

**ADA EXEMPTED VILLAGE SCHOOL DISTRICT  
HARDIN & HANCOCK COUNTY  
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES  
IN FUND BALANCES FOR THE FISCAL YEARS ENDED  
JUNE 30, 2022, 2023, and 2024 ACTUAL  
FORECASTED FISCAL YEARS ENDING  
JUNE 30, 2025, THROUGH JUNE 30, 2029**



**Forecast Provided By  
Ada Exempted Village School District  
Treasurer's Office  
Kim Light, Treasurer  
November 21, 2024**

# Ada Exempted Village School District

Hardin County

Schedule of Revenues, Expenditures and Changes in Fund Balances  
For the Fiscal Years Ended June 30, 2022, 2023 and 2024 Actual;  
Forecasted Fiscal Years Ending June 30, 2025 Through 2029

	Actual				Average Change	Forecasted				
	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024			Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029
<b>Revenues</b>										
1.010 General Property Tax (Real Estate)	\$1,931,938	\$1,963,007	\$2,270,905	8.6%	\$2,460,355	\$2,473,897	\$2,548,988	\$2,598,056	\$2,609,565	
1.020 Public Utility Personal Property Tax	191,647	205,388	127,473	-15.4%	316,974	234,069	241,429	248,789	256,149	
1.030 Income Tax	2,485,458	2,650,865	2,606,072	2.5%	2,737,047	2,791,789	2,847,625	2,543,499	1,468,556	
1.035 Unrestricted State Grants-in-Aid	5,309,087	5,753,830	6,591,550	11.5%	6,915,521	6,916,396	6,917,279	6,918,181	6,919,099	
1.040 Restricted State Grants-in-Aid	357,750	404,961	534,177	22.6%	521,316	520,644	520,644	520,644	520,644	
1.045 Restricted Federal Grants-in-Aid	0	0	0	0.0%	0	0	0	0	0	
1.050 State Share of Local Property Taxes	265,249	266,782	301,788	6.8%	335,991	336,980	346,656	355,685	357,157	
1.060 All Other Revenues	231,803	339,501	503,282	47.4%	510,382	493,953	478,344	463,517	449,431	
1.070 <b>Total Revenues</b>	<b>\$10,772,932</b>	<b>\$11,584,334</b>	<b>\$12,935,247</b>	<b>9.6%</b>	<b>\$13,797,586</b>	<b>\$13,767,728</b>	<b>\$13,900,965</b>	<b>\$13,648,371</b>	<b>\$12,580,601</b>	
<b>Other Financing Sources</b>										
2.010 Proceeds from Sale of Notes	0	0	0	0.0%	0	0	0	0	0	
2.020 State Emergency Loans	0	0	0	0.0%	0	0	0	0	0	
2.040 Operating Transfers-In	0	0	0	0.0%	0	0	0	0	0	
2.050 Advances-In	0	0	0	0.0%	0	0	0	0	0	
2.060 All Other Financing Sources	-	532	8,806	0.0%	8,806	8,806	8,806	8,806	8,806	
2.070 <b>Total Other Financing Sources</b>	<b>\$0</b>	<b>\$532</b>	<b>\$8,806</b>	<b>0.0%</b>	<b>\$8,806</b>	<b>\$8,806</b>	<b>\$8,806</b>	<b>\$8,806</b>	<b>\$8,806</b>	
2.080 <b>Total Revenues and Other Financing Sources</b>	<b>\$10,772,932</b>	<b>\$11,584,866</b>	<b>\$12,944,053</b>	<b>9.6%</b>	<b>\$13,806,392</b>	<b>\$13,776,534</b>	<b>\$13,909,771</b>	<b>\$13,657,177</b>	<b>\$12,589,407</b>	
<b>Expenditures</b>										
3.010 Personal Services	\$5,900,293	\$6,096,032	\$6,393,639	4.1%	\$6,796,450	\$7,057,397	\$7,321,237	\$7,596,646	\$7,883,920	
3.020 Employees' Retirement/Insurance Benefits	2,798,067	2,890,306	3,041,469	4.3%	2,940,746	3,210,752	3,346,860	3,489,383	3,638,715	
3.030 Purchased Services	1,047,594	1,053,450	1,110,606	3.0%	1,386,112	1,460,715	1,478,020	1,525,129	1,573,762	
3.040 Supplies and Materials	207,396	274,301	401,274	39.3%	493,313	453,112	466,705	480,707	495,128	
3.050 Capital Outlay	5,410	43,515	29,249	335.8%	30,000	30,000	30,000	30,000	30,000	
3.060 Intergovernmental	0	0	0	0.0%	0	0	0	0	0	
Debt Service:				0.0%						
4.010 Principal-All (Historical Only)	0	0	0	0.0%	0	0	0	0	0	
4.020 Principal-Notes	0	0	0	0.0%	0	0	0	0	0	
4.030 Principal-State Loans	0	0	0	0.0%	0	0	0	0	0	
4.040 Principal-State Advancements	0	0	0	0.0%	0	0	0	0	0	
4.050 Principal-HB 264 Loans	0	0	0	0.0%	0	0	0	0	0	
4.055 Principal-Other	0	0	0	0.0%	0	0	0	0	0	
4.060 Interest and Fiscal Charges	0	0	-	0.0%	0	0	0	0	0	
4.300 Other Objects	562,339	564,661	628,391	5.8%	640,959	653,778	666,853	680,190	693,794	
4.500 <b>Total Expenditures</b>	<b>\$10,521,099</b>	<b>\$10,922,265</b>	<b>\$11,604,628</b>	<b>5.0%</b>	<b>\$12,287,580</b>	<b>\$12,865,754</b>	<b>\$13,309,675</b>	<b>\$13,802,055</b>	<b>\$14,315,319</b>	
<b>Other Financing Uses</b>										
5.010 Operating Transfers-Out	\$161,474	\$509,815	\$1,195,108	175.1%	\$1,391,500	\$780,000	\$495,000	\$45,000	\$45,000	
5.020 Advances-Out	0	0	0	0.0%	0	0	0	0	0	
5.030 All Other Financing Uses	0	0	0	0.0%	0	0	0	0	0	
5.040 <b>Total Other Financing Uses</b>	<b>\$161,474</b>	<b>\$509,815</b>	<b>\$1,195,108</b>	<b>175.1%</b>	<b>\$1,391,500</b>	<b>\$780,000</b>	<b>\$495,000</b>	<b>\$45,000</b>	<b>\$45,000</b>	
5.050 <b>Total Expenditures and Other Financing Uses</b>	<b>\$10,682,573</b>	<b>\$11,432,080</b>	<b>\$12,799,736</b>	<b>9.5%</b>	<b>\$13,679,080</b>	<b>\$13,645,754</b>	<b>\$13,804,675</b>	<b>\$13,847,055</b>	<b>\$14,360,319</b>	
6.010 <b>Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Uses</b>	<b>\$90,359</b>	<b>\$152,786</b>	<b>\$144,317</b>	<b>31.8%</b>	<b>\$127,312</b>	<b>\$130,780</b>	<b>\$105,096</b>	<b>(\$189,878)</b>	<b>(\$1,770,913)</b>	
<b>Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies</b>										
7.010	\$7,244,569	\$7,334,928	\$7,487,714	1.7%	\$7,632,031	\$7,759,343	\$7,890,123	\$7,995,219	\$7,805,341	
7.020 <b>Cash Balance June 30</b>	<b>\$7,334,928</b>	<b>\$7,487,714</b>	<b>\$7,632,031</b>	<b>2.0%</b>	<b>\$7,759,343</b>	<b>\$7,890,123</b>	<b>\$7,995,219</b>	<b>\$7,805,341</b>	<b>\$6,034,429</b>	
8.010 <b>Estimated Encumbrances June 30</b>	<b>\$163,678</b>	<b>\$162,370</b>	<b>\$236,901</b>	<b>22.6%</b>	<b>\$236,901</b>	<b>\$236,901</b>	<b>\$236,901</b>	<b>\$236,901</b>	<b>\$236,901</b>	
<b>Reservation of Fund Balance</b>										
9.010 Textbooks and Instructional Materials	0	0	0	0.0%	0	0	0	0	0	
9.020 Capital Improvements	0	0	0	0.0%	0	0	0	0	0	
9.030 Budget Reserve	0	0	0	0.0%	0	0	0	0	0	
9.040 DPIA	0	0	0	0.0%	0	0	0	0	0	
9.045 Fiscal Stabilization	0	0	0	0.0%	0	0	0	0	0	
9.050 Debt Service	0	0	0	0.0%	0	0	0	0	0	
9.060 Property Tax Advances	0	0	0	0.0%	0	0	0	0	0	
9.070 Bus Purchases	0	0	0	0.0%	0	0	0	0	0	
9.080 <b>Subtotal Reservations of fund Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
10.010 <b>Fund Balance June 30 for Certification of Appropriations</b>	<b>\$7,171,250</b>	<b>\$7,325,344</b>	<b>\$7,395,130</b>	<b>1.6%</b>	<b>\$7,522,442</b>	<b>\$7,653,222</b>	<b>\$7,758,318</b>	<b>\$7,568,440</b>	<b>\$5,797,528</b>	

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Hardin County

Schedule of Revenues, Expenditures and Changes in Fund Balances  
For the Fiscal Years Ended June 30, 2022, 2023 and 2024 Actual;  
Forecasted Fiscal Years Ending June 30, 2025 Through 2029

	Actual				Average Change	Forecasted				
	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024			Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029
<b>Revenues</b>										
1.010	\$1,931,938	\$1,963,007	\$2,270,905	8.6%	\$2,460,355	\$2,473,897	\$2,548,988	\$2,598,056	\$2,609,565	
1.020	191,647	205,388	127,473	-15.4%	316,974	234,069	241,429	248,789	256,149	
1.030	2,485,458	2,650,865	2,606,072	2.5%	2,737,047	2,791,789	2,847,625	2,543,499	1,468,556	
1.035	5,309,087	5,753,830	6,591,550	11.5%	6,915,521	6,916,396	6,917,279	6,918,181	6,919,099	
1.040	357,750	404,961	534,177	22.6%	521,316	520,644	520,644	520,644	520,644	
1.045	0	0	0	0.0%	0	0	0	0	0	
1.050	265,249	266,782	301,788	6.8%	335,991	336,980	346,656	355,685	357,157	
1.060	231,803	339,501	503,282	47.4%	510,382	493,953	478,344	463,517	449,431	
1.070	<b>\$10,772,932</b>	<b>\$11,584,334</b>	<b>\$12,935,247</b>	<b>9.6%</b>	<b>\$13,797,586</b>	<b>\$13,767,728</b>	<b>\$13,900,965</b>	<b>\$13,648,371</b>	<b>\$12,580,601</b>	
<b>Other Financing Sources</b>										
2.010	0	0	0	0.0%	0	0	0	0	0	
2.020	0	0	0	0.0%	0	0	0	0	0	
2.040	0	0	0	0.0%	0	0	0	0	0	
2.050	0	0	0	0.0%	0	0	0	0	0	
2.060	-	532	8,806	0.0%	8,806	8,806	8,806	8,806	8,806	
2.070	<b>\$0</b>	<b>\$532</b>	<b>\$8,806</b>	<b>0.0%</b>	<b>\$8,806</b>	<b>\$8,806</b>	<b>\$8,806</b>	<b>\$8,806</b>	<b>\$8,806</b>	
2.080	<b>\$10,772,932</b>	<b>\$11,584,866</b>	<b>\$12,944,053</b>	<b>9.6%</b>	<b>\$13,806,392</b>	<b>\$13,776,534</b>	<b>\$13,909,771</b>	<b>\$13,657,177</b>	<b>\$12,589,407</b>	
<b>Expenditures</b>										
3.010	\$5,900,293	\$6,096,032	\$6,393,639	4.1%	\$6,796,450	\$7,057,397	\$7,321,237	\$7,596,646	\$7,883,920	
3.020	2,798,067	2,890,306	3,041,469	4.3%	2,940,746	3,210,752	3,346,860	3,489,383	3,638,715	
3.030	1,047,594	1,053,450	1,110,606	3.0%	1,386,112	1,460,715	1,478,020	1,525,129	1,573,762	
3.040	207,396	274,301	401,274	39.3%	493,313	453,112	466,705	480,707	495,128	
3.050	5,410	43,515	29,249	335.8%	30,000	30,000	30,000	30,000	30,000	
3.060	0	0	0	0.0%	0	0	0	0	0	
<b>Debt Service:</b>										
4.010	0	0	0	0.0%	0	0	0	0	0	
4.020	0	0	0	0.0%	0	0	0	0	0	
4.030	0	0	0	0.0%	0	0	0	0	0	
4.040	0	0	0	0.0%	0	0	0	0	0	
4.050	0	0	0	0.0%	0	0	0	0	0	
4.055	0	0	0	0.0%	0	0	0	0	0	
4.060	0	0	-	0.0%	0	0	0	0	0	
4.300	562,339	564,661	628,391	5.8%	640,959	653,778	666,853	680,190	693,794	
4.500	<b>\$10,521,099</b>	<b>\$10,922,265</b>	<b>\$11,604,628</b>	<b>5.0%</b>	<b>\$12,287,580</b>	<b>\$12,865,754</b>	<b>\$13,309,675</b>	<b>\$13,802,055</b>	<b>\$14,315,319</b>	
<b>Other Financing Uses</b>										
5.010	\$161,474	\$509,815	\$1,195,108	175.1%	\$1,391,500	\$780,000	\$495,000	\$45,000	\$45,000	
5.020	0	0	0	0.0%	0	0	0	0	0	
5.030	0	0	0	0.0%	0	0	0	0	0	
5.040	<b>\$161,474</b>	<b>\$509,815</b>	<b>\$1,195,108</b>	<b>175.1%</b>	<b>\$1,391,500</b>	<b>\$780,000</b>	<b>\$495,000</b>	<b>\$45,000</b>	<b>\$45,000</b>	
5.050	<b>\$10,682,573</b>	<b>\$11,432,080</b>	<b>\$12,799,736</b>	<b>9.5%</b>	<b>\$13,679,080</b>	<b>\$13,645,754</b>	<b>\$13,804,675</b>	<b>\$13,847,055</b>	<b>\$14,360,319</b>	
6.010	<b>\$90,359</b>	<b>\$152,786</b>	<b>\$144,317</b>	<b>31.8%</b>	<b>\$127,312</b>	<b>\$130,780</b>	<b>\$105,096</b>	<b>(\$189,878)</b>	<b>(\$1,770,913)</b>	
<b>Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies</b>										
7.010	<b>\$7,244,569</b>	<b>\$7,334,928</b>	<b>\$7,487,714</b>	<b>1.7%</b>	<b>\$7,632,031</b>	<b>\$7,759,343</b>	<b>\$7,890,123</b>	<b>\$7,995,219</b>	<b>\$7,805,341</b>	
7.020	<b>\$7,334,928</b>	<b>\$7,487,714</b>	<b>\$7,632,031</b>	<b>2.0%</b>	<b>\$7,759,343</b>	<b>\$7,890,123</b>	<b>\$7,995,219</b>	<b>\$7,805,341</b>	<b>\$6,034,429</b>	
8.010	<b>\$163,678</b>	<b>\$162,370</b>	<b>\$236,901</b>	<b>22.6%</b>	<b>\$236,901</b>	<b>\$236,901</b>	<b>\$236,901</b>	<b>\$236,901</b>	<b>\$236,901</b>	
<b>Reservation of Fund Balance</b>										
9.010	0	0	0	0.0%	0	0	0	0	0	
9.020	0	0	0	0.0%	0	0	0	0	0	
9.030	0	0	0	0.0%	0	0	0	0	0	
9.040	0	0	0	0.0%	0	0	0	0	0	
9.045	0	0	0	0.0%	0	0	0	0	0	
9.050	0	0	0	0.0%	0	0	0	0	0	
9.060	0	0	0	0.0%	0	0	0	0	0	
9.070	0	0	0	0.0%	0	0	0	0	0	
9.080	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
10.010	<b>\$7,171,250</b>	<b>\$7,325,344</b>	<b>\$7,395,130</b>	<b>1.6%</b>	<b>\$7,522,442</b>	<b>\$7,653,222</b>	<b>\$7,758,318</b>	<b>\$7,568,440</b>	<b>\$5,797,528</b>	

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Hardin County

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Forecasted Fiscal Years Ending June 30, 2025 Through 2029

	Actual				Average Change	Forecasted				
	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025		Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	
<b>Revenue from Replacement/Renewal Levies</b>										
11.010	Income Tax - Renewal	0	0	0	0.0%	0	0	0	361,078	1,486,892
11.020	Property Tax - Renewal or Replacement	0	0	0	0.0%	0	0	0	0	0
11.300	Cumulative Balance of Renewal Levies	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$361,078	\$1,847,970
	<i>Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations</i>									
12.010		\$7,171,250	\$7,325,344	\$7,395,130	1.6%	\$7,522,442	\$7,653,222	\$7,758,318	\$7,929,518	\$7,645,497
<b>Revenue from New Levies</b>										
13.010	Income Tax - New	0	0	0	0.0%	0	0	0	0	0
13.020	Property Tax - New	0	0	0	0.0%	0	0	0	0	0
13.030	Cumulative Balance of New Levies	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	\$0	\$0
14.010	Revenue from Future State Advancements				0.0%	-	-	-	-	-
15.010	<i>Unreserved Fund Balance June 30</i>	\$7,171,250	\$7,325,344	\$7,395,130	1.6%	\$7,522,442	\$7,653,222	\$7,758,318	\$7,929,518	\$7,645,497
<b>ADM Forecasts</b>										
20.010	Kindergarten - October Count	77	71	68	-6.0%	69	65	66	68	65
20.015	Grades 1-12 - October Count	777	770	780	0.2%	787	802	810	796	786

**Ada Exempted Village School District – Hardin County**  
**Notes to the Five Year Forecast**  
**General Fund Only**  
**November 21, 2024**

**Introduction to the Five Year Forecast**

A forecast is a snapshot of today. Based on historical trends, what we know and future assumptions. That snapshot, however, will be adjusted because the further into the future the forecast extends, the more likely it is that the projections will deviate from experience. Various events will ultimately impact the latter years of the forecast, such as state budgets (adopted every two years), tax levies (new/renewal/replacement), salary increases, enrollment variances, or businesses moving in or out of the district. The five-year forecast is a crucial management tool and must be updated periodically. The five-year forecast enables 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. School districts are encouraged to update their forecasts with the Ohio Department of Education and Workforce (ODEW) when events materially change their forecast or, at a minimum when required under the statute.

In a financial forecast, the numbers only tell a small part of the story. For the numbers to be meaningful, the reader must review and consider the Assumptions of the Financial Forecast before drawing conclusions or using the data as a basis for other calculations. The assumptions are fundamental to understanding the rationale of the numbers, particularly when a significant increase or decrease is reflected.

Since the preparation of a meaningful five-year forecast is as much an art as it is a science and entails many intricacies, it is recommended that you contact the Treasurer/Chief Fiscal Officer of the school district with any questions you may have. The Treasurer/CFO submits the forecast, but the Board of Education is recognized as the official owner of the forecast.

Here are three essential purposes or objectives of the five-year forecast:

- (1) To engage the local board of education and the community in 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 Ohio Department of Education and Workforce, and the Auditor of State to identify school districts with potential financial problems.

O.R.C. §5705.391 and O.A.C. 3301-92-04 require a Board of Education (BOE) to file a five-year financial forecast by November 30, and May 31, each fiscal year (July 1 to June 30). The five-year forecast includes three years of actual and five years of projected general fund revenues and expenditures. The first year of the fiscal forecast is considered the baseline year. Our forecast is updated to reflect the most current economic data available for the November 2024 filing.

**Economic Outlook**

The current economic recovery began in the fall of 2020 and remains robust through this forecast date. However, recent Federal Reserve Bank interest rate cuts foretell of a possible recession in the next six to twelve months from this forecast. The persistently high inflation that has impacted our state, country, and broader globalized economy has slowed to an annualized rate of 2.53% in August 2024 that is down from the 40 year high of 9.1% annualized rate posted in June 2022. Costs for goods and services in FY23 and FY24 were notably impacted in areas such as capital and durable goods, diesel fuel for buses, electric, natural gas, and building materials for facility maintenance and repair. Inflation affecting district costs is expected to continue in FY25. There is some good news, the Federal Reserve is projecting inflation to be closer to their target rate of 2% by

calendar year end 2024 or early in 2025. It remains to be seen if the cumulative cost increases over the past two years are transitory in goods and services or will last over the forecast period.

The Federal Reserve Bank cut Federal Fund rates in September 2024 by 50 basis points (.5%) which indicates slowing inflation and a slowing economy. Employment levels have begun to fall. The unemployment rate was 3.8% in September 2023 and rose to 4.2% in September 2024. A survey of prominent leading economists predicts there is roughly a 50% chance of a mild recession in the calendar year 2025. How this news impacts the state of Ohio's FY26 and FY27 biennium budget deliberations and actions in late spring 2025 is unknown as this forecast is filed.

The state of Ohio has enjoyed economic growth over the past three years, and the state's Rainy Day Fund balance is at \$3.7 Billion. The new state funding formula is in the fourth year of a projected six-year phase-in. While increased inflation has impacted costs across Ohio, the state's economy has grown, and many school districts received new funding in HB33 for FY24 and FY25. The ongoing growth in Ohio's economy should enable the state to finalize the last two years of the phase-in of the new funding formula in FY26 and FY27 even if a cyclical recession occurs. Regardless of a recession, the state is well-positioned to continue state aid payments to Ohio's school districts.

Since 2020 all school districts were being aided in varying degrees by three (3) rounds of federal Elementary and Secondary Schools Emergency Relief Funds (ESSER). The most recent allocation of ESSER funds must be encumbered by September 30, 2024. The loss of these funds in FY25 and future years may create a "fiscal cliff" as any ongoing costs will likely be absorbed back into the district General Fund.

Data and assumptions noted in this forecast are based on the best and most reliable data available to us as of the date of this forecast.

#### **Forecast Risks and Uncertainty:**

A five-year financial forecast has risks and uncertainty not only due to economic delays noted above but also due to state legislative changes that will occur in the spring of 2025 and 2027 due to deliberation of the following two (2) state biennium budgets for FY26-27 and FY28-29, both of which affect this five-year forecast. We have estimated revenues and expenses based on the best data available and the laws currently in effect. The items below give a short description of the current issues and how they may affect our forecast in the long term:

1) Property tax collections are the second largest local tax revenue source for the school system. The housing market in our district is stable. We project slow but continued growth in appraised values every three (3) years and new construction growth with modest increases in local taxes as the pandemic ends and the economy continues its recovery as anticipated. Longer term we believe there is a low risk that local collections would fall below projections throughout the forecast.

2) Hardin County had a reappraisal in tax year 2023 for collection in 2024, while Hancock County went through reappraisal in tax year 2022 for collection in 2023. We anticipate increases in values for both counties during the reappraisal cycle. There is always a minor risk that the district could sustain a reduction in values in the next reappraisal cycle, but we do not anticipate that at this time.

3) Due to historic property value increases in reappraisal and update years the Ohio Legislature has considered various proposals since 2023 to help reduce non voted tax increases on taxpayers. Currently the senate has proposed SB271 that seeks to limit growth through refund or reduction taxes to ensure annual tax growth to no more than 5% in a year. If passed by the General Assembly this will result in lowering tax increases for our residents who qualify. We are watching this legislation closely.

In addition to SB271, the legislature developed a Joint Committee on Property Taxation and Reform in 2024 in response to the historic valuation increases. Their mission is to review Ohio's property tax system and to make recommendations to the General Assembly on property taxation. The committee must report to the General Assembly by December 31, 2024. We are following any actions of the committee closely to determine what impact, if any, proposals could mean for our district to limit tax growth or to reduce taxes.

4) Income tax is the district's largest source of local revenue. The past few payments have not been consistent in either being more or less than during the same time as the previous years, making income tax forecasting even more difficult. We will monitor the income tax revenue very closely for any positive or negative changes that may occur.

5) The state budget represents 56.33% of district revenues, which means it is a significant risk to the revenue. The future risk comes in FY26 and beyond if the state economy stalls due to the record high inflation or the Fair School Funding Plan is not funded in future state budgets due to an economic recession. In this forecast, two forthcoming State Biennium Budgets cover FY26-27 and FY28-29. Future uncertainty in the state foundation funding formula and the state's economy makes this area an elevated risk to district funding long-range through FY28. We have projected our state funding in FY25 based on the additional phase-in of HB33 (the fair school funding plan). This forecast reflects state revenue to align with the FY25 funding levels through FY29, which we feel is conservative and should be close to what the state approves for the FY26-FY29 biennium budgets. We will adjust the forecast in future years as we have data to help guide this decision.

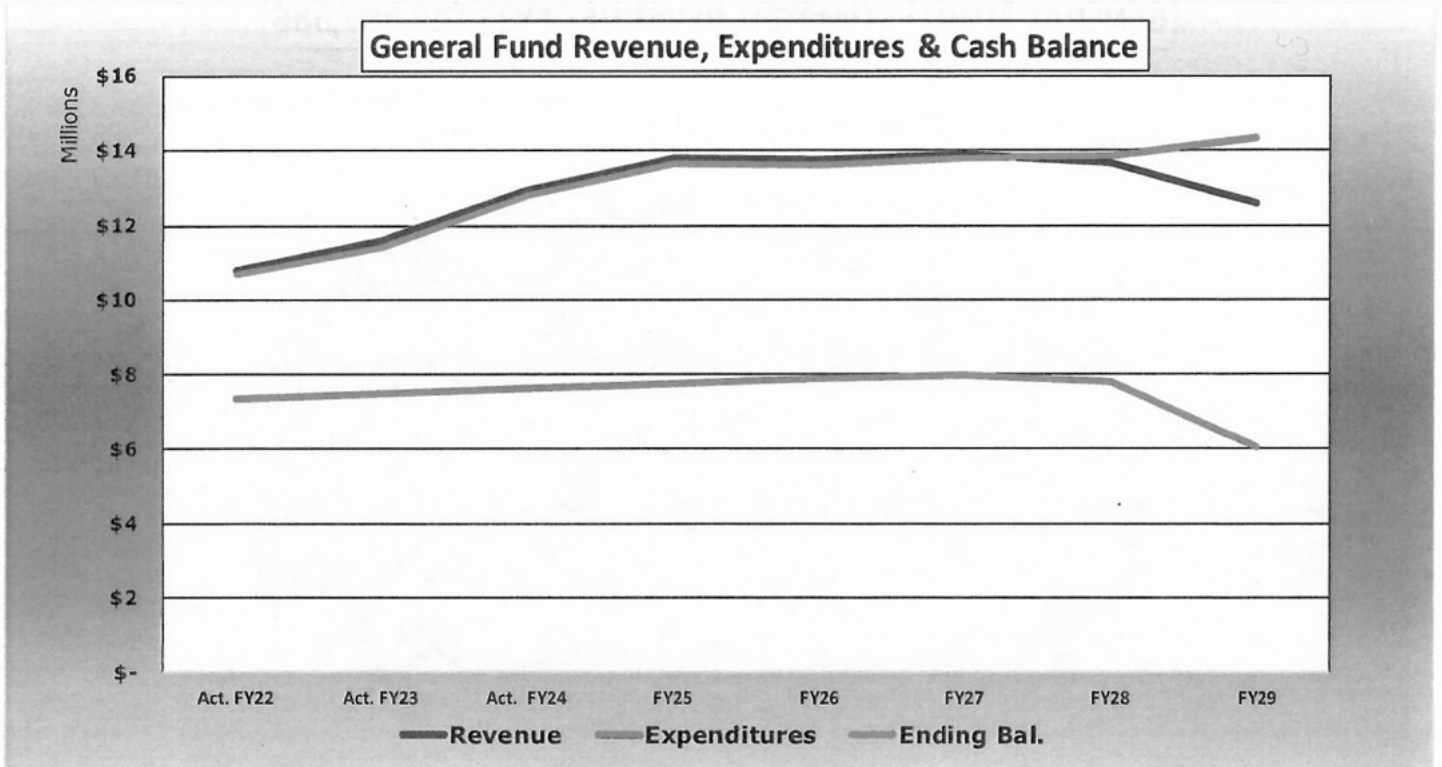
6) HB33, the current state budget, continues to phase in what has been referred to as the Fair School Funding Plan (FSFP) for FY25. FY25 will result in 66.66% funding of (FSFP), however, the final two years of the phase-in are not guaranteed. The FSFP has made many significant changes to how foundation revenues are calculated for school districts and how expenses are charged off. State foundation basic aid will be calculated on a base cost methodology with funding paid to the district where a student is enrolled to be educated. We have used the most recent simulations published by the Department of Education and Workforce for our forecasted revenues in FY25.

7) HB33 directly pays costs associated with open enrollment, community and STEM schools, and all scholarships, including EdChoice Scholarships. These costs are no longer deducted from our state aid. However, education option programs such as College Credit Plus continue to be removed from state aid, increasing costs to the district. Expansion or creation of programs not directly paid for by the state of Ohio can expose the district to new expenditures currently outside the forecast. We closely monitor any new threats to our state aid and increased costs as new proposed laws are introduced in the legislature.

The major lines of reference for the forecast are noted below in the headings to make it easier to relate the assumptions made for the forecast item and refer back to the forecast. It should be of assistance to the reader to review the assumptions noted below in understanding the overall financial forecast for our district. If you would like further information, please feel free to contact Kim Light, Treasurer of Ada Exempted Village School District at 419-634-6421.

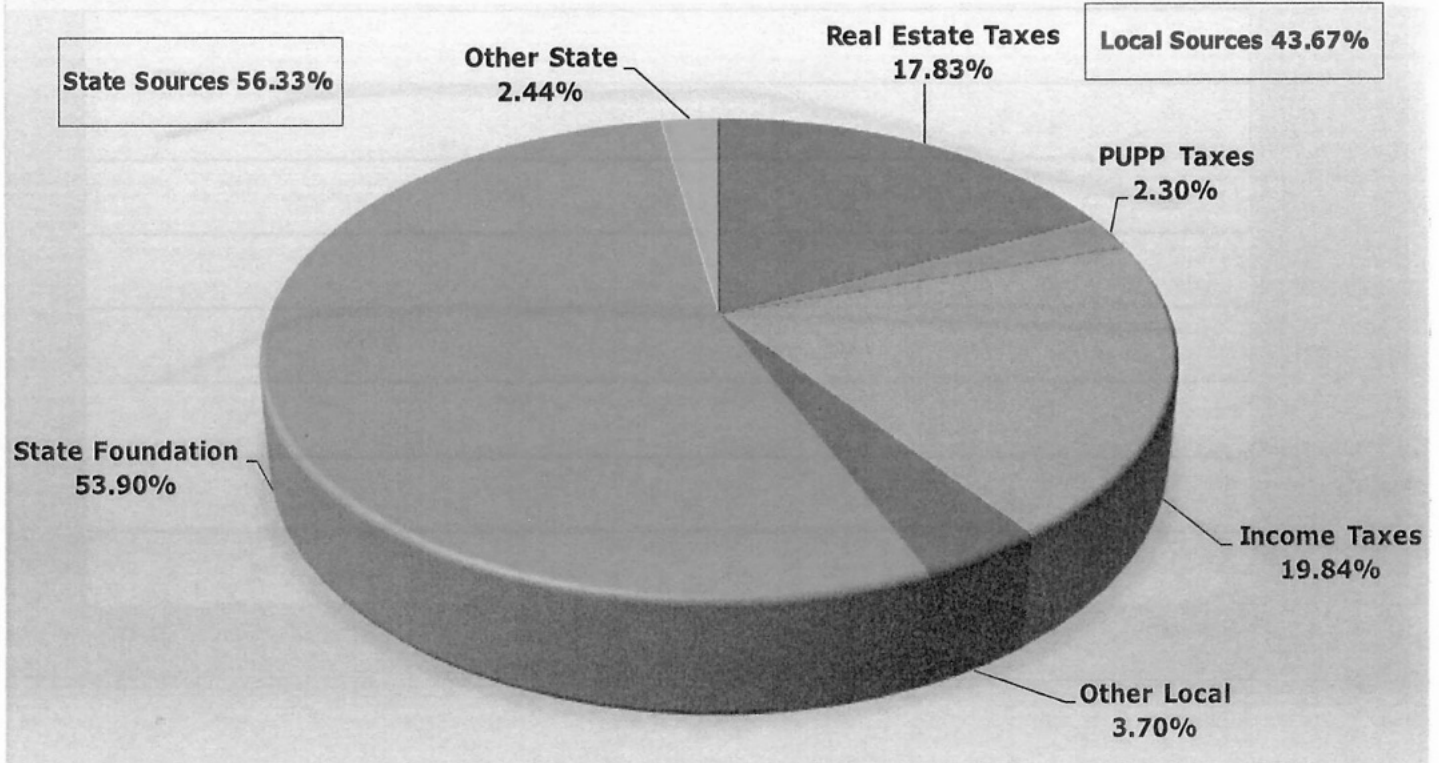


**General Fund Revenue, Expenditures and Ending Cash Balance Actual FY22-24 and Estimated FY25-29**  
The graph captures in one snapshot the operating scenario facing the district over the next few years.



## Revenue Assumptions

**GENERAL FUND ESTIMATED REVENUES FY25 \$13,797,586**



### Property Valuation Assumptions

Property Values are established annually by the Hardin and Hancock County Auditors based on the type of property either residential/agriculture or commercial/industrial, which the values are defined even further based on new construction, demolitions, BOR/BTA activity, and complete reappraisal or updated values. Our district resides within 2 counties, each county reappraisal cycle can be in different years and each county three-year cycle can be either a sexennial reappraisal or the triennial update. Hancock County experienced a sexennial reappraisal for the 2022 tax year to be collected in FY23. Residential/agricultural or Class I values increased 1.35 % or \$1.26 million and commercial/industrial or Class II values decreased by 0.10% or (\$14,400) due to the reappraisal. Hardin County experienced a sexennial reappraisal for the 2023 tax year to be collected in FY24. Class I values increased 29.49% or \$28.20 million and Class II values increased by 8.39% or \$1.20 million due to the reappraisal.

A triennial update will occur in 2025 for collection in FY26 for Hancock County, for which we are estimating a 0.50% increase in Class I and a no change for Class II property. The triennial update will occur for Hardin County in 2026 with collection in FY27, for which we are estimating a 5.00% increase for Class I and a 1.00% increase for Class II.

Public Utility Personal Property (PUPP) values change annually as the values are not included in the reappraisal or update years, which make them very difficult to forecast. PUPP values increased by \$285,910 in Tax Year 2023. We expect our values to continue to grow by \$200,000 each year of the forecast.

**ESTIMATED ASSESSED VALUE (AV) BY COLLECTION YEARS**

<u>Classification</u>	<u>Estimated</u>	<u>Estimated</u>	<u>Estimated</u>	<u>Estimated</u>	<u>Estimated</u>
	<u>TAX YEAR 2024</u>	<u>TAX YEAR 2025</u>	<u>TAX YEAR 2026</u>	<u>TAX YEAR 2027</u>	<u>TAX YEAR 2028</u>
	<u>COLLECT 2025</u>	<u>COLLECT 2026</u>	<u>COLLECT 2027</u>	<u>COLLECT 2028</u>	<u>COLLECT 2029</u>
Res./Ag.	\$124,687,030	\$125,526,465	\$132,018,788	\$132,234,788	\$133,111,962
Comm./Ind.	\$15,474,520	\$15,519,520	\$15,719,715	\$15,764,715	\$15,809,715
Public Utility Personal Property (PUPP)	\$6,260,580	\$6,460,580	\$6,660,580	\$6,860,580	\$7,060,580
Total Assessed Value	\$146,422,130	\$147,506,565	\$154,399,084	\$154,860,084	\$155,982,258

**Tax Rate Assumptions**

The county auditor sets tax rates for each levy voted on to provide tax revenues for the school district. Ohio law provides for “reduction factors” of all voted property tax levies to adjust the millage rates lower for the levy to not increase from inflation of property values for the taxes received by a district to that of the actual amount of the levy at the time of the election. The reduction factors are applied separately to Residential/Agriculture (Class I) and Commercial/Industrial (Class II), resulting in different effective millage rates. The district-voted rate for all levies is 36.8 mills while the Class I effective millage rate is 20.000012 mills, and the Class II effective millage rate is 20.00 mills. The Ohio law has a provision that the reduction factors cannot lower the total millage rate for each class less than 20 mills, which includes both the voted and the non-voted millage rates; this is called the “20-Mill Floor”. Currently, our district is on the floor for both Class I and Class II.

**General Property Tax (Real Estate) – Line #1.010**

Property tax levies are estimated to be collected at 97.58% of the annual amount. Technically 100% of taxes will be settled on property due to Ohio’s property tax laws but due to delinquencies we are calculating the taxes at a lower collection rate. Property taxes are estimated to be collected at 59.68% of the residential/agriculture and commercial/industrial in the February tax settlements and 40.32% in the August tax settlements.

**ESTIMATED REAL ESTATE TAX (Line #1.010)**

<u>Source</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Est. Real Estate Taxes	\$2,460,355	\$2,473,897	\$2,548,988	\$2,598,056	\$2,609,565
Total Line #1.01 Real Estate Taxes	\$2,460,355	\$2,473,897	\$2,548,988	\$2,598,056	\$2,609,565

**Estimated Tangible Personal Tax & PUPP Taxes – Line #1.020**

(PUPP) tax payments from public utilities. Collections are typically 50% in March and 50% in August, along with the real estate settlements from the county auditor. The district received the delinquent payment from the spring in our August tax settlement, which will increase the actual amount for FY25.

<u>Source</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Public Utility Personal Property	\$316,974	\$234,069	\$241,429	\$248,789	\$256,149
Total PUPP Tax Line #1.020	\$316,974	\$234,069	\$241,429	\$248,789	\$256,149

**School District Income Tax –Line #1.030**

The district has a 0.75% continuous income tax and a 0.75% income tax that will need to be renewed by December 31, 2027.

In FY25 to date, income tax collection statewide has risen by around 8.7%. The increase is based on the July 2024 payment which includes the April 15<sup>th</sup> tax returns and the October 2024 payment. Our district has had an increase for the first part of FY25 but not to the same extent that the state has received. We will assume that income from withholdings will continue to increase in future collections. We will assume an annual growth rate

of 2.0% for the remainder of FY25 and 2% in FY26-FY29 as the concerns over inflation may slow growth in this area.

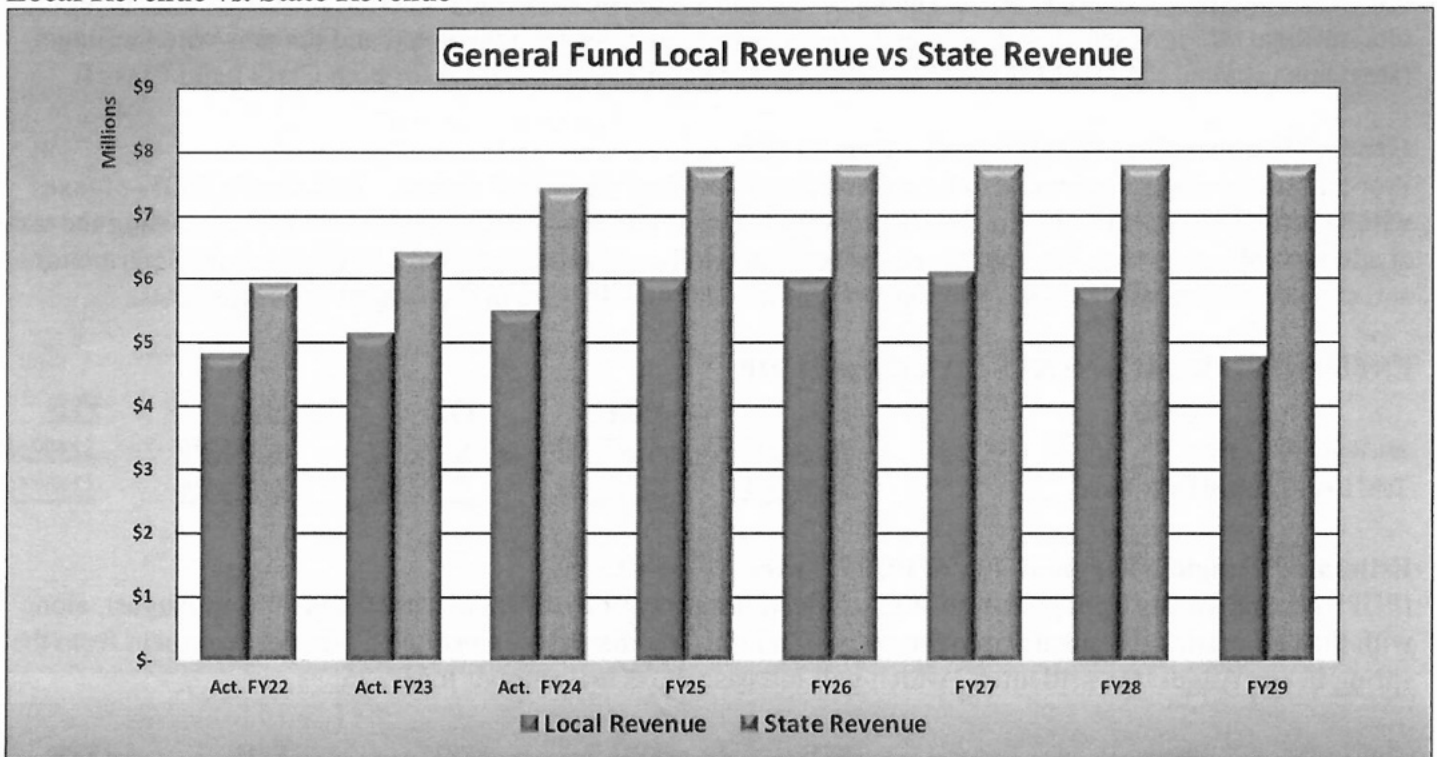
<u>Source</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
School District Income Tax	\$2,606,072	\$2,737,047	\$2,791,789	\$2,486,547	\$2,543,499
Adjustments	\$130,976	\$54,742	\$55,836	\$56,952	(\$1,074,944)
<b>Total SDIT Line #1.030</b>	<b>\$2,737,047</b>	<b>\$2,791,789</b>	<b>\$2,847,625</b>	<b>\$2,543,499</b>	<b>\$1,468,556</b>

**Renewal and Replacement Levies – Line#11.010**

SDIT levies that are not continuous, by law, cannot be included with the income taxes on line 1.030 once the Levy expires within the years of the forecast. The .75% income tax levy expires December 31, 2027, which is in FY28, therefore we have deducted the amount from Line #1.030 and have included the amount in line #11.010.

<u>Source</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Renew SDIT Total To Line #11.010	\$0	\$0	\$0	\$361,078	\$1,486,892

**Local Revenue vs. State Revenue**



**State Foundation Revenue Estimates – Lines #1.035, 1.040 and 1.045  
Current State Funding Model per HB33 through June 30, 2025**

**A) Unrestricted State Foundation Revenue – Line #1.035**

HB33, the current state budget, continued the Fair School Funding Plan for FY24 and FY25, which funds students where they are educated rather than where they live. We have projected FY25 funding based on the October 2024 foundation settlement and funding factors.

Our district is currently a formula district in FY25 and is expected to continue to be on the formula in FY26-FY29 on the new Fair School Funding Plan (FSFP).

For a detailed overview of how foundation funding is calculated please visit the Ohio Department of Education and Workforce at: <https://education.ohio.gov/Topics/Finance-and-Funding/Overview-of-School-Funding>

### State Funding Phase-In FY25 and Guarantees

The Fair School Funding Plan was presented as a six (6) year phase-in plan, the state legislature approved the first two (2) years of the funding plan in HB110 and extended the plan in HB33 for FY24 and FY25. The FSFP does not include caps on funding; instead, it consists of a general phase-in percentage for most components of 66.67% in FY25.

The funding formula includes three (3) guarantees: 1) “Formula Transition Aid,” 2) Supplemental Targeted Assistance, and 3) Formula Transition Supplement. The three (3) guarantees in both temporary and permanent law ensure that no district will get fewer funds in FY24 and FY25 than they received in FY21.

### Future State Budgets Projections beyond FY25

Our funding status for FY26-29 will depend on unknown two (2) new state budgets. There is no guarantee that the current Fair School Funding Plan will be funded or continued beyond FY25; therefore, our state funding estimates are reasonable, and we will adjust the forecast when we have authoritative data to work with. For this reason, funding is held constant in the forecast for FY26 through FY29.

### Casino Revenue

On November 3, 2009, Ohio voters passed the Ohio casino ballot issue. This issue allowed for the opening of four (4) casinos, one each in Cleveland, Toledo, Columbus, and Cincinnati. Thirty-three percent (33%) of the gross casino revenue will be collected as a tax. School districts will receive 34% of the 33% GCR that will be paid into a student fund at the state level. These funds will be distributed to school districts on the 31<sup>st</sup> of January and August each year which began for the first time on January 31, 2013.

The casino revenue has recovered from the pandemic from closing the casinos in 2020. Total funding in FY23 was \$113.1 million or \$64.90 per pupil. In FY24, the funding totaled \$114.18 million or \$65.44 per pupil. We expect the Casino revenues to have resumed their historical growth rate and are assuming a 1.5% annual growth rate for the remainder of the forecast.

### Unrestricted State Foundation Revenue – Line #1.035

Source	FY25	FY26	FY27	FY28	FY29
Basic Aid-Unrestricted	\$6,742,747	\$6,742,747	\$6,742,747	\$6,742,747	\$6,742,747
Additional Aid Items	\$114,446	\$114,446	\$114,446	\$114,446	\$114,446
Basic Aid-Unrestricted Subtotal	\$6,857,193	\$6,857,193	\$6,857,193	\$6,857,193	\$6,857,193
Ohio Casino Commission ODT	\$58,328	\$59,203	\$60,086	\$60,988	\$61,906
Total Unrestricted State Aid Line #1.035	\$6,915,521	\$6,916,396	\$6,917,279	\$6,918,181	\$6,919,099

### B) Restricted State Revenues – Line # 1.040

HB33 has continued Disadvantaged Pupil Impact Aid (formerly Economic Disadvantaged funding) and Career Technical funding. In addition, new restricted funds have been added under “Restricted Categorical Aid” for Gifted, English Learners (ESL), and Student Wellness. (We have estimated revenues for these new restricted funding lines using current October funding factors. The amount of DPIA is limited to a 66.67% in FY25. We have flat-lined funding at FY25 levels for FY26-FY29 due to uncertainty on continued funding of the current funding formula.

The district received additional High Quality Instructional Material payment in FY25 of \$671.71 which is due to the state redirecting funds that were not used by other districts.

<u>Source</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Disadvantaged Pupil Impact Aid-(DPIA)	\$107,012	\$107,012	\$107,012	\$107,012	\$107,012
Career Tech - Restricted	\$51,338	\$51,338	\$51,338	\$51,338	\$51,338
Gifted	\$87,862	\$87,862	\$87,862	\$87,862	\$87,862
English Learners	\$5,424	\$5,424	\$5,424	\$5,424	\$5,424
Student Wellness	\$269,009	\$269,009	\$269,009	\$269,009	\$269,009
Other Restricted	<u>\$672</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Restricted State Revenues Line #1.040	<u>\$521,316</u>	<u>\$520,644</u>	<u>\$520,644</u>	<u>\$520,644</u>	<u>\$520,644</u>

**C) Restricted Federal Grants in Aid – Line #1.045**

There are no federal restricted grants projected during this forecast

**SUMMARY OF STATE FOUNDATION REVENUES**

<u>SUMMARY</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Unrestricted Line #1.035	\$6,915,521	\$6,916,396	\$6,917,279	\$6,918,181	\$6,919,099
Restricted Line #1.040	\$521,316	\$520,644	\$520,644	\$520,644	\$520,644
Rest. Federal Funds #1.045	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total State Foundation Revenue	<u>\$7,436,837</u>	<u>\$7,437,040</u>	<u>\$7,437,923</u>	<u>\$7,438,825</u>	<u>\$7,439,743</u>

**State Share of Local Property Tax – Line #1.050**

**Rollback and Homestead Reimbursement**

Rollback funds are reimbursements paid to the district from Ohio for tax credits given to owner occupied residences equaling 12.5% of the gross property taxes charged residential taxpayers on tax levies passed prior to September 29, 2013. HB59 eliminated the 10% and 2.5% rollback on new levies approved after September 29, 2013, which is the effective date of HB59. HB66, the FY06-07 budget bill, previously eliminated 10% rollback on Class II (commercial and industrial) property.

Homestead Exemptions are credits paid to the district from the state of Ohio for qualified elderly and disabled. In 2007, HB119 expanded the Homestead Exemption for all seniors 65 years of age or older or who are disabled regardless of income. Effective September 29, 2013, HB59 changed the requirement for Homestead Exemptions. Individual taxpayers who do not currently have their Homestead Exemption approved or those who do not get a new application approved for tax year 2013, and who become eligible thereafter will only receive a Homestead Exemption if they meet the income qualifications. Taxpayers who had their Homestead Exemption as of September 29, 2013, will not lose it going forward and will not have to meet the new income qualification. This will generally reduce homestead reimbursements to the district over time, and as with the rollback reimbursements above, the state is increasing the tax burden on our local taxpayers.

**Summary of State Share of Local Property Tax Reimbursement – Line #1.050**

<u>Source</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Rollback and Homestead	<u>\$335,991</u>	<u>\$336,980</u>	<u>\$346,656</u>	<u>\$355,685</u>	<u>\$357,157</u>
Total Tax Reimbursements #1.050	<u>\$335,991</u>	<u>\$336,980</u>	<u>\$346,656</u>	<u>\$355,685</u>	<u>\$357,157</u>

**Other Local Revenues – Line #1.060**

The main sources of revenue in this area have been interest, tuition for court placed students, student fees, Manufactured home taxes and general rental fees.

Interest income is based on the district’s cash balances and increased interest rates due to the Federal Reserve raising rates to curb inflation. The Federal Reserve Bank cut interest rates by 50 basis point in September 2024.

While interest income in FY25 should remain steady due to laddered investment strategies, the rate cuts will begin to have an impact on earnings in FY26 and future years. We will continue to monitor the investments for the district.

We are including the payment in lieu of taxes (PILOT) for tax abatements that will begin in FY25 for \$7,100 per year for 15 years. All other revenues are expected to continue on historic trends.

<u>Source</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Tuition Related Payments	\$64,963	\$64,963	\$64,963	\$64,963	\$64,963
Medicaid	\$72,173	\$72,173	\$72,173	\$72,173	\$72,173
Interest Earnings	\$328,590	\$312,161	\$296,552	\$281,725	\$267,639
Miscellaneous	\$44,656	\$44,656	\$44,656	\$44,656	\$44,656
Total Other Local Revenue Line #1.060	<u>\$510,382</u>	<u>\$493,953</u>	<u>\$478,344</u>	<u>\$463,517</u>	<u>\$449,431</u>

**Transfers In / Return of Advances – Line #2.040 & Line #2.050**

These are non-operating revenues which are the repayment of short term loans to other funds during the previous fiscal year and reimbursements for expenses incurred in the previous fiscal year. The district is not planning on any advances during the forecast period.

**All Other Financial Sources – Line #2.060**

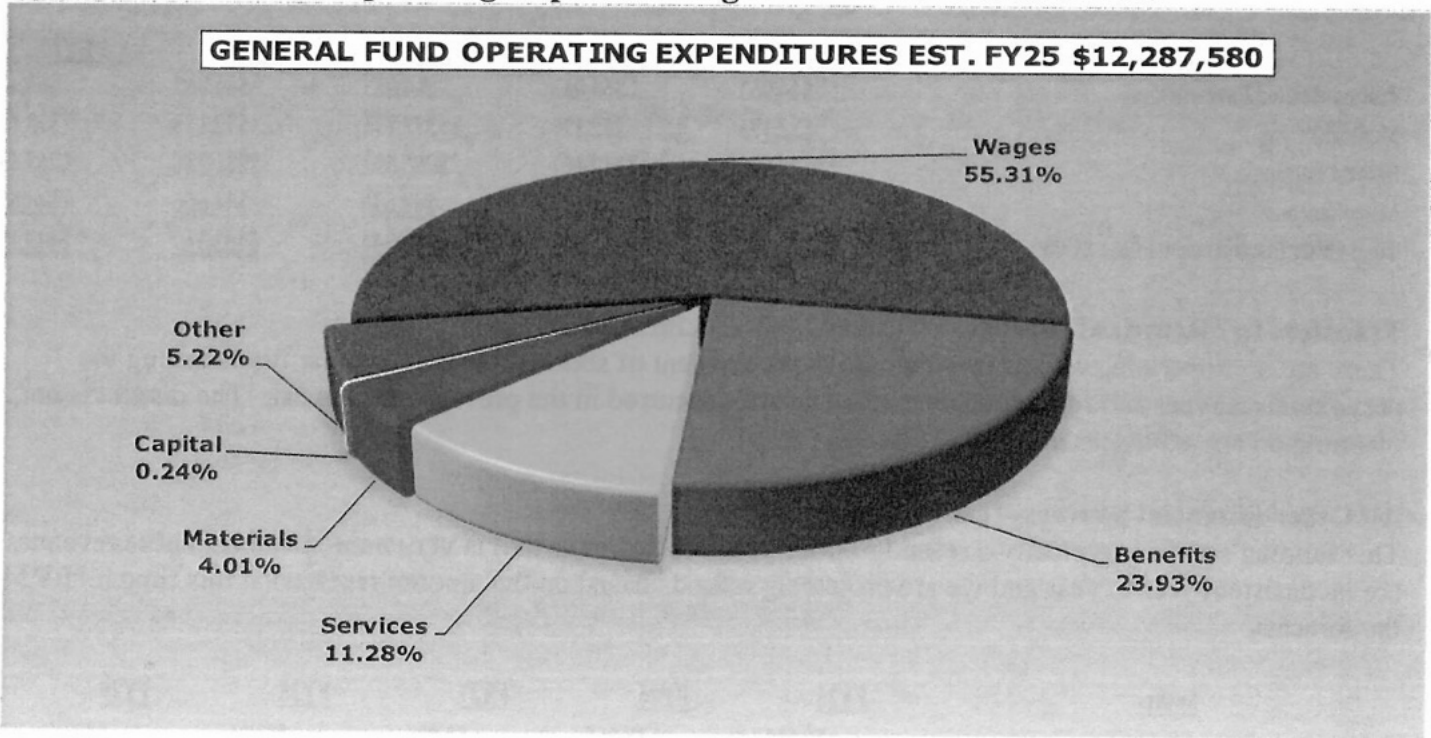
This funding source is typically a refund of prior year expenditures that is very unpredictable. These revenues are inconsistent year to year and we are projecting refunds based on the amount received at this time in FY24 the forecast.

<u>Source</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Refund of prior years expenditures	<u>\$8,806</u>	<u>\$8,806</u>	<u>\$8,806</u>	<u>\$8,806</u>	<u>\$8,806</u>

## Expenditure Assumptions

The district's leadership team is always looking at ways to improve the education of the students whether it be with changes in staffing, curriculum, or new technology needs. As the administration of the district reviews expenditures, the education of the students is always the main focus for resource utilization.

### All Operating Expense Categories - General Fund FY25



#### Wages – Line #3.010

The district negotiated 3% increase on the base for FY25. The district step and training increase is 2.5% each year. We have included a 2% base increase in FY26 through FY29 forecasting purposes only. There is also an increase for supplemental salaries at the same percent as the base wage increase for other employees. FY 25 will have positions returned from ESSER funds of a .7 teaching position, one paraprofessional aide, one custodian, a .5 special education teacher, and the technology assistant. In addition to the ESSER positions returning in FY25 the district expects to add a social studies teacher, two teacher aides and will not replace the long-term sub that has resigned. The district is also anticipating the retirements of two teachers in FY26-FY29 with the replacements of these positions. Severance payments are estimated to be for 2 retirements in FY25-FY29.

<u>Source</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Base Wages	\$5,807,706	\$6,262,301	\$6,511,868	\$6,764,050	\$7,027,515
Based Pay Increase	\$174,231	\$125,246	\$130,237	\$135,281	\$140,550
Steps & Academic Training	\$145,193	\$145,193	\$156,558	\$162,797	\$169,101
Growth Staff	\$373,267	\$133,231	\$112,990	\$112,990	\$112,990
Other Adjustments/Reductions	(\$278,096)	(\$154,103)	(\$147,603)	(\$147,603)	(\$147,603)
Substitutes	\$169,653	\$174,743	\$179,985	\$185,385	\$190,946
Supplementals	\$314,496	\$320,786	\$327,202	\$333,746	\$340,421
Severance	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
SWSF & CARES Adjustments	\$40,000	\$0	\$0	\$0	\$0
<b>Total Wages Line #3.010</b>	<b><u>\$6,796,450</u></b>	<b><u>\$7,057,397</u></b>	<b><u>\$7,321,237</u></b>	<b><u>\$7,596,646</u></b>	<b><u>\$7,883,920</u></b>



### **Fringe Benefits Estimates Line 3.02**

This area of the forecast captures all costs associated with benefit and retirement costs, except for health insurance, are directly related to the wages paid.

#### **A) STRS/SERS will increase as Wages Increase**

The district pays 14% of each dollar paid in wages to either the State Teachers Retirement System or the School Employees Retirement System as required by Ohio law. The district is required to pay SERS Surcharge which is an additional employer charge based on the salaries of lower-paid members. It is exclusively used to fund health care.

#### **B) Insurance**

The district is a member of the Hardin County Schools Insurance Consortium. The consortium has joined The Jefferson Health Plan, as of January 1, 2021. The district will not have any increase in premiums for FY25, we are projecting a 5% increase each year for FY26-FY29. The district will also have a premium holiday in FY25 but does not expect any in future years of the forecast.

#### **C) Workers Compensation & Unemployment Compensation**

Workers Compensation is expected to be approximately .29% of wages FY25– FY29. No unemployment claims are expected in FY25-FY29.

#### **D) Medicare**

Medicare will continue to increase at the rate of increase of wages. Contributions are 1.45% for all new employees to the district on or after April 1, 1986. These amounts are growing at the general growth rate of wages.

#### **E) Tuition/Other/Annuities**

The district reimburses staff for tuition that is required to maintain their licenses as per the negotiated agreement.

### **Summary of Fringe Benefits – Line #3.020**

<u>Source</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
A) STRS/SERS	\$1,017,307	\$1,065,576	\$1,105,884	\$1,147,846	\$1,191,621
B) Insurance's	\$1,800,825	\$2,018,022	\$2,109,231	\$2,205,001	\$2,305,559
C) Workers Comp/Unemployment	\$19,565	\$20,321	\$21,087	\$21,885	\$22,718
D) Medicare	\$98,549	\$102,333	\$106,158	\$110,151	\$114,317
E) Other/Tuition/Annuities	<u>\$4,500</u>	<u>\$4,500</u>	<u>\$4,500</u>	<u>\$4,500</u>	<u>\$4,500</u>
Total Fringe Benefits Line #3.020	<u>\$2,940,746</u>	<u>\$3,210,752</u>	<u>\$3,346,860</u>	<u>\$3,489,383</u>	<u>\$3,638,715</u>

### **Purchased Services – Line #3.030**

We are estimating a 3% annually for all lines except utilities from FY25 through FY29. College Credit Plus, excess fees, and other tuition costs will continue to draw funds away from the district, which will continue in this area and has been adjusted based on historical trends.

We expect a 6% increase in FY25 and 3% for future years. In FY26 there will be a new electric Capacity Charge that will be assessed on all electric bills to help expand Ohio's electric generating ability. This charge will begin June 2025 and end June 2026. It is anticipated it will increase electric costs by 20% annually for just that twelve (12) month period. We have increased the utilities for this increase in FY26 and returned to a more normal increase in FY27.

The district has increased professional services for an additional pre-school unit through the ESC in FY25 for an additional \$115,000.

<u>Source</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Professional & Technical Services, ESC	\$530,654	\$546,574	\$562,971	\$579,860	\$597,256
Maintenance, Insurance & Leases	\$208,118	\$214,362	\$220,793	\$227,417	\$234,240
Professional Development	\$80,852	\$83,278	\$85,776	\$88,349	\$90,999
Communications, Postage, & Telephone	\$17,248	\$17,765	\$18,298	\$18,847	\$19,412
Utilities	\$253,994	\$294,633	\$276,955	\$288,033	\$299,554
Tuition, Excess Costs & Scholarship Costs	\$255,172	\$262,827	\$270,712	\$278,833	\$287,198
College Credit Plus	\$33,067	\$34,059	\$35,081	\$36,133	\$37,217
Contract Transportation	\$5,658	\$5,828	\$6,003	\$6,183	\$6,368
Miscellaneous Purchased Services	<u>\$1,349</u>	<u>\$1,389</u>	<u>\$1,431</u>	<u>\$1,474</u>	<u>\$1,518</u>
Total Purchased Services Line #3.030	<u>\$1,386,112</u>	<u>\$1,460,715</u>	<u>\$1,478,020</u>	<u>\$1,525,129</u>	<u>\$1,573,762</u>

**Supplies and Materials – Line #3.040**

Expenses include curricular supplies, testing supplies, copy paper, maintenance, custodial supplies, materials, and bus fuel. Due to continued cost increases we are increasing the supplies and textbooks by a 3% increase in FY25-FY29. The facilities and transportation supplies will be increased with annual increase of 3% in FY25-FY29. Textbooks had been paid for through the permanent improvement fund, but now will be paid through general fund. The district will purchase textbooks for math, ELA, US history and health in FY25 for an addition of \$80,000. In FY26-25 the district is planning on an additional annual amount of \$25,000 for textbooks and curriculum supplies.

<u>Source</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
General Office Supplies & Materials	\$290,101	\$298,804	\$307,768	\$317,001	\$326,511
Textbooks & Instructional Supplies	\$89,677	\$37,367	\$38,488	\$39,643	\$40,832
Facility Supplies & Materials	\$67,639	\$69,668	\$71,758	\$73,911	\$76,128
Transportation Fuel & Supplies	<u>\$45,896</u>	<u>\$47,273</u>	<u>\$48,691</u>	<u>\$50,152</u>	<u>\$51,657</u>
Total Supplies Line #3.040	<u>\$493,313</u>	<u>\$453,112</u>	<u>\$466,705</u>	<u>\$480,707</u>	<u>\$495,128</u>

**Equipment – Line # 3.050**

The expenditures within the equipment object line are very minimal since the district pays for most of the equipment out of the Permanent Improvement levy.

<u>Source</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
Capital Outlay & Maintenance	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Technology/Curriculum Purchases	\$0	\$0	\$0	\$0	\$0
Busses & Other Vehicles	\$0	\$0	\$0	\$0	\$0
Other adjustments SWSF, CARES, Etc.	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Equipment Line #3.050	<u>\$30,000</u>	<u>\$30,000</u>	<u>\$30,000</u>	<u>\$30,000</u>	<u>\$30,000</u>

**Other Expenses – Line #4.300**

The category of Other Expenses consists primarily of the County ESC deductions for specialized services provided to the District and Auditor & Treasurer (A&T) fees. Currently, we are estimating annual increase of 2% for the expenses in this area each year of the forecast.

## **Conclusion**

Ada Exempted Village School District receives 56.33% of its funding for the district from state dollars, which is very beneficial to the overall operations for the education of our students.

The district administration is grateful for the changes in the current state budget HB33 as it has reduced the amount that was deducted for programs that were not within the district's control. However, future state budgets funding will need to be watched since the full amount of the Fair School Funding Plan was not totally implemented with this budget and there is no guarantee for future increases in state budgets for FY26-FY29.

In planning for the future, the administration will need to make sure that the district is able to obtain a positive cash balance throughout the forecast. They will need to review current expenditures based on the current revenues to obtain this.

As you read through the notes and review the forecast, remember that the forecast is based on the best information that is available to us at the time the forecast is prepared.