



PAFR

POPULAR ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2024

Pickerington
SCHOOLS

EDUCATING FOR TOMORROW

PICKERINGTON LOCAL SCHOOL DISTRICT
90 North East Street | Pickerington, OH 43147



90 North East Street | Pickerington, OH 43147
p. 614-833-2110 | pickerington.k12.oh.us



A Letter From Our Treasurer

Dear Community Members,

As the Treasurer of Pickerington Local School District, I am pleased to present the 2023-24 Popular Annual Financial Report (PAFR) to our community. The purpose of this report is to provide a brief summary of the District's revenues and expenditures, as well as other relevant financial and non-financial information. This report mostly derives information from the 2023-24 Annual Comprehensive Financial Report (ACFR), which is prepared in accordance with Generally Accepted Accounting Principles (GAAP). Readers should refer to the District's ACFR for an in-depth look at the District's finances in accordance with GAAP. We have also included information presented on a cash basis, as noted in the report.

The community can find additional information about the District's finances by visiting the Treasurer Office portion of the District's website at <https://oh50010917.schoolwires.net/Page/58>. We have prepared this report because we believe our community members have a right to know how their tax dollars are spent. Through the distribution of the PAFR, the District's taxpayers have another means of gaining a clear and accurate picture of the District's finances in addition to reports presented at our school board meetings during the year and the five year forecast. We appreciate all of the support provided to our schools from our community and trust the reader will find this report very informative.

Please take a moment to enjoy the pictures and highlights of our students and programs included throughout the report. We are excited to share the progress of our construction projects. We are working hard to achieve our mission of an engaging, innovative and holistic experience that empowers all students to become responsible, future-ready citizens. We have the best staff in the world with that in mind! Any comments or questions regarding this report are welcome. Please call 614-833-2112 or email john_walsh@plsd.us with any questions or comments you may have.

Respectfully submitted,

John M. Walsh
Treasurer

BOARD OF EDUCATION



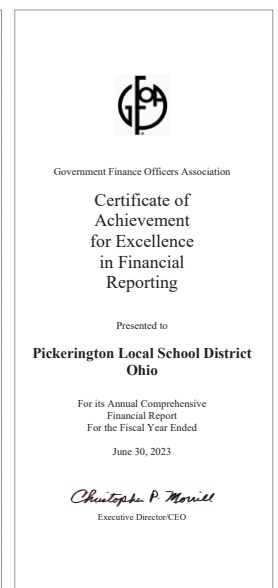
Board of Education Members Front Row (left to right): John M. Walsh (Treasurer), Clay Lopez (President), Dr. Chris Briggs (Superintendent)

Back Row (left to right): Mark Hensen (Member), Vanessa Niekamp (Vice President), JD Postage (Member), Cathy Olshelski (Member)

FINANCIAL AWARDS



Auditor of State Award with Distinction



GFOA Certificate of
Achievement

SUMMARIZED FINANCIAL REPORTS

Numbers in the Financial Position Statement and Financial Activity Statement are taken from the District's ACFR and are presented in a GAAP format. In addition, this PAFR focuses on the District's General Fund, the operating fund of the District (unless otherwise noted). The ACFR can be obtained from the Treasurer's Office or on the District's website under the Treasurer's Office page.

ASSETS OVER LIABILITIES AND DEFERRED INFLOWS

The Financial Position Statement, known in accounting terms as the balance sheet, reports the assets available to provide services along with the liabilities (amounts for which the District is obligated to pay in the future) and deferred inflows (primarily assets that do not finance the current fiscal year). The excess of assets over liabilities and deferred inflows provides the net position, or net worth, of the District. The amounts reported below are for the District's General Fund.

ASSETS <i>(shown in thousands)</i>	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020
Cash and Investments	\$28,186	\$29,448	\$31,287	\$35,319	\$35,435
Receivables	\$55,856	\$54,845	\$56,987	\$51,829	\$47,449
Other Assets	\$360	\$75	\$629	\$163	\$375
Total Assets	\$84,402	\$84,368	\$88,903	\$87,311	\$83,259

LIABILITIES AND DEFERRED INFLOWS <i>(shown in thousands)</i>	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020
Amount owed to Employees and Vendors	\$18,431	\$16,881	\$15,634	\$14,596	\$13,223
Deferred Inflows	\$42,997	\$42,970	\$43,395	\$39,236	\$38,155
Total Liabilities and Deferred Inflows	\$61,428	\$59,851	\$59,029	\$53,832	\$51,378
Assets Over Liabilities and Deferred Inflows	\$22,974	\$24,517	\$29,874	\$33,479	\$31,881

FINANCIAL FORECAST <i>(shown in thousands)</i>	Fiscal Year 2024 Actual	Fiscal Year 2025 Projected	Fiscal Year 2026 Projected	Fiscal Year 2027 Projected	Fiscal Year 2028 Projected
Beginning Balance	\$28,551	\$27,090	\$16,824	\$9,982	\$3,467
Revenues	\$144,541	\$148,613	\$158,531	\$165,834	\$176,238
Expenses	\$(146,002)	\$(158,879)	\$(165,373)	\$(172,349)	\$(179,709)
Operating Surplus/(Deficit)	\$(1,461)	\$(10,266)	\$(6,842)	\$(6,515)	\$(3,471)
Ending Balance	\$27,090	\$16,824	\$9,982	\$3,467	\$(4)

The Pickerington Local School District has maintained a positive cash position over the last several years. The May 2024 Five Year Forecast demonstrates a positive cash balance through fiscal year 2027. A positive cash balance at the end of fiscal year 2028 is reachable with the estimated cash to be just less than zero (0). Revenue continues to be strong with increased funding from the State of Ohio and steady income tax growth. Inflationary increases in basic operational costs as well as a rise in expenses related to the growth our student population have recently put the district into a cycle of deficit spending. The table below shows the dramatic compounding effect of deficit spending on the district's cash balance over the next five years.



OUR DISBURSEMENTS AND SERVICES DEFINITIONS

INSTRUCTION are those activities directly dealing with the teaching of pupils or the interaction between teacher and pupil. This includes aides or classroom assistants of any type, who assist in the instructional process. Technology used by the students is also included here.

PUPIL SUPPORT are those activities designed to assess and improve the well-being of pupils and to supplement the teaching process. This includes guidance services, health services, psychological services and support services for students with disabilities.

INSTRUCTIONAL STAFF SUPPORT are those activities associated with assisting the instructional staff with the content and process of providing learning experiences for pupils.

BOARD/ADMINISTRATION/FISCAL are those activities concerned with establishing and administrating policy in connection with operating the school district and activities associated with the district and building leadership. This function includes budgeting, receiving and disbursing, financial accounting, payroll, inventory control, auditing and fiscal services.

BUSINESS SUPPORT are those activities concerned with purchasing, receiving, transporting, exchanging and maintaining goods and services for the school district.

OPERATIONS AND MAINTENANCE are those activities concerned with keeping the district facilities open, comfortable and safe for use including keeping the grounds, buildings, and equipment in an effective working condition. This includes activities of maintaining safety in buildings and on the grounds of the schools.

TRANSPORTATION are those activities concerned with transporting students to and from school, as provided by board policy and state law. It includes transportation to school activities and between home and school.

CENTRAL SUPPORT are those activities, other than general administration, that support each of the other instructional and supporting services programs including planning, research, development, evaluation, information staff, statistical, and data processing services.

OPERATION OF NON INSTRUCTIONAL are those activities concerned with providing services to students, staff or the community that are not related directly to daily instruction. This also includes providing certain services to other school districts.

EXTRACURRICULAR are those activities under the guidance or supervision of qualified adults that are designed to provide opportunities for pupils to participate in such experiences on an individual basis at school events or public events.

FACILITIES ACQUISITION AND CONSTRUCTION are those activities concerned with acquiring land and buildings, remodeling, constructing or additions to buildings, initially installing or extending service systems, and other built-up equipment and improving sites.

CAPITAL OUTLAY are those expenditures for the acquisition of, or additions to, capital assets. This includes expenditures for land or existing buildings, improvement of grounds, construction, addition or remodeling of buildings and initial and additional equipment furnishings and vehicles.

DEBT SERVICE are those transactions primarily for the purpose of discharging the District's commitment for interest and principal on debt.



RECEIPTS AND RESOURCES OVER DISBURSEMENTS AND SERVICES

The Financial Activity Statement, known in accounting terms as the income statement, provides a summary of the revenues and resources received by the District compared to the expenditures and services provided by the District. The amounts reported below are for the District's General Fund, on a GAAP basis.

REVENUES & RESOURCES <i>(shown in thousands)</i>	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020
Property Taxes	\$43,230	\$41,688	\$39,484	\$41,337	\$38,459
Income Taxes	\$25,399	\$24,746	\$24,101	\$22,224	\$17,786
State and Federal Revenue	\$73,052	\$63,540	\$62,868	\$62,919	\$61,494
Investment Income	\$2,797	\$1,262	\$(929)	\$230	\$1,793
Tuition	\$1,805	\$1,566	\$1,710	\$1,318	\$1,818
Extracurricular	\$735	\$712	\$690	\$662	\$459
Miscellaneous	\$1,244	\$776	\$2,677	\$1,554	\$890
Total Revenues and Resources	\$148,262	\$134,290	\$130,601	\$130,244	\$122,699
EXPENDITURES & SERVICES PROVIDED <i>(shown in thousands)</i>	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020
Instruction	\$91,263	\$87,353	\$82,092	\$81,439	\$79,567
Pupil Support	\$11,173	\$10,671	\$9,294	\$7,752	\$7,940
Instructional Staff Support	\$5,766	\$6,131	\$5,364	\$5,348	\$5,529
Board/Administration/Fiscal	\$13,539	\$13,078	\$12,545	\$12,117	\$11,588
Business Support	\$440	\$617	\$635	\$386	\$460
Plant Operation	\$11,881	\$11,599	\$11,310	\$9,970	\$10,680
Transportation	\$9,342	\$4,430	\$7,129	\$5,917	\$5,917
Central Support	\$1,779	\$1,827	\$1,477	\$1,365	\$1,305
Operation of Non-Instructional	\$64	\$68	\$69	\$243	\$41
Extracurricular	\$2,309	\$2,252	\$2,340	\$2,061	\$1,930
Facilities Acquisition and Construction	\$86	\$550	\$154	\$454	\$101
Capital Outlay	\$1,929	\$-	\$2,357	\$42	\$1,639
Debt Service	\$2,161	\$1,240	\$1,197	\$1,093	\$1,042
Total Expenditures & Services	\$151,732	\$139,816	\$135,963	\$128,187	\$127,739
Revenues & Resources Over Expenditures & Services	\$(3,470)	\$(5,526)	\$(5,362)	\$2,057	\$(5,040)

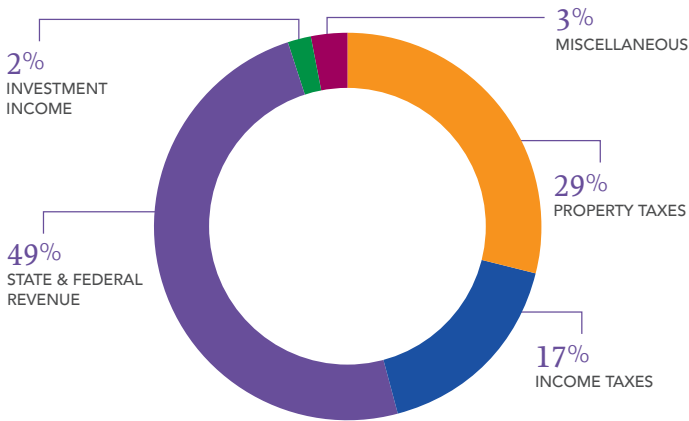
Revenues tend to fluctuate due to the timing of receipts when recorded on a GAAP basis, significantly with property taxes. Property taxes have increased on average of 7.07% annually over the last five years. The fluctuations with property taxes over that time were due to the timing of tax receipts (delays caused by the pandemic) and the passage of a bond issue in November 2022. The District also receives small property tax increases due to valuation on new construction and inside millage (see page 8 for more information about inside millage).

Other revenues also saw fluctuations over the last five years. State revenue changed due to the updated state funding formula for schools beginning in fiscal year 2022. Investment income increased as interest rates continued to rise in calendar years 2024 and 2023, after a period of low interest rates. Tuition fluctuated over the years due to the updated state funding formula and also decreased tuition receipts due to the pandemic.

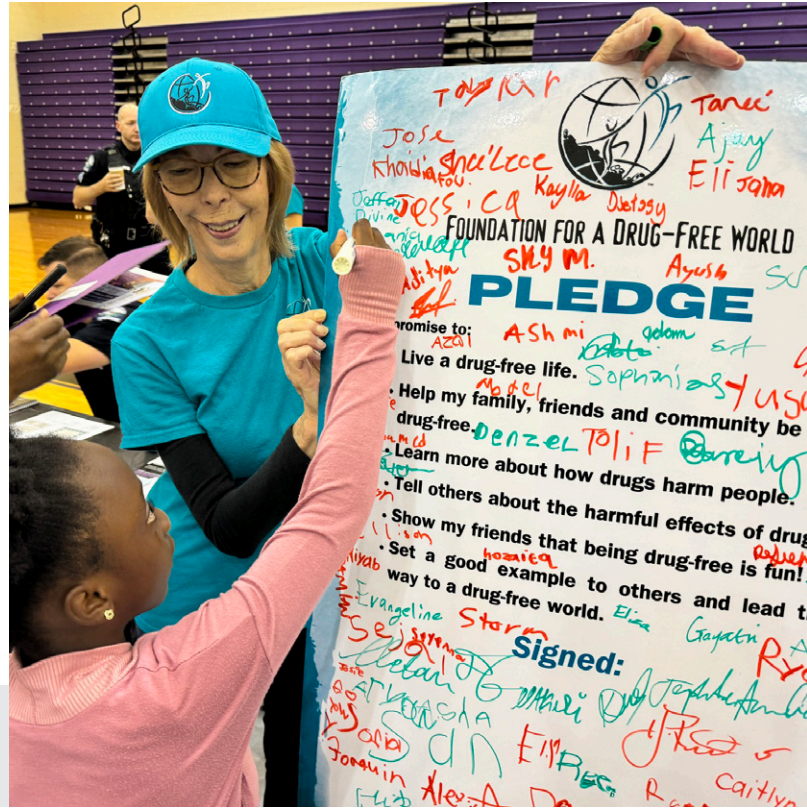
The District utilized ESSER funds to cover expenditures typically paid from the general fund in regard to instruction and student support. ESSER funds were recorded in a separate fund beginning in fiscal year 2021. The District saw three rounds of federal funding related to ESSER, with the final and largest round expiring at the end of fiscal year 2024. These expenditures return to the general fund as the federal funds expire.

OUR REVENUES AND RESOURCES FY24

Where the General Fund money comes from.

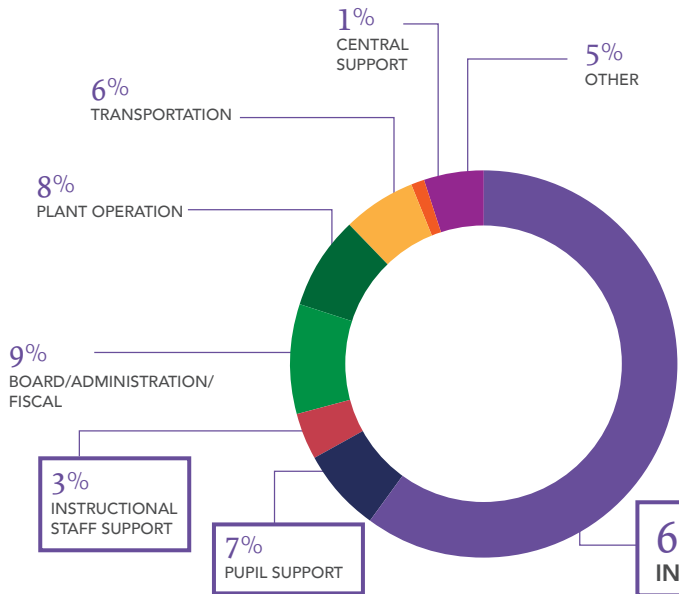



\$148,262 TOTAL
REVENUES & RESOURCES (shown in thousands)



OUR EXPENDITURES AND SERVICES FY24

Where the General Fund Money goes.

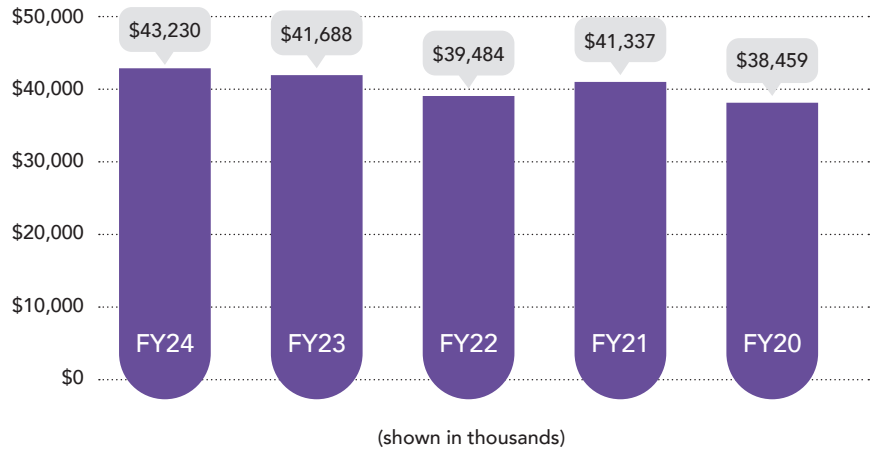


 Instruction, Pupil Support and Instructional Staff Support make up 71% of the General Fund expenditures.

\$151,732 TOTAL
EXPENDITURES & SERVICES (shown in thousands)

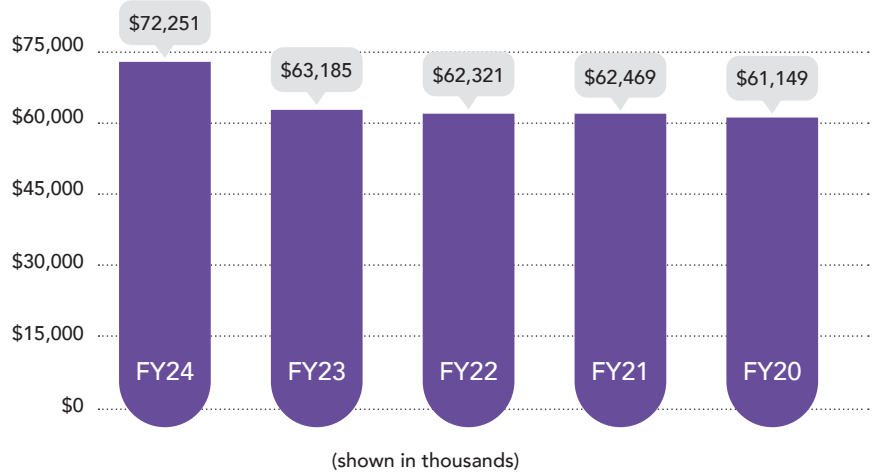
PROPERTY TAXES

The graph to the right depicts the amount of revenues received by the District's General Fund from real and personal property taxes. Property taxes provide a majority of the local revenue to operate and maintain our schools. The District receives property taxes from Franklin and Fairfield counties. In fiscal year 2020, there was an extension on the property tax deadlines, which resulted in lower property taxes available for advance from the County. The combined effect of property tax extensions in 2020 and the timing of amounts available as an advance as of each fiscal year end resulted in fluctuations in property tax revenues from fiscal year 2020 to fiscal year 2024.



STATE FUNDING

The graph to the right depicts the revenues for the district's general fund from the state of Ohio. Monies received from the state are critical in running a fiscally solvent school district. The two primary components of state revenues are (1) state foundation payments, which are calculated based on a formula using student enrollment and (2) state funding of local taxes which include homestead and rollback payments which represent the portion of the tax bill paid by the State instead of the taxpayer. The State changed the way schools are funded beginning in fiscal year 2022. Prior to fiscal year 2022, the District's state revenue was higher to cover the cost of District students that attended other schools through open enrollment, charter schools or private schools on scholarship. The State is now funding those schools directly.



UNBUNDLING THE TAX RATE

Tax rates for the District, except inside millage, are generally reduced as valuations increase (Bond rates are adjusted to match debt payments) in accordance with state law. The result is that voted millage generates the same amount of tax revenue for the District as was received when each levy was initially approved by the voters (small growth is realized for new construction). The chart below shows the difference in the District's "Gross" or voted tax rates, as compared to the "Effective" rates, which are what is being collected. Inside millage is set at 3.5 mills for the district by the state constitution and does not change with values. County auditors reappraise property values every six years and update values every third year in between reappraisals. The tax rates below are for the 2023 tax year, collected in 2024.

TAX BURDEN ON HOMEOWNERS

TYPE	GROSS RATE	EFFECTIVE RATE	LENGTH APPROVED
Inside – Operating	3.50	3.50	Permanent
Voted – Operating	67.70	18.11	Permanent
Permanent Improvement	1.50	1.24	Permanent
Bond Retirement	6.50	6.50	Various
Total Rates	79.20	29.35	

OTHER DEMOGRAPHIC INFORMATION

2024

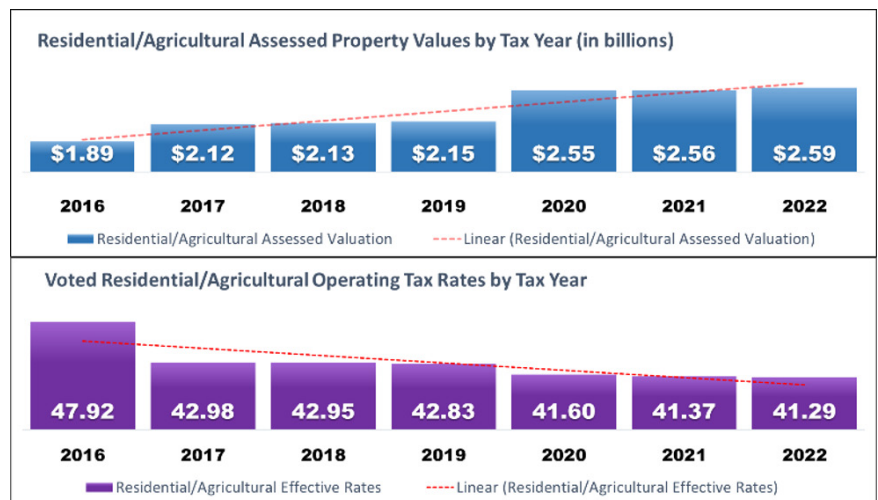
Unemployment Rate	4.8%
Population	56,516
Per Capita Income	\$44,348

ASSESSED VALUE ON REAL PROPERTY

CALENDAR COLLECTION YEAR	AGRICULTURAL/ RESIDENTIAL AND OTHER REAL ESTATE	PUBLIC UTILITY PERSONAL	TOTAL
2024	\$2,039,174,680	\$40,644,800	\$2,079,819,480
2023	\$1,989,076,770	\$39,195,260	\$2,028,272,030
2022	\$1,580,325,640	\$36,931,130	\$1,617,256,770
2021	\$1,534,146,520	\$31,257,790	\$1,565,404,310
2020	\$1,493,605,880	\$30,273,440	\$1,523,879,320

Did You Know?

The Ohio Legislature approved House Bill 920 in 1976 to protect property owners from inflationary increases in property taxes. The law prevents revenue from growing on voted levies by reducing millage rates (tax rates) as property values increase. Generally, the only increases in property taxes the District receives is a small portion from inside millage and new construction, unless voters pass a new levy. As property values increase, effective tax rates for a voted operating levy decreases so that revenue remains unchanged on existing properties for those voted levies. The graph to the right shows Residential and Agricultural Assessed Values from tax years 2016 through 2022 and corresponding tax rates for the same time period. Note: Property taxes are assessed the year prior to being due in Ohio.



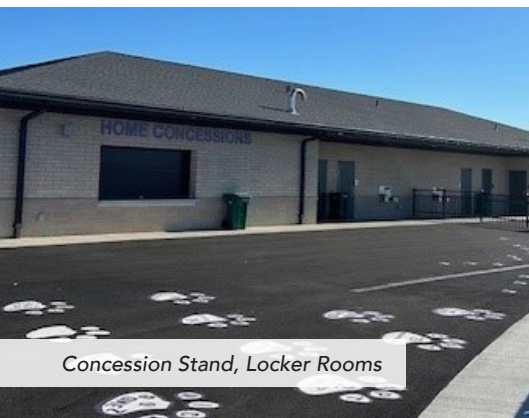
OUTSTANDING DEBT AT YEAR END

The chart below captures the District's long-term bonds, notes, leases, and SBITAs outstanding. The bonds were issued for construction and/or renovation of school buildings. The notes and lease obligations were for the acquisition of musical equipment, computers, and copier equipment. The SBITA obligations represent the District's multi-year software agreement obligations.

OUTSTANDING DEBT <i>(shown in thousands)</i>	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020
General Obligation Bonds	\$168,550	\$178,440	\$66,890	\$75,020	\$83,580
Notes Payable	\$1,813	\$1,487	\$2,185	\$680	\$1,245
Lease Obligations	\$176	\$387	\$590	\$787	\$1,169
SBITA Obligations	\$122	\$364	\$252	\$-	\$-
Total Debt	\$170,661	\$180,678	\$69,917	\$76,487	\$85,994

CAPITAL IMPROVEMENTS

Voters approved an \$89.9 million bond issue in November 2022. The bond issue will construct the new Central Junior High school that will be 143,000 square feet with a student capacity of 1,080. The estimated cost of this project is \$54.6 million. The Central Junior High project has a targeted completion date in January 2026. Both Pickerington high schools will receive project dollars to increase classroom space. Pickerington High School North will benefit by realizing 21 additional classrooms which will cost approximately \$12.1 million. Pickerington High School Central will have 24 additional classrooms built at an estimated cost of \$12.5 million. Both high school additions will be completed in the summer of 2025.



Concession Stand, Locker Rooms



Early Learning Center



North High School



Central High School



New Junior High School

THE NUMBERS BEHIND PICKERINGTON LOCAL SCHOOLS

TEACHING STAFF



15	Pre-K
251	K-4
107	5-6
103	7-8
192	9-12

ENROLLMENT



378	Pre-K
4,174	K-4
1,759	5-6
1,767	7-8
3,797	9-12

TOTAL ENROLLMENT



11,497
FY24

11,120
FY23

10,606
FY22

10,389
FY21

10,530
FY20



SQUARE FOOTAGE MAINTAINED

1,611,523

BUS TRANSPORT

71 TOTAL ROUTES

10,108 TOTAL ASSIGNED RIDERS

6,871 AVERAGE DAILY RIDERS

4,575 TOTAL DAILY MILES

823,500 AVERAGE 180 DAY SCHOOL YEAR ANNUAL MILEAGE

MEALS SERVED



383,845 BREAKFASTS SERVED

990,756 LUNCHES SERVED



RECENT DISTRICT ACCOMPLISHMENTS

OUR VISION & MISSION

In Pickerington we're proud of our accomplishments, but we don't rest on our achievements. We continuously strive towards our vision, closely tracking and evaluating student measures and experiences to ensure we're meeting our mission goals. We never lose sight of our community of learners and their needs. This is what makes us a destination school district.

Our mission is to provide an engaging, innovative and holistic experience that empowers all students to become responsible, future-ready citizens. We aspire to be a school district of choice, improving our community and society by opening doors and providing opportunities for every child, every day. We are educating for tomorrow.

Academic Excellence

Pickerington Local Schools earned a 4.5 Overall Rating (PI Score: 82.5%) on Ohio's Local Report Card.

★★★★★
Achievement

★★★★★
Progress

★★★★★
Gap Closing

★★★★★
Graduation

★★★★
Early Literacy



