



May 19, 2025

Five-Year Financial Forecast



#IH Promise



Important Dates:

June 30, 2025: Expiration of Current CBA with IHEPO

November 2025: Board of Education Election

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

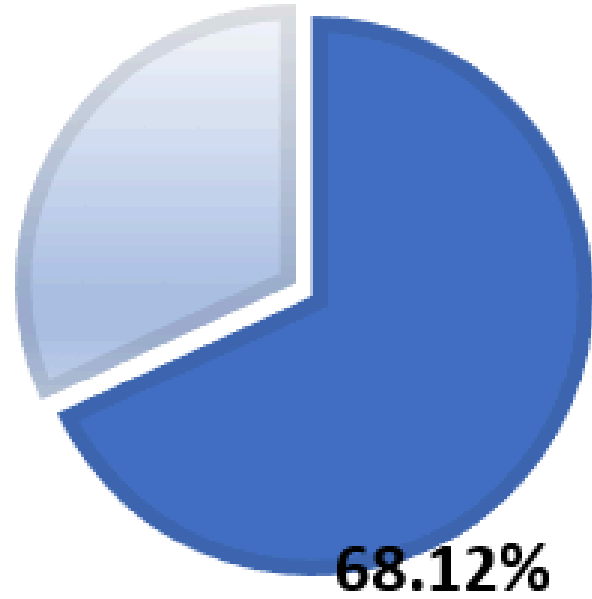


Overview:

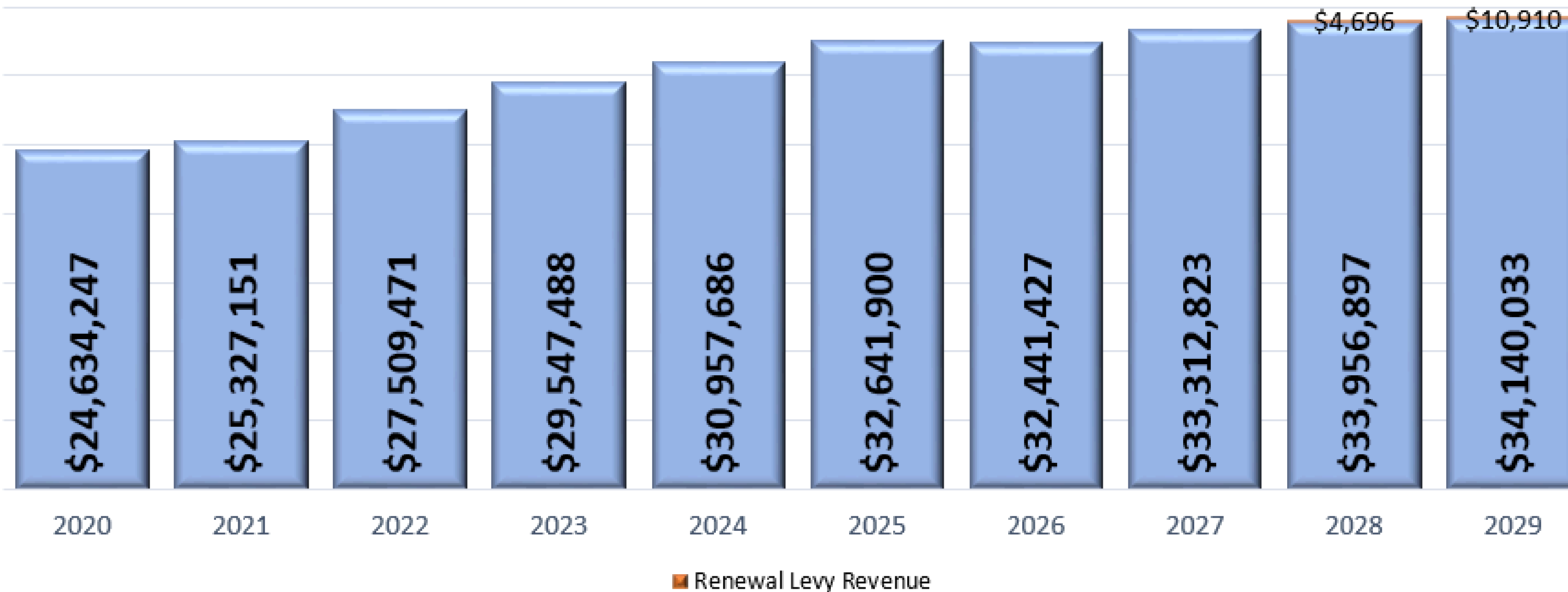
- District Revenue Forecast (Uncertainty)
- Investments in Our Future
- Summary

1.010 - General Property Tax (Real Estate)

Revenue collected from taxes levied by a school district by the assessed valuation of real property using effective tax rates for class I (residential/agricultural) and class II (business).



Real estate property tax revenue accounts for 68.12% of total district general fund revenue.

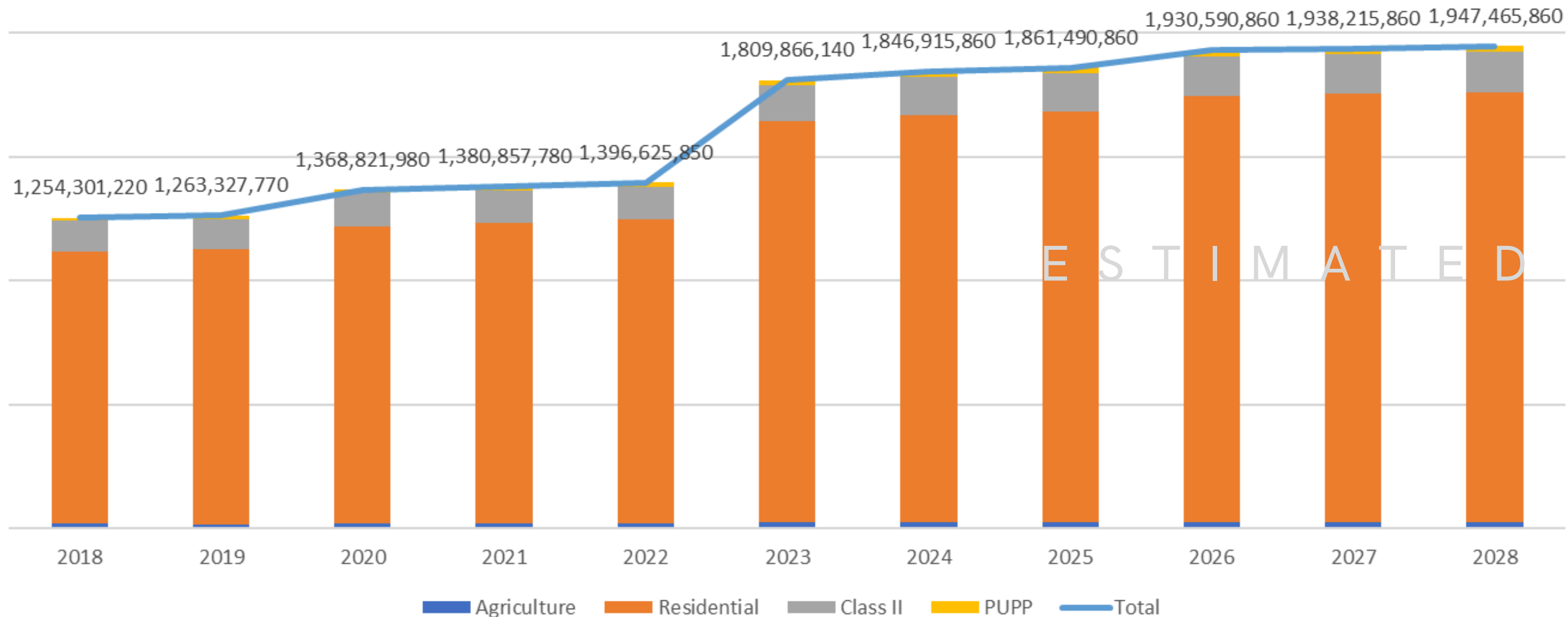


District Revenue Forecast

Property Value Breakdown Trends:



District's Property Values by Tax Year



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.





The 20-Mill Floor

Real Estate Property Values and Tax Rates							
	Tax Yr	Valuation	Value Change	Class I Rate	Change	Class II Rate	Change
ACTUAL	2023	1,789,816,140	410,970,630	20.00	-	20.94	-
ACTUAL	2024	1,825,331,750	35,515,610	20.00	(0.00)	20.14	(0.80)
ESTIMATED	2025	1,839,156,750	13,825,000	20.01	0.01	20.15	0.02
ESTIMATED	2026	1,907,506,750	68,350,000	20.00	(0.01)	20.00	(0.15)
ESTIMATED	2027	1,914,381,750	6,875,000	20.05	0.05	20.05	0.05
ESTIMATED	2028	1,923,131,750	8,750,000	20.06	0.01	20.07	0.02

HB 96: 30% Budget Rollback Proposal



Proposed changes include:

- Require districts to submit five-year projections of revenues and expenditures to the county budget commission.
- Budget commissions are then required to reduce property tax rates for any district whose cash balance exceeds 30% of their expenditures in the previous year.
- Budget commissions will reduce the property tax rates in the following tax year to reduce collections by the amount of the excess carry-over.
- Exempts districts whose levies have been reduced by the county budget commission from the requirement that it levy at least 20 mills to receive state foundation aid.

Constitutional Amendment to Eliminate Property Taxes



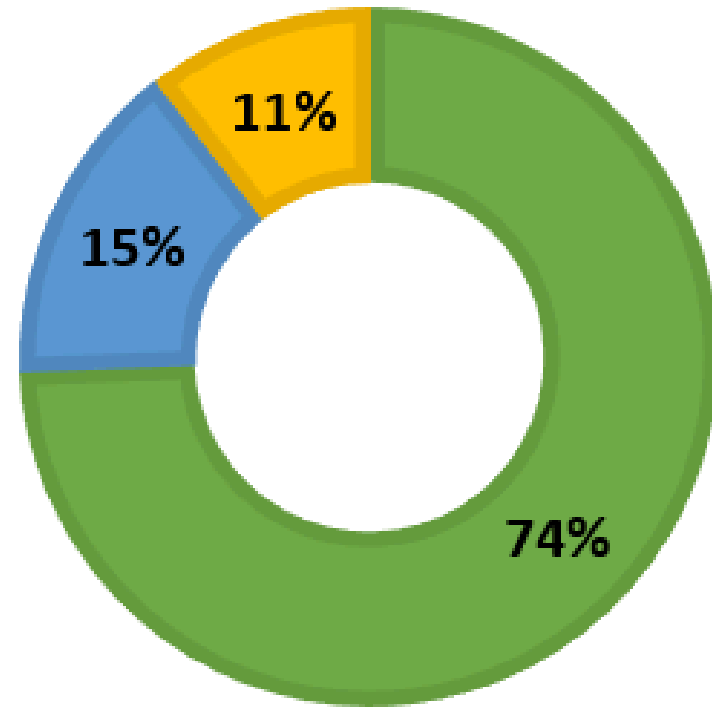
Proposed amendment would:

- 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.
- Property values are reduced by 35% when calculating taxes.
- Other exemptions such as homestead, non-business credit, and the owner-occupancy credit which are reimbursed by the state.



Investments in Our Future

Expenditure Categories



Personnel Costs

Salaries	55.72%
Benefits	18.67%

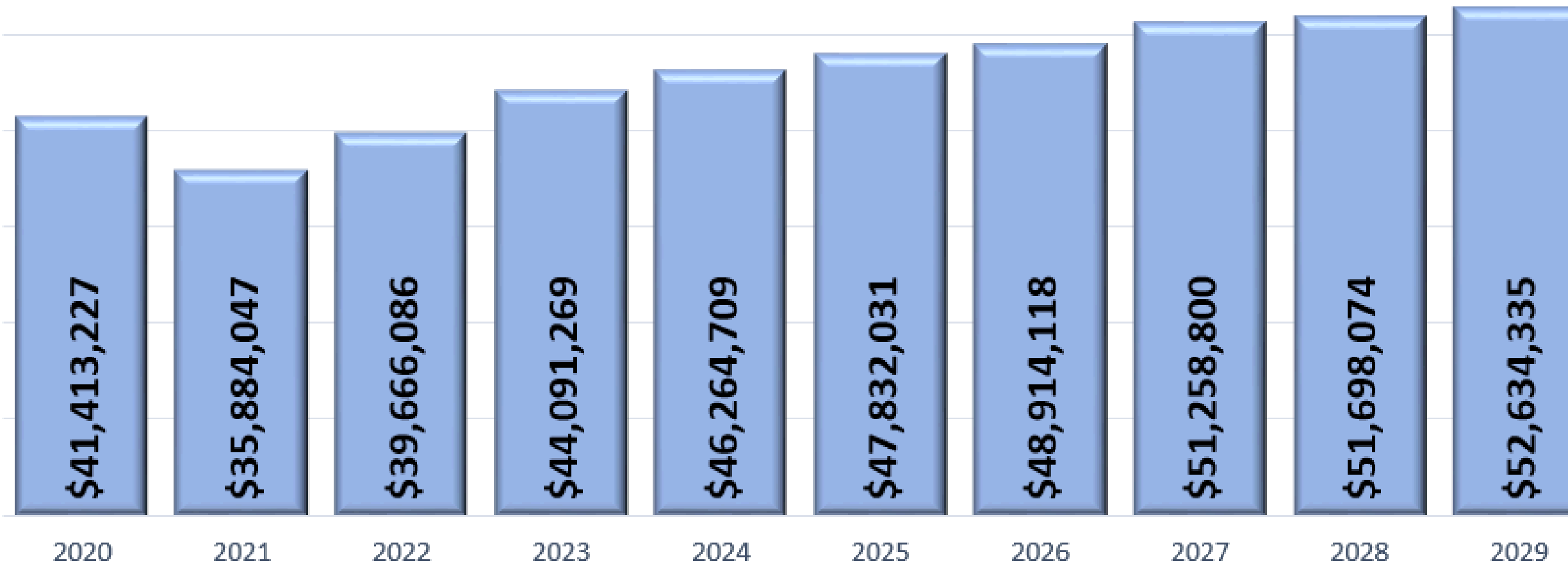
Purchased Services

15.09%

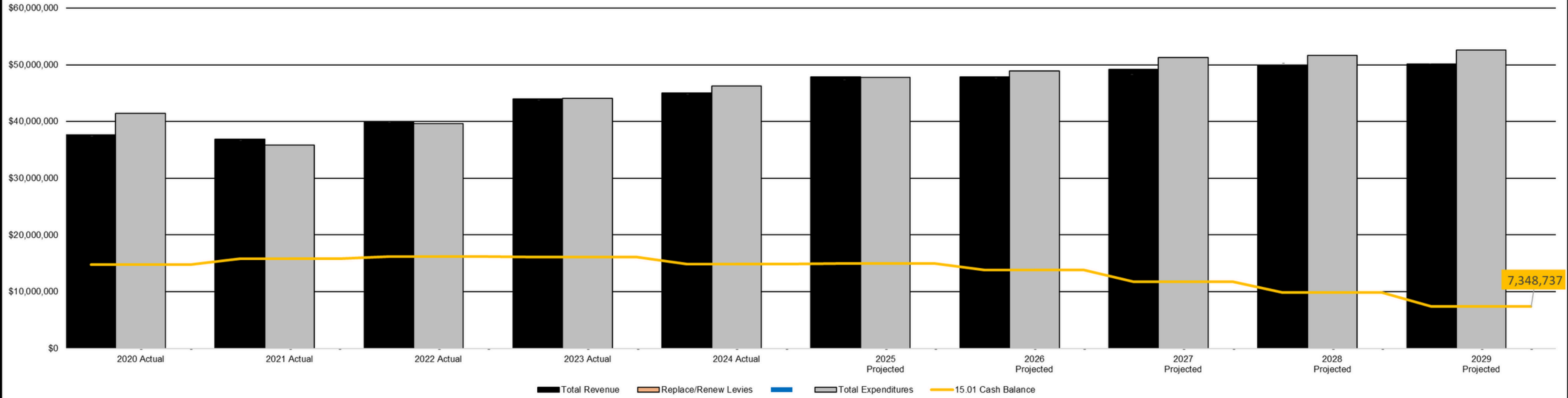
All Other Expenditures

Supplies, Capital, Debt, Other Obj	9.82%
Other Uses	0.71%

Annual Expenditures Actual + Projected



Projected Revenue, Expenditures, and Cash Balance





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>

