

# Updated Five Year Forecast

## October, 2025

10/13/2025

6:00 p.m.





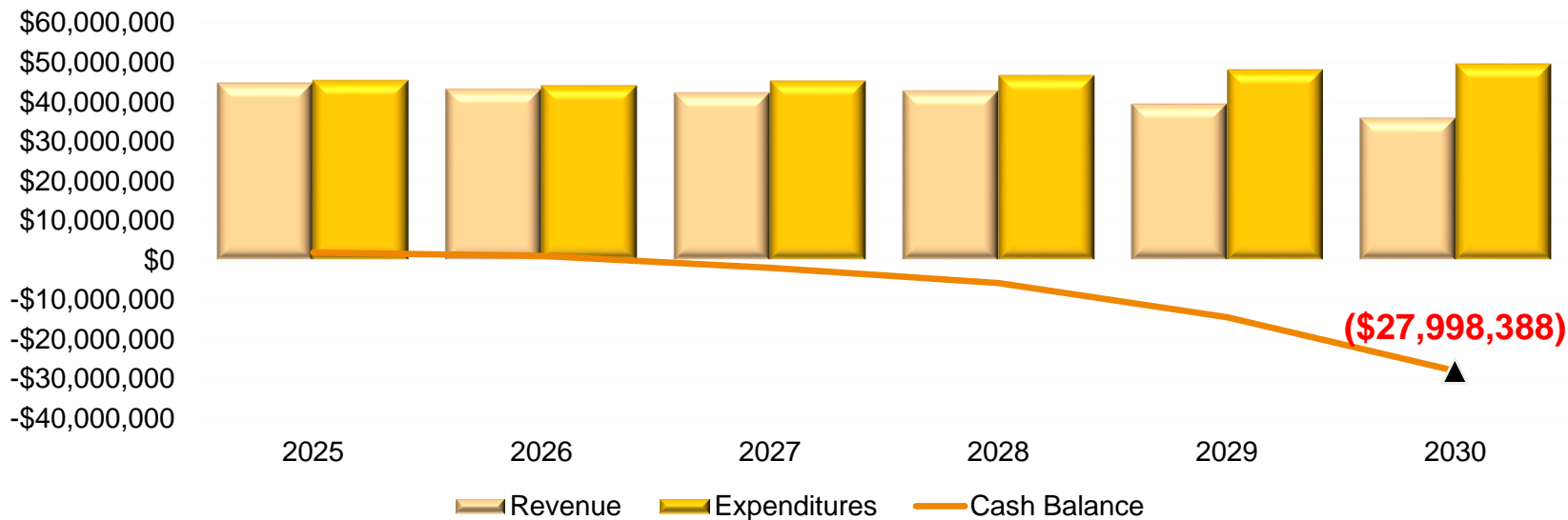
# Tonight's Agenda

- Current cash balance estimates
- Revenue changes due to legislation
- State funding challenges





## Reflects Negative Cash Balance in FY27 (Next School Year)



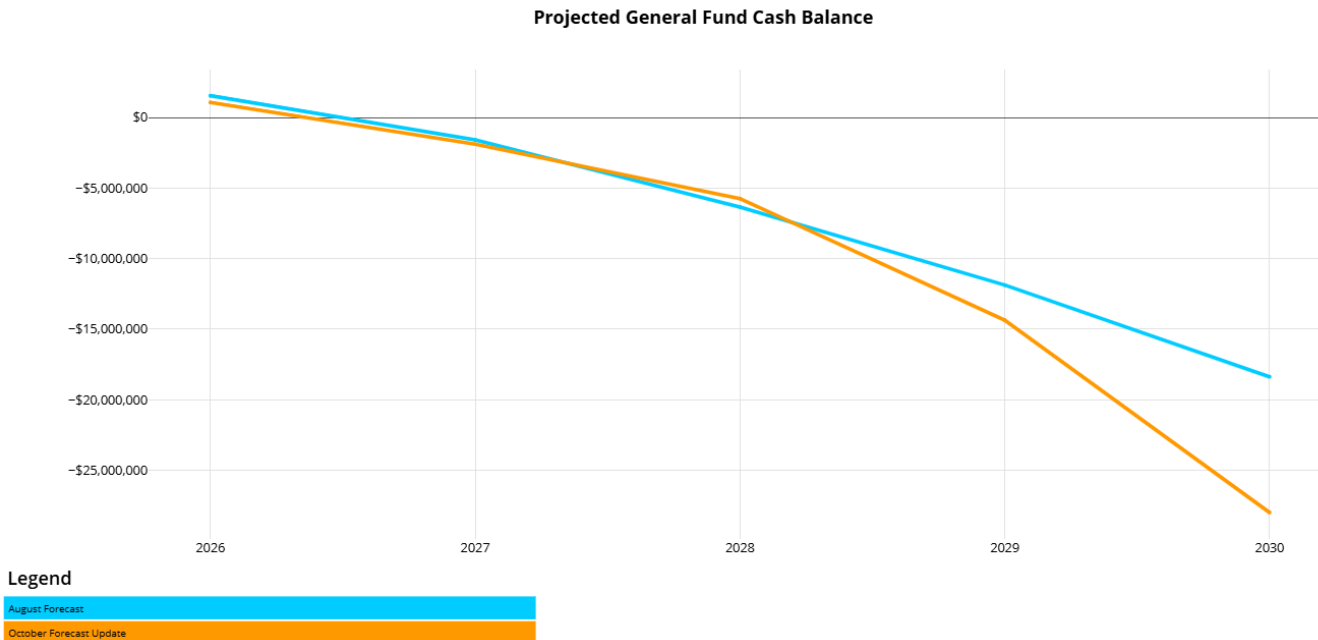
District is currently projecting a \$1.9 million (deficit spending of approximately \$3 million in FY27) negative ending cash balance in FY2027.

- If revenue does not increase then cuts will need to be made.
- Negative balance is further increased due to legislative changes in Columbus.
  - State cut funding for this year and next.
  - Removed ability to renew previous Substitute levies.





# Forecast Compare



Local funding decreases are the main reason for significantly decreasing balances as opposed to the August forecast

- Substitute levies cannot be renewed when they expire in 2028.





# Revenue Comparison

Total Five Year Forecast Revenues



- Impact of Substitute levies being removed from forecast





# Significant Changes To Forecast

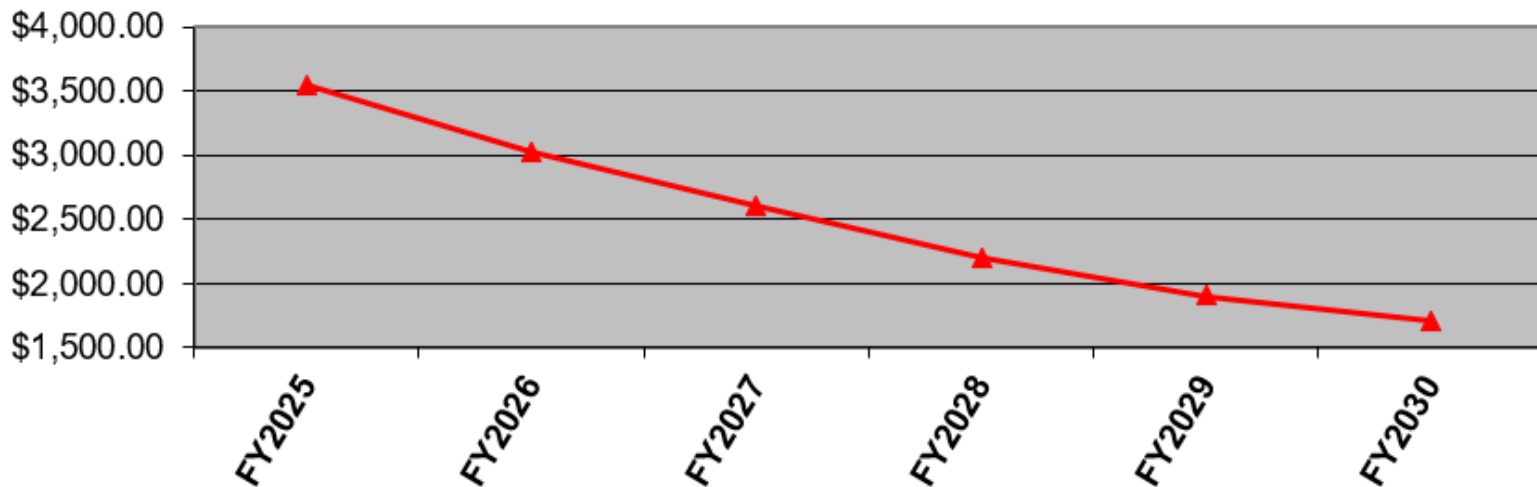
- Revenue
  - Previously estimating flat state funding
    - State cut funding to the district
  - Base cost inputs not updated
    - FY22 base cost inputs
      - Were used in last budget (FY24 and FY25)
      - Essentially not accounting for increases in costs
      - Decreases state funding to the district
    - Fair School Funding Plan not fully funded
  - Previously estimating Substitute levies
    - State legislators removed this option
  - Previously estimating flat enrollment
    - Enrollment has decreased





# State Funding Factors – Local Burden

**State Funding - State Share of Per Pupil Base Cost**



State Share of base costs in state funding formula is not increasing over time.

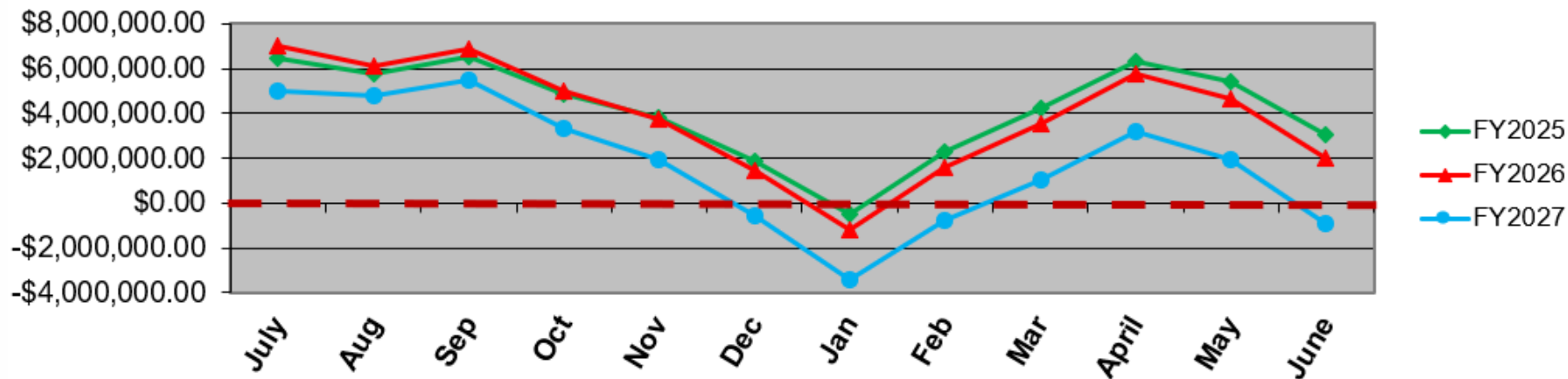
- Continues to place burden on local communities to fund schools.





# Cash Flow Considerations

## Forecasted Monthly Cash Balance Comparison



The District is currently projecting a negative cash balance during FY2026.

- This will need to be remedied with District action.
- District is currently looking to borrow internally from the Bond fund but may need to borrow externally to cover cash shortfall during fiscal year.
  - District had to borrow externally last fiscal year.







# Areas of Focus

- Revenues
  - State Aid
    - Updates will not begin until second payment in October
    - Enrollment
  - Property Taxes
    - Collection rates and legislation
- Expenses
  - Special Education
    - District had increased expenses last year due to enrollment
- Local Revenue
  - If levy passes this will remedy current concerns
  - If levy does not pass, district will need to consider additional cuts (potentially mid year)
    - Fiscal Watch/Emergency plan from ODE





Questions?

