

OHIO AUDITOR OF STATE
KEITH FABER



Triway
Local School District

Performance Audit

October 2026



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To the Triway Local School District Community:

The Auditor of State's Office recently completed a performance audit for the Triway Local School District (the District). The District was selected for a performance audit based on its projected financial condition. This review was conducted by the Ohio Performance Team and provides an independent assessment of operations within select functional areas. The performance audit has been provided at no cost to the District through state funds set aside to provide analyses for districts that meet certain criteria, including conditions that would lead to fiscal distress.

This performance audit report contains recommendations, supported by detailed analyses, to enhance the District's overall economy, efficiency, and/or effectiveness. This report has been provided to the District and its contents have been discussed with the appropriate elected officials and District management. The District has been encouraged to use the recommendations contained in the report to perform its own assessment of operations and develop alternative management strategies independent of the performance audit report.

It is my hope that the District will use the results of the performance audit as a resource for improving operational efficiency as well as service delivery effectiveness. The analyses contained within are intended to provide management with information, and in some cases, a range of options to consider while making decisions about their operations. This performance audit report can be accessed online through the Auditor of State's website at <http://www.ohioauditor.gov> and choosing the "Search" option. Additional resources related to performance audits are also available on the Ohio Auditor of State's website.

Sincerely,

KEITH FABER
Ohio Auditor of State

Tiffany L. Ridenbaugh, CPA, CFE, CGFM
Chief Deputy Auditor

October 6, 2026

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Introduction

The public expects and deserves government entities to be good stewards of taxpayer dollars. School officials have a responsibility to maximize program outcomes and success while minimizing costs. Transparent management of taxpayer dollars promotes a good relationship with the constituents served by a school district. School districts in Ohio are required to submit financial forecasts to the Ohio Department of Education and Workforce (ODEW) annually in August, with updates to the forecast submitted in February.¹ These documents provide three years of historical financial data, as well as the projected revenues and expenses for a multi-year period.²

The Ohio Auditor of State's Office Ohio Performance Team (OPT) routinely reviews the submitted forecasts in order to identify districts which may benefit from a performance audit. These audits are designed to assist school districts that are struggling financially. We use data-driven analyses to produce and support recommendations that identify opportunities for improved operations, effectiveness, increased transparency, and reductions in cost. While we have the authority to initiate a performance audit for school districts facing financial distress, any school district can request, and benefit from, an audit.³

Audit Methodology

Our audit focuses on identifying opportunities where expenditures may be reduced as the District administration can make decisions in these areas. The information, which was presented to District officials, is based on a combination of peer district comparisons, industry standards, and statewide requirements. During the audit, we relied on academic year (AY) 2025 and AY 2026 data to complete our analyses, which were the most recent years of available data at the time.⁴ When applicable, we supplemented our analyses with current data supplied by the District.

Two groups of peer districts were identified for the purpose of this audit. The first peer group, primary peers, are districts located throughout Ohio and are chosen based on having similar or better academic performance and similar demographic makeup while maintaining relatively lower spending per pupil. Primary peer districts are used for financial comparisons and analyses

¹ORC § 5705.391 and OAC 3301-92-04.

² House Bill 96 of the 136th General Assembly (the biennial budget bill) contained changes to the school forecast which included shortening the length of the forecast period and altering the submission dates. These changes went into effect in AY 2026. Previous forecasts were submitted in November, with a required update in May; and October, with a required update in February.

³Performance audits are conducted using Generally Accepted Government Auditing Standards guidelines, see [Appendix A](#) for more details.

⁴ The academic year, which coincides with the fiscal year, begins July 1st and ends June 30th.

regarding operations such as staffing levels. The second, local peers, is comprised of districts in the surrounding area and is used for labor market comparisons, such as salary schedules. See [Appendix A](#) for a list of all districts used in our peer comparisons.

Triway Local School District

Triway School District (TLSD or the District) is located in Wayne County and, as of AY 2025, had 1,374 students enrolled including students residing in the District and those who attend through open enrollment options. The District spans approximately 97 square miles and has an Ohio median income of \$43,584.

Financial Condition

In February 2026, the District released its required forecast update that showed negative year-end fund balances in the forecast period beginning in AY 2027. A summary of this forecast is in the table below. As seen in this table, the District has negative results of operations in each of the four years of the forecast period. This deficit spending is possible in the short-term because of the existing positive fund balance. However, based on projected deficit spending, the District forecasted a negative ending cash balance beginning in AY 2028, which was predicted to grow to approximately \$3.8 million by AY 2029, the last year of the forecast. Due to the declining fiscal condition of the District presented in the February 2026 forecast, and in consultation with ODEW, we chose to conduct a performance audit which was initiated in April 2026.

Financial Condition Overview (February 2026 Forecast)

	AY 2026	AY 2027	AY 2028	AY 2029
Total Revenue	\$23,771,604	\$21,013,076	\$20,553,752	\$20,609,495
Total Expenditures	\$24,844,065	\$21,915,004	\$22,256,724	\$22,781,935
Results of Operations	(\$1,072,461)	(\$901,928)	(\$1,702,972)	(\$2,172,440)
Beginning Cash Balance	\$2,010,357	\$937,896	\$35,968	(\$1,667,004)
Ending Cash Balance	\$937,896	\$35,968	(\$1,667,004)	(\$3,839,444)
Encumbrances	\$450,000	\$450,000	\$450,000	\$450,000
Ending Fund Balance (Line 10.010)	\$487,896	(\$414,032)	(\$2,117,004)	(\$4,289,444)
Cumulative Balance of Replacement/Renewal Levies	\$0	\$411,889	\$1,114,173	\$1,816,457
Ending Fund Balance (Line 12.010)	\$487,896	(\$2,143)	(\$1,002,831)	(\$2,472,987)

Source: ODEW

ODEW can require a district to submit a financial recovery plan (FRP) if it determines that the district is at risk of fiscal distress. Due to the District's projected financial condition in its February 2026 forecast, TLSD was required to submit a written FRP to ODEW. The Board approved the District's plan in April 2026 and subsequently submitted it to ODEW, who approved the FRP in May 2026. The FRP included a financial forecast; however, the forecast was not submitted separately to ODEW. Using the information contained in the FRP, we developed a forecast summary, identified as the 2026 FRP Forecast in the following table. The FRP forecast projected negative results of operations for three years of the forecast and a

Efficient • Effective • Transparent

negative ending fund balance of approximately \$569,000 in AY 2029, the last year of the forecast.

Financial Condition Overview (2026 FRP Forecast)

	AY 2026	AY 2027	AY 2028	AY 2029
Total Revenue	\$26,571,604	\$21,013,076	\$20,553,752	\$20,609,495
Total Expenditures	\$24,813,998	\$22,138,374	\$22,603,640	\$23,238,236
Results of Operations	\$1,757,606	(\$1,125,298)	(\$2,049,888)	(\$2,528,741)
Beginning Cash Balance	\$2,010,357	\$3,767,963	\$2,642,665	\$592,777
Ending Cash Balance	\$3,767,963	\$2,642,665	\$592,777	(\$1,935,964)
Encumbrances	\$450,000	\$450,000	\$450,000	\$450,000
Ending Fund Balance (Line 10.010)	\$3,317,963	\$2,192,665	\$142,777	(\$2,385,964)
Cumulative Balance of Replacement/Renewal Levies	\$0	\$411,889	\$1,114,173	\$1,816,457
Ending Fund Balance (Line 12.010)	\$3,317,963	\$2,604,554	\$1,256,950	(\$569,507)

Source: TLSD

Although the FRP forecast projected an improved negative ending fund balance, the District projected increased negative results of operations for AY 2027 through AY 2029. In the 2026 FRP forecast, the District's negative results of operations ranged from 5.4 percent of revenue in AY 2027 to 12.3 percent of revenue in AY 2029. The FRP forecast reflects actions taken by the District to reduce expenditures, as well as increased revenue for AY 2026 due to a \$2.8 million payment from the Rover Pipeline for Tax Year 2019.⁵

Forecasted expenditure reductions for AY 2027 include several staffing reductions, some of which are related to the District's move from four academic buildings to one PK-12 building. The District also opted out of renewing some staff contracts with the Tri-County ESC and Akron Children's Hospital.

The District's February and FRP forecasts also included the renewal of its three-year emergency levy in 2026. Since the submission of these forecasts, the District has opted not to renew the three-year emergency levy. However, there is a 0.75 percent school district earned income tax levy on the November 2026 ballot that, if approved, is expected to generate approximately \$2.3 million annually. Should the earned income tax levy fail to pass, the District's projected financial condition will worsen significantly without the forecasted emergency levy funds.

⁵ Rover has appealed the valuation of the pipeline for tax years subsequent to 2019, putting into question the amount and timing of future payments to the District. These revenues are not included in the FRP forecast.

During the course of the audit, the District released its August 2026 initial required forecast. The forecast can be found here: [Reports Portal](#)

School Funding

Historically, school funding in Ohio has been a partnership between the state and local districts. Local districts can raise funds through property and school district income taxes, and the state provides funding primarily through a foundation formula, which is intended to ensure a basic level of education funding for all students. Districts may also receive some funding from other sources, such as federal grants. In AY 2026, of the approximately \$28.9 billion in reported revenue for public education in Ohio, 84.2 percent, or \$24.3 billion, came from state and local sources.⁶

State Funding

On July 1, 2025, House Bill 96 of the 136th General Assembly (the biennial budget bill) was signed by the Governor. This bill included changes to the state foundation funding formula, which was enacted in 2021,⁷ and is commonly referred to as the Fair School Funding Plan. The formula changes will be phased in at 83.33 percent in AY 2026 and 100 percent in AY 2027.⁸ During the phase-in period, the amount of state funding received in any given year may have been less than what would have been received if the formula were fully funded. In addition to the formula, there are two “guarantee” provisions that provide additional revenue and prevent a district’s state funding from falling below certain historical amounts.⁹ In the most recent budget, the temporary transitional aid provides funding based on AY 2020 levels and the formula transition supplement provides funding based on AY 2021 levels, including a district’s student wellness and success funds and enrollment growth supplement for that year. TLSD did not qualify for either of these supplemental guarantees and receives only the calculated formula funding.

Local Funding

Local revenue can be raised through a combination of property and school district income taxes. While property taxes are assessed on both residential and business properties within a

⁶ Of the remaining 15.7 percent of revenue, 8.1 percent came from the federal government with the remaining 7.6 percent coming from a variety of sources including funds raised through tuition, fees, extracurricular activities, grants, and other non-tax sources.

⁷ ODEW transitioned to the new funding model in January of 2022.

⁸ See <https://www.lsc.ohio.gov/assets/legislation/136/hb96/psc/files/hb96-comparison-document-as-pending-in-senate-committee-136th-general-assembly.pdf>

⁹ In addition, the budget extended temporary transitional transportation aid associated with a district’s per-pupil transportation aid.

district, income tax is assessed only on residents.¹⁰ Approximately one-third of Ohio school districts currently have an income tax.

Property Tax

Property taxes levied in Ohio are subject to restrictions in the Ohio Constitution¹¹ and the Ohio Revised Code (ORC).¹² These restrictions limit the amount of tax that can be levied without voter approval to 10 mills¹³ or 1 percent of property value. While the Constitutional limitation is based on fair market value, the ORC sets a more restrictive limit based on taxable value, which is defined as 35 percent of fair market value. These taxes are distributed between the various taxing districts that operate where a property is located.

The 10 mills allowed by the Constitution are typically referred to as inside, or un-voted mills. On average, school districts have approximately 4.7 inside mills, and the remainder of property tax revenue would come from voted, or outside millage.

School districts can obtain additional property tax revenue through voter approved bonds and levies. These taxes can have a variety of purposes that are defined in the authorizing language which are generally divided into three broad categories: general operations, permanent improvement, and construction.

Levies may be defined as either a fixed-rate or a fixed-sum. A fixed-rate levy identifies the number of mills that will be assessed in order to raise revenues. If new construction occurs within the district, the rate will apply, and the district will realize additional revenues. Current expense levies, used for general operations, and permanent improvement levies are typically fixed-rate. A fixed-sum levy identifies an amount that will be generated from the levy. While there may be an estimated millage rate, the actual rate will vary based on assessed property values. If new construction occurs within the district, there would be no new revenues for a fixed-sum levy. Emergency levies¹⁴ for general operations, and bond levies for the financing of new buildings, are typically fixed-sum levies.

Ohio has historically had laws which limit the impact rising property values can have on property taxes. The most recent version of these limitations was enacted in 1976 and requires

¹⁰ See <https://tax.ohio.gov/wps/portal/gov/tax/individual/school-district-income-tax>

¹¹ Ohio Const. Art. XII, Section 2.

¹² Ohio Rev. Code § 5705.02.

¹³ A mill is defined as one-tenth of one percent or \$1 for every \$1,000 of taxable value.

¹⁴ Authorized by ORC §5705.194. Beginning in Tax Year 2026, new emergency levies are not allowed to be proposed, per HB 129 of the 136th General Assembly. However, existing emergency levies may be renewed as a converted fixed-sum current expense operating levy for up to five years and can be renewed subsequently after that.

that the amount collected on fixed-rate millage is frozen at the dollar value collected in its first year.¹⁵ In subsequent years, with exceptions such as new construction, a district would not receive additional revenue from a levy as property values increased.¹⁶ Instead, the outside mills are subject to reduction factors¹⁷ which lower the effective millage rate in order to maintain the preceding year's level of revenue from the same properties.¹⁸

However, under state law, in order to receive state foundation funding, a district must collect a minimum of 20 mills in property taxes for general purposes, or current expenses.¹⁹ In order to prevent a district from failing to meet this minimum threshold, reduction factors stop being applied once a district reaches an effective rate of 20-mills, colloquially known as the 20-mill floor. Practically speaking, this means that if a district's effective tax rate is reduced to 20 mills for current expenses, the amount of revenue generated from levies will increase with property values unless a new operating levy is approved by voters.²⁰ It is important to note that not all levies count toward the 20-mill floor.

School District Income Tax

A school district income tax is an alternative method of raising local revenue. Like property taxes, an income tax must be approved by voters and may be for either general use or specific purposes, such as bond repayment. Once approved, a tax becomes effective on January 1st of the following year. Unlike municipal income taxes which are generally levied on wages earned in the municipality by both residents and nonresidents, school district income taxes are levied on wages earned by residents of the district, regardless of where the resident may work. Businesses operating within the school district are not required to pay the income tax.

A school board, when determining that an income tax is necessary for additional revenue, must submit a resolution to the Ohio Tax Commissioner identifying the amount of revenue to be raised and the tax base to be used for calculations. A school district income tax can be assessed on either a traditional tax base or an earned income tax base. The traditional tax base uses the same income base as Ohio's income tax and the earned income tax base is only earned income

¹⁵ Am.Sub.H.B. No. 920, 136 Ohio Laws, Part II, 3182, 3194.

¹⁶ If property value decreased due to reappraisal, it is possible that a district would receive less revenue than originally intended.

¹⁷ ORC § 319.301.

¹⁸ We are providing this information for historical purposes only. The law which regulates collection of on outside millage has been amended since enacted in 1976. The District should consult with the most current version of the law for a clear understanding of how this process works today.

¹⁹ The term 'current expense' refers to revenue generated from levies that are not restricted in their use. It does not include bonds or levies that generate revenues for restricted funds, such as Permanent Improvement levies.

²⁰ Under HB 186 of the 136th General Assembly, property tax growth at the 20-mill floor is capped using the GDP deflator over the three preceding tax years beginning in Tax Year 2025.

from an employer or self-employment. Under the earned income tax base, income such as capital gains or pension payments is not taxable, though this type of income may be taxed under the traditional tax base. Once this information is received, the Tax Commissioner identifies the income tax rate and equivalent property tax millage for the district.

The Ohio Department of Taxation collects income tax through employer withholding, individual quarterly estimated payments, and annual returns. Employers are required to withhold the tax and submit payments to the state under the same rules and guidelines as are currently used for state income taxes. Districts receive quarterly payments from the Department of Taxation, and each payment is for the amount collected during the prior quarter. A district receives the total amount of revenue collected less a 1.5 percent fee retained by the state for administration purposes. The amount of revenue collected via income tax each year will vary based on the earnings of the district's residents.

TLSD Local Funding

In 2025, TLSD collected revenues on 23.51 mills of property tax for residential properties.²¹ This included 4.40 inside mills and 15.60 outside mills for current expenses. The District's current expense millage rate is at the 20-mill floor and therefore not subject to reduction factors. In addition to the 20 mills collected for current expenses, the District collects additional property tax revenue that does not count toward the 20-mill floor. In 2025, this additional millage totaled 9.71 mills and was comprised of 2.15 emergency mills²² and 1.37 permanent improvement mills. The District also has a 1 percent school district earned income tax that collects revenue equivalent to 6.20 mills of property tax for capital improvements. This income tax was voted on in 2019 to raise revenue for the District's consolidated campus and is for a term of 26 years.²³

Since the total millage rate can be rolled back as a result of reduction factors, we compared the total effective millage for TLSD to that of its primary peers. This comparison is found in the chart below. The green portion of the bar represents the current expense millage rate, where

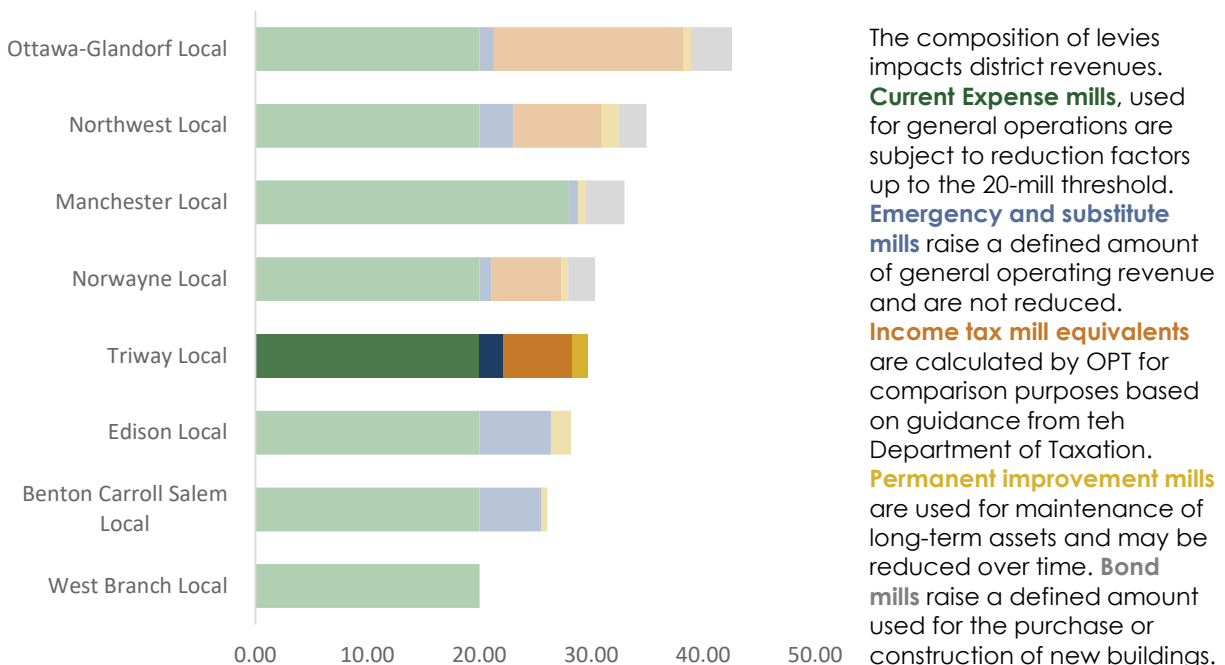
²¹ Residential and agricultural property is considered Class 1 real estate. Commercial Property is considered Class 2 real estate and subject to a different set of reduction factors. The effective millage rate for Class 2 property in 2025 was 26.75 mills.

²² As previously mentioned, HB 129 prevents school districts from renewing emergency and substitute levies. The District may choose to renew this levy by converting to a fixed-sum levy for up to a five-year period when it expires. In addition, HB 129 changes the 20-mill floor calculation to include emergency and substitute levies beginning in the next reappraisal or triennial update cycle of a county that contains territory of a district. Wayne County, where TLSD is located, had a reappraisal in 2026.

²³ The District issued Certificates of Participation the purpose of construction, renovating, and improving facilities. The existing income tax is to be used to pay for the lease rental payments associated with the Certificates of Participation.

all but two of the peers are also at the 20-mill floor.²⁴ The blue portion represents emergency and substitute revenue, which is not subject to reduction factors.²⁵ The yellow represents permanent improvement funds, and the gray represents bond funding. TLSD and three of the peers collect school district income tax revenue. For comparison purposes, OPT calculated an estimated millage for the revenue generated from income taxes based on guidance from the Department of Taxation, which is represented by the orange portion of the bars in the chart below.

2025 Millage and Millage Equivalents | Primary Peers



Source: Ohio Department of Taxation

The composition of levies impacts district revenues. Current expense mills, used for general operations are subject to reduction factors up to the 20-mill threshold. Emergency and

²⁴ Northwest Local School District has 20.01 current expense mills and is not at the 20-mill floor.

²⁵ Per HB 129, beginning in Tax Year 2026, if a county which contains a portion of a district goes through a property value reappraisal or triennial update, emergency and substitute levies will be included in the 20-mill floor calculation. Because counties do not undergo reappraisal on the same cycle, HB 479 provides additional clarification. In considering levies included in the 20-mill floor for school districts located in more than one county, instead of the "tax reduction factor" being triggered whenever any county in the district undergoes reappraisals or triennial update, it is instead triggered every three years based on the reappraisal cycle of the county with largest portion of taxable value. Wayne County, where TLSD is located, had a reappraisal in 2026 and will be updated in 2029.

substitute mills raise a defined amount of general operating revenue and cannot be reduced. Income tax mill equivalents are calculated by OPT based on guidance provided by the Department of Taxation for comparison purposes. Permanent improvement mills are used for maintenance of long-term assets and may be subject to reduction factors. Bond mills raise a defined amount used for the purchase or construction of new buildings. It is important to understand that *revenue* generated from bond and emergency levies remains the same regardless of changes to property values as they are voted as fixed-sum levies. The *revenue* generated from current expense millage and permanent improvement millage also stays the same until the 20-mill floor is hit for current expense taxes. At that point, a district at the floor would see additional revenues from increases in value to existing properties. TLSD relies on current expense mills and is presently at the 20-mill floor. This means that if property values increase within the District, it will see additional revenues based on that growth.²⁶

The property tax revenues for the District's General Fund are generated from several levies. The following table shows the levies currently in effect for the District and includes the Gross Tax Rate, or the amount that was voted on, and the Effective Tax Rate, or the amount that is assessed on properties. In the table, the first current expense levy is identified as starting in 1976. It should be noted that in 1976, changes were made to the ORC that impacted the collection of property taxes. The levy identified in 1976 may include any levies that predate that year which remain in effect.

Current Levies Collected by TLSD, AY 2025

Levy Year	Levy Name	Length	Last Approved	Gross Tax Rate	Class I Effective Tax Rate
	General Fund (Inside Mills)	N/A	-	4.40	4.40
1976	Current Expense	Continuing	-	16.90	6.42
1977	Current Expense	Continuing	-	4.00	1.52
1981	Current Expense	Continuing	-	4.50	1.98
1987	Current Expense	5 Year	2022	5.50	2.73
1993	Current Expense	Continuing	-	5.90	2.94
2000	Permanent Improvement	Continuing	-	3.00	1.37
2011	Emergency (\$1,200,000)	3 Years	2023	2.15	2.15
Total				46.35	23.51

Source: Ohio Department of Taxation

Note: Due to rounding, millage categories may not sum up to total millage.

²⁶ The information presented in this paragraph is accurate based on information available in 2025. However, in December 2025, four new laws were enacted that will change the way that local property taxes are calculated. Specific changes are noted throughout the report that may impact the District's revenue.

In AY 2025, the District's millage included 4.40 inside mills, identified as General Fund in the table, that were not voted on by the taxpayers. In addition, the District collects revenue on 6.42 mills that predate the 1976 changes to property tax laws in Ohio. Finally, the District had a total of 9.17 mills from four current expense levies that were passed between 1977 and 1993, one of which was renewed in 2022. These levies are used to calculate the 20-mill floor. Because the District is at the 20-mill floor, it will see revenue growth on these mills as property values increase.²⁷

In addition to the current expense mills that count toward the 20-mill floor, the District collects revenue from emergency and permanent improvement mills, totaling 2.15 mills and 1.37 mills, respectively.²⁸ The emergency millage is not subject to reduction factors, but the permanent improvement millage is. The 1 percent earned income tax generated revenue equivalent to 6.20 mills in 2025.²⁹

Property Valuation

Millage is one component of how districts generate revenue. The millage is assessed on property value, so the total revenue collected from property levies is a combination of millage and total valuation. A district with higher property value may see more total revenue from fewer mills than a district with lower property values. TLSD's millage rate falls in the middle of the primary peers group. In addition, the District has a high property valuation compared to its peers. TLSD's total property valuation in Tax Year 2025 was approximately \$570 million compared to the primary peer average of approximately \$416 million.³⁰ In Tax Year 2024, one mill of property tax generated approximately \$420 in revenue per pupil, which is above the primary peer average of \$294 per pupil. The combination of higher valuation and similar total millage means that the District would generate more revenue than the primary peers. Due to this, TLSD has a greater capacity to raise revenue.

Local Tax Effort

ODEW uses the Local Tax Effort Index as a measure of taxpayer support for the district in which they reside. This index, one of a number of possible measures for evaluating local effort, was initially developed by the Division of Tax Analysis within the Ohio Department of Taxation and is

²⁷ HB 335 caps the rate of growth using the GDP deflator over the three preceding tax years.

²⁸ As previously noted, HB 129 changes the calculation for the 20-mill floor to include emergency and substitute levies after a county goes through a property value appraisal or triennial update. Wayne County had a reappraisal in Tax Year 2026.

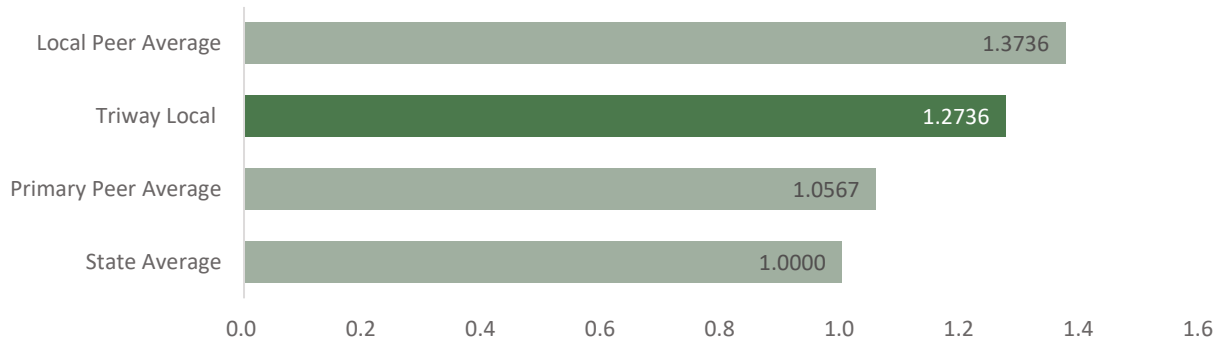
²⁹ The school district earned income tax of 1 percent for capital improvements to be collected for a period of 26 years was approved by citizens in November 2019 and became effective January 2020.

³⁰ This valuation includes Public Utility Tangible Property Taxable value of approximately \$145 million associated with the Rover pipeline, which the District may not collect revenue on the full valuation of while under dispute.

calculated in the context of the residents' abilities to pay by determining the relative position of each school district in the state in terms of the portion of residents' income devoted to supporting public education. This index uses median income data and provides context to better understand a community's tax burden, not only compared to other districts, but also as a function of the residents' ability to pay.

On this sliding scale, a value of 1.0 indicates the state average, a baseline against which all districts in the state are weighed. If a district has a local tax effort below 1.0, residents provide a smaller portion of their available income to public education, whereas a value above 1.0 indicates the community pays a larger portion of their available income to public education compared to the state average. The index is updated annually by ODEW as part of its District Profile Reports, also known as the Cupp Report, to reflect changes in local conditions from year to year.

AY 2025 Local Tax Effort Comparison



Source: ODEW

The District's local tax effort was compared to the local peers, primary peers, and the state average. Districts are ranked from 1 to 606,³¹ with 1 being the highest level of effort, or the 99th percentile and 606 being the lowest level effort, or the 1st percentile. The District has a local tax effort of 1.2736 and ranks 143 out of 606 districts, which is approximately the 76th percentile of all districts. Although TLSD has a higher local tax effort than many districts in the State, it is exceeded by the local peer average of 1.3736, which would rank approximately 105 out of all 606 districts, or the 83rd percentile.

TLSD Revenues and Expenditures

A school district budget is comprised of revenues and expenditures. Revenues are primarily received from local, state, and federal funding sources, and can be placed into general or

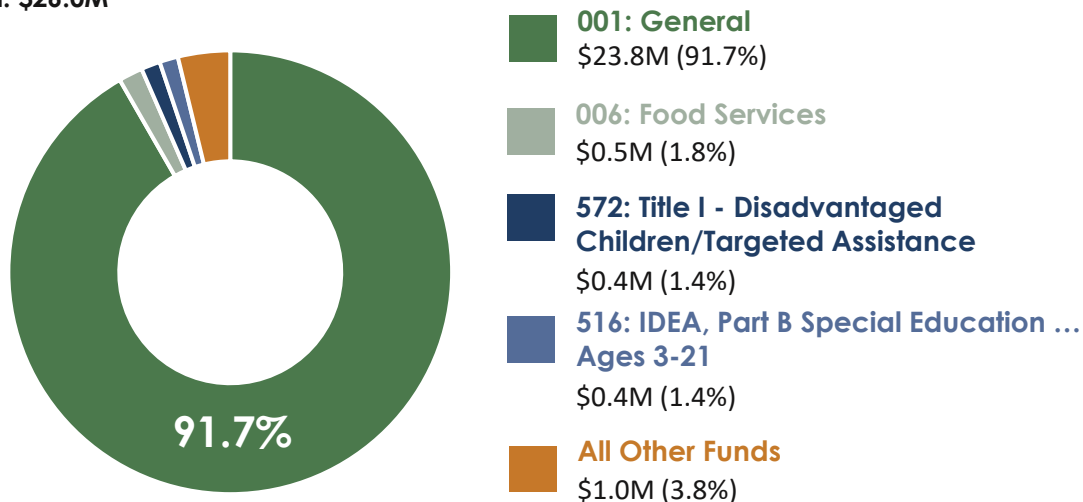
³¹ Although there are 611 traditional school districts in Ohio, ODEW excludes Ohio's island districts and College Corner Local School District due to the unique characteristics of these districts.

special use funds. In AY 2025, TLSD had approximately \$26.0 million in total revenue as seen in the following chart. The General Fund comprised 91.7 percent of total revenue, all other funds comprised 3.8 percent of total revenue, and the Food Service Fund comprised 1.8 percent of total revenue.

Fund Activity

AY 2025 Revenue Distribution by Fund

Total: \$26.0M



Source: TLSD

Note: Excludes certain funds and receipt codes. See [Appendix B](#) for all fund activity and more detail regarding exclusions.

Note: Due to rounding, revenue categories may not sum up to the total listed.

As noted above, the majority of the District's revenue is directed to the General Fund, which is used for general operations. In AY 2025, the District's total General Fund revenue was approximately \$23.8 million.³²

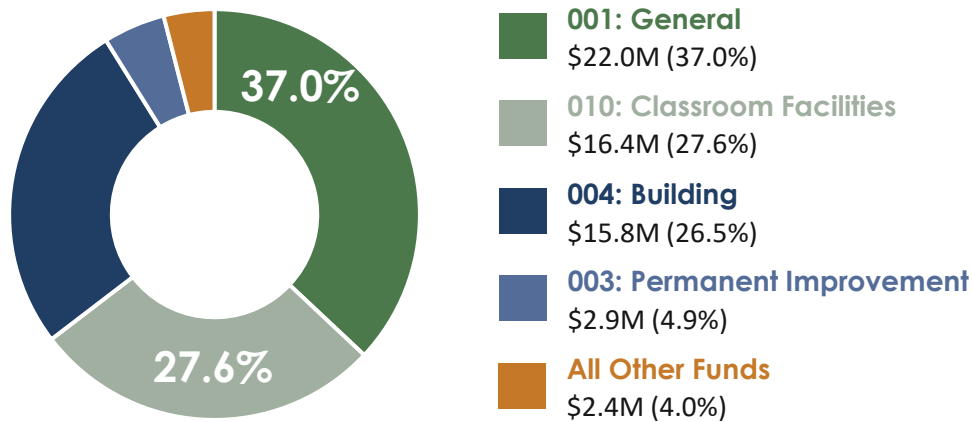
Similar to revenue allocation, expenditures are paid from specific funds. For example, most salaries and wages are typically paid from the General Fund. The following chart shows the District's total expenditures by fund type. In AY 2025, the total expenditures were higher than total revenue. Within funds, expenditures may exceed revenue due to the ability to use available fund balances from previous years. This is noticeable in the variation in the Classroom Facilities Fund and Building Fund in AY 2025, which had \$16.4 million and \$15.8 million in expenditures, respectively, due to the construction of the new school building.³³

³² This total excludes advances to the General Fund. For purposes of comparison, we excluded advances to the General Fund for both TLSD and the peer groups throughout the Revenue and Expenditures section.

³³ See [Appendix B](#) for more details regarding fund activity.

AY 2025 Expenditure Distribution by Fund

Total: \$59.5M



Source: TLSD

Note: Excludes certain funds, object codes, and function codes. See [Appendix B](#) for all fund activity and more detail regarding exclusions.

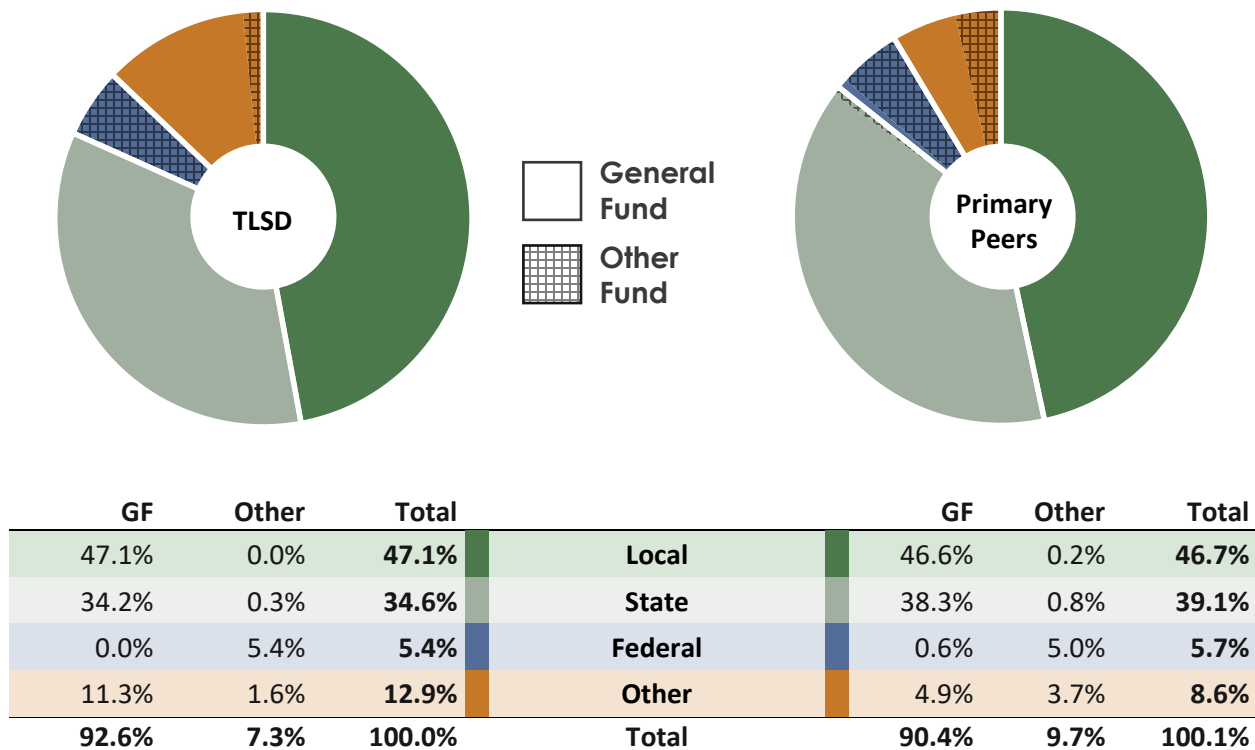
Note: Due to rounding, expenditure categories may not sum up to the total listed.

As seen in the visual above, the District's total General Fund expenditures were approximately \$22.0 million in AY 2025.

Fund Composition

The following charts show the total revenue by type of funding; federal, state, local, or other. In addition, the chart identifies what portion of these revenues are dedicated to the General Fund as it is the largest fund.

AY 2025 Revenue Composition Comparison



Source: TLSD, Primary Peers, & ODEW

Note: Excludes certain funds and receipt codes. See [Appendix B](#) for all fund activity and more detail regarding exclusions.

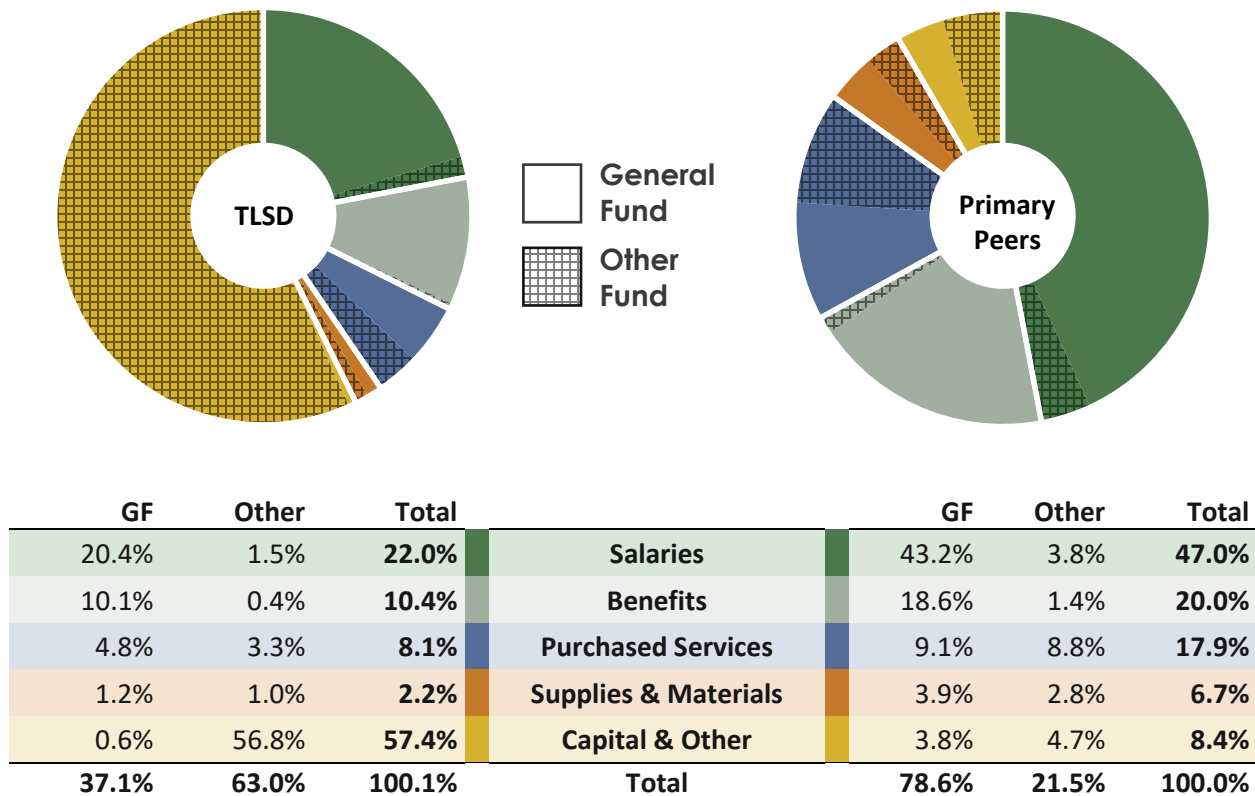
Note: Due to rounding, revenue categories may not sum up to the total listed.

Note: Other category includes other non-local tax revenue funds such as tuition, transportation fees, earnings on investments, food services, extracurricular activities, classroom materials and fees, and receipts from intermediate sources.

As seen in the visual above, the District's General Fund was approximately 92.6 percent of total revenue. Of the total revenues, 47.1 percent was comprised of local funding, followed by state funding, which was 34.6 percent. The District receives a lower percentage of total funding from the state compared to the primary peer average.

The chart that follows compares the District's expenditures by category or type such as salaries and benefits. In addition, the chart identifies what portion of expenditures within each category is from the General Fund.

AY 2025 Expenditure Composition Comparison



Source: TLSD, Primary Peers, & ODEW

Note: Excludes certain funds, object codes, and function codes. See [Appendix B](#) for all fund activity and more detail regarding exclusions.

Note: Due to rounding, expenditure categories may not sum up to the total listed.

Note: Other category includes expenditures such as debt retirement, principal interest, and payment of dues and fees.

As seen in the visual above, capital and other expenditures comprised 57.4 percent of total expenditures. This level of capital expenditures is due to the construction of the District's new PK-12 building and is not a reflection of the District's regular spending in this category. Personnel expenditures comprised of salaries and benefits across all funds made up 32.4 percent of total expenditures. These expenditures, for the District and the peers, were primarily paid from the General Fund.

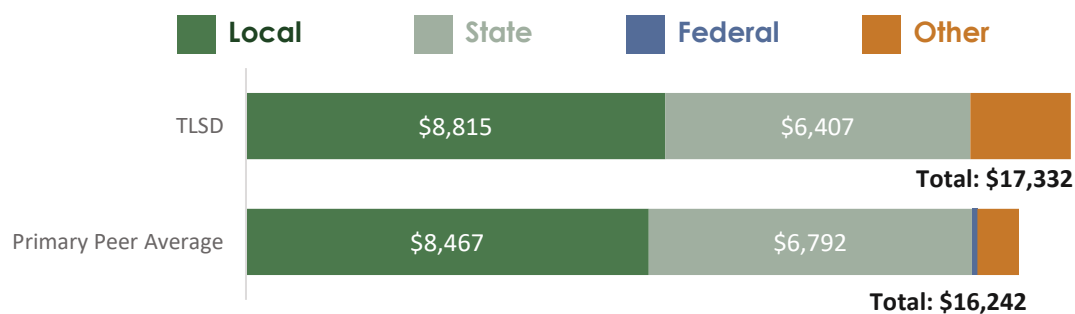
Per Pupil Analysis

This section analyzes revenues and expenditures on a per pupil basis. Revenues and expenditures are divided by the FTE enrollment to normalize peer district comparison (see [Appendix C](#)).

Revenue per Pupil

Revenue per pupil, broken down by type of funding, is another way to compare funding sources between Ohio school districts. Because our audit focuses on the projected deficit in the financial forecast, we reviewed only the forecasted fund revenues for this purpose.³⁴ In AY 2025, the District received approximately \$17,332 per pupil, with 50.9 percent, or approximately \$8,815, coming from local taxes.³⁵ In AY 2025, the primary peer average was \$16,242 in revenue per pupil, with 52.1 percent, or approximately \$8,467, coming from local taxes. The District's local revenue was higher than the primary peer average in AY 2025.

AY 2025 General Fund Revenues Per Pupil



Source: TLSD, Primary Peers, and ODEW

Note: Excludes certain funds and receipt codes. See [Appendix B](#) for all fund activity and more detail regarding exclusions.

Note: Other category includes other non-local tax revenue funds such as tuition, transportation fees, earnings on investments, food services, extracurricular activities, classroom materials and fees, and receipts from intermediate sources.

Expenditures per Pupil

Several of our comparisons are made on a per-pupil basis. This is done to normalize the variation in size between peer districts. The table below shows the District's spending on a per-pupil basis in several key areas. It also shows the differences between the types of funds from which expenditures are made. For example, most salaries and wages are paid from the General Fund, whereas most capital outlay expenses are paid from non-General Fund dollars.

³⁴ Forecasted funds include the District's General Fund and funds derived from emergency levies.

³⁵ The Cupp Report, issued by ODEW, provides information on all revenues received by a district. Because of this, the percentage of revenues from local revenues in the Cupp report may vary from the amount in our report due to the inclusion of additional revenues.

AY 2025 Expenditure per Pupil by Object Code

Object	General Fund	Other Funds	All Funds
Salaries	\$8,844	\$665	\$9,509
Benefits	\$4,354	\$170	\$4,523
Purchased Services	\$2,061	\$1,434	\$3,495
Supplies & Materials	\$514	\$429	\$942
Capital & Other	\$254	\$24,595	\$24,848
Total	\$16,027	\$27,292	\$43,319

Source: TLSD, Primary Peers, & ODEW

Note: Excludes certain funds, object codes, and function codes. See [Appendix B](#) for all fund activity and more detail regarding exclusions.

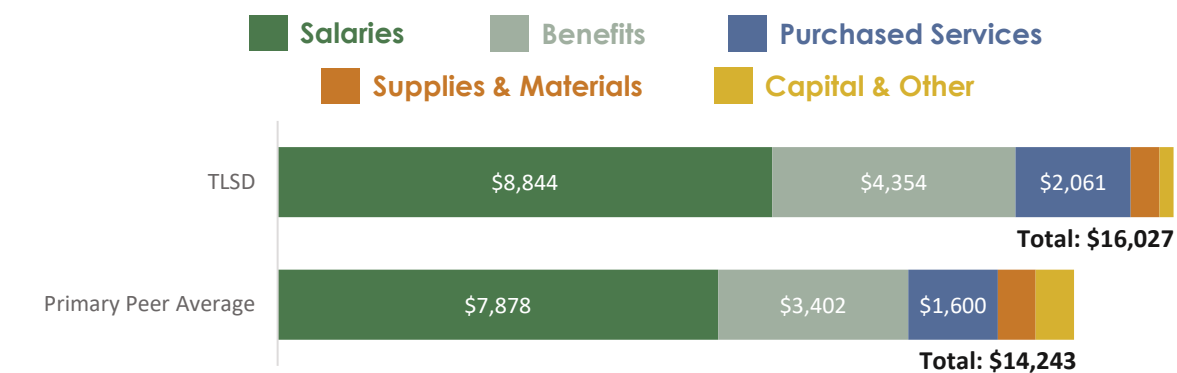
Note: Due to rounding, expenditure categories may not sum up to the total listed.

Note: Other category includes expenditures such as debt retirement, principal interest, and payment of dues and fees.

In AY 2025, TLSD spent approximately \$43,319 per pupil from all funds. By comparison, the primary peer average expenditure per pupil from all funds was approximately \$18,616. This difference in expenditures was largely due to construction-related expenses for the District's new PK-12 building. In addition, TLSD spent approximately \$16,027 per pupil from the General Fund, which is 12.5 percent higher when compared to the primary peer average of \$14,243 per pupil. We analyzed General Fund expenditures since they are tied to the financial forecast.

The District spent more than the primary peer average on employee salaries and wages, employee benefits, and purchased services. The District spent less than the primary peer average on supplies and materials and capital and other.³⁶ The chart that follows provides a comparison of expenditures per pupil for TLSD and the primary peer average.

AY 2025 General Fund Expenditures Per Pupil



³⁶ The category of "Other Objects" includes things such as interest on loans, memberships in professional organizations, County Board of Education contributions, and various types of non-healthcare insurance. "Other Uses of Funds" mainly consists of transfers, and contingencies within the various accounting dimensions.

Source: TLSD, Primary Peers, and ODEW

Note: Excludes certain funds, object codes, and function codes. See [Appendix B](#) for all fund activity and more details regarding exclusions.

Note: Other category includes expenditures such as debt retirement, principal interest, and payment of dues and fees.

The District's higher salaries and wages expenditures may be driven by the District's staffing levels (see [Recommendation 5](#) and [Recommendation 6](#)) and salary schedules (see [Recommendation 7](#)). The District's higher retirement and insurance benefits expenditures may be driven by the District's high deductible health plan (see [Recommendation 8](#)).

Results of the Audit

Based on an initial analysis of the District's data as compared to its peer groups, the following scope areas were included for detailed review and further analyses: Financial Management, Human Resources, and Food Service (see [Appendix A](#)). We identified nine recommendations within these scope areas which would result in reduced expenses and/or improve the District's operational management based on industry standards and peer averages.

Summary of Recommendations

Standard Recommendations	Savings
R.1 Improve Forecast Practices	N/A
R.2 Develop a Formal Budgeting Process	N/A
R.3 Develop Formal Plans	N/A
R.4 Reduce the General Fund Subsidy for Extracurricular Activities	\$14,000
R.5 Eliminate Administrative Positions above the Peer Average	\$93,000
Reduce 1.50 FTE Building Administrator Staff	\$93,000
R.6 Eliminate Direct Student Support Positions above the Peer Average	\$46,000
Reduce 1.00 FTE Other Professional Staff	\$46,000
R.7 Align Salary Schedules	N/A
R.8 Align Employer Insurance Costs with the SERB Regional Average	\$184,000
R.9 Monitor Food Service Operations	\$31,000
Total Cost Savings from Performance Audit Recommendations	\$322,000
Less: Non-General Fund portion of Insurance Costs	\$7,000
Less: Monitor Food Service Operations to Ensure Financial Sustainability	\$31,000
Total General Fund Cost Savings from Performance Audit Recommendations	\$284,000

Note: These numbers reflect the average annual savings of each recommendation over the forecast period. Some recommendations may not be implemented in all years of the period and have lower average annual savings compared to what is presented in the recommendation itself. Where appropriate, the timing of implementation is discussed in the recommendation language in the report.

Our recommendations, which are based on industry standards and peer comparisons, are projected to save the District an average of approximately \$284,000 annually, if fully implemented. This is an average savings over the four-year forecast period. It should be noted that some recommendations may not be implemented immediately due to timing.³⁷

The financial impact of these recommendations on the projected results of operations in the 2026 FRP forecast is shown in the following table. This table shows the impact of the estimated

³⁷ In this audit, approximately \$1 million in combined cost savings was identified in AY 2028 and AY 2029. It is possible for TLSD officials to implement recommendations earlier, but doing so could have a significant impact on overall District operations. Officials should work with the District's legal counsel if this option is pursued.

average annual savings of the recommendations, for the years of implementation, on the District's projected annual spending. As seen in the table, the identified savings will not fully address the projected deficit spending in the forecast period.

Results of the Audit Recommendations (2026 FRP Forecast - Line 6.010)

	AY 2026	AY 2027	AY 2028	AY 2029
Original Results of Operations (Line 6.010)	\$1,757,606	(\$1,125,298)	(\$2,049,888)	(\$2,628,741)
In Year Recommendation Savings	\$0	\$0	\$307,777	\$1,020,068
Revised Results of Operations (Line 6.010)	\$1,757,606	(\$1,125,298)	(\$1,742,111)	(\$1,608,673)

Source: ODEW and AOS

With the exception of AY 2026, forecasted expenditures exceed revenues in each year of the forecast period. As seen in the table above, the estimated savings from implementing the standard recommendations in the report would not fully address the projected deficit spending over the course of the forecast period.

In addition to deficit spending in three out of the four years of the forecast period, the FRP forecast projected an ending fund deficit in AY 2029. The 2026 FRP forecast included the renewal of the District's three-year emergency levy and the renewal of the District's five-year operating levy for current expenses. However, the District has elected not to renew the three-year emergency levy in November 2026 in lieu of the new 0.75-percent earned income tax levy. Because of this, we applied the savings to line 10.010, the projected Ending Fund Balance before the addition of renewal levies. As seen in the table below, with the estimated savings from the implementation of all standard recommendations contained in this report, the District is projecting a deficit of approximately \$1.1 million in AY 2029.

Results of the Audit Recommendations (2026 FRP Forecast - Line 10.010)

	AY 2026	AY 2027	AY 2028	AY 2029
Revised Starting Cash Balance (Line 7.010)	\$2,010,357	\$3,767,963	\$2,642,665	\$900,554
Revised Results of Operations (Line 6.010)	\$1,757,606	(\$1,125,298)	(\$1,742,111)	(\$1,608,673)
Revised Ending Cash Balance (Line 7.020)	\$3,767,963	\$2,642,665	\$900,554	(\$708,119)
Estimated Encumbrances (Line 8.010)	\$450,000	\$450,000	\$450,000	\$450,000
Revised Ending Fund Balance (Line 10.010)	\$3,317,963	\$2,192,665	\$450,554	(\$1,158,119)

Source: ODEW and AOS

As seen in the table above, if all recommendations were fully implemented, the District's ending fund balance would continue to be depleted, but less so than without the recommendation savings. In AY 2026, the fund balance was projected to be approximately \$3.3

million, or 12.5 percent of total forecasted revenues. By AY 2029, due to projected deficit spending, the District's available balance would be depleted and the resulting fund deficit would be approximately \$1.1 million, or 5.6 percent of total forecasted revenue. It should be noted that the FRP forecast does not include revenue that would be generated from passage of that income tax levy in November 2026, nor does it include the cost saving measures the District plans to take in AY 2028 and AY 2029 as part of its financial recovery plan.

The District's current financial condition is such that implementation of the recommendations using industry standards and peer comparisons would not fully address the projected deficit. As a result, TLSD officials will need to consider additional cost saving measures. Our audit identified areas where the District could further reduce expenditures by going beyond alignment with peer averages and industry standards. In some cases, these cost saving measures may include reducing services to state minimum levels.

The additional cost saving measures are identified in the table below. The implementation of these measures could change the type or level of services offered by the District. It is important for TLSD officials to carefully consider the needs of students and families served by the District when implementing any of these additional cost saving measures. These estimated savings reflect the average annual savings that could be achieved in AY 2028 through the remainder of the forecast period.

	Additional Recommendations	Savings
R.10	Eliminate the General Fund Subsidy for Extracurricular Activities	\$574,000
R.11	Implement a Base and Step Salary Freeze	\$163,000
R.12	Eliminate Building Administrator Positions	\$174,000
R.13	Eliminate up to 24.5 FTE Teacher Positions	\$2,611,000

The amount of savings realized from staffing reductions identified in Recommendation 12 and Recommendation 13 would be dependent on a variety of factors including the number of positions that are eliminated along with the impact of the implementation of other cost saving measures identified in this report or by the District itself. Our estimated savings of approximately \$2.8 million for these staffing recommendations are based on reductions to state minimum teaching and building administrator levels and represent the maximum savings possible for these position types.

When considering implementation of recommendations that may take services below industry standards, the District must consider the impact on overall operations. District officials may wish to consider implementing any of these additional recommendations, or some combination of them, based on the current financial condition of the District.

Standard Recommendations

Financial Management

Any organization needs to consider both short-term needs and long-term goals when developing policies and procedures related to financial management. This requires strategic planning in order to identify the best use of available resources. School districts, in particular, must have sound planning processes in place so that they can effectively and transparently provide services to their residents. These planning processes and practices should work together and be considered when making management decisions. When developing annual budgets and making spending decisions, the District's administration should consider the information presented in the financial forecast. Additionally, large purchases and other expenditures should be planned and incorporated into long-term strategic planning that is also tied to the forecast and the annual budget. These practices, when properly adhered to, can help a district to avoid financial distress.

We reviewed TLSD's financial management policies in order to determine if there were areas for improved management.

Recommendation 1: Improve Forecast Practices

Districts are required to submit financial forecasts to ODEW twice annually, and these documents should provide a consistent overview of a district's financial health.³⁸ The forecast can be used as a tool, along with other fiscal monitoring practices, to ensure district officials proactively manage finances to avoid a state of fiscal distress.

Our review of TLSD's February 2026 forecast found that the District's forecasting process meets most best practices. However, our review of the forecast assumptions found that the District did not include sufficient detail regarding factors that impact specific line items. The District also does not have a formal policy for maintaining a minimum cash balance. The Ohio Association of School Business Officials (OASBO), the Government Finance Officers Association (GFOA), and ODEW provide guidance regarding the development and use of the financial forecast. The District should implement best practices from OASBO, the GFOA, and ODEW to improve its forecast and assumptions.

³⁸ House Bill 96 of the 136th General Assembly (the biennial budget bill) contained changes to the school forecast, including shifting to a four-year forecast period from a five-year period.

Impact

By implementing forecasting best practices, the District will be better positioned to effectively, transparently, and proactively manage and sufficiently explain its revenues and expenditures. Such management of financials would assist the District in avoiding deficit spending and the resulting negative ending fund balances. Doing so would contribute to an improved financial condition.

Background

School districts in Ohio are required to submit a financial forecast to ODEW twice annually.³⁹ These forecasts include three years of historical data, the current year budget, and three years of projections. In addition, the forecasts include notes to explain any significant changes or assumptions used to develop the reported projections. Due to the nature of financial projections, it is likely that the actual results will deviate from the forecast in later years. However, the forecast is a management tool that districts can use to identify future financial trends and proactively manage operations accordingly.

The financial forecast is meant to be a tool that assists with long-range planning and facilitates discussions between the administration, the local board of education, and the community regarding the fiscal health of a district and the financial issues it may be facing. In addition, the forecast identifies a district's ability to maintain personnel and programs. It is also used by ODEW and the Auditor of State to identify districts that may face financial distress.

Due to the District's declining financial condition, we reviewed historical forecasts to identify if there were earlier indicators of financial difficulty. In addition, the historical forecasts allowed us to understand what information had been presented and if TLSD officials were making informed management decisions.

Indicators of financial difficulty would include projected deficit spending, where annual expenditures exceed annual revenues. Many school districts have a cash balance in the General Fund which can allow a district to manage unforeseen expenditures in any given year. However, if consistent deficit spending is projected in a forecast, it could be an indicator of a structural imbalance in the district's operations that necessitates prompt corrective action by the board of education.

³⁹ House Bill 96 of the 136th General Assembly (the biennial budget bill) contained changes to the school forecast which included shortening the length of the forecast period to four years and altering the submission date.

Methodology

We interviewed District officials to understand their forecasting process. We also obtained and reviewed the District's February 2026 forecast and assumptions. We specifically analyzed the lines of the forecast that projected significant increases or decreases and then compared those lines to the corresponding assumptions to assess whether these changes were thoroughly documented. Additionally, we developed a historical review of the District's forecast trends to determine how prior years' projections may have impacted their current financial condition.

Once we gained an understanding of TLSD's forecasting practices, we compared the Districts' process to best practices from OASBO, the GFOA, and ODEW to identify opportunities for improved transparency and effectiveness of future forecasts and assumptions.

Analysis

According to *Five-Year Forecast – Guidance and Best Practices* (OASBO, 2025), the forecast is arguably the most critical financial document at a school district, as it outlines the financial state of the district and helps guide the decision-making process. As a critical financial document and management tool, it is important that a district have formal, written policies in place that clearly outline roles, responsibilities, and expectations. While the treasurer is responsible for the creation of the forecast, the board of education has ultimate governing authority over the financial processes, with their roles and contributions consisting of the following: approve the forecast (ensure alignment with the district's financial state), represent the community to promote transparency, and guide financial decisions (use forecast to make informed decisions). As such, it is important for both parties to be actively involved in the creation and monitoring of the forecast. In addition, OASBO indicates that the superintendent, district administrators, the community, and other external partners should be involved in the forecasting process. All the stakeholders identified by OASBO have unique expertise and perspectives that can be applied to the forecasting process.

TLSD should incorporate missing best practices from OASBO, the GFOA, and ODEW (see [Appendix D](#)). The District should also develop formal plans and a budgeting process to ensure the District's initiatives strategically align with available financial resources and are sustainable (see [Recommendation 2](#) and [Recommendation 3](#)).

Forecast Assumptions

One important document accompanying the forecast is the forecast assumptions. OASBO says that the forecast, without any accompanying documentation, only tells part of the story and is merely a piece of the puzzle. For a forecast to be comprehensively and effectively understood, forecast assumptions are needed to provide context and support. In addition to being a best practice, assumptions are required by OAC 3301-92-04 *Reporting Five-Year Projections*. OASBO

recommends that districts sufficiently explain substantial variations in revenues and expenditures. These explanations can enhance transparency and help readers understand the “why” behind the projected financials in the forecast. Examples of general key drivers for fluctuations in forecast lines which may be explained by school districts include, but are not limited to, the following:

- Property Tax Revenue (Line 1.010): This could increase due to reappraisal within the county or expected new developments within the district;
- Personal Services (Line 3.010): This could increase or decrease due to staffing changes or negotiated salary changes;
- Employee Retirement/Insurance Benefits (Line 3.020): This could change due to changes in insurance costs or staffing levels; and,
- Purchased Services (Line 3.030): This could change due to changes in operations, increased utility rates, or changes to contracts.

Generally, the District’s assumptions and explanations for significant fluctuations in the forecast, such as Line 3.010 (Personal Services) and Line 3.020 (Employee Retirement/Insurance Benefits), were explained in detail. In addition, the District thoroughly explained forecast lines related to revenue and expenditures, which together identified the causes of projected deficits. Deficit spending is discussed in further detail below.

According to OASBO, when districts review forecasts, it is important to watch for significant fluctuations within the same line. The forecast assumptions should explain any major increases or decreases in detail to help ensure that trends and significant changes such as growing deficits are understood, addressed, and clearly communicated to stakeholders.

Projected Deficit Spending

According to OASBO, the forecast assumptions should explain Line 6.010 (Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses), most notably, if there is deficit spending. Deficit spending may be sustained for short periods due to a district’s cash balance; however, districts should not do so precipitously or allow projected balances to fall below an established threshold, without taking action. As OASBO notes, if deficit spending is significant in the current fiscal year or first few years of the forecast period, it may indicate that the district is operating outside of its means. In any scenario, OASBO indicates that a financial plan is likely necessary to reverse deficit spending and avoid drawing down the cash balance. Further, OASBO notes that early interventions are key to avoiding more disruptive actions in the future.

Beginning in the May 2022 forecast, the District projected deficit spending in all years of the forecast period. This trend continued through the February 2026 forecast, with the exception of the second year of the October 2025 forecast. Actual deficit spending occurred in AY 2023, AY

2024, and AY 2025. The table below shows the forecasted annual results of operations for each forecast beginning in May 2022.

Historical Projected Results of Operations (Forecast Line 6.010)

	AY 22	AY 23	AY 24	AY 25	AY 26	AY 27	AY 28	AY 29
May '22	(\$0.10M)	(\$0.60M)	(\$1.03M)	(\$1.28M)	(\$1.53M)			
Nov '22		(\$0.42M)	(\$0.92M)	(\$1.65M)	(\$1.91M)	(\$2.18M)		
May '23		(\$0.83M)	(\$1.33M)	(\$2.06M)	(\$2.33M)	(\$2.59M)		
Nov '23			(\$0.39M)	(\$0.39M)	(\$0.66M)	(\$1.32M)	(\$2.58M)	
May '24			(\$1.02M)	(\$1.09M)	(\$1.34M)	(\$1.85M)	(\$2.93M)	
Nov '24				(\$0.72M)	(\$1.50M)	(\$2.84M)	(\$3.98M)	(\$4.78M)
Mar '25				(\$0.78M)	(\$0.42M)	(\$1.54M)	(\$2.66M)	(\$3.43M)
May '25				(\$0.42M)	(\$0.27M)	(\$1.37M)	(\$2.49M)	(\$3.26M)
Oct '25					(\$0.37M)	\$0.05M	(\$0.82M)	(\$1.37M)
Feb '26					(\$1.07M)	(\$0.90M)	(\$1.70M)	(\$2.17M)

Source: ODEW

Note: The table only contains forecasted results of operations and excludes actuals.

Note: The District's required annual forecast in October 2025 projected a significantly better financial condition for the District, with an ending fund balance ranging from approximately \$1.1 million to \$2.1 million throughout the forecast period. This positive outlook was projected due to the Ohio Tax Commissioner's ruling on the valuation of the Rover Pipeline for Tax Year 2019. The District anticipated receiving this revenue in subsequent years, but the Rover Pipeline has appealed the ruling for subsequent years. As a result, this projected revenue was removed for the following forecasts.

According to OASBO, if a forecast is demonstrating deficit spending, then corrective action should also be explained in the assumptions. Prior to being placed into fiscal precaution and submitting its FRP to ODEW, the District's February 2026 forecast assumptions contained several planned staffing reductions in AY 2026 and AY 2027 to reduce expenditures. Further corrective action is being taken as part of the FRP. The District is also attempting to pass a new earned income tax levy in November 2026.

Forecast Monitoring

OASBO also calls for districts to proactively manage revenues and expenditures to avoid deficit spending and ultimately, negative ending fund balances. The optimal method for proactive management is comparing monthly and year-to-date actuals to budgeted appropriations and the forecast. Regular comparison can reveal significant deviations and, if found, allow districts time to engage in corrective action. If there is significant variance, districts should do the following:

- Identify the cause;
- Evaluate the impact;
- Adjust appropriations if necessary;
- Adjust estimated revenues if necessary;

Efficient • Effective • Transparent

- Communicate with stakeholders; and,
- Adopt a revised forecast.

Similarly, ODEW recommends that districts report and discuss expenditures compared to revenues on a monthly basis. The District compares actuals to forecasted funds and provides this information at monthly Board meetings, but does not compare monthly and year-to-date actuals to budgeted appropriations.

Cash Balance Policy

Maintaining a minimum cash balance helps a district avoid financial difficulties that may arise from unforeseen expenses or reduced revenues. TLSD does not have a cash balance policy, but the treasurer stated a goal to maintain a cash balance of 30 to 40 days of operating expenditures. Given the District's forecasted negative ending cash balances, the District will not meet this goal.

OASBO recommends that a district maintain a cash balance equivalent to 90 days or 25 percent of operating expenditures while ODEW recommends a district maintain a balance of 30 to 60 days of operating expenditures. Although the OASBO and ODEW recommended cash balance amounts differ, both ultimately recommend there be a policy outlining the district's requirement to maintain a strategic cash balance. OASBO further recommends districts maintain a maximum cash balance policy to prevent the accumulation of excess reserves.

Conclusion

The District does not comply with all best practices related to forecasting as identified by OASBO, the GFOA, or ODEW. Further, the District does not have a cash balance policy and has not effectively or proactively managed its finances to avoid deficit spending and negative ending fund balances in its forecasts. By implementing forecasting best practices outlined by OASBO, ODEW, and the GFOA, the District will have the ability to create forecasts that are reliable and provide an accurate representation of the District's true financial state. This is essential information for the governing body to have in order to make sound financial decisions regarding the operations of the District.

Recommendation 2: Develop a Formal Budgeting Process

To ensure the District is making the most informed decisions with their resources, and is as prepared as possible for future needs, the District should develop a formal written budgeting process that addresses each of the steps and sub-steps outlined in the GFOA best practices.

Impact

By understanding its expected revenues and the resource needs of students and staff – and creating a plan in which received dollars will be allocated to meet those needs – TLSD can ensure that each dollar the District receives is spent thoughtfully to achieve maximum impact. Fully adhering to *Best Practices in School Budgeting* (GFOA, 2017) may help prevent the District from overlooking gaps between its resource acquisition and resource needs.

Background

School district budgets outline the planned distribution of a district’s funding for the upcoming academic year based on expected revenues and resource needs of students and staff.

Methodology

We interviewed District officials to understand their annual budgeting process. Once we gained an adequate understanding of TLSD’s budgeting process, we compared the District’s process to *Best Practices in School Budgeting* (GFOA, 2017), which is a formal guidance for school district financial administrators to adopt when creating their annual budget.

Analysis

The District does not have formal written budgeting policies and procedures. While the current budgeting process includes input from the superintendent, building principals, and department heads, and considers forecasted revenues and expenditures, there are no measures in place to determine the success of the budget beyond financial audits and ODEW school report cards.

After comparing TLSD’s budgeting process to the GFOA’s best practices, we determined that TLSD adheres to 1 of the 15 budgeting sub-steps, partially adheres to 7 of the sub-steps, and does not adhere to 7 of the sub-steps recommended by the GFOA.

GFOA School Budgeting Best Practices

PLAN AND PREPARE

Partially Meets	Establish a Partnership between the Finance and Instructional Leaders
Partially Meets	Develop Principles and Policies to Guide the Budget Process
Partially Meets	Analyze Current Levels of Student Learning
Partially Meets	Identify Communications Strategy

SET INSTRUCTIONAL PRIORITIES

Does Not Meet	Develop Goals
Does Not Meet	Identify Root Cause of Gap between Goal and Current State
Does Not Meet	Research and Develop Potential Instructional Priorities
Does Not Meet	Evaluate Choices amongst Instructional Priorities

PAY FOR PRIORITIES

Meets	Applying Cost Analysis to the Budget Process
Partially Meets	Evaluate and Prioritize Use of Resources to Enact the Instructional Priorities

IMPLEMENT PLAN

Does Not Meet	Develop a strategic Financial Plan
Does Not Meet	Develop a Plan of Action
Partially Meets	Allocate Resources to Individual School Sites
Does Not Meet	Develop a Budget Presentation

ENSURE SUSTAINABILITY

Partially Meets	Put Strategies into Practice and Evaluate Results
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Source: GFOA and TLSO

The sub-steps labeled as “Partially Meets” and “Does Not Meet” were marked as such due to various reasons. First, the District lacks formal long-term planning such as a strategic plan for District-wide operations (see [Recommendation 3](#)), and an accompanying strategic financial plan, which can be used as a communications device, that shows how the District plans to pay for things such as instructional priorities, as well as support and central services. As such, the District also does not have a plan of action demonstrating how the strategic financial plan will be implemented.

Second, the District does not use specific student achievement goals as a starting point in the budgeting process or perform a root cause analysis to determine student achievement gaps or evaluate instructional priorities.

Lastly, although TLSO’s budget process involves internal stakeholders, it does not fully meet GFOA best practices for communication strategies. The District shares monthly actuals versus forecasted revenues and expenditures at Board meetings, but budgeting information is not communicated to the public beyond that. The District does not have a budgeting presentation

that indicates the challenges facing the District and the goals, strategies, and initiatives being pursued to counter those challenges.

According to the GFOA, a school budgeting framework “begins with guidelines for district-wide communication and collaboration, including setting baseline expectations for what the budget process will achieve. The focus then shifts to developing robust goals and integrating the process with the district’s strategic plan, including developing a comprehensive package for implementing a district’s goals, or instructional priorities.”

Conclusion

Budgeting is an extremely important annual process which culminates in the allocation of district resources to reach their goals and positively impact their students. By developing a formal budgeting process that is built on best practices and fully integrated with a strategic plan, TLSD will be able to focus on optimizing student achievement within its available resources. A robust budgeting process encompasses a complete budgeting cycle which includes planning, development, evaluating how the process functions, and adjusting accordingly. Within this process, the District’s instructional priorities will provide a guide for decision-making.

Recommendation 3: Develop Formal Plans

TLSD should develop formal written strategic, capital improvement, facilities preventive maintenance, fleet preventive maintenance, and bus replacement plans in order to meet financial, programmatic, and operational needs.

Impact

School districts should have multiple formal plans that identify future needs and guide each operational area of the district. It is important that the district has a long-term strategic plan tied to a formal budget and capital plan, as well as a facilities preventive maintenance plan, fleet preventive maintenance plan, and bus replacement plan. This allows the district to ensure the needs of all operational areas can be met in an efficient and effective manner.

Methodology

We interviewed District officials and confirmed that the District has components of a strategic plan, but does not have a capital plan, facilities preventive maintenance plan, fleet preventive maintenance plan, or bus replacement plan. We then compared the District's current planning practices to industry standards and best practices to identify opportunities for improvement.

Analysis

Each operational area within the District has specific planning needs which should be considered and included in planning documents. Specific criteria related to each type of plan are addressed below.

Strategic Plan

The GFOA provides guidance to governmental entities in the development and maintenance of effective long-term planning. *Strategic Planning* (GFOA, 2023), defines strategic planning as the “act of articulating where or what an organization wants to be in the future and includes the design of a vision and identification of goals and objectives. It relates to long-term financial planning, developing financial policies, capital improvement planning, and budgeting, but it is inherently different. Each process fulfills a different combination of planning purposes.”

Key steps in the strategic planning process include:

- Conduct strategic planning under the organization's chief executive;
- Analyze internal and external environments;
- Identify the most critical problems facing the organization;
- Develop a vision/goal to address each problem;
- Develop strategies to realize your visions;

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- Develop tactics to implement strategies;
- Obtain approval of the plan;
- Execute and monitor tactics and strategies; and,
- Continually evaluate and reassess the vision and strategies.

The District's most recent strategic plan was approved in 2021 for a three-year period. The District is currently revising the plan, but an updated plan has not yet been approved. The previous plan meets several of the GFOA best practices.

Capital Plan

According to *Multi-Year Capital Planning* (GFOA, 2022), public entities should "prepare and adopt comprehensive, fiscally sustainable, and multi-year capital plans to ensure effective management of capital assets." The GFOA further states that "a prudent multi-year capital plan identifies and prioritizes expected needs based on a strategic plan, established project scope and cost, details estimated amounts of funding from various sources, and projects future operating and maintenance costs."

The District does not have a formal capital plan. The current income tax for permanent improvements is being used to repay debt associated with the District's new building.

Facilities Preventive Maintenance Plan

According to the *Planning Guide for Maintaining School Facilities* (National Center for Education Statistics, 2003), "a comprehensive facility maintenance program is a school district's foremost tool for protecting its investment in school facilities and is the cornerstone of any effective maintenance initiative. A good maintenance program is built on the foundation of preventive maintenance. An effective maintenance program begins with an audit of buildings, grounds, and equipment."

After facilities data has been assembled, structural items and pieces of equipment can be selected for preventive maintenance. Once the items that should receive preventive maintenance are identified, planners must decide on the frequency and type of inspections. Manufacturers' manuals are a good place to start when developing this schedule; they usually provide guidelines about the frequency of preventive service, as well as a complete list of items that must be maintained. Finally, this information must be formatted so that preventive maintenance tasks can be scheduled easily. Ideally, scheduling should be handled by a computerized maintenance management program; however, tasks can be efficiently managed using a manual system as well.

While the District does not have its own facilities preventive maintenance plan, it intends to utilize the Ohio Facilities Construction Commission (OFCC) preventive maintenance plan. Once

the District's PK-12 building project with the OFCC is completed, the District will be using the OFCC's OnTrack tool to track, plan, and forecast maintenance and capital renewal costs for its facilities. OnTrack is designed to help school districts manage the long-term maintenance and capital renewal needs of buildings funded through OFCC projects; however, even non-OFCC projects can be added to the tool, which the District plans to do in order to keep track of all buildings. The District also has a work order system which tracks performance metrics, including the cost and completion time of each work order.

Fleet Preventive Maintenance Plan

According to the *Public Works Management Practices Manual* (American Public Works Association, 2014), a preventive maintenance program should be developed for all equipment and includes preventive maintenance, recording performance, and monitoring the preventive maintenance program. A fleet preventive maintenance program should address all scheduled maintenance, and the program should be evaluated to ensure its efficacy.

While the District does not have a fleet preventive maintenance plan, a checklist is used when conducting preventive maintenance.

Bus Replacement Plan

In *School Bus Replacement Considerations* (NASDPTS, 2002), the National Association of State Directors of Pupil Transportation Services recommends that the timely replacement of school buses should be a planned process. While available funding is a key consideration for the replacement of school buses, there are two other major factors which should be considered:

- First, the need to keep up with federal standards for the safety, fuel efficiency, or exhaust emissions requirements;
- Second, the operating and maintenance expenses on a school bus, or group of school buses.

While the rule of thumb for bus replacement is between 12 and 15 years of age, reviewing maintenance costs for each bus may identify buses that should be replaced sooner or kept in service longer. With accurate and thorough records on the operating and maintenance costs of all school buses in a fleet, a district will have the data necessary to understand when to make replacement decisions.

The District does not have a formal bus replacement plan.

Conclusion

Formal plans help an organization address financial, programmatic, and operational needs. By developing these plans and tying a formal capital plan to the overall strategic plan, the District

will be able to efficiently and effectively allocate its limited resources. In particular, by understanding and mapping out both routine expenditures and large purchases, the District will improve its ability to avoid unexpected or unnecessary expenses.

Recommendation 4: Reduce the General Fund Subsidy for Extracurricular Activities

Impact

Reducing expenditures and increasing revenue to bring the General Fund subsidy as a percent of total expenditures for extracurricular activities in line with the local peer average would save TLSD an average of approximately \$29,000 in each year of implementation.

Background

Extracurricular activities represent student activities falling outside the scope of a typical school curriculum. These activities occur under the guidance or supervision of qualified adults and are designed to provide opportunities for pupils to participate in such experiences on an individual basis, in small groups, or in large groups – at school events, public events, or a combination of these – for purposes of motivation, enjoyment, and skill improvement. In practice, participation is usually not required, and credit is usually not given. When participation is required, or credit given, the activity is generally considered to be a curricular course.

Extracurricular activities include, but are not limited to, academic-oriented activities (drama, marching band), sport-oriented activities (individual and team sports), and co-curricular activities (student government, yearbook).

Methodology

The District's AY 2025 General Fund subsidy as a percent of total extracurricular activities was compared to the local peer average.

Analysis

In AY 2025, the District spent approximately \$951,000 on student extracurricular activities, which included the salaries and benefits of directors, coaches, and advisors; supplies and materials; transportation services; awards and prizes; and other miscellaneous expenditures. The District's General Fund subsidy for extracurricular activities was approximately \$603,000. Additionally, approximately \$353,000 in revenue was generated through ticket sales for admission and other sources. The District does not charge pay-to-participate fees for extracurricular activities. Of the six local peer districts, two charge pay-to-participate fees.

AY 2025 General Fund Subsidy as a Percent of Actual Expenditures

Triway LSD	Local Peer Average	Difference
62.9%	58.0%	4.9%

Source: TLSL and Local Peers

The District's General Fund subsidy as a percent of extracurricular expenditures is 62.9 percent compared to the local peer average of 58 percent. Aligning the District's General Fund subsidy as a percent of extracurricular expenditures with the local peer average would save approximately \$29,000 annually. While it is common for Ohio school districts to subsidize extracurricular activities from the General Fund, doing so at a rate that exceeds the local peer average may represent an undue burden on the District's General Fund.

The District could consider the following steps to reduce expenditures or raise additional revenue for extracurricular activities:

- Implement pay-to-participate fees;
- Increase admissions and sales;
- Increase booster club funding;
- Reduce the supplemental salary schedule; and/or,
- Eliminate programs.

Conclusion

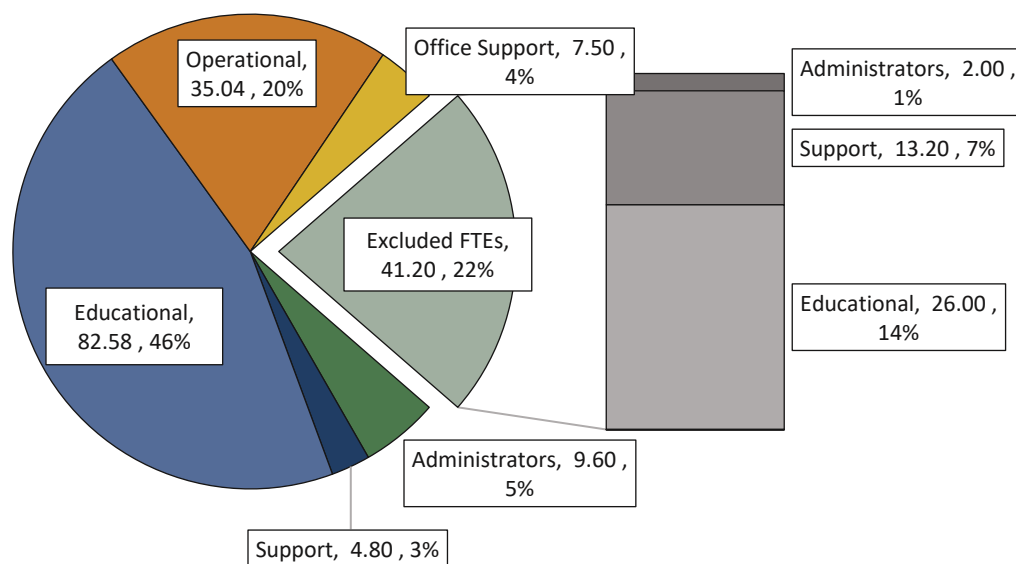
The District's General Fund subsidy of extracurricular activities as a percent of total expenditures is above the local peer average. To close the gap between revenue and expenditures, and in turn alleviate the amount of General Fund support needed, the District should reduce the General Fund subsidy as a percent of total expenditures for extracurricular activities to the local peer average. Doing so would save the District approximately \$29,000 in each year of implementation.

Human Resources

Human Resources (HR) expenditures are significant to both the operational and financial conditions within school districts. OPT reviewed TLSD's staffing levels, salaries, and insurance offerings and compared them to peer districts.

Personnel costs represent over 82.4 percent of the District's General Fund spending. Due to this, we conducted several analyses relating to the expenses associated with maintaining the existing staffing levels. Certain staff were excluded from our analyses due to various legal and contractual requirements that would make reductions difficult. In the chart below, there are approximately 41 excluded staff FTEs, which include individuals associated with Special Education, Title I, and preschool programming.

FTEs by Category with Excluded FTEs Breakout



Source: TLSD

Recommendation 5: Eliminate Administrative Positions above the Peer Average

TLSD should consider eliminating administrative positions above the primary peer average.

Impact

By reducing administrative positions to be in line with the primary peer average, the District could save an average of approximately \$187,000 annually beginning in AY 2028.⁴⁰

Background

The District employs individuals in administrative positions who are responsible for activities related to the daily operations of the District. While these positions provide support to students and educators at TLSD, the District may be able to reduce some positions based on peer comparisons.

Methodology/Analysis

Staffing levels for the District were identified and compared to primary peer averages on a per-1,000-student basis and per-building basis.⁴¹ TLSD could reduce 1.5 FTE building administrator positions.

Building Administrators

At the time of analysis, TLSD employed 6.0 FTE building administrators, which is 1.74 FTEs above the peer average on a per-1,000-student basis and 1.84 FTEs above the peer average on a per-building basis. Eliminating 1.5 FTE building administrator positions could save an average of approximately \$187,000 annually.

Conclusion

The District should consider eliminating 1.5 FTE from its administrative positions. Eliminating 1.5 FTE building administrator positions could save an average of approximately \$187,000 annually and bring staffing to a level consistent with the primary peer average.

⁴⁰ Calculated savings are based on the salary and benefits of the lowest paid administrators.

⁴¹ A Full-Time Equivalent (FTE) was used to identify staffing levels, based on ODEW reporting guidelines.

Recommendation 6: Eliminate Direct Student Support Positions Above the Peer Average

TLSD should consider eliminating the other professional – educational position that exceeds the primary peer average.

Impact

By reducing support positions to be in line with primary peer average, the District could save an average of approximately \$93,000 annually beginning in AY 2028.⁴²

Background

Direct student support positions perform functions that directly assist students in an educational setting. Based on peer comparison, TLSD could eliminate one support staffing position.

Methodology/Analysis

Staffing levels for the District were identified and compared to the primary peer averages on a per-1,000-student basis. TLSD could reduce 1.0 FTE other professional – educational staff position.

Other Professional – Educational Staff

TLSD employs 1.6 FTE other professional – educational staff, which is 1.0 FTEs above the peer average. Eliminating 1.0 FTE other professional – educational staff position could save an average of approximately \$93,000 annually.

Conclusion

The District should consider eliminating 1.0 FTE from its direct student support positions. Eliminating this position could save an average of approximately \$93,000 annually and bring staffing to a level consistent with the primary peer average.

⁴² Calculated savings are based on the salary and benefits of the lowest tenured employee.

Issue for Further Study: Consider Athletic Training Service Delivery Model

TLSD provides in-house athletic training services to its students. Only one of the seven primary peers provides in-house services, while five peers contract for athletic trainers and one peer employs an athletic trainer on a supplemental contract. TLSD should evaluate the costs, operational needs, and level of service associated with each service delivery model to determine if providing in-house athletic training services is more cost-effective and better aligned with the District's needs compared to the service models currently used by the primary peer districts.

Recommendation 7: Align Salary Schedules

TLSD should align its certificated and classified salary schedules with the local peer average.

Impact

While cost savings are not calculated for this recommendation, aligning the certificated and classified salary schedules to the local peer average would result in future cost savings and allow the District to improve its overall fiscal condition.

Background

The District has a certificated collective bargaining agreement (CBA), which contains salary schedules for certificated staff. The certificated CBA is in effect until June 30, 2028. The District does not have a classified CBA, so classified employee salary schedules were provided by the District.

Methodology

We used the District's certificated and classified AY 2026 salary schedules for purposes of our analysis. The District's salaries over a 30-year career were reviewed and compared to the local peer average (see [Appendix E](#)). A 30-year career was chosen since school district salary schedules are generally structured around a 30-year period.

Position categories used in our analysis were determined based on the identification of comparable positions and corresponding salary schedules at the local peer districts. As such, this analysis did not include all of the District's salary schedules. Pay schedules from the peer district CBAs were obtained from the State Employment Relations Board (SERB). When updated contracts and salary schedules were unavailable from SERB, they were obtained directly from peer districts.

Analysis

The following certificated categories, which are based on education level, were identified for salary comparison between the District and the local peers:

- Bachelor's Degree (BA); and,
- Master's Degree (MA).

TLSD provides retirement pick-up benefits to its certificated staff. The Board pays 1 percent of the statutorily required 14 percent employee contribution to the State Teachers Retirement System (STRS) for each bargaining unit member's total annual compensation. Of the local peer districts, only Wooster Local School District provides a similar pick-up benefit to its certificated

staff and pays 4.5 percent of the employees' required STRS contributions. The pick-up benefits provided by TLSD and Wooster LSD were factored into the certificated salary schedule comparisons.

The 30-year career compensation for the District's BA salary schedule is in line with the peer average, but the MA salary schedule exceeds the peer average by 3.9 percent.

The following classified categories were identified for salary comparison between the District and the local peers:

- Aide;
- Bus Driver;
- Cook;
- Custodian; and,
- Secretary.

TLSD has a lower starting salary, but higher average yearly step increases than the local peer average for all classified positions analyzed. The 30-year career compensation is higher than the peer average for the District's bus driver, aide, and custodian positions, ranging from 3.2 percent to 12.1 percent higher. The cook and secretary salary schedules are below and in line with the peer average, respectively.

Aligning salaries with the local peers could be done in a variety of ways, including instituting salary freezes or renegotiating new salary schedules for employees.

Conclusion

Select salary schedules for the District's certificated and classified employees have a higher 30-year career compensation than the local peer average. To achieve savings, TLSD should align its salaries with the local peer average. Any future savings would affect forecasted funds.

Recommendation 8: Align Employer Insurance Costs with the SERB Regional Average

The District should align its employer costs for medical insurance with the SERB regional average for other school districts. This alignment could be accomplished by increasing employee premium contributions and/or adjusting plan designs.

Impact

Aligning employer medical insurance costs would reduce expenditures and result in average annual savings of approximately \$736,000 beginning in AY 2029.⁴³ Due to union contracts which stipulate the employee cost share, these savings could not be implemented until AY 2029.

Background

TLSD is self-insured but uses the Jefferson Health Plan consortium as a third-party administrator that manages the administrative tasks for the District's insurance plans. The District offers one Preferred Provider Organization (PPO) medical insurance plan and one High-Deductible Health Plan (HDHP). The PPO plan is only available to the certificated staff, but the HDHP plan is available to all staff. In addition, the District offers a dental insurance plan to all staff. The medical and dental insurance plans have an option for single or family coverage. The District does not offer vision insurance.

At the time of analysis, TLSD had 61 family enrollees and 19 single enrollees in its PPO plan, and 54 family enrollees and 16 single enrollees in the HDHP plan. Prescription coverage is included in each medical plan. The District had 117 family enrollees and 35 single enrollees in the dental plan.

Methodology

We compared the District's medical and dental insurance provisions and costs to the SERB regional average for school districts. Peer information was obtained from the 2025 SERB survey.⁴⁴ The District's medical plans were compared to 97 plans, and the dental plan was compared to 76 regional peers. The peer average excluded outlier districts whose plans were more than two standard deviations outside the mean. Using the District's assumptions for

⁴³ Of this total, approximately \$31,000 in annual savings, beginning in AY 2029, would not impact the General Fund, but would impact other funds, such as the Food Service Fund.

⁴⁴ The District's medical insurance rates were updated in AY 2026 and therefore we inflated the peers' 2025 SERB data for use in the analysis. Dental insurance rates were not inflated.

increases to annual insurance costs, we then projected potential cost savings over the course of the forecast period.

Analysis

The District offers medical, combined with prescription, as well as dental coverage to its certificated and classified staff. The insurance premium, or cost of obtaining insurance is split between the District and the employee on a percentage basis. During the course of the audit the District renegotiated its certificated CBA, which reduced the District's PPO plan premium contributions from 90 percent to 85 percent. The District covers 100 percent of the HDHP plan premium and makes annual Health Savings Account (HSA) contributions for all staff on the HDHP plan. For dental insurance, the District covers 92 percent of the premium for all staff.

There are several factors that impact premium costs, which include consortium negotiation outcomes, market conditions and volatility, as well as healthcare claims history. According to SERB, there are cost saving measures entities could pursue to reduce insurance costs. These cost saving measures include joining a consortium, implementing worksite wellness programs, offering an opt-out incentive, implementing spousal restrictions, and conducting a dependent eligibility audit. TLSD has already implemented some measures to reduce its insurance costs, including joining a consortium and implementing spousal restrictions.

Dental Insurance

Our analysis of the District's dental insurance plan found that the single and family employer costs and total premium costs were below the regional peer average, although the District's employer contribution was slightly higher. Due to this, we did not calculate an adjustment of aligning this plan to the regional peer average.

Medical Insurance – PPO

Since the District recently renegotiated its certificated CBA and lowered the District's medical insurance premium contributions, the District now contributes less to both the single and family PPO plans than the regional peer average. While a peer comparison was conducted, we did not identify cost savings for the PPO plan due to this contribution reduction (see [Appendix E](#)).

Medical Insurance – HDHP

Our review of the Districts HDHP plan found that the coverage and provisions such as network out-of-pocket maximums and prescription costs, are lower and therefore more generous than the regional peer average. Network and non-network single and family deductibles exceed the peer average and are therefore less generous.

Under the current HDHP plan, as seen in the following tables, the District contributes a greater portion of the monthly premium and has a higher total premium cost than the regional peer group. For both certificated and classified staff, the District paid a monthly premium of \$829.88 for single enrollees and a monthly premium of \$2,022.02 for family enrollees. For a more accurate cost comparison, the annual HSA contributions, split into monthly contributions, for the District and peers were added to the monthly premium. In AY 2026, the District's HSA contributions were \$2,500 for single certificated enrollees and \$4,500 for family certificated enrollees.⁴⁵ The District's contributions were \$3,500 for single classified enrollees and \$6,500 for family classified enrollees. The following tables show the adjustment necessary to align with the peer average employer cost and reduce insurance related expenditures.

2026 Monthly Medical Insurance Costs | HDHP & HSA - Certificated

		TLSD		Regional Peer Averages		TLSD Adjustment	
		Costs	% Share	Costs	% Share	Costs	% Share
Single Medical + Rx	District	\$1,038.21	100.0%	\$693.53	86.1%	\$693.53	66.8%
	Employee	\$0.00	0.0%	\$111.55	13.9%	\$344.68	33.2%
Family Medical + Rx	District	\$2,397.02	100.0%	\$1,626.95	85.4%	\$1,626.95	67.9%
	Employee	\$0.00	0.0%	\$277.41	14.6%	\$770.07	32.1%

Source: TLSD and SERB

2026 Monthly Medical Insurance Costs | HDHP & HSA - Classified

		TLSD		Regional Peer Averages		TLSD Adjustment	
		Costs	% Share	Costs	% Share	Costs	% Share
Single Medical + Rx	District	\$1,121.55	100.0%	\$693.53	86.1%	\$693.53	61.8%
	Employee	\$0.00	0.0%	\$111.55	13.9%	\$428.02	38.2%
Family Medical + Rx	District	\$2,563.69	100.0%	\$1,626.95	85.4%	\$1,626.95	63.5%
	Employee	\$0.00	0.0%	\$277.41	14.6%	\$936.74	36.5%

Source: TLSD and SERB

To align itself with the SERB regional average for employer cost, the District would need to shift a portion of the medical premium to its employees and/or decrease HSA contributions. As seen in the tables above, certificated employees enrolled in the single plan would need to pay 33.2 percent, or \$344.68, of the monthly premium, and certificated employees enrolled in the family plan would need to pay 32.1 percent, or \$770.07, of the monthly premium. Classified employees enrolled in the single plan would need to pay 38.2 percent, or \$428.02, of the

⁴⁵ During the course of the audit, the District renegotiated its certificated CBA, effective July 1, 2026, which increased the annual HSA contributions to \$4,000 for single enrollees and \$5,500 for family enrollees, increasing the overall cost of the plan for the District. Our analysis is based on the previous amounts which were available at the time of comparison, which results in a conservative estimate of savings.

monthly premium, and classified employees enrolled in the family plan would need to pay 36.5 percent, or \$936.74, of the monthly premium.

We identified potential cost savings associated with bringing employer insurance costs for the HDHP plan, with HSA costs included, in line with the regional peer average. The District has projected a four percent increase for AY 2027 to AY 2029, the last year of the forecast. The District could save approximately \$736,000 annually, beginning in AY 2029, by aligning employer insurance costs with the regional peer group. The District could pursue additional cost reductions by further shifting costs and/or adjusting plan designs.

Conclusion

TLSD should work to bring its employer HDHP medical insurance premium costs in line with the SERB regional average. Doing so could result in average annual savings of approximately \$736,000. These savings can be realized by shifting premium costs and/or adjusting plan designs. It is important to note that shifting premium costs will require contract negotiations.

Food Service

A district's food service program, or how a district provides meals to students, operates using an enterprise fund, which is like a business account. A well-run program will generate enough revenue to cover the costs associated with the provision of meals. Providing meals to students is a critical component of any school district's operations. The way districts choose to provide and fund food services can have a significant impact on the overall fiscal health of a district.

Recommendation 9: Monitor Food Service Operations

TLSD should monitor food service operations in order to prevent future operational deficits and the need for General Fund subsidies. Continuous monitoring and evaluation of operations can also assist the District in implementing actions for increasing the overall efficiency and effectiveness of food service operations.

Impact

The District's food service program operates using a separate fund that should be self-sustaining. If the fund has a deficit balance, it could require a transfer from the General Fund, which could impact the District's overall fiscal condition. Careful monitoring and evaluation of food service operations can help ensure that expenditures are appropriate. In addition, reducing the total food service daily labor hours by 17.0 hours could save the District an average of approximately \$63,000 annually, beginning in AY 2028, and contribute to a self-sustaining Food Service Fund.

Background

The Food Service Fund is used to pay for the salaries and benefits of food service staff as well as purchasing food and supplies needed to prepare and serve meals. In AY 2026, the District prepared and served meals using a hybrid system of convenience and conventional food service.

Methodology

We conducted interviews with food service staff to understand how the District provides meals to students. Using data from ODEW, we identified the number of meals served in AY 2026 in order to calculate a meals per labor hour (MPLH) metric to identify the efficiency of food service staffing and operations at the District for AY 2026. We then compared the District's food service labor efficiency to industry standards.

Using District revenue and expenditure data, we assessed Food Service Fund trends and cash balances from AY 2023 to AY 2025. We also assessed meal pricing, student participation, and commodity entitlement usage.

Analysis

As seen in the following table, the District had an operating deficit of approximately \$41,000 in AY 2024, and an operating deficit of approximately \$225,000 in AY 2025. The operating deficits, however, did not result in an overall Food Service Fund deficit, and did not require transfers from the General Fund. In AY 2025, the District's Food Service Fund had an ending fund balance of approximately \$7,000. In AY 2026, the Food Service Fund required a General Fund subsidy of approximately \$48,000.

Food Service Fund Net Gain/(Loss) History

Total, No Supplements	AY 2023	AY 2024	AY 2025
Revenue	\$663,136	\$664,299	\$456,645
Expenditures	\$652,792	\$705,686	\$682,064
Net Gain/(Loss)	\$10,343	(\$41,387)	(\$225,419)

Source: TLSD

The District's AY 2025 funding was impacted by its adoption of the Community Eligibility Provision (CEP). Due to providing free meals, the District lost Food Service Fund revenue and experienced an operational deficit.⁴⁶ However, in AY 2025 the District's Disadvantaged Pupil Impact Aid (DPIA) increased significantly and more than offset the decrease in Food Service Fund revenue.⁴⁷ The District did not continue the CEP in AY 2026 and began collecting revenue for regular meals again.

As part of maintaining a self-sustaining food service program, *School Food and Nutrition Service Management for the 21st Century* (Pannell-Martin and Boettger, 2014), establishes a MPLH benchmark based on the number of meals served and the type of system used for food service.

As of June 2026, TLSD produced an average of 837 meal equivalents per day and was staffed with 56.0 labor hours per day. Based on the MPLH benchmark, the District requires 38.9 total daily labor hours, indicating that TLSD operates with approximately 17.1 excess daily labor hours. Eliminating a total of 17.1 daily labor hours from food service operations would reduce salaries and benefits expenditures by approximately \$63,000 annually throughout the forecast

⁴⁶ Revenue was specifically lost within Function 1512: Sales of Type A Lunches to Students.

⁴⁷ DPIA funding increased 741.1 percent from \$90,659 in AY 2024 to \$762,550 in AY 2025. Since HB 96 changed the way in which DPIA is calculated, placing a greater emphasis on categorical eligibility, the District would not realize the same amount of DPIA funding if it were to adopt CEP going forward.

period.⁴⁸ This reduction could be achieved by reducing 2.07 FTE food service positions or reducing work hours of numerous positions.

In addition to staffing, there are other factors that can contribute to operational deficits. The District should consider other options to prevent the need for a future General Fund subsidy and increase operational efficiency. The Florida Office of Program Policy Analysis & Government Accountability outlines many steps that can be taken including:

- Establish expectations and measures for program performance and cost;
- Develop effective annual budgets and long-term program plans;
- Identify and reduce participation barriers;
- Promote the food service program;
- Maximize the use of USDA commodities; and/or,
- Join purchasing cooperatives to receive quantity discounts.⁴⁹

While the District should not maintain excessive fund balances for food services, it should be mindful about its spending and maximize available assistance. The USDA provides funds to the District to offset the cost of food purchases, known as commodity dollars. The District can use these dollars to purchase food such as meat, fish, poultry, fruits, cheese, and grains. Based on our analysis, TLSD used all or nearly all of its commodity dollars in AY 2024 and AY 2025. As food prices rise, it will be important for the District to continue to utilize this available funding.

From AY 2021 to AY 2025, the District had an average daily participation rate of 46 percent. This was a lower average participation rate than that of other districts in Wayne County, ODEW similar districts, and the statewide average. While the five-year average daily participation rate was lower, TLSD's participation rate was higher than the county, similar district, and statewide average in AY 2025, indicating an improvement from historical trends. However, without reducing daily labor hours, increasing participation will result in increased costs as the District's cost per meal exceeds the District's meal prices.

The District's AY 2026 meal prices for the elementary, middle, and high schools were \$3.00. On average across all grade levels, the District's meal price fell below the local peer average by \$0.21, below the primary peer average by \$0.26, and below the statewide average by \$0.34.

⁴⁸ Since there was a transfer from the General Fund to the Food Service Fund in AY 2026, these savings would impact both funds.

⁴⁹ *Best Practices Could Help School Districts Reduce Their Food Service Program Costs*, Florida Office of Program Policy Analysis & Government Accountability, 2009.

Conclusion

The District should align its food service staffing more closely with industry standards. Eliminating 17.1 daily labor hours from food service operations would reduce Food Service Fund expenditures by approximately \$63,000 annually throughout the forecast period. This reduction in labor hours would equate to 2.07 FTE food service positions. The District had lower meal prices than the peers and a history of lower daily participation than other districts. In addition, the District required a General Fund transfer in AY 2026. Due to this, the District should carefully monitor operations and adjust as necessary to ensure the food service program operates efficiently.

Additional Recommendations

As discussed in detail throughout the preceding sections of this report, TLSD could gain efficiencies by aligning its operations with the peer averages and industry standards and by implementing the previously identified baseline recommendations. However, the recommendations identified previously in this report, even if fully implemented, would not resolve the projected fund balance deficit in the most recent financial forecast. The following recommendations are additional actions that District leadership may need to consider when addressing the current fiscal situation.

Implementing the following additional actions could have a significant impact on the District's operations and instructional activities. However, without additional revenue, the District will likely need to consider the implementation of at least one of, or a combination of, the following recommendations in order to remain fiscally solvent.

Eliminate the General Fund Subsidy for Extracurricular Activities

In order to reduce expenditures, the District could reduce the General Fund subsidy of extracurricular activities (see [Recommendation 4](#)). To achieve additional savings, the District could consider fully eliminating the subsidy, which would save an additional \$574,000 per year, based on the AY 2025 subsidy level.

While supporting extracurricular activities with the General Fund is a common practice in Ohio, it is not required by law. Implementing this recommendation may impact the number and quality of programs offered.

To fund extracurricular activities without a General Fund subsidy, the District may consider the following options:

- Implement pay-to-participate fees;
- Increase admissions and sales;
- Increase booster club funding;
- Reduce the supplemental salary schedule, and/or;
- Eliminate programs.

Implement a Base and Step Salary Freeze

The District could consider implementing additional salary-related measures in order to achieve further savings. While [Recommendation 7](#) addresses the potential to reduce future liabilities by bringing specific certificated and classified salaries in line with the peer average, significant annual savings could be realized by implementing a freeze on all employee salaries.

Due to the expiration of the District's CBAs, the earliest a salary freeze could be implemented is AY 2029. If the District froze salaries at AY 2028 levels for AY 2029, the last year of the forecast, it could realize average annual savings of approximately \$327,000.⁵⁰

Eliminate Building Administrator Positions

The District could make additional building administrator staffing reductions as it works to regain fiscal solvency. The state minimum requirement for building administrators identified in OAC 3301-35-05 consists only of the duties of a principal. TLSD could eliminate up to an additional 1.5 FTE building administrators and remain in compliance with state minimum staffing requirements.

TLSD employs a total of 6.0 FTEs in building administrator positions comprised of principals and assistant principals that serve the District's three schools: the elementary school, the middle school, and the high school. Using state minimum requirements, the District could eliminate up to an additional 1.5 FTE building administrator positions.

Given the District's financial condition, if this level of reduction becomes necessary, the District should work with ODEW to ensure compliance with the state minimum requirement in OAC 3301-35-05 before reducing building administrator staff. This reduction could save the District an average of approximately \$174,000 annually. While this option would provide additional savings each year, it would change service levels within the District.

Eliminate Teacher Positions

If the District successfully implements all of the standard recommendations along with a combination of the previously identified additional recommendations, it can resolve the projected fund balance deficit in the 2026 FRP forecast. Some of the previously identified recommendations are subject to contract negotiations and may be difficult for the District to

⁵⁰ The savings identified in this recommendation do not take into account recommended staffing reductions. If the District were to reduce staffing, actual savings would be reduced.

achieve. If the financial condition of the District does not improve, it may need to consider eliminating teaching positions.

State law requires that for every 25 students, districts employ at least one classroom teacher, for a student-to-teacher ratio of 25 to 1. In AY 2026, the District had a student-to-teacher ratio of 15.93 to 1.⁵¹ While the District is below the primary peer average for classroom teachers by 2.38 FTEs after its FRP reductions, it could eliminate up to 24.5 FTE teaching positions and remain within state minimum standards. This level of reduction would result in approximately \$2.6 million in annual savings but would represent a 33 percent reduction in teaching staff and substantively impact District operations.

While a reduction to state minimum standards is likely not necessary to address the projected deficit, TLSD should choose to strategically implement teacher reductions to maximize savings while minimizing the impact on District operations. Ultimately, the total cost savings realized from teacher reductions would be dependent on a variety of factors including the number of positions eliminated, the tenure of the individuals, and the impact of other potential cost savings measures.

If the District decides to pursue reductions to state minimum teacher requirements, it should work with ODEW to ensure compliance with the state minimum requirement in OAC 3301-35-05 before reducing classroom teaching levels.

⁵¹ The student number used in this ratio represents a regular student population – a formula driven number that reflects students enrolled and educated within the District, excluding categories two through six of special education students. Classroom teachers include K-12 general education teachers as well as art, music, physical education, English language instructional program, and gifted and talented teachers. Preschool teachers, special education teachers, and career-technical teachers are excluded from the ratio (*Source, ODEW*).

Client Response Letter

Audit standards and AOS policy allow clients to provide a written response to an audit. The letter on the following page is the District's official statement in regards to this performance audit. Throughout the audit process, staff met with District officials to ensure substantial agreement on the factual information presented in the report. When the District disagreed with information contained in the report, and provided supporting documentation, revisions were made to the audit report.



Triway Local School District Response to Performance Audit Recommendations

The Triway Local School District appreciates the Auditor of State's review and the opportunity to provide a response to the recommendations included in the Performance Audit. The District recognizes the importance of maintaining financial stability while continuing to provide required and appropriate educational services to students. The District also recognizes that the Performance Audit appropriately reflects the information available at the time of its analysis. However, significant actions have occurred since the February 2026 forecast, and the District's August 2026 forecast reflects those changes.

Since February 2026, the District has taken significant steps to reduce expenditures and address projected financial challenges. These actions have been implemented while considering enrollment, student needs, contractual obligations, statutory requirements, and the impact of reductions on District operations.

Reduce General Fund Subsidy for Extracurricular Activities

The District recognizes the Auditor's recommendation regarding the General Fund subsidy for extracurricular activities and will continue to evaluate opportunities to reduce the subsidy while maintaining appropriate opportunities for students.

Options previously discussed and/or evaluated include:

- Reinstating a Pay-to-Participate program;
- Evaluating transportation fees and transportation-related costs;
- Evaluating the number and scope of extracurricular programs;
- Increasing ticket prices, subject to applicable agreements, including the PAC agreement; and
- Identifying additional opportunities for activity-related revenue and cost reductions.

The District will continue to evaluate these alternatives based on their financial impact, contractual considerations, student participation, and the overall effect on District programs.

Eliminate Administrative Positions Above the Peer Average and

Eliminate Direct Student Support Positions Above the Peer Average

TRIWAY LOCAL SCHOOL DISTRICT

www.triwayschools.org



The District has already taken significant action to reduce staffing and operating expenditures. Since February 2026, the District has implemented the following reductions for FY2027:

- Three administrators – \$533,555;
- One library aide – \$21,154;
- One custodian – \$64,357;
- One secretary – \$68,423;
- Three teachers – \$293,275;
- Four substitute food service workers – \$6,000; and
- Reduced workdays for school secretaries – \$98,322.

These reductions represent approximately **\$1,085,086 in annual expenditure reductions.**

The District has also identified the following reductions for FY2028:

- Four teachers – \$466,865;
- One aide – \$60,119;
- One bus driver – \$24,495;
- One food service worker – \$45,988;
- One custodian – \$60,790; and
- One administrator – \$146,156.

These additional reductions represent approximately **\$804,413 in annual expenditure reductions.**

In total, the District has identified approximately **\$1.89 million in annual expenditure reductions across FY2027 and FY2028.**

Since June 2018, the District has reduced its certified staffing by approximately 20 positions. These reductions demonstrate that Triway has been actively evaluating staffing levels and making difficult expenditure decisions in response to changing enrollment, financial conditions, and available resources.

The District will continue to evaluate administrative and direct student support staffing levels as part of its annual budgeting and forecasting process. Staffing decisions will consider enrollment,



student needs, legally required services, contractual obligations, and the District's ability to maintain appropriate educational and operational services.

Align Employer Insurance Costs with the SERB Regional Average

The District recognizes the significant impact of employee benefit costs on the General Fund and continues to evaluate health insurance costs as part of its overall financial planning.

The District has already taken action to increase the employee contribution percentage for PPO coverage for certified employees. The District will continue to evaluate health insurance plan design, employee contributions, employer costs, and other benefit-related expenditures as part of future negotiations and budget development.

Any future changes to negotiated insurance benefits will be considered in accordance with applicable collective bargaining agreements and the District's overall financial condition.

Monitor Food Service Operations

The District agrees that continued monitoring of Food Service operations is important to ensure the Food Service Fund remains financially sustainable and minimizes the need for General Fund support.

The District has implemented and/or is pursuing several measures to improve Food Service efficiency and reduce costs, including:

- Implementing a biometric system to improve efficiency and accountability;
- Increasing breakfast and lunch prices;
- Reducing reliance on substitute food service workers;
- Participating in group purchasing opportunities for food items; and
- Continuing to evaluate staffing levels and operational efficiency.

The District will continue to monitor Food Service revenues and expenditures through its regular financial reporting and forecasting processes and will evaluate additional opportunities for operational efficiencies as necessary.

Additional Cost-Control Measures



In addition to the actions specifically identified above, the District continues to evaluate expenditures throughout its operations. Examples include increased controls over the supply closet and continued evaluation of field-trip costs and related expenditures.

Conclusion

Triway Local School District recognizes the financial challenges identified through the Performance Audit and is committed to continued fiscal responsibility. The District has already implemented substantial expenditure reductions and continues to evaluate additional opportunities to improve efficiency, control costs, and protect the long-term financial stability of the District.

At the same time, the District must balance cost reductions with enrollment, student needs, legally required services, contractual obligations, and the educational and operational needs of the District. Staffing, programs, benefits, and operational decisions will therefore continue to be evaluated as part of the District's ongoing financial planning and forecasting process.

Appendix A: Purpose, Methodology, Scope, and Objectives of the Audit

Performance Audit Purpose and Overview

Performance audits provide objective analysis to assist management and those charged with governance and oversight to improve program performance and operations, reduce costs, facilitate decision making by parties with responsibility to oversee or initiate corrective action, and contribute to public accountability.

Generally accepted government auditing standards (GAGAS) require that a performance audit be planned and performed so as to obtain sufficient, appropriate evidence to provide a reasonable basis for findings and conclusions based on audit objectives. Objectives are what the audit is intended to accomplish and can be thought of as questions about the program that the auditors seek to answer based on evidence obtained and assessed against criteria.

We conducted this performance audit in accordance with GAGAS. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Audit Scope and Objectives

In all fiscal distress school audits, preliminary review is conducted to identify operational areas that may have opportunity for improved efficiency and effectiveness. In this audit, the following areas were considered for analysis, but ultimately not chosen due to the available data and preliminary analysis:

- Collective Bargaining Agreements;
- Building Utilization;
- Facilities Expenditures;
- Facilities Non-Regular Labor;
- Bus Utilization; and,
- Fleet Security.

In order to provide the District with appropriate, data-driven recommendations, the following questions were assessed within each of the agreed upon scope areas:

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Summary of Objectives and Conclusions

Objective	Recommendation
Financial Management	
Are the District's forecasting practices consistent with leading practices and is the forecast reasonable and supported?	R.1
Are the District's budgeting practices consistent with leading practices?	R.2
Are the District's planning practices consistent with leading practices?	R.3
Is the District's General Fund subsidy of extracurricular activities comparable to peers and appropriate based on its financial condition?	R.4
Human Resources	
Are the District's staffing levels comparable to peers and appropriate based on its financial condition?	R.5, R.6
Are the District's salaries and wages comparable to local peers and appropriate based on its financial condition?	R.7
Are the District's health insurance costs comparable to other school districts within the region?	R.8
Facilities	
Are the District's facilities staffing levels comparable to industry standards?	No Recommendation: The District's facilities staffing is in line with the industry standard.
Food Service	
Is the District's food service program operated in a manner consistent with leading practices and appropriate based on its financial condition?	R.9

Although assessment of internal controls was not specifically an objective of this performance audit, internal controls were considered and evaluated when applicable to scope areas and objectives. The following internal control components and underlying principles were relevant to our audit objectives:⁵²

- Control environment

⁵² We relied upon standards for internal controls obtained from *Standards for Internal Control in the Federal Government* (2014), the U.S. Government Accountability Office, report GAO-14-704G.

- We considered the District’s control of its EMIS and payroll systems.
- Risk Assessment
 - We considered the District’s activities to assess fraud risks.
- Information and Communication
 - We considered the District’s use of quality information in relation to facilities data.
- Control Activities
 - We considered the District’s compliance with applicable laws and contracts.

Internal control deficiencies were not identified during the course of this audit.

Audit Methodology

To complete this performance audit, auditors gathered data, conducted interviews with numerous individuals associated with the areas of District’s operations included in the audit scope, and reviewed and assessed available information. Assessments were performed using criteria from a number of sources, including:

- Peer Districts;
- Industry Standards;
- Leading Practices;
- Statutes; and
- Policies and Procedures.

In consultation with the District, two sets of peer groups were selected for comparisons contained in this report. A “Primary Peers” set was selected for general, District-wide comparisons. This peer set was selected from a pool of demographically similar districts with relatively lower per-pupil spending and similar academic performance. A “Local Peers” set was selected for a comparison of the general fund subsidy of extracurricular activities, compensation, benefits, and collective bargaining agreements, where applicable. This peer set was selected specifically to provide context for local labor market conditions. The table below shows the Ohio school districts included in these peer groups.

Peer Group Districts

Primary Peers

- Benton Carroll Salem Local School District (Ottawa County)
- Edison Local School District (Erie County)
- Manchester Local School District (Summit County)
- Northwest Local School District (Stark County)

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- Norwayne Local School District (Wayne County)
- Ottawa-Glandorf Local School District (Putnam County)
- West Branch Local School District (Mahoning County)

Local Peers

- Green Local School District (Wayne County)
- Hillsdale Local School District (Ashland County)
- Loudonville-Perrysville Exempted Village School District (Ashland County)
- Northwestern Local School District (Wayne County)
- Waynedale Local School District (Wayne County)
- West Holmes Local School District (Holmes County)
- Wooster City School District (Wayne County)

Where reasonable and appropriate, peer districts were used for comparison. However, industry standards or leading practices were used in some operational areas for primary comparison. District policies and procedures as well as pertinent laws and regulations contained in the Ohio Administrative Code (OAC) and the Ohio Revised Code (ORC) were also assessed. Each recommendation in this report describes the specific methodology and criteria used to reach our conclusions.

Appendix B: Financial Background

In addition to the financial analyses previously presented throughout the report, we conducted additional review of the District's finances compared to peers. This information is provided to give a deeper understanding of the current financial condition of the District.

District AY 2025 Financial Accounts

This section of the report summarizes financial activity across all district funds, including revenues, expenditures, transfers, and other financing uses. Districts may pay for the same services using different funding sources, such as local funds, grants, or special use funds. To support fair comparison of overall activity and services delivered, all funds and funding sources are included, regardless of how that activity is financed. Because money can move between funds before it is ultimately spent, the same dollar may appear more than once as it flows through the system. For this reason, totals shown in this section of the report reflect gross financial activity, not unique dollars received from outside sources.

The following table shows the Districts AY 2025 financial activities by fund. The District operated with 18 funds in AY 2025. Within this table, recorded receipts, or revenues, and expenditures are identified. In any given year, a particular fund may operate at a deficit or surplus. Further, operating at a deficit may not result in an actual fund deficit due to existing fund balances. By reviewing revenues and expenditures at the fund level, a district can have a more comprehensive understanding of its financial condition.

AY 2025 All Funds Activity

Total Funds		Funds with Revenue		Funds with Expenditures	
18		17		18	
Fund	Fund Name	Beginning Balance	Receipts	Expenditures	Ending Balance
001	General	\$2,875,941.58	\$23,842,548.84	\$24,708,131.60	\$2,010,358.82
002	Debt Retirement	\$68,479.58	\$0.00	\$68,479.58	\$0.00
003	Permanent Improvement	\$2,324,156.35	\$4,322,431.96	\$5,353,559.69	\$1,293,028.62
004	Building	\$22,274,875.89	\$940,311.21	\$15,786,186.90	\$7,429,000.20
006	Food Services	\$232,659.43	\$456,645.19	\$682,063.95	\$7,240.67
010	Classroom Facilities	\$17,305,457.92	\$3,832,060.01	\$16,435,647.10	\$4,701,870.83
018	Public School Support	\$76,079.51	\$26,988.21	\$22,165.55	\$80,902.17
019	Other Grants	\$122.53	\$33,336.00	\$19,952.29	\$13,506.24
022	District Custodial	\$894.00	\$5,757.27	\$5,813.27	\$838.00
034	Classroom Facilities Maintenance	\$527,054.00	\$263,527.00	\$174,243.93	\$616,337.07
200	Student Managed Student Activity	\$48,917.68	\$88,412.06	\$100,696.95	\$36,632.79
300	District Managed Student Activity	\$183,130.22	\$276,337.98	\$249,322.78	\$210,145.42

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439	Public School Preschool	(\$2,625.00)	\$60,000.00	\$57,375.00	\$0.00
450	SchoolNet	\$3,190.12	\$7,964.56	\$11,154.68	\$0.00
507	Elementary and Secondary School Emergency Relief (ESSER)	\$39,276.25	\$212,654.57	\$251,930.82	\$0.00
572	Title I - Disadvantaged Children/Targeted Assistance	\$0.00	\$361,194.11	\$361,194.11	\$0.00
584	Student Support and Academic Enrichment Programs	\$0.00	\$45,950.23	\$45,950.23	\$0.00
590	Improving Teacher Quality	(\$19,974.78)	\$69,555.08	\$76,884.94	(\$27,304.64)
Total Funds		\$45,937,635.28	\$34,845,674.28	\$64,410,753.37	\$16,372,556.19

Source: TLSD

Note: Includes advances, transfers, and other financing activities; Because money can move between funds before it is ultimately spent, the same dollar may appear more than once as it flows through the system (see [Appendix B](#)).

Note: According to ORC § 3315.20, school districts are allowed to have negative balances in special funds if specific circumstances are met.

Revenue and Expenditures Section Exclusions

School districts in Ohio use a uniform accounting system, which allows for financial information to be presented in a similar manner. This system breaks down financial data into dimensions, or categories, which allow for specific detail to be captured. These dimensions are Transaction Indicators, Funds, Functions, and Objects. Transaction Indicators show the types of transactions that occur within a district. Funds are established by constitutional provisions or other statutes to identify how funds may be used. Functions are a broad area of programs, sub-programs, and activities which can be used to identify the goods or services being obtained by a district. Additional information on school accounting can be found in the Uniform School Accounting System user manual: [USAS Manual](#)

To avoid double counting of funds identified in the section above, figures and charts presented in the Revenues and Expenditures section of the report that are shown with certain funds, objects, and functions/receipt codes are excluded using ODEW's technical documentation for reporting expenditures and revenue.⁵³

⁵³ "Non-Operating" expenditures, such as adult education, sport-oriented extracurricular activities, construction, or interest on debt are excluded in ODEW's reporting; however, are included in this report.

Revenue Exclusions

Funds:

- | | | | | |
|-------|-------|-------|-------|-------|
| • 002 | • 014 | • 026 | • 406 | • 496 |
| • 003 | • 017 | • 027 | • 409 | • 498 |
| • 004 | • 020 | • 028 | • 413 | • 501 |
| • 005 | • 021 | • 033 | • 414 | • 505 |
| • 010 | • 022 | • 070 | • 419 | • 535 |
| • 011 | • 023 | • 071 | • 426 | • 569 |
| • 012 | • 024 | • 200 | • 450 | • 583 |
| • 013 | • 025 | • 401 | • 453 | |

Receipt Code: 5000 - 5399

Expenditure Exclusions

Funds:

- | | | | | |
|-------|-------|-------|-------|-------|
| • 017 | • 022 | • 024 | • 027 | • 200 |
| • 021 | • 023 | • 026 | • 028 | |

Objects:

- | | | | | |
|-----------|-----------|-------|-------|-----------|
| • 470-479 | • 810-819 | • 881 | • 891 | • 900-969 |
|-----------|-----------|-------|-------|-----------|

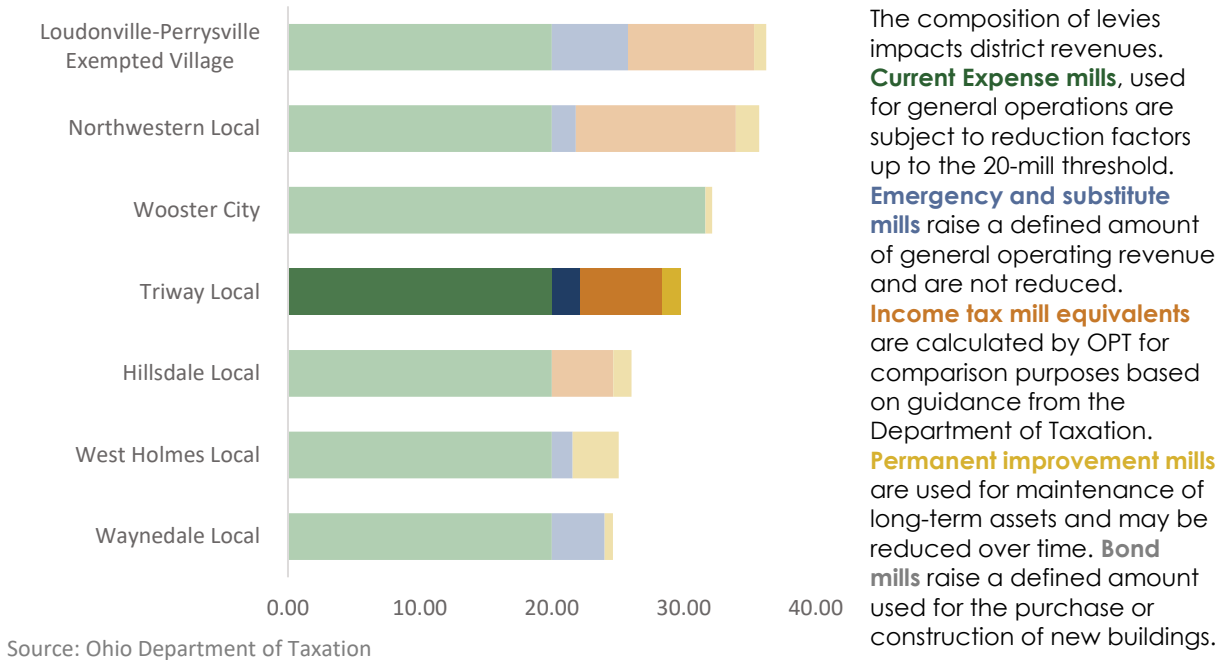
Function: 7000-7990

Local Revenue Comparisons

Since the total millage rate can be rolled back as a result of reduction factors, we compared the total effective millage for TLSD to that of its local peers. This comparison is found in the chart below. The green portion of the bar represents the current expense millage rate, where four of the local peers are at the 20-mill floor. Because the District is at the 20-mill floor, it will see continued growth from current expense mills as property value increases.⁵⁴

⁵⁴ As previously noted, this will be impacted by HB 129, which changes the calculation of the 20-mill floor to include substitute and emergency levies after a county property valuation reappraisal or triennial update. In addition, the growth will be limited due to caps placed in HB 186 using the GDP deflator over the three preceding tax years.

2025 Millage and Millage Equivalents | Local Peers



The District's effective millage rate, which includes income tax millage equivalents, falls in the middle of the local peer group. In Tax Year 2024, one mill of property tax generated approximately \$420 in revenue per pupil, falling below the local peer average of approximately \$439 by 4.5 percent.

The following tables show the income tax revenue for primary peer districts and local peer districts. Four primary peers and three local peers collect revenue from an income tax.

2025 Income Tax Revenue and Millage Equivalents | Primary Peers

District	Tax Rate	Income Tax Revenue	Estimated Millage Equivalents
Ottawa-Glandorf Local	1.50%	\$5,930,390.63	16.96
Northwest Local	1.00%	\$4,121,672.24	7.93
Triway Local	1.00%	\$3,538,651.19	6.20
Norwayne Local	0.75%	\$1,763,463.20	6.19
Benton Carroll Salem Local	0.00%	-	0.00
Edison Local	0.00%	-	0.00
Manchester Local	0.00%	-	0.00
West Branch Local	0.00%	-	0.00

Source: Ohio Department of Taxation

2025 Income Tax Revenue and Millage Equivalents | Local Peers

District	Tax Rate	Income Tax Revenue	Estimated Millage Equivalents
Northwestern Local	1.25%	\$3,164,069.86	12.13
Triway Local	1.00%	\$3,538,651.19	6.20
Hillsdale Local	0.00%	\$2,391,534.87	4.65
Loudonville-Perrysville Exempted Village	0.00%	\$2,900,611.84	9.57
Waynedale Local	0.00%	-	0.00
West Holmes Local	0.00%	-	0.00
Wooster City	0.00%	-	0.00

Source: Ohio Department of Taxation

The following tables show the local tax effort (LTE) comparison between TLSL and the primary peer districts and the local peer districts. ODEW uses the Local Tax Effort Index as a measure of taxpayer support for the district in which they reside. This index, one of a number of possible measures for evaluating local effort, was initially developed by the Division of Tax Analysis within the Ohio Department of Taxation and is calculated in the context of the residents' abilities to pay by determining the relative position of each school district in the state in terms of the portion of residents' income devoted to supporting public education. This index uses median income data and provides context to better understand a community's tax burden, not only compared to other districts, but also as a function of the residents' ability to pay.

On this sliding scale, a value of 1.0 indicates the state average, a baseline against which all districts in the state are weighed. If a district has a local tax effort below 1.0, residents provide a smaller portion of their available income to public education, whereas a value above 1.0 indicates the community pays a larger portion of their available income to public education compared to the state average. Districts are ranked from 1 to 606 with 1 being the highest level of effort and the 99th percentile and 606 being the lowest level of effort and the 1st percentile.

2025 Local Tax Effort Comparison | Primary Peers

District	LTE	Rank	Percentile
Triway Local	1.2736	143	76.4%
Northwest Local	1.2276	164	72.9%
Ottawa-Glandorf Local	1.2065	175	71.1%
Norwayne Local	1.1844	184	69.6%
Benton Carroll Salem Local	1.1156	219	63.9%
Edison Local	1.0440	261	56.9%
Manchester Local	0.9939	285	53.0%
West Branch Local	0.6248	552	8.9%
Primary Peer Average	1.0567	251	58.6%

Source: ODEW

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2025 Local Tax Effort Comparison | Local Peers

District	LTE	Rank	Percentile
Loudonville-Perrysville Exempted Village	1.9757	11	98.2%
Northwestern Local	1.6910	25	95.9%
Hillsdale Local	1.3686	107	82.3%
Triway Local	1.2736	143	76.4%
Waynedale Local	1.1950	177	70.8%
Wooster City	1.0379	264	56.4%
West Holmes Local	0.9733	307	49.3%
Local Peer Average	1.3736	105	82.7%

Source: ODEW

Appendix C: Enrollment

Where a student lives, where they enroll and attend school, how much instruction is received, and how much funding is generated are all measures or factors related to enrollment, or how a student is counted. The following list summarizes descriptions of enrollment terms used in this report.

Enrollment Definition Key

	Description
Place of Enrollment	Where the students living in the District's boundaries attend school.
Open Enrollment-In	Students who reside in another district's boundaries attending the District via open enrollment.
Open Enrollment-Out	Students living within the District's boundaries but attending another public school via open enrollment policies.
Student FTE	Reflects how much instructional time a student received compared to a full-time student.
Headcount	Count of students enrolled at the District at a single point in time. Each student counts as 1.0 student.
Average Daily Membership (ADM)	This is the average enrollment over time and serves as the basis for which a district is funded.
Regular Student ADM	Regular student enrollment which is used for calculation minimum teaching staffing ratios.

Source: ODEW

Each of the terms above have expanded definitions on subsequent pages and explanations of how they relate to information in this report. Where relevant, a historical analysis is provided to show trends.

Place of Enrollment

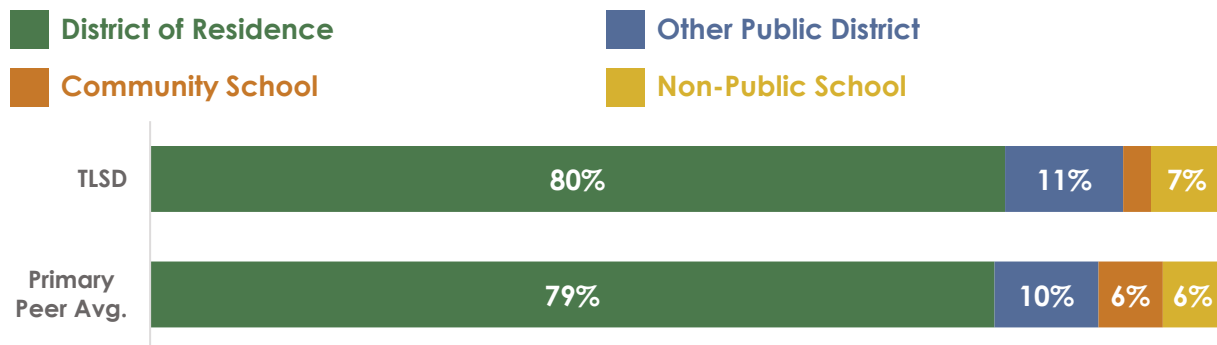
Students and their families have choices regarding where to attend school. Because of this, not all resident students attend the district where they live. The visuals on this page show where students living in TLSD are attending schools.⁵⁵ It should be noted that the visuals do not include students who choose to attend private schools and do not receive state assistance or students who are homeschooled.

AY 2025 Place of Enrollment

	Enrollment
District of Residence	1,184
Other Public District	163
Community School	39
Non-Public School via EdChoice or Other Program	100
Total	1,486

Source: ODEW

AY 2025 Place of Enrollment as % of Total



Source: ODEW

As seen above, approximately 80 percent of students residing in the District's boundaries choose to attend TLSD, compared to the primary peer average of 79 percent. This means that the District experiences a similar percentage of students who choose to attend another district.⁵⁶ TLSD offers open enrollment to non-resident students.

⁵⁵ If applicable, non-public school includes students participating in the EdChoice or EdChoice Expansion Scholarship Programs, the Cleveland Scholarship Program, the Ohio Autism Scholarship Program, or the Jon Petersen Special Needs Scholarship Program.

⁵⁶ Community schools, nonpublic schools, or another public district that accepts students through open enrollment.

Open Enrollment

Interdistrict open enrollment is one of several school choice options. Interdistrict open enrollment allows the resident students of a district to enroll in another district by following that district's open enrollment policies and procedures. Students who enroll under an open enrollment policy must be allowed to attend tuition free. State funding, which is calculated on a per-pupil basis, is awarded to the district where a student is educated. For districts that are funded on a formula basis, offering open enrollment can incrementally increase the state funding. Local funding is collected based on voted property and income taxes. There is no state law that provides for local funding to follow a student to the district of enrollment, which means local funding remains in the district of collection regardless of student open enrollment choices. Open enrollment is dependent on individual districts' policies and available capacity. A district may offer no open enrollment, open enrollment from adjacent districts only, or open enrollment from any district.

Open Enrollment In: These are students living in another public district who attend TLSD through open enrollment policies. In AY 2026, the District had a policy to accept open enrollment from any district, which brought 175 students to the District via open enrollment.

Open Enrollment Out: These are students who live in the District's boundaries but choose to attend another public school through open enrollment policies. In AY 2025, the District had 147 students living within its boundaries that chose to attend another public district through open enrollment.

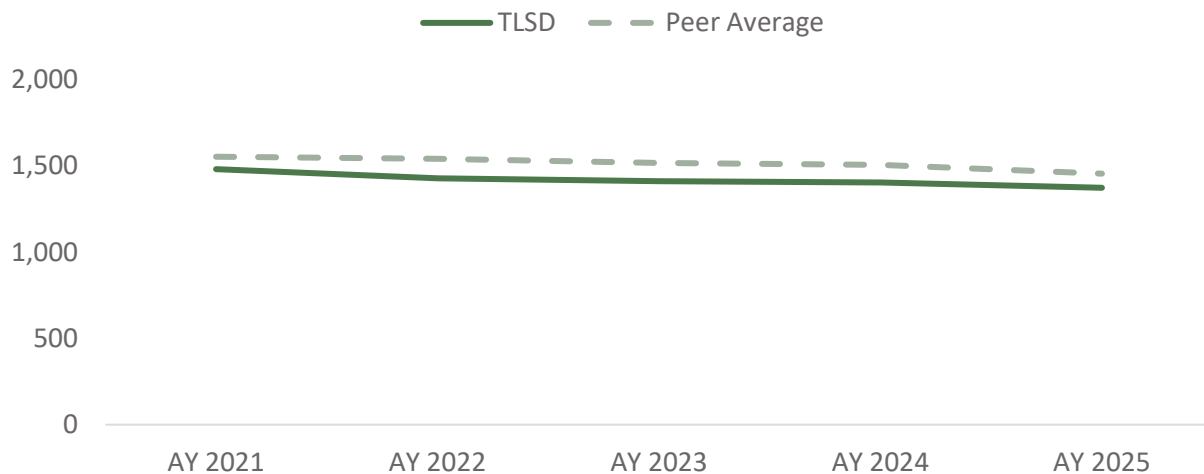
FTE Enrollment

This enrollment metric proportionately reflects how much instructional time a student receives compared to a full-time student. A student who attends the District full-time would count as 1.0 FTE. A student attending the District half-time, for half day kindergarten for example, would count as 0.5 FTE.

Within our report, PK-12 FTE enrollment is used for our revenue per pupil and expenditures per pupil analyses (see [Per Pupil Analysis](#)). For our staffing analyses, K-12 FTE enrollment is used (see [Recommendation 5](#), [Recommendation 6](#), and [Appendix E](#)).

The following chart shows a five-year history of the District’s FTE enrollment.

AY 2021 to AY 2025 FTE Enrollment 5-year History



Source: ODEW

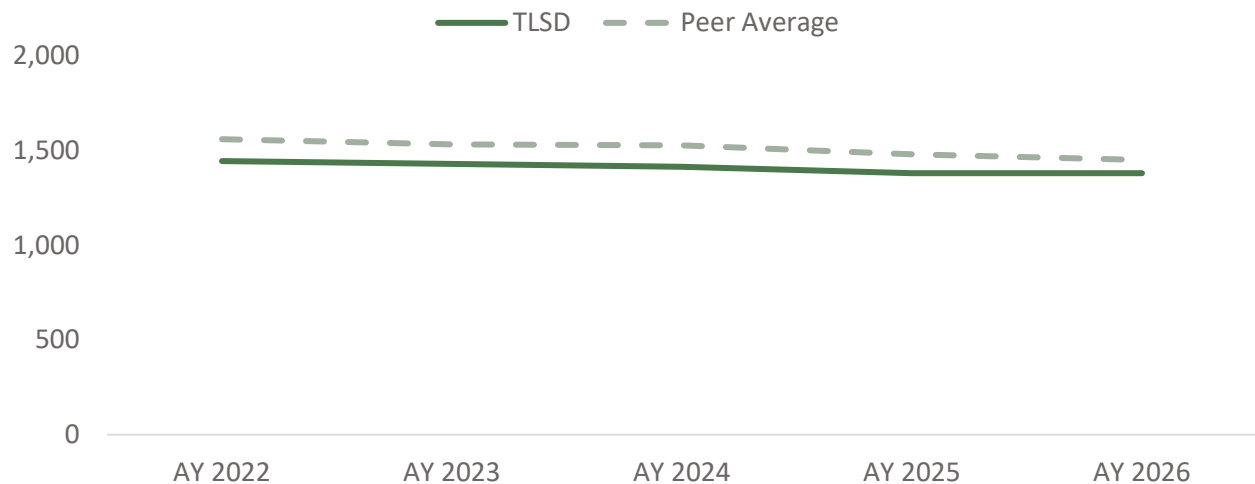
From AY 2021 to AY 2025, the District’s FTE enrollment decreased by 7.3 percent, or approximately 108 FTEs. This is a greater decrease than the primary peer average, which decreased by 5.5 percent, or approximately 98 FTEs.

Headcount

This enrollment metric is a simple count of students enrolled in a district at a single point in time. Each student counts as one, regardless of how much instructional time is received. This metric helps to not only understand staffing needs but also provides insight into understanding a district's building capacity needs.

The following chart shows a five-year history of the District's headcount enrollment.

AY 2022 to AY 2026 Headcount 5-year History



Source: ODEW

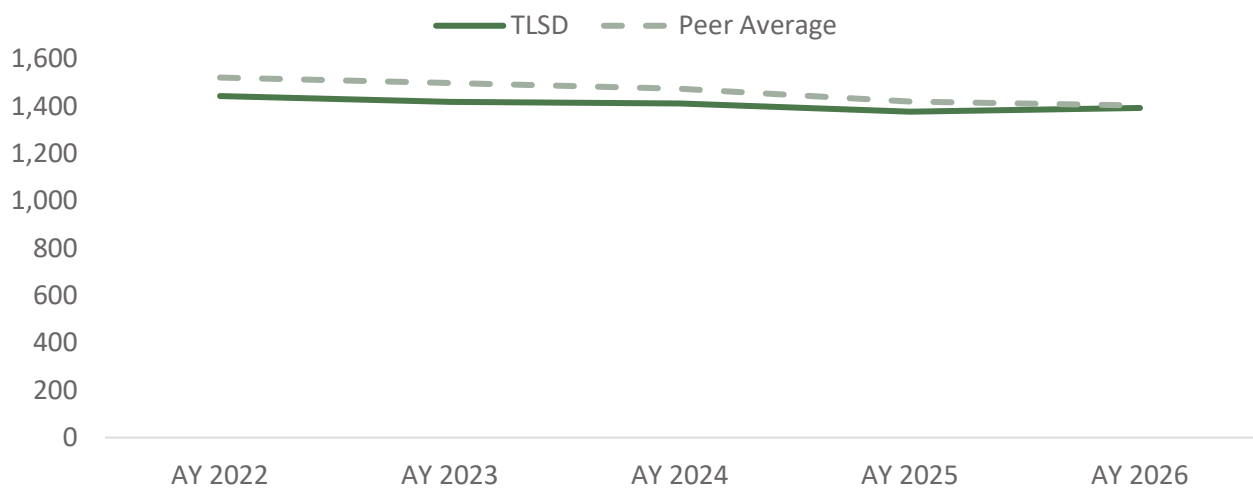
From AY 2022 to AY 2026, the District's headcount enrollment decreased by 4.4 percent, or approximately 64 students. This decrease is less than the primary peer average, which decreased by 4.9 percent, or approximately 110 students.

Enrolled Average Daily Membership (Enrolled ADM)

Enrolled ADM is the average number of students enrolled at a district during a school year and serves as the basis for state funding calculations. For example, a student enrolled for an entire year counts as 1.0, but a student who enrolls halfway through the year counts as 0.5.

The following chart shows a five-year history of ADM at the District. ADM trends are important to understand due to their impact on funding, which is done on a per pupil basis (see [State Funding](#)).

AY 2022 to AY 2026 ADM 5-year History



Source: ODEW

From AY 2022 to AY 2026, the District's enrolled ADM decreased by 3.4 percent, or approximately 50 students. This decrease is less than the primary peer average, which decreased by 6.6 percent, or approximately 118 students.

Regular Student ADM

According to OAC 3301-35-05, the minimum staffing requirement for Ohio public schools is a ratio of at least one full-time equivalent (FTE) classroom teacher for every 25 students (often expressed as 25-to-1) on a district-wide basis. In consultation with ODEW, the student number used for calculating this ratio is the Regular Student ADM, which consists of:

Regular Student ADM

$$\begin{aligned} &= \text{Enrolled ADM} - (\text{SpecEd ADM Categories 2 through 6}) \\ &\quad - (\text{Jointure} \times 0.2) - \text{Non-Jointure} - (\text{Contract Vocational} \times 1.2) \end{aligned}$$

Regular Student ADM data was provided by ODEW for use in calculating the minimum teaching staffing requirements discussed in the [Additional Recommendations](#) section of the report. The calculations used for determining additional recommendations are based on FTEs and enrollment from a specific point in time. If staffing reductions to state minimum requirements are made, the District should use updated and current data to ensure the appropriate number of reductions are implemented. The District should consult with ODEW when nearing or achieving state minimum staffing to ensure compliance with OAC minimum staffing requirements.

Appendix D: Financial Management

Forecasting Best Practices

The following tables show the comparison of the District's forecasting practices to industry standards and best practices. The District's forecasting process does not meet all components recommended by the GFOA and ODEW.

GFOA Forecasting Best Practices

DEFINE ASSUMPTIONS

Meets	Forecast has a timeline
Meets	District is transparent as to whether the forecast is conservative in estimating revenues/expenditures
Meets	District is aware of political/legal issues that could affect forecast
Meets	District does not know major revenue/expenditure categories

GATHER INFORMATION

Meets	District uses statistical data in forecasting
Meets	Uses accumulated judgment and expertise of individuals inside and perhaps also outside the organization
Meets	Become familiar with other longer-term planning efforts of the organization that impact financial decisions and the fiscal environment.

PRELIMINARY/EXPLORATORY ANALYSIS

Meets	Understands how revenues/expenditures vary with economical activity
Meets	Understands effects of demographic trends
Meets	Outliers are identified and explained
Meets	Relationships between different variables are identified and explained

SELECT METHODS

Meets	Determine the quantitative and/or qualitative forecasting methods that will be used
-------	---

IMPLEMENT METHODS

Partially Meets	Put into practice described forecasting methods
-----------------	---

USE FORECAST

Meets	Forecaster has credibility
Meets	Forecast is presented with a clear message
Meets	Forecast plays a key role in budgeting and financial decisions

Source: GFOA and TLSD

ODEW Best Practices

Meets	Proactive management of revenues/expenditures
Doesn't Meet	Board policy to achieve and maintain 60 days of expenditures in cash balance
Meets	Report and discuss expenditures vs revenues monthly
Doesn't Meet	Participate in a program that promotes best budgeting practices for school districts

Source: ODEW and TLSD

Appendix E: Human Resources

Staffing Comparison Tables

The following tables illustrate the District’s employee FTEs compared to calculated benchmark FTEs. These tables show a point in time during the course of the audit and are not meant to represent the current state of staffing at TLSD or the peer districts. Staffing levels at both TLSD and the peer districts may have changed during the audit due to a variety of operational decisions. Where appropriate and possible, our audit took changes into account.

The enrollment benchmark FTEs represents the FTEs the District would need to align with the *primary peer average FTEs per-1,000 student ratio*. Normalizing data on a per-1,000 student basis, as seen in the calculation below, allows for a more precise comparison between districts when student counts differ. This primary comparison is shown in each of the following staffing comparison tables.

$$\begin{aligned} \text{Enrollment Benchmark FTEs} \\ = \text{Peer Avg. FTE per 1,000 Students} * (\text{Client Enrollment} \div 1,000) \end{aligned}$$

The building benchmark FTEs represents the FTEs the District would need to align with the *primary peer average FTEs per building ratio*. Normalizing data on a per-building basis, as seen in the calculation below, allows for a more precise comparison between districts when building counts differ. This secondary comparison is shown in select staffing comparison tables.

$$\text{Building Benchmark FTEs} = \text{Peer Avg. FTE per Building} * \text{District Building Count}$$

Central Office Administrator Staff Comparison

Position	TLSD FTEs	Enrollment Benchmark FTEs	FTEs Above/(Below) Benchmark
Supervisor/Manager	-	1.51	(1.51)
Coordinator	-	0.60	(0.60)
Education Administrative Specialist	-	0.28	(0.28)
Director	1.60	1.92	(0.32)
Other Official/Administrative	-	0.28	(0.28)
Total	1.60	4.59	(2.99)

Source: TLSD and ODEW

Building Administrator Staff Comparison (per 1,000 students)

Position	TLSD FTEs	Enrollment Benchmark FTEs	FTEs Above/(Below) Benchmark
Assistant Principal	1.00	1.32	(0.32)
Principal	3.00	2.79	0.21
Dean of Students	2.00	0.15	1.85
Total	6.00	4.26	1.74

Source: TLSD and ODEW

Building Administrator Staff Comparison (per building)

Position	TLSD FTEs	Building Benchmark FTEs	FTEs Above/(Below) Benchmark
Assistant Principal	1.00	1.32	(0.32)
Principal	3.00	2.70	0.30
Dean of Students	2.00	0.14	1.86
Total	6.00	4.16	1.84

Source: TLSD and ODEW

Teaching Staff Comparison

Position	TLSD FTEs	Enrollment Benchmark FTEs	FTEs Above/(Below) Benchmark
General Education K-12	64.62	71.01	(6.39)
Gifted and Talented	2.00	0.12	1.88
Art Education K-8	2.00	1.30	0.70
Music Education K-8	3.50	1.94	1.56
Physical Education K-8	2.00	1.14	0.86
Career-Technical Programs/Career Pathways	2.00	0.99	1.01
Total	76.12	76.50	(0.38)

Source: TLSD and ODEW

Non-Teaching Educational Staff Comparison

Position	TLSD FTEs	Enrollment Benchmark FTEs	FTEs Above/(Below) Benchmark
Curriculum Specialist	-	0.38	(0.38)
Counseling	3.00	4.07	(1.07)
Remedial Specialist	-	0.62	(0.62)
Tutor/Small Group Instructor	1.00	1.86	(0.86)
Full-time (Permanent) Substitute Teacher	-	0.20	(0.20)
Other Professional-Educational	1.60	0.60	1.00

Source: TLSD and ODEW

As seen in the following table, TLSD exceeds the peer enrollment benchmark by 1.0 FTE publicity relations position. During the course of the audit, the District approved the reduction of 1.0 FTE, bringing the District in line with the peer average.

Professional Staff Comparison

Position	TLSD FTEs	Enrollment Benchmark FTEs	FTEs Above/(Below) Benchmark
Dietician/Nutritionist	-	0.12	(0.12)
Psychologist	-	0.94	(0.94)
Publicity Relations	1.00	-	1.00
Social Work	-	0.43	(0.43)
Other Professional	-	0.59	(0.59)

Source: TLSD and ODEW

Technical Staff Comparison

Position	TLSD FTEs	Enrollment Benchmark FTEs	FTEs Above/(Below) Benchmark
Computer Operating	1.00	1.30	(0.30)
Other Technical	-	0.24	(0.24)
Total	1.00	1.54	(0.54)

Source: TLSD and ODEW

Central Office Support Staff Comparison

Position	TLSD FTEs	Enrollment Benchmark FTEs	FTEs Above/(Below) Benchmark
Administrative Assistant	-	1.73	(1.73)
Accounting	-	0.66	(0.66)
Bookkeeping	1.00	0.32	0.68
Clerical	2.00	1.96	0.04
Records Managing	-	0.12	(0.12)
Total	3.00	4.79	(1.79)

Source: TLSD and ODEW

Building Office Support Staff Comparison (per 1,000 students)

Position	TLSD FTEs	Enrollment Benchmark FTEs	FTEs Above/(Below) Benchmark
Clerical	4.50	4.49	0.01
Other Office/Clerical	-	0.74	(0.74)
Total	4.50	5.22	(0.72)

Source: TLSD and ODEW

Building Office Support Staff Comparison (per building)

Position	TLSD FTEs	Building Benchmark FTEs	FTEs Above/(Below) Benchmark
Clerical	4.50	4.33	0.17
Other Office/Clerical	-	0.81	(0.81)
Total	4.50	5.14	(0.64)

Source: TLSD and ODEW

Library Staff Comparison

Position	TLSD FTEs	Enrollment Benchmark FTEs	FTEs Above/(Below) Benchmark
Librarian/Media	-	0.29	(0.29)
Library Aide	0.86	1.19	(0.33)
Total	0.86	1.48	(0.62)

Source: TLSD and ODEW

Nursing Staff Comparison

Position	TLSD FTEs	Enrollment Benchmark FTEs	FTEs Above/(Below) Benchmark
Registered Nursing	0.80	0.54	0.26
Practical Nursing	-	0.47	(0.47)
Total	0.80	1.02	(0.22)

Source: TLSD and ODEW

Classroom Support Staff Comparison

Position	TLSD FTEs	Enrollment Benchmark FTEs	FTEs Above/(Below) Benchmark
Instructional Paraprofessional	-	1.92	(1.92)
Teaching Aide	-	3.23	(3.23)
Total	-	5.15	(5.15)

Source: TLSD and ODEW

Other Clerical Staff Comparison

Position	TLSD FTEs	Enrollment Benchmark FTEs	FTEs Above/(Below) Benchmark
Messenger	-	0.06	(0.06)
Total	-	0.06	(0.06)

Source: TLSD and ODEW

Extracurricular/Intracurricular Activities Staff Comparison

Position	TLSD FTEs	Enrollment Benchmark FTEs	FTEs Above/(Below) Benchmark
Advisor	-	0.13	(0.13)
Athletic Trainer	1.00	-	1.00
Total	1.00	0.13	0.87

Source: TLSD and ODEW

Other Support Staff Comparison

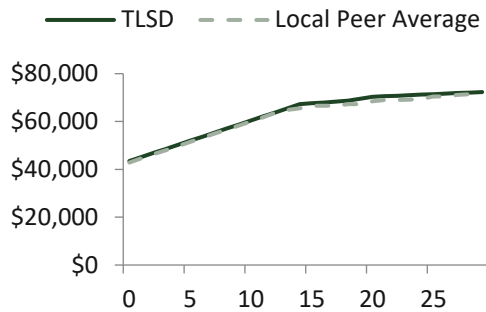
Position	TLSD FTEs	Enrollment Benchmark FTEs	FTEs Above/(Below) Benchmark
Monitoring	1.00	7.20	(6.20)
Other Service Worker/Laborer	-	0.17	(0.17)

Source: TLSD and ODEW

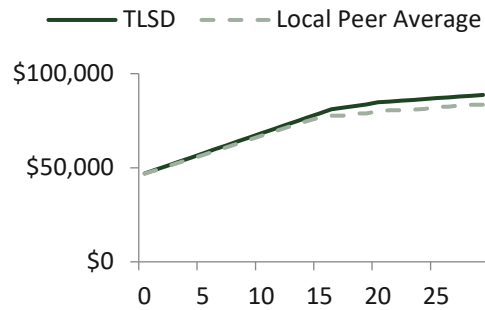
We also looked at annual salaries for select certificated employees and the hourly wage rates for various classified employee positions over the course of a career, as seen in the following charts.

Certificated Career Compensation

Bachelors



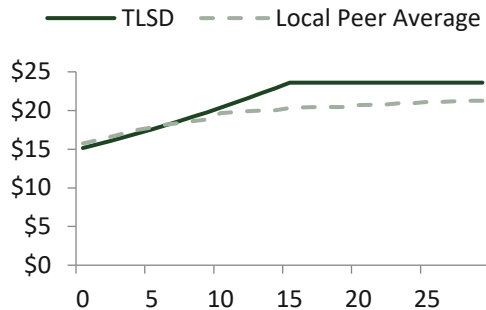
Master's



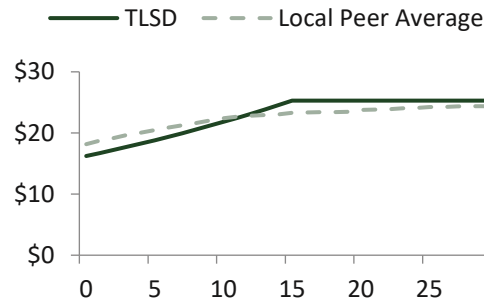
Source: TLSD, Local Peers, and SERB

Classified Career Compensation

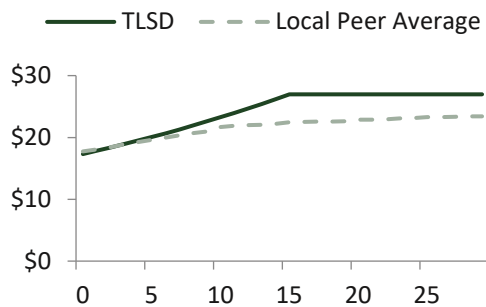
Aide



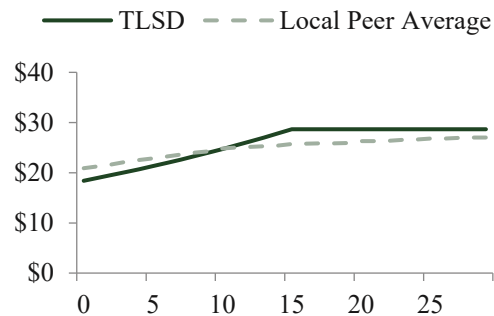
Secretary (Principal)



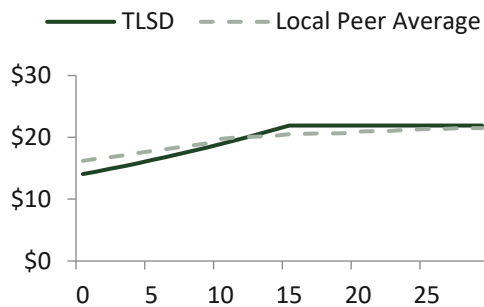
Day Custodian



Bus Driver



Cook



Source: TLSD, Local Peers, and SERB

Insurance – PPO Plan

During the course of the audit, the District renegotiated its certificated CBA, which reduced the District’s PPO plan premium contributions from 90 percent to 85 percent. The first table below represents the District’s PPO plan costs prior to contract renegotiations, and the second table represents the District’s PPO plan costs after contract renegotiations. As seen in the second table, both the costs and contributions for the District are now below the SERB regional average.

2026 Monthly Medical Insurance Costs | PPO

		TLSD		Regional Peer Averages		TLSD Adjustment	
		Costs	% Share	Costs	% Share	Costs	% Share
Single Medical + Rx	District	\$976.34	90.0%	\$940.79	86.4%	\$940.79	86.7%
	Employee	\$108.48	10.0%	\$147.70	13.6%	\$144.03	13.3%
Family Medical + Rx	District	\$2,380.66	90.0%	\$2,271.89	86.3%	\$2,271.89	85.9%
	Employee	\$264.52	10.0%	\$360.47	13.7%	\$373.29	14.1%

Source: TLSD and SERB

2026 Monthly Medical Insurance Costs | PPO (85/15 Split)

		TLSD		Regional Peer Averages		TLSD Adjustment	
		Costs	% Share	Costs	% Share	Costs	% Share
Single Medical + Rx	District	\$922.10	85.0%	\$940.79	86.4%	\$940.79	86.7%
	Employee	\$162.72	15.0%	\$147.70	13.6%	\$144.03	13.3%
Family Medical + Rx	District	\$2,248.40	85.0%	\$2,271.89	86.3%	\$2,271.89	85.9%
	Employee	\$396.78	15.0%	\$360.47	13.7%	\$373.29	14.1%

Source: TLSD and SERB

Appendix F: Facilities

The National Center for Education Statistics (NCES) identifies levels of cleaning benchmarks that can be used to guide facilities staffing. According to the *Planning Guide for Maintaining School Facilities* (NCES, 2003), Level 3 cleaning is the standard for most school facilities. When adhering to a Level 3 standard of cleaning, a custodian can clean approximately 28,000 to 31,000 square feet in 8 hours. Using this standard, TLSD exceeds the custodial staffing benchmark by 2.5 FTEs.

American School & University Magazine (AS&U) identifies square footage and acreage maintenance benchmarks for maintenance and grounds staffing. According to AS&U, each 1.0 FTE maintenance employee should be responsible for maintaining approximately 95,000 square feet, and each 1.0 FTE grounds employee should be responsible for maintaining approximately 40.2 acres.

Using these standards, TLSD is in line with the grounds staffing benchmark, is above the custodial staffing benchmark by 2.5 FTEs, and is below the maintenance staffing benchmark by 2.7 FTEs. Collectively, the District's facilities staffing is 0.2 FTEs below the staffing benchmarks. The following table provides a comparison of the District's facilities staffing to industry benchmarks.

Buildings & Grounds Staffing Comparison

Grounds Staffing	
Grounds FTEs	0.5
Acreage Maintained	18.6
AS&U Benchmark - Acres per FTE	40.2
Benchmarked Staffing Need	0.5
Grounds FTEs Above/(Below) Benchmark	0.0
Custodial Staffing	
Custodial FTEs	12.0
Square Footage Cleaned	280,137
NCES Level 3 Cleaning Benchmark ¹ - Median Square Footage per FTE	29,500
Benchmarked Staffing Need	9.5
Custodial FTEs Above/(Below) Benchmark	2.5
Maintenance Staffing	
Maintenance FTEs	0.3
Square Footage Maintained	285,897
AS&U Benchmark - Square Footage per FTE	94,872
Benchmarked Staffing Need	3.0
Maintenance FTEs Above/(Below) Benchmark	(2.7)

Total Buildings & Grounds Staffing

Total FTEs Employed	12.8
Total Benchmarked Staffing Need	13.0
Total FTEs Above/(Below) Benchmark	(0.2)

Source: TLSO, AS&U, and NCES

¹ According to NCES, Level 3 cleaning is the norm for most school facilities. It is acceptable to most stakeholders and does not pose any health issues.

During the course of the audit, the District submitted a written financial recovery plan to ODEW, which included the reduction of 2.0 FTE custodian positions through retirement and reductions. Accounting for this reduction, the District's custodial staffing is more in line with industry benchmarks.

OHIO AUDITOR OF STATE KEITH FABER



TRIWAY LOCAL SCHOOL DISTRICT

WAYNE COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 10/6/2026

65 East State Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

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www.ohioauditor.gov