BRECKSVILLE-BROADVIEW HEIGHTS CITY SCHOOL DISTRICT - CUYAHOGA COUNTY

SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES FOR THE FISCAL YEARS ENDED JUNE 30, 2024, 2025 and 2026 ACTUAL FORECASTED FISCAL YEARS ENDING JUNE 30, 2027 THROUGH JUNE 30, 2031

Forecast Provided By
Brecksville-Broadview Heights City School District
Treasurer's Office
Craig Yaniglos, Treasurer/CFO
August 26, 2026

Brecksville-Broadview Heights City School District

Cuyahoga County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2024, 2025 and 2026 Actual;
Forecasted Fiscal Years Ending June 30, 2027 Through 2031

		Actual				Forecasted				
		Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Average Change	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031
	Revenues									
1.010	General Property Tax (Real Estate)	$40,357,962	$40,117,300	$40,891,968	0.7%	$40,156,802	$40,189,175	$40,420,494	$40,325,062	$40,346,525
1.020	Public Utility Personal Property Tax	2,791,183	2,870,620	2,930,328	2.5%	3,186,510	3,225,725	3,264,940	3,304,155	3,343,370
1.030	Income Tax	0	0	0	0.0%	0	0	0	0	0
1.035	Unrestricted State Grants-in-Aid	4,775,060	4,729,169	5,421,145	6.8%	5,658,022	5,415,558	5,427,136	5,431,981	5,436,928
1.040	Restricted State Grants-in-Aid	923,412	1,070,631	800,598	-4.6%	646,411	649,806	650,253	650,253	650,253
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	4,181,098	4,284,704	4,364,380	2.2%	4,725,763	5,057,163	5,112,414	5,364,239	5,501,838
1.060	All Other Revenues	3,531,103	3,612,488	4,062,008	7.4%	3,729,828	3,619,828	3,469,828	3,494,828	3,444,828
1.070	*Total Revenues*	$56,559,818	$56,684,912	$58,470,427	1.7%	$58,103,336	$58,157,255	$58,345,065	$58,570,518	$58,723,742
	Other Financing Sources									
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	6,000,000	0	0	0
2.050	Advances-In	0	0	0	0.0%	0	0	0	0	0
2.060	All Other Financing Sources	174,421	35,397	637,280	810.3%	137,280	50,000	50,000	50,000	50,000
2.070	*Total Other Financing Sources*	$174,421	$35,397	$637,280	810.3%	$137,280	$6,050,000	$50,000	$50,000	$50,000
2.080	*Total Revenues and Other Financing Sources*	$56,734,239	$56,720,309	$59,107,707	2.1%	$58,240,616	$64,207,255	$58,395,065	$58,620,518	$58,773,742
	Expenditures									
3.010	Personal Services	$34,489,628	$35,476,480	$36,385,562	2.7%	$38,282,849	$39,542,299	$40,629,506	$41,748,904	$42,924,710
3.020	Employees' Retirement/Insurance Benefits	12,054,792	13,065,079	13,490,530	5.8%	14,613,527	15,555,009	16,466,334	17,441,366	18,488,994
3.030	Purchased Services	5,454,859	5,249,211	5,728,252	2.7%	5,822,610	6,002,385	6,104,374	6,210,013	6,319,468
3.040	Supplies and Materials	1,486,515	1,448,815	1,252,820	-8.0%	1,265,348	1,278,002	1,290,782	1,303,689	1,316,727
3.050	Capital Outlay	91,096	80,134	111,593	13.6%	110,811	110,811	110,811	110,811	110,811
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	787,401	760,420	950,238	10.8%	950,238	1,021,868	1,088,788	1,088,788	1,088,788
4.500	*Total Expenditures*	$54,364,291	$56,080,139	$57,918,995	3.2%	$61,045,383	$63,510,374	$65,690,595	$67,903,571	$70,249,498
	Other Financing Uses									
5.010	Operating Transfers-Out	$336,019	$8,185,000	$85,000	1118.5%	$85,000	$200,000	$200,000	$200,000	$200,000
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	*Total Other Financing Uses*	$336,019	$8,185,000	$85,000	1118.5%	$85,000	$200,000	$200,000	$200,000	$200,000
5.050	*Total Expenditures and Other Financing Uses*	$54,700,310	$64,265,139	$58,003,995	3.9%	$61,130,383	$63,710,374	$65,890,595	$68,103,571	$70,449,498
6.010	*Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Uses*	$2,033,929	($7,544,830)	$1,103,712	-292.8%	($2,889,767)	$496,881	($7,495,530)	($9,483,053)	($11,675,756)
7.010	Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	$24,742,819	$26,776,748	$19,231,918	-10.0%	$20,335,630	$17,445,863	$17,942,744	$10,447,214	$964,161
7.020	*Cash Balance June 30*	$26,776,748	$19,231,918	$20,335,630	-11.2%	$17,445,863	$17,942,744	$10,447,214	$964,161	($10,711,595)
8.010	*Estimated Encumbrances June 30*	$216,578	$252,346	$182,478	-5.6%	$150,000	$150,000	$150,000	$150,000	$150,000
	Reservation of Fund Balance									
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	*Subtotal Reservations of fund Balance*	$0	$0	$0	0.0%	$0	$0	$0	$0	$0
10.010	*Fund Balance June 30 for Certification of Appropriations*	$26,560,170	$18,979,572	$20,153,152	-11.2%	$17,295,863	$17,792,744	$10,297,214	$814,161	($10,861,595)

Brecksville-Broadview Heights City School District

Cuyahoga County

Schedule of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Years Ended June 30, 2024, 2025 and 2026 Actual;
Forecasted Fiscal Years Ending June 30, 2027 Through 2031

		Actual				Forecasted				
		Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Average Change	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031
	Revenue from Replacement/Renewal Levies									
11.010	Income Tax - Renewal	0	0	0	0.0%	0	0	0	0	0
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	$0	$0
12.010	*Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations*	$26,560,170	$18,979,572	$20,153,152	-11.2%	$17,295,863	$17,792,744	$10,297,214	$814,161	($10,861,595)
	Revenue from New Levies									
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	4,933,228	9,542,027	9,542,027	9,542,027
13.030	Cumulative Balance of New Levies	$0	$0	$0	0.0%	$0	$4,933,228	$14,475,255	$24,017,282	$33,559,309
14.010	Revenue from Future State Advancements				0.0%	-	-	-	-	-
15.010	*Unreserved Fund Balance June 30*	$26,560,170	$18,979,572	$20,153,152	-11.2%	$17,295,863	$22,725,972	$24,772,469	$24,831,443	$22,697,714

Brecksville-Broadview Heights City School District – Cuyahoga County
Notes to the Five-Year Forecast
General Fund Only
August 26, 2026

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), new state mandates, tax levies, property reappraisals and updates, salary increases, health insurance increases, enrollment variances, or changes to property valuations due to businesses moving in or out of the district.

As noted below the current state budget approved in HB96 changed the forecast based on what the state Ohio and the Ohio Department of Education and Workforce will require, however the Board of Education will continue to plan over a five-year period. Our district leadership believes that the five-year forecast is a crucial management tool. A five-year planning horizon 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.

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 to the Financial Forecast before drawing conclusions or using the data as a basis for other calculations. The assumptions are especially important 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 or Board of Education (BOE) of the individual school district with any questions you may have. The Treasurer or CFO submits the forecast, but the BOE is recognized as ultimately responsible for the development of the forecast and the official owner.

Here are at least three 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.

Ohio HB96 was passed in June 2025 which amended O.R.C. 5705.391 and O.A.C. 3301-92.04 requiring a Board of Education (BOE) to file their current years budgeted revenue and expenses, and three additional years. This is essentially a four (4) year forecast. Beginning in fiscal year 2026 (July 1 to June 30) the financial forecast must be filed by October 15, and the end of February. The filing deadlines will change in fiscal year 2027 to August 31, and end of February each fiscal year thereafter. The filing deadlines of February and August are out of alignment with when final 1st half and 2nd half tax settlements will actually be received in most cases, and the August 31 deadline is out of alignment with when school districts statutorily have to make final fiscal year appropriations which is September 30th of each year.

While the legislative requirement is to file a four-year forecast, as noted above, we believe it is a prudent business practice to continue to develop a five-year forecast for planning purposes. The five-year forecast includes three years of actual and five years of projected general fund revenues and expenditures. The first year of the financial forecast is considered the current year budget and is used as the base for future years projections. Our forecast is updated to reflect the most current economic data available for the August 2026 filing.

Forecast Risks and Uncertainty:
This financial forecast has risks and uncertainty due to economic changes, new property tax laws noted below that were signed by the Governor on December 19, 2025, and also due to state legislative changes that will occur in the spring of 2027 and 2029 due to deliberation of the two (2) state biennium budgets for FY28-29 and FY30-31, all of which affect this forecast.

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. The items below give a short description of the current issues and how they may affect our forecast in the long term:

1. On December 19, 2025, Governor DeWine signed into law several pieces of legislation that became law March 19, 2026, and are the most sweeping changes to Ohio property tax law since 1976 when HB920 was passed. The laws that were approved are: HB129, HB186, HB309 and HB335. Subsequently HB479 the state budget correction bill was signed June 24, 2026, and becomes law September 23, 2026, that made needed corrections to HB335 inside millage. Of particular concern is HB186 which implements new property tax caps retroactively for property reappraisal and triennial updates that occurred in tax year 2023, 2024 and 2025. Due to the complexity of these calculations, the Ohio Department of Taxation (ODT) has been charged with calculating the effects of this legislation and notifying Ohio's 88 county auditors as to the impact on property tax bills and subsequent tax settlements to local governments.

   A brief summary of the impact of each piece of legislation is noted below with specific anticipated impacts to this forecast noted in Estimated Real Estate Tax Line 1.01 section of these assumptions below:

Primary Legislative Drivers of Fiscal Risk

Legislation	Core Provision	District Financial Impact
HB129	Reclassifies fixed-sum (emergency/substitute) levies to be included in "20-mill floor" calculations.	No impact to our district.
HB186	Establishes "Inflation Cap Credits" and a retroactive "claw back" of realized revenues.	No impact at this time.
HB309	Empowers County Budget Commissions (CBCs) to reduce voter-approved levies.	Shifts fiscal authority to CBC officials, creating an unpredictable risk to local levy yields.
HB335	Limits revenue growth from inside millage to the GDP Deflation Factor (GDP DF).	Restricts the district's ability to realize revenue gains from property valuation reappraisals.

- HB129 implements new requirements for and restores fixed sum levies. It will also include fixed sum levy millage in the 20-mill floor calculation beginning in the next reappraisal or triennial update cycle of any county that contains district territory, but no later than Tax Year 2028 collect in calendar 2029. For some districts this will result in a loss due to a change in the 20-mill floor. Our district is not on the 20-mill floor and is not anticipating any impact from HB129.

- HB186 establishes Inflation Cap Credits, if applicable, following reappraisals and triennial updates for school district property taxes, preventing increases beyond the Gross Domestic Product Deflation Factor (GDP DF). HB186 also includes Temporary Tax Credits (claw back) provision that takes back tax revenue that has already been collected by school districts beginning with reappraisals and triennial updates that occurred before the effective date of the law retroactive back to tax year 2023, 2024 and 2025. These are funds that have already been realized and have been spent and/or included in future educational planning. While skyrocketing home values resulted in the need for property tax reform that limits tax growth for taxpayers, the retroactive claw back of taxes already paid is very detrimental to districts at the 20-mill floor. Our district is not at the 20-mill floor and we do not anticipate any impact on our taxes at this time.

- HB309 indicates an erosion of local fiscal autonomy, shifting power from elected school boards to County Budget Commissions (CBC's) and County Commissioners. HB309 allows a CBC to reduce any voter-approved levy (except debt) to bring taxes levied within levels the CBC finds reasonable and prudent to avoid unnecessary collections. This law gives locally elected CBC officials the power to override voter-approved levies and local school board fiscal decisions. The impact of this new law is indeterminable and can be administered inconsistently in 88 counties across Ohio.

- HB335 limits revenue growth from "inside millage" to the GDP Deflation Factor at property reevaluation cycles. To mitigate this, the district has adopted a defensive strategy of projecting at or below the anticipated GDP DF. This is a critical tactical move to prevent the district from overstating revenue that could potentially be impacted by this legislation. HB479 that becomes law September 23, 2026, corrected inside millage language in HB335 so that any inside millage adjustment occurs only in the home county during revaluations if districts are in multiple counties. Any future inside millage adjustment is indeterminable at this time.

- HB96 Expanded Piggyback Option introduces a significant *local political* risk through "Piggyback" exemptions. Unlike standard Homestead and 2.5% owner-occupied credits—which the state reimburses—Piggyback exemptions are not reimbursed. Our county commissioners did not vote by July 1, 2026 to approve Piggyback Property Tax Exemptions for tax year 2026 for reductions in calendar year 2027 which would reduce tax collections in FY27 and FY28. This new law creates an unpredictable potential risk to our local tax collections every year. We will adjust the forecast in the future accordingly.

Because the new accelerated August filing deadline for school district forecasts and the enormity of the property tax law changes, second half property tax bills have been delayed along with later final due dates. This will delay second half final actual tax settlement data with which to update our forecast with actual key data. We have estimated revenues and expenses based on the data available and understanding of the new property tax laws. As authoritative data concerning HB186 is made available to the district changes may need to be made to the forecast that may or may not be significant.

2. Property tax collections are one of the largest revenue sources for the school system and a significant risk to the forecast. We project growth in appraised values every three (3) years that aligns with the new HB186 and HB335 Gross Domestic Product Deflation Factor (GDP DF) and new construction growth. The effects of HB186 and HB335 will be to limit property tax growth following reappraisals and updates. Total local revenues, predominately local taxes, equate to 81.0% of the district's resources. As

noted above, HB186 indicates any adjustment for prior year appraisals and updates that exceeded GDP DF in reappraisals and triennial updates that occurred in tax years 2023, 2024 and 2025 will result in possible significant reductions (claw back) in the second half property tax collections that typically occur in August to September 2026. If the Ohio Department of Taxation (ODT) determines adjustments are required due to HB186, further reductions in Tax Year 2026 collected in calendar year 2027 taxes will also result. We have included any estimated adjustment for HB186 and HB335 in Line 1.01 assumptions below.

3. Cuyahoga County experienced a reappraisal for tax year 2024 for collection in FY25. The values increased for Class I and II property by $273.59 million for an overall increase of 21.46%. A reappraisal update will occur in tax year 2027 for collection in FY28. For forecast purposes, the District anticipates increases in Class I (Residential/Agricultural) and Class II (Commercial/Industrial) values generally within an estimated range of 0% to 9%, consistent with current expectations regarding the applicable cumulative GDP Deflator limitation. HB335 inside millage cap will become effective for any reappraisal and update beginning in tax year 2026, and HB129 will become effective for our district in the next reappraisal/update. We have anticipated any 20-mill floor adjustment at that time in Line 1.01 assumptions below.

4. HB96, the current state budget, continues to phase in what has been referred to as the Fair School Funding Plan (FSFP) for FY27. FY27 reflects 100% of the implementation cost of the (FSFP). HB96 did not increase the base cost inputs (no increase from the state on formula funding) while allowing local capacity inputs to increase. This causes more districts to appear to have greater local ability to fund their schools thus reducing the amount of State Aid they receive. We have used the most recent FY27 foundation payment published by the Department of Education and Workforce for our forecasted revenues in FY27-FY31. We are not anticipating any significant increases in state aid in future years of the forecast.

5. The state budget represented 19.0% of district revenues and is an area of risk to revenue. The future risk comes in FY28 and beyond due to uncertainty that the Fair School Funding Plan is not continued and funded in the next state biennium budget. In this forecast, there are two unknown future State Biennium Budgets covering FY28-29 and FY30-31. 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 FY31. We have projected our state funding in FY27 based on recent formula calculations and use of the Ohio Department of Education and Workforce (ODEW) most recent funding settlement. This forecast reflects state revenue to mostly align with the FY27 funding levels through FY31, which we feel is conservative and should be close to what the state approves for the next two biennium budgets. We will adjust the forecast in future years as we have data to make an informed decision.

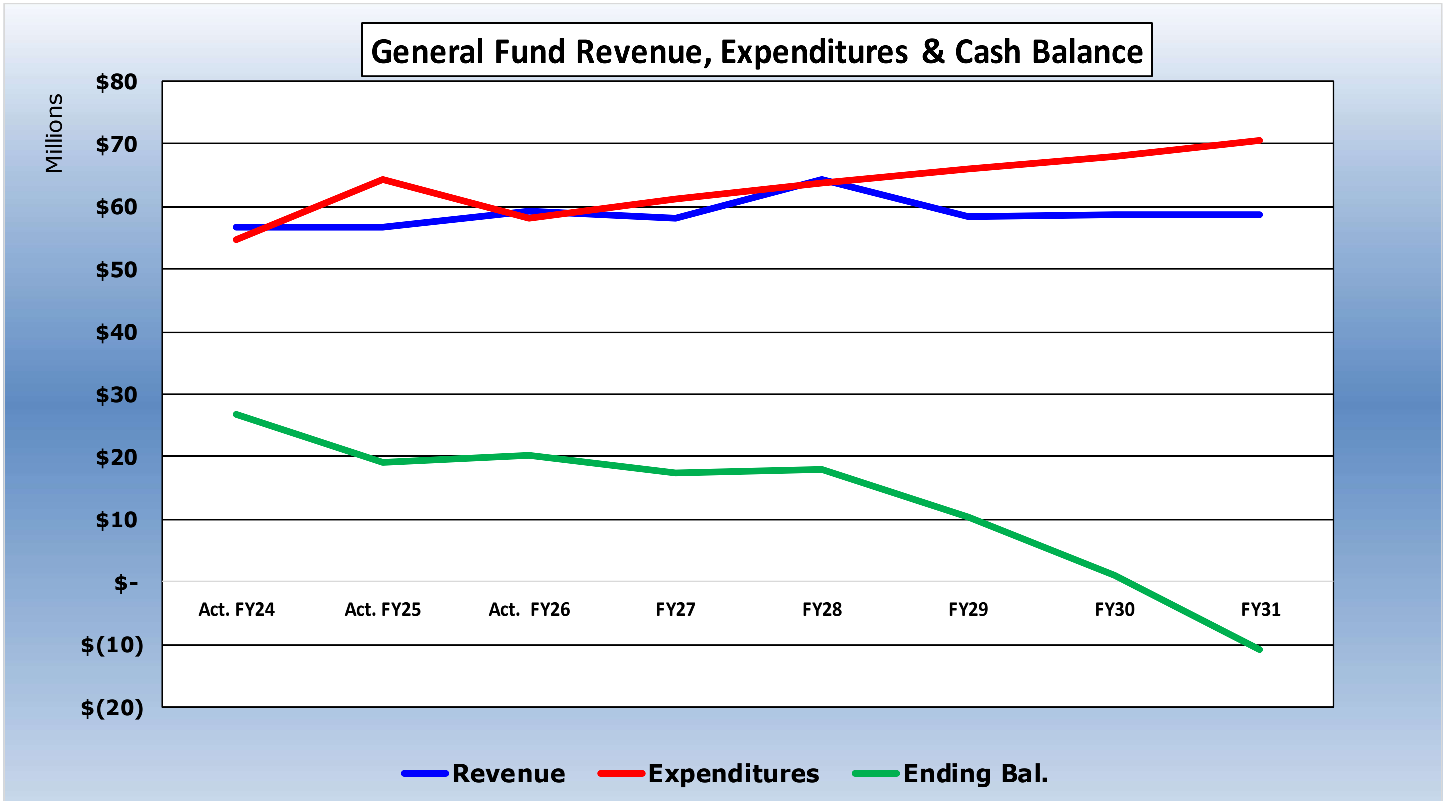
6. The Ohio Department of Taxation on January 15, 2026 announced an updated state property tax reappraisal and triennial update schedule. Sixteen counties will have their reappraisal/update moved back by one year in accordance with the new schedule. Our county will be impacted by this change.

7. Labor relations in our district have been amicable with all parties working for the best interest of students and realizing the resource challenges we face. We believe as we move forward our positive working relationship will continue and will only grow stronger.

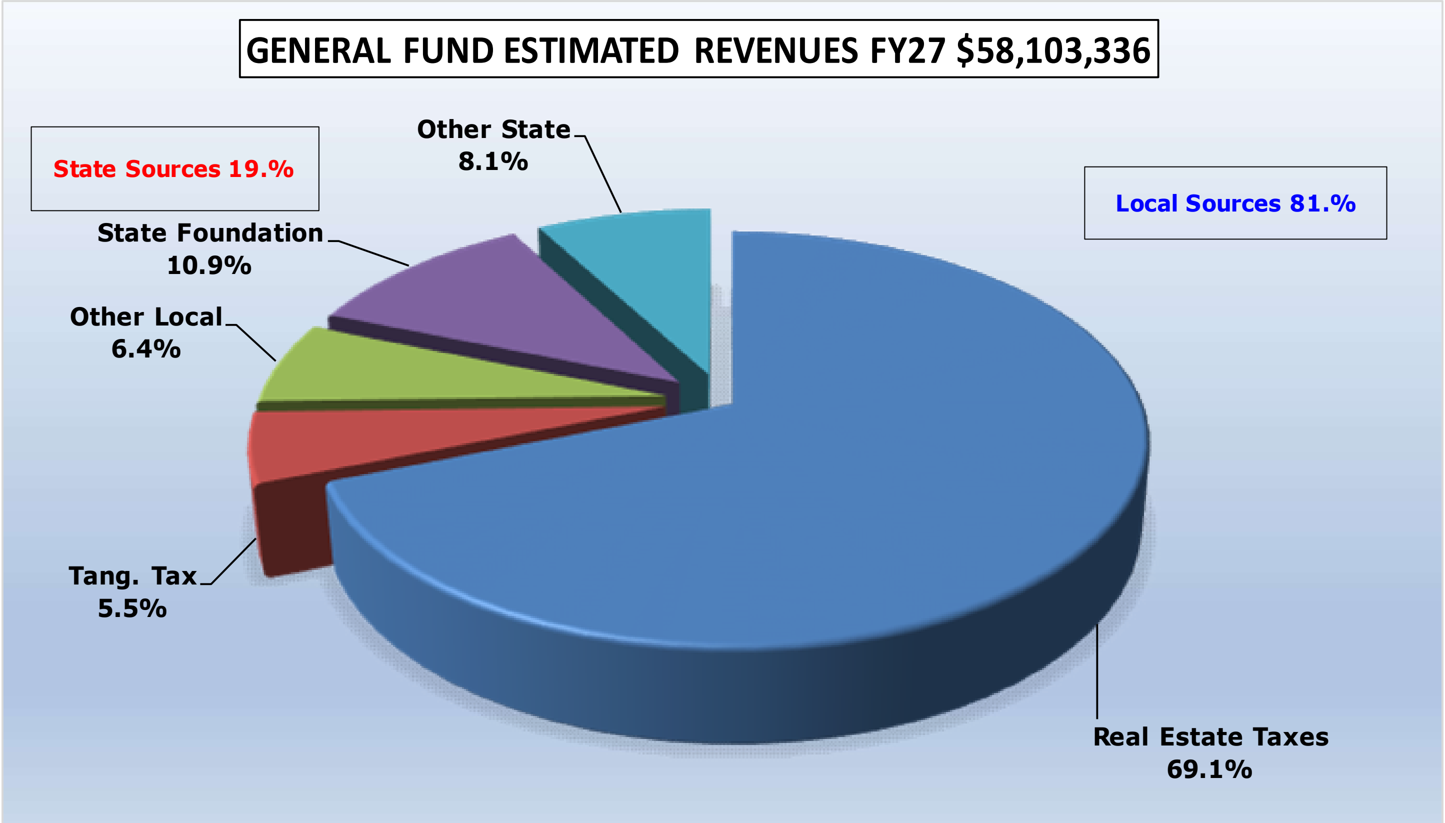
The major categories of revenue and expenditures on the forecast are noted below in the headings to make it easier to reference the assumptions made for the forecast item. It should be of assistance to the reader to review the assumptions noted below in understanding the overall financial forecast for our district. If you would like further information, please feel free to contact Craig Yaniglos, Treasurer of Brecksville-Broadview Heights City School District.

General Fund Revenue, Expenditure and Ending Cash Balance

The graph captures in one snapshot the operating scenario facing the district over the next few years.



Revenue Assumptions



General Property Tax and Property Value Assumptions (Real Estate) – Line # 1.010
Property Values are established each year by the County Auditor based on new construction, demolitions, BOR/BTA activity and complete reappraisal or updated values. HB186 allows new construction growth in property taxes irrespective of GDP DF. Cuyahoga County experienced a full reappraisal in tax year 2024 and the district saw a 24.58% increase in residential and 5.02% in commercial property values. Residential/Agricultural and Commercial/Industrial values increased by $273.59 million or 21.46% overall.

A reappraisal will occur in 2027 for collection in 2028 which we are estimating to increase values by $74.74 million for Class I and Class II, which is a 4.82% increase overall in these areas.

Public Utility Personal Property (PUPP) values increased by $1.1 million in Tax Year 2025. We expect our values to continue to grow by $500,000 each collection year beginning with collection year 2027.

ESTIMATED ASSESSED VALUE (AV) BY COLLECTION YEAR

	Actual	Actual	Actual	Estimated	Estimated
	TAX YEAR 2026	TAX YEAR 2027	TAX YEAR 2028	TAX YEAR 2029	TAX YEAR 2030
Classification	COLLECT 2027	COLLECT 2028	COLLECT 2029	COLLECT 2030	COLLECT 2031
Res./Ag.	$1,342,145,960	$1,410,903,258	$1,412,553,258	$1,414,203,258	$1,415,853,259
Comm./Ind.	209,083,380	215,065,048	216,865,048	218,665,048	220,465,048
Public Utility Personal Property (PUPP)	40,843,710	41,343,710	41,843,710	42,343,710	42,843,710
Total Assessed Value	$1,592,073,050	$1,667,312,016	$1,671,262,016	$1,675,212,016	$1,679,162,017

Tax Rate Assumptions
The county auditor sets property tax rates for each levy that voters approve to fund the school district. Ohio law requires these tax rates to be adjusted over time so that rising property values do not automatically increase the

amount of money the district collects beyond what voters originally approved. These adjustments are called "reduction factors.". The reduction factors are applied separately to Residential/Agriculture (Class I) and Commercial/Industrial (Class II) resulting in different effective millage rates. While voters approved a total rate of 78.43 mills for the district's general fund levies, the current effective rate is 27.96 mills for Class I property and 41.3 mills for Class II property. 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 voted and non-voted millage rates; this is called the "20-Mill Floor". Our district is not on the floor for Class I or Class II.

HB129 is a new law that restores fixed sum levies and now includes them in the 20-mill floor calculation. HB129 will be in effect following the next reappraisal/triennial update. Our district does not have fixed sum, or emergency, levies, therefore, this will not impact our forecast.

Estimated Real Estate Tax Collection Assumptions & New Tax Laws

HB96 enacted a new provision called "Piggyback Property Tax Exemptions". This provision allows county commissioners in each county in Ohio to double the current Homestead Exemption and owner occupied 2.5% tax credit. Our county commissioners did not vote to approve further Piggyback Property Tax Exemptions for tax year 2026. County commissioners have until July 1 each year to approve this for the coming calendar year. This is indeterminable at this time for tax year 2027 and beyond. We will adjust the forecast in the future accordingly.

HB186 is a new law that establishes an Inflation Cap Credit for school district property taxes, preventing increases beyond the Gross Domestic Product Deflation Factor (GDP DF) in reappraisal and triennial updates. HB186 also includes Temporary Tax Credits (claw back) provision that retroactively takes back property tax revenue that has already been collected. For impacted districts this starts with their reappraisal or triennial updates in tax years 2023, 2024 and 2025. These funds have already been realized and have been spent and/or included in future educational planning.

Brecksville-Broadview Heights City School District is not at the 20-mill floor and all operating levies are affected by HB920 reduction factors which inflation proofs these current expense levies. We do not anticipate any claw back of previously paid taxes.

HB335 is a new law that limits revenue growth from inside millage due to valuation reappraisals or triennial updates to the Gross Domestic Product Deflation Factor (GDP DF) for future real estate tax revenue growth. We have not forecasted any increases for future revaluations above anticipated GDP DF, thus no adverse impact to the forecasted property tax revenue is anticipated from this new law.

We have been conservative with any future value increases for reappraisal or updates due to ongoing implementation uncertainty over the new legislative changes as noted in the Forecast Risks and Uncertainty above.

ESTIMATED REAL ESTATE TAX (Line #1.010)

Property tax levies are estimated to be collected at 95% of the annual amount. This allows 5% delinquency factor. In general, 53.08% of the Res/Ag and Comm/Ind property taxes are expected to be collected in the February tax settlement and 46.92% collected in the August tax settlement.

Source	FY27	FY28	FY29	FY30	FY31
Est. Real Estate Taxes	$40,156,802	$40,189,175	$40,420,494	$40,325,062	$40,346,525
Piggyback Exemption HB96	$0	$0	$0	$0	$0
Other Tax Adjustments	$0	$0	$0	$0	$0
Total Line #1.01 Real Estate Taxes	$40,156,802	$40,189,175	$40,420,494	$40,325,062	$40,346,525

Estimated Public Utility Personal Property Tax (PUPP) – Line #1.020
Public Utility tax settlements (PUPP taxes) are estimated to be received 57% in the spring and 43% in the fall settlement from the County Auditor and are noted in Line #1.02 totals below.

The amounts below are public utility tangible personal property (PUPP) tax payments from public utilities. The values for PUPP are noted in the table above, which is expected to be $40.84 million in assessed values in 2026 and is collected at the district's full voted millage rate.

Source	FY27	FY28	FY29	FY30	FY31
Public Utility Personal Property	$3,186,510	$3,225,725	$3,264,940	$3,304,155	$3,343,370
Total PUPP Tax Line #1.020	$3,186,510	$3,225,725	$3,264,940	$3,304,155	$3,343,370

New Tax Levies – Line #13.030
The district is currently forecasting a 5.9-mill operating levy that would be placed on the ballot in 2027, with collections beginning in 2028. However, ongoing discussions around property tax reform and changes to state funding at the statehouse are creating uncertainty. As a result, the district is considering several options. The proposed millage could range from 5 to 6 mills, depending on economic conditions and legislative developments. The district expects to have a clearer understanding of the situation over the next several months of the fiscal year.

Current State Funding Model per HB96 through June 30, 2027
A) Unrestricted State Foundation & Casino Revenue – Line #1.035
HB96, the current state budget, continued the Fair School Funding Plan for FY27, which funds students where they are educated rather than where they live. We have projected FY27 funding based on the most current foundation settlement and funding factors.

Our district is currently a guarantee district in FY27 and is expected to be FY28-FY31 on the new Fair School Funding Plan (FSFP).

A detailed overview of how foundation funding is calculated including all of the HB96 changes is available at the link below. Please visit the Ohio Department of Education and Workforce at:
https://education.ohio.gov/Topics/Finance-and-Funding/Overview-of-School-Funding.

State Funding FY26-FY27
The Fair School Funding Plan was presented as a six (6) year phase-in plan, the state legislature approved the final two (2) years of the funding plan in HB96 phasing in funding at 83.33% in FY26 and then 100% in FY27. However, the legislature did not increase the funding base inputs from FY25. In other words, the legislature did not increase funding in the foundation formula. They did increase transportation funding's state share percentage to 45.83% in FY26, and 50% in FY27, which could increase funding, and; they added three (3) Supplemental Payments outside the formula: a Base Funding Supplement, Enrollment Growth Supplement and Performance Supplement.

The Base Funding Supplement will be paid to all districts. The funding supplement per pupil is $27 in FY26 and $40 in FY27.

The Enrollment Growth Supplement is paid to eligible districts based on the current FY26 enrolled ADM multiplied by $225 per student, and in FY27 based on FY27 enrolled ADM multiplied by $250. To be eligible enrolled ADM growth between FY22 and FY25 must equal or exceed 5% growth, and FY27 enrolled ADM growth between FY23 and FY26 must equal or exceed 3%. Our district does not qualify for this payment.

The Performance Supplement was included in HB96. The eligibility for the supplement payment uses data from the state report card for the 2024-2025 school year for FY26 and 2025-2026 school year for FY27; the payment will be a separate payment of $13 per pupil in FY26 and FY27. We are estimated to receive $216,276 in FY27.

The funding formula eliminated the Supplemental Targeted Assistance guarantee beginning in FY26 but still includes two (2) primary guarantees: 1) Temporary Transition Aid, and 2) Formula Transition Supplement. The two (2) guarantees in both temporary and permanent law ensure that no district will get fewer funds in FY26 and FY27 than they received in FY21.

Future State Budget Projections beyond FY27

Our funding status for FY28-FY31 will depend on unknown two (2) new state budgets. There is no guarantee that the current Fair School Funding Plan will be continued in future biennial budget processes; 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 projected to be close to the current funding levels for FY28 through FY31.

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 31st of January and August each year which began for the first time on January 31, 2013.

In FY26, statewide casino distributions to schools totaled $108.29 million, or $68.14 per pupil. The district's casino ADM is held flat at 3,412 across the forecast. We expect the Casino revenues to have resumed their historical growth rate and are assuming a 2% annual growth rate for the remainder of the forecast.

Source	FY27	FY28	FY29	FY30	FY31
Basic Aid-Unrestricted	$4,471,076	$4,223,972	$4,230,807	$4,230,807	$4,230,807
Additional Aid Items	954,350	954,350	954,350	954,350	954,350
Basic Aid-Unrestricted Subtotal	5,425,426	5,178,322	5,185,157	5,185,157	5,185,157
Ohio Casino Commission ODT	232,596	237,236	241,979	246,824	251,771
Total Unrestricted State Aid Line #1.035	$5,658,022	$5,415,558	$5,427,136	$5,431,981	$5,436,928

B) Restricted State Revenues – Line # 1.040

HB96 has continued Disadvantaged Pupil Impact Aid, Career Technical, Gifted, English Learners (ESL), and Student Wellness funding. We were also notified that Threshold reimbursements starting in FY26, and future years, are likely to be reduced by 30% from FY25 levels due to fixed state appropriations.

We have estimated revenues for these new restricted funding lines using the most current funding factors available. For fiscal years 2026 and 2027, HB96 modified how DPIA is calculated by factoring in both directly certified and economically disadvantaged students. The new DPIA formula modified the weight given to these student groups over the biennium which has resulted in calculated DPIA state funding in FY26 & FY27 being $86.6 million less than in FY25.

Source	FY27	FY28	FY29	FY30	FY31
Economically Disadvantaged Aid	$15,111	$15,111	$15,111	$15,111	$15,111
ESL	18,964	22,359	22,806	22,806	22,806
Gifted	82,444	82,444	82,444	82,444	82,444
Career Tech - Restricted	0	0	0	0	0
Student Wellness	129,892	129,892	129,892	129,892	129,892
Other Restricted	0	0	0	0	0
Catastrophic Aid	400,000	400,000	400,000	400,000	400,000
Total Restricted State Revenues Line #1.040	$646,411	$649,806	$650,253	$650,253	$650,253

C) Restricted Federal Grants in Aid – Line #1.045

There are no federal restricted grants projected during this forecast.

Total State Aid Summary

SUMMARY	FY27	FY28	FY29	FY30	FY31
Unrestricted Line #1.035	$5,658,022	$5,415,558	$5,427,136	$5,431,981	$5,436,928
Restricted Line #1.040	646,411	649,806	650,253	650,253	650,253
Rest. Federal Funds #1.045	0	0	0	0	0
Total State Foundation Revenue	$6,304,433	$6,065,364	$6,077,389	$6,082,234	$6,087,181

State Reimbursement for Property Tax Credits – Line #1.050

a) Rollback and Homestead Reimbursement

Rollback funds are reimbursements paid to the district from the State of Ohio for tax credits given to owner-occupied residences. Credits equal 12.5% of the gross property taxes charged to residential taxpayers on levies passed before September 29, 2013. HB59 eliminated the 10% and 2.5% rollback on new levies approved after September 29, 2013. And Homestead Exemptions are credits paid to the district from the state of Ohio for qualified elderly and disabled.

New legislation began a phase down of the 10% rollback credit that has been in effect since 1971 and an equal phase up of the Owner Occupied Credit (OOC) that has been in effect since 1978. In addition, HB96 increased the OOC by 2.88% by phasing it in over four (4) years starting in tax year 2026. The table below shows the phasing of these changes. Eventually there will be some amount of 10% rollback for non-timber farmland. These amounts are fully reimbursed to the school district when deducted from Class I property tax bills. Homestead credits vary annually based on applicants and eligibility.

The state of Ohio passed HB479 was signed June 24, 2026, and becomes effective September 23, which included a one-time doubling of the homestead exemption credit to start with tax bills in calendar 2027. This is a one-time only increase to help homeowners is estimated to provide $350 million in taxpayer relief for qualified Homestead applicants and will be reimbursed to local governments from a $2.0 billion surplus in the state budget at the end of May 2026. There were also technical adjustments that if HB186 inflationary tax credits are present, they will be applied after the homestead credits are determined to maximize the credit for homeowners. This will cost the state an addition $44 million annually which will also be reimbursed to local governments if applicable. The $44 million increase is ongoing.

HB186 10% Phase down and OCC Phase up					
	TY25	TY26	TY27	TY28	TY29
	Collect CY26	Collect CY27	Collect CY28	Collect CY29	Collect CY30
10% Rollback*	10.00%	7.50%	5.00%	2.50%	0.00%
2.5% OOC	2.50%	5.00%	7.50%	10.00%	12.50%
HB96 Inc. OCC	0.00%	0.72%	1.44%	2.16%	2.88%
Total	12.50%	13.22%	13.94%	14.66%	15.38%
Homestead	varies	2x	varies	varies	varies
*Non-timber farm land will still keep 10% rollback					

Partial HB186 Guarantee
HB186 authorizes payments to school districts and JVSDs that are located in a county that underwent a reappraisal or triennial update in tax years 2023 and 2024 and that, due to the act's temporary credit, would otherwise receive less property tax revenue in tax year 2025 than in tax year 2024. The revenue guarantee applies to tax year 2025, in the case of 2023 reappraisal or update counties, and to tax years 2025 and 2026, in the case of 2024 reappraisal and update counties. Under the act, the Ohio Department of Taxation will calculate the difference between a district's real property tax revenue in tax year 2024 and its revenue in 2025 and, if applicable, 2026. We will not receive a hold harmless payment for HB186.

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

Source	FY27	FY28	FY29	FY30	FY31
Rollback and Homestead	$4,725,763	$5,057,163	$5,112,414	$5,364,239	$5,501,838
HB186 Partial Reimbursement	0	0	0	0	0
Total Tax Reimbursements #1.050	$4,725,763	$5,057,163	$5,112,414	$5,364,239	$5,501,838

Other Local Revenues – Line #1.060
All other local revenue encompasses any revenue that does not fit the above lines. The primary sources of revenue in this area have been, interest on investments, tuition for court-placed students, student fees, Payment In Lieu of Taxes, and general rental fees. Payments in lieu of taxes include tax increment financing service payments, which are forecast at $760,000 in FY27, $900,000 in FY28, $1,000,000 in FY29, and $1,075,000 in FY30. Those amounts are built from the district's tax incentive report, reduced for two calculation errors identified with the county and the city that are being corrected, and further reduced by a conservative haircut. Any recovery of prior period overdistributions is excluded from the forecast.

Interest income remained steady in FY26 due to laddered investment strategies, expected Federal Reserve rate cuts and declining cash balances will begin to have an impact on earnings in FY27and future years. We will continue to monitor the investments for the district.

Source	FY27	FY28	FY29	FY30	FY31
Tuition Related Payments	$881,580	$881,580	$881,580	$881,580	$881,580
Medicaid	190,000	190,000	190,000	190,000	190,000
Class & Sports Oriented Fees	295,764	295,764	295,764	295,764	295,764
Interest Earnings	1,350,000	1,100,000	850,000	800,000	700,000
Payments In Lieu of Taxes (TIF)	760,000	900,000	1,000,000	1,075,000	1,125,000
Rental Related Fees	47,570	47,570	47,570	47,570	47,570
Erate	4,914	4,914	4,914	4,914	4,914
Miscellaneous	200,000	200,000	200,000	200,000	200,000
Total Other Local Revenue Line #1.060	$3,729,828	$3,619,828	$3,469,828	$3,494,828	$3,444,828

Short-Term Borrowing – Lines #2.010 & Line #2.020

There is no short-term borrowing projected in this forecast.

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

The district expects a one-time transfer of $6,000,000 from the 070 capital projects fund in FY28 with the dissolution of the campus master plan account. This transfer is the reason Line 6.010 shows a positive $496,881 in FY28. Setting the transfer aside, FY28 operations run a deficit of $5,503,119.

Source	FY27	FY28	FY29	FY30	FY31
Transfers In - Line #2.040	$0	$6,000,000	$0	$0	$0
Advance Returns - Line #2.050	0	0	0	0	0
Total Transfer & Advances In	$0	$6,000,000	$0	$0	$0

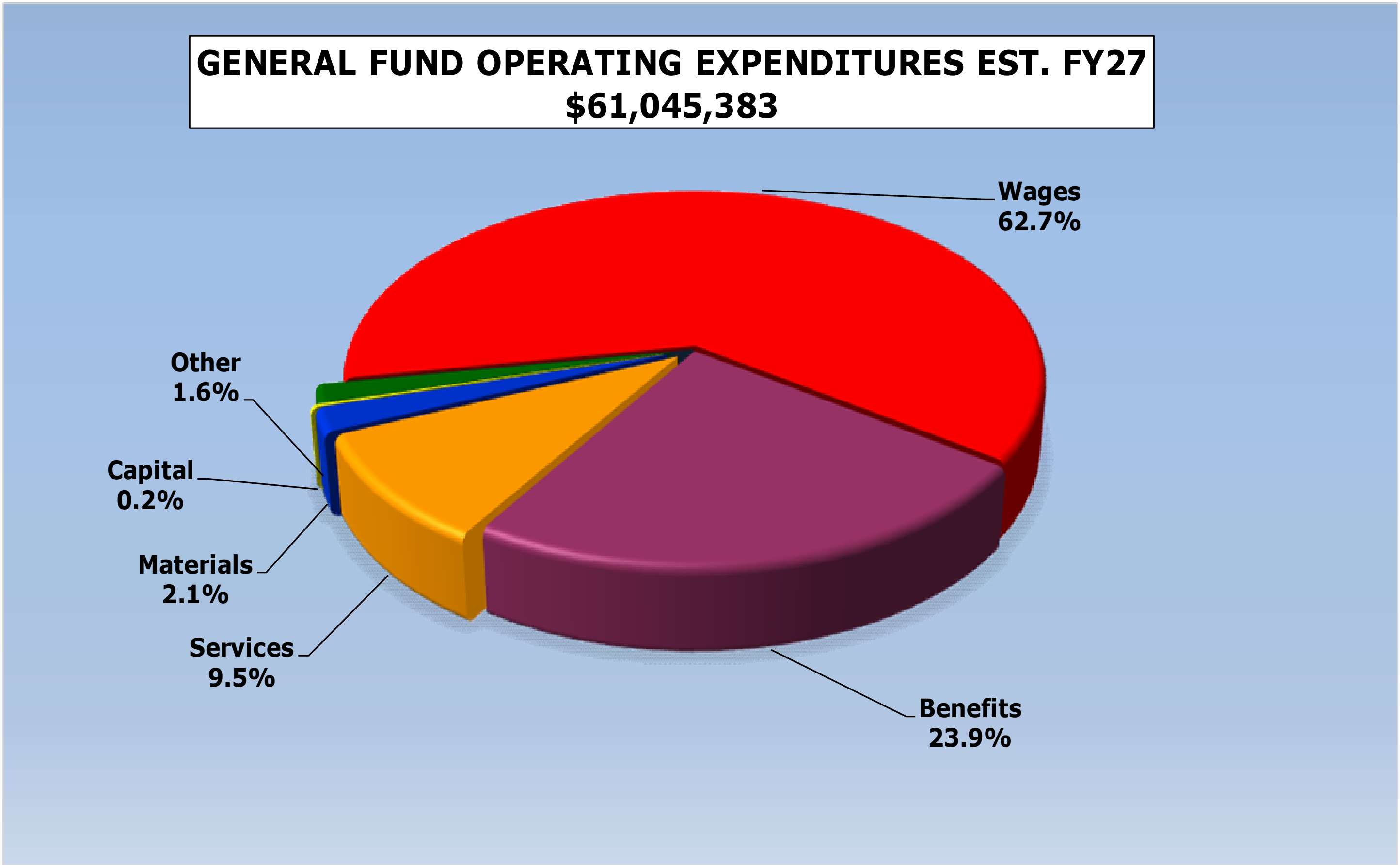
All Other Financial Sources – Line #2.060 & Line #14.010

This funding source is typically a refund of prior year expenditures that is very unpredictable. For future years we are estimating an amount of refunds that align with historical collections.

Source	FY27	FY28	FY29	FY30	FY31
Refund of prior years expenditures	$137,280	$50,000	$50,000	$50,000	$50,000

Expenditures 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 focus for resource utilization.



Personnel Services – Employee's Salaries &Wages – Line #3.010
Negotiations with bargaining unit members resulted in an agreement to include a base increase of 3.25% in FY27 for certified and a base increase of 3.00% in FY27 for classified staff. For planning purposes, a 1.75% base increase is planned FY28-FY31.

Source	FY27	FY28	FY29	FY30	FY31
Base Wages	$35,315,108	$36,962,849	$38,159,699	$39,234,085	$40,340,438
Base Pay Increase	1,147,741	646,850	667,795	686,596	705,958
Steps & Academic Training	650,000	650,000	406,591	419,757	431,575
Leaving Staff	(150,000)	(100,000)	0	0	0
New Staff	0	0	0	0	0
Substitutes	300,000	350,000	350,000	350,000	375,000
Supplementals	720,000	732,600	745,421	758,466	771,739
Severance	300,000	300,000	300,000	300,000	300,000
Adjustments	0	0	0	0	0
Other Adjustments/Reductions	0	0	0	0	0
Total Wages Line #3.010	$38,282,849	$39,542,299	$40,629,506	$41,748,904	$42,924,710

Employee's Retirement & Insurance Benefits Estimates Line #3.02
This area of the forecast captures all costs associated with benefits and retirement costs, all of which are directly related to the wages paid with the exception of health and life insurance benefits.

A) STRS/SERS

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. In addition, the district pays SERS an annual surcharge amount as required by law.

B) Insurance
The district has a 10.3% increase in premiums estimated for FY27, an estimated 9% increase in FY28 and 8% increases estimated for FY29-FY31. By FY27, the district will pay 83.5% instead of the previous rate of 85%.

C) Workers Compensation & Unemployment Compensation
Workers Compensation is expected to remain at about 0.4% of wages in fiscal years FY26 through FY31. Unemployment Compensation is anticipated to be similar to the historical costs for the district.

D) Medicare
Medicare will continue to increase at the rate of increases in wages and as new employees are hired. 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) Other/Tuition
The district reimburses employees for the tuition to further their education to maintain licensure for teaching. The district does not anticipate any significant increases during the forecast.

Summary of Fringe Benefits – Line #3.02

Source	FY27	FY28	FY29	FY30	FY31
A) STRS/SERS	$5,405,887	$5,586,329	$5,741,530	$5,900,931	$6,068,310
B) Insurance's	8,455,707	9,192,721	9,928,139	10,722,390	11,580,181
C) Workers Comp/Unemployment	166,931	171,969	176,318	180,796	185,499
D) Medicare	578,161	597,149	613,506	630,408	648,163
Other/Tuition/Annuities	6,841	6,841	6,841	6,841	6,841
Total Fringe Benefits Line #3.020	$14,613,527	$15,555,009	$16,466,334	$17,441,366	$18,488,994

Purchased Services – Line #3.030
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. The district anticipates inflationary increases in this area during the forecast period.

Source	FY27	FY28	FY29	FY30	FY31
Professional & Technical Services, ESC	$2,814,899	$2,843,048	$2,871,478	$2,900,193	$2,929,195
Maintenance, Insurance & Garbage Removal	562,472	568,097	573,778	579,516	585,311
Professional Development	43,333	43,766	44,204	44,646	45,092
Communications, Postage, & Telephone	59,164	59,756	60,354	60,958	61,568
Utilities	1,252,223	1,314,834	1,380,576	1,449,605	1,522,085
Contracted Trades & Services	27,635	110,000	111,100	112,211	113,333
Tuition, Excess Costs & Scholarship Costs	708,937	708,937	708,937	708,937	708,937
College Credit Plus	135,591	135,591	135,591	135,591	135,591
Contract Transportation	218,356	218,356	218,356	218,356	218,356
Other Adjustments Etc.	0	0	0	0	0
Miscellaneous Purchased Services	0	0	0	0	0
Total Purchased Services Line #3.030	$5,822,610	$6,002,385	$6,104,374	$6,210,013	$6,319,468

Supplies and Materials – Line #3.040
Expenses which are characterized by curricular supplies, testing supplies, copy paper, maintenance and custodial supplies, materials, and bus fuel. An average increase of 1% is projected in this area for the forecast period.

Source	FY27	FY28	FY29	FY30	FY31
General Office Supplies & Materials	$496,825	$501,793	$506,811	$511,879	$516,998
Textbooks & Instructional Supplies	91,203	92,115	93,036	93,966	94,906
Facility Supplies & Materials	248,352	250,836	253,344	255,877	258,436
Transportation Fuel & Supplies	428,968	433,258	437,591	441,967	446,387
Other adjustments SWSF, CARES, Etc.	0	0	0	0	0
Total Supplies Line #3.040	$1,265,348	$1,278,002	$1,290,782	$1,303,689	$1,316,727

Capital Outlay – Line #3.050
The district does not anticipate costs increasing significantly in this line because most capital outlay is paid by the Permanent Improvement Fund.

Source	FY27	FY28	FY29	FY30	FY31
Capital Outlay & Maintenance	$95,811	$95,811	$95,811	$95,811	$95,811
Technology/Curriculum Purchases	15,000	15,000	15,000	15,000	15,000
Busses & Other Vehicles	0	0	0	0	0
Other adjustments SWSF, CARES, Etc.	0	0	0	0	0
Total Equipment Line #3.050	$110,811	$110,811	$110,811	$110,811	$110,811

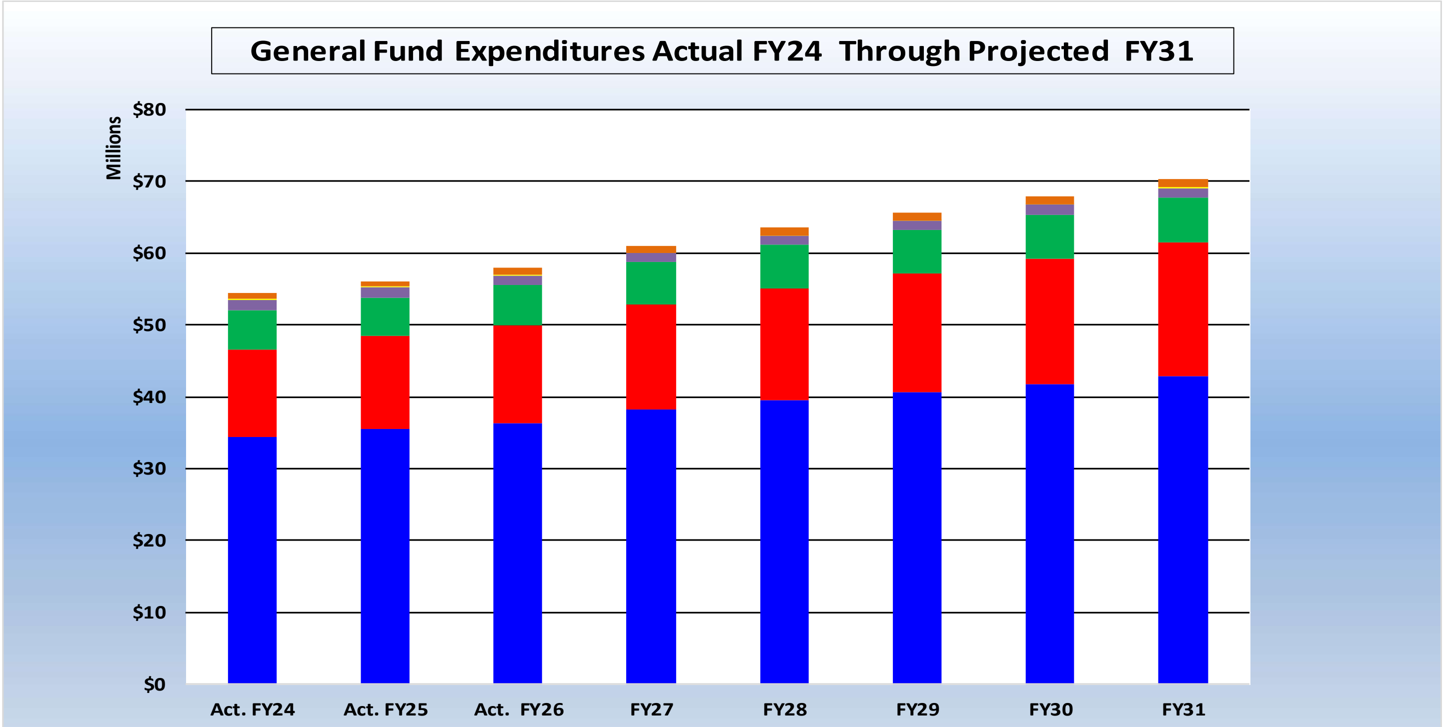
Principal and Interest Payment – Lines #4.010 through 4.060
There are no borrowings planned in the forecast period.

Other Objects – Line #4.300
The category of Other Expenses consists primarily of Auditor & Treasurer fees, our annual audit and other miscellaneous expenses. We are projecting a small increase in expenditures in this area.

Source	FY27	FY28	FY29	FY30	FY31
County Auditor & Treasurer Fees	$593,918	$593,918	$593,918	$593,918	$593,918
ESC Deduction	23,381	23,381	23,381	23,381	23,381
Increased A&T Fees for New Levies	0	71,630	138,550	138,550	138,550
Dues, Fees & other Expenses	332,939	332,939	332,939	332,939	332,939
Total Other Expenses Line #4.300	$950,238	$1,021,868	$1,088,788	$1,088,788	$1,088,788

Total Expenditure Categories Actual Fiscal Year 2024 through Fiscal Year 2026 and Estimated Fiscal Year 2027 through Fiscal Year 2031

The graph below shows a quick overview of actual and estimates expenses by proportion to the total for the General Fund expenditures.



Transfers Out/Advances Out – Line #5.010
This account group includes fund-to-fund transfers and short-term, year-end loans from the General Fund to other funds, which are later repaid once reimbursements are received.

Source	FY27	FY28	FY29	FY30	FY31
Operating Transfers Out Line #5.010	$85,000	$200,000	$200,000	$200,000	$200,000
Advances Out Line #5.020	0	0	0	0	0
Total Transfer & Advances Out	$85,000	$200,000	$200,000	$200,000	$200,000

Encumbrances – Line #8.010
These are outstanding purchase orders that have not been approved for payment as the goods were not received in the fiscal year in which they were ordered.

	FY27	FY28	FY29	FY30	FY31
Estimated Encumbrances Line #8.010	$150,000	$150,000	$150,000	$150,000	$150,000

Ending Cash Balances "The Bottom-line" – Line #7.020 and Line #15.010
There are two important ending cash balance lines on the financial forecast.

Line 7.020 Ending Cash Balance shows the projected ending cash balance based only on levies that have already been approved by voters. This reflects the district's current confirmed financial reality.

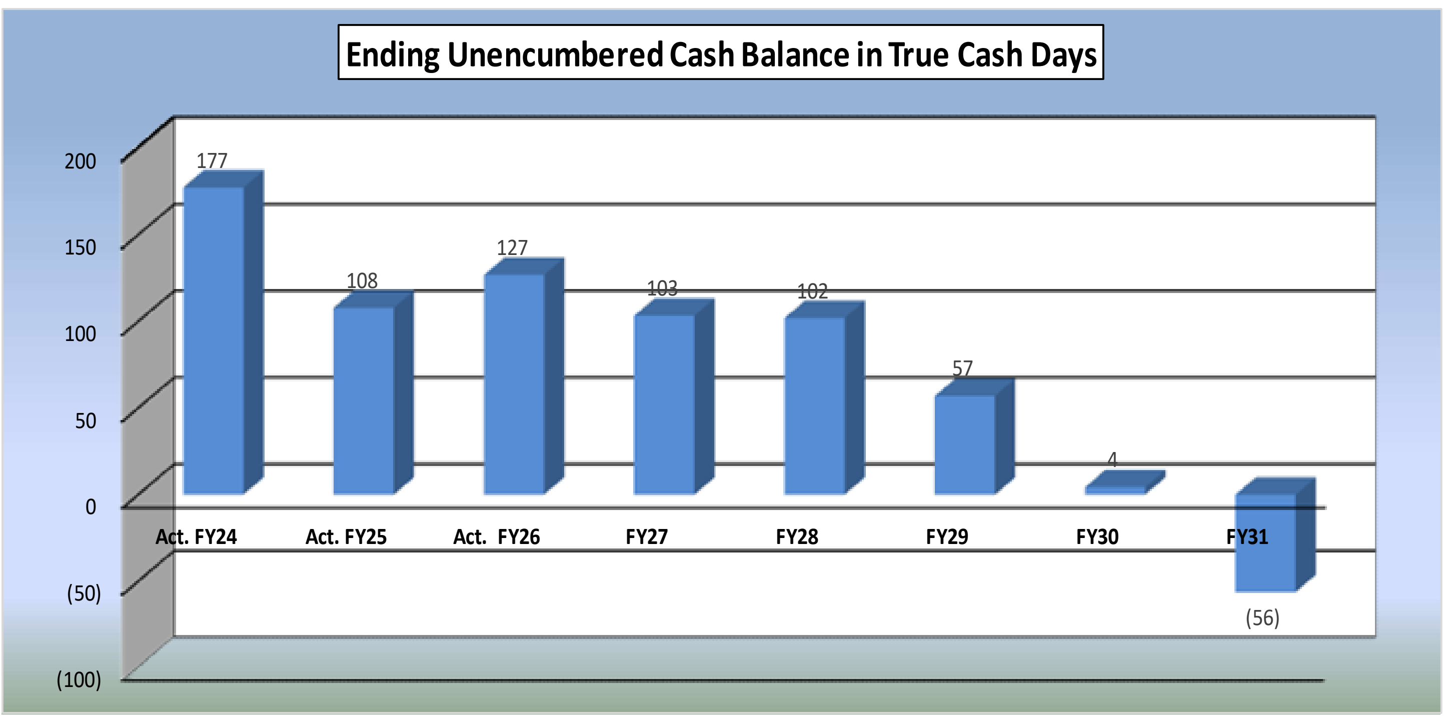
Line 15.010 Ending Unreserved Cash Balance includes planned levies that have not yet been approved by voters at the time the forecast is adopted. This line reflects the district's long term financial plan assuming future voter approval.

Understanding the difference between these two lines is critical. Line 7.020 shows where the district stands today. Line 15.010 shows the plan required to remain financially sustainable in the future.

Line 15.010 must not fall below zero. If the district knowingly signs a multi-year contract that results in a negative unencumbered cash balance, it would violate Ohio Revised Code 5705.412 and could result in personal liability of up to ten thousand dollars, unless an allowable alternative certificate is issued under HB153. The Government Finance Officers Association recommends a minimum of 60 days of cash on hand. Board Policy 6215 sets a 90-day target for this district.

	FY27	FY28	FY29	FY30	FY31
Ending Cash Balance Line #7.02	$17,445,863	$17,942,744	$10,447,214	$964,161	($10,711,595)
Ending Unreserved Cash Balance Line #15.01	$17,295,863	$22,725,972	$24,772,469	$24,831,443	$22,697,714

True Cash Days Ending Balance
Another way to look at ending cash is to state it in 'True Cash Days". In other words, how many days could the district operate at year-end if no additional revenues were received? The calculation is the current year ending cash balance divided by average daily expenditures, where average daily expenditures equal current year expenditures divided by 365. The result is the number of days the district could operate without additional resources. The government Finance Officers Association recommends that no less than two (2) months or 60 days of cash is on hand at year-end. Still, it could be more depending on each district's complexity and risk factors for revenue collection. This is calculated, including transfers, as this is a predictable funding source for other funds such as capital, athletics, and severance reserves.



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