



February 10, 2026

Five-Year Financial Forecast



# Promise



Executive Summary:

- Current five-year outlook at a high level (trend direction, not numbers)
- Primary drivers of change since the October 2025 forecast
- Impact of pending or enacted legislation (especially HB 186)
- Key decision points/timelines (levy expiration, bargaining, bond payoff)



Important Dates:

December 31, 2026: Expiration of the Current Expense Levy, Passed May 2021

November 2027: Board of Education Election

December 1, 2027: Final Payment of the 2016 Bond Refunding

June 30, 2028: Expiration of CBA with IHEPO Negotiated in July, 2024

November 2029: Board of Education Election

House Bill 920

In 1976, House Bill 920 (tax reduction factor) became Ohio State Law. This law provides a credit against all voted tax millage. When expected inflation causes property value to increase, additional credits are added to tax levies previously voted upon. This allows property owners to not pay more taxes than the amount in the voted upon levy. This means, that all increases in revenue received from districts who have a voted levy is from the additional amount added due to new construction.

**House Bill 920 - Does not allow school district revenue to increase uniformly with property market values*

The 20-Mill Floor

The total tax rate for school district general fund levies cannot fall below 20 mills. Because of this, Ohio property tax rate cannot be adjusted down below the 20-mill mark. Because of this, when property value increases and the tax rate is not adjusted accordingly, taxes increase.



Property Taxes

The confluence of four forces has propelled Ohio's residential property tax plight:

- Rapidly escalating home values.
- A relatively slow-growth Ohio economy with below average per capita income making it harder for many to pay their rising property tax bills.
- Twenty years of state tax policy changes that have diminished state and local resources available for schools and local government funding, including a reduction in the share of local residential property taxes paid by the state and, separately, by businesses and public utilities, thus placing a greater burden on local residential and agricultural property owners. And to the extent that these are good ideas, this underscores the difficulty of addressing real property tax problems.
- Local citizens dutifully and repeatedly supporting real property tax increases forced on them by a system that is overly constraining as it relates to limiting certain property tax growth.



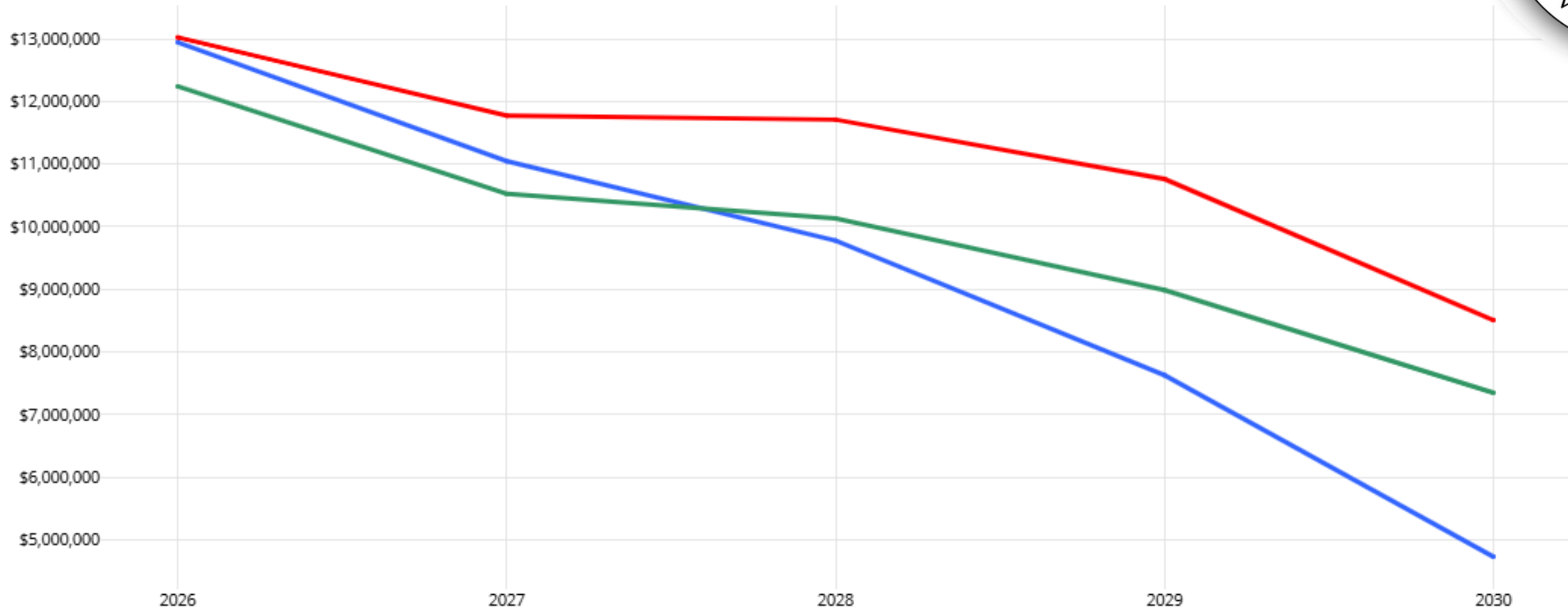
Source: Ohio Education Policy Institute

Cash Balance Comparison Dashboard

(Five Year Forecast)



Projected General Fund Cash Balance



LEGEND

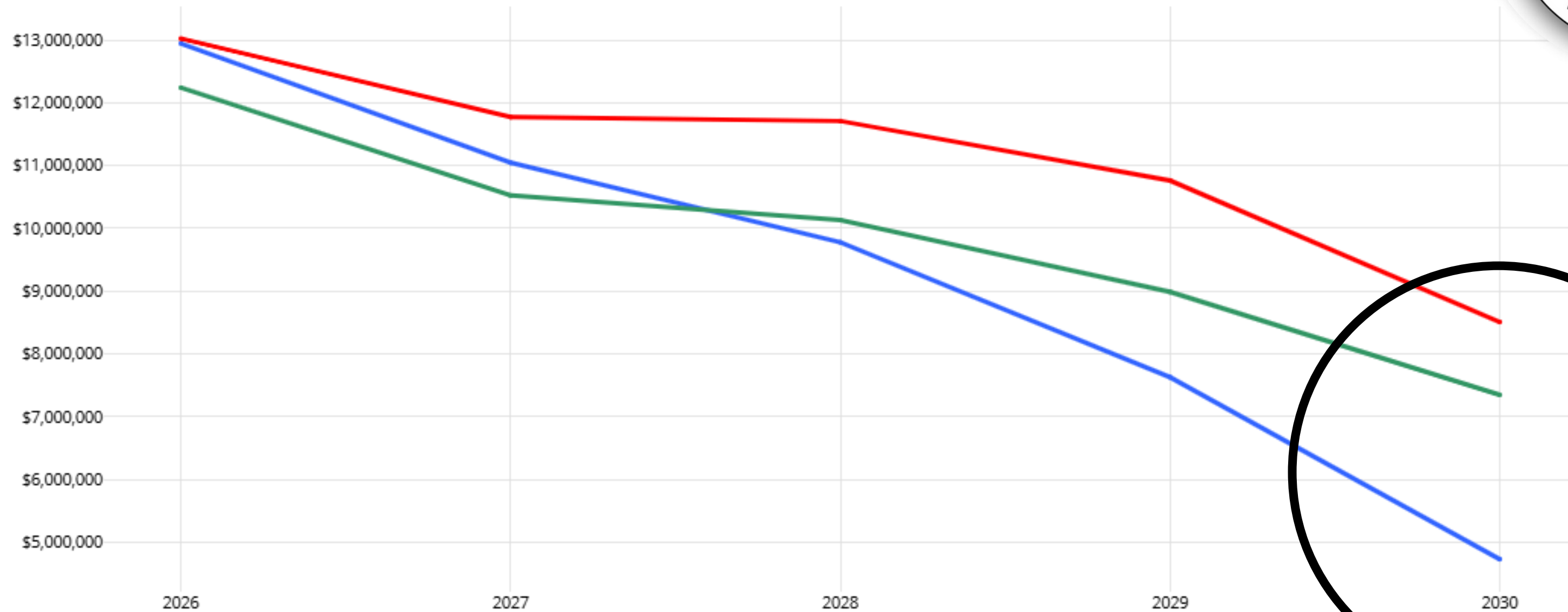
- RED: WITHOUT PROPERTY TAX REFORM
- GREEN: OCTOBER 2025 FIVE YEAR FORECAST
- BLUE: CURRENT FIVE YEAR FORECAST

Cash Balance Comparison Dashboard

(Five Year Forecast)



Projected General Fund Cash Balance



LEGEND

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House Bill 186: 20-Mill Floor Cap

- Caps the revenue 20-mill floor districts and JVSDs on the 2-mill floor will receive from reappraisal or update at the cumulative three-year rate of inflation.
- Retroactively applies this cap to 2023-25.
- Applies an "Inflation Cap Credit" for property owners in districts that are at the 20-mill floor for school taxes. This credit will limit increases in un-voted property tax revenue for those school districts to the rate of inflation.
- The amended bill also provides an immediate tax credit to all qualifying property owners, not just those experiencing large increases due to a reappraisal.



House Bill 335 - Inside Millage Cap

- Caps the inside millage revenue that schools and local governments receive from reappraisal or update to the cumulative rate of inflation over the previous three years.
- Excludes revenue increases attributable to new improvements or the expiration of tax reductions from the bill's growth limit.



Delayed Reappraisal Schedules

According to the Ohio Department of Taxation, the stated purpose is:

- Alleviate burden on Ohio taxpayers and county auditors
- Improve efficiency and accuracy of property valuations
- Better balance reappraisal workload across counties and year

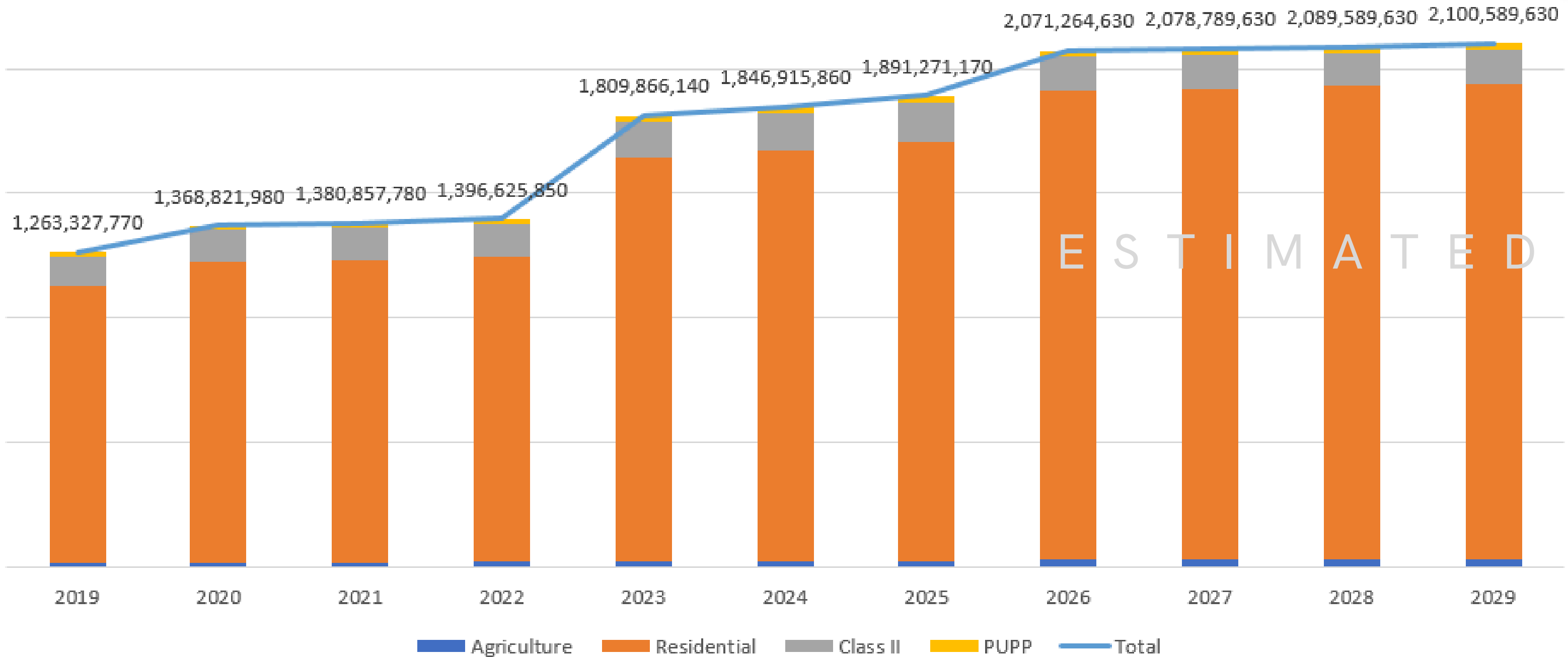
Key Takeaways for District Use:

- Hamilton County's next sexennial reappraisal is now 2030, instead of 2029
- The change is administrative and timing-related only
- No changes to tax rates, tax reduction factors, or inflation caps are included in this action

Property Value Breakdown Trends:



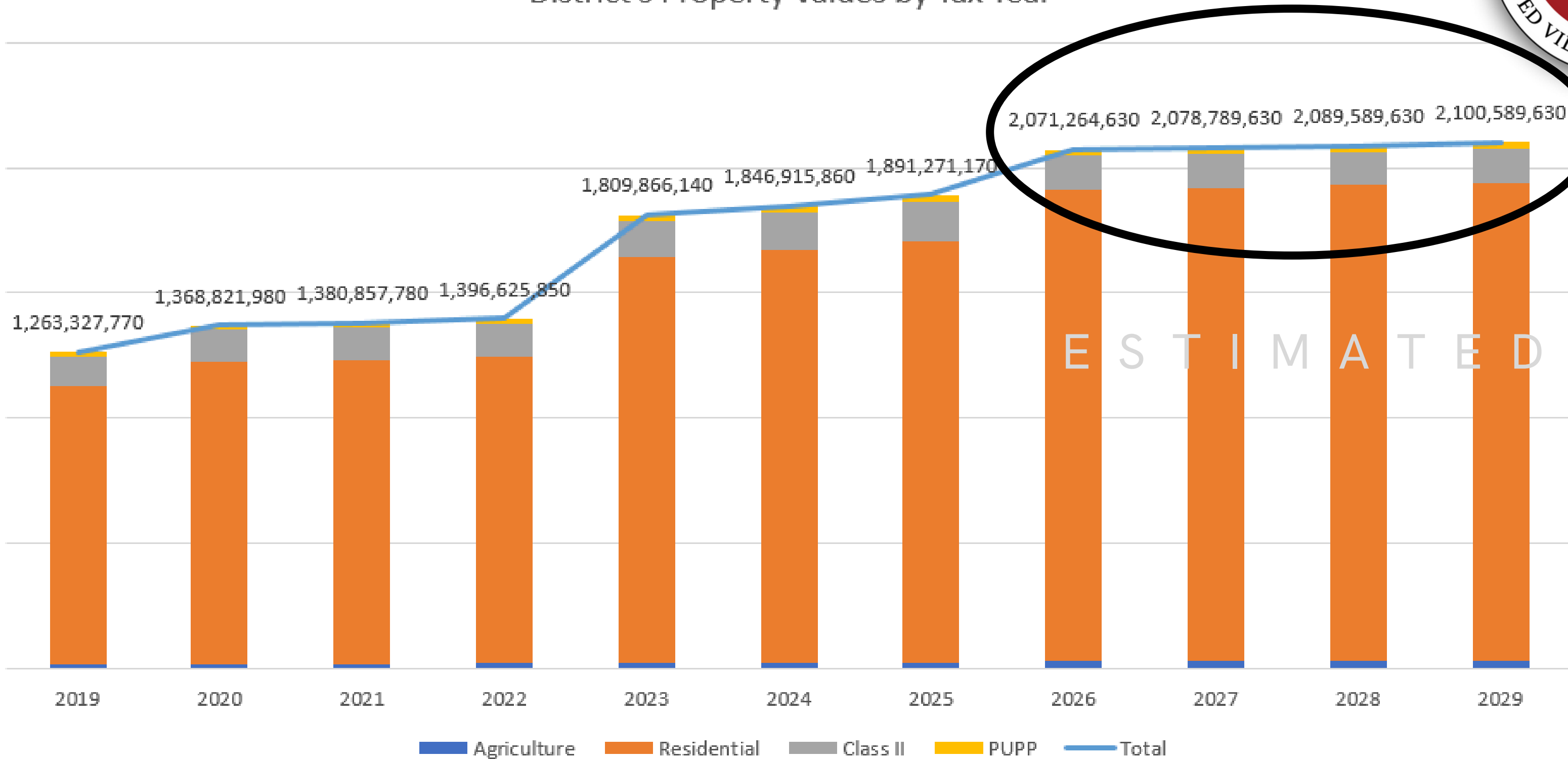
District's Property Values by Tax Year



Property Value Breakdown Trends:

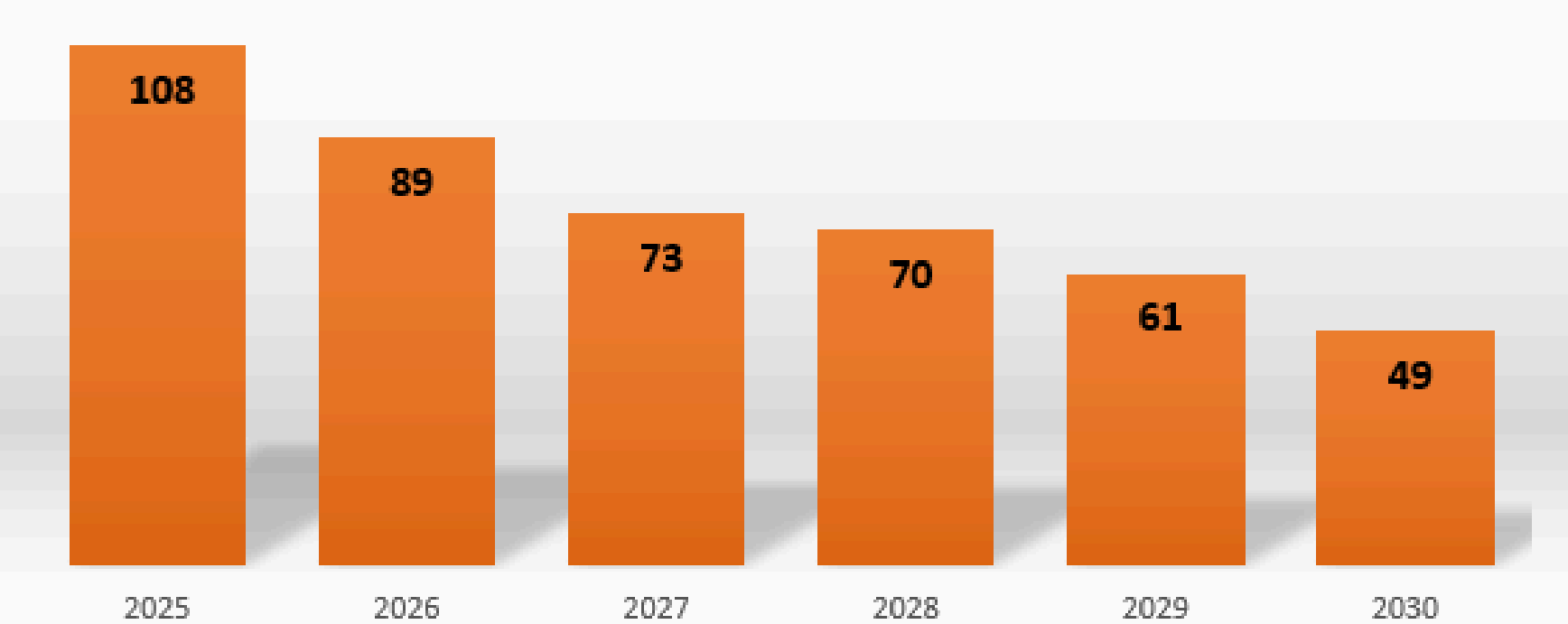


District's Property Values by Tax Year



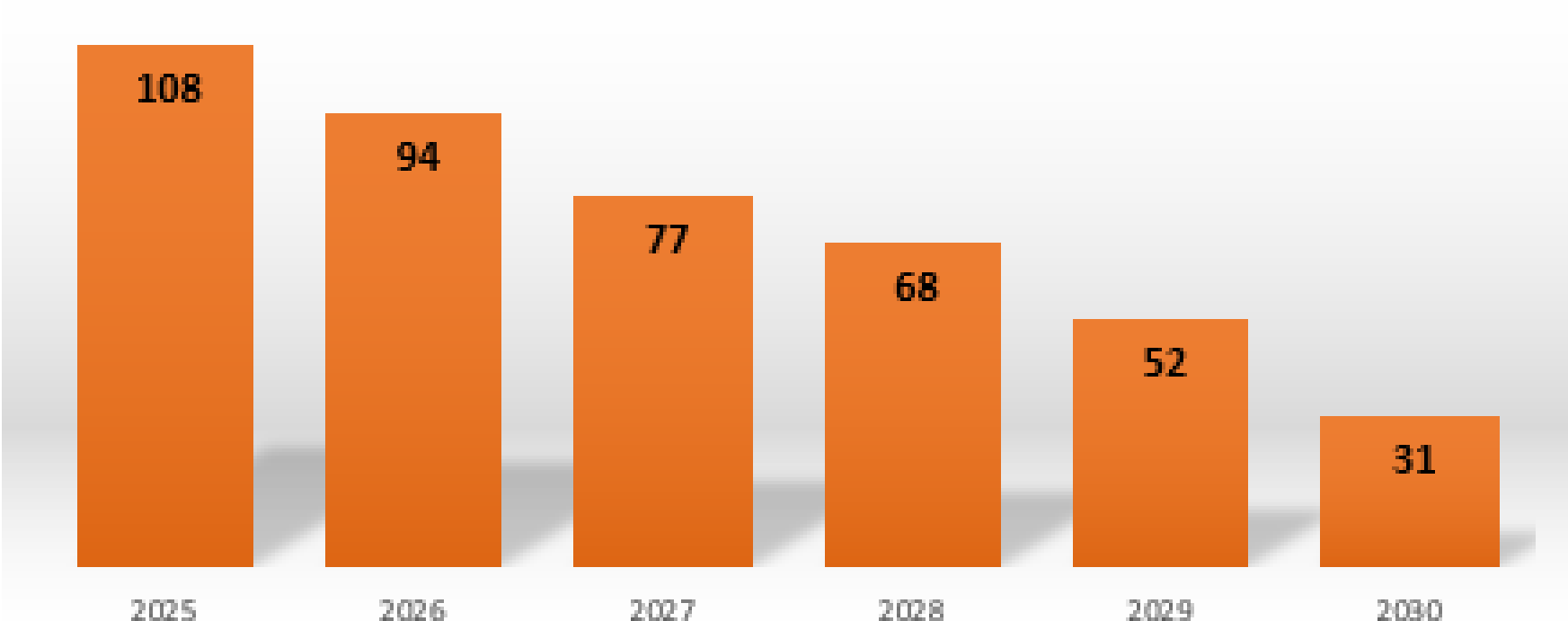
OCTOBER 2025 FORECAST

Days Cash on Hand - Current Forecast



CURRENT FORECAST

Days Cash on Hand - Current Forecast



*Based on 365 days

- Cash flow risk
- Flexibility constraints
- Impact on rating agencies or fiscal caution flags



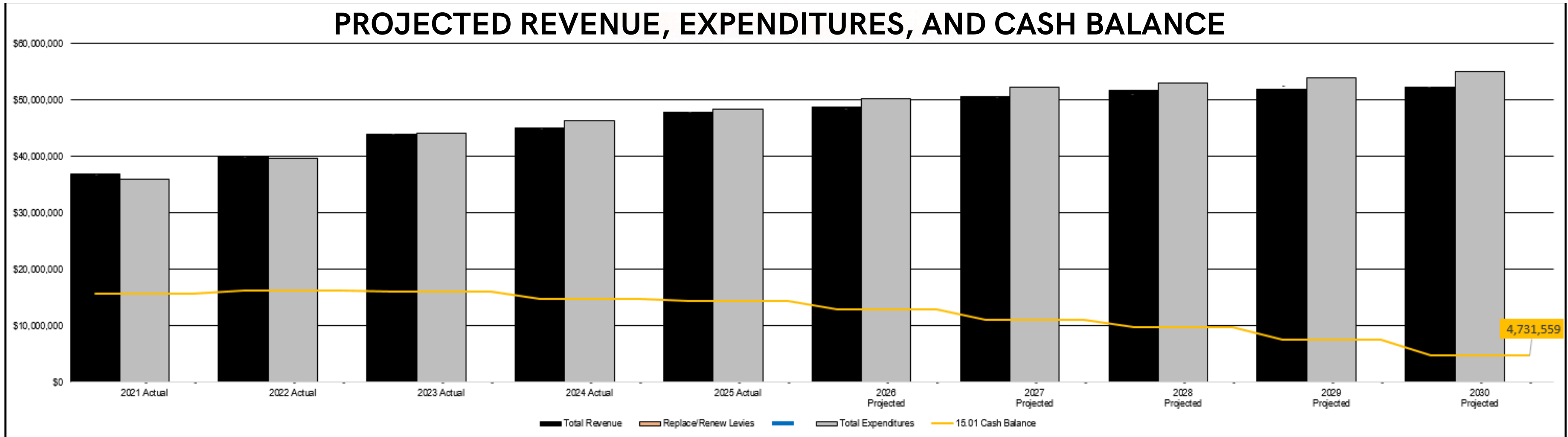
Constitutional Amendment to Eliminate Property Taxes

Proposed amendment would:

- Add to the constitution, “No real property shall be taxed, and no law shall impose any taxes on real property.” It defines real property as land, crops, buildings, and other permanent improvements.
- In addition to schools, property taxes fund emergency services, parks, libraries, local governments, and other entities.

**This is a risk scenario, not a forecast assumption.*

PROJECTED REVENUE, EXPENDITURES, AND CASH BALANCE



WHAT DOES THIS FORECAST MEAN FOR THE FUTURE

- Timing considerations for future levy discussions
- Constraints on expenditure growth
- Importance of monitoring legislative developments
- Commitment to maintaining fiscal stability and program quality



Mick Davis, CFO/Treasurer

Indian Hill Exempted Village School District

For additional details &
to view the complete presentation, visit:

<http://www.indianhillschools.org/Finance.aspx>

