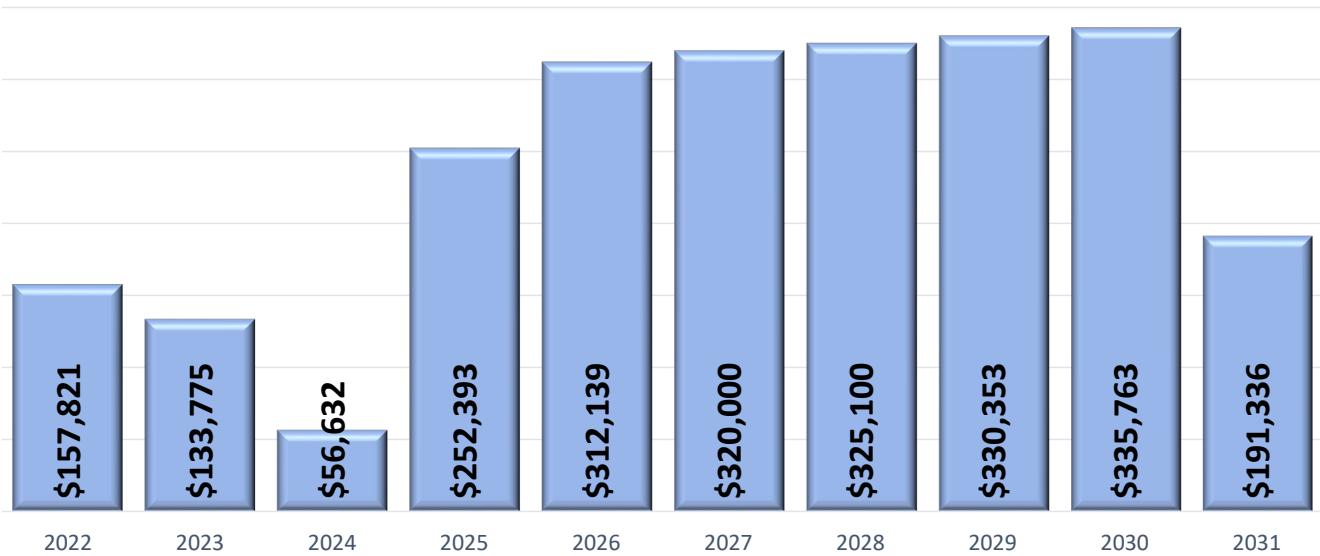
Supplies & Materials represent 3.91% of total expenditures and increased at a historical average annual rate of 16.91%. This category of expenditure is projected to grow at an annual average rate of 2.72% through fiscal year 2031. The projected average annual rate of change is 14.18% less than the five 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 0.40% of the district's total general fund spending.

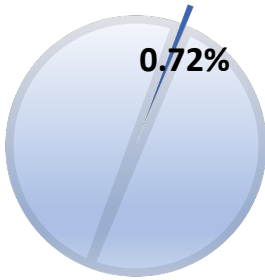


Key Assumptions & Notes

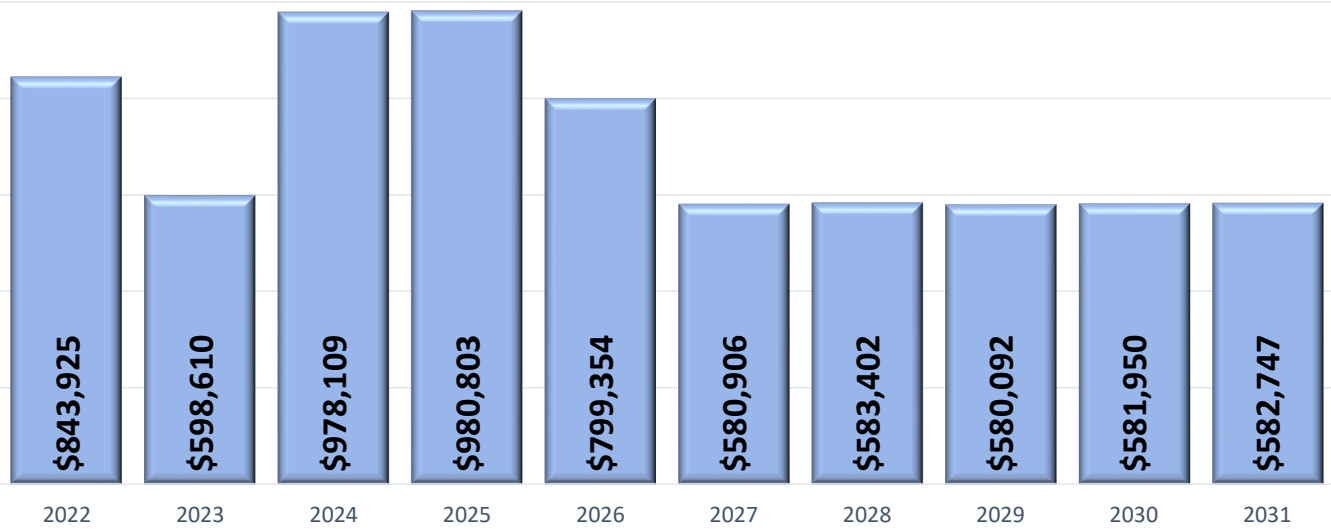
Capital Outlay represent 0.40% of total expenditures and increased at a historical average annual amount of \$44,260. This category of expenditure is projected to decrease at an annual average rate of \$24,161 through 2031. The projected average annual change is less than the five year historical annual 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 0.72% of the district's total general fund spending.

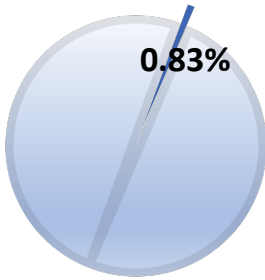


Key Assumptions & Notes

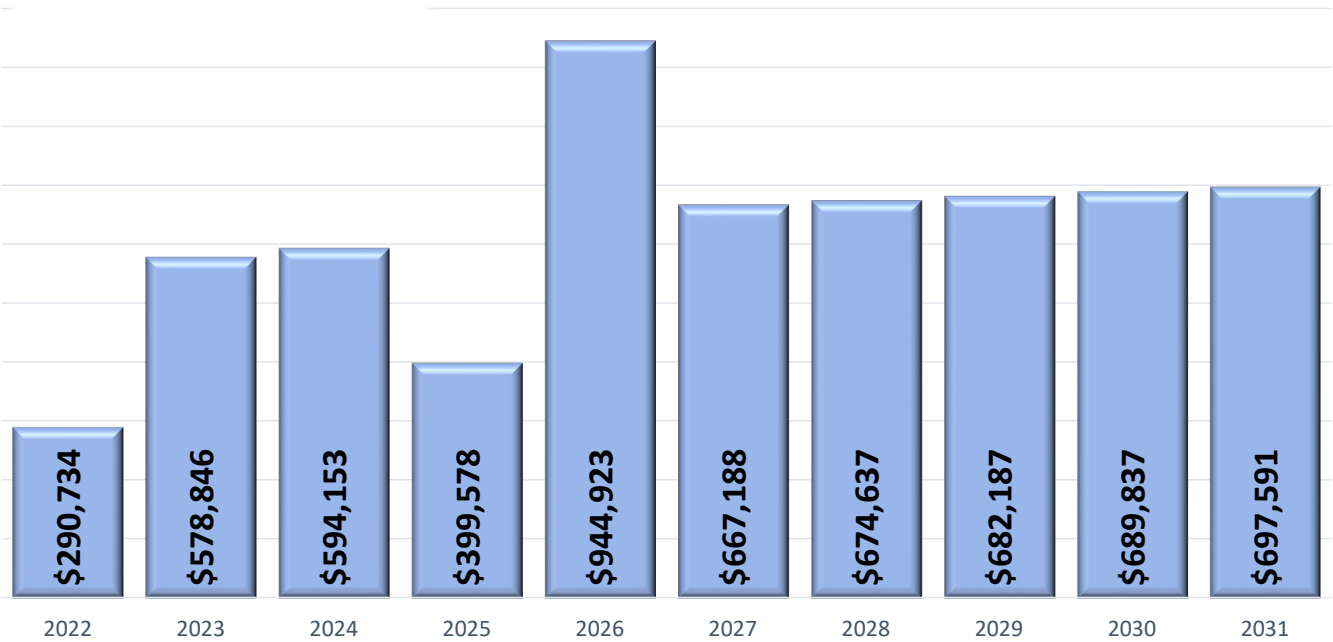
The Intergovernmental/Debt expenditure category details general fund debt issued by the District.

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 0.83% of the district's total general fund spending.

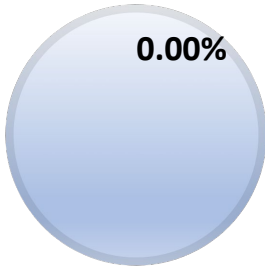


Key Assumptions & Notes

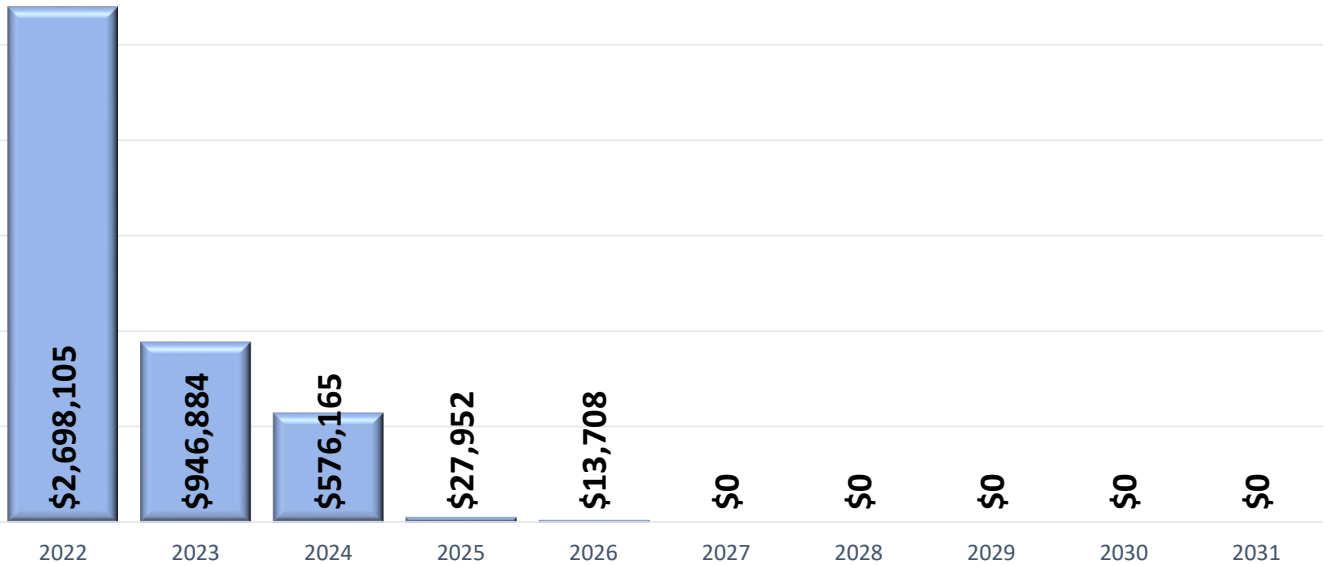
Other Objects represent 0.83% of total expenditures and increased at a historical average annual rate of 32.44%. This category of expenditure is projected to decrease at an annual average rate of 4.98% through fiscal year 2031. The projected average annual rate of change is 37.42% less than the five year historical annual average.

5.040 - Total Other Financing Uses

Operating transfers-out, advances out to other funds, and all other general fund financing uses.



Other Uses account for 0.00% of the district's total general fund spending.



Key Assumptions & Notes

	FORECASTED					
	2026	2027	2028	2029	2030	2031
Transfers Out	25	-	-	-	-	-
Advances Out	13,683	-	-	-	-	-
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 2026 the district had advances-out and has no advances-out forecasted through fiscal year 2031. The district can also move general funds permanently to other funds, and as the schedule above presents, the district has no transfers forecasted through fiscal year 2031. The table above presents the district's planned advances and transfers. The district can also have other uses of funds which is reflected in the table above.

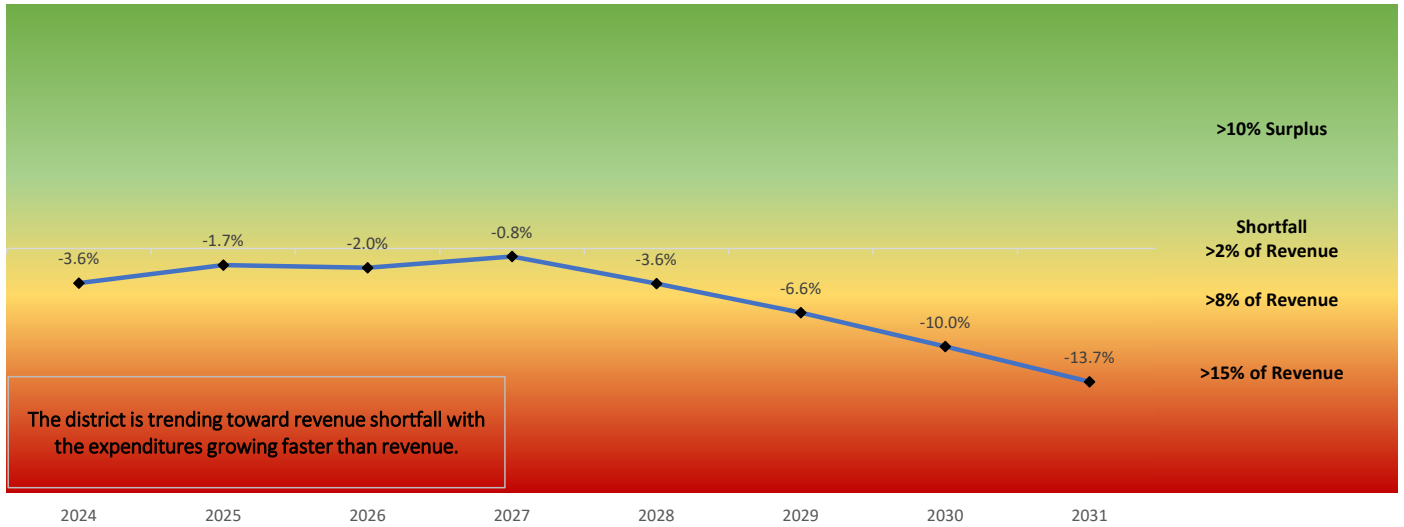
Lebanon City School District

Five Year Forecast

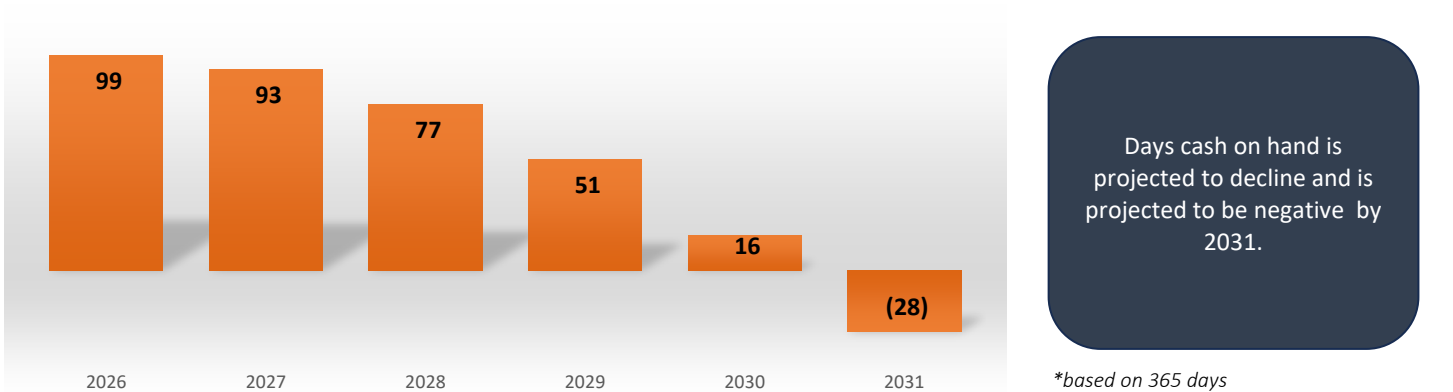
August Fiscal Year 2027

Fiscal Year:	Actual	FORECASTED				
	2026	2027	2028	2029	2030	2031
Revenue:						
1.010 - General Property Tax (Real Estate)	40,645,529	42,851,718	43,592,599	44,262,622	44,663,488	45,423,910
1.020 - Public Utility Personal Property	3,972,250	4,659,954	4,672,081	4,643,588	4,672,595	4,672,821
1.030 - Income Tax	-	-	-	-	-	-
1.035 - Unrestricted Grants-in-Aid	21,011,796	21,727,714	21,732,862	21,692,941	21,652,506	21,611,659
1.040 - Restricted Grants-in-Aid	983,950	854,441	868,888	870,977	873,685	475,904
1.050 - State Reimb Prop Tax Credits	4,752,385	4,820,379	4,922,977	5,018,217	5,062,375	5,084,430
1.060 - All Other Operating Revenues	4,667,917	4,714,800	4,745,700	4,777,527	4,810,309	4,844,075
1.070 - Total Revenue	76,033,828	79,629,006	80,535,107	81,265,872	81,734,958	82,112,799
Other Financing Sources:						
2.010 - Proceeds from Sale of Notes	-	-	-	-	-	-
2.020 - State Emergency Loans and Adv	-	-	-	-	-	-
2.040 - Operating Transfers-In	25	-	-	-	-	-
2.050 - Advances-In	35,687	130,000	100,000	100,000	100,000	100,000
2.060 - All Other Financing Sources	3,661	4,700	4,700	4,700	4,700	4,700
2.070 - Total Other Financing Sources	39,373	134,700	104,700	104,700	104,700	104,700
2.080 - Total Rev & Other Sources	76,073,201	79,763,706	80,639,807	81,370,573	81,839,658	82,217,499
Expenditures:						
3.010 - Personnel Services	43,870,024	45,847,598	47,241,670	48,576,065	49,949,907	51,363,913
3.020 - Employee Benefits	17,571,462	18,510,670	19,782,946	21,146,336	22,629,015	24,242,326
3.030 - Purchased Services	10,972,677	11,350,001	11,702,151	12,065,331	12,439,892	12,826,193
3.040 - Supplies and Materials	3,095,194	3,145,001	3,239,351	3,336,532	3,436,628	3,539,726
3.050 - Capital Outlay	312,139	320,000	325,100	330,353	335,763	191,336
Intergovernmental & Debt Service	799,354	580,906	583,402	580,092	581,950	582,747
4.300 - Other Objects	944,923	667,188	674,637	682,187	689,837	697,591
4.500 - Total Expenditures	77,565,773	80,421,364	83,549,257	86,716,896	90,062,992	93,443,832
Other Financing Uses						
5.010 - Operating Transfers-Out	25	-	-	-	-	-
5.020 - Advances-Out	13,683	-	-	-	-	-
5.030 - All Other Financing Uses	-	-	-	-	-	-
5.040 - Total Other Financing Uses	13,708	-	-	-	-	-
5.050 - Total Exp and Other Financing Uses	77,579,481	80,421,364	83,549,257	86,716,896	90,062,992	93,443,832
6.010 - Excess of Rev Over/(Under) Exp	(1,506,280)	(657,658)	(2,909,450)	(5,346,323)	(8,223,334)	(11,226,333)
7.010 - Cash Balance July 1 (No Levies)	22,595,264	21,088,984	20,431,326	17,521,877	12,175,553	3,952,220
7.020 - Cash Balance June 30 (No Levies)	21,088,984	20,431,326	17,521,877	12,175,553	3,952,220	(7,274,114)
		Reservations				
8.010 - Estimated Encumbrances June 30	924,904	850,000	850,000	850,000	850,000	850,000
9.080 - Reservations Subtotal	-	-	-	-	-	-
10.010 - Fund Bal June 30 for Cert of App	20,164,080	19,581,326	16,671,877	11,325,553	3,102,220	(8,124,114)
Rev from Replacement/Renewal Levies						
11.010 & 11.020 - Renewal Levies	-	-	-	-	-	-
11.030 - Cumulative Balance of Levies	-	-	-	-	-	-
12.010 - Fund Bal June 30 for Cert of Obligations	20,164,080	19,581,326	16,671,877	11,325,553	3,102,220	(8,124,114)
Revenue from New Levies						
13.010 & 13.020 - New Levies	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-
15.010 - Unreserved Fund Balance June 30	20,164,080	19,581,326	16,671,877	11,325,553	3,102,220	(8,124,114)

Revenue Surplus/(Shortfall) - Current Forecast

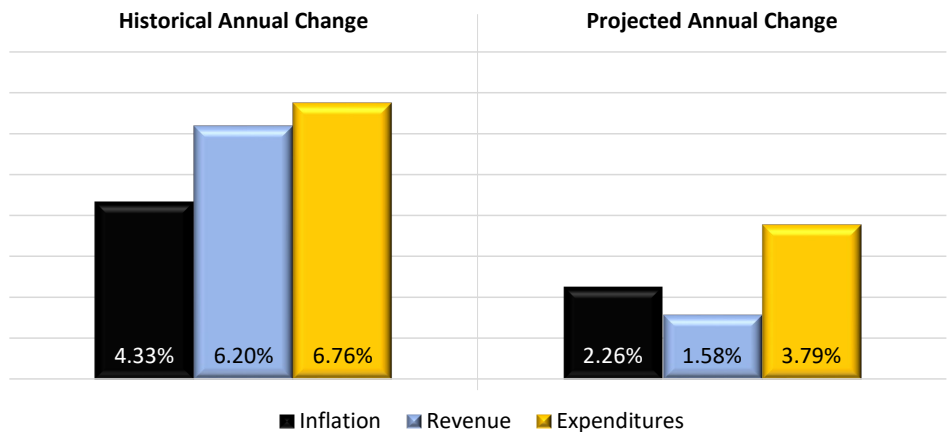


Days Cash on Hand - Current Forecast



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

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

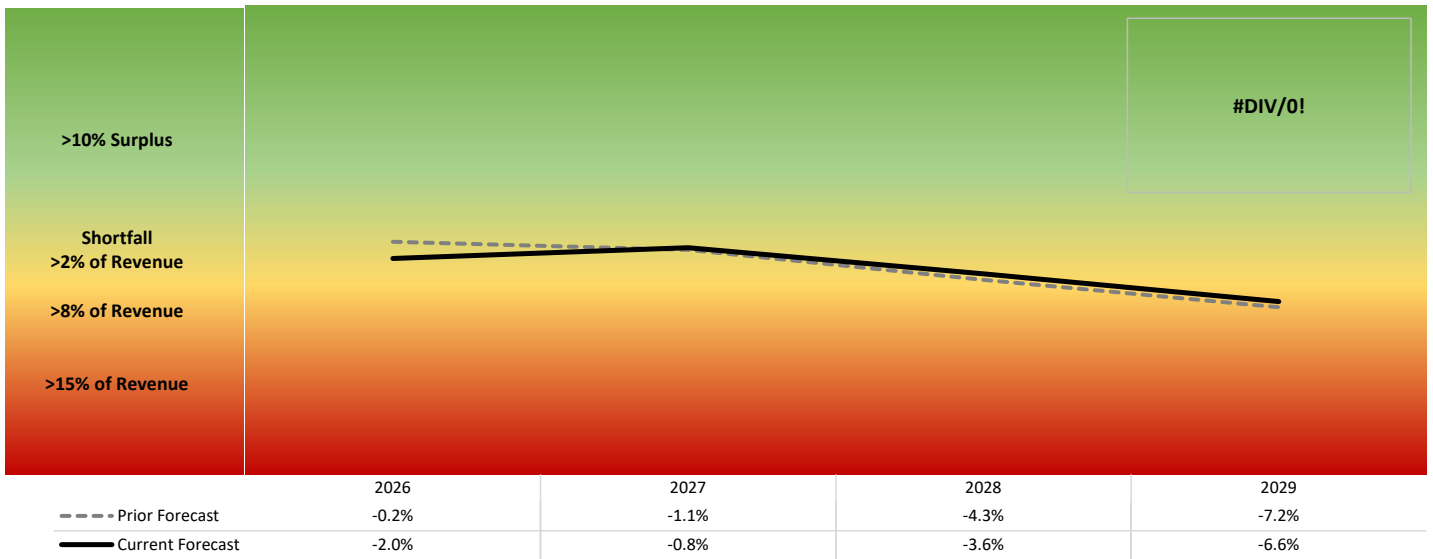


CPI (Inflation) Source: Federal Reserve Bank of St. Louis (July 1, 2025)
<https://alfred.stlouisfed.org>

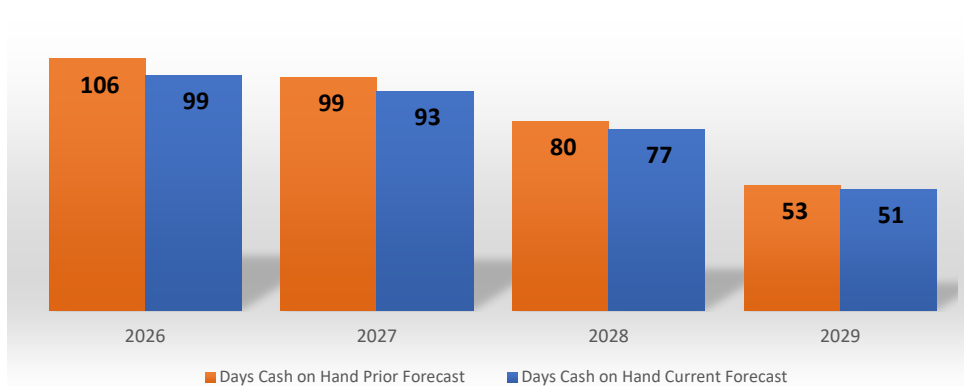
Current to Prior Forecast Comparison

Lebanon City School District

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

Revenue Variance		
Cumulative Favorable Revenue Variance	0.56%	\$5,962,531
Largest Revenue Variances		
1.035,1.040 State	0.29%	\$914,817
1.01 Real Estate	-0.55%	(\$1,743,994)
1.03 Income Tax	0.00%	\$0
All Other Revenue Categories	2.15%	\$6,791,709

The current revenue forecast is up by 0.56% compared to the prior forecast.

NET cumulative forecast impact for the forecast period 2026 - 2029 of Revenue and Expense variances is -0.07% (or \$3,924,019).

The current forecast for expenditures is up by 0.62% compared to the prior forecast.

Expenditure Variance		
Cumulative Unfavorable Expenditure Variance	0.62%	\$2,038,512
Largest Expenditure Variances		
0.08%	\$251,008	3.01 Salaries
0.28%	\$923,567	3.02 Benefits
0.15%	\$498,588	3.03 Purchased Serv.
0.11%	\$365,349	All Other Expenditure Categories

Detailed Comparison of Net Revenue Change Since February

Lebanon City School District

Forecast Compare \$\$ Variance

Current Over/(Under) Prior

		Actual	FORECASTED			
		2026	2027	2028	2029	2030
Revenue:	1.01 Real Estate	(1,287,845)	(215,365)	(148,586)	(92,198)	44,663,488
	1.02 Pub Utility	(223,495)	(18,605)	(8,421)	(12,272)	4,672,595
	1.03 Income Tax	-	-	-	-	-
	1.035,1.040 State	(21,850)	149,584	410,094	376,989	22,526,191
	1.050 - State Reimb Prop Tax Credits	(3,866)	(4,986)	953	2,377	5,062,375
	1.060 All Other	707,995	723,466	722,011	720,513	4,810,309
	2.010-2.060 Other Sources	(3,865)	(2,852)	(2,852)	(2,852)	104,700
	Levy Renewals	-	-	-	-	-
	Total 2.08 Rev plus Renewals	(832,926)	631,242	973,199	992,558	81,839,658
	Total 2.08 Revenue Percentage Change	-1.1%	0.8%	1.2%	1.2%	#DIV/0!

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 2024	TY 2025	TY 2026	
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 2024	TY 2025	TY 2026
Reappraisal or Update Year	Yes	No	No
Percent of District in Reappraisal/Update	Weighted	Change	.
Class I Combined Change	0.0%	0.0%	0.0%
New GDP-D Allowed Growth	15.40%	13.30%	9.15%

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

Millage Change	TY 2024	TY 2025	TY 2026	
Combined Ag/Residential Inflation	26.39%	0.70%	#VALUE!	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 2024	TY 2025	TY 2026	
If at the floor and exceeded GDP-D Growth	.	\$ -	\$ -	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 2026	TY 2027	TY 2028	TY 2029	TY 2030
Reappraisal or Update Year	No	Yes	No	No	Yes
Percent of District in Reappraisal/Update	.	0.00%	72.02%	0.00%	0.00%
Class I Combined Change	0.0%	0.0%	20.4%	0.0%	0.0%
GDP-D	9.15%	8.00%	8.05%	7.65%	7.50%

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

	TY 2026	TY 2027	TY 2028	TY 2029	TY 2030
Inside Millage Class I & II*	4.61	4.27	4.27	4.27	4.17
Millage Change	0.00	-0.34	0.00	0.00	-0.10
Percentage Change in Millage	0.00%	-7.34%	0.00%	0.00%	-2.41%

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

	TY 2026	TY 2027	TY 2028	TY 2029	TY 2030
Outside Millage	15.39	13.11	13.07	13.04	11.70
Millage Change	0.00	-2.28	-0.04	-0.04	-1.33
Percentage Change in Millage	0.00%	-11.40%	-0.21%	-0.21%	-7.70%
Fixed Sum Millage	7.30	6.37	6.36	6.34	5.78
Millage Change (no change)	-0.03	-0.93	-0.02	-0.02	-0.56
Percentage Change in Millage	-0.41%	-12.67%	-0.29%	-0.29%	-8.77%

	TY 2026	TY 2027	TY 2028	TY 2029	TY 2030
Total Effective Rate (Inside+Outside+Fixed Sum)	27.30	23.76	23.70	23.65	21.65

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

Does the Reappraisal/Update/Inflation generate taxpayer credits?

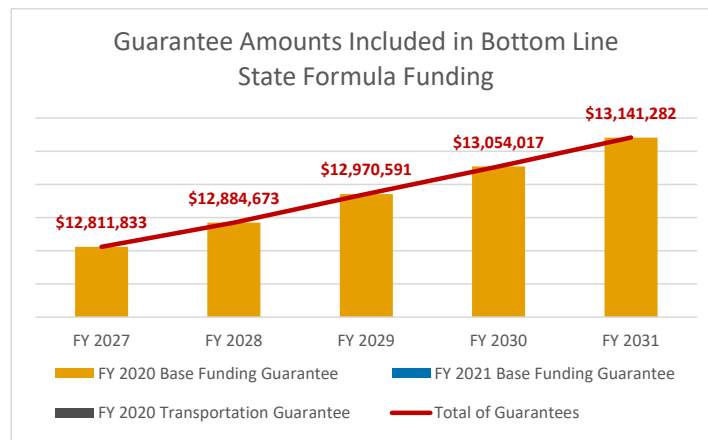
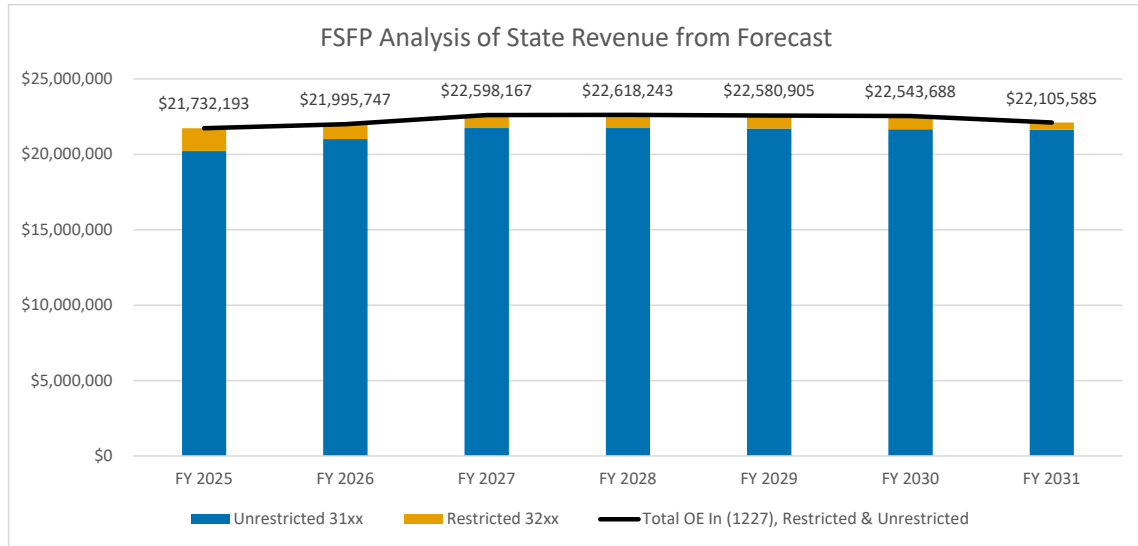
	TY 2026	TY 2027	TY 2028	TY 2029	TY 2030
H.B. 186 - Calculated Credit if at 20 Mill Floor	\$ -	\$ -	\$ -	\$ -	\$ -

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

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

	FY 2027	FY 2028	FY 2029	FY 2030
Homestead/Owner-Occupied Credits	\$ (0)	\$ (0)	\$ (0)	\$ (0)

State Foundation Funding Results



	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Base Cost Per Pupil Total Funding	\$8,136	\$8,147	\$8,157	\$8,172	\$8,177
Local Share	90.0%	90.0%	90.0%	90.0%	90.0%
State Share	10.0%	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.