

Annual Comprehensive Financial Report Fiscal Year ending June 30, 2021



Pickerington
SCHOOLS

EDUCATING FOR TOMORROW

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Fairfield and Franklin Counties, Ohio



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Board of Education
Pickerington Local School District
90 North East Street
Pickerington, Ohio 43147

We have reviewed the *Independent Auditor's Report* of Pickerington Local School District, Fairfield County, prepared by Julian & Grube, Inc., for the audit period July 1, 2020 through June 30, 2021. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Pickerington Local School District is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

January 28, 2022

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ANNUAL
COMPREHENSIVE
FINANCIAL REPORT

OF THE

PICKERINGTON LOCAL
SCHOOL DISTRICT
PICKERINGTON, OHIO

FOR THE

FISCAL YEAR ENDED JUNE 30, 2021

PREPARED BY
TREASURER'S DEPARTMENT
RYAN JENKINS, TREASURER

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INTRODUCTORY SECTION

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**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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December 23, 2021

To the Board of Education and the Citizens of the Pickerington Local School District:

As the Treasurer of the Pickerington Local School District (the “District”), I am pleased to submit to you this Annual Comprehensive Financial Report (ACFR) issued by the District. The ACFR for the fiscal year ended June 30, 2021 is prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) and in conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB) using guidelines recommended by the Government Finance Officers Association (GFOA).

The Treasurer’s Office is responsible for the accuracy of the data presented and the completeness and fairness of this presentation. We believe the data presented is accurate in all material aspects and that all disclosures necessary to enable the reader to acquire the maximum understanding of the District’s financial activity are included herein.

The basic financial statements of the District for the fiscal year ended June 30, 2021, were audited by Julian and Grube, Inc. whose opinion thereon is included at the beginning of the Financial Section of this report.

In addition to the financial audit, a single audit was performed as required by the Single Audit Act Amendments of 1996 and the provisions of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. The single audit report is not included in the ACFR. This transmittal letter is designed to provide historical information about the District, as well as complement the required Management’s Discussion and Analysis (discussed below). Unless noted otherwise, the financial data in this transmittal letter is presented on the modified accrual basis of accounting. GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the Management’s Discussion and Analysis (MD&A).

The Management’s Discussion and Analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE DISTRICT

The District originated in the late 1800’s, built its first building in 1907, and is a fiscally independent political subdivision in the State of Ohio. By statute the District operates under standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 and Section 119.01 of the Ohio Revised Code to provide education services authorized by charter and further mandated by state and/or federal agencies. The District is located in a suburb of Columbus, the state capital, and operated two high schools, one alternative high school, two junior high schools, three middle schools, and seven elementary schools as of June 30, 2021. The District had approximately 10,389 students in grades kindergarten through the twelfth grade and approximately 166 preschool students enrolled during the 2020-2021 school year.

The District provides a wide variety of educational and support services as mandated by State statute or public desires. These include regular and vocational instruction, special instructional programs for handicapped and gifted students, student guidance and health services, as well as extracurricular activities. The District has a reputation of academic excellence as measured by student academic results on State-mandated assessments.

An elected five-member Board of Education serves as the taxing authority and policy maker for the District. The Board adopts the annual operating budget, tax budget, and approves all expenditures of District tax monies.

“Our mission is to provide all children an efficient and nurturing educational environment which creates life-long learners who are socially responsible citizens. We believe children are our primary focus.”

The Superintendent is the Chief Executive Officer of the District, responsible to the Board for total educational and support operations. The Treasurer is the Chief Financial Officer of the District, responsible to the Board for maintaining all financial records, issuing warrants in payment of liabilities incurred by the District, acting as custodian of all District funds, and investing idle funds as permitted by Ohio law. Other Board-appointed officials, reporting to the Superintendent, include the Assistant Superintendents, the Director of Human Resources, the Director of Student Services and the building principals.

INTERNAL CONTROLS

In developing and revising the District's accounting and internal control system, consideration is given to the adequacy of internal controls to provide reasonable but not absolute assurance regarding:

1. Safeguarding of assets against loss from unauthorized use or disposition; and
2. Keeping reliable financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that:

1. The cost of a control should not exceed the benefits likely to be derived; and
2. The evaluation of costs and benefits required estimates and judgments by management.

Management believes that the District's internal controls adequately meet the above objectives.

BUDGETARY CONTROLS

In addition to the internal controls mentioned above, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Activities of all funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the individual fund level of expenditures. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Unencumbered amounts lapse at year-end. A complete description of the District's budgetary process can be found in Note 2.E. to the basic financial statements.

INSTRUCTIONAL ORGANIZATION:

The District provides a wide variety of educational and support services. This includes regular and vocational instruction; special instructional programs for English Learners ("EL students"), students with disabilities and gifted students; student guidance and health services; as well as extracurricular activities.

While rapid growth in student population in past years has presented many challenges - providing student housing, maintaining appropriate class sizes, and additional efforts to ensure horizontal and vertical articulation of instruction - growth has also provided the District opportunities it otherwise might not have had.

The community has supported the District's housing needs and the need for reorganization has resulted in grade level spans that have improved opportunities for students and enhanced instruction. In 1989, the District approved a bond issue that funded a state-of-the-art high school for 1,800 students. As a result, grades 7 and 8 were relocated to the junior high school (the old high school building) and grade 5 was moved from the elementary buildings to be relocated with the sixth grade, forming a middle school and resulting in the District's present configuration of building spans - K-4, 5-6, 7-8, and 9-12.

In November of 1997, the District passed another bond issue. This issue, coupled with a \$6.7 million interest-free State loan, supported the construction of two new middle schools (grades 5-6; Diley Middle School and Harmon Middle School) and the renovation of the middle grade facility to serve as an additional elementary school. These two middle schools were built to facilitate the District's teaming program.

August 2001 marked the reopening of our "East Street Facility" (the previous middle school) as Heritage Elementary. This facility housed the District's original K-12 school since 1907. It was closed for one year to enable contractors to complete an extensive renovation that was completed in fiscal year 2002.

In November 2000, the District residents passed a \$77.5 million bond issue as well as a 3 mill-operating levy during its first attempt. These dollars were used to construct Pickerington High School North and Lakeview Junior High School, which opened in August of 2003.

The voters approved a \$59.9 million bond issue in fiscal year 2007 for the purpose of constructing a middle school and two elementary buildings (Toll Gate Middle School, Toll Gate Elementary School, and Sycamore Creek Elementary School). Construction was completed in the summer of 2009. The three new buildings opened on schedule at the beginning of the 2009-10 school year.

In May 2009, the voters approved the extension of a classroom facilities maintenance levy. This approval enabled the District to qualify for \$50 million in State funds from the Ohio School Facilities Commission, which has been used for the renovation of five of the district's oldest school buildings (Pickerington Central High School, Ridgeview Junior High School, Fairfield Elementary School, Pickerington Elementary School, and Violet Elementary School).

On November 3, 2020, District voters defeated a proposed 2.90 mill bond issue that would have raised \$95 million in proceeds to construct a new junior high; add 24 classrooms to Pickerington Central, and 18 classrooms to Pickerington North; renovate Ridgeview Junior High School into a combined K-4 elementary school and 5-6 middle school; renovate Heritage Elementary School into a Pre-School learning Center; and would have allowed for miscellaneous classroom upgrades and appurtenances. The issue was defeated by about 2,000 votes in the midst of the Coronavirus Pandemic. The same issue was put back on the ballot for the May 4, 2021 primary election. District voters again defeated the proposed 2.90 mill bond issue by a total of 1,336 votes.

The District's two high school facilities have supported enhanced computer usage and instruction, a growing broadcast journalism program, a satellite tech prep program through Eastland-Fairfield Career and Technical Schools, numerous STEM offerings, integrated instruction in algebra, chemistry, English and American history, as well as other program improvements in the arts.

While Pickerington High School Central and Pickerington High School North have well-deserved reputations of being two of the finest public high schools in Ohio, efforts have been made to identify and evaluate ways to better meet the needs and interests of students. Included in these efforts is intervention in reading and math for struggling students, mentoring, internships, "double-blocking" of classes to enhance time usage, redefining requirements for honors classes, a review of the graduation requirements, an increase in athletic academic eligibility standards, and a variety of advanced placement course offerings.

STUDENT ACHIEVEMENT

The Coronavirus pandemic dramatically affected schools during the 2020-2021 school year. For the greatest part of the 2020-2021 school year (until April 5, 2021), Pickerington Schools operated in a hybrid model whereby half of our students attended in-person on Mondays and Tuesdays, and the other half attended in person on Thursdays and Fridays. Students attended school virtually on any weekday in which they were not physically in school. The Ohio Department of Education issued report cards for the 2020-2021 school year, but the pandemic again affected how the state issued grades to Ohio's public school districts.

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2020 - 2021 Report Card for Pickerington Local

Print This Page

Districts and schools report information for the Ohio School Report Cards on specific marks of performance, called measures, within broad categories called components. They receive grades for up to 10 measures and six components. *The 2020-2021 report card will not have grades or ratings per Ohio law.*

Achievement

This component represents whether student performance on state tests met established thresholds and how well students performed on tests overall.

Performance Index **70.2%**
Indicators Met **NC**



Progress

This component looks closely at the growth all students are making based on their past performances.

Value-Added Overall **NR**
Gifted **NR**
Lowest 20% in Achievement **NR**
Students with Disabilities **NR**



Gap Closing

This component shows how well schools are improving or meeting the performance expectations for all students in English language arts, math, graduation, and English language proficiency. *The English language proficiency data is not available this year.*

Annual Measurable Objectives **NC**



Graduation Rate

This component shows the percent of students who are successfully finishing high school with a diploma in four or five years.

Graduation Rates
95.2% of students graduated in 4 years **NR**
97.3% of students graduated in 5 years **NR**



Improving At-Risk K-3 Readers

This component looks at how successful schools are at improving reading for at-risk students in grades K-3.

Improving At-Risk K-3 Readers **NC**



Prepared for Success

This component looks at how well-prepared Ohio's students are for future opportunities, whether training in a technical field or preparing for work or college.

Annual Measurable Objectives **NR**



MAJOR INITIATIVES AND PROGRAM ACCOMPLISHMENTS

Data Analysis: Building Leadership Teams and Teacher Based Teams analyze and disaggregate all value-added and achievement results with all teachers of Core Content areas. Data from Ohio Achievement Standardized Tests are analyzed by grade level, content area, and subgroups including standard, response type and item analysis. Teacher-leaders receive training on using data to inform instructional decisions in the classroom.

The District uses data to implement a Response to Intervention (RTI) model so that students who demonstrate below Reading and Mathematics grade-level skills receive targeted assistance for improvement. Intervention is provided to struggling learners by both the classroom teacher and the intervention teacher.

Professional Development: Job-embedded professional learning opportunities are provided to all teaching staff during weekly grade level/content team meetings and district two-hour delays and full day district professional development opportunities. Professional development revolves around implementation of the Ohio's Learning Standards, using evidence-based instructional strategies and incorporating 21st Century skills into daily practice. Building Leadership Teams analyze data to craft Continuous Improvement Plans (CIP). Professional development is provided to teams of teachers based on the instructional needs at the building, grade, or subject level. Instructional coaches at grades K-12 assist teachers as they meet the needs of all students and implement differentiated instructional practices.

Gifted & Talented Programs: The District has programming for gifted at each elementary and middle school through a compacted mathematics curriculum. There is also the Gateway Program which provides services across the board to highly gifted children grades 4-6. This continuum of services leads into the junior high where there are advanced math and ELA classes designed for gifted students and through to the secondary level where acceleration/enrichment opportunities are supplied by a robust AP and College Credit Plus (CCP) curriculum as well as the Mosaic Program.

EL Program: Students in grades K-12 with Limited English Proficiency are provided intervention programs through the Districts' EL (English Learners) teachers. The proficiency of English language is assessed annually through State mandated testing Ohio English Language Proficiency Assessment (OELPA).

Foreign Languages: Seventh grade students may enroll in Spanish 1 for high school credit. Eighth grade students are able to enroll in Spanish, German and French. American Sign Language is also offered at the high school. These additions have provided District students an opportunity to enroll in Advanced Placement foreign language as seniors if they begin their foreign language studies at the junior high level.

High School Credit as an Option for Junior High Students: Formally accelerated junior high students have the option of earning high school credits for English 9, algebra 1, honors geometry, and integrated science courses. All junior high students may earn high school elective credits in foreign language, art, physical education, and acting and theatre history.

Arts Instruction: The District believes in the importance of providing opportunities for all its students to experience and excel in arts education. Music and visual arts, and performing arts teachers provide instruction to students K-12. Beginning in the sixth grade in middle school, students have the opportunity to enroll in instrumental music (including a strings program). At the junior high this is expanded to include both vocal and instrumental music. Students enroll in visual, vocal and instrumental music and performing arts programs at the high school level.

Technology in Instruction: The District recognizes that technology has become an integral part of education. In addition, technology is a tool to facilitate the modern-day skills for college and career readiness for all students. A comprehensive District plan embeds technology use into teaching and learning as well as communication, intervention, data reporting and data analysis.

Technology has continued to advance, and the District has made great strides in terms of enhancing instruction by updating existing technological equipment and infrastructure. The District has made a substantial financial commitment to improving the ability of all students to go One-to-One with devices and access to a robust network infrastructure inside and outside of school to enhance the instructional process. The District has also achieved its goal of providing every student with a technology device (e.g. Chromebook and/or iPad)—Pickerington Schools is one of the largest school districts in Ohio to have achieved this goal. This proved particularly useful during the ordered school closure in the spring of 2020. The District was able to seamlessly adapt to virtual instruction for all students because every student had access to a school-issued technological device.

The District provides students with modern, up to date digital resources that integrate into the curriculum for all students. Students have access to digital content inside and outside of school so that learning can be an ongoing process that extends outside of the walls of the school. The use of technology in our classroom has allowed the district to move into more effective teaching strategies liked blended learning.

The District supports teachers' use of technology by a team of individuals on both the instructional and the infrastructure side of technology. The District created a Technology Help Desk that makes technical services for teachers more efficient.

Summer School Opportunities: The District offers a summer intervention program for students who are a part of the K-6 Response to Intervention (RTI) program and have not met the State's proficient level on the Grade 3 Reading Achievement Assessment. Summer intervention is available for high school students in all content areas in preparation for re-taking Ohio's State Tests. High School students have the opportunity to earn Physical Education credit during summer months. The District also offers credit recovery during the summer.

Pickerington Alternative School: On August 8, 2011, the Pickerington Local School District Board of Education entered into an agreement to sponsor the Pickerington Community School (PCS). PCS was a conversion community school which was created to provide high quality education to its students and contribute to Pickerington's effort to provide quality educational options to all children including those at risk of not graduating.

At the end of the 2016-2017 school year, the Pickerington Local Schools ended its sponsorship of the Pickerington Community School and transformed the former conversion community school into the Pickerington Alternative School (PAS). Like PCS before it, the mission of PAS is to provide its students with a customized and personalized educational experience leading to a high school graduation and meaningful post-school employment or successful transition into post-high school education.

PAS is designed to help address the needs of students who are credit deficient, and therefore not on target to graduate with their respective class. The focus is on helping those students attain the necessary graduation requirements and provide involvement in career and community workforce.

Comprehensive Continuous Improvement Plan: The District annually completes a needs assessment and develops a CCIP (Comprehensive Continuous Improvement Plan) as required by the Ohio Department of Education, Office of Federal Programs in order to receive federal funds, commonly known as "Title" monies. There are two major goals established in this plan for our District: improving student achievement in reading and mathematics, specifically with regards to narrowing the gaps for the following subgroups: students with disabilities; socio-economic status; and racial or ethnic status; and, hiring of teachers who are highly qualified. Strategies and action steps that support this goal are developed to provide a structure for expending funds for the following programs - Title I (Disadvantaged), Title II-A (Supporting Effective Instruction), Title III (Limited English Proficient), Title III (Immigrant), Title IV (State Student Support and Academic Imitative), Title VI-B (IDEA - Part B Special Education). The District's current CCIP was approved by the Ohio Department of Education, Office of Federal Programs in the summer of 2020.

Grants Programs: Staff members continue to seek grant funding to increase instructional and professional opportunities. During the latter half of fiscal year 2014 and throughout fiscal year 2015, the District was awarded nearly \$3.0 million in Straight A Grant funds to enhance STEM (Science, Technology, Engineering and Math) programming, in the fields of Engineering/Fabrication and Allied Health Pathways, and to enhance mathematical instruction. Furthermore, the Straight A Grant funds were also used to enhance Instructional Leadership practice. The substantial investment made in STEM programming continues to provide robust programming for students at our junior highs and high schools. According to many studies, careers in STEM will be some of the most vital to our economy in the coming years. The District believes that this programming will ensure that many of its students are adequately prepared to successfully contribute to a highly technical 21st century economy. District programming is also impacted in other areas by grant funding. Critical programming for At-Risk junior high students is provided through the WISE Program (funded by United Way); many teachers apply for and receive Martha Holden Jennings Foundation Awards for specific classroom projects and initiatives; and the Pickerington Education Foundation provides about \$17,000 each year to buildings and teachers to implement programs and services for students. It is also important to note that the District has received several rounds of COVID-related grant funding beginning in the spring of 2020. During the pandemic, the Federal Government has provided the District with the following sums of money, by program, to assist the District with the increased level of services needed during the COVID-19 pandemic:

- Coronavirus Aid, Relief, and Economic Security (CARES) Act (Elementary and Secondary Schools Emergency Relief Fund [ESSER])—\$705,049
- Coronavirus Aid, Relief, and Economic Security (CARES) Act (Coronavirus Relief Fund [CRF])—\$546,252
- Coronavirus Aid, Relief, and Economic Security (CARES) Act (Coronavirus Relief Fund [CRF] BroadbandOhio Connectivity Grant)—\$152,045
- Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act (Elementary and Secondary Schools Emergency Relief Fund [ESSER II])—\$2,753,170
- American Rescue Plan (ARP) Act (American Rescue Plan Elementary and Secondary School Emergency Relief Fund [ARP ESSER])—\$6,187,621
- American Rescue Plan (ARP) Act (IDEA Funds)—\$491,710

Special Education: The District’s special education program provides a full continuum of services from kindergarten through 12th grade based on the individual needs of its 1,520 students on Individualized Education Programs (IEPs). Services are provided in all 14 buildings as well as programs outside of the district. These services range from inclusion support to homebound/hospitalization. Some low incidence classrooms are shared across the district requiring some students to be transported outside of their home building in order to receive the services that are offered in those classrooms. These would include resource rooms that typically serve multiple disabilities, emotional disturbance, and intellectual disabilities. The District supports these classrooms through smaller class sizes, intensive related services support, and the utilization of paraprofessionals in the classrooms. Pickerington has 31 low incidence classrooms that either service the buildings in which they are located or are shared across the District. Each building has at least two intervention specialists that serve identified students in the building. Students in special education resource rooms receive a range of services from instruction in a content area to specific intervention to support a skill deficit that a student may have. The District also utilizes co-teaching in all of the buildings with their intervention specialists. The intervention specialist co-teaches with general education teachers in the general education setting so that students with disabilities can be educated in their least restrictive environment. Pickerington has 112 teachers that provide cross-categorical resource room services, co-teaching in the general classroom, or a combination of both.

In addition, students are supported by experienced related therapies and support staff consisting of 8 school psychologists, 13 speech therapists, 2 occupational therapists, an adaptive physical education teacher, a physical therapist, 1 academic/behavior coach, a work-study coordinator, and 94 paraprofessionals. Some additional services are contracted with other agencies as well. All these classrooms, programs, and personnel are supervised and coordinated on a day-to-day basis by 5 special education administrators. A special education director oversees all the programs at the district level. Three special education secretaries maintain the special education records and enter critical information into the Education Management Information System (EMIS).

The District contracts with the Fairfield County Educational Service Center to provide preschool services to about 166 preschoolers. The preschool classrooms have two models which serve up to eight special needs and four typical students or eight special needs and eight typicals in each classroom. The services for preschoolers are typically center-based or itinerant-based on the needs of the 3-5 year-old students. The program also supports the students with a variety of related services.

ECONOMIC CONDITION AND OUTLOOK

Historical and Demographical Background: The District is located primarily in Fairfield County, with a small portion extending into Franklin County. The District covers approximately 37 square miles in and around the City of Pickerington with a total population of all District residents of approximately 52,359. Located approximately 15 miles from downtown Columbus, Ohio, the District is largely rural/suburban in character and is considered a growing, middle-class suburb of Columbus. The Columbus area has maintained a strong economic climate, even during periods of recession. This is due to the fact that Columbus is the State capital and is the national headquarters for many corporations and insurance companies. There are also a number of universities in the area which contribute to a stable local economy. This stability has contributed to the growth of the District.

In 1990, the community approved a school district income tax. The income tax has proven to be a strong source of income for the District over the years, and it provides an effective balance to the traditional property tax.

As can be seen in the financial statements, voters have routinely supported the District in its efforts to keep pace with increased student population and increased costs. However, as in many other school districts, the District and residents were negatively impacted by the recession beginning in 2008. The District responded by reducing expenditures and by placing a levy on the ballot to replace decreasing State and local revenues. On November 2, 2010, voters narrowly defeated a replacement operating levy of 8 mills, which would have resulted in a 6.84 mill increase. The levy would have generated approximately \$7.6 million per year. Due to the levy loss, the District implemented substantial budget reductions for fiscal year 2012.

In June 2011, the Board reached a two-year agreement with the Pickerington Education Association which enabled the District to realize substantial savings in salaries and benefits.

On August 2, 2011, District voters approved a new levy of 5.5 mills for a continuing period of time. The levy commenced in tax year 2011 with collections beginning January 2012. This levy generates approximately \$5.95 million per year. The levy proceeds are being used for current operating expenses.

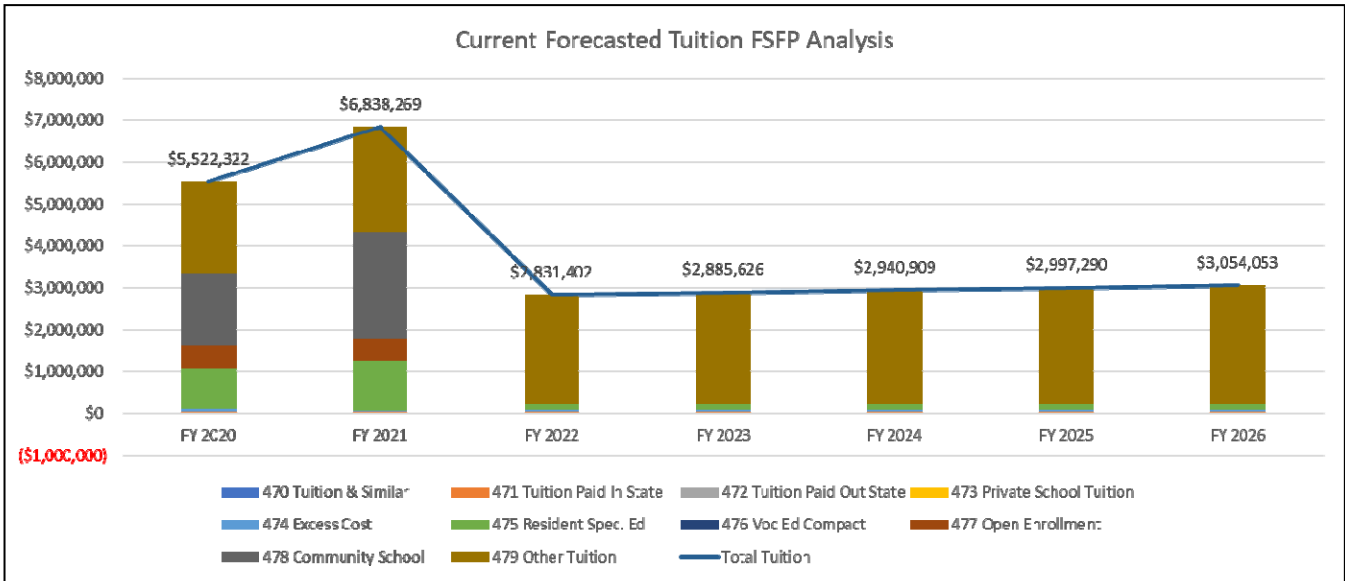
On May 2, 2017, District voters rejected a Permanent Improvement levy that sought to add 3.00 mills for a continuing period of time to fund ongoing capital projects in the District.

On November 3, 2020, District voters defeated a proposed 2.90 mill bond issue that would have raised \$95 million in proceeds to construct a new junior high; add 24 classrooms to Pickerington Central, and 18 classrooms to Pickerington North; renovate Ridgeview Junior High School into a combined K-4 elementary school and 5-6 middle school; renovate Heritage Elementary School into a Pre-School learning Center; and would have allowed for miscellaneous classroom upgrades and appurtenances. The issue was defeated by about 2,000 votes in the midst of the Coronavirus Pandemic. The same issue was put back on the ballot for the May 4, 2021 primary election. District voters again defeated the proposed 2.90 mill bond issue by a total of 1,336 votes.

State Aid: By the end of the 2020-2021 school year, a new state funding formula called the Fair School Funding Plan had been approved by the 134th Ohio General Assembly. It was subsequently signed into law by the Governor. This new state funding formula, which will be in effect until at least June 30, 2023, will be beneficial to the District. While the increase in revenue is not terribly substantial, the formula changes the way the state of Ohio funds community schools, open enrollment, and scholarships. These amounts were previously provided to the school district of residence in the form of per pupil revenue, but then as these students enrolled in a community school or scholarship program, or open enrolled to another school, the District paid the cost of tuition.

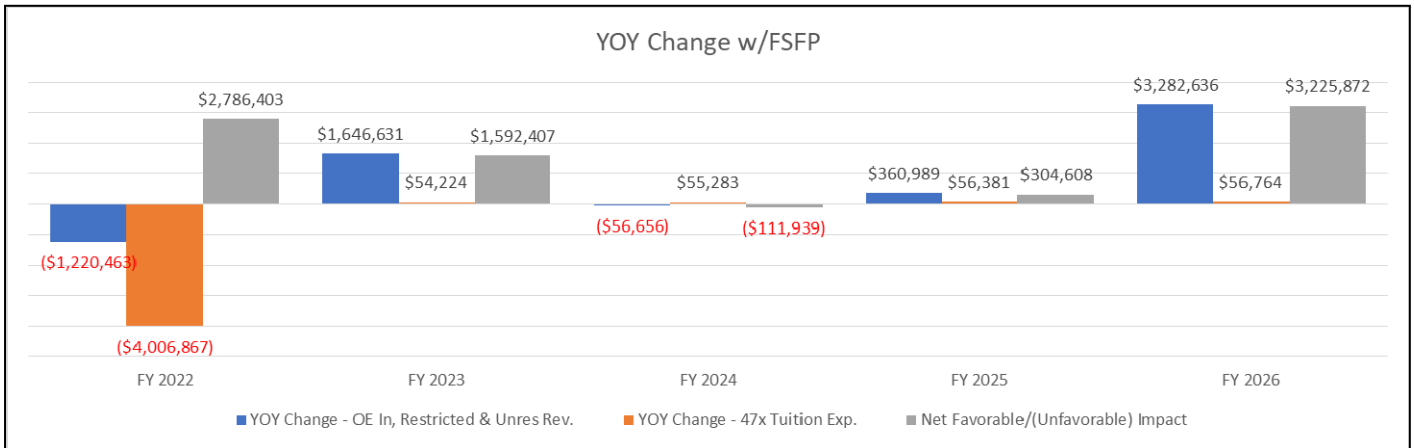
But factors in the previous funding formula *severely limited* the growth in revenue that the District was supposed to get by virtue of getting new students—a phenomenon referred to in Ohio School Funding as a ‘capped’ school district. While Pickerington Schools have increased student enrollment in the past 4-5 school years, the funding that was supposed to be provided to the District was ‘capped’ by Ohio law. Certainly some of the growth was for students who actually attended schools in the District, but a fair portion of the growth was also experienced in scholarships, community schools and open enrollment. And while the formula *limited the revenue* that the District received, the *full cost* of tuition for these other programs were still assessed to the District.

Subsequently, one of the biggest changes in the funding formula is that students who enroll in scholarship, open enrollment or community school programs will no longer be funded in the public schools of their residence, only to have that funding to be paid by the district of residence as tuition payments. The following chart shows the impact that this will have on our purchased services costs in the District (tuition payments that were previously tied to the funding formula):



The District spent about \$4.1 million for open enrollment, community school enrollment, and scholarship programs in the 2020-2021 school year. These tuition costs, per the Fair School Funding Formula, will no longer be deducted from the District in subsequent school years.

The year-over-year impact of this change, coupled with funding increases in the new formula, can be seen in the following chart:



During the 2021-2022 school year, the net increase to the District, will be about \$2.8 million. This is represented by the gray bar. The gray bar is the net of the decrease in tuition costs noted by the orange bar (\$4.0 million) and the decrease in state funding noted in the blue bar (\$1.22 million). In subsequent years, the minimal increases in tuition costs are due to special education costs for students foster placed in the District—but these increases are completely overwhelmed by increases in state funding due to revenue increases. And as long as the funding formula stays the same, the significant drop in tuition costs during the 2020-2021 school year will also cause previously forecasted tuition costs in subsequent school years to drop significantly.

In fact, we expect our cumulative change in purchased services costs to drop by about \$17.0 million between now and the 2024-2025 school year. This drop in cumulative purchased services costs is almost entirely attributable to the new funding formula, and will increase the forecasted carry over cash balance nearly dollar for dollar.

Income Tax: Income tax settlements were up 2.20% for fiscal year 2021 over 2020, and even though fiscal year 2020 was impacted by COVID late in the fiscal year, fiscal year 2020 still ended up 2.03% higher than fiscal year 2019. The effects of COVID briefly impacted District income tax settlements early in fiscal year 2021, but the District has since made up for those losses and is now experiencing moderate income tax growth. The District is forecasting a healthy 4.33% average annual increase for the next 5 fiscal years.

Property Taxes: Property taxes currently comprise 31.73% of total general fund revenue—a significant source of revenue for the District.

Changes in valuation due to inflation/reappraisal are ‘offset’ by increases or decreases in outside millage so that the District receives the same amount of tax revenue as in the previous year for operating levies. The District had a sexennial reappraisal in the fall of 2019. The increase in overall residential/agricultural values (Class I values) due to reappraisal/inflation for calendar year 2019 was about 20.60%. As in most other areas of the country, the housing market in the District has been very ‘hot.’ The District is currently experiencing a significant surge in new residential construction, but existing homes are also increasing in value as demand for homes in the District continues to outpace supply. Consequently, we are expecting values due to new home construction to increase about 2% per year, and in our next triennial update during calendar year 2022, we expect our existing home values to appreciate by over 20%. On the Class II (Commercial/Industrial) side, the 2019 values decreased due to reappraisal by 3.10%; in 2022, the forecasted increase due to reappraisal/inflation is 4.40%. Increases in Commercial/Industrial due to new construction is forecasted to be about 1.5%, but given that Commercial/Industrial properties make up only about 13% of the value in the District, this increase doesn’t typically result in robust tax revenue increases.

Living in the District remains a popular choice for many seeking residential property, and this creates a scenario where homes hold their value in the District. However, additional *real estate revenue* for the District is almost entirely dependent upon the increase in *new* residential properties as opposed to inflationary/reappraisal valuation increases to *existing* properties (i.e., the increase in value is almost entirely offset by decreases to millage, which keeps tax revenue predominantly the same). That said, many are also finding that the stock of new homes in the District is also increasing. But a ‘deeper dive’ into the forecasted valuation changes for residential (Class I property) in the District shows that inflationary increases are outstripping changes due to new construction. This creates the pressure of added enrollment due to the new homes without a corresponding increase in funding to match (note that our data that a new home almost always comes with a new student).

LONG TERM FINANCIAL PLANNING

Five Year Forecasting; Comprehensive Budgets: Ohio School Districts are required by Ohio law to forecast five-year projections of operational revenues and expenditures. The District submits its five-year projections with respect to its General Fund (cash basis), and those forecasts can be found by visiting the Ohio Department of Education Five Year Forecast homepage. Additionally, the District creates a comprehensive annual budget document each fiscal year that provides a detailed view of planned resource allocations across all funds and fund groups.

These documents represent a concerted effort by District Management to account for the use of District resources in ways that maximize student achievement, while also providing accountability to our community. These reports can be found on the District Financial webpage.

Debt Rating: In November of 2021, Moody’s Investor Services confirmed the District’s Aa2 rating. The District works collaboratively with its Municipal Advisor to carefully monitor its financial health, as measured by its debt rating. In the most recently completed confirmation, Moody’s noted the following about the Pickerington Schools long term economic outlook:

Credit overview

The credit position of Pickerington Local Schools is strong and the Aa2 rating is slightly higher than the US school district median of Aa3. Key credit factors include a very healthy economy, a stable enrollment trend, a robust financial position, somewhat high leverage and very low fixed costs.

Economy

Pickerington Local Schools has a very healthy economy and the enrollment trend is satisfactory.

Overall, the factor is roughly aligned with the Aa2 rating.

- Resident income of 163% of the US median is very strong.
- Full value per capita of \$86,283 is satisfactory.

Financial performance

The district's strong financial position is slightly favorable relative to the rating of Aa2.

- Cash balance ratio of 35.1% is robust.
- Available fund balance ratio is strong at 33.2%.

Leverage

Pickerington Local Schools has somewhat elevated leverage and fixed costs are very modest. Overall, this factor is relatively unfavorable compared to the Aa2 rating.

- The ratio of long-term liabilities (Debt + ANPL + OPEB) to operating revenue of 389.4% is somewhat elevated.
- Fixed-costs ratio of 11.2% is very low.

Cash Balance Policy: Finally, the District believes that maintaining a general fund cash balance is necessary in the interest of sound fiscal management. The Board of Education, in concert with District Management, uses the following criteria in determining the level of general fund cash balance:

- The predictability of its revenues and the volatility of its expenditures
- The Board's perceived exposure to significant one-time outlays
- The availability of resources in other funds
- The liquidity of the general fund
- The Board's assigned and committed fund balances.

In all cases, the Board has designated, by formal policy, a cash balance that is not less than 45 days-of normal operating expenses.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Pickerington Local School District for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2020. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that this Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021 continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of the ACFR was made possible by the diligence of the Treasurer's staff and the support of the Board of Education. Special thanks go to the Superintendent, Dr. Chris Briggs, and the Assistant Treasurer, Mrs. Keltah Houser-Siders, of the District for their input and assistance in this project. In the financial area, as in the instructional area, our goal is to achieve excellence.

Respectfully submitted,



Timothy "Ryan" Jenkins

Treasurer

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

ELECTED OFFICIALS AND ADMINISTRATIVE STAFF

JUNE 30, 2021

Board of Education Members

President
Vice President
Member
Member
Member

Mr. Clay Lopez
Mr. Keith Kristoff
Ms. Vanessa Niekamp
Ms. Cathy Olshefski
Ms. Lori Sanders

Appointed Officials

Superintendent
Treasurer

Dr. Chris Briggs
Ryan Jenkins

Administrative Staff

Assistant Superintendent, Student Services
Assistant Superintendent, Human Resources
Director of Human Resources
Director of Student Services
Executive Director of Teaching & Learning
Public Relations Director
Director of Information Management
Director of Instructional Technology
Director of Special Education
Assistant Treasurer
Business Manager
Principal, Pickerington High School North
Principal, Pickerington High School Central
Principal, Lakeview Junior High School
Principal, Ridgeview Junior High School
Principal, Diley Middle School
Principal, Toll Gate Middle School
Principal, Harmon Middle School
Principal, Fairfield Elementary School
Principal, Heritage Elementary School
Principal, Pickerington Elementary School
Principal, Tussing Elementary School
Principal, Violet Elementary School
Principal, Toll Gate Elementary School
Principal, Sycamore Creek Elementary School

Bob Blackburn
Zack Howard
Heather Hedgepeth
Mark Aprile
Sabrina Woodruff
Crystal Davis
Ron Denton
Brian Seymour
Kristina Hulse
Keltah Houser-Siders
W. Vince Utterback
Mark Ulbrich
Stacy Tennenbaum
Rachel Hanagan
Beth Richardson
Eric Koch
Kara Jackson
Jared Moore
Ruth Stickel
Chad Rice
Melissa Moriarty
Matt Dansby
Dee Copas
Kristi Motsch
Pam Bertke



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Pickerington Local School District
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

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Independent Auditor's Report

Pickerington Local School District
Fairfield County
90 North East Street
Pickerington, Ohio 43147

To the Board of Education:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Pickerington Local School District, Fairfield County, Ohio, as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Pickerington Local School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Pickerington Local School District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pickerington Local School District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Pickerington Local School District, Fairfield County, Ohio, as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison for the general fund for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 18 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the Pickerington Local School District. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis, and schedules of net pension and other post-employment benefit assets and liabilities and pension and other post-employment benefit contributions* listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Pickerington Local School District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2021, on our consideration of the Pickerington Local School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Pickerington Local School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Pickerington Local School District's internal control over financial reporting and compliance.

Julian & Grube, Inc.

Julian & Grube, Inc.
December 23, 2021

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**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(UNAUDITED)**

The management's discussion and analysis of the Pickerington Local School District's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2021. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, the basic financial statements and the notes to the basic financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2021 are as follows:

- Net position of governmental activities decreased \$3,630,290 which represents a 12.87% decrease from 2020's net position.
- General revenues accounted for \$131,621,687 in revenue or 86.33% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$20,841,257 or 13.67% for total revenues of \$152,462,944.
- The District had \$156,093,234 in expenses related to governmental activities; only \$20,841,257 of these expenses were offset by program specific charges for services and sales, grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$131,621,687 were not adequate to provide for these programs.
- The District's major governmental funds include the general fund and district debt service fund. The general fund had \$130,286,121 in revenues and other financing sources and \$128,686,970 in expenditures and other financing uses. During fiscal year 2021, the general fund's balance increased \$1,599,151 from a balance of \$31,880,693 to a balance of \$33,479,844.
- The district debt service fund had \$23,587,067 in revenues and other financing sources and \$23,019,945 in expenditures and other financing uses. The district debt service fund's balance increased \$567,122 from \$12,863,190 to \$13,430,312.

Using the Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *statement of net position* and *statement of activities* provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other nonmajor funds presented in total in one column. In the case of the District, the most significant funds are the general fund and district debt service fund which are reported as major funds.

Reporting the District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2021?" The statement of net position and the statement of activities answer this question. These statements include *all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(UNAUDITED)

These two statements report the District's *net position* and changes in that position. This change in net position is important because it tells the reader that, for the District as a whole, the *financial position* of the District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the statement of net position and the statement of activities, the governmental activities include the District's programs and services, including instruction, support services, operation and maintenance, pupil transportation, extracurricular activities, and food service operations.

The District's statement of net position and statement of activities can be found on pages F 26 – F 27 of this report.

Reporting the District's Most Significant Funds

Fund Financial Statements

The analysis of the District's major governmental funds begins on page F 13. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the general fund and the district debt service fund.

Governmental Funds

Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial assets* than can readily be converted to cash. The governmental fund financial statements provide a detailed *short-term* view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental *activities* (reported in the statement of net position and the statement of activities) and governmental *funds* is reconciled in the basic financial statements. The basic governmental fund financial statements can be found on pages F 28 – F 32 of this report.

Proprietary Funds

The District maintains a proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District's internal service fund accounts for employee benefits self-insurance. The basic proprietary fund financial statements can be found on pages F 33 – F 35 of this report.

Fiduciary Funds

The District acts in a trustee capacity as an agent for individuals. These activities are reported in a custodial fund. All of the District's fiduciary activities are reported in separate statements of changes in fiduciary net position. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations. For fiscal year 2021, the District's fiduciary activities reported no activity.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages F 36 – F 80 of this report.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(UNAUDITED)

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's net pension liability and net OPEB liability/asset. The required supplementary information can be found on pages F 82 – F 99 of this report.

The District as a Whole

The statement of net position provides the perspective of the District as a whole. The table below provides a summary of the District's net position at June 30, 2021 and June 30, 2020.

	Net Position	
	Governmental Activities 2021	Governmental Activities 2020
<u>Assets</u>		
Current and other assets	\$ 126,362,696	\$ 123,110,312
Net OPEB asset	9,205,902	8,583,892
Capital assets, net	130,497,465	134,529,929
Total assets	<u>266,066,063</u>	<u>266,224,133</u>
<u>Deferred outflows of resources</u>		
Unamortized deferred charges on debt refunding	3,592,087	3,421,058
Pension	30,294,563	30,142,281
OPEB	4,846,336	3,225,215
Total deferred outflows of resources	<u>38,732,986</u>	<u>36,788,554</u>
<u>Liabilities</u>		
Current liabilities	16,474,348	15,653,768
Long-term liabilities:		
Due within one year	9,643,618	10,544,599
Due in more than one year:		
Net pension liability	157,565,983	140,764,675
Net OPEB liability	10,509,089	11,320,829
Other amounts	78,726,353	86,723,523
Total liabilities	<u>272,919,391</u>	<u>265,007,394</u>
<u>Deferred inflows of resources</u>		
Property taxes levied for the next fiscal year	45,267,332	44,413,454
Payments in lieu of taxes for the next fiscal year	455,145	379,580
Unamortized deferred gain on debt refunding	526,765	560,934
Pension	999,293	7,007,799
OPEB	16,458,438	13,840,551
Total deferred inflows of resources	<u>63,706,973</u>	<u>66,202,318</u>
<u>Net Position</u>		
Net investment in capital assets	53,446,337	48,166,989
Restricted	17,440,741	16,696,831
Unrestricted (deficit)	(102,714,393)	(93,060,845)
Total net position (deficit)	<u>\$ (31,827,315)</u>	<u>\$ (28,197,025)</u>

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(UNAUDITED)

The net pension liability (NPL) is the largest single liability reported by the District at June 30, 2021 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." The District adopted GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the District's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability, and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB and net OPEB asset.

The table below provides a summary of the District's net position at June 30, 2021 and June 30, 2020 *without* the deferred inflows of resources related to pension and OPEB, the net pension liability, the net OPEB liability, the deferred outflows of resources related to pension and OPEB and net OPEB asset.

	Governmental Activities 2021	Governmental Activities 2020
<u>Assets</u>		
Current and other assets	\$ 126,362,696	\$ 123,110,312
Capital assets, net	<u>130,497,465</u>	<u>134,529,929</u>
Total assets	<u>256,860,161</u>	<u>257,640,241</u>
<u>Deferred outflows of resources</u>		
Unamortized deferred charges on debt refunding	<u>3,592,087</u>	<u>3,421,058</u>
<u>Liabilities</u>		
Current liabilities	16,474,348	15,653,768
Long-term liabilities:		
Due within one year	9,643,618	10,544,599
Due in more than one year	<u>78,726,353</u>	<u>86,723,523</u>
Total liabilities	<u>104,844,319</u>	<u>112,921,890</u>
<u>Deferred inflows of resources</u>		
Property taxes levied for the next fiscal year	45,267,332	44,413,454
Payments in lieu of taxes for the next fiscal year	455,145	379,580
Unamortized deferred gain on debt refunding	<u>526,765</u>	<u>560,934</u>
Total deferred inflows of resources	<u>46,249,242</u>	<u>45,353,968</u>
<u>Net Position</u>		
Net investment in capital assets	53,446,337	48,166,989
Restricted	17,440,741	16,696,831
Unrestricted	<u>38,471,609</u>	<u>37,921,621</u>
Total net position	<u>\$ 109,358,687</u>	<u>\$ 102,785,441</u>

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability*. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability to equal the District's proportionate share of each plan's collective:

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service.
2. Minus plan assets available to pay these benefits.

**PICKERINGTON LOCAL SCHOOL DISTRICT
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MANAGEMENT'S DISCUSSION AND ANALYSIS
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GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the District is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68 and GASB 75, the District's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability/asset, respectively, not accounted for as deferred inflows/outflows.

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2021, the District's liabilities plus deferred inflows of resources exceeded assets plus deferred outflows of resources by \$31,827,315.

At fiscal year-end, capital assets represented 49.05% of total assets. Capital assets include land, construction in progress, land and improvements, buildings and improvements, furniture and equipment and vehicles. Net investment in capital assets at June 30, 2021 was \$53,446,337. These capital assets are used to provide services to the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the District's net position, \$17,440,741, represents resources that are subject to external restriction on how they may be used. Unrestricted net position was a deficit of \$102,714,393 primarily due to the application of GASB Statement No. 68 and GASB Statement No. 75, as described in Note 14 and Note 15, respectively.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(UNAUDITED)

The table below shows the change in net position for fiscal years 2021 and 2020.

	Change in Net Position	
	Governmental Activities <u>2021</u>	Governmental Activities <u>2020</u>
<u>Revenues</u>		
Program revenues:		
Charges for services and sales	\$ 3,002,597	\$ 5,919,122
Operating grants and contributions	17,739,097	15,290,239
Capital grants and contributions	99,563	156,272
General revenues:		
Property taxes	52,004,977	49,148,030
Payment in lieu of taxes	1,500,198	585,391
School district income taxes	21,770,872	18,329,653
Grants and entitlements not restricted	55,997,596	54,808,227
Investment earnings	294,878	1,746,880
Miscellaneous	53,166	107,991
Total revenues	<u>152,462,944</u>	<u>146,091,805</u>
<u>Expenses</u>		
Program expenses:		
Instruction:		
Regular	67,211,784	66,979,662
Special	23,828,715	22,781,914
Vocational	630,809	652,378
Other	4,980,886	4,255,868
Support services:		
Pupil	9,930,743	9,488,568
Instructional staff	6,697,331	6,671,881
Board of education	889,247	617,358
Administration	9,757,849	9,578,284
Fiscal	2,511,451	2,315,087
Business	450,003	482,230
Operations and maintenance	11,653,804	12,583,473
Pupil transportation	5,910,138	5,850,116
Central	1,476,173	1,417,976
Operation of non-instructional services:		
Food service operations	4,073,685	5,333,992
Other non-instructional services	302,762	61,253
Extracurricular activities	3,068,178	3,109,249
Interest and fiscal charges	2,709,676	3,146,618
Total expenses	<u>156,093,234</u>	<u>155,325,907</u>
Change in net position	(3,630,290)	(9,234,102)
Net position (deficit) at beginning of year	<u>(28,197,025)</u>	<u>(18,962,923)</u>
Net position (deficit) at end of year	<u>\$ (31,827,315)</u>	<u>\$ (28,197,025)</u>

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

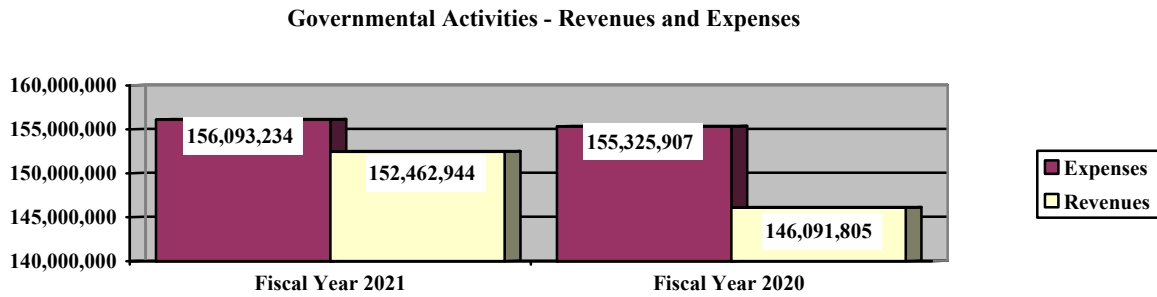
**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(UNAUDITED)**

Net position of the District’s governmental activities decreased \$3,630,290. Total governmental expenses of \$156,093,234 were offset by program revenues of \$20,841,257 and general revenues of \$131,621,687. Program revenues supported 13.35% of the total governmental expenses.

In the area of program revenues, operating grants and contributions increased, which is primarily attributable to \$1,024,100 and \$695,526 in Elementary and Secondary School Emergency (ESSER) funding and Coronavirus Relief funding, respectively, received during fiscal 2021 in response to the COVID-19 pandemic. Charges for services and sales decreased primarily from less revenue generated from school lunch sales caused by building closures for COVID-19 during a portion of the school year. The food service program was subsidized by additional federal subsidies during fiscal year 2021.

The primary sources of general revenue for governmental activities are derived from property taxes, school district income taxes, payment in lieu of taxes, and unrestricted grants and entitlements from the State of Ohio. These revenue sources represent 86.10% of total governmental revenue. Real estate property is reappraised every six years. Investment earnings experienced a significant decrease during the fiscal year as a result of the COVID-19 Pandemic and the Federal Reserve cutting interest rates. Payment in lieu of taxes increased primarily from the District entering into multiple settlement agreements on property values during the fiscal year. School district income tax revenue increased as a result of the income tax deadline being extended by the State as a result of the COVID-19 pandemic during fiscal year 2020. This resulted in a decrease in income tax receipts in fiscal year 2020 and an increase in fiscal year 2021.

The graph below presents the District’s governmental activities revenues and expenses for fiscal year 2021 and 2020.



The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
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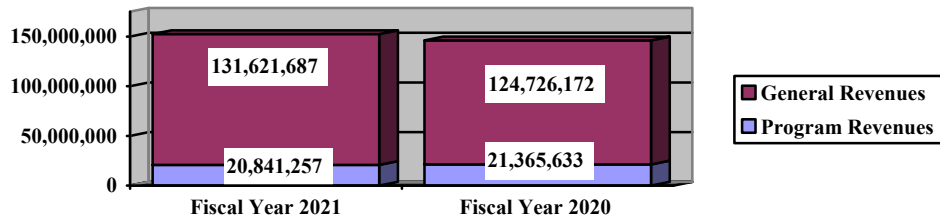
Governmental Activities

	Total Cost of Services <u>2021</u>	Net Cost of Services <u>2021</u>	Total Cost of Services <u>2020</u>	Net Cost of Services <u>2020</u>
Program expenses				
Instruction:				
Regular	\$ 67,211,784	\$ 65,362,704	\$ 66,979,662	\$ 65,295,840
Special	23,828,715	14,193,164	22,781,914	12,869,078
Vocational	630,809	51,281	652,378	72,850
Other	4,980,886	4,236,156	4,255,868	3,445,375
Support services:				
Pupil	9,930,743	8,512,529	9,488,568	8,673,212
Instructional staff	6,697,331	6,068,821	6,671,881	6,164,403
Board of education	899,247	899,247	617,358	617,358
Administration	9,757,849	9,646,617	9,578,284	9,482,381
Fiscal	2,511,451	2,511,451	2,315,087	2,314,619
Business	450,003	450,003	482,230	482,230
Operations and maintenance	11,653,804	11,093,777	12,583,473	11,973,401
Pupil transportation	5,910,138	5,312,934	5,850,116	5,364,134
Central	1,476,173	1,475,125	1,417,976	1,416,301
Operations of non-instructional services:				
Food service operations	4,073,685	815,337	5,333,992	697,328
Other non-instructional services	302,762	242,744	61,253	42,327
Extracurricular activities	3,068,178	1,670,411	3,109,249	1,902,819
Interest and fiscal charges	2,709,676	2,709,676	3,146,618	3,146,618
Total expenses	\$ 156,093,234	\$ 135,251,977	\$ 155,325,907	\$ 133,960,274

The dependence upon tax and other general revenues for governmental activities is apparent, as 86.75% of instruction activities are supported through taxes and other general revenues which includes State aid. For all governmental activities, general revenue support is 86.65%. The District's taxpayers and restricted and unrestricted grants and entitlements from the State of Ohio are the primary support for District's students.

The graph below presents the District's governmental activities revenue for fiscal years 2021 and 2020.

Governmental Activities - General and Program Revenues



**PICKERINGTON LOCAL SCHOOL DISTRICT
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MANAGEMENT'S DISCUSSION AND ANALYSIS
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The District's Funds

The District's governmental funds reported a combined fund balance of \$51,279,655, which is more than last year's total of \$50,934,314. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2021 and June 30, 2020.

	Fund Balance <u>June 30, 2021</u>	Fund Balance <u>June 30, 2020</u>	Increase/ <u>(Decrease)</u>
General	\$ 33,479,844	\$ 31,880,693	\$ 1,599,151
District debt service	13,430,312	12,863,190	567,122
Other governmental	<u>4,369,499</u>	<u>6,190,431</u>	<u>(1,820,932)</u>
Total	<u>\$ 51,279,655</u>	<u>\$ 50,934,314</u>	<u>\$ 345,341</u>

General Fund

The following tables show the changes in revenues and expenditures in the general fund from 2021 and 2020.

	2021 <u>Amount</u>	2020 <u>Amount</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
<u>Revenues</u>				
Property taxes	\$ 41,336,615	\$ 38,459,330	\$ 2,877,285	7.48 %
Income taxes	22,223,902	17,786,258	4,437,644	24.95 %
Payment in lieu of taxes	1,225,437	455,682	769,755	168.92 %
Tuition and fees	1,317,829	1,818,120	(500,291)	(27.52) %
Investment earnings	229,702	1,792,723	(1,563,021)	(87.19) %
Intergovernmental	62,919,451	61,493,689	1,425,762	2.32 %
Other revenues	<u>990,757</u>	<u>893,404</u>	<u>97,353</u>	10.90 %
Total	<u>\$ 130,243,693</u>	<u>\$ 122,699,206</u>	<u>\$ 7,544,487</u>	6.15 %

	2021 <u>Amount</u>	2020 <u>Amount</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
<u>Expenditures</u>				
Instruction	\$ 81,438,913	\$ 79,566,346	\$ 1,872,567	2.35 %
Support services	42,854,240	43,418,749	(564,509)	(1.30) %
Operation of non-instructional services	242,757	41,019	201,738	491.82 %
Extracurricular activities	2,060,538	1,930,406	130,132	6.74 %
Facilities acquisition and construction	454,422	101,308	353,114	348.55 %
Capital outlay	42,428	1,638,763	(1,596,335)	(97.41) %
Debt service	<u>1,093,672</u>	<u>1,042,291</u>	<u>51,381</u>	4.93 %
Total	<u>\$ 128,186,970</u>	<u>\$ 127,738,882</u>	<u>\$ 448,088</u>	0.35 %

Overall revenues of the general fund increased \$7,544,487 or 6.15%. Investment earnings experienced a significant decrease during the fiscal year as a result of the COVID-19 Pandemic and the Federal Reserve cutting interest rates. Payment in lieu of taxes increased primarily from the District entering into multiple settlement agreements on property values during the fiscal year. Property tax revenues increased \$2,877,285 or 7.48%. Actual property tax cash receipts increased \$1,677,652 or 4.31% from fiscal year 2020. The increase is due to fluctuations in the amount of tax advance available from the County Auditors at fiscal year-end. The tax advance available for the fiscal years ended June 30, 2021, 2020, and 2019 were \$4,500,520, \$3,764,720, and \$4,228,553, respectively. The amount of tax advance available can vary depending upon when tax bills are sent out by County Auditors. The amount of tax advance available at fiscal year-end is reported as revenue in that fiscal year.

**PICKERINGTON LOCAL SCHOOL DISTRICT
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MANAGEMENT'S DISCUSSION AND ANALYSIS
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School district income tax revenue increased as a result of the income tax deadline being extended by the State as a result of the COVID-19 pandemic during fiscal year 2020. This resulted in a decrease in income tax receipts in fiscal year 2020 and an increase in fiscal year 2021. Tuition and fees decreased due to a decrease in open enrollment in the current fiscal year. All other revenues remained comparable to the prior fiscal year.

Expenditures of the general fund increased \$448,088 or 0.35%. Capital outlay decreased due to the District entering into large lease-purchase agreements and capital lease transaction in the prior fiscal year. Facilities acquisition and construction increased due to the District expending more capital related expenditures out of the general fund in the current fiscal year. All other expenditures remained comparable to the prior fiscal year.

District Debt Service Fund

The district debt service fund balance increased \$567,122. The table that follows assists in illustrating the financial activities and fund balance of the district debt service fund.

	<u>2021</u> <u>Amount</u>	<u>2020</u> <u>Amount</u>	<u>Increase/</u> <u>(Decrease)</u>	<u>Percentage</u> <u>Change</u>
<u>Revenues</u>				
Taxes	\$ 10,105,485	\$ 10,471,175	\$ (365,690)	(3.49) %
Intergovernmental	1,265,806	1,367,004	(101,198)	(7.40) %
Payment in lieu of taxes	260,729	117,992	142,737	120.97
Miscellaneous	114,669	-	114,669	100.00 %
Total	<u>\$ 11,746,689</u>	<u>\$ 11,956,171</u>	<u>\$ (209,482)</u>	(1.75) %
<u>Expenditures</u>				
Support services	\$ 151,632	\$ 176,140	\$ (24,508)	(13.91) %
Debt service	11,223,587	12,090,881	(867,294)	(7.17) %
Total	<u>\$ 11,375,219</u>	<u>\$ 12,267,021</u>	<u>\$ (891,802)</u>	(7.27) %

This increase in fund balance was due to total revenues in the current fiscal year exceeding total expenditures. The District entered into Series 2020 Refunding Bonds in the current fiscal year. The refunding bond issuance activity was posted into the district debt service fund. This refunding was undertaken to reduce the combined total debt service payments through December 1, 2028 by \$595,153 and resulted in a net present value economic gain of \$566,365.

General Fund Budgeting Highlights

The District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the general fund.

For the general fund, original and final budgeted revenues and other financing sources were \$122,184,182. Actual revenues and other financing sources for fiscal year 2021 were \$125,867,889. This represents a \$3,683,707 increase over final budgeted revenues. The primary reason for actual revenues coming in less than original and final budgeted revenues is due to the increase in State foundation funding. In accordance with State statute, estimated revenues are required to be amended if additional amounts are intended to be appropriated.

General fund original appropriations and other financing uses totaled \$134,208,214. The final appropriations and other financing uses totaled \$134,301,461, which was an increase of \$93,247 from original appropriations and other financing uses. The actual budget basis expenditures and other financing uses for fiscal year 2021 totaled \$128,938,445, which was \$5,363,016 less than the final budget appropriations and other financing uses. This positive variance is due to a tight control over expenditures and the District's operations and maintenance, pupil transportation, pupil and regular expenditures being lower than anticipated. The decrease in these expenditures was primarily the result of salaries and fringe benefits and contract services proving to be lower than anticipated.

**PICKERINGTON LOCAL SCHOOL DISTRICT
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MANAGEMENT'S DISCUSSION AND ANALYSIS
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Capital Assets and Debt Administration

Capital Assets

At June 30, 2021, the District had \$130,497,465 invested in land, construction in progress, land improvements, buildings and improvements, furniture and equipment and vehicles. This entire amount is reported in governmental activities. The following table shows June 30, 2021 balances compared to June 30, 2020.

**Capital Assets at June 30
(Net of Depreciation)**

	Governmental Activities	
	2021	2020
Land	\$ 9,185,480	\$ 9,185,480
Construction-in-progress	99,405	733,520
Land improvements	10,346,889	7,715,230
Building and improvements	107,428,217	113,145,294
Furniture and equipment	2,372,805	2,711,073
Vehicles	1,064,669	1,039,332
Total	\$ 130,497,465	\$ 134,529,929

The overall decrease in capital assets, net of depreciation, of \$4,032,464 is due to depreciation expense of \$7,628,955 exceeding capital asset additions of \$3,596,491 for fiscal year 2021.

See Note 8 to the basic financial statements for additional information on the District's capital assets.

Debt Administration

At June 30, 2021, the District had \$75,020,000 in general obligation bonds, \$679,889 in lease-purchase agreements, and \$787,098 in capital lease obligations. Of this amount, \$8,655,621 is due within one year and \$67,831,366 is due in greater than one year.

In previous years, the District passed various tax levies, providing for facility improvements and additions to the District's buildings, and debt service on behalf of the public library. The general obligation bonds are scheduled to mature in fiscal year 2035. Payment of principal and interest on the general obligation bonds is being made from the district debt service fund.

Outstanding Debt, at Year End

	Governmental	Governmental
	Activities	Activities
	2021	2020
General obligation bonds	\$ 75,020,000	\$ 83,580,000
Lease-purchase agreements	679,889	1,245,463
Capital lease obligations	787,098	1,169,427
Total	\$ 76,486,987	\$ 85,994,890

See Note 11 to the basic financial statements for additional information on the District's debt administration.

**PICKERINGTON LOCAL SCHOOL DISTRICT
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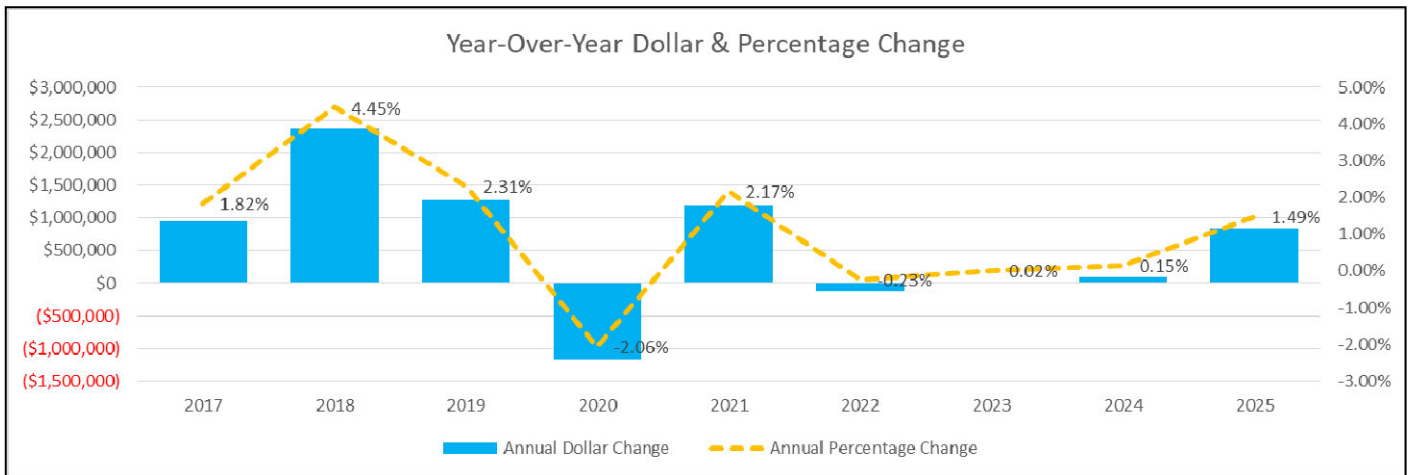
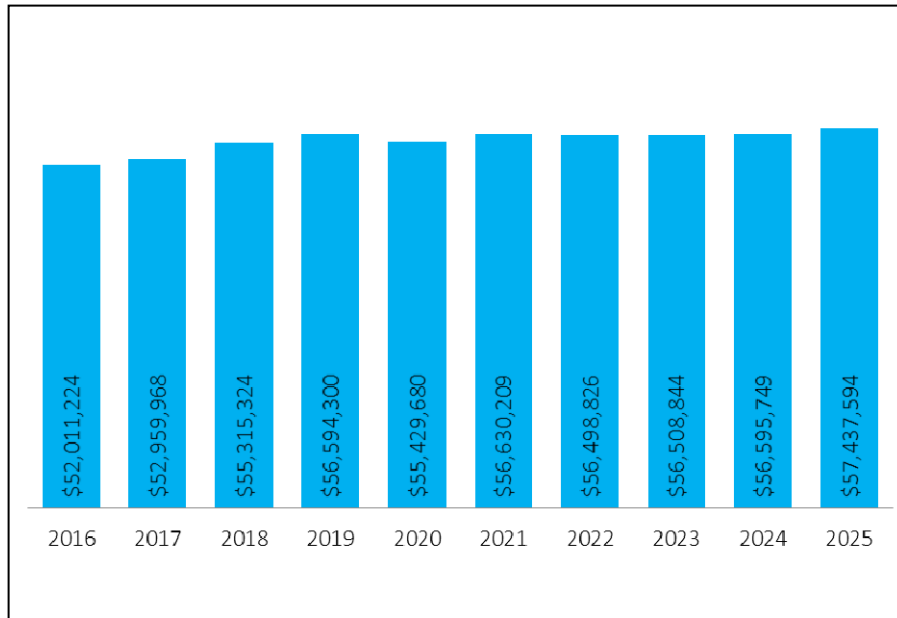
**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(UNAUDITED)**

Current Financial Related Activities

Revenues

Representing 45.2% of general fund revenue, Unrestricted Grants in Aid (a.k.a. State Foundation) is the most critical piece of funding for the District. This is also the piece of the funding that is directly tied to the biennial budget.

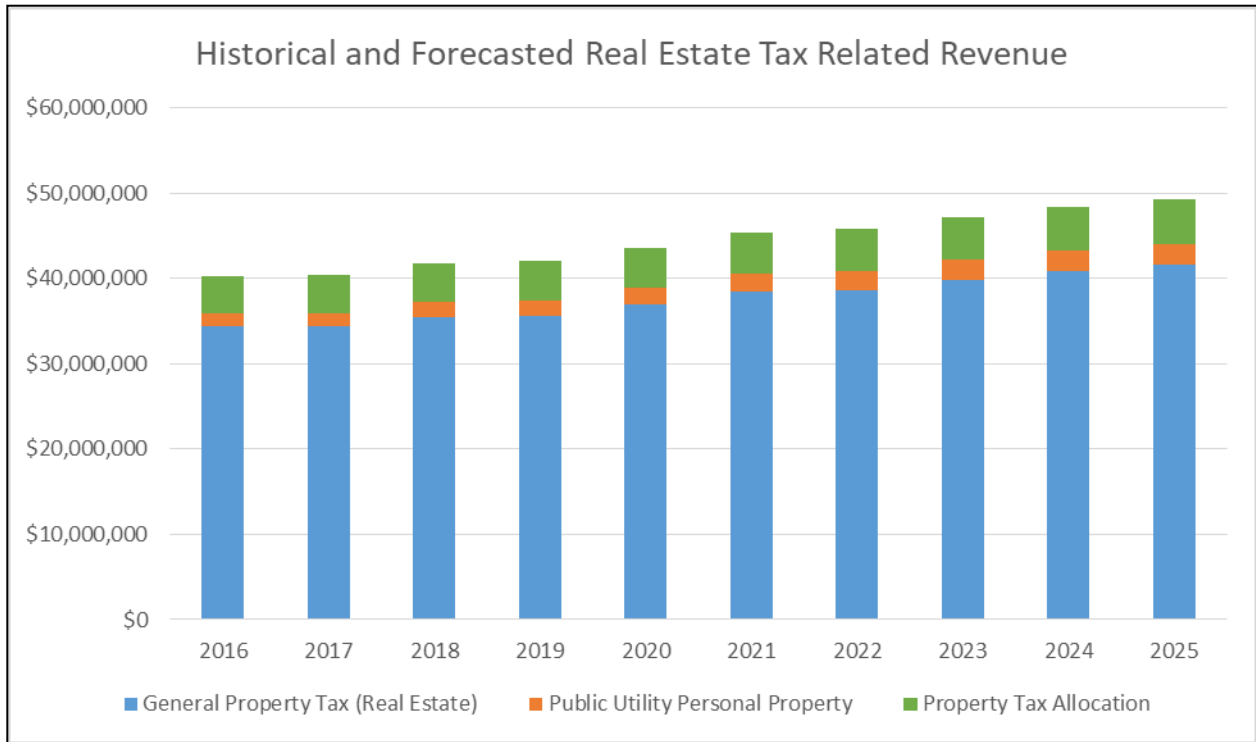
State aid revenue was affected during fiscal year 2021 by a 3.20% cut enacted in May of 2020. Forecasted state aid for ensuing fiscal years (fiscal year 2022 and beyond) was impacted by these cuts in that those projections used fiscal year 2021 as a baseline, and the only increases forecasted were in the modest ranges of 1% to 2% (higher amounts in more distant years).



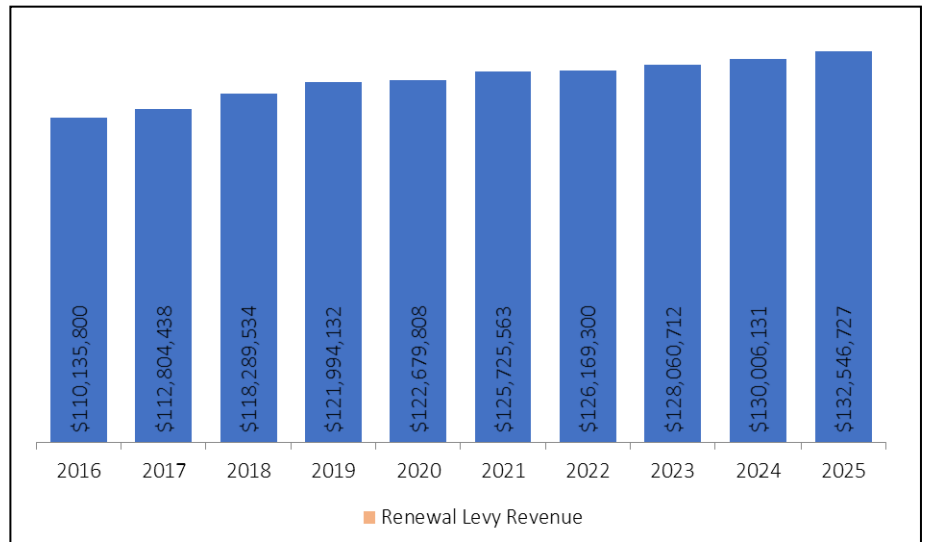
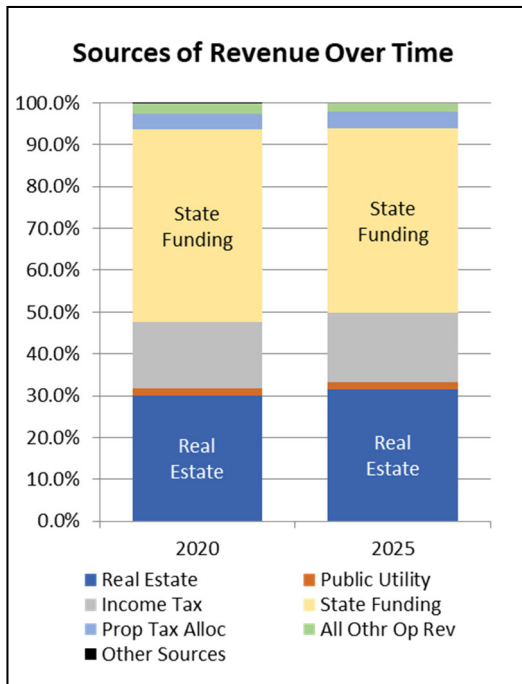
Our historical real estate tax related revenue across all classes of property (residential/agricultural, commercial/industrial, and Homestead/Rollbacks), and forecasted amounts in these same categories for the next five fiscal years, are as follows:

**PICKERINGTON LOCAL SCHOOL DISTRICT
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**MANAGEMENT’S DISCUSSION AND ANALYSIS
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The outlook for total General Fund revenues for the District is shown in the following charts:



Expenses

The District also completed negotiations with both of its unions, the Pickerington Education Association (PEA) and the Pickerington Support Staff Association (PSSA—wage re-opener only) in the spring of 2021.

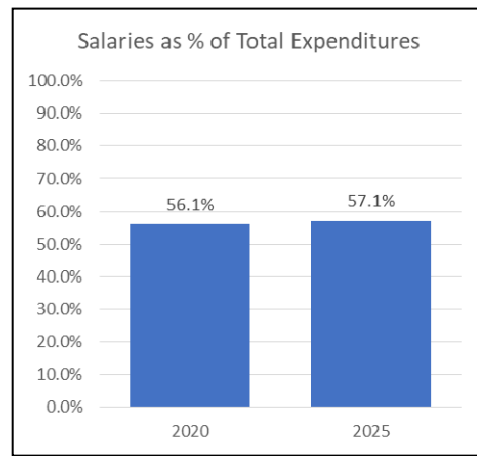
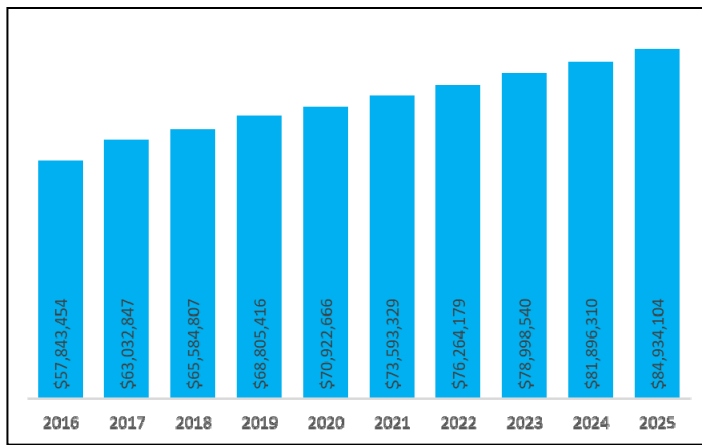
**PICKERINGTON LOCAL SCHOOL DISTRICT
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**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(UNAUDITED)**

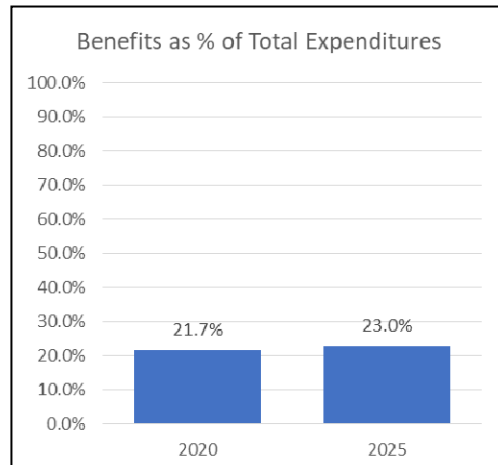
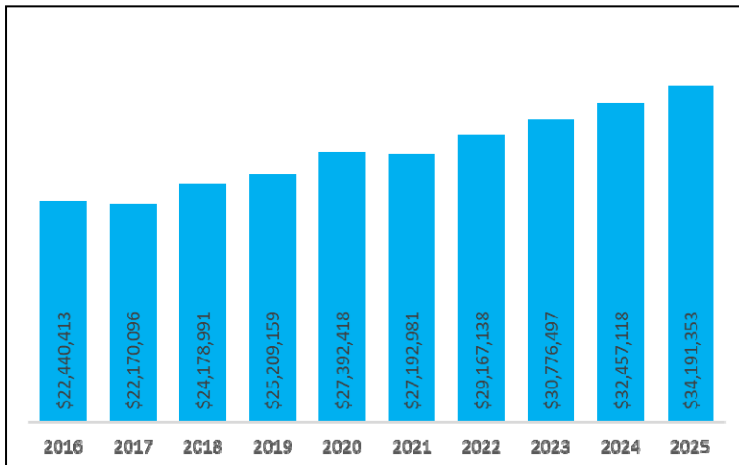
The District has agreed to the following wage increases with each bargaining unit:

- Pickerington Education Association, two (2) year contract—2021-2022 and 2022-2023 school years, 2.00% base increase both years. The District will also pay a \$1,000 stipend to each teacher in December of 2021 with ARP ESSER funds.
- Pickerington Support Staff Association, two (2) year wage settlement, 2021-2022 and 2022-2023 school years, base salary increases of 2.0% for each year. The District will also pay a \$500 stipend to each classified staff member in December of 2021 with ARP ESSER funds.

Our projected expenses for employee salaries, and salaries as a percentage of total expenditures for the General Fund are show in the following chart:



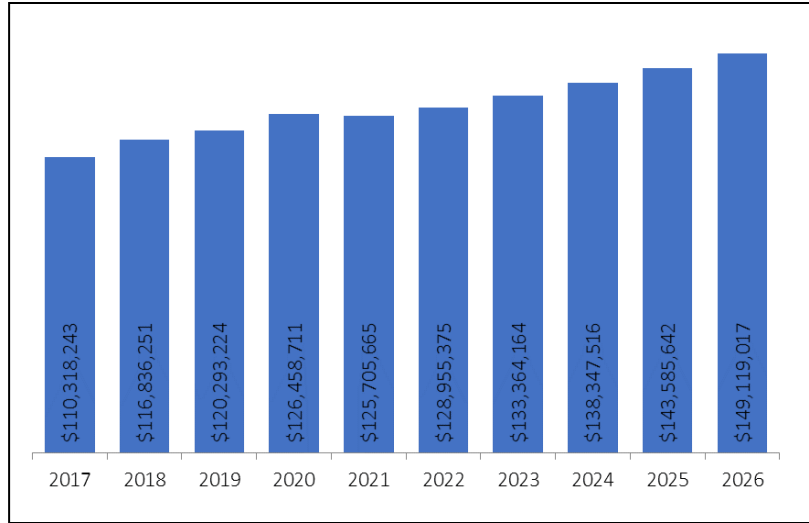
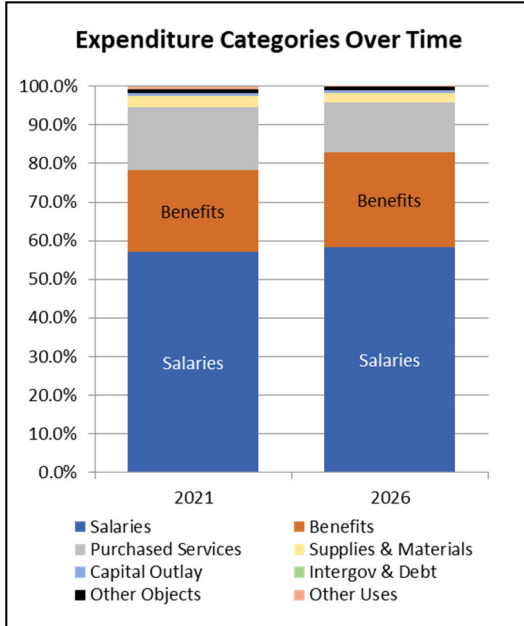
The District has also been diligent in managing its self-funded health insurance plans, and has kept inflationary increases in premiums to historic lows over the past 6-7 years. Combined with vigilant negotiations with our employees, salary driven fringes (retirement, Medicare, etc.) have also been kept to reasonable levels. Benefits make up about 22% of total expenditures in the General Fund, and when combined with salaries, these two expenditure categories account for about 80% of the General Fund. The following charts show the projected expenditures for benefits, and the corresponding proportion of total expenditures for benefits:



**PICKERINGTON LOCAL SCHOOL DISTRICT
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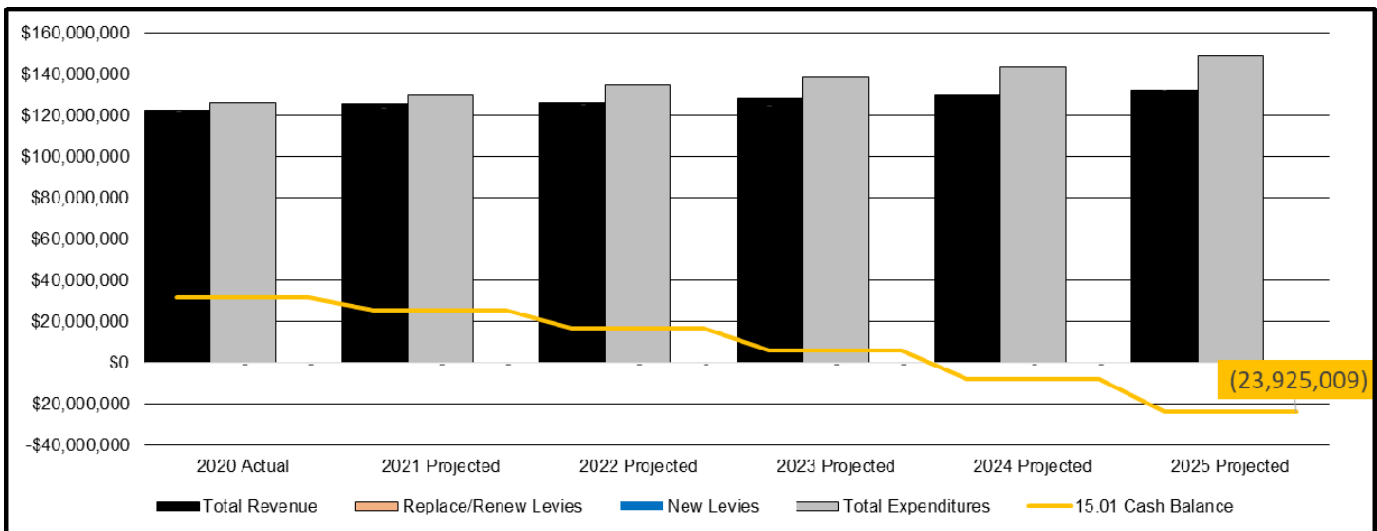
**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(UNAUDITED)**

The outlook for total General Fund expenses for the District is shown in the following charts:



Forecasted General Fund Revenues, Expenses and Cash Balances:

While the District has remained diligent in controlling costs, the simple fact remains that costs are increasing faster than our revenues. While we ended fiscal year 2021 with about \$31.7 million in cash carryover for our General Fund, the following graphic summarizes the challenges the District faces over the next five (5) fiscal years as its revenues are forecasted to fall below its expenses. Our carryover cash balances are forecasted to drop in each of the next five (5) fiscal years accordingly.



Additional Information

Over the past 10-12 years, District voters have also been very supportive of the District’s operational and capital needs. The following levy history provides the reader with insight into how that support has manifested itself at the ballot box:

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(UNAUDITED)

- The District passed a 5 mill replacement levy on November 6, 2007, for a continuing period of time. The tax collections, which began January 2009, are used for current operating expenses.
- On March 4, 2008, District voters approved a 7.9 mill renewal levy, for a continuing period of time. The levy commenced in tax year 2009 with collections beginning January 2010. The levy proceeds are used for current operating expenses.
- In May 2009, District residents approved the extension of a 0.5 mill classroom facilities maintenance levy. This levy generates approximately \$400,000 per year, which is restricted for the maintenance of the District's facilities. The renewal of this levy enabled the District to qualify for over \$50 million in state funds from the Ohio School Facilities Commission. These funds are being used to renovate the District’s five oldest school buildings.
- On November 2, 2010, voters narrowly defeated a replacement operating levy of 8 mills, which would have resulted in a 6.84 mill increase. The levy would have generated approximately \$7.6 million per year. The levy was needed by the District due to state and local revenue losses and increasing costs.
- On August 2, 2011, District voters approved a new levy of 5.5 mills, for a continuing period of time. The levy commenced in tax year 2011 with collections beginning January 2012. This levy generates approximately \$5.95 million per year. The levy proceeds are used for current operating expenses.

However, on May 2, 2017, District voters did not approve a Permanent Improvement levy that sought to add 3.00 mills for a continuing period of time to fund ongoing capital projects in the District.

Additionally, on November 3, 2020, District voters defeated a proposed 2.90 mill bond issue that would have raised \$95 million in proceeds to construct a new junior high; add 24 classrooms to Pickerington Central, and 18 classrooms to Pickerington North; renovate Ridgeview Junior High School into a combined K-4 elementary school and 5-6 middle school; renovate Heritage Elementary School into a Pre-School learning Center; and would have allowed for miscellaneous classroom upgrades and appurtenances. The issue was defeated by about 2,000 votes in the midst of the Coronavirus Pandemic.

The same issue was put back on the ballot for the May 4, 2021 primary election. District voters again defeated the proposed 2.90 mill bond issue by a total of 1,336 votes.

A major issue facing the District in light of these bond issue failures is how to deal with projected student growth. Many District school buildings are approaching capacity, and major residential development continues to flourish in the community.

The flourishing residential market is increasing the valuation in the District, which only marginally increases real estate revenue to the District—this increase is due almost entirely due to *new* residential development, as inflationary/reappraisal increases for *existing* homes results in an increase ONLY on inside millage.

The District’s projected real estate valuations across all types of property, and the corresponding millage rates that affect real estate revenue, are in the following chart:

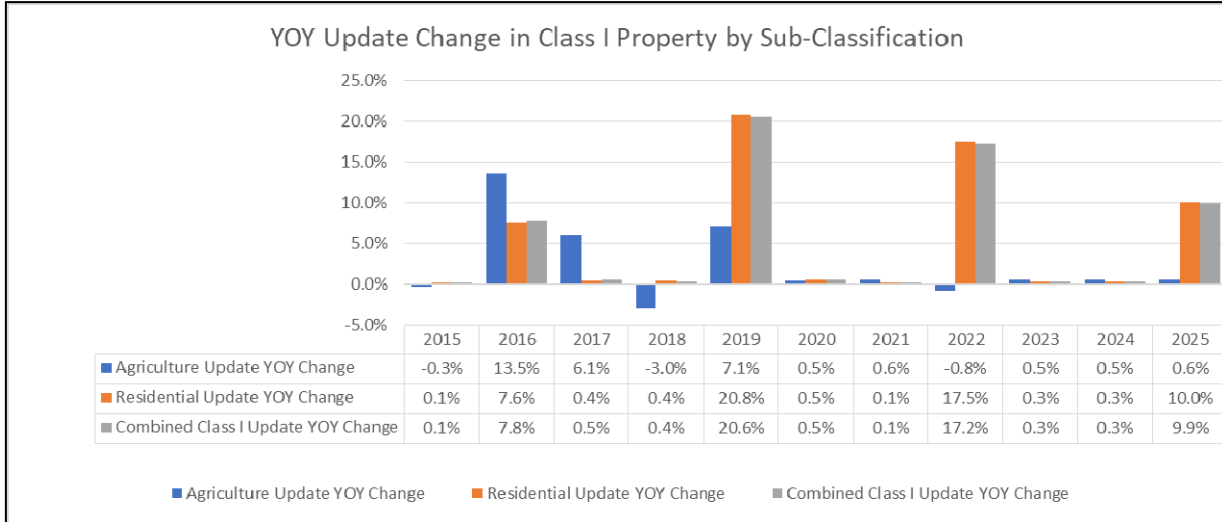
Values, Tax Rates and Gross Collections							Gross Collection Rate Including Delinquencies
Tax Yr	Valuation	Value Change	Class I Rate	Change	Class II Rate	Change	
2020	1,534,146,520	40,540,640	27.59	-	33.45	-	99.0%
2021	1,562,752,603	28,606,083	27.56	(0.03)	33.74	0.29	99.6%
2022	1,834,627,621	271,875,018	24.17	(3.39)	32.50	(1.23)	99.8%
2023	1,867,090,989	32,463,368	24.11	(0.05)	32.63	0.13	99.9%
2024	1,900,740,989	33,650,000	24.06	(0.05)	32.76	0.13	99.9%
2025	2,105,539,549	204,798,560	22.30	(1.76)	32.20	(0.55)	99.9%

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

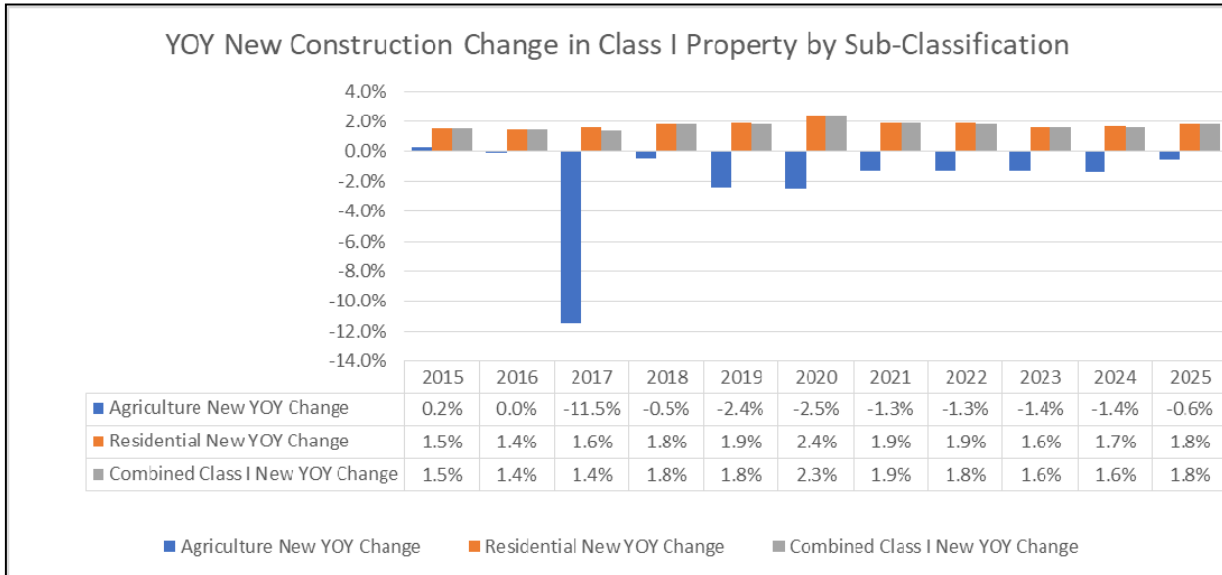
**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(UNAUDITED)**

But as noted, additional real estate revenue for the District is almost entirely dependent upon the increase in *new* residential properties as opposed to inflationary/reappraisal valuation increases to *existing* properties. A ‘deeper dive’ into the forecasted valuation changes for residential (Class I property) in the District shows that inflationary increases are outstripping changes due to new construction. This creates the pressure of added enrollment due to the new homes without a corresponding increase in funding to match (note that our data shows that a new home almost always comes with a new student).

Changes Due to Inflationary/Reappraisal Factors



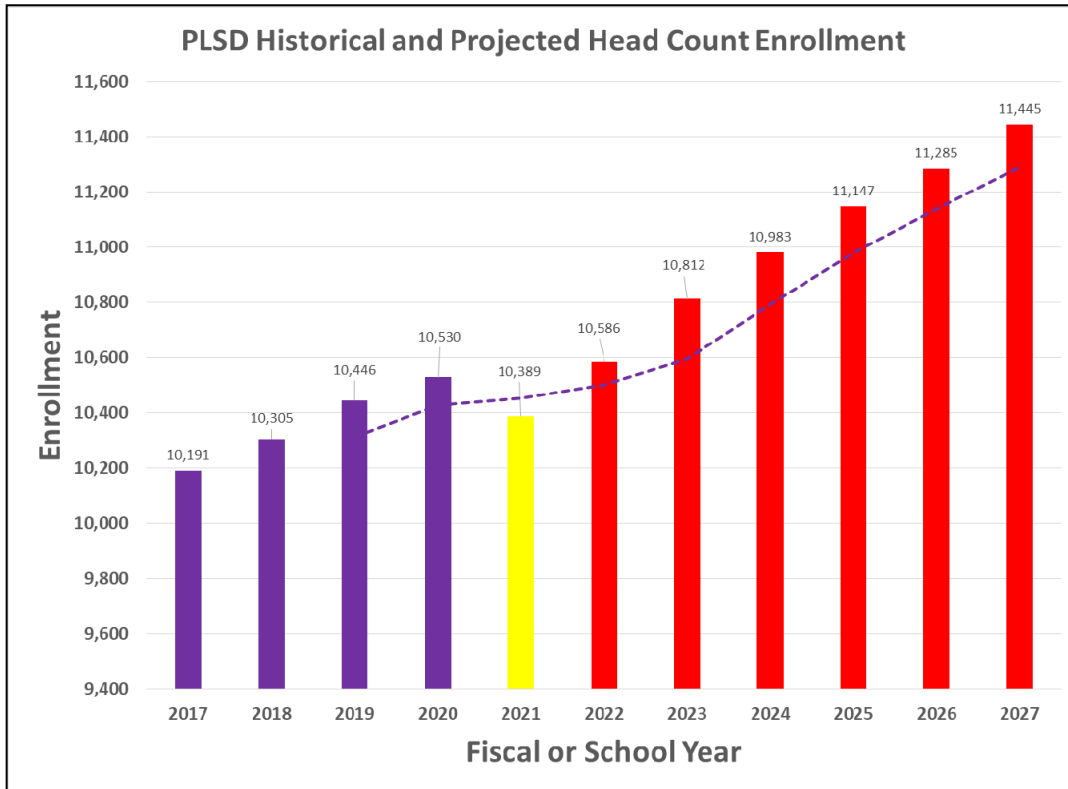
Changes Due to New Construction



**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

**MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(UNAUDITED)**

Additionally, enrollment projections show just how much we expect to grow over the next 7-10 years:



The immediate need for the District is for additional space, and we expect to ask our voters to approve a bond issue within the next 1-2 fiscal years to accommodate growth. While new homes and new students generate new real estate revenue and ostensibly new state funding, new students also put pressure on operational spending. It will therefore be imperative for the District to manage its resources so that the pressures to add staff and other costs associated with serving a larger enrollment do not completely outstrip the increases in revenue.

Final Notes

Finally, the Board believes that maintaining a general fund cash balance is necessary in the interest of sound fiscal management. The Board uses the following criteria in determining the level of general fund cash balance:

- The predictability of its revenues and the volatility of its expenditures
- The Board’s perceived exposure to significant one-time outlays
- The availability of resources in other funds
- The liquidity of the general fund
- The Board’s assigned and committed fund balances.

In all cases, the Board has designated, by formal policy, a cash balance that is not less than 45 days of normal operating expenses.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
(UNAUDITED)**

The District's leadership has proactively managed costs by enacting staffing and budget reductions; effectively managed the negotiations process; and has formally adopted a cash balance policy to initiate 'triggers' that provide an objective basis for defining financial stability. While District leadership will continue these efforts, it must be noted that the upcoming operational challenges are notable, and may require efforts beyond just controlling *costs*. Said differently, the residents of the District have historically shown support on the revenue side as well via the passage of new operational levies to increase revenue. Notably, the voters of the District last passed an operations levy in August of 2011. The most recent five year forecast shows that the District will have exhausted its cash reserves by the end of the 2023-2024 school year--*more than twelve years removed from the last operational levy*, a commendable testament to the fiscal responsibility and foresight implemented by District leadership. Nonetheless, the challenge of trying to pass both a future bond issue, and presumably an operations levy within a couple of years of that bond issue, will be challenging. Yet the answers to these questions will also be very impactful in determining the financial stability of the District, and in how well we are able to provide the needed facilities to meet anticipated student population growth. These will be critical issues for the District for fiscal year 2022 and beyond.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Ryan Jenkins, Treasurer of Pickerington Local School District at 90 East Street, Pickerington, Ohio 43147 or email him at ryan_jenkins@plsd.us.

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BASIC
FINANCIAL STATEMENTS

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities
Assets:	
Equity in pooled cash and investments	\$ 63,059,459
Cash with fiscal agent	21,881
Cash in segregated accounts	8,000
Receivables:	
Property taxes	52,009,245
Income taxes	8,827,005
Payment in lieu of taxes	1,172,823
Accounts	135,832
Accrued interest	54,492
Intergovernmental	866,582
Prepayments	136,509
Materials and supplies inventory	21,124
Inventory held for resale	49,744
Net OPEB asset	9,205,902
Capital assets:	
Nondepreciable capital assets	9,284,885
Depreciable capital assets, net	121,212,580
Capital assets, net	130,497,465
Total assets	266,066,063
Deferred outflows of resources:	
Unamortized deferred charges on debt refunding	3,592,087
Pension	30,294,563
OPEB	4,846,336
Total deferred outflows of resources	38,732,986
Liabilities:	
Accounts payable	1,220,149
Contracts payable	122,110
Retainage payable	8,000
Accrued wages and benefits payable	11,455,198
Intergovernmental payable	2,608,102
Accrued interest payable	198,853
Unearned revenue	8,555
Claims payable	831,500
Matured bonds payable	20,000
Matured interest payable	1,881
Long-term liabilities:	
Due within one year	9,643,618
Due in more than one year:	
Net pension liability	157,565,983
Net OPEB liability	10,509,089
Other amounts due in more than one year	78,726,353
Total liabilities	272,919,391
Deferred inflows of resources:	
Property taxes levied for the next fiscal year	45,267,332
Payment in lieu of taxes levied for the next fiscal year	455,145
Unamortized deferred gain on debt refunding	526,765
Pension	999,293
OPEB	16,458,438
Total deferred inflows of resources	63,706,973
Net position:	
Net investment in capital assets	53,446,337
Restricted for:	
Classroom facilities maintenance	1,304,097
Debt service	13,437,416
State funded programs	12,277
Federally funded programs	163,480
Food service operations	1,795,508
Student activities	663,661
Other purposes	64,302
Unrestricted (deficit)	(102,714,393)
Total net position (deficit)	\$ (31,827,315)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Expenses	Program Revenues			Net (Expense)	
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position	
					Governmental Activities	
Governmental activities:						
Instruction:						
Regular	\$ 67,211,784	\$ 990,706	\$ 858,374	\$ -	\$ (65,362,704)	
Special	23,828,715	329,220	9,306,331	-	(14,193,164)	
Vocational	630,809	-	579,528	-	(51,281)	
Other	4,980,886	-	744,730	-	(4,236,156)	
Support services:						
Pupil	9,930,743	-	1,418,214	-	(8,512,529)	
Instructional staff	6,697,331	-	628,510	-	(6,068,821)	
Board of education	899,247	-	-	-	(899,247)	
Administration	9,757,849	-	111,232	-	(9,646,617)	
Fiscal	2,511,451	-	-	-	(2,511,451)	
Business	450,003	-	-	-	(450,003)	
Operations and maintenance	11,653,804	196,282	264,182	99,563	(11,093,777)	
Pupil transportation	5,910,138	-	597,204	-	(5,312,934)	
Central	1,476,173	-	1,048	-	(1,475,125)	
Operation of non-instructional services:						
Food service operations	4,073,685	350,757	2,907,591	-	(815,337)	
Other non-instructional services	302,762	810	59,208	-	(242,744)	
Extracurricular activities	3,068,178	1,134,822	262,945	-	(1,670,411)	
Interest and fiscal charges	2,709,676	-	-	-	(2,709,676)	
Totals	\$ 156,093,234	\$ 3,002,597	\$ 17,739,097	\$ 99,563	(135,251,977)	
General revenues:						
Property taxes levied for:						
General purposes					41,441,328	
Debt service					10,113,408	
Classroom facilities maintenance					450,241	
Payments in lieu of taxes					1,500,198	
Income taxes levied for:						
General purposes					21,770,872	
Grants and entitlements not restricted to specific programs						55,997,596
Investment earnings					294,878	
Miscellaneous					53,166	
Total general revenues					<u>131,621,687</u>	
Change in net position					(3,630,290)	
Net position (deficit) at beginning of year					<u>(28,197,025)</u>	
Net position (deficit) at end of year					<u>\$ (31,827,315)</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

	General	District Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
Assets:				
Equity in pooled cash and investments	\$ 35,319,421	\$ 12,222,269	\$ 4,768,912	\$ 52,310,602
Cash with fiscal agent	-	21,881	-	21,881
Cash in segregated accounts	-	-	8,000	8,000
Receivables:				
Property taxes	41,738,698	9,812,828	457,719	52,009,245
Income taxes	8,827,005	-	-	8,827,005
Payment in lieu of taxes	959,701	202,134	10,988	1,172,823
Accounts	90,719	-	45,113	135,832
Accrued interest	54,492	-	-	54,492
Intergovernmental	158,132	-	708,450	866,582
Prepayments	122,762	-	13,747	136,509
Materials and supplies inventory	-	-	21,124	21,124
Inventory held for resale	-	-	49,744	49,744
Due from other funds	40,272	-	-	40,272
Total assets	<u>\$ 87,311,202</u>	<u>\$ 22,259,112</u>	<u>\$ 6,083,797</u>	<u>\$ 115,654,111</u>
Liabilities:				
Accounts payable	\$ 1,067,071	\$ 15,227	\$ 137,851	\$ 1,220,149
Contracts payable	18,892	-	103,218	122,110
Retainage payable	-	-	8,000	8,000
Accrued wages and benefits payable	10,876,678	-	578,520	11,455,198
Compensated absences payable	220,372	-	6,817	227,189
Intergovernmental payable	2,411,979	-	196,123	2,608,102
Due to other funds	-	-	40,272	40,272
Unearned revenue	792	-	7,763	8,555
Matured bonds payable	-	20,000	-	20,000
Matured interest payable	-	1,881	-	1,881
Total liabilities	<u>14,595,784</u>	<u>37,108</u>	<u>1,078,564</u>	<u>15,711,456</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	36,362,142	8,506,935	398,255	45,267,332
Payment in lieu of taxes levied for the next fiscal year	372,094	78,800	4,251	455,145
Delinquent property tax revenue not available	876,036	205,957	9,606	1,091,599
Income tax revenue not available	1,449,571	-	-	1,449,571
Intergovernmental revenue not available	151,635	-	223,622	375,257
Accrued interest not available	24,096	-	-	24,096
Total deferred inflows of resources	<u>39,235,574</u>	<u>8,791,692</u>	<u>635,734</u>	<u>48,663,000</u>
Fund balances:				
Nonspendable:				
Materials and supplies inventory	-	-	21,124	21,124
Prepays	122,762	-	13,747	136,509
Unclaimed monies	33,083	-	-	33,083
Restricted:				
Debt service	-	13,430,312	-	13,430,312
Classroom facilities maintenance	-	-	1,294,491	1,294,491
Food service operations	-	-	1,786,841	1,786,841
State funded programs	-	-	11,707	11,707
Federally funded programs	-	-	7,374	7,374
Student activities	-	-	663,661	663,661
Other purposes	-	-	31,219	31,219
Committed:				
Capital improvements	-	-	682,897	682,897
Termination benefits	2,028,403	-	-	2,028,403
Other purposes	34,229	-	-	34,229
Assigned:				
Student instruction	428,023	-	-	428,023
Student and staff support	2,301,490	-	-	2,301,490
Extracurricular activities	5,453	-	-	5,453
Facilities acquisition and construction	101,854	-	-	101,854
Subsequent year's appropriations	8,722,910	-	-	8,722,910
Public school support	117,366	-	-	117,366
Other purposes	455,108	-	-	455,108
Unassigned (deficit)	19,129,163	-	(143,562)	18,985,601
Total fund balances	<u>33,479,844</u>	<u>13,430,312</u>	<u>4,369,499</u>	<u>51,279,655</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 87,311,202</u>	<u>\$ 22,259,112</u>	<u>\$ 6,083,797</u>	<u>\$ 115,654,111</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2021

Total governmental fund balances		\$	51,279,655
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			130,497,465
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.			
Property taxes receivable	\$	1,091,599	
Income taxes receivable		1,449,571	
Accrued interest receivable		24,096	
Intergovernmental receivable		375,257	
Total		2,940,523	2,940,523
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities on the statement of net position.			9,917,357
Unamortized premiums on refunding bonds issued are not recognized in the funds.			(3,937,729)
Unamortized amounts on refundings are not recognized in the funds.			3,065,322
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.			(198,853)
The net pension/OPEB assets & liabilities are not due and payable in the current period; therefore, the assets, liabilities and related deferred inflows/outflows are not reported in governmental funds.			
Deferred outflows - pension		30,294,563	
Deferred inflows - pension		(999,293)	
Net pension liability		(157,565,983)	
Deferred outflows - OPEB		4,846,336	
Deferred inflows - OPEB		(16,458,438)	
Net OPEB asset		9,205,902	
Net OPEB liability		(10,509,089)	
Total		(141,186,002)	(141,186,002)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.			
General obligation bonds		(75,020,000)	
Lease purchase agreements		(679,889)	
Capital lease obligations		(787,098)	
Compensated absences		(7,718,066)	
Total		(84,205,053)	(84,205,053)
Net position of governmental activities		\$	(31,827,315)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>General</u>	<u>District Debt Service</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:				
Property taxes	\$ 41,336,615	\$ 10,105,485	\$ 449,006	\$ 51,891,106
Income taxes	22,223,902	-	-	22,223,902
Intergovernmental	62,919,451	1,265,806	9,234,476	73,419,733
Investment earnings	229,702	-	2,463	232,165
Tuition and fees	1,317,829	-	-	1,317,829
Extracurricular	662,225	-	473,485	1,135,710
Rental income	196,113	-	-	196,113
Charges for services	2,019	-	350,926	352,945
Contributions and donations	12,549	-	67,925	80,474
Payment in lieu of taxes	1,225,437	260,729	14,032	1,500,198
Miscellaneous	117,851	114,669	262,231	494,751
Total revenues	<u>130,243,693</u>	<u>11,746,689</u>	<u>10,854,544</u>	<u>152,844,926</u>
Expenditures:				
Current:				
Instruction:				
Regular	56,523,927	-	832,664	57,356,591
Special	20,217,513	-	1,912,987	22,130,500
Vocational	585,240	-	-	585,240
Other	4,112,233	-	735,158	4,847,391
Support services:				
Pupil	7,751,826	-	1,378,964	9,130,790
Instructional staff	5,348,270	-	604,536	5,952,806
Board of education	897,158	-	-	897,158
Administration	8,941,870	-	111,109	9,052,979
Fiscal	2,277,997	151,632	7,141	2,436,770
Business	385,597	-	-	385,597
Operations and maintenance	9,970,203	-	814,163	10,784,366
Pupil transportation	5,916,770	-	57,902	5,974,672
Central	1,364,549	-	540	1,365,089
Operation of non-instructional services:				
Food service operations	-	-	3,268,345	3,268,345
Other non-instructional services	242,757	-	58,101	300,858
Extracurricular activities	2,060,538	-	722,913	2,783,451
Facilities acquisition and construction	454,422	-	2,670,953	3,125,375
Capital outlay	42,428	-	-	42,428
Debt service:				
Principal retirement	990,331	8,525,000	-	9,515,331
Interest and fiscal charges	103,341	2,502,935	-	2,606,276
Refunding bond issuance costs	-	195,652	-	195,652
Total expenditures	<u>128,186,970</u>	<u>11,375,219</u>	<u>13,175,476</u>	<u>152,737,665</u>
Excess of revenues over (under) expenditures	<u>2,056,723</u>	<u>371,470</u>	<u>(2,320,932)</u>	<u>107,261</u>
Other financing sources (uses):				
Premium on refunding bonds	-	1,835,378	-	1,835,378
Issuance of refunding bonds	-	10,005,000	-	10,005,000
Transfers in	-	-	500,000	500,000
Transfers (out)	(500,000)	-	-	(500,000)
Capital lease transaction	42,428	-	-	42,428
Payment to refunding bond escrow agent	-	(11,644,726)	-	(11,644,726)
Total other financing sources (uses)	<u>(457,572)</u>	<u>195,652</u>	<u>500,000</u>	<u>238,080</u>
Net change in fund balances	1,599,151	567,122	(1,820,932)	345,341
Fund balances at beginning of year	<u>31,880,693</u>	<u>12,863,190</u>	<u>6,190,431</u>	<u>50,934,314</u>
Fund balances at end of year	<u>\$ 33,479,844</u>	<u>\$ 13,430,312</u>	<u>\$ 4,369,499</u>	<u>\$ 51,279,655</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Net change in fund balances - total governmental funds	\$	345,341
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense.		
Capital asset additions	\$ 3,596,491	
Current year depreciation	(7,628,955)	
Total		(4,032,464)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	113,871	
Income taxes	(453,030)	
Earnings on investments	(49,493)	
Intergovernmental	130,659	
Total		(257,993)
Repayment of bond, capital lease, and lease-purchase principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.		
		9,515,331
Issuance of refunding bonds and capital leases are recorded as other financing sources in the funds; however, in the statement of activities, they are not reported as other financing sources as they increase liabilities on the statement of net position.		
		(10,047,428)
Payment to refunded bond escrow agent for the retirement of bonds is an other financing use in the governmental funds but the payment reduces long-term liabilities on the statement of net position. Deferred charges related to the bond refundings are amortized over the life of the issuance in the statement of activities.		
		11,644,726
Premiums on refunding bonds are amortized over the life of the issuance in the statement of activities		
		(1,835,378)
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in additional interest being reported in the statement of activities:		
(Increase) decrease in accrued interest payable	25,483	
Amortization of bond premiums	529,002	
Amortization of deferred charges	(462,233)	
Total		92,252
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	11,341,832	
OPEB	295,283	
Total		11,637,115
Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability/asset are reported as pension/OPEB expense in the statement of activities.		
Pension	(21,982,352)	
OPEB	141,701	
Total		(21,840,651)
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
		(146,912)
An internal service fund used by management to charge the costs of insurance to individual funds is not reported in the district-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.		
		1,295,771
Change in net position of governmental activities	\$	(3,630,290)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Property taxes	\$ 39,771,914	\$ 39,771,914	\$ 40,600,815	\$ 828,901
Income taxes	19,521,039	19,521,039	19,914,996	393,957
Intergovernmental	60,304,124	60,304,124	63,060,826	2,756,702
Investment earnings	1,120,347	1,120,347	563,419	(556,928)
Tuition and fees	975,000	975,000	791,248	(183,752)
Charges for services	15,500	15,500	2,019	(13,481)
Payment in lieu of taxes	248,000	248,000	710,585	462,585
Miscellaneous	21,000	21,000	11,128	(9,872)
Total revenues	<u>121,976,924</u>	<u>121,976,924</u>	<u>125,655,036</u>	<u>3,678,112</u>
Expenditures:				
Current:				
Instruction:				
Regular	59,379,433	59,192,060	56,444,889	2,747,171
Special	20,322,607	20,473,187	20,248,159	225,028
Vocational	667,985	684,268	614,258	70,010
Other	2,970,841	2,958,305	4,000,081	(1,041,776)
Support services:				
Pupil	9,016,403	9,232,168	7,672,188	1,559,980
Instructional staff	5,641,264	5,551,003	5,502,252	48,751
Board of education	746,311	815,432	932,768	(117,336)
Administration	9,218,304	9,193,076	8,931,425	261,651
Fiscal	2,356,494	2,333,550	2,251,281	82,269
Business	1,068,926	927,703	897,074	30,629
Operations and maintenance	11,261,917	11,409,782	10,905,958	503,824
Pupil transportation	7,959,665	7,497,764	6,495,888	1,001,876
Central	1,646,236	1,624,469	1,354,936	269,533
Extracurricular activities	1,319,085	1,330,174	1,289,311	40,863
Facilities acquisition and construction	112,743	558,520	556,254	2,266
Total expenditures	<u>133,688,214</u>	<u>133,781,461</u>	<u>128,096,722</u>	<u>5,684,739</u>
Excess of revenues under expenditures	<u>(11,711,290)</u>	<u>(11,804,537)</u>	<u>(2,441,686)</u>	<u>9,362,851</u>
Other financing sources (uses):				
Refund of prior year's expenditures	-	-	4,895	4,895
Transfers (out)	(520,000)	(520,000)	(540,000)	(20,000)
Advances in	207,258	207,258	207,258	-
Advances (out)	-	-	(301,723)	(301,723)
Sale of capital assets	-	-	700	700
Total other financing sources (uses)	<u>(312,742)</u>	<u>(312,742)</u>	<u>(628,870)</u>	<u>(316,128)</u>
Net change in fund balance	(12,024,032)	(12,117,279)	(3,070,556)	9,046,723
Fund balance at beginning of year	29,544,044	29,544,044	29,544,044	-
Prior year encumbrances appropriated	1,987,254	1,987,254	1,987,254	-
Fund balance at end of year	<u>\$ 19,507,266</u>	<u>\$ 19,414,019</u>	<u>\$ 28,460,742</u>	<u>\$ 9,046,723</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021

	Governmental Activities - Internal Service Funds
Assets:	
Current:	
Equity in pooled cash and investments	\$ 10,748,857
Total assets	<u>10,748,857</u>
Liabilities:	
Current:	
Claims payable	831,500
Total liabilities	<u>831,500</u>
Net position:	
Unrestricted	9,917,357
Total net position	<u>\$ 9,917,357</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Governmental Activities - Internal Service Funds
Operating revenues:	
Charges for services	\$ 17,282,453
Total operating revenues	<u>17,282,453</u>
Operating expenses:	
Purchased services	18,372
Claims	15,969,092
Total operating expenses	<u>15,987,464</u>
Operating income	<u>1,294,989</u>
Nonoperating revenues:	
Refunds and reimbursements	782
Total nonoperating revenues	<u>782</u>
Change in net position	1,295,771
Net position at beginning of year	<u>8,621,586</u>
Net position at end of year	<u>\$ 9,917,357</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Governmental Activities - Internal Service Funds
Cash flows from operating activities:	
Cash received from charges for services	\$ 17,282,453
Cash payments for contractual services	(18,372)
Cash payments for claims	(16,164,492)
	1,099,589
Net cash provided by operating activities	1,099,589
Cash flows from noncapital financing activities:	
Cash received from refunds and reimbursements	782
	782
Net cash provided by noncapital financing activities	782
Net increase in cash and investments	1,100,371
Cash and investments at beginning of year	9,648,486
Cash and investments at end of year	\$ 10,748,857
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 1,294,989
Changes in assets and liabilities:	
Claims payable	(195,400)
	(195,400)
Net cash provided by operating activities	\$ 1,099,589

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT

The Pickerington Local School District (the “District”) was organized in the late 1800’s and is an independent political subdivision of the State of Ohio. The District is not reported as a Component Unit in any other governmental unit. The District is governed by a five-member Board of Education (the “Board”) elected by the citizens of the District.

The District employs 420 non-certified, 715 certified and 80 administrative employees to provide services to approximately 10,389 students and community groups. The District provides regular, vocational and special instruction. The District also provides support services for the pupils, instructional staff, general and school administration, business and fiscal services, facilities acquisitions and construction services, operation and maintenance of plant, student transportation, food services, extracurricular activities and non-programmed services.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District’s significant accounting policies are described below.

A. Reporting Entity

The reporting entity has been defined in accordance with GASB Statement No. 14, “The Financial Reporting Entity” as amended by GASB Statement No. 39, “Determining Whether Certain Organizations Are Component Units” and GASB Statement No. 61, “The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34”. The reporting entity is composed of the primary government and component units. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization’s Governing Board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization’s resources; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government’s financial statements incomplete or misleading. Based upon the application of these criteria, the District has no component units. The basic financial statements of the reporting entity include only those of the District (the primary government).

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The following organizations are described due to their relationship to the District:

JOINTLY GOVERNED ORGANIZATIONS

Metropolitan Educational Technology Association (META) Solutions

The District is a participant in META Solutions which is a computer consortium that resulted from the mergers between Tri-Rivers Educational Computer Association (TRECA), Metropolitan Educational Council (MEC), Metropolitan Dayton Educational Cooperative Association (MDECA), Southeastern Ohio Valley Voluntary Education Cooperative (SEOVEC), and South Central Ohio Computer Association (SCOCA). META Solutions develops, implements and supports the technology and instructional needs of schools in a cost-effective manner. META Solutions provides instructional, core, technology and purchasing services for its member districts. The Board of Directors consists of the Superintendents from eleven of the member districts. Financial information can be obtained from the Chief Financial Officer, 100 Executive Drive, Marion, Ohio 43302.

Eastland-Fairfield Career and Technical Schools (Career Center)

The Career Center is a jointly governed organization. The District's Board of Education appoints one member of the seven-member Board of Education of the Career Center. However, the financial statements of the Career Center are not included within the District's reporting entity, as the District cannot impose its will and there is no financial benefit, financial burden relationship or related-party transactions between the District and the Career Center.

PUBLIC ENTITY RISK POOL

Ohio School Plan

The District belongs to the Ohio School Plan (the "Plan"), a non-assessable, unincorporated non-profit association providing a formalized, jointly administered self-insurance risk management program and other administrative services to Ohio's public educational entities ("Members"). Pursuant to Section 2744.081 of the Ohio Revised Code, the Plan is a separate legal entity. The Plan provides property, liability, automobile, violence and other coverages, modified for each Member's needs. The Plan pays judgments, settlements and other expenses resulting from covered claims that exceed the Member's deductible. The complete audited financial statements for the Ohio School Plan are available at the Plan's website, www.ohioschoolplan.org.

B. Fund Accounting

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as fund balance. The following are the District's major governmental funds:

General fund - The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

District debt service fund - The district debt service fund is used to account all debt activity except the debt associated with the library which is accounted for in another nonmajor debt service fund.

Other governmental funds of the District are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets, (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects, and (c) financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

PROPRIETARY FUNDS

Proprietary funds are used to account for the District's ongoing activities which are similar to those often found in the private sector where the determination of net income is necessary or useful to sound financial administration.

The following is the District's proprietary fund type:

Internal service funds - The internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District or to other governments, on a cost-reimbursement basis. The internal service funds of the District account for a self-insurance program which provides medical, dental and prescription drug benefits to employees and a worker's compensation fund used to account for monies received from other funds as payment for providing worker's compensation benefits to employees.

FIDUCIARY FUNDS

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. The District does not have any trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The District's custodial fund accounts for funds collected and distributed on behalf of OHSAA. The District did not collect or distribute any funds on behalf of OHSAA in fiscal year 2021.

C. Basis of Presentation and Measurement Focus

The District's basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements - The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The internal service fund activity is eliminated to avoid "doubling up" revenues and expenses.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the governmental activities of the District. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include amounts paid by the recipient of goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues of the District.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the District are included on the statement of net position.

Fund Financial Statements - Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column, and all nonmajor funds are aggregated into one column. Fiduciary funds are reported by fund type.

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, current deferred outflows of resources, current liabilities and current deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, the internal service fund is accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of this fund are included on the statement of fund net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activity.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the District's internal service fund are charges for services. Operating expenses for the internal service fund include claims and purchased services expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The fiduciary funds are reported using the economic resources measurement focus. All assets and liabilities associated with the operation of fiduciary funds are included on the statement of net fiduciary position. Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from custodial funds. In fiduciary funds, a liability to the beneficiaries of fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting.

Revenues - Exchange and Nonexchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of fiscal year end.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements, payment in lieu of taxes and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (see Note 6). Revenue from income taxes is recognized in the fiscal year in which the underlying exchange transaction occurred (see Note 19). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year end: property taxes available as an advance, income taxes, payment in lieu of taxes, interest, tuition, grants, student fees and rentals.

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the District, see Notes 14 and 15 for deferred outflows of resources related to the District's net pension liability and net OPEB liability/asset, respectively. In addition, deferred outflows of resources include a deferred charge on debt refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes, payments in lieu of taxes and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of June 30, 2021, but which were levied to finance fiscal year 2022 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the District unavailable revenue includes, but is not limited to, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

For the District, see Note 14 and 15 for deferred inflows of resources related to the District's net pension liability and net OPEB liability/asset, respectively. These deferred inflows of resources are only reported on the government-wide statement of net position. In addition, deferred inflows of resources include a deferred gain on debt refunding. A deferred gain on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The entitlement value of donated commodities received during the year is reported as an expenditure with a like amount reported as intergovernmental revenue.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

E. Budgets

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than custodial funds, are legally required to be budgeted and appropriated. The primary level of budgetary control is at the fund level of expenditures. Any budgetary modifications at this level may only be made by resolution of the Board of Education. Although the legal level of control has been established at the fund level of expenditures, the District has elected to present the budgetary statement for the general fund at the fund and function level of expenditures in the basic financial statements.

Tax Budget - Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The purpose of this budget document is to reflect the need for existing or increased tax rates. By no later than January 20, the Board-adopted budget is filed with Fairfield County Budget Commission for rate determination.

Estimated Resources - By April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's certificate of estimated resources, which states the projected revenue of each fund. Prior to July 1, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered cash balances from the preceding year. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported in the budgetary statements reflect the amounts in the original and final certificates of estimated resources issued during the fiscal year.

Appropriations - Upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates or a certificate saying no new certificate is necessary, the annual appropriation resolution is enacted by the Board of Education. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the District. The appropriation resolution must be within the estimated resources as certified by the County Budget Commission and the total of expenditures may not exceed the appropriation totals at the legal level of control. Any revisions that alter the fund level must be approved by the Board of Education.

The Board may pass supplemental fund appropriations so long as the total appropriations by fund do not exceed the amounts set forth in the most recent certificate of estimated resources. During the year, all supplemental appropriations were legally enacted.

The appropriation resolution is subject to amendment by the Board throughout the year with the restriction that appropriations may not exceed estimated revenues. The amounts reported as the original budget amounts reflect the first appropriation for that fund covering the entire fiscal year, including amounts automatically carried over from prior year. The amounts reported in the budgetary statement represent the original appropriation amounts passed by the Board that covered the entire fiscal year and the final appropriation amounts passed by the Board during the year, including all amendments.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

F. Cash and Investments

To improve cash management, cash received by the District other than cash with fiscal agent or cash in segregated accounts is pooled. Monies for all funds, excluding the internal service fund, are maintained in this pool. Individual fund integrity is maintained through the District's records. Each fund's interest in the pool is presented as "equity in pooled cash and investments" on the financial statements.

During fiscal year 2021, investments were limited to negotiable certificates of deposits (negotiable CDs), commercial paper, U.S. government money market mutual fund, U.S Treasury bill, taxable municipal bonds, Federal Home Loan Bank (FHLB) Securities, Federal Home Loan Mortgage Corporation (FHLMC) Securities, Federal National Mortgage Association (FNMA) Securities, Federal Farm Credit Bank (FFCB) Securities and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio). Except for investments in STAR Ohio, investments are reported at fair value, which is based on quoted market prices.

STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The District measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For fiscal year 2021, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$100 million. STAR Ohio reserves the right to limit the transaction to \$250 million, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund or the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2021 amounted to \$229,702, which includes \$63,466 assigned from other District funds.

For presentation on the basic financial statements, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the District are considered to be cash equivalents. Investments that are not part of the cash management pool with an initial maturity of more than three months are reported as investments.

An analysis of the District's investment account at year end is provided in Note 4.

G. Inventory

On government-wide and fund financial statements, inventories of supplies are reported at cost, inventories held of resale are reported at the lower of cost or market and donated commodities are presented at their entitlement value. Inventories are recorded on a first-in, first-out basis and are expensed when used. On the fund financial statements, inventories are accounted for using the consumption method.

On the fund financial statements, reported material and supplies inventory is equally offset by a nonspendable fund balance in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

Inventory consists of expendable supplies held for consumption, donated food and purchased food.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

H. Capital Assets

General capital assets are those assets specifically related to governmental activities. These assets result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and deductions during the fiscal year. Donated capital assets are recorded at their acquisition values as of the date received. During fiscal year 2021, the District maintained a capitalization threshold of \$5,000. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives
Land improvements	20 years
Buildings and improvements	25 - 50 years
Furniture and equipment	5 - 20 years
Vehicles	6 - 10 years

I. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "due to/from other funds". These amounts are eliminated in the governmental activities column on the statement of net position.

J. Issuance Costs/Bond Premiums and Discounts and Accounting Gain or Loss on Debt Refunding

On the governmental fund, financial statements, issuance costs, bond premiums, bond discounts, and charges from debt refunding are recognized in the current period.

On the government-wide financial statements, issuance costs are recognized in the current period and are not amortized. Bond premiums and discounts are amortized over the term of the bonds using the straight-line method. Unamortized bond premiums are presented as an addition to the face amount of the bonds reported on the statement of net position. Unamortized bond discounts are presented as a reduction to the face amount of the bonds reported on the statement of net position. The reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 11.

For advance refunding resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a deferred inflow or outflow of resources.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

K. Compensated Absences

Compensated absences of the District consist of vacation leave and sick leave to the extent that payments to the employee for these absences are attributable to services already rendered and are not contingent on a specific event that is outside the control of the District and the employee.

In accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences", a liability for vacation leave is accrued if a) the employees' rights to payment are attributable to services already rendered; and b) it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as cash payment at termination or retirement. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination (severance) payments. A liability for sick leave is accrued using the vesting method; i.e., the liability is based on the sick leave accumulated at the balance sheet date by those employees who are currently eligible to receive termination (severance) payments, as well as those employees expected to become eligible in the future. For purposes of establishing a liability for sick leave on employees expected to become eligible to retire in the future, all employees with at least 15 years of service at any age were considered expected to become eligible to retire in accordance with GASB Statement No. 16.

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at the balance sheet date and reduced to the maximum payment allowed by labor contract and/or statute, plus any applicable additional salary related payments.

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. The expenditures and liabilities related to these obligations are recognized in the governmental funds when they mature, for example, as a result of employee resignations and retirements. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported.

L. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from the internal service fund are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner from current financial resources are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds, capital lease obligations, and lease-purchase obligations are recognized as a liability on the fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

M. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable in the general fund.

Restricted - Fund balance is reported as restricted when constraints are placed on the use of resources that are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the District Board of Education (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless the District Board of Education removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned - Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the general fund, assigned amounts include all remaining amounts that are not classified as nonspendable and are neither restricted nor committed. In the general fund, assigned amounts represent intended uses established by policies of the District Board of Education, which includes giving the Treasurer the authority to constrain monies for intended purposes.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The District applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

N. Net Position

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. The net position component “net investment in capital assets,” consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The amount restricted for other purposes represents amounts restricted for the school trusts fund (a nonmajor governmental fund), the scholarships fund (a nonmajor governmental fund) and unclaimed monies fund (a fund legally budgeted in a separate special revenue fund but is considered part of the general fund on a GAAP basis).

The District applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

O. Prepayments

Certain payments to vendors reflect the costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These items are reported as assets on the balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of the purchase and the expenditure/expense is reported in the year in which services are consumed.

On the fund financial statements, reported prepayments is equally offset by nonspendable fund balance in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

P. Estimates

The preparation of the basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Actual results may differ from those estimates.

Q. Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB liability, net OPEB asset, deferred outflows of resources and deferred inflows of resources related pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

R. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the basic financial statements.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

S. Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

T. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. The District had no extraordinary or special items during the fiscal year.

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

For fiscal year 2021, the District has applied GASB Statement No. 95, "*Postponement of the Effective Dates of Certain Authoritative Guidance.*" GASB Statement No. 95 provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. This objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

Certain provisions contained in the following pronouncements were scheduled to be implemented for the fiscal year ended June 30, 2021. Due to the implementation of GASB Statement No. 95, the effective dates of certain provisions contained in these pronouncements are postponed until the fiscal year ended June 30, 2022:

- Statement No. 87, *Leases*
- Implementation Guide No. 2019-3, *Leases*
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*

For fiscal year 2021, the District has implemented GASB Statement No. 98, "The Annual Comprehensive Financial Report." GASB Statement No. 98 establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in general accepted accounting principles for state and local governments. The implementation of GASB Statement No. 98 did not have an effect on the financial statements of the District.

B. Deficit Fund Balances

Fund balances at June 30, 2021 included the following individual fund deficits:

<u>Nonmajor funds</u>	<u>Deficit</u>
IDEA Part-B	\$ 102,684
Title III - limited english proficiency	1,520
Title I - disadvantaged children	39,358

The general fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances resulted from adjustments for accrued liabilities.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 4 - DEPOSITS AND INVESTMENTS

State statutes classify monies held by the District into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the District treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Board of Education has identified as not required for use within the current five-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use, but which will be needed before the end of the current period of designation of depositories.

Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Interim monies may be deposited or invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the fair value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio, and certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in items (1) and (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool, the State Treasury Asset Reserve of Ohio (STAR Ohio) and;
8. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Protection of the deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Except as noted above, an investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

A. Cash with Fiscal Agent

At fiscal year-end, \$21,881 was on deposit with Huntington National Bank for matured bonds and interest payable. These funds are included in the total amount of “Deposits with Financial Institutions” below.

B. Cash in Segregated Accounts

At fiscal year-end \$8,000 was maintained in a depository account that the District established for funds related to retainage set-aside for construction projects. This depository account is included in total amount of “Deposits with Financial Institutions” below.

C. Deposits with Financial Institutions

At June 30, 2021, the carrying amount of all District deposits was \$7,773,796. Based on the criteria described in GASB Statement No. 40, “Deposits and Investment Risk Disclosures”, as of June 30, 2021 the bank balance of all District deposits was \$7,847,941. Of the bank balance, \$250,000 was covered by the FDIC, \$4,558,765 was covered by the Ohio Pooled Collateral System (OPCS), and \$3,039,176 was exposed to custodial credit risk.

Custodial credit risk is the risk that, in the event of bank failure, the District will not be able to recover deposits or collateral securities that are in the possession of an outside party. The District has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the District and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2021, the District’s financial institution was approved for a reduced collateral rate of 60 percent through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the District to a successful claim by the FDIC.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

D. Investments

As of June 30, 2021, the District had the following investments and maturities:

Measurement/ Investment type	Measurement Amount	Investment Maturities				
		6 months or less	7 to 12 months	13 to 18 months	19 to 24 months	Greater than 24 months
<i>Amortized Cost:</i>						
STAR Ohio	\$ 12,888,156	\$ 12,888,156	\$ -	\$ -	\$ -	\$ -
<i>Fair Value:</i>						
FHLMC	1,427,695	-	-	-	1,164,977	262,718
FNMA	4,179,067	-	-	-	1,510,015	2,669,052
FFCB	995,880	-	-	-	-	995,880
FHLB	5,803,514	-	-	-	-	5,803,514
U.S. Government money market mutual fund	6,737	6,737	-	-	-	-
Negotiable CDs	11,892,256	1,993,058	3,773,754	2,274,633	2,041,274	1,809,537
U.S. Treasury bill	135,000	135,000	-	-	-	-
Taxable municipal bonds	1,115,183	-	-	-	-	1,115,183
Commercial paper	16,872,056	11,987,185	4,884,871	-	-	-
Total	\$ 55,315,544	\$ 27,010,136	\$ 8,658,625	\$ 2,274,633	\$ 4,716,266	\$ 12,655,884

The weighted average maturity of investments is 1.09 years.

The District's investments in U.S Government money market mutual funds are valued using quoted market prices (Level 1 inputs). The District's investments in federal agency securities (FHLMC, FNMA, FFCB, FHLB), negotiable CDs, U.S. Treasury bill, taxable municipal bonds and commercial paper are valued using quoted market prices that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either direct or indirectly (Level 2 inputs).

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the District's investment policy limits investment portfolio maturities to five years or less.

Credit Risk: The District's investments in U.S. Treasury bills and federal securities (FHLMC, FNMA, FFCB, FHLB) were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. Taxable municipal bonds were rated AA by Standard & Poor's. Commercial paper investments were rated A-1 and A-1+ by Standard & Poor's and P-1 by Moody's Investor Services. The negotiable CDs are not rated but are fully insured by the FDIC. Standard & Poor's has assigned STAR Ohio and the U.S. government money market mutual fund an AAAM money market rating. Ohio Law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The District has no investment policy dealing with credit risk.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The FHLB, FHLMC, FFCB and FNMA securities, and commercial paper, and the negotiable CDs are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent, but not in the District's name. The District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee. The negotiable CD's are fully insured by the FDIC.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Concentration of Credit Risk: The District places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the District at June 30, 2021:

<u>Measurement/ Investment type</u>	<u>Measurement Amount</u>	<u>% of Total</u>
<i>Amortized Cost:</i>		
STAR Ohio	\$ 12,888,156	23.30
<i>Fair Value:</i>		
FHLMC	1,427,695	2.58
FNMA	4,179,067	7.55
FFCB	995,880	1.80
FHLB	5,803,514	10.49
U.S. government money market mutual fund	6,737	0.01
Negotiable CDs	11,892,256	21.50
U.S. Treasury bill	135,000	0.24
Taxable municipal bonds	1,115,183	2.02
Commercial paper	<u>16,872,056</u>	<u>30.51</u>
Total	<u>\$ 55,315,544</u>	<u>100.00</u>

E. Reconciliation of Cash and Investments to the Financial Statements

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the financial statements as of June 30, 2021:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 7,773,796
Investments	<u>55,315,544</u>
Total	<u>\$ 63,089,340</u>
 <u>Cash and investments per financial statements</u>	
Governmental activities	<u>\$ 63,089,340</u>

NOTE 5 - INTERFUND TRANSACTIONS

- A. Interfund transfers for the year ended June 30, 2021, consisted of the following, as reported on the fund financial statements:

<u>Transfers from the general fund to:</u>	<u>Amount</u>
Nonmajor governmental fund	<u>\$ 500,000</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Interfund transfers between governmental funds are eliminated on the government-wide financial statements.

All transfers made in fiscal year 2021 were in accordance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 5 - INTERFUND TRANSACTIONS - (Continued)

B. Due from and to other funds at June 30, 2021 consisted of the following individual amounts, as reported in the fund financial statements:

<u>Due to general fund from:</u>	<u>Amount</u>
Nonmajor governmental funds:	
Elementary and secondary school emergency relief	\$ 12,730
IDEA Part-B	6,776
Title III , limited english proficiency	145
Title I , disadvantaged children	16,778
Miscellaneous federal grants	<u>3,843</u>
Total	<u>\$ 40,272</u>

The purpose of this amount due from and to other funds is to cover negative cash balances in nonmajor special revenue governmental funds. The District may maintain negative cash balances in nonmajor special revenue funds if three criteria are met: (1) the general fund must have available and unencumbered funds to cover the negative amounts; (2) a reimbursement request must have been submitted by the fiscal year-end; and (3) there is a reasonable likelihood that the request for payment will be made. The District has met these three requirements.

The amounts due to and from other funds will be repaid once the anticipated revenues are received. Amounts due from and to other funds between governmental funds are eliminated on the government-wide financial statements.

NOTE 6 - PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis while the District fiscal year runs from July through June. First half tax collections are received by the District in the second half of the fiscal year. Second half tax distributions occur in the first half of the following fiscal year.

Property taxes include amounts levied against all real property and public utility property. Real property tax revenues received in calendar year 2021 represent the collection of calendar year 2020 taxes. Real property taxes received in calendar year 2021 were levied after April 1, 2020, on the assessed values as of January 1, 2020, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised fair value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Public utility property tax revenues received in calendar year 2021 represent the collection of calendar year 2020 taxes. Public utility real and personal property taxes received in calendar year 2021 became a lien on December 31, 2020, were levied after April 1, 2020, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The District receives property taxes from Fairfield and Franklin Counties. The County Auditors periodically advance to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2021, are available to finance fiscal year 2021 operations. The amount available as an advance at June 30, 2021 was \$4,500,520 in the general fund, \$1,099,936 in the District debt service fund and \$49,858 in the classroom facilities maintenance fund (a nonmajor governmental fund). This amount is recorded as revenue. The amount available for advance at June 30, 2020 was \$3,764,720 in the general fund, \$1,013,770 in the District debt service fund and \$41,556 in the classroom facilities maintenance fund (a nonmajor governmental fund). The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 6 - PROPERTY TAXES - (Continued)

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2021 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows.

On the accrual basis of accounting, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis of accounting the revenue has been reported as a deferred inflow.

The assessed values upon which the fiscal year 2021 taxes were collected are:

	2020 Second Half Collections		2021 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 1,493,605,880	98.01	\$ 1,534,146,520	98.00
Public utility personal	<u>30,273,440</u>	<u>1.99</u>	<u>31,257,790</u>	<u>2.00</u>
Total	<u>\$ 1,523,879,320</u>	<u>100.00</u>	<u>\$ 1,565,404,310</u>	<u>100.00</u>
Tax rate per \$1,000 of assessed valuation for:				
General	\$72.20		\$72.20	
Bond	7.60		7.00	
Facilities maintenance	0.50		0.50	

NOTE 7 - RECEIVABLES

Receivables at June 30, 2021 consisted of taxes, payment in lieu of taxes, accounts, accrued interest and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs and the current year guarantee of federal funds. A summary of receivables reported on the statement of net position follows:

Governmental activities:	
Property taxes	\$ 52,009,245
Income taxes	8,827,005
Payment in lieu of taxes	1,172,823
Accounts	135,832
Accrued interest	54,492
Intergovernmental	<u>866,582</u>
Total	<u>\$ 63,065,979</u>

Receivables have been disaggregated on the face of the basic financial statements. All receivables are expected to be collected within one year.

**PICKERINGTON LOCAL SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 8 - CAPITAL ASSETS

Governmental capital asset activity for the fiscal year ended June 30, 2021, was as follows:

	Balance			Balance
	<u>July 1, 2020</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2021</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 9,185,480	\$ -	\$ -	\$ 9,185,480
Construction in progress	733,520	2,329,464	(2,963,579)	99,405
Total capital assets, not being depreciated	<u>9,919,000</u>	<u>2,329,464</u>	<u>(2,963,579)</u>	<u>9,284,885</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	22,430,589	3,603,191	-	26,033,780
Building and improvements	227,092,155	195,781	-	227,287,936
Furniture and equipment	8,135,918	161,425	-	8,297,343
Vehicles	3,150,700	270,209	(229,341)	3,191,568
Total capital assets, being depreciated	<u>260,809,362</u>	<u>4,230,606</u>	<u>(229,341)</u>	<u>264,810,627</u>
<i>Less: accumulated depreciation:</i>				
Land improvements	(14,715,359)	(971,532)	-	(15,686,891)
Building and improvements	(113,946,861)	(5,912,858)	-	(119,859,719)
Furniture and equipment	(5,424,845)	(499,693)	-	(5,924,538)
Vehicles	(2,111,368)	(244,872)	229,341	(2,126,899)
Total accumulated depreciation	<u>(136,198,433)</u>	<u>(7,628,955)</u>	<u>229,341</u>	<u>(143,598,047)</u>
Governmental activities capital assets, net	<u>\$ 134,529,929</u>	<u>\$ (1,068,885)</u>	<u>\$ (2,963,579)</u>	<u>\$ 130,497,465</u>

Depreciation expense was charged to governmental functions as follows:

Instruction:

Regular	\$ 4,921,739
Special	256,783
Vocational	19,092

Support services:

Pupil	170,291
Instructional staff	349,945
Administration	139,453
Operations and maintenance	717,315
Pupil transportation	196,392
Extracurricular activities	164,772
Food service operation	693,173
Total depreciation expense	<u>\$ 7,628,955</u>

**PICKERINGTON LOCAL SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 9 - LEASE PURCHASE AGREEMENT - LESSEE DISCLOSURE

During fiscal year 2007, the District entered into a lease-purchase agreement with Fifth Third Bank. This lease meets the criteria of a lease-purchase as defined by GAAP, which defines a lease-purchase generally as one which transfers benefits and risks of ownership to the lessee. This lease was used to construct a bus/maintenance facility. At June 30, 2021, capital assets acquired by lease purchase have been capitalized under buildings and improvements in the amount of \$1,670,122. Accumulated depreciation of \$467,628 has been booked as of June 30, 2021 leaving a book value of \$1,202,494. Lease-purchase payments have been reclassified as debt service expenditures in the basic financial statements for the general fund. Principal and interest payments totaled \$135,212 and \$18,673, respectively. The principal balance of the lease-purchase agreement is \$144,225 at June 30, 2021.

During fiscal year 2020, fiscal year 2015 and fiscal year 2018, the District entered into lease-purchase agreements with Apple, Inc. These leases meet the criteria of a lease-purchase as defined by GAAP, which defines a lease-purchase generally as one which transfers benefits and risks of ownership to the lessee. These leases were used to acquire various Apple products for students including iPads and computers. At June 30, 2021, these items acquired by lease purchase total \$3,344,296 and have not been capitalized due to each item being under the capitalization threshold. Lease-purchase payments have been reclassified as debt service expenditures in the basic financial statements for the general fund. Principal and interest payments totaled \$360,647 and \$4,560, respectively. The principal balance of the lease-purchase agreements is \$198,756 at June 30, 2021.

During fiscal year 2020, the District entered into lease-purchase agreements with BGE Financial Corporation. These leases meet the criteria of a lease-purchase as defined by GAAP, which defines a lease-purchase generally as one which transfers benefits and risks of ownership to the lessee. These leases were used to acquire various musical instruments for students. At June 30, 2021, items acquired by lease purchase totaling \$295,093 and have not been capitalized due to each item being under the capitalization threshold. At June 30, 2021, capital assets acquired by lease purchase that were over the capitalization threshold have been capitalized under furniture and equipment in the amount of \$204,262. Accumulated depreciation of \$30,640 has been booked as of June 30, 2021 leaving a book value of \$173,622. Lease-purchase payments have been reclassified as debt service expenditures in the basic financial statements for the general fund. Principal and interest payments totaled \$69,715 and \$31,354, respectively. The principal balance of the lease-purchase agreement is \$336,908 at June 30, 2021.

The lease purchase agreements are considered direct borrowings. Direct borrowings have terms negotiated directly between the District and the lender and are not offered for public sale. In conjunction with the lease-purchase agreement for the bus/maintenance facility, the District and Fifth Third Bank have entered into a Ground Lease agreement whereby the District has leased to Fifth Third Bank, under a Ground Lease, the Project Site and Fifth Third Bank has subleased the Project Site, and the facilities already located and/or to be constructed thereon (the Project Facilities”) back to the District under the terms of the lease-purchase agreement. The Project Site and Project Facilities are collateral for the debt as, in the event of default or “Nonappropriation of Funds”, the Fifth Third Bank shall have the right to re-lease the Project Site and Project Facilities and/or assign the Ground Lease. The lease-purchase agreements with Apple, Inc. and BGE Financial Corporation provide that the Board of Education should appropriate funds for the base rent, as defined in the lease, due in each succeeding fiscal year. Failure to appropriate within the allotted time frame is a default under the lease and cause the lease to terminate.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 9 - LEASE PURCHASE AGREEMENT - LESSEE DISCLOSURE - (Continued)

The following is a schedule of the future long-term minimum lease payments required under the lease-purchase agreements and the present value of the minimum lease payments as of June 30, 2021.

Fiscal Year Ending <u>June 30</u>	<u>Total</u>
2022	\$ 366,808
2023	146,726
2024	146,724
2025	<u>101,070</u>
Total minimum lease payments	761,328
Less: amount representing interest	<u>(81,439)</u>
Present value of minimum lease payments	<u>\$ 679,889</u>

NOTE 10 - CAPITALIZED LEASES - LESSEE DISCLOSURE

During the current fiscal year, fiscal year 2020 and fiscal year 2017, the District entered into a capitalized lease for copier equipment. This lease meets the criteria of a capital lease as defined by GAAP, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. At June 30, 2021, items acquired totaling \$42,428 and have not been capitalized due to each item being under the capitalization threshold. At June 30, 2021, capital assets acquired by capital lease have been capitalized under furniture and equipment in the amount of \$2,345,590. Accumulated depreciation of \$1,669,143 has been booked as of June 30, 2021 leaving a book value of \$676,447. Principal and interest payments totaled \$424,757 and \$48,754, respectively. Capital lease payments have been reclassified as debt service expenditures in the basic financial statement for the general fund.

The following is a schedule of the future long-term minimum lease payments required under the capital lease obligation and the present value of the minimum lease payments as of June 30, 2021.

Fiscal Year Ending <u>June 30</u>	<u>Total</u>
2022	\$ 231,966
2023	226,942
2024	226,853
2025	172,542
2026	<u>7,206</u>
Total minimum lease payments	865,509
Less: amount representing interest	<u>(78,411)</u>
Present value of minimum lease payments	<u>\$ 787,098</u>

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 11 - LONG-TERM OBLIGATIONS

A. General Obligation Bonds

The District has several general obligation bond issues outstanding. These bonds were issued for general governmental activities, specifically; construction and/or renovation of school buildings. These general obligation bonds are direct obligations of the District for which its full faith, credit and resources are pledged and payable from taxes levied on all taxable property in the school district. Accordingly, such unmatured obligations of the District are accounted for on the statement of net position. Payments of principal and interest relating to these bonds are recorded as expenditures in the District's district debt service fund.

The following is a summary of the District's general obligation bonds outstanding at June 30, 2021:

	Balance <u>June 30, 2020</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2021</u>
General Obligation Bonds:				
Series 2014, current interest refunding bonds	\$ 20,400,000	\$ -	\$ (11,950,000)	\$ 8,450,000
Series 2015, current interest refunding bonds	8,805,000	-	-	8,805,000
Series 2016B, current interest refunding bonds	10,010,000	-	-	10,010,000
Series 2016, current interest refunding bonds	44,365,000	-	(6,510,000)	37,855,000
Series 2020, current interest refunding bonds	<u>-</u>	<u>10,005,000</u>	<u>(105,000)</u>	<u>9,900,000</u>
Total general obligation bonds	<u>\$ 83,580,000</u>	<u>\$ 10,005,000</u>	<u>\$ (18,565,000)</u>	<u>\$ 75,020,000</u>

Series 2014 Refunding General Obligation Bonds - On August 20, 2014, the District issued general obligation bonds (Series 2014 Refunding Bonds) to advance refund the callable portion of the Series 2007 current interest general obligation bonds (\$24,670,000) and series 2004 current interest bonds (\$3,450,000). The issuance proceeds of \$27,875,000 were used to purchase securities which were placed in an irrevocable trust to provide resources for all future debt service payments on the refunded debt. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position.

The refunding issue is comprised of current interest bonds with an interest rate of 1.00% to 5.00%. The reacquisition price exceeded the net carrying amount of the old debt by \$3,450,864. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued.

Interest payments on the current interest bonds are due on June 1 and December 1 each year. The final maturity stated on the current interest bonds is December 1, 2024.

The current interest refunding bonds were partially refunded in the amount of \$10,040,000 with the proceeds from the series 2020 refunding bonds during fiscal year 2021.

**PICKERINGTON LOCAL SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

Series 2015 Refunding General Obligation Bonds - On December 10, 2015, the District issued general obligation bonds (Series 2015 Refunding Bonds) to advance refund the callable portion of the Series 2007 current interest general obligation bonds (\$8,805,000). The issuance proceeds of \$8,805,000 were used to purchase securities which were placed in an irrevocable trust to provide resources for all future debt service payments on the refunded debt. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position.

The refunding issue is comprised of current interest bonds with an interest rate of 4.00%. The reacquisition price exceeded the net carrying amount of the old debt by \$1,176,960. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued.

Interest payments on the current interest bonds are due on June 1 and December 1 each year. The final maturity stated on the current interest bonds is December 1, 2031.

Series 2016 Refunding General Obligation Bonds - On September 8, 2016, the District issued \$47,745,000 general obligation bonds (Series 2016 Refunding Bonds) to refund the callable portion of the Series 2006 current interest general obligation bonds (\$49,860,000). The issuance proceeds of \$50,898,545 were used to purchase securities which were placed in an irrevocable trust to provide resources for all future debt service payments on the refunded debt. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position.

The refunding issue is comprised of current interest bonds with an interest rate of 2.75%. The net carrying amount exceeded the reacquisition price of the old debt by \$697,610. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued. The final maturity on the bonds is December 1, 2026.

Series 2016B Refunding General Obligation Bonds - On July 6, 2016, the District issued \$10,010,000 general obligation bonds (Series 2016B Refunding Bonds) to refund the callable portion of the Series 2007 current interest general obligation bonds (\$10,450,000). The issuance proceeds of \$11,022,414 were used to purchase securities which were placed in an irrevocable trust to provide resources for all future debt service payments on the refunded debt. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The final maturity on the bonds is December 1, 2034.

The refunding issue is comprised of current interest bonds with an interest rate ranging from 3.111% to 4.000%. The reacquisition price exceeded the net carrying amount of the old debt by \$1,201,354. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued.

Series 2020 Refunding General Obligation Bonds - On September 10, 2020, the District issued general obligation bonds (Series 2020 Refunding Bonds) to advance refund the callable portion of the Series 2014 current interest general obligation refunding bonds (\$10,040,000). The issuance proceeds of \$10,005,000 were used to purchase securities which were placed in an irrevocable trust to provide resources for all future debt service payments on the refunded debt. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position in the amount of \$10,040,000.

The refunding issue is comprised of current interest bonds with an interest rate of 4.00% to 4.25%. The reacquisition price exceeded the net carrying amount of the old debt by \$1,636,094. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued. This refunding was undertaken to reduce the combined total debt service payments through December 1, 2028 by \$595,153 and resulted in a net present value economic gain of \$566,365.

**PICKERINGTON LOCAL SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

Interest payments on the current interest bonds are due on June 1 and December 1 each year. The final maturity stated on the current interest bonds is December 1, 2028.

B. The following is a summary of the future debt service requirements to maturity for the general obligation bonds:

Fiscal Year Ending June 30,	Current Interest Bonds		
	Principal	Interest	Total
2022	\$ 8,130,000	\$ 2,385,439	\$ 10,515,439
2023	8,380,000	2,133,049	10,513,049
2024	8,635,000	1,872,720	10,507,720
2025	8,910,000	1,604,036	10,514,036
2026	9,170,000	1,326,876	10,496,876
2027 - 2031	18,730,000	3,943,581	22,673,581
2032 - 2035	13,065,000	964,457	14,029,457
Total	<u>\$ 75,020,000</u>	<u>\$ 14,230,158</u>	<u>\$ 89,250,158</u>

C. During the fiscal year 2021, the following changes occurred in governmental activities long-term obligations.

	Balance Outstanding June 30, 2020	Additions	Reductions	Balance Outstanding June 30, 2021	Amounts Due in One Year
Governmental activities:					
<u>General Obligation Bonds:</u>					
General obligation bonds	\$ 83,580,000	\$ 10,005,000	\$ (18,565,000)	\$ 75,020,000	\$ 8,130,000
<u>Other Long-Term Obligations:</u>					
Lease-purchase agreements					
from direct borrowing	1,245,463	-	(565,574)	679,889	328,493
Capital lease obligations	1,169,427	42,428	(424,757)	787,098	197,128
Net pension liability	140,764,675	16,801,308	-	157,565,983	-
Net OPEB liability	11,320,829	-	(811,740)	10,509,089	-
Compensated absences	7,704,584	1,473,637	(1,232,966)	7,945,255	987,997
Total other long-term obligations	<u>162,204,978</u>	<u>18,317,373</u>	<u>(3,035,037)</u>	<u>177,487,314</u>	<u>1,513,618</u>
Total governmental activities	<u>\$ 245,784,978</u>	<u>\$ 28,322,373</u>	<u>\$ (21,600,037)</u>	<u>252,507,314</u>	<u>\$ 9,643,618</u>
Add: unamortized premiums on refundings				3,937,729	
Total on statement of net position				<u>\$ 256,445,043</u>	

Lease-purchase Agreement - The District entered into lease-purchase obligations for the acquisition of a bus/maintenance facility, computer hardware and musical instruments. See Note 9 for details.

Capital Lease Obligations - The District entered into capitalized lease obligations for copiers. See Note 10 for details.

Net Pension Liability - See Note 14 for detail on the net pension liability. The District pays obligations related to employee compensation from the fund benefitting from their service, which is primarily the general fund.

Net OPEB Liability - See Note 15 for detail on the net OPEB liability. The District pays obligations related to employee compensation from the fund benefitting from their service, which is primarily the general fund.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 11 - LONG-TERM OBLIGATIONS - (Continued)

Compensated Absences - Compensated absences will be paid from the fund which the employees' salaries are paid which, for the District, is primarily the general fund and food service fund (a nonmajor governmental fund).

D. Legal Debt Margin

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1% of the property valuation of the District. The assessed valuation used in determining the District's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in the District's legal debt margin calculation excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property and personal property owned or leased by a railroad company and used in railroad operations.

The Ohio Revised Code further provides that when a Board of Education declares a resolution that the student population is not adequately served by existing facilities and that insufficient capacity exists within the 9 percent limit to finance additional facilities, the State Department of Education may declare that District a "special needs" District. This permits the incurrence of additional debt based upon projected 5-year growth of the school district's assessed valuation. The District was determined to be a "special needs" District on March 28, 1996 and confirmed on October 5, 2000 and again in October, 2006. In addition, the unvoted net debt of a school district cannot exceed 0.1 percent of the total assessed value of property. On June 30, 2021, the District had no unvoted debt.

NOTE 12 - OTHER EMPLOYEE BENEFITS

Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified eleven and twelve month employees hired prior to April 1, 2011 earn twelve to twenty days of vacation per year, with a maximum accrual of 24 to 40 days, depending upon length of service. Classified eleven and twelve month employees hired after to April 1, 2011 earn ten to twenty days of vacation per year, with a maximum accrual of 20 to 40 days, depending upon length of service. Accumulated unused vacation time is paid to classified employees upon termination of employment. Teachers do not earn vacation time.

Non-administrative employees earn sick leave at the rate of one and one-fourth days per month. Upon retirement, payment is made for twenty-five percent of the total sick leave accumulation, up to a maximum accumulation of 65 days for certificated staff with a minimum of five years with the District; and 65 days for classified employees with a minimum of five years with the District. An employee receiving such payment must meet the retirement provisions set by STRS Ohio and SERS.

Administrative twelve month employees earn fifteen to twenty-five days of vacation per year, with a maximum accrual of 45 to 60 days, depending upon length of service. Administrative employees earn sick leave at a rate ranging from one and one-third days per month to one and two-thirds days per month, depending upon the number of contractual days worked. Upon retirement, payment is made for twenty-five percent of the total sick leave accumulation, up to a maximum accumulation of 82 days for administrative employees with a minimum of five years of service with the District. Accumulated unused vacation time is paid to administrative employees upon termination of employment.

**PICKERINGTON LOCAL SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 13 - RISK MANAGEMENT

A. Property and Liability

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District participated in the Ohio School Plan Program beginning July 1, 2008. The following is the District’s insurance coverage through the group purchasing program described in Note 2.A.:

Total policy coverage - includes the following:	
Property limit (\$25,000 deductible) per occurrence	\$406,943,830
Boiler and Machinery (\$25,000 deductible) per occurrence	100,000,000
Automobile liability (\$25,000 deductible)	4,000,000
Medical payments	5,000
Public Employee Dishonesty/ Theft per occurrence	1,000,000
General school district liability:	
Per occurrence	4,000,000
Total per aggregate	6,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in insurance coverage from the prior year.

B. Self-Insured Worker’s Compensation Program

On January 1, 2017, the District began operating its own Worker’s Compensation internal service fund. Sedgwick CMS acts as the claims administrator for this self-funded plan.

The District received its last Group Retrospective Rating Plan Rebate on 12/31/2019, depositing this rebate into the self-insured worker’s compensation fund. This ended its previous affiliation with the Ohio SchoolComp Workers’ Compensation Group Retrospective Rating Plan.

C. Employee Health Insurance

The District is self-insured for its medical, dental, and prescription drug coverage. Premiums are paid into the self-insurance fund and are available to pay claims and administrative costs. Anthem, Inc. acts as the claims administrator for this self-funded plan. A stop-loss insurance contract with Anthem, Inc. covers specific liability claims in excess of \$250,000 per – subscriber (the stop-loss applies to all covered persons on the plan per subscriber).

The claims liability of \$831,500 reported in the internal service fund at June 30, 2021 is based on an estimate provided by the third-party administrator and the requirements of GASB Statement No. 10, “Accounting and Financial Reporting for Risk Financing and Related Insurance Issues”, as amended by GASB Statement No. 30, “Risk Financing Omnibus”, which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

Changes in the fund’s claims liability for 2021 and 2020 are listed below:

	Balance at Beginning <u>of Year</u>	Current <u>Claims</u>	Claims <u>Payment</u>	Balance at <u>End of Year</u>
2021	\$ 1,026,900	\$ 15,792,692	\$ (15,988,092)	\$ 831,500
2020	1,593,200	15,953,829	(16,520,129)	1,026,900

**PICKERINGTON LOCAL SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 13 - RISK MANAGEMENT - (Continued)

Employees may also purchase vision group coverage, with the full premium being paid by employees.

Employer and employee contributions to premiums for health (including prescription drug) and dental coverage are determined for most employees by negotiated agreements with employee labor unions. Currently, single coverage and family coverage for all employees except administrators are as follows:

Coverage	Administrators	Certified Staff	Classified Staff
Health PPO	Board pays 80%	Board pays 80%	Board pays 80%
Health HDHP	Board pays 80%	N/A	Board pays 85%
Dental	Board pays 80%	Board pays \$55/month	Board pays \$55/month

NOTE 14 - DEFINED BENEFIT PENSION PLANS

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Net Pension Liability/Net OPEB Liability/Asset

Pensions and OPEB are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions/OPEB are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period.

The net pension/OPEB liability (asset) represent the District’s proportionate share of each pension/OPEB plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan’s fiduciary net position. The net pension/OPEB liability (asset) calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

Ohio Revised Code limits the District’s obligation for this liability to annually required payments. The District cannot control benefit terms or the manner in which pensions/OPEB are financed; however, the District does receive the benefit of employees’ services in exchange for compensation including pension and OPEB.

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients.

The remainder of this note includes the required pension disclosures. See Note 15 for the required OPEB disclosures.

The proportionate share of each plan’s unfunded benefits is presented as a long-term *net pension/OPEB liability (asset)* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in intergovernmental payable on both the accrual and modified accrual bases of accounting.

**PICKERINGTON LOCAL SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

Plan Description - School Employees Retirement System (SERS)

Plan Description - The District non-teaching employees participate in SERS, a cost-sharing multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements, required supplementary information and detailed information about SERS' fiduciary net position. That report can be obtained by visiting the SERS website at www.ohsers.org under Employers/Audit Resources.

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017 *	Eligible to Retire after August 1, 2017
Full benefits	Age 65 with 5 years of services credit; or Any age with 30 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially reduced benefits	Age 60 with 5 years of service credit; or Age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or Age 60 with 25 years of service credit

* Members with 25 years of service credit as of August 1, 2017 will be included in this plan.

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on years of service; 2.2% for the first thirty years of service and 2.5% for years of service credit over 30. Final average salary is the average of the highest three years of salary.

Effective January 1, 2018, SERS cost-of-living adjustment (COLA) changed from a fixed 3% annual increase to one based on the Consumer Price Index (CPI-W) with a cap of 2.5% and a floor of 0%. SERS also has the authority to award or suspend the COLA, or to adjust the COLA above or below CPI-W. SERS suspended the COLA increases for 2018, 2019 and 2020 for current retirees, and confirmed their intent to implement a four-year waiting period for the start of a COLA for future retirees. For 2021, the COLA was 0.5%.

Funding Policy - Plan members are required to contribute 10% of their annual covered salary and the District is required to contribute 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10% for plan members and 14% for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2021, the allocation to pension, death benefits, and Medicare B was 14.0%.

The District's contractually required contribution to SERS was \$2,136,595 for fiscal year 2021. Of this amount, \$151,086 is reported as intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

Plan Description - Licensed teachers participate in STRS, a cost-sharing multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about STRS' fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS website at www.strsoh.org.

**PICKERINGTON LOCAL SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

New members have a choice of three retirement plans: a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined (CO) Plan. Benefits are established by Ohio Revised Code Chapter 3307. The DB Plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2% of final average salary for the five highest years of earnings multiplied by all years of service. Effective July 1, 2017, the cost-of-living adjustment was reduced to zero. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 28 years of service, or 33 years of service regardless of age. Eligibility changes will be phased in until August 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60.

The DC Plan allows members to place all of their member contributions and 9.53% of the 14% employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.47% of the 14% employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12% of the 14% member rate goes to the DC Plan and the remaining 2% is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity after termination of employment at age 50 and after termination of employment.

New members who choose the DC Plan or Combined Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS plan. The optional annuitization of a member's defined contribution account or the defined contribution portion of a member's Combined Plan account to a lifetime benefit results in STRS bearing the risk of investment gain or loss on the account. STRS has therefore included all three plan options as one defined benefit plan for GASB 68 reporting purposes.

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. Eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least ten years of qualifying service credit to apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy - Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For fiscal year 2021, plan members were required to contribute 14% of their annual covered salary. The District was required to contribute 14%; the entire 14% was the portion used to fund pension obligations. The fiscal year 2021 contribution rates were equal to the statutory maximum rates.

The District's contractually required contribution to STRS was \$9,205,237 for fiscal year 2021. Of this amount, \$1,612,152 is reported as intergovernmental payable.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the projected contributions of all participating entities.

**PICKERINGTON LOCAL SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

Following is information related to the proportionate share and pension expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the net pension liability prior measurement date	0.43707660%	0.51827597%	
Proportion of the net pension liability current measurement date	<u>0.46601730%</u>	<u>0.52380684%</u>	
Change in proportionate share	<u>0.02894070%</u>	<u>0.00553087%</u>	
Proportionate share of the net pension liability	\$ 30,823,366	\$ 126,742,617	\$ 157,565,983
Pension expense	\$ 4,123,305	\$ 17,859,047	\$ 21,982,352

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 59,872	\$ 284,381	\$ 344,253
Net difference between projected and actual earnings on pension plan investments	1,956,661	6,163,512	8,120,173
Changes of assumptions	-	6,803,629	6,803,629
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	1,002,952	2,681,724	3,684,676
Contributions subsequent to the measurement date	<u>2,136,595</u>	<u>9,205,237</u>	<u>11,341,832</u>
Total deferred outflows of resources	<u>\$ 5,156,080</u>	<u>\$ 25,138,483</u>	<u>\$ 30,294,563</u>
	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ -	\$ 810,433	\$ 810,433
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	<u>188,860</u>	<u>-</u>	<u>188,860</u>
Total deferred inflows of resources	<u>\$ 188,860</u>	<u>\$ 810,433</u>	<u>\$ 999,293</u>

\$11,341,832 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2022.

**PICKERINGTON LOCAL SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2022	\$ 439,837	\$ 5,779,973	\$ 6,219,810
2023	962,609	2,431,512	3,394,121
2024	815,578	3,920,336	4,735,914
2025	612,601	2,990,992	3,603,593
Total	\$ 2,830,625	\$ 15,122,813	\$ 17,953,438

Actuarial Assumptions - SERS

SERS' total pension liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment termination). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2020, are presented below:

Wage inflation	3.00%
Future salary increases, including inflation	3.50% to 18.20%
COLA or ad hoc COLA	2.50%
Investment rate of return	7.50% net of investment expense, including inflation
Actuarial cost method	Entry age normal (level percent of payroll)

For 2020, the mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females. Mortality among service retired members, and beneficiaries were based upon the RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates. Mortality among disabled members was based upon the RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

The most recent experience study was completed for the five year period ended June 30, 2015.

**PICKERINGTON LOCAL SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

The long-term return expectation for the Pension Plan Investments has been determined using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.00 %	1.85 %
US Equity	22.50	5.75
International Equity	22.50	6.50
Fixed Income	19.00	2.85
Private Equity	12.00	7.60
Real Assets	17.00	6.60
Multi-Asset Strategies	5.00	6.65
Total	<u>100.00 %</u>	

Discount Rate - The total pension liability was calculated using the discount rate of 7.50%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.50%). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50%, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50%), or one percentage point higher (8.50%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net pension liability	\$ 42,224,248	\$ 30,823,366	\$ 21,257,809

**PICKERINGTON LOCAL SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the July 1, 2020, actuarial valuation are presented below:

	July 1, 2020
Inflation	2.50%
Projected salary increases	12.50% at age 20 to 2.50% at age 65
Investment rate of return	7.45%, net of investment expenses, including inflation
Payroll increases	3.00%
Cost-of-living adjustments (COLA)	0.00%

For the July 1, 2020, actuarial valuation, post-retirement mortality rates for healthy retirees are based on the RP-2014 Annuitant Mortality Table with 50% of rates through age 69, 70% of rates between ages 70 and 79, 90% of rates between ages 80 and 84, and 100% of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90% of rates for males and 100% of rates for females, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the July 1, 2020 valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

STRS Ohio’s investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return *
Domestic Equity	28.00 %	7.35 %
International Equity	23.00	7.55
Alternatives	17.00	7.09
Fixed Income	21.00	3.00
Real Estate	10.00	6.00
Liquidity Reserves	1.00	2.25
Total	100.00 %	

*10-Year geometric nominal returns, which include the real rate of return and inflation of 2.25% and does not include investment expenses. Over a 30-year period, STRS’ investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

**PICKERINGTON LOCAL SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 14 - DEFINED BENEFIT PENSION PLANS - (Continued)

Discount Rate - The discount rate used to measure the total pension liability was 7.45% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2020. Therefore, the long-term expected rate of return on pension plan investments of 7.45% was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2020.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following table presents the District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.45%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.45%) or one-percentage-point higher (8.45%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net pension liability	\$ 180,459,422	\$ 126,742,617	\$ 81,222,099

NOTE 15 - DEFINED BENEFIT OPEB PLANS

Net OPEB Liability/Asset

See Note 14 for a description of the net OPEB liability (asset).

Plan Description - School Employees Retirement System (SERS)

Health Care Plan Description - The District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS' Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS' health care coverage. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. The financial report of the Plan is included in the SERS Annual Comprehensive Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Active employee members do not contribute to the Health Care Plan. The SERS Retirement Board established the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14% of covered payroll to the Health Care Fund in accordance with the funding policy. For the fiscal year ended June 30, 2021, SERS did not allocate any employer contributions to post-employment health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2021, this amount was \$23,000. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2021, the District's surcharge obligation was \$295,283.

The surcharge added to the allocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The District's contractually required contribution to SERS was \$295,283 for fiscal year 2021. Of this amount, \$295,283 is reported as intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

Plan Description - The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Medicare Part B premium reimbursements will be discontinued effective January 1, 2021. The Plan is included in the report of STRS which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Funding Policy - Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14% of covered payroll. For the fiscal year ended June 30, 2021, STRS did not allocate any employer contributions to post-employment health care.

OPEB Liabilities/Assets, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability/asset was measured as of June 30, 2020, and the total OPEB liability/asset used to calculate the net OPEB liability/asset was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability/asset was based on the District's share of contributions to the respective retirement systems relative to the contributions of all participating entities.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)

Following is information related to the proportionate share and OPEB expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the net OPEB liability/asset prior measurement date	0.45017000%	0.51827597%	
Proportion of the net OPEB liability/asset current measurement date	<u>0.48354840%</u>	<u>0.52380684%</u>	
Change in proportionate share	<u>0.03337840%</u>	<u>0.00553087%</u>	
Proportionate share of the net OPEB liability	\$ 10,509,089	\$ -	\$ 10,509,089
Proportionate share of the net OPEB asset	\$ -	\$ (9,205,902)	\$ (9,205,902)
OPEB expense	\$ 239,592	\$ (381,293)	\$ (141,701)

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 138,025	\$ 589,876	\$ 727,901
Net difference between projected and actual earnings on OPEB plan investments	118,410	322,635	441,045
Changes of assumptions	1,791,434	151,963	1,943,397
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	923,489	515,221	1,438,710
Contributions subsequent to the measurement date	<u>295,283</u>	<u>-</u>	<u>295,283</u>
Total deferred outflows of resources	<u>\$ 3,266,641</u>	<u>\$ 1,579,695</u>	<u>\$ 4,846,336</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ 5,344,607	\$ 1,833,685	\$ 7,178,292
Changes of assumptions	264,700	8,744,067	9,008,767
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	<u>270,861</u>	<u>518</u>	<u>271,379</u>
Total deferred inflows of resources	<u>\$ 5,880,168</u>	<u>\$ 10,578,270</u>	<u>\$ 16,458,438</u>

**PICKERINGTON LOCAL SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)

\$295,283 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability/asset in the fiscal year ending June 30, 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2022	\$ (593,057)	\$ (2,211,140)	\$ (2,804,197)
2023	(584,493)	(1,992,760)	(2,577,253)
2024	(585,886)	(1,916,153)	(2,502,039)
2025	(600,153)	(2,024,459)	(2,624,612)
2026	(425,224)	(410,504)	(835,728)
Thereafter	(119,997)	(443,559)	(563,556)
Total	\$ (2,908,810)	\$ (8,998,575)	\$ (11,907,385)

Actuarial Assumptions - SERS

The total OPEB liability is determined by SERS' actuaries in accordance with GASB Statement No. 74, as part of their annual actuarial valuation for each retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment terminations). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2020 are presented below:

Wage inflation	3.00%
Future salary increases, including inflation	3.50% to 18.20%
Investment rate of return	7.50% net of investment expense, including inflation
Municipal bond index rate:	
Measurement date	2.45%
Prior measurement date	3.13%
Single equivalent interest rate, net of plan investment expense, including price inflation:	
Measurement date	2.63%
Prior measurement date	3.22%
Medical trend assumption:	
Measurement date	
Medicare	5.25 to 4.75%
Pre-Medicare	7.00 to 4.75%
Prior measurement date	
Medicare	5.25 to 4.75%
Pre-Medicare	7.00 to 4.75%

Mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and Scale BB, 120% of male rates and 110% of female rates. RP-2000 Disabled Mortality Table with 90% for male rates and 100% for female rates set back five years.

The most recent experience study was completed for the five year period ended June 30, 2015.

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2010 through 2015, and was adopted by the Board on April 21, 2016. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.50%, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as used in the June 30, 2015 five-year experience study, are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.00 %	1.85 %
US Equity	22.50	5.75
International Equity	22.50	6.50
Fixed Income	19.00	2.85
Private Equity	12.00	7.60
Real Assets	17.00	6.60
Multi-Asset Strategies	5.00	6.65
Total	<u>100.00 %</u>	

Discount Rate - The discount rate used to measure the total OPEB liability at June 30, 2020 was 2.63%. The discount rate used to measure total OPEB liability prior to June 30, 2019 was 3.22%. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the state statute contribution rate of 2.00% of projected covered employee payroll each year, which includes a 1.50% payroll surcharge and 0.50% of contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2025. Therefore, the long-term expected rate of return on OPEB plan assets was used to present value the projected benefit payments through the fiscal year ending June 30, 2024 and the Fidelity General Obligation 20-year Municipal Bond Index rate of 2.45%, as of June 30, 2020 (i.e. municipal bond rate), was used to present value the projected benefit payments for the remaining years in the projection. A municipal bond rate of 3.13% was used as of June 30, 2019. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The projection of future benefit payments for all current plan members was until the benefit payments ran out.

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates - The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.63%) and higher (3.63%) than the current discount rate (2.63%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.00% decreasing to 3.75%) and higher (8.00% decreasing to 5.75%) than the current rate (7.00% decreasing to 4.75%).

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 12,862,864	\$ 10,509,089	\$ 8,637,842

	1% Decrease	Current Trend Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 8,275,108	\$ 10,509,089	\$ 13,496,494

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)

Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the July 1, 2020, actuarial valuation, compared with July 1, 2019, are presented below:

	July 1, 2020		July 1, 2019	
	Initial	Ultimate	Initial	Ultimate
Inflation	2.50%		2.50%	
Projected salary increases	12.50% at age 20 to 2.50% at age 65		12.50% at age 20 to 2.50% at age 65	
Investment rate of return	7.45%, net of investment expenses, including inflation		7.45%, net of investment expenses, including inflation	
Payroll increases	3.00%		3.00%	
Cost-of-living adjustments (COLA)	0.00%		0.00%	
Discount rate of return	7.45%		7.45%	
Blended discount rate of return	N/A		N/A	
Health care cost trends				
Medical				
Pre-Medicare	5.00%	4.00%	5.87%	4.00%
Medicare	-6.69%	4.00%	4.93%	4.00%
Prescription Drug				
Pre-Medicare	6.50%	4.00%	7.73%	4.00%
Medicare	11.87%	4.00%	9.62%	4.00%

Projections of benefits include the historical pattern of sharing benefit costs between the employers and retired plan members.

For healthy retirees the mortality rates are based on the RP-2014 Annuitant Mortality Table with 50% of rates through age 69, 70% of rates between ages 70 and 79, 90% of rates between ages 80 and 84, and 100% of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. For disabled retirees, mortality rates are based on the RP-2014 Disabled Mortality Table with 90% of rates for males and 100% of rates for females, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the June 30, 2020 valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

Assumption Changes Since the Prior Measurement Date - There were no changes in assumptions since the prior measurement date of June 30, 2019.

Benefit Term Changes Since the Prior Measurement Date - There was no change to the claims costs process. Claim curves were updated to reflect the projected fiscal year end 2021 premium based on June 30, 2020 enrollment distribution. The non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984% to 2.055% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 15 - DEFINED BENEFIT OPEB PLANS - (Continued)

STRS' investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return *
Domestic Equity	28.00 %	7.35 %
International Equity	23.00	7.55
Alternatives	17.00	7.09
Fixed Income	21.00	3.00
Real Estate	10.00	6.00
Liquidity Reserves	1.00	2.25
Total	<u>100.00 %</u>	

*10-Year geometric nominal returns, which include the real rate of return and inflation of 2.25% and does not include investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

Discount Rate - The discount rate used to measure the total OPEB asset was 7.45% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumes STRS Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on health care plan investments of 7.45% was used to measure the total OPEB asset as of June 30, 2020.

Sensitivity of the District's Proportionate Share of the Net OPEB Asset to Changes in the Discount and Health Care Cost Trend Rate - The following table represents the net OPEB asset as of June 30, 2020, calculated using the current period discount rate assumption of 7.45%, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.45%) or one percentage point higher (8.45%) than the current assumption. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net OPEB asset	\$ 8,009,729	\$ 9,205,902	\$ 10,220,802
	1% Decrease	Current Trend Rate	1% Increase
District's proportionate share of the net OPEB asset	\$ 10,157,804	\$ 9,205,902	\$ 8,046,333

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 16 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance on the basis of accounting principles generally accepted in the United States of America (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);
- (d) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis); and,
- (e) Investments are reported at fair value (GAAP basis) rather than cost (budget basis).

The adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis for the general fund is as follows:

Net Change in Fund Balance

	<u>General fund</u>
Budget basis	\$ (3,070,556)
Net adjustment for revenue accruals	3,082,656
Net adjustment for expenditure accruals	(1,053,575)
Net adjustment for other sources/uses	36,833
Funds budgeted elsewhere	(628,986)
Adjustment for encumbrances	<u>3,232,779</u>
GAAP basis	<u>\$ 1,599,151</u>

Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the uniform school supplies fund, the public school support fund, the other grant fund, the termination benefits fund, STRS and SERS board share agency fund, flexible spending account fund, unclaimed fund and PCS agency closeout fund.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 17 - CONTINGENCIES

A. Grants

The District receives significant financial assistance from numerous federal, State and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the District. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial position of the District.

B. Litigation

The District is involved in no material litigation as either plaintiff or defendant.

NOTE 18 - COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. The District's investment portfolio and the pension and other employee benefits plan in which the District participate fluctuates with market conditions, and due to market volatility, the amount of gains or losses that will be realized in subsequent periods, if any, cannot be determined. In addition, the impact on the District's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

NOTE 19 - SCHOOL DISTRICT INCOME TAX

The District currently benefits from a 1% income tax, which is assessed on all residents of the District. In 2021, the District income tax generated \$22,223,902 in revenue on the modified accrual basis of accounting. The District apportions all the proceeds to the general fund.

NOTE 20 - SET-ASIDES

The District is required by State law to annually set-aside certain general fund revenue amounts, as defined by statutory formula, for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at fiscal year-end. This amount must be carried forward to be used for the same purpose in future years. Expenditures and offsets exceeding the set-aside requirement may not be carried forward to the next fiscal year.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 20 - SET-ASIDES - (Continued)

The following cash-basis information describes the change in the fiscal year-end set-aside amount for capital improvements. Disclosure of this information is required by State statute.

	<u>Capital Improvements</u>
Set-aside balance June 30, 2020	\$ -
Current year set-aside requirement	1,881,827
Current year qualifying expenditures	(2,179,031)
Current year offsets	<u>(501,448)</u>
Total	<u>\$ (798,652)</u>
Balance carried forward to fiscal year 2022	<u>\$ -</u>
Set-aside balance June 30, 2021	<u>\$ -</u>

During prior fiscal years, the District issued \$161,400,000 in classroom facilities construction bonds. These proceeds may be used to reduce capital acquisition to zero for future years. The amount presented for prior year offset from bond proceeds is limited to an amount needed to reduce the reserve for capital improvement to \$0. The District is responsible for tracking the amount of the bond proceeds that may be used as an offset in future periods, which was \$148,615,282 at June 30, 2021.

NOTE 21 - OTHER COMMITMENTS

The District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the District's commitments for encumbrances in the governmental funds were as follows:

<u>Fund</u>	<u>Year-End Encumbrances</u>
General	\$ 2,497,846
Nonmajor governmental funds	<u>1,353,577</u>
Total	<u>\$ 3,851,423</u>

NOTE 22 - TAX ABATEMENTS ENTERED INTO BY OTHER GOVERNMENTS

Community Reinvestment Areas

The City of Pickerington, Violet Township, and Fairfield County provide tax abatements through Community Reinvestment Areas (CRAs).

Under the authority of Ohio Revised Code (ORC) Section 3735.67, the CRA program is an economic development tool administered by municipal and county governments that provides real property tax exemptions for property owners who renovate existing or construct new buildings. CRA's are areas of land in which property owners can receive tax incentives for investing in real property improvements. Under the CRA program, local governments petition to the Ohio Development Services Agency (ODSA) for confirmation of a geographical area in which investment in housing is desired. Once an area is confirmed by the ODSA, local governments may offer real property tax exemptions to taxpayers that invest in that area. Property owners in the CRA can receive temporary tax abatements for renovation of existing structures and new construction in these areas. Property owners apply to the local legislative authority for approval to renovate or construct in the CRA. Upon approval and certification of completion, the amount of the abatement is deducted from the individual or entity's property tax bill.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

NOTE 22 - TAX ABATEMENTS ENTERED INTO BY OTHER GOVERNMENTS - (Continued)

The CRA agreements entered into by the City of Pickerington, Violet Township, and Fairfield County affect the property tax receipts collected and distributed to the District. Under these agreements, the District's property taxes were reduced by \$30,193.

NOTE 23 - SUBSEQUENT EVENT

For fiscal year 2022, District foundation funding received from the State of Ohio will be funded using a direct funding model. Under this new model, community school, STEM school, scholarship, and open enrollment funding will be directly funded by the State of Ohio to the respective educating schools. For fiscal year 2021 and prior, the amounts related to students who were residents of the District were funded to the District who, in turn, made the payment to the educating school. For fiscal year 2021, the District reported \$4,136,929 in revenues and expenditures/expenses related to these programs. This new funding system calculates a unique base cost and a unique "per-pupil local capacity amount" for each District. The District's state core foundation funding is then calculated. Any change in funding will be subject to a phase in percentage of 16.67 percent for fiscal year 2022 and 33.33 percent for fiscal year 2023.

REQUIRED SUPPLEMENTARY INFORMATION

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST EIGHT FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the net pension liability	0.46601730%	0.43707660%	0.45649180%	0.44084410%
District's proportionate share of the net pension liability	\$ 30,823,366	\$ 26,151,059	\$ 26,144,131	\$ 26,339,461
District's covered payroll	\$ 15,818,521	\$ 15,762,719	\$ 14,862,319	\$ 14,208,321
District's proportionate share of the net pension liability as a percentage of its covered payroll	194.86%	165.90%	175.91%	185.38%
Plan fiduciary net position as a percentage of the total pension liability	68.55%	70.85%	71.36%	69.50%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the District's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.42904250%	0.41343850%	0.39699100%	0.39699100%
\$ 31,401,952	\$ 23,591,202	\$ 20,091,468	\$ 23,607,781
\$ 13,144,543	\$ 12,446,654	\$ 11,535,772	\$ 8,845,773
238.90%	189.54%	174.17%	266.88%
62.98%	69.16%	71.70%	65.52%

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST EIGHT FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the net pension liability	0.52380684%	0.51827597%	0.50982239%	0.50984419%
District's proportionate share of the net pension liability	\$ 126,742,617	\$ 114,613,616	\$ 112,098,497	\$ 121,114,580
District's covered payroll	\$ 64,089,586	\$ 60,173,693	\$ 59,724,036	\$ 55,752,121
District's proportionate share of the net pension liability as a percentage of its covered payroll	197.76%	190.47%	187.69%	217.24%
Plan fiduciary net position as a percentage of the total pension liability	75.48%	77.40%	77.31%	75.30%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the District's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.48947303%	0.48536458%	0.46866539%	0.46866539%
\$ 163,841,377	\$ 134,140,573	\$ 113,995,642	\$ 135,790,863
\$ 51,928,429	\$ 50,639,664	\$ 47,884,654	\$ 46,012,108
315.51%	264.89%	238.06%	295.12%
66.80%	72.10%	74.70%	69.30%

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT PENSION CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

	LAST TEN FISCAL YEARS			
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 2,136,595	\$ 2,214,593	\$ 2,127,967	\$ 2,006,413
Contributions in relation to the contractually required contribution	<u>(2,136,595)</u>	<u>(2,214,593)</u>	<u>(2,127,967)</u>	<u>(2,006,413)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 15,261,393	\$ 15,818,521	\$ 15,762,719	\$ 14,862,319
Contributions as a percentage of covered payroll	14.00%	14.00%	13.50%	13.50%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 1,989,165	\$ 1,840,236	\$ 1,640,469	\$ 1,598,858	\$ 1,224,255	\$ 1,195,166
<u>(1,989,165)</u>	<u>(1,840,236)</u>	<u>(1,640,469)</u>	<u>(1,598,858)</u>	<u>(1,224,255)</u>	<u>(1,195,166)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 14,208,321	\$ 13,144,543	\$ 12,446,654	\$ 11,535,772	\$ 8,845,773	\$ 8,885,993
14.00%	14.00%	13.18%	13.86%	13.84%	13.45%

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT PENSION CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

	LAST TEN FISCAL YEARS			
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 9,205,237	\$ 8,972,542	\$ 8,424,317	\$ 8,361,365
Contributions in relation to the contractually required contribution	<u>(9,205,237)</u>	<u>(8,972,542)</u>	<u>(8,424,317)</u>	<u>(8,361,365)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 65,751,693	\$ 64,089,586	\$ 60,173,693	\$ 59,724,036
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 7,805,297	\$ 7,269,980	\$ 7,089,553	\$ 6,225,005	\$ 5,981,574	\$ 6,089,137
<u>(7,805,297)</u>	<u>(7,269,980)</u>	<u>(7,089,553)</u>	<u>(6,225,005)</u>	<u>(5,981,574)</u>	<u>(6,089,137)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 55,752,121	\$ 51,928,429	\$ 50,639,664	\$ 47,884,654	\$ 46,012,108	\$ 46,839,515
14.00%	14.00%	14.00%	13.00%	13.00%	13.00%

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST FIVE FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the net OPEB liability	0.48354840%	0.45017000%	0.46314720%	0.44897880%
District's proportionate share of the net OPEB liability	\$ 10,509,089	\$ 11,320,829	\$ 12,848,954	\$ 12,049,411
District's covered payroll	\$ 15,818,521	\$ 15,762,719	\$ 14,862,319	\$ 14,208,321
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	66.44%	71.82%	86.45%	84.81%
Plan fiduciary net position as a percentage of the total OPEB liability	18.17%	15.57%	13.57%	12.46%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the District's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2017

0.43491917%

\$ 12,396,805

\$ 13,144,543

94.31%

11.49%

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
THE NET OPEB LIABILITY/ASSET
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST FIVE FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
District's proportion of the net OPEB liability/asset	0.52380684%	0.51827597%	0.50982239%	0.50984419%
District's proportionate share of the net OPEB liability/(asset)	\$ (9,205,902)	\$ (8,583,892)	\$ (8,192,325)	\$ 19,892,239
District's covered payroll	\$ 64,089,586	\$ 60,173,693	\$ 59,724,036	\$ 55,752,121
District's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	(14.36)%	(14.27)%	(13.72)%	35.68%
Plan fiduciary net position as a percentage of the total OPEB liability/asset	182.10%	174.70%	176.00%	47.10%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Amounts presented for each fiscal year were determined as of the District's measurement date which is the prior year-end.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2017

0.48947303%

\$ 26,177,145

\$ 51,928,429

50.41%

37.33%

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT OPEB CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

	LAST TEN FISCAL YEARS			
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 295,283	\$ 310,468	\$ 364,140	\$ 324,685
Contributions in relation to the contractually required contribution	<u>(295,283)</u>	<u>(310,468)</u>	<u>(364,140)</u>	<u>(324,685)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 15,261,393	\$ 15,818,521	\$ 15,762,719	\$ 14,862,319
Contributions as a percentage of covered payroll	1.93%	1.96%	2.31%	2.18%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 252,216	\$ 220,636	\$ 303,234	\$ 199,970	\$ 176,124	\$ 228,231
<u>(252,216)</u>	<u>(220,636)</u>	<u>(303,234)</u>	<u>(199,970)</u>	<u>(176,124)</u>	<u>(228,231)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 14,208,321	\$ 13,144,543	\$ 12,446,654	\$ 11,535,772	\$ 8,845,773	\$ 8,885,993
1.78%	1.68%	2.44%	1.73%	1.99%	2.57%

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT OPEB CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

	LAST TEN FISCAL YEARS			
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 65,751,693	\$ 64,089,586	\$ 60,173,693	\$ 59,724,036
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ -	\$ -	\$ -	\$ 478,847	\$ 460,121	\$ 468,395
-	-	-	(478,847)	(460,121)	(468,395)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 55,752,121	\$ 51,928,429	\$ 50,639,664	\$ 47,884,654	\$ 46,012,108	\$ 46,839,515
0.00%	0.00%	0.00%	1.00%	1.00%	1.00%

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

PENSION

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for fiscal years 2014-2017. For fiscal year 2018, SERS changed from a fixed 3% annual increase to a Cost of Living Adjustment (COLA) based on the changes in the Consumer Price Index (CPI-W), with a cap of 2.5% and a floor of 0%. There were no changes in benefit terms from the amounts previously reported for fiscal years 2019-2021.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2016. For fiscal year 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females, (f) mortality among service retired members and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates and 110% of female rates, (g) mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement and (h) the discount rate was reduced from 7.75% to 7.50%. There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2018-2021.

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for fiscal years 2014-2017. For fiscal year 2018, STRS decreased the Cost of Living Adjustment (COLA) to zero. There were no changes in benefit terms from amounts previously reported for fiscal years 2019-2021.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2017. For fiscal year 2018, the following changes of assumption affected the total pension liability since the prior measurement date: (a) the long-term expected rate of return was reduced from 7.75% to 7.45%, (b) the inflation assumption was lowered from 2.75% to 2.50%, (c) the payroll growth assumption was lowered to 3.00%, (d) total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25% due to lower inflation, (e) the healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016 and (f) rates of retirement, termination and disability were modified to better reflect anticipated future experience. There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2019-2021.

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Changes in benefit terms: There were no changes in benefit terms from the amounts previously reported for fiscal years 2017-2021.

(Continued)

PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017. For fiscal year 2018, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement, and disability were updated to reflect recent experience, (e) mortality among active members was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females, (f) mortality among service retired members and beneficiaries was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates, (g) mortality among disabled members was updated to the following: RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement, (h) the municipal bond index rate increased from 2.92% to 3.56% and (i) the single equivalent interest rate, net of plan investment expense, including price inflation increased from 2.98% to 3.63%. For fiscal year 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate increased from 3.63% to 3.70%, (b) the health care cost trend rates for Medicare were changed from a range of 5.50%-5.00% to a range of 5.375%-4.75% and Pre-Medicare were changed from a range of 7.50%-5.00% to a range of 7.25%-4.75%, (c) the municipal bond index rate increased from 3.56% to 3.62% and (d) the single equivalent interest rate, net of plan investment expense, including price inflation increased from 3.63% to 3.70%. For fiscal year 2020, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate decreased from 3.70% to 3.22%, (b) the health care cost trend rates for Medicare were changed from a range of 5.375%-4.75% to a range of 5.25%-4.75% and Pre-Medicare were changed from a range of 7.25%-4.75% to a range of 7.00%-4.75%, (c) the municipal bond index rate decreased from 3.62% to 3.13% and (d) the single equivalent interest rate, net of plan investment expense, including price inflation decreased from 3.70% to 3.22%. For fiscal year 2021, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate decreased from 3.22% to 2.63% and (b) the municipal bond index rate decreased from 3.13% to 2.45%.

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in benefit terms: There were no changes in benefit terms from the amounts previously reported for fiscal year 2017. For fiscal year 2018, STRS reduced the subsidy multiplier for non-Medicare benefit recipients from 2.1% to 1.9% per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019. For fiscal year 2019, STRS increased the subsidy multiplier for non-Medicare benefit recipients from 1.9% to 1.944% per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020. For fiscal year 2020, STRS increased the subsidy percentage from 1.944% to 1.984% effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021. For fiscal year 2021, the non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984% to 2.055% per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1% for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017. For fiscal year 2018, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate was increased from 3.26% to 4.13% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB), (b) the long term expected rate of return was reduced from 7.75% to 7.45%, (c) valuation year per capita health care costs were updated, and the salary scale was modified, (d) the percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased and (e) the assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs. For fiscal year 2019, the following changes of assumptions affected the total OPEB liability/asset since the prior measurement date: (a) the discount rate was increased from the blended rate of 4.13% to the long-term expected rate of return of 7.45% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB) and (b) decrease in health care cost trend rates from 6.00%-11.00% initial; 4.50% ultimate down to Medical Pre-Medicare 6.00% and Medicare 5.00% initial; 4.00% ultimate and Prescription Drug Pre-Medicare 8.00% and Medicare (5.23%) initial; 4.00% ultimate. For fiscal year 2020, health care cost trend rates were changed to the following: medical pre-Medicare from 6.00% initial - 4.00% ultimate down to 5.87% initial - 4.00% ultimate; medical Medicare from 5.00% initial - 4.00% ultimate down to 4.93% initial - 4.00% ultimate; prescription drug pre-Medicare from 8.00% initial - 4.00% ultimate down to 7.73% initial - 4.00% ultimate and (5.23%) initial - 4.00% ultimate up to 9.62% initial - 4.00% ultimate. For fiscal year 2021, health care cost trend rates were changed to the following: medical pre-Medicare from 5.87% initial - 4.00% ultimate down to 5.00% initial - 4.00% ultimate; medical Medicare from 4.93% initial - 4.00% ultimate down to 9.62% initial - 4.00% ultimate up to 11.87% initial - 4.00% ultimate.

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COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES

SUPPLEMENTARY INFORMATION

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

Major Funds

General

The general fund is used to account for resources traditionally associated with a school district which are not required legally, or by sound financial management, to be accounted for in another fund. These activities include, but are not limited to, general instruction, pupil services, operation and maintenance of facilities, student transportation, and administration.

Since there is only one general fund and the legal level of budgetary control is not greater than that presented in the basic financial statements, thus no additional financial statements are presented here.

District Debt Service

The District debt service fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest and certain long-term obligations from governmental resources when the government is obligated in some manner for payment. It is also used to account for the accumulation of resources and payment of general obligation bonds payable, as required by Ohio Law.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
District Debt Service				
Total Revenues and Other Sources	\$ 11,559,346	\$ 23,399,724	\$ 23,392,794	\$ (6,930)
Total Expenditures and Other Uses	<u>11,314,144</u>	<u>23,149,602</u>	<u>23,019,945</u>	<u>129,657</u>
Net Change in Fund Balances	245,202	250,122	372,849	122,727
Unencumbered Fund Balance at Beginning of Year	<u>11,849,420</u>	<u>11,849,420</u>	<u>11,849,420</u>	<u>-</u>
Unencumbered Fund Balance at End of Year	<u>\$ 12,094,622</u>	<u>\$ 12,099,542</u>	<u>\$ 12,222,269</u>	<u>\$ 122,727</u>

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	Nonmajor Special Revenue Funds	Nonmajor Capital Project Fund	Total Nonmajor Governmental Funds
Assets:			
Equity in pooled cash and investments	\$ 4,041,423	\$ 727,489	\$ 4,768,912
Cash in segregated accounts	-	8,000	8,000
Receivables:			
Property taxes	457,719	-	457,719
Payment in lieu of taxes	10,988	-	10,988
Accounts	45,113	-	45,113
Intergovernmental	708,450	-	708,450
Prepayments	13,747	-	13,747
Materials and supplies inventory	21,124	-	21,124
Inventory held for resale	49,744	-	49,744
Total assets	\$ 5,348,308	\$ 735,489	\$ 6,083,797
Liabilities:			
Accounts payable	\$ 97,072	\$ 40,779	\$ 137,851
Contracts payable	99,405	3,813	103,218
Retainage payable	-	8,000	8,000
Accrued wages and benefits payable	578,520	-	578,520
Compensated absences payable	6,817	-	6,817
Intergovernmental payable	196,123	-	196,123
Due to other funds	40,272	-	40,272
Unearned revenue	7,763	-	7,763
Total liabilities	1,025,972	52,592	1,078,564
Deferred inflows of resources:			
Property taxes levied for the next fiscal year	398,255	-	398,255
Payment in lieu of taxes levied for the next fiscal year	4,251	-	4,251
Delinquent property tax revenue not available	9,606	-	9,606
Intergovernmental revenue not available	223,622	-	223,622
Total deferred inflows of resources	635,734	-	635,734
Fund balances:			
Nonspendable:			
Materials and supplies inventory	21,124	-	21,124
Prepays	13,747	-	13,747
Restricted:			
Classroom facilities maintenance	1,294,491	-	1,294,491
Food service operations	1,786,841	-	1,786,841
State funded programs	11,707	-	11,707
Federally funded programs	7,374	-	7,374
Student activities	663,661	-	663,661
Other purposes	31,219	-	31,219
Committed:			
Capital improvements	-	682,897	682,897
Unassigned (deficit)	(143,562)	-	(143,562)
Total fund balances	3,686,602	682,897	4,369,499
Total liabilities, deferred inflow and fund balances	\$ 5,348,308	\$ 735,489	\$ 6,083,797

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Nonmajor Special Revenue Funds	Nonmajor Capital Project Fund	Total Nonmajor Governmental Funds
Revenues:			
Property taxes	\$ 449,006	\$ -	\$ 449,006
Intergovernmental	9,234,476	-	9,234,476
Investment earnings	2,353	110	2,463
Extracurricular	473,485	-	473,485
Charges for services	350,926	-	350,926
Contributions and donations	67,610	315	67,925
Payment in lieu of taxes	14,032	-	14,032
Miscellaneous	163,093	99,138	262,231
Total revenues	<u>10,754,981</u>	<u>99,563</u>	<u>10,854,544</u>
Expenditures:			
Current:			
Instruction:			
Regular	832,664	-	832,664
Special	1,912,987	-	1,912,987
Other	735,158	-	735,158
Support services:			
Pupil	1,378,964	-	1,378,964
Instructional staff	600,456	4,080	604,536
Administration	111,109	-	111,109
Fiscal	7,141	-	7,141
Operations and maintenance	814,163	-	814,163
Pupil transportation	57,902	-	57,902
Central	540	-	540
Operation of non-instructional services:			
Food service operations	3,268,345	-	3,268,345
Other non-instructional services	58,101	-	58,101
Extracurricular activities	722,913	-	722,913
Facilities acquisition and construction	99,405	2,571,548	2,670,953
Total expenditures	<u>10,599,848</u>	<u>2,575,628</u>	<u>13,175,476</u>
Excess of expenditures over (under) revenues	<u>155,133</u>	<u>(2,476,065)</u>	<u>(2,320,932)</u>
Other financing sources:			
Transfers in	-	500,000	500,000
Total other financing sources	<u>-</u>	<u>500,000</u>	<u>500,000</u>
Net change in fund balances	155,133	(1,976,065)	(1,820,932)
Fund balances at beginning of year	<u>3,531,469</u>	<u>2,658,962</u>	<u>6,190,431</u>
Fund balances at end of year	<u>\$ 3,686,602</u>	<u>\$ 682,897</u>	<u>\$ 4,369,499</u>

**PICKERINGTON LOCAL SCHOOL DISTRICT
COMBINING STATEMENTS - NONMAJOR FUNDS**

Nonmajor Special Revenue Funds

The special revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to debt service or major capital projects) that are legally restricted to expenditure for specified purposes. The title of each special revenue fund is descriptive of the activities accounted for therein. The nonmajor special revenue funds are:

Food Services

This fund is used to record financial transactions related to food service operations.

School Trusts

This fund is used to account for trust agreements in which principal and income are used to support District programs.

Scholarship

A fund to account for the Doug Davis Memorial Scholarship Fund and the Tri-County Realtor Scholarship Fund for eligible students of the District. The principal and any income derived may be expended.

Facilities Maintenance

A fund provided to account for proceeds for State Building Assistance repayment.

Student Managed Activity

A fund provided to account for those student activity programs which have student participation in the activity and have students involved in the management of the program. This fund typically includes those student activities which consist of a student body, student president, student treasurer and faculty advisor.

Student Activity

A fund provided to account for those student activity programs which have student participation in the activity, but do not have student management of the programs. This fund includes the athletic programs and the drama program.

Data Communication

A fund provided to account for money for Ohio Educational Computer Network Connections.

Summer School Subsidy

A fund to account for the student intervention services.

Student Wellness and Success

This fund accounts for the grant monies received through Student Wellness and Success Programs which are restricted for projects that help students' academic achievement through mental health counseling, wraparound services, mentoring and after-school programs.

Miscellaneous State Grants

To account for state grants not classified elsewhere.

Elementary and Secondary School Emergency Relief

To account for emergency relief grants related to the COVID-19 pandemic. Restrictions include, but are not limited to, providing for coordination of preparedness and response efforts, training and professional development of staff, planning and coordination during long-term closure, and purchasing technology for students.

Coronavirus Relief

To account for costs that are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19).

IDEA Part B

To account for a federal grant aimed to assist in providing an appropriate public education to all children with disabilities.

**PICKERINGTON LOCAL SCHOOL DISTRICT
COMBINING STATEMENTS - NONMAJOR FUNDS**

Nonmajor Special Revenue Funds (Continued)

Title I School Improvement

To account for a federal grant to improve the teaching and learning of children failing, or most at risk of failing to meet challenging State academic achievement standards.

Title III

This fund is used to account for Federal funds to provide educational services and to meet special education needs of non-English speaking children.

Title I

To provide financial assistance to State and local educational agencies to meet the special needs of educationally deprived children. Included are the Even Start and Comprehensive School Reform programs.

IDEA Preschool Grant

To account for grant monies pertaining to Section 619 of Public Law 99-457, addressing the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

Supporting Effective Instruction

To account for various monies to hire additional classroom teachers, so that the number of students per teacher will be reduced.

Miscellaneous Federal Grants

To account for federal grants not classified elsewhere.

The following funds are included in the student managed activity fund (GAAP basis), but have separate legally adopted budgets (budget basis). These funds are included in the combining statements for the nonmajor special revenue funds under the student managed activities fund column.

Orchestra Boosters

To account for the remaining funds from the PHSC Orchestra Boosters.

Special Olympics of Ohio

To account for activity of the District's Special Olympics Club.

The following funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis). These funds are not included in the combining statements for the nonmajor special revenue funds since they are reported in the general fund (GAAP basis); however, the budgetary schedules for these funds are presented in this section.

Uniform School Supplies

This fund accounts for the purchase and sale of school supplies for use in the District. Profits derived from such sales are used for school purposes or activities connected with the school.

Public School Support

A fund provided to account for special local revenue sources, other than taxes or expendable trusts (i.e., profits from vending machines) that are assigned to expenditures for specified purposes. Such expenditures may include curricular and extra-curricular related purchases.

Other Local Grants

This fund is used to account for the proceeds of specific revenue sources, except for state and federal grants that are assigned to expenditures for specified purposes.

**PICKERINGTON LOCAL SCHOOL DISTRICT
COMBINING STATEMENTS - NONMAJOR FUNDS**

Nonmajor Special Revenue Funds (Continued)

Termination Benefits

A fund provided to account for accumulated cash for the payment of termination benefits.

Flexible Spending Account

A fund used to account for payroll accounts and funds.

Unclaimed Funds

To account for unclaimed funds.

PCS Agency Closeout

To account for the remaining funds from the Pickerington Community School closure.

STRS Board Share

A fund used to account for the board share of the amounts due to the State Teachers Retirement Services.

SERS Board Share

A fund used to account for the board share of the amounts due to the School Employees Retirement Services.

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**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2021

	<u>Food Services</u>	<u>School Trusts</u>	<u>Scholarship</u>	<u>Facilities Maintenance</u>
Assets:				
Equity in pooled cash and investments	\$ 1,981,465	\$ 26,969	\$ 4,250	\$ 1,257,750
Receivables:				
Property taxes	-	-	-	457,719
Payment in lieu of taxes	-	-	-	10,988
Accounts	-	-	-	-
Intergovernmental	-	-	-	-
Prepayments	13,747	-	-	-
Materials and supplies inventory	21,124	-	-	-
Inventory held for resale	49,744	-	-	-
Total assets	<u>\$ 2,066,080</u>	<u>\$ 26,969</u>	<u>\$ 4,250</u>	<u>\$ 1,726,457</u>
Liabilities:				
Accounts payable	\$ 4,438	\$ -	\$ -	\$ 19,854
Contracts payable	-	-	-	-
Accrued wages and benefits payable	177,693	-	-	-
Compensated absences payable	6,817	-	-	-
Intergovernmental payable	55,420	-	-	-
Due to other funds	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	<u>244,368</u>	<u>-</u>	<u>-</u>	<u>19,854</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	-	-	398,255
Payment in lieu of taxes levied for the next fiscal year	-	-	-	4,251
Delinquent property tax revenue not available	-	-	-	9,606
Intergovernmental revenue not available	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>412,112</u>
Fund balances:				
Nonspendable:				
Materials and supplies inventory	21,124	-	-	-
Prepays	13,747	-	-	-
Restricted:				
Classroom facilities maintenance	-	-	-	1,294,491
Food service operations	1,786,841	-	-	-
State funded programs	-	-	-	-
Federally funded programs	-	-	-	-
Student activities	-	-	-	-
Other purposes	-	26,969	4,250	-
Unassigned (deficits)	-	-	-	-
Total fund balances	<u>1,821,712</u>	<u>26,969</u>	<u>4,250</u>	<u>1,294,491</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 2,066,080</u>	<u>\$ 26,969</u>	<u>\$ 4,250</u>	<u>\$ 1,726,457</u>

<u>Student Managed Activity</u>	<u>Student Activity</u>	<u>Summer School Subsidy</u>	<u>Student Wellness and Success</u>	<u>Miscellaneous State Grants</u>	<u>Elementary and Secondary School Emergency Relief</u>	<u>Coronavirus Relief</u>
\$ 189,806	\$ 472,563	\$ 1,552	\$ 103,484	\$ 3,584	\$ -	\$ -
-	-	-	-	-	-	-
3,023	42,090	-	-	-	-	-
-	-	-	-	570	250,061	5,525
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 192,829</u>	<u>\$ 514,653</u>	<u>\$ 1,552</u>	<u>\$ 103,484</u>	<u>\$ 4,154</u>	<u>\$ 250,061</u>	<u>\$ 5,525</u>
\$ 409	\$ 20,640	\$ -	\$ -	\$ -	\$ 46,825	\$ 2,754
-	-	-	-	-	99,405	-
-	12,896	-	81,029	-	5,192	-
-	-	-	-	-	-	-
-	2,113	-	15,884	-	85,909	-
-	-	-	-	-	12,730	-
-	7,763	-	-	-	-	-
<u>409</u>	<u>43,412</u>	<u>-</u>	<u>96,913</u>	<u>-</u>	<u>250,061</u>	<u>2,754</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	570	-	2,771
-	-	-	-	570	-	2,771
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	1,552	6,571	3,584	-	-
-	-	-	-	-	-	-
192,420	471,241	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>192,420</u>	<u>471,241</u>	<u>1,552</u>	<u>6,571</u>	<u>3,584</u>	<u>-</u>	<u>-</u>
<u>\$ 192,829</u>	<u>\$ 514,653</u>	<u>\$ 1,552</u>	<u>\$ 103,484</u>	<u>\$ 4,154</u>	<u>\$ 250,061</u>	<u>\$ 5,525</u>

-- (Continued)

PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 JUNE 30, 2021

	<u>IDEA Part B</u>	<u>Title I School Improvement</u>	<u>Title III</u>	<u>Title I</u>
Assets:				
Equity in pooled cash and investments	\$ -	\$ -	\$ -	\$ -
Receivables:				
Property taxes	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	289,466	9,075	7,507	110,862
Prepayments	-	-	-	-
Materials and supplies inventory	-	-	-	-
Inventory held for resale	-	-	-	-
Total assets	<u>\$ 289,466</u>	<u>\$ 9,075</u>	<u>\$ 7,507</u>	<u>\$ 110,862</u>
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 948	\$ -
Contracts payable	-	-	-	-
Accrued wages and benefits payable	223,634	-	3,949	74,127
Compensated absences payable	-	-	-	-
Intergovernmental payable	33,174	-	610	2,888
Due to other funds	6,776	-	145	16,778
Unearned revenue	-	-	-	-
Total liabilities	<u>263,584</u>	<u>-</u>	<u>5,652</u>	<u>93,793</u>
Deferred inflows of resources:				
Property taxes levied for the next fiscal year	-	-	-	-
Payment in lieu of taxes levied for the next fiscal year	-	-	-	-
Delinquent property tax revenue not available	-	-	-	-
Intergovernmental revenue not available	128,566	9,075	3,375	56,427
Total deferred inflows of resources	<u>128,566</u>	<u>9,075</u>	<u>3,375</u>	<u>56,427</u>
Fund balances:				
Nonspendable:				
Materials and supplies inventory	-	-	-	-
Prepays	-	-	-	-
Restricted:				
Classroom facilities maintenance	-	-	-	-
Food service operations	-	-	-	-
State funded programs	-	-	-	-
Federally funded programs	-	-	-	-
Student activities	-	-	-	-
Other purposes	-	-	-	-
Unassigned (deficits)	(102,684)	-	(1,520)	(39,358)
Total fund balances	<u>(102,684)</u>	<u>-</u>	<u>(1,520)</u>	<u>(39,358)</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 289,466</u>	<u>\$ 9,075</u>	<u>\$ 7,507</u>	<u>\$ 110,862</u>

Supporting Effective Instruction	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ 4,041,423
-	-	457,719
-	-	10,988
-	-	45,113
12,642	22,742	708,450
-	-	13,747
-	-	21,124
-	-	49,744
<u>\$ 12,642</u>	<u>\$ 22,742</u>	<u>\$ 5,348,308</u>
\$ 477	\$ 727	\$ 97,072
-	-	99,405
-	-	578,520
-	-	6,817
125	-	196,123
-	3,843	40,272
-	-	7,763
<u>602</u>	<u>4,570</u>	<u>1,025,972</u>
-	-	398,255
-	-	4,251
-	-	9,606
11,645	11,193	223,622
<u>11,645</u>	<u>11,193</u>	<u>635,734</u>
-	-	21,124
-	-	13,747
-	-	1,294,491
-	-	1,786,841
-	-	11,707
395	6,979	7,374
-	-	663,661
-	-	31,219
-	-	(143,562)
<u>395</u>	<u>6,979</u>	<u>3,686,602</u>
<u>\$ 12,642</u>	<u>\$ 22,742</u>	<u>\$ 5,348,308</u>

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Food Services</u>	<u>School Trusts</u>	<u>Scholarship</u>	<u>Facilities Maintenance</u>
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ 449,006
Intergovernmental	2,906,640	-	-	257,601
Investment earnings	2,353	-	-	-
Extracurricular	-	-	-	-
Charges for services	350,926	-	-	-
Contributions and donations	-	5,403	4,050	-
Payment in lieu of taxes	-	-	-	14,032
Miscellaneous	-	652	-	-
Total revenues	<u>3,259,919</u>	<u>6,055</u>	<u>4,050</u>	<u>720,639</u>
Expenditures:				
Current:				
Instruction:				
Regular	-	2,580	2,000	-
Special	-	-	-	-
Other	-	-	-	-
Support services:				
Pupil	-	-	-	-
Instructional staff	-	-	-	-
Administration	-	-	-	-
Fiscal	-	-	-	7,141
Operations and maintenance	1,576	-	-	555,474
Pupil transportation	-	-	-	-
Central	-	540	-	-
Operation of non-instructional services:				
Food service operations	3,268,345	-	-	-
Other non-instructional services	-	-	-	-
Extracurricular activities	-	-	-	-
Facilities acquisition and construction	-	-	-	-
Total expenditures	<u>3,269,921</u>	<u>3,120</u>	<u>2,000</u>	<u>562,615</u>
Net change in fund balances	(10,002)	2,935	2,050	158,024
Fund balances (deficits) at beginning of year	<u>1,831,714</u>	<u>24,034</u>	<u>2,200</u>	<u>1,136,467</u>
Fund balances (deficits) at end of year	<u>\$ 1,821,712</u>	<u>\$ 26,969</u>	<u>\$ 4,250</u>	<u>\$ 1,294,491</u>

Student Managed Activity	Student Activity	Data Communication	Summer School Subsidy	Student Wellness and Success	Miscellaneous State Grants	Elementary and Secondary School Emergency Relief
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	27,000	-	698,472	161,708	1,024,100
-	-	-	-	-	-	-
71,062	402,423	-	-	-	-	-
-	-	-	-	-	-	-
6,883	51,274	-	-	-	-	-
-	-	-	-	-	-	-
4,772	157,669	-	-	-	-	-
<u>82,717</u>	<u>611,366</u>	<u>27,000</u>	<u>-</u>	<u>698,472</u>	<u>161,708</u>	<u>1,024,100</u>
115	-	-	-	-	-	412,328
-	-	-	-	-	-	34,024
-	-	-	-	-	-	4,579
-	-	27,000	-	660,359	173,932	93,496
-	-	-	-	-	7,500	170,233
-	-	-	-	-	-	16,614
-	-	-	-	-	-	-
-	-	-	-	-	-	119,981
-	-	-	-	-	-	53,877
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,190	-	-	-	-	-	40,704
103,098	578,891	-	-	-	-	36,344
-	-	-	-	-	-	99,405
<u>104,403</u>	<u>578,891</u>	<u>27,000</u>	<u>-</u>	<u>660,359</u>	<u>181,432</u>	<u>1,081,585</u>
(21,686)	32,475	-	-	38,113	(19,724)	(57,485)
<u>214,106</u>	<u>438,766</u>	<u>-</u>	<u>1,552</u>	<u>(31,542)</u>	<u>23,308</u>	<u>57,485</u>
<u>\$ 192,420</u>	<u>\$ 471,241</u>	<u>\$ -</u>	<u>\$ 1,552</u>	<u>\$ 6,571</u>	<u>\$ 3,584</u>	<u>\$ -</u>

-- (Continued)

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Coronavirus Relief</u>	<u>IDEA Part B</u>	<u>Title III</u>	<u>Title I</u>
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	695,526	2,501,963	60,578	705,918
Investment earnings	-	-	-	-
Extracurricular	-	-	-	-
Charges for services	-	-	-	-
Contributions and donations	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>695,526</u>	<u>2,501,963</u>	<u>60,578</u>	<u>705,918</u>
Expenditures:				
Current:				
Instruction:				
Regular	280,152	-	-	135,489
Special	-	1,773,034	54,767	-
Other	-	185,845	-	544,734
Support services:				
Pupil	117,592	250,841	-	-
Instructional staff	152,045	185,497	1,830	3,000
Administration	-	94,495	-	-
Fiscal	-	-	-	-
Operations and maintenance	137,132	-	-	-
Pupil transportation	4,025	-	-	-
Central	-	-	-	-
Operation of non-instructional services:				
Food service operations	-	-	-	-
Other non-instructional services	-	-	2,917	13,115
Extracurricular activities	4,580	-	-	-
Facilities acquisition and construction	-	-	-	-
Total expenditures	<u>695,526</u>	<u>2,489,712</u>	<u>59,514</u>	<u>696,338</u>
Net change in fund balances	-	12,251	1,064	9,580
Fund balances (deficits) at beginning of year	<u>-</u>	<u>(114,935)</u>	<u>(2,584)</u>	<u>(48,938)</u>
Fund balances (deficits) at end of year	<u>\$ -</u>	<u>\$ (102,684)</u>	<u>\$ (1,520)</u>	<u>\$ (39,358)</u>

IDEA Preschool Grant	Supporting Effective Instruction	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ 449,006
51,162	78,517	65,291	9,234,476
-	-	-	2,353
-	-	-	473,485
-	-	-	350,926
-	-	-	67,610
-	-	-	14,032
-	-	-	163,093
<u>51,162</u>	<u>78,517</u>	<u>65,291</u>	<u>10,754,981</u>
-	-	-	832,664
51,162	-	-	1,912,987
-	-	-	735,158
-	-	55,744	1,378,964
-	77,958	2,393	600,456
-	-	-	111,109
-	-	-	7,141
-	-	-	814,163
-	-	-	57,902
-	-	-	540
-	-	-	3,268,345
-	-	175	58,101
-	-	-	722,913
-	-	-	99,405
<u>51,162</u>	<u>77,958</u>	<u>58,312</u>	<u>10,599,848</u>
-	559	6,979	155,133
-	(164)	-	3,531,469
<u>\$ -</u>	<u>\$ 395</u>	<u>\$ 6,979</u>	<u>\$ 3,686,602</u>

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Food Services				
Total Revenues and Other Sources	\$ 4,886,496	\$ 4,886,496	\$ 3,098,242	\$ (1,788,254)
Total Expenditures and Other Uses	5,218,277	5,218,277	3,079,390	2,138,887
Net Change in Fund Balances	(331,781)	(331,781)	18,852	350,633
Unencumbered Fund Balance at Beginning of Year	1,842,514	1,842,514	1,842,514	-
Prior Year Encumbrances Appropriated	94,224	94,224	94,224	-
Unencumbered Fund Balance at End of Year	<u>\$ 1,604,957</u>	<u>\$ 1,604,957</u>	<u>\$ 1,955,590</u>	<u>\$ 350,633</u>
School Trusts				
Total Revenues and Other Sources	\$ 40,000	\$ 44,900	\$ 6,065	\$ (38,835)
Total Expenditures and Other Uses	24,148	26,148	3,120	23,028
Net Change in Fund Balances	15,852	18,752	2,945	(15,807)
Unencumbered Fund Balance at Beginning of Year	24,024	24,024	24,024	-
Unencumbered Fund Balance at End of Year	<u>\$ 39,876</u>	<u>\$ 42,776</u>	<u>\$ 26,969</u>	<u>\$ (15,807)</u>
Scholarship				
Total Revenues and Other Sources	\$ 500	\$ 4,550	\$ 4,050	\$ (500)
Total Expenditures and Other Uses	500	5,500	3,500	2,000
Net Change in Fund Balances	-	(950)	550	1,500
Unencumbered Fund Balance at Beginning of Year	2,200	2,200	2,200	-
Unencumbered Fund Balance at End of Year	<u>\$ 2,200</u>	<u>\$ 1,250</u>	<u>\$ 2,750</u>	<u>\$ 1,500</u>

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Facilities Maintenance				
Total Revenues and Other Sources	\$ 691,338	\$ 691,338	\$ 706,440	\$ 15,102
Total Expenditures and Other Uses	808,665	808,665	680,581	128,084
Net Change in Fund Balances	(117,327)	(117,327)	25,859	143,186
Unencumbered Fund Balance at Beginning of Year	1,051,240	1,051,240	1,051,240	-
Prior Year Encumbrances Appropriated	43,671	43,671	43,671	-
Unencumbered Fund Balance at End of Year	<u>\$ 977,584</u>	<u>\$ 977,584</u>	<u>\$ 1,120,770</u>	<u>\$ 143,186</u>
Student Managed Activity				
Total Revenues and Other Sources	\$ 300,000	\$ 471,999	\$ 85,082	\$ (386,917)
Total Expenditures and Other Uses	137,390	274,032	113,312	160,720
Net Change in Fund Balances	162,610	197,967	(28,230)	(226,197)
Unencumbered Fund Balance at Beginning of Year	169,347	169,347	169,347	-
Prior Year Encumbrances Appropriated	212	212	212	-
Unencumbered Fund Balance at End of Year	<u>\$ 332,169</u>	<u>\$ 367,526</u>	<u>\$ 141,329</u>	<u>\$ (226,197)</u>
Student Activity				
Total Revenues and Other Sources	\$ 790,000	\$ 911,145	\$ 503,761	\$ (407,384)
Total Expenditures and Other Uses	629,597	727,893	516,444	211,449
Net Change in Fund Balances	160,403	183,252	(12,683)	(195,935)
Unencumbered Fund Balance at Beginning of Year	388,846	388,846	388,846	-
Prior Year Encumbrances Appropriated	49,647	49,647	49,647	-
Unencumbered Fund Balance at End of Year	<u>\$ 598,896</u>	<u>\$ 621,745</u>	<u>\$ 425,810</u>	<u>\$ (195,935)</u>

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Data Communication				
Total Revenues and Other Sources	\$ 27,000	\$ 27,000	\$ 27,000	\$ -
Total Expenditures and Other Uses	<u>27,000</u>	<u>27,000</u>	<u>27,000</u>	<u>-</u>
Net Change in Fund Balances	-	-	-	-
Unencumbered Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Unencumbered Fund Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Summer School Subsidy				
Unencumbered Fund Balance at Beginning of Year	<u>\$ 1,552</u>	<u>\$ 1,552</u>	<u>\$ 1,552</u>	<u>\$ -</u>
Unencumbered Fund Balance at End of Year	<u><u>\$ 1,552</u></u>	<u><u>\$ 1,552</u></u>	<u><u>\$ 1,552</u></u>	<u><u>\$ -</u></u>
Student Wellness and Success				
Total Revenues and Other Sources	\$ 679,346	\$ 698,472	\$ 698,472	\$ -
Total Expenditures and Other Uses	<u>629,881</u>	<u>655,737</u>	<u>650,668</u>	<u>5,069</u>
Net Change in Fund Balances	49,465	42,735	47,804	5,069
Unencumbered Fund Balance at Beginning of Year	<u>55,680</u>	<u>55,680</u>	<u>55,680</u>	<u>-</u>
Unencumbered Fund Balance at End of Year	<u><u>\$ 105,145</u></u>	<u><u>\$ 98,415</u></u>	<u><u>\$ 103,484</u></u>	<u><u>\$ 5,069</u></u>

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Miscellaneous State Grants				
Total Revenues and Other Sources	\$ 69,270	\$ 162,278	\$ 161,708	\$ (570)
Total Expenditures and Other Uses	70,784	185,586	184,989	597
Net Change in Fund Balances	(1,514)	(23,308)	(23,281)	27
Unencumbered Fund Balance at Beginning of Year	9,476	9,476	9,476	-
Prior Year Encumbrances Appropriated	13,832	13,832	13,832	-
Unencumbered Fund Balance at End of Year	<u>\$ 21,794</u>	<u>\$ -</u>	<u>\$ 27</u>	<u>\$ 27</u>
Elementary and Secondary School Emergency Relief				
Total Revenues and Other Sources	\$ 623,877	\$ 3,377,047	\$ 911,399	\$ (2,465,648)
Total Expenditures and Other Uses	571,894	3,325,064	1,921,355	1,403,709
Net Change in Fund Balances	51,983	51,983	(1,009,956)	(1,061,939)
Unencumbered Fund Balance (Deficit) at Beginning of Year	(200,550)	(200,550)	(200,550)	-
Prior Year Encumbrances Appropriated	148,567	148,567	148,567	-
Unencumbered Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,061,939)</u>	<u>\$ (1,061,939)</u>
Coronavirus Relief				
Total Revenues and Other Sources	\$ -	\$ 698,297	\$ 692,772	\$ (5,525)
Total Expenditures and Other Uses	546,252	698,297	695,964	2,333
Net Change in Fund Balances	(546,252)	-	(3,192)	(3,192)
Unencumbered Fund Balance at Beginning of Year	-	-	-	-
Unencumbered Fund Balance (Deficit) at End of Year	<u>\$ (546,252)</u>	<u>\$ -</u>	<u>\$ (3,192)</u>	<u>\$ (3,192)</u>

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
IDEA Part B				
Total Revenues and Other Sources	\$ 3,671,319	\$ 3,366,416	\$ 2,650,207	\$ (716,209)
Total Expenditures and Other Uses	<u>2,691,505</u>	<u>2,938,678</u>	<u>2,638,190</u>	<u>300,488</u>
Net Change in Fund Balances	979,814	427,738	12,017	(415,721)
Unencumbered Fund Balance (Deficit) at Beginning of Year	(246,901)	(246,901)	(246,901)	-
Prior Year Encumbrances Appropriated	<u>110,822</u>	<u>110,822</u>	<u>110,822</u>	<u>-</u>
Unencumbered Fund Balance (Deficit) at End of Year	<u>\$ 843,735</u>	<u>\$ 291,659</u>	<u>\$ (124,062)</u>	<u>\$ (415,721)</u>
Title I School Improvement				
Total Revenues and Other Sources	\$ 10,468	\$ 29,211	\$ 800	\$ (28,411)
Total Expenditures and Other Uses	<u>9,668</u>	<u>18,743</u>	<u>9,075</u>	<u>9,668</u>
Net Change in Fund Balances	800	-	(8,275)	(18,743)
Unencumbered Fund Balance (Deficit) at Beginning of Year	(10,468)	(10,468)	(10,468)	-
Prior Year Encumbrances Appropriated	<u>9,668</u>	<u>9,668</u>	<u>9,668</u>	<u>-</u>
Unencumbered Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ (800)</u>	<u>\$ (9,075)</u>	<u>\$ (18,743)</u>
Title III				
Total Revenues and Other Sources	\$ 136,415	\$ 146,461	\$ 59,408	\$ (87,053)
Total Expenditures and Other Uses	<u>103,905</u>	<u>136,940</u>	<u>69,547</u>	<u>67,393</u>
Net Change in Fund Balances	32,510	9,521	(10,139)	(19,660)
Unencumbered Fund Balance (Deficit) at Beginning of Year	(3,360)	(3,360)	(3,360)	-
Prior Year Encumbrances Appropriated	<u>2,373</u>	<u>2,373</u>	<u>2,373</u>	<u>-</u>
Unencumbered Fund Balance (Deficit) at End of Year	<u>\$ 31,523</u>	<u>\$ 8,534</u>	<u>\$ (11,126)</u>	<u>\$ (19,660)</u>

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Title I				
Total Revenues and Other Sources	\$ 1,174,991	\$ 1,184,758	\$ 742,460	\$ (442,298)
Total Expenditures and Other Uses	996,297	912,046	742,349	169,697
Net Change in Fund Balances	178,694	272,712	111	(272,601)
Unencumbered Fund Balance (Deficit) at Beginning of Year	(39,176)	(39,176)	(39,176)	-
Prior Year Encumbrances Appropriated	7,742	7,742	7,742	-
Unencumbered Fund Balance (Deficit) at End of Year	<u>\$ 147,260</u>	<u>\$ 241,278</u>	<u>\$ (31,323)</u>	<u>\$ (272,601)</u>
IDEA Preschool Grant				
Total Revenues and Other Sources	\$ 153,012	\$ 149,229	\$ 149,174	\$ (55)
Total Expenditures and Other Uses	50,836	51,217	51,162	55
Net Change in Fund Balances	102,176	98,012	98,012	-
Unencumbered Fund Balance (Deficit) at Beginning of Year	(98,012)	(98,012)	(98,012)	-
Unencumbered Fund Balance at End of Year	<u>\$ 4,164</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Supporting Effective Instruction				
Total Revenues and Other Sources	\$ 287,170	\$ 286,060	\$ 80,209	\$ (205,851)
Total Expenditures and Other Uses	234,810	283,207	91,670	191,537
Net Change in Fund Balances	52,360	2,853	(11,461)	(14,314)
Unencumbered Fund Balance (Deficit) at Beginning of Year	(12,327)	(12,327)	(12,327)	-
Prior Year Encumbrances Appropriated	9,474	9,474	9,474	-
Unencumbered Fund Balance (Deficit) at End of Year	<u>\$ 49,507</u>	<u>\$ -</u>	<u>\$ (14,314)</u>	<u>\$ (14,314)</u>

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Miscellaneous Federal Grant				
Total Revenues and Other Sources	\$ 76,179	\$ 97,142	\$ 58,495	\$ (38,647)
Total Expenditures and Other Uses	58,399	92,389	91,901	488
Net Change in Fund Balances	17,780	4,753	(33,406)	(38,159)
Unencumbered Fund Balance (Deficit) at Beginning of Year	(5,350)	(5,350)	(5,350)	-
Prior Year Encumbrances Appropriated	597	597	597	-
Unencumbered Fund Balance (Deficit) at End of Year	<u>\$ 13,027</u>	<u>\$ -</u>	<u>\$ (38,159)</u>	<u>\$ (38,159)</u>
Orchestra Boosters				
Total Revenues and Other Sources	\$ 19,000	\$ 19,000	\$ -	\$ (19,000)
Total Expenditures and Other Uses	2,400	2,400	116	2,284
Net Change in Fund Balances	16,600	16,600	(116)	(16,716)
Unencumbered Fund Balance at Beginning of Year	23,888	23,888	23,888	-
Prior Year Encumbrances Appropriated	2,400	2,400	2,400	-
Unencumbered Fund Balance at End of Year	<u>\$ 42,888</u>	<u>\$ 42,888</u>	<u>\$ 26,172</u>	<u>\$ (16,716)</u>
Special Olympics of Ohio				
Total Revenues and Other Sources	\$ 15,511	\$ 15,511	\$ 486	\$ (15,025)
Total Expenditures and Other Uses	-	-	1,190	(1,190)
Net Change in Fund Balances	15,511	15,511	(704)	(16,215)
Unencumbered Fund Balance at Beginning of Year	17,188	17,188	17,188	-
Unencumbered Fund Balance at End of Year	<u>\$ 32,699</u>	<u>\$ 32,699</u>	<u>\$ 16,484</u>	<u>\$ (16,215)</u>

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Uniform School Supplies				
Total Revenues and Other Sources	\$ 725,000	\$ 725,000	\$ 591,243	\$ (133,757)
Total Expenditures and Other Uses	<u>757,810</u>	<u>827,310</u>	<u>533,966</u>	<u>293,344</u>
Net Change in Fund Balances	(32,810)	(102,310)	57,277	159,587
Unencumbered Fund Balance at Beginning of Year	319,671	319,671	319,671	-
Prior Year Encumbrances Appropriated	<u>9,561</u>	<u>9,561</u>	<u>9,561</u>	<u>-</u>
Unencumbered Fund Balance at End of Year	<u>\$ 296,422</u>	<u>\$ 226,922</u>	<u>\$ 386,509</u>	<u>\$ 159,587</u>
Public School Support				
Total Revenues and Other Sources	\$ 58,768	\$ 130,783	\$ 49,060	\$ (81,723)
Total Expenditures and Other Uses	<u>266,586</u>	<u>287,923</u>	<u>203,397</u>	<u>84,526</u>
Net Change in Fund Balances	(207,818)	(157,140)	(154,337)	2,803
Unencumbered Fund Balance at Beginning of Year	46,109	46,109	46,109	-
Prior Year Encumbrances Appropriated	<u>177,978</u>	<u>177,978</u>	<u>177,978</u>	<u>-</u>
Unencumbered Fund Balance at End of Year	<u>\$ 16,269</u>	<u>\$ 66,947</u>	<u>\$ 69,750</u>	<u>\$ 2,803</u>
Other Local Grants				
Total Revenues and Other Sources	\$ 916,589	\$ 934,589	\$ 1,098,988	\$ 164,399
Total Expenditures and Other Uses	<u>979,312</u>	<u>1,044,147</u>	<u>1,022,518</u>	<u>21,629</u>
Net Change in Fund Balances	(62,723)	(109,558)	76,470	186,028
Unencumbered Fund Balance at Beginning of Year	441,696	441,696	441,696	-
Prior Year Encumbrances Appropriated	<u>18,667</u>	<u>18,667</u>	<u>18,667</u>	<u>-</u>
Unencumbered Fund Balance at End of Year	<u>\$ 397,640</u>	<u>\$ 350,805</u>	<u>\$ 536,833</u>	<u>\$ 186,028</u>

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Termination Benefits				
Total Expenditures and Other Uses	\$ 175,000	\$ 398,511	\$ 387,150	\$ 11,361
Net Change in Fund Balances	(175,000)	(398,511)	(387,150)	11,361
Unencumbered Fund Balance at Beginning of Year	<u>2,605,669</u>	<u>2,605,669</u>	<u>2,605,669</u>	<u>-</u>
Unencumbered Fund Balance at End of Year	<u>\$ 2,430,669</u>	<u>\$ 2,207,158</u>	<u>\$ 2,218,519</u>	<u>\$ 11,361</u>
Flexible Spending Account				
Unencumbered Fund Balance at Beginning of Year	\$ 6,775	\$ 6,775	\$ 6,775	\$ -
Unencumbered Fund Balance at End of Year	<u>\$ 6,775</u>	<u>\$ 6,775</u>	<u>\$ 6,775</u>	<u>\$ -</u>
Unclaimed Funds				
Total Revenues and Other Sources	\$ 4,231	\$ 4,231	\$ 5,059	\$ 828
Net Change in Fund Balances	4,231	4,231	5,059	828
Unencumbered Fund Balance at Beginning of Year	<u>19,553</u>	<u>19,553</u>	<u>19,553</u>	<u>-</u>
Unencumbered Fund Balance at End of Year	<u>\$ 23,784</u>	<u>\$ 23,784</u>	<u>\$ 24,612</u>	<u>\$ 828</u>

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
PCS Agency Closeout				
Total Expenditures and Other Uses	\$ 5,000	\$ 5,000	\$ 5,000	\$ -
Net Change in Fund Balances	(5,000)	(5,000)	(5,000)	-
Unencumbered Fund Balance at Beginning of Year	29,229	29,229	29,229	-
Prior Year Encumbrances Appropriated	5,000	5,000	5,000	-
Unencumbered Fund Balance at End of Year	<u>\$ 29,229</u>	<u>\$ 29,229</u>	<u>\$ 29,229</u>	<u>\$ -</u>
STRS Board Share				
Total Revenues and Other Sources	\$ 9,540,408	\$ 9,815,239	\$ 9,364,866	\$ (450,373)
Total Expenditures and Other Uses	9,667,452	9,667,452	9,364,866	302,586
Net Change in Fund Balances	(127,044)	147,787	-	(147,787)
Unencumbered Fund Balance at Beginning of Year	-	-	-	-
Unencumbered Fund Balance (Deficit) at End of Year	<u>\$ (127,044)</u>	<u>\$ 147,787</u>	<u>\$ -</u>	<u>\$ (147,787)</u>
SERS Board Share				
Total Revenues and Other Sources	\$ 1,855,500	\$ 1,872,263	\$ 1,836,961	\$ (35,302)
Total Expenditures and Other Uses	1,942,666	1,942,666	1,935,071	7,595
Net Change in Fund Balances	(87,166)	(70,403)	(98,110)	(27,707)
Unencumbered Fund Balance (Deficit) at Beginning of Year	(26,643)	(26,643)	(26,643)	-
Unencumbered Fund Balance (Deficit) at End of Year	<u>\$ (113,809)</u>	<u>\$ (97,046)</u>	<u>\$ (124,753)</u>	<u>\$ (27,707)</u>

**PICKERINGTON LOCAL SCHOOLS
COMBINING STATEMENTS - NONMAJOR FUNDS**

Nonmajor Capital Project Funds

Capital project funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). The nonmajor capital project fund is:

Permanent Improvement

To account for the acquisition, construction, or improvement of capital facilities.

The District had only one nonmajor capital projects fund. As a result, no additional financial statements are presented but, are presented on the combining balance sheet and combining statement of revenues, expenditures and changes in fund balances - nonmajor governmental funds.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Permanent Improvement				
Total Revenues and Other Sources	\$ 600,000	\$ 651,994	\$ 651,557	\$ (437)
Total Expenditures and Other Uses	<u>3,059,728</u>	<u>3,101,728</u>	<u>3,056,298</u>	<u>45,430</u>
Net Change in Fund Balances	(2,459,728)	(2,449,734)	(2,404,741)	44,993
Unencumbered Fund Balance at Beginning of Year	54,752	54,752	54,752	-
Prior Year Encumbrances Appropriated	<u>2,948,728</u>	<u>2,948,728</u>	<u>2,948,728</u>	-
Unencumbered Fund Balance at End of Year	<u>\$ 543,752</u>	<u>\$ 553,746</u>	<u>\$ 598,739</u>	<u>\$ 44,993</u>

**PICKERINGTON LOCAL SCHOOLS
COMBINING STATEMENTS - PROPRIETARY FUNDS**

Proprietary Funds

Internal service funds account for the financing of goods or services provided by one department or agency of the District to other departments, or agencies, on a cost-reimbursement basis. Charges are intended to recoup the total cost of such services.

Self Insurance

The internal service fund accounts for operations of the District's self-insurance program for medical, dental and prescription drug benefits.

Worker's Compensation

The internal service fund accounts for monies received from other funds as payment for providing worker's compensation benefits to employees.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2021

	Self Insurance	Worker's Compensation	Total
Assets:			
Current:			
Equity in pooled cash and investments	\$ 9,381,379	\$ 1,367,478	\$ 10,748,857
Total assets	9,381,379	1,367,478	10,748,857
Liabilities:			
Current:			
Claims payable	\$ 831,500	\$ -	\$ 831,500
Total liabilities	831,500	-	831,500
Net Position:			
Unrestricted	8,549,879	1,367,478	9,917,357
Total net position	\$ 8,549,879	\$ 1,367,478	\$ 9,917,357

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Self Insurance	Worker's Compensation	Total
Operating revenues:			
Charges for services	\$ 16,957,453	\$ 325,000	\$ 17,282,453
Total operating revenues	<u>16,957,453</u>	<u>325,000</u>	<u>17,282,453</u>
Operating expenses:			
Purchased services	-	18,372	18,372
Claims	<u>15,792,692</u>	<u>176,400</u>	<u>15,969,092</u>
Total operating expenses	<u>15,792,692</u>	<u>194,772</u>	<u>15,987,464</u>
Operating income	1,164,761	130,228	1,294,989
Nonoperating revenues:			
Refunds and reimbursements	<u>211</u>	<u>571</u>	<u>782</u>
Total nonoperating revenues	<u>211</u>	<u>571</u>	<u>782</u>
Change in net position	1,164,972	130,799	1,295,771
Net position at beginning of year	<u>7,384,907</u>	<u>1,236,679</u>	<u>8,621,586</u>
Net position at end of year	<u>\$ 8,549,879</u>	<u>\$ 1,367,478</u>	<u>\$ 9,917,357</u>

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Self Insurance</u>	<u>Worker's Compensation</u>	<u>Total</u>
Cash flows from operating activities:			
Cash received from charges for services	\$ 16,957,453	\$ 325,000	\$ 17,282,453
Cash payments for contractual services	-	(18,372)	(18,372)
Cash payments for claims	(15,988,092)	(176,400)	(16,164,492)
Net cash provided by operating activities	<u>969,361</u>	<u>130,228</u>	<u>1,099,589</u>
Cash flows from noncapital financing activities:			
Cash received from refunds and reimbursements	<u>211</u>	<u>571</u>	<u>782</u>
Net cash provided by noncapital financing activities	<u>211</u>	<u>571</u>	<u>782</u>
Net increase in cash and investments	969,572	130,799	1,100,371
Cash and investments at beginning of year	8,411,807	1,236,679	9,648,486
Cash and investments at end of year	<u>\$ 9,381,379</u>	<u>\$ 1,367,478</u>	<u>\$ 10,748,857</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	\$ 1,164,761	\$ 130,228	\$ 1,294,989
Changes in assets and liabilities:			
Claims payable	<u>(195,400)</u>	<u>-</u>	<u>(195,400)</u>
Net cash provided by operating activities	<u>\$ 969,361</u>	<u>\$ 130,228</u>	<u>\$ 1,099,589</u>

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Self-Insurance				
Total Revenues	\$ 17,184,016	\$ 17,313,616	\$ 16,957,664	\$ (355,952)
Total Expenses	<u>17,131,600</u>	<u>17,131,600</u>	<u>15,988,092</u>	<u>1,143,508</u>
Net Change in Fund Equity	52,416	182,016	969,572	787,556
Unencumbered Fund Equity at Beginning of Year	<u>8,411,807</u>	<u>8,411,807</u>	<u>8,411,807</u>	<u>-</u>
Unencumbered Fund Equity at End of Year	<u>\$ 8,464,223</u>	<u>\$ 8,593,823</u>	<u>\$ 9,381,379</u>	<u>\$ 787,556</u>
Worker's Compensation				
Total Revenues	\$ 300,000	\$ 300,000	325,571	\$ 25,571
Total Expenses	<u>146,030</u>	<u>252,030</u>	<u>194,772</u>	<u>57,258</u>
Net Change in Fund Equity	153,970	47,970	130,799	82,829
Unencumbered Fund Equity at Beginning of Year	1,232,571	1,232,571	1,232,571	-
Prior Year Encumbrances Appropriated	<u>4,108</u>	<u>4,108</u>	<u>4,108</u>	<u>-</u>
Unencumbered Fund Equity at End of Year	<u>\$ 1,390,649</u>	<u>\$ 1,284,649</u>	<u>\$ 1,367,478</u>	<u>\$ 82,829</u>

**PICKERINGTON LOCAL SCHOOLS
COMBINING STATEMENTS - FIDUCIARY FUND**

Fiduciary Fund

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. The District does not have any trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund.

Custodial Fund

District Agency

A fund provided to account for monies collected and distributed on behalf of the Ohio High School Athletic Association (OHSAA) for tournaments held at the District.

The District did not collect or distribute any funds on behalf of OHSAA in fiscal year 2021 and as a result no fiduciary funds are presented in the basic financial statements.

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STATISTICAL SECTION

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**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

STATISTICAL SECTION

This part of the Pickerington Local School District's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

<u>Table of Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	S 2-15
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	S 16-21
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	S 22-25
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	S 26-27
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	S 28-35

Sources: Sources are noted on the individual schedules.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2021</u>	<u>2020</u>	<u>2019 (4)</u>	<u>2018</u>
Governmental activities				
Net investment in capital assets	\$ 53,446,337	\$ 48,166,989	\$ 48,396,228	\$ 49,176,816
Restricted	17,440,741	16,696,831	16,144,604	14,278,882
Unrestricted (deficit)	(102,714,393)	(93,060,845)	(83,503,755)	(90,217,725)
Total governmental activities net position	<u>\$ (31,827,315)</u>	<u>\$ (28,197,025)</u>	<u>\$ (18,962,923)</u>	<u>\$ (26,762,027)</u>

(1) Amounts have been restated to reflect the implementation of GASB Statement No. 65.

(2) The District implemented GASB Statement No. 68 and 71 in 2015.
Amounts for 2014 have been restated to reflect the implementation of these statements.

(3) The District implemented GASB Statement No. 75 in 2018.
Amounts for 2017 have been restated to reflect the implementation of this statement.

(4) The District implemented GASB Statement No. 84 in 2020.
Amounts for 2019 have been restated to reflect the implementation of this statement.

Source: School District financial records.

<u>2017 (3)</u>	<u>2016</u>	<u>2015</u>	<u>2014 (2)</u>	<u>2013</u>	<u>2012 (1)</u>
\$ 49,887,240	\$ 48,368,374	\$ 47,937,548	\$ 49,003,234	\$ 50,969,833	\$ 49,036,160
9,768,036	12,874,772	12,892,373	13,471,914	14,188,211	15,100,633
(158,873,689)	(114,284,072)	(123,921,792)	(133,083,954)	14,377,478	6,287,194
<u>\$ (99,218,413)</u>	<u>\$ (53,040,926)</u>	<u>\$ (63,091,871)</u>	<u>\$ (70,608,806)</u>	<u>\$ 79,535,522</u>	<u>\$ 70,423,987</u>

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2021</u>	<u>2020</u>	<u>2019 (2)</u>	<u>2018</u>
Expenses				
Governmental activities:				
Instruction:				
Regular	\$ 67,211,784	\$ 66,979,662	\$ 53,489,067	\$ 26,345,213
Special	23,828,715	22,781,914	18,136,323	9,233,045
Vocational	630,809	652,378	640,339	572,907
Other	4,980,886	4,255,868	3,479,087	2,613,626
Support services:				
Pupil	9,930,743	9,488,568	7,804,612	3,861,338
Instructional staff	6,697,331	6,671,881	5,725,467	3,264,882
Board of education	899,247	617,358	679,573	727,981
Administration	9,757,849	9,578,284	7,833,278	3,703,418
Fiscal	2,511,451	2,315,087	2,220,018	1,754,133
Business	450,003	482,230	577,125	338,321
Operations and maintenance	11,653,804	12,583,473	11,727,019	9,601,144
Pupil transportation	5,910,138	5,850,116	6,041,786	5,981,607
Central	1,476,173	1,417,976	1,174,548	425,764
Operation of non-instructional services:				
Food service operations	4,073,685	5,333,992	5,390,866	4,508,348
Other non-instructional services	302,762	61,253	80,777	71,401
Extracurricular activities	3,068,178	3,109,249	3,064,070	1,663,488
Interest and fiscal charges	2,709,676	3,146,618	3,691,172	4,372,970
Total governmental activities expenses	<u>156,093,234</u>	<u>155,325,907</u>	<u>131,755,127</u>	<u>79,039,586</u>

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012 (1)</u>
\$	60,903,934	\$ 50,113,119	\$ 52,583,534	\$ 54,421,633	\$ 48,191,201	\$ 47,965,763
	18,673,608	15,406,568	14,636,818	13,059,009	8,872,090	8,396,846
	601,392	575,131	374,565	413,924	332,180	438,906
	4,417,552	3,505,283	3,352,317	3,833,072	3,852,328	3,417,335
	7,871,413	6,493,988	6,330,512	6,284,145	5,481,281	4,903,756
	5,857,404	5,831,566	6,114,863	5,024,779	6,283,346	5,487,355
	702,080	679,391	811,526	670,829	509,010	528,244
	9,126,746	8,105,447	7,614,934	7,957,351	7,878,590	8,099,300
	2,241,987	2,079,635	2,019,426	1,988,705	1,928,272	1,854,338
	440,428	546,554	415,695	399,604	552,441	540,477
	12,430,706	11,285,198	11,069,229	10,989,488	10,547,461	10,440,229
	6,881,121	6,046,787	5,848,200	5,811,014	5,335,857	5,556,206
	1,180,050	664,189	653,365	65,492	85,766	157,325
	5,996,942	5,258,365	4,973,348	5,067,549	4,795,927	4,480,977
	856,439	573,252	703,955	628,776	444,275	48,703
	3,108,863	2,562,454	2,498,975	2,576,374	2,435,911	2,219,007
	4,761,166	5,973,498	6,233,371	6,822,724	7,277,760	7,142,096
	<u>146,051,831</u>	<u>125,700,425</u>	<u>126,234,633</u>	<u>126,014,468</u>	<u>114,803,696</u>	<u>111,676,863</u>

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

CHANGES IN NET POSITION - (Continued)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Program Revenues	<u>2021</u>	<u>2020</u>	<u>2019 (2)</u>	<u>2018</u>
Governmental activities:				
Charges for services:				
Instruction:				
Regular	\$ 990,706	\$ 1,479,876	\$ 1,120,031	\$ 1,163,702
Special	329,220	411,885	325,622	422,057
Support services:				
Instructional staff	-	63,075	-	-
Administration	-	608	695	749
Fiscal	-	468	-	-
Operations and maintenance	196,282	438,968	312,825	285,081
Pupil transportation	-	-	-	-
Operation of non-instructional services:				
Food service operations	350,757	2,420,305	2,993,395	3,063,669
Other non-instructional services	810	3,948	-	-
Extracurricular activities	1,134,822	1,099,989	1,576,212	1,485,926
Operating grants and contributions:				
Instruction:				
Regular	858,374	203,946	194,834	164,444
Special	9,306,331	9,500,951	8,925,551	8,267,187
Vocational	579,528	579,528	578,375	597,028
Other	744,730	810,493	742,053	722,665
Support services:				
Pupil	1,418,214	815,356	261,273	136,182
Instructional staff	628,510	444,403	421,841	238,774
Board of education	-	-	-	-
Administration	111,232	95,295	87,874	90,018
Fiscal	-	-	-	-
Operations and maintenance	264,182	14,832	788	930
Pupil transportation	597,204	485,982	384,231	415,577
Central	1,048	1,675	29	-
Operation of non-instructional services:				
Food service operations	2,907,591	2,216,359	2,257,437	2,058,609
Other non-instructional services	59,208	14,978	32,494	25,090
Extracurricular activities	262,945	106,441	139,436	123,773
Capital grants and contributions:				
Support services:				
Operations and maintenance	99,563	156,272	94,836	-
Total governmental program revenues	<u>20,841,257</u>	<u>21,365,633</u>	<u>20,449,832</u>	<u>19,261,461</u>
Net (Expense)/Revenue				
Governmental activities	<u>\$ (135,251,977)</u>	<u>\$ (133,960,274)</u>	<u>\$ (111,305,295)</u>	<u>\$ (59,778,125)</u>

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012 (1)</u>
\$	676,650	\$ 294,156	\$ 413,703	\$ 319,741	\$ 396,667	\$ 400,762
	200,192	227,711	137,823	146,445	332,353	110,326
	-	-	-	-	-	-
	742	632	597	-	-	-
	-	-	-	-	-	-
	310,081	308,347	360,333	351,608	413,452	238,207
	-	-	222	-	-	-
	2,985,243	2,834,919	2,701,769	2,708,492	2,599,874	2,602,529
	713,773	574,057	558,214	515,010	426,313	-
	1,434,767	1,689,963	1,822,574	1,741,297	1,754,879	1,792,450
	224,680	1,008,051	2,326,850	1,971,431	1,206,510	1,035,249
	7,105,068	6,946,821	6,960,937	6,304,235	3,260,158	3,610,517
	559,923	43,705	292,581	108,287	161,459	258,492
	802,537	202,665	-	-	-	-
	81,981	126,920	199,543	177,561	280,821	156,673
	232,766	336,166	753,901	167,773	699,679	529,648
	-	-	-	-	-	5,993
	88,985	78,028	95,262	70,823	104,550	143,298
	-	-	-	-	-	11,070
	4,312	3,274	9,504	88	-	-
	384,418	384,176	320,815	297,878	289,399	244,477
	-	-	-	-	-	13,722
	2,028,511	1,997,622	1,691,075	1,608,529	1,731,032	1,267,175
	35,350	16,000	9,571	6,464	22,334	12,096
	124,642	84,757	83,911	54,240	144,887	58,518
	-	-	-	-	-	-
	<u>17,994,621</u>	<u>17,157,970</u>	<u>18,739,185</u>	<u>16,549,902</u>	<u>13,824,367</u>	<u>12,491,202</u>
	<u>\$ (128,057,210)</u>	<u>\$ (108,542,455)</u>	<u>\$ (107,495,448)</u>	<u>\$ (109,464,566)</u>	<u>\$ (100,979,329)</u>	<u>\$ (99,185,661)</u>

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

CHANGES IN NET POSITION - (Continued)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

General Revenues and Other Changes in Net Position

Governmental activities:	<u>2021</u>	<u>2020</u>	<u>2019 (2)</u>	<u>2018</u>
Property taxes levied for:				
General purposes	\$ 41,441,328	\$ 38,328,520	\$ 31,316,559	\$ 43,401,120
Debt service	10,113,408	10,399,798	9,299,191	13,206,074
Classroom facility maintenance	450,241	419,712	346,807	484,820
Payment in lieu of taxes	1,500,198	585,391	326,673	510,245
Income taxes levied for:				
General purposes	21,770,872	18,329,653	18,944,744	18,679,145
Grants and entitlements not restricted to specific programs	55,997,596	54,808,227	56,202,433	54,761,550
Investment earnings	294,878	1,746,880	1,983,158	726,129
Miscellaneous	53,166	107,991	563,647	465,428
Total governmental activities	<u>131,621,687</u>	<u>124,726,172</u>	<u>118,983,212</u>	<u>132,234,511</u>
Change in Net Position				
Governmental activities	<u>\$ (3,630,290)</u>	<u>\$ (9,234,102)</u>	<u>\$ 7,677,917</u>	<u>\$ 72,456,386</u>

(1) Amounts have been restated to reflect a restatement to GASB Statement No. 65.

(2) Amounts have been restated to reflect a restatement to GASB Statement No. 84.

Source: School District financial records.

	2017	2016	2015	2014	2013	2012 (1)
\$	36,471,808	\$ 36,106,097	\$ 34,979,215	\$ 35,414,027	\$ 35,135,446	\$ 29,651,216
	11,319,892	11,521,302	11,887,612	12,455,646	13,164,444	12,190,336
	407,164	406,199	393,402	396,949	390,768	350,108
	156,682	125,137	139,767	125,277	250,434	152,625
	16,996,461	16,422,435	15,672,186	15,270,666	14,590,961	14,182,466
	54,303,696	53,389,530	51,554,417	46,905,607	46,307,569	45,157,451
	438,626	400,335	202,166	107,548	109,951	91,970
	107,128	222,365	183,618	219,299	141,291	142,219
	<u>120,201,457</u>	<u>118,593,400</u>	<u>115,012,383</u>	<u>110,895,019</u>	<u>110,090,864</u>	<u>101,918,391</u>
\$	<u>(7,855,753)</u>	<u>10,050,945</u>	<u>7,516,935</u>	<u>1,430,453</u>	<u>9,111,535</u>	<u>2,732,730</u>

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2021</u>	<u>2020</u>	<u>2019 (1)</u>	<u>2018</u>
General Fund:				
Nonspendable	\$ 155,845	\$ 67,900	\$ 48,104	\$ 95,073
Restricted	-	-	-	-
Committed	2,062,632	2,506,468	2,640,060	2,651,305
Assigned	12,132,204	13,135,319	6,964,800	7,395,238
Unassigned	19,129,163	16,171,006	26,868,010	31,393,847
Total general fund	<u>\$ 33,479,844</u>	<u>\$ 31,880,693</u>	<u>\$ 36,520,974</u>	<u>\$ 41,535,463</u>
All Other Governmental Funds:				
Nonspendable	\$ 34,871	\$ 16,332	\$ 19,495	\$ 20,041
Restricted	17,225,605	16,576,490	19,707,796	21,293,639
Committed	682,897	2,658,962	-	-
Unassigned (deficit)	(143,562)	(198,163)	-	(94,757)
Total all other governmental funds	<u>17,799,811</u>	<u>19,053,621</u>	<u>19,727,291</u>	<u>21,218,923</u>
Total governmental funds	<u>\$ 51,279,655</u>	<u>\$ 50,934,314</u>	<u>\$ 56,248,265</u>	<u>\$ 62,754,386</u>

Source: School District financial records.

Note: The School District implemented GASB 54 in 2011, which reclassified fund balances and some fund types into the general fund.

(1) Amounts have been restated to reflect a restatement to GASB Statement No. 84.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 91,995	\$ 78,975	\$ -	\$ 118,500	\$ 107,625	\$ 108,010
-	-	-	-	22,684	22,684
2,485,880	2,893,219	2,963,215	3,624,257	2,210,191	300,000
5,218,714	5,322,251	3,222,726	1,822,635	2,550,378	2,050,500
25,721,481	22,321,594	17,481,887	16,572,130	11,395,873	6,265,808
<u>\$ 33,518,070</u>	<u>\$ 30,616,039</u>	<u>\$ 23,667,828</u>	<u>\$ 22,137,522</u>	<u>\$ 16,286,751</u>	<u>\$ 8,747,002</u>
\$ 17,289	\$ 17,123	\$ 13,514	\$ 64,316	\$ 39,850	\$ 58,429
19,250,411	23,676,088	23,771,959	24,643,125	27,473,193	31,574,010
-	-	-	-	-	-
(364,493)	(142,138)	(246,540)	(679,630)	(244,534)	(76,568)
<u>18,903,207</u>	<u>23,551,073</u>	<u>23,538,933</u>	<u>24,027,811</u>	<u>27,268,509</u>	<u>31,555,871</u>
<u>\$ 52,421,277</u>	<u>\$ 54,167,112</u>	<u>\$ 47,206,761</u>	<u>\$ 46,165,333</u>	<u>\$ 43,555,260</u>	<u>\$ 40,302,873</u>

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2021</u>	<u>2020</u>	<u>2019 (1)</u>	<u>2018</u>
Revenues				
From local sources:				
Property taxes	\$ 51,891,106	\$ 49,351,888	\$ 40,868,852	\$ 57,437,155
Income taxes	22,223,902	17,786,258	18,886,565	18,523,097
Intergovernmental	73,419,733	69,620,552	70,176,480	67,516,080
Investment earnings	232,165	1,820,887	1,990,302	742,809
Tuition and fees	1,317,829	1,818,120	1,434,277	1,585,759
Extracurricular	1,135,710	1,134,540	1,581,266	1,492,338
Rental income	196,113	530,772	308,466	279,418
Charges for services	352,945	2,435,690	3,004,771	3,063,669
Contributions and donations	80,474	130,741	139,200	118,126
Payment in lieu of taxes	1,500,198	585,391	326,673	510,245
Miscellaneous	494,751	346,019	766,491	285,630
Total revenues	<u>152,844,926</u>	<u>145,560,858</u>	<u>139,483,343</u>	<u>151,554,326</u>
Expenditures				
Current:				
Instruction:				
Regular	57,356,591	56,828,974	54,490,472	52,073,800
Special	22,130,500	21,169,854	19,763,004	18,310,972
Vocational	585,240	638,141	649,305	717,008
Other	4,847,391	4,106,046	3,644,506	3,376,383
Current:				
Pupil	9,130,790	8,777,817	8,423,637	7,787,207
Instructional staff	5,952,806	6,005,757	5,920,964	5,604,269
Board of education	897,158	615,711	682,154	738,604
Administration	9,052,979	8,996,539	8,571,179	8,428,787
Fiscal	2,436,770	2,252,980	2,306,272	2,226,843
Business	385,597	460,159	590,665	502,304
Operations and maintenance	10,784,366	11,668,854	11,635,007	12,634,488
Pupil transportation	5,974,672	5,928,926	6,263,828	6,081,627
Central	1,365,089	1,306,202	1,332,022	1,150,575
Operation of non-instructional services:				
Food service operations	3,268,345	4,663,913	4,919,787	5,114,818
Other non-instructional services	300,858	60,304	82,483	130,047
Extracurricular activities	2,783,451	2,755,114	3,140,275	2,730,110
Facilities acquisitions and construction	3,125,375	1,506,346	902,120	729,626
Capital outlay	42,428	1,638,763	-	258,720
Debt service:				
Principal retirement	9,515,331	6,139,808	5,881,026	6,038,167
Interest and fiscal charges	2,606,276	2,946,328	3,019,263	3,191,486
Refunding bond issuance costs	195,652	-	-	-
Accretion on capital appreciation bonds	-	4,047,036	3,892,682	3,730,375
Total expenditures	<u>152,737,665</u>	<u>152,513,572</u>	<u>146,110,651</u>	<u>141,556,216</u>
Excess (deficiency) of revenues over (under) expenditures	107,261	(6,952,714)	(6,627,308)	9,998,110

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 48,381,695	\$ 48,311,351	\$ 47,765,095	\$ 48,582,958	\$ 48,507,280	\$ 42,782,880
16,948,460	16,389,847	15,672,186	15,188,075	14,596,621	14,139,974
65,465,742	64,522,147	64,437,045	57,169,413	54,050,945	72,892,329
420,627	385,481	185,133	111,370	110,194	121,009
876,842	952,123	1,113,219	932,658	1,077,979	984,015
1,457,508	1,279,098	1,261,700	1,274,825	1,368,600	1,319,523
288,066	289,588	345,149	351,608	413,452	238,207
3,699,032	3,408,976	3,275,167	3,223,502	3,063,507	2,996,993
144,396	109,640	129,055	109,366	88,835	74,891
156,682	125,137	139,767	125,277	250,434	152,625
250,759	645,349	323,177	299,273	309,260	277,265
<u>138,089,809</u>	<u>136,418,737</u>	<u>134,646,693</u>	<u>127,368,325</u>	<u>123,837,107</u>	<u>135,979,711</u>
48,747,174	45,695,863	48,293,659	45,750,261	42,339,621	43,181,514
16,676,017	15,618,619	15,066,535	12,356,400	8,538,566	8,155,136
529,683	545,041	382,690	411,316	308,389	418,464
4,219,988	3,504,538	3,346,363	3,721,804	3,833,367	3,410,655
6,965,065	6,482,670	6,386,634	5,969,392	5,265,106	4,787,908
5,030,809	5,510,701	5,925,934	4,473,080	5,818,828	5,102,064
684,374	679,617	809,811	651,376	506,489	522,884
8,036,957	8,096,425	7,740,925	7,530,249	7,656,407	7,954,131
2,119,241	2,079,279	2,000,231	1,925,144	1,926,529	1,854,292
382,902	548,354	410,323	390,550	546,366	535,674
11,265,721	10,804,094	10,600,602	10,202,628	10,084,344	9,991,213
6,487,396	5,890,346	5,709,630	5,499,852	5,130,192	5,385,979
1,056,187	690,051	636,445	63,593	85,341	165,403
5,035,655	4,590,200	4,266,390	4,163,019	4,003,238	3,839,705
780,876	676,954	693,780	610,543	442,074	48,703
2,716,012	2,432,250	2,363,041	2,350,863	2,263,488	2,053,384
2,216,443	1,369,456	2,020,178	3,437,010	6,652,260	27,039,867
2,771,341	174,356	1,520,417	1,669,919	925,275	-
7,393,429	9,843,366	8,842,905	10,185,887	10,000,103	9,770,591
2,977,554	4,400,562	5,419,681	5,065,285	5,184,012	5,303,656
474,553	145,182	320,256	-	-	-
2,836,200	-	-	-	-	-
<u>139,403,577</u>	<u>129,777,924</u>	<u>132,756,430</u>	<u>126,428,171</u>	<u>121,509,995</u>	<u>139,521,223</u>
(1,313,768)	6,640,813	1,890,263	940,154	2,327,112	(3,541,512)

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS - (Continued)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2021</u>	<u>2020</u>	<u>2019 (1)</u>	<u>2018</u>
Other Financing Sources (Uses)				
Transfers in	\$ 500,000	\$ 1,264,250	\$ 967,900	\$ 1,000,000
Transfers (out)	(500,000)	(1,264,250)	(967,900)	(1,000,000)
Insurance proceeds	-	-	-	76,279
Premium on refunding bonds	1,835,378	-	-	-
Sale of capital assets	-	-	-	-
Issuance of refunding bonds	10,005,000	-	-	-
Capital lease transaction	42,428	960,433	-	-
Payment to refunding bond escrow agent	(11,644,726)	-	-	-
Lease purchase transaction	-	678,330	-	258,720
Total other financing sources (uses)	<u>238,080</u>	<u>1,638,763</u>	<u>-</u>	<u>334,999</u>
Net change in fund balances	<u>\$ 345,341</u>	<u>\$ (5,313,951)</u>	<u>\$ (6,627,308)</u>	<u>\$ 10,333,109</u>
Capital expenditures	\$ 3,596,491	\$ 3,035,594	\$ 1,257,916	\$ 1,427,433
Debt service as a percentage of noncapital expenditures	8.13%	8.79%	8.83%	9.25%

Source: School District financial records.

(1) Amounts have been restated to reflect a restatement to GASB Statement No. 84.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 791,388	\$ 750,000	\$ 2,175,706	\$ 1,000,000	\$ 1,397,457	\$ 1,100,000
(791,388)	(750,000)	(4,188,219)	(1,000,000)	(1,397,457)	(1,100,000)
-	-	-	-	-	-
960,919	1,176,960	3,339,125	-	-	-
1,633	-	-	-	-	-
57,755,000	8,805,000	27,875,000	-	-	-
1,385,157	-	-	-	-	-
(61,920,960)	(9,836,778)	(31,570,864)	-	-	-
1,386,184	174,356	1,520,417	1,669,919	925,275	-
<u>(432,067)</u>	<u>319,538</u>	<u>(848,835)</u>	<u>1,669,919</u>	<u>925,275</u>	<u>-</u>
<u>\$ (1,745,835)</u>	<u>\$ 6,960,351</u>	<u>\$ 1,041,428</u>	<u>\$ 2,610,073</u>	<u>\$ 3,252,387</u>	<u>\$ (3,541,512)</u>
\$ 605,553	\$ 727,746	\$ 1,741,107	\$ 269,320	\$ 7,086,162	\$ 26,855,794
9.52%	11.04%	10.89%	12.09%	13.27%	13.38%

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

ASSESSSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS

Tax Year/ Collection Year	Real Property (A)		Public Utility (B)		Total Direct Tax Rate
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
2020/2021	\$ 1,534,146,520	\$ 4,383,275,771	\$ 31,257,790	\$ 125,031,160	\$ 79.70
2019/2020	1,493,605,880	4,267,445,371	30,273,440	121,093,760	80.30
2018/2019	1,245,805,440	3,559,444,114	26,389,680	105,558,720	82.70
2017/2018	1,222,835,740	3,493,816,400	23,973,550	95,894,200	82.70
2016/2017	1,194,140,970	3,411,831,343	21,581,640	86,326,560	83.20
2015/2016	1,120,904,800	3,202,585,143	21,084,440	84,337,760	83.60
2014/2015	1,096,505,620	3,132,873,200	19,304,470	77,217,880	84.70
2013/2014	1,085,034,410	3,100,098,314	18,770,810	75,083,240	84.70
2012/2013	1,111,113,150	3,174,609,000	18,106,270	72,425,080	85.40
2011/2012	1,098,339,860	3,138,113,886	14,927,250	59,709,000	85.90

Source: Fairfield County Auditor's Office

(A) The assessed value of real property is fixed at 35% of true value and is determined pursuant to the State Tax Commissioner.

(B) Assumes public utilities are assessed at 25% for 2010 and after.

Total		
Assessed Value	Estimated Actual Value	%
\$ 1,565,404,310	\$ 4,508,306,931	34.72%
1,523,879,320	4,388,539,131	34.72%
1,272,195,120	3,665,002,834	34.71%
1,246,809,290	3,589,710,600	34.73%
1,215,722,610	3,498,157,903	34.75%
1,141,989,240	3,286,922,903	34.74%
1,115,810,090	3,210,091,080	34.76%
1,103,805,220	3,175,181,554	34.76%
1,129,219,420	3,247,034,080	34.78%
1,113,267,110	3,197,822,886	34.81%

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

DIRECT AND OVERLAPPING PROPERTY TAX RATES
(RATE PER \$1,000 OF ASSESSED VALUE)
LAST TEN YEARS

Tax Year/ Collection Year	Franklin County	Fairfield County	City of Pickerington	City of Reynoldsburg	Montgomery Township- City of Columbus	Violet Township- City of Columbus	Pickerington Local School District				Total
							Voted			Unvoted	
							General	Bond	Classroom Facilities		
2020/2021	19.12	12.70	7.80	0.70	2.90	2.30	67.70	7.00	0.50	4.50	79.70
2019/2020	19.12	12.70	7.80	0.70	2.90	2.30	67.70	7.60	0.50	4.50	80.30
2018/2019	18.92	11.40	7.80	0.70	2.90	2.30	67.70	10.00	0.50	4.50	82.70
2017/2018	18.92	11.40	7.80	0.70	2.90	2.30	67.70	10.00	0.50	4.50	82.70
2016/2017	18.47	10.40	7.80	0.70	2.90	2.30	67.70	10.50	0.50	4.50	83.20
2015/2016	18.47	10.40	7.80	0.70	2.90	2.30	67.70	10.90	0.50	4.50	83.60
2014/2015	18.47	8.55	7.80	0.70	2.90	2.30	67.70	12.00	0.50	4.50	84.70
2013/2014	18.47	8.55	7.80	0.70	2.90	2.30	67.70	12.00	0.50	4.50	84.70
2012/2013	18.47	8.55	7.80	0.70	2.30	2.30	67.70	12.70	0.50	4.50	85.40
2011/2012	18.07	8.55	7.80	0.70	2.90	2.30	67.70	13.20	0.50	4.50	85.90

Source: Fairfield County and Franklin County Auditor's Offices

Madison Township	Madison Township - City of Pickerington	Violet Township	Violet City of Pickerington/ Reynoldsburg	Liberty Township	School District Public Library	Eastland Joint Vocational School
27.05	26.45	19.35	16.15	14.47	1.25	2.00
27.05	26.45	19.35	16.15	14.47	1.25	2.00
27.05	26.45	19.35	16.15	14.47	0.75	2.00
27.05	26.45	19.35	16.15	14.47	0.75	2.00
27.05	26.45	19.35	16.15	14.47	0.75	2.00
27.05	26.45	17.85	16.15	11.57	0.75	2.00
21.80	21.20	17.85	16.15	11.57	0.75	2.00
21.80	21.20	14.05	12.35	11.57	0.75	2.00
21.80	21.20	14.05	12.35	11.57	0.75	2.00
21.80	21.20	14.05	12.35	11.57	0.85	2.00

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

PRINCIPAL PROPERTY TAX PAYERS
DECEMBER 31, 2020 AND DECEMBER 31, 2011

December 31, 2020			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
South Central Power Company	\$ 9,715,370	1	0.62%
Creekside Acquisition Columbus	7,150,430	2	0.46%
Brentwood Lake Apartments LLC	6,186,190	3	0.40%
Ohio Power Company	5,995,800	4	0.38%
Columbia Gas Transmission LLC	5,684,760	5	0.36%
Pickerington Ridge	5,623,500	6	0.36%
Kroger Company	5,593,700	7	0.36%
Trilogy Real Estate Fairfield	5,478,540	8	0.35%
Redbudcommonsplus LLC	5,303,730	9	0.34%
AERC Turnberry Holdings, LLC	5,145,750	10	0.33%
Total	\$ 61,877,770		\$ 1,565,404,310

December 31, 2011			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
ANYI Apartments LLC	\$ 6,518,750	1	0.59%
Target Corporation	6,328,960	2	0.57%
Pickerington Apartments LLC	6,232,070	3	0.56%
South Central Power Company	5,801,980	4	0.52%
Regency Centers LP	5,583,700	5	0.50%
Lakes Edge	5,057,920	6	0.45%
Ohio Retail II LL LLC	4,295,640	7	0.39%
Creekside I Acquisitions LLC	4,243,750	8	0.38%
B&G Realty Inc	4,116,030	9	0.37%
Pickerington Square LP	4,102,440	10	0.37%
Total	\$ 52,281,240		\$ 1,113,267,110

Source: Fairfield County Auditor's Office

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Tax Year/ Collection Year	Current Levy	Current Collection	Percent of Current Levy Collected	Delinquent Collection (1)	Total Collection	Total Collection As a Percent of Total Levy (1)
2020/2021	\$ 57,232,737	\$ 56,511,585	98.74%	\$ 292,492	\$ 56,804,077	99.25%
2019/2020	56,851,575	56,273,410	98.98%	593,815	56,867,225	100.03%
2018/2019	55,655,724	55,077,888	98.96%	879,203	55,957,091	100.54%
2017/2018	54,537,108	53,817,665	98.68%	623,734	54,441,399	99.82%
2016/2017	53,130,966	52,301,504	98.44%	877,108	53,178,612	100.09%
2015/2016	53,225,140	52,090,420	97.87%	946,409	53,036,829	99.65%
2014/2015	52,557,912	51,603,193	98.18%	940,015	52,543,208	99.97%
2013/2014	51,574,634	50,546,135	98.01%	1,014,241	51,560,376	99.97%
2012/2013	53,150,255	52,056,550	97.94%	983,980	53,040,530	99.79%
2011/2012	52,683,360	51,537,170	97.82%	841,025	52,378,195	99.42%

Source: Fairfield County Auditor's Office

(1) Delinquent Tax Collections are only available by collection year; therefore, the percentage of total tax collections to the current levy may exceed 100 percent in some years. The District will continue to work with the County to get this information in the future.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities		(A) Total Primary Government	(B) Per Capita	(B) Per ADM	(B) Total Debt as a Percentage of Personal Income
	General Obligation Bonds	Lease Obligations				
2021	\$ 78,957,729	\$ 1,466,987	\$ 80,424,716	\$ 1,536	\$ 7,741	4.09%
2020	87,148,648	2,414,890	89,563,538	1,711	8,506	4.56%
2019	96,474,061	1,742,971	98,217,032	1,876	9,402	5.00%
2018	105,188,915	2,431,679	107,620,594	2,093	10,445	5.72%
2017	113,447,995	2,961,501	116,409,496	2,301	11,376	6.62%
2016	125,743,239	1,632,278	127,375,517	2,553	12,604	7.47%
2015	132,316,895	2,866,287	135,183,182	2,722	13,222	8.08%
2014	136,565,316	2,685,485	139,250,801	2,833	13,672	8.35%
2013	144,313,990	1,841,453	146,155,443	2,989	14,316	9.03%
2012	152,261,604	1,016,281	153,277,885	3,184	14,903	9.58%

Sources:

(A) See notes to the financial statements regarding the District's outstanding debt information.

(B) See schedule "Demographic and Economic Statistic, Last Ten Years" for personal income, population and enrollment information.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Fiscal Year	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Less: Net Position Restricted for Debt Service	Net Bonded Debt		
2021	\$ 78,957,729	\$ 13,437,416	\$ 65,520,313	1.45%	\$ 1,251
2020	87,148,648	12,836,888	74,311,760	1.69%	1,419
2019	96,474,061	9,420,837	87,053,224	2.38%	1,663
2018	105,188,915	7,708,125	97,480,790	2.72%	1,895
2017	113,447,995	2,647,559	110,800,436	3.17%	2,191
2016	125,743,239	4,317,198	121,426,041	3.69%	2,434
2015	132,316,895	3,645,002	128,671,893	4.01%	2,590
2014	136,565,316	3,562,647	133,002,669	4.19%	2,706
2013	144,313,990	2,683,248	141,630,742	4.36%	2,896
2012	152,261,604	1,039,877	151,221,727	4.73%	3,141

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2021

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Pickerington Local School District	\$ 80,424,716	100.00%	\$ 80,424,716
	<u>80,424,716</u>		<u>80,424,716</u>
Overlapping debt:			
Fairfield County	10,938,696	33.70%	3,686,341
Franklin County	181,862,097	0.07%	127,303
City of Canal Winchester	11,415,000	0.04%	4,566
City of Columbus	2,024,430,000	0.94%	19,029,642
City of Pickerington	11,410,000	98.88%	11,282,208
Madison Township	1,600,000	0.36%	5,760
Violet Township	9,130,000	93.94%	8,576,722
Eastland-Fairfield Career & Technical JVS District	350,000	15.21%	53,235
Solid Waste Authority of Central Ohio	60,620,000	0.56%	339,472
	<u>2,311,755,793</u>		<u>43,105,249</u>
Total direct and overlapping debt	<u>\$ 2,392,180,509</u>		<u>\$ 123,529,965</u>

Source: Ohio Municipal Advisory Council

Note: Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the District by the total assessed valuation of the subdivision.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Fiscal Year	Voted Debt Limit	Total Debt Applicable to Limit	Debt Service Available Balance	Net Debt Applicable to Limit	Voted Legal Debt Margin (A)	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
2021	\$ 140,886,388	\$ 75,020,000	\$ 13,430,312	\$ 61,589,688	\$ 79,296,700	43.72%
2020	137,149,139	83,580,000	12,863,190	70,716,810	66,432,329	51.56%
2019	114,497,561	88,752,964	13,174,040	75,578,924	38,918,637	66.01%
2018	112,212,836	93,945,282	14,654,908	79,290,374	32,922,462	70.66%
2017	109,415,035	99,194,907	12,080,013	87,114,894	22,300,141	79.62%
2016	102,779,032	108,043,707	15,115,600	92,928,107	9,850,925	90.42%
2015	100,422,908	114,722,013	14,966,650	99,755,363	667,545	99.34%
2014	99,342,470	121,582,555	15,116,501	106,466,054	(7,123,584)	107.17%
2013	101,629,748	127,739,785	15,482,227	112,257,558	(10,627,810)	110.46%
2012	100,194,040	133,357,508	15,883,788	117,473,720	(17,279,680)	117.25%

Source: Fairfield County Auditor and District financial records

Note: Ohio Bond Law sets a limit of 9% for voted debt and 1/10 of 1% for unvoted debt. House Bill 530 became effective on March 30, 2006, which excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations.

(A): On March 28, 1996, the District was determined to be a "special needs" district, meaning the District was permitted to exceed the voted debt limitation. This status was confirmed on October 5, 2000 and October 2006.

Voted Debt Margins are determined without reference to applicable monies in the District's debt service fund.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

<u>Year</u>	<u>Total Residents in District Population (1)</u>	<u>Per Capita Personal Income (1)</u>	<u>Total Personal Income (1)</u>	<u>Median Age (1)</u>	<u>School Enrollment (2)</u>	<u>Unemployment Rates</u>		
						<u>Fairfield County</u>	<u>Ohio</u>	<u>United States</u>
2021	52,359	\$ 37,520	\$1,964,509,680	36.4	10,389	5.4%	5.2%	5.9%
2020	52,359	37,520	1,964,509,680	36.4	10,530	4.3%	5.6%	6.9%
2019	52,359	37,520	1,964,509,680	36.4	10,446	3.6%	4.2%	3.6%
2018	51,429	36,568	1,880,655,672	36.1	10,304	4.3%	4.6%	3.7%
2017	50,582	34,773	1,758,887,886	35.8	10,233	4.2%	5.1%	4.1%
2016	49,892	34,195	1,706,056,940	36.5	10,106	3.9%	4.9%	4.9%
2015	49,671	33,699	1,673,863,029	36.3	10,224	3.7%	4.2%	4.8%
2014	49,146	33,935	1,667,769,510	36.4	10,185	4.0%	5.3%	5.8%
2013	48,904	33,098	1,618,624,592	36.4	10,209	6.3%	7.2%	7.4%
2012	48,147	33,242	1,600,502,574	36.1	10,285	5.6%	6.9%	7.9%

(1) U. S. Census Bureau, Pickerington School District

(2) Enrollment figures are taken from historical EMIS fall enrollment data, excluding preschool students.

These figures are not consistent with the actual head counts of students used to calculate State funding because those head counts include community school students.

Note: Population column was adjusted in fiscal year 2020 to reflect total residents in the District instead of just the population of the City of Pickerington. This change in population adjustment also updated the per capital personal income, total personal income and median age. The District feels these amounts more accurate reflect the District demographic and economic information.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Employer	December 31, 2020		
	Employees	Rank	Percentage of Total City Employment
Pickerington Local School District	1,236	1	11.96%
OhioHealth Corporation	520	2	5.03%
Kroger Company, Inc.	425	3	4.11%
Roosters	314	4	3.04%
Kohl's Department Store	308	5	2.98%
The Tamarkin Company	287	6	2.78%
Cracker Barrel Restaurant	210	7	2.03%
Wendys	202	8	1.95%
City of Pickerington	143	9	1.38%
Hawthorn Senior Living	138	10	1.34%
Total	3,783		36.60%
Total Employment within the City	10,337		

Employer	December 31, 2012		
	Employees	Rank	Percentage of Total City Employment
Pickerington Local School District	1,144	1	12.80%
Tamarkin Co. Inc.	296	2	3.31%
Kohl's Department Stores, Inc.	278	3	3.11%
Kroger Company, Inc.	262	4	2.93%
Cracker Barrel Restaurant	252	5	2.82%
Kindred Nursing Home	154	6	1.72%
Wendy's	148	7	1.66%
City of Pickerington	147	8	1.65%
Steak N' Shake	117	9	1.31%
McDonalds	116	10	1.30%
Total	2,914		32.61%
Total Employment within the City	8,935		

Source: City of Pickerington ACFR

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

**STAFFING STATISTICS
FULL TIME EQUIVALENTS (FTE) BY TYPE AND FUNCTION
LAST TEN FISCAL YEARS**

Type	2021	2020	2019	2018	2017	2016 (2)	2015	2014	2013	2012
Office - administrative	79.00	76.84	78.17	78.00	76.20	53.50	51.32	49.50	44.00	42.50
Professional - educational	664.24	676.07	666.87	649.98	631.67	634.96	630.50	614.43	598.43	587.89
Professional - other	30.26	28.60	26.00	27.44	25.61	23.00	23.10	20.30	23.70	23.70
Technical	24.99	24.07	20.55	20.19	17.96	17.21	21.25	17.34	15.47	16.00
Office - clerical	133.45	133.59	132.89	126.09	123.09	110.93	107.23	105.05	98.56	109.65
Craft & trade	11.00	11.00	12.00	12.00	10.00	11.00	11.07	8.00	12.00	10.00
Service worker/laborer	153.99	149.93	156.73	154.35	151.37	142.29	141.33	136.07	129.82	138.17
Total	1,096.93	1,100.10	1,093.21	1,068.05	1,035.90	992.89	985.80	950.69	921.98	927.91

Function	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Instruction:										
Regular	496.53	491.51	477.01	464.44	459.84	446.58	442.65	471.58	438.20	452.85
Special	130.50	125.00	117.49	125.81	126.00	100.50	98.76	93.50	86.53	83.00
Vocational	13.00	13.00	12.00	1.00	1.00	1.00	2.50	4.20	4.20	2.00
Support Services:										
Pupil	240.36	247.90	251.67	244.45	231.09	231.09	235.77	183.22	186.27	182.72
Instructional staff	21.80	25.50	27.65	27.00	24.00	24.00	19.00	20.40	21.00	26.50
Administration	54.00	53.50	55.94	56.75	54.68	50.19	47.19	43.00	46.75	42.71
Fiscal	8.00	7.75	7.75	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Business	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Operations and maintenance	82.75	89.18	93.66	89.38	81.06	83.31	86.52	82.25	86.37	85.38
Food service operations	47.99	44.76	48.04	49.22	48.23	46.22	43.41	42.54	42.66	42.75
Total Governmental Activities	1,096.93	1,100.10	1,093.21	1,068.05	1,035.90	992.89	985.80	950.69	921.98	927.91

Source: School District records

Note: Pupil transportation services are contracted to a third party, therefore these personnel are not paid directly by the District.

- (1): Modifications to the state's EMIS system have resulted in improved employee reporting.
- (2): Numbers reflect re-classifying some employees as administrators to better reflect EMIS coding.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Instruction:										
Regular and Special Enrollment (students) *	10,389	10,530	10,446	10,304	10,233	10,106	10,224	10,185	10,209	10,285
Graduates	844	900	883	771	816	845	780	735	791	847
Support services:										
Board of education										
Regular meetings per year	22	23	21	23	25	23	23	24	22	21
Special meetings per year	10	8	6	4	7	4	5	3	8	11
Administration										
Nonpayroll checks issued	4,995	6,039	7,483	5,957	5,728	5,699	5,384	5,261	5,137	5,265
Pupil transportation										
Avg. students transported daily [^]	1,877	6,225	5,802	5,742	5,645	5,665	5,577	5,499	5,739	5,676
Food service operations										
Meals served to students ^{&}	696,828	1,209,300	1,173,989	1,199,483	1,243,230	1,267,056	1,217,244	1,193,867	1,085,356	1,091,064
Percentage free lunches [§]	100.00%	45.96%	38.20%	35.58%	34.48%	34.39%	33.43%	30.71%	28.44%	N/A
Percentage reduced lunches	0.00%	6.88%	6.91%	6.34%	5.97%	6.09%	6.51%	6.12%	5.28%	N/A

* Enrollment figures are taken from historical EMIS fall enrollment data, excluding preschool students.
These figures are not consistent with the actual head counts of students used to calculate State funding because those head counts include community school students.

[^]2020-21 T-1 ridership impacted by hybrid model due to COVID-19 Pandemic

[§]All meals in 2020-2021 were free due to the COVID-19 Pandemic

[&]2020-21 Meal counts were impacted by the hybrid model due to the COVID-19 Pandemic

Source: District records

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

CAPITAL ASSET STATISTICS
LAST TEN FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Land	\$ 9,185,480	\$ 9,185,480	\$ 9,185,480	\$ 9,185,480
Land improvements	10,346,889	7,715,230	7,287,358	7,977,640
Buildings and improvements	107,428,217	113,145,294	119,225,349	125,374,970
Furniture and equipment	2,372,805	2,711,073	1,853,267	2,174,046
Vehicles	1,064,669	1,039,332	991,140	779,194
Construction in progress	99,405	733,520	651,534	172,626
Total Governmental Activities				
Capital Assets, net	<u>\$ 130,497,465</u>	<u>\$ 134,529,929</u>	<u>\$ 139,194,128</u>	<u>\$ 145,663,956</u>

Source: School District financial records.

(1) Amounts for fiscal year 2012 have been restated due to a new appraisal performed by the District.

Note: Amounts above are presented net of accumulated depreciation.

2017	2016	2015	2014	2013	2012 (1)
\$ 9,185,480	\$ 9,185,480	\$ 9,185,480	\$ 9,185,480	\$ 9,185,480	\$ 9,185,480
8,403,036	8,996,384	9,901,311	10,499,004	11,406,066	12,318,155
131,201,596	136,852,772	143,107,191	149,498,761	155,897,125	156,486,259
2,350,441	2,083,002	2,579,716	3,019,734	3,544,974	3,084,058
810,851	1,096,287	692,943	574,525	572,976	765,986
-	971,689	971,689	-	-	-
<u>\$ 151,951,404</u>	<u>\$ 159,185,614</u>	<u>\$ 166,438,330</u>	<u>\$ 172,777,504</u>	<u>\$ 180,606,621</u>	<u>\$ 181,839,938</u>

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018 (1)</u>
Heritage Elementary (1907)				
Square feet	92,686	92,686	92,686	92,686
Capacity (students)	771	771	771	771
Enrollment	374	341	333	346
Fairfield Elementary (1980)				
Square feet	52,289	52,289	52,289	52,289
Capacity (students)	387	387	387	387
Enrollment	482	484	498	503
Pickerington Elementary (1977)				
Square feet	50,509	50,509	50,509	50,509
Capacity (students)	572	572	572	572
Enrollment	436	424	435	453
Tussing Elementary (1996)				
Square feet	76,691	76,691	76,691	76,691
Capacity (students)	653	653	653	653
Enrollment	555	540	529	555
Violet Elementary (1977)				
Square feet	50,509	50,509	50,509	50,509
Capacity (students)	372	372	372	372
Enrollment	474	474	475	461
Diley Middle School (2000)				
Square feet	95,616	95,616	95,616	95,616
Capacity (students)	693	693	693	693
Enrollment	557	593	582	629
Harmon Middle School (2000)				
Square feet	93,048	93,048	93,048	93,048
Capacity (students)	656	656	656	656
Enrollment	504	511	504	537
Ridgeview Junior High School (1968)				
Square feet	99,442	99,442	99,442	99,442
Capacity (students)	821	821	821	821
Enrollment	947	921	912	908
Lakeview Junior High School (2003)				
Square feet	140,904	140,904	140,904	140,904
Capacity (students)	1,008	1,008	1,008	1,008
Enrollment	817	837	783	755
Pickerington Central High School (1991)				
Square feet	261,099	261,099	261,099	261,099
Capacity (students)	1,471	1,471	1,471	1,471
Enrollment	1,750	1,752	1,726	1,712
Pickerington North High School (2003)				
Square feet	313,761	313,761	313,761	313,761
Capacity (students)	1,937	1,937	1,937	1,937
Enrollment	1,503	1,586	1,628	1,638
Pickerington Alternative School (2017)				
Square feet	9,712	9,712	9,712	9,712
Capacity (students)	200	200	200	200
Enrollment	59	110	107	89
Sycamore Creek Elementary (2009)				
Square feet	86,695	86,695	86,695	86,695
Capacity (students)	750	750	750	750
Enrollment	619	617	595	603
Toll Gate Elementary (2009)				
Square feet	86,695	86,695	86,695	86,695
Capacity (students)	774	774	774	774
Enrollment	721	727	715	641
Toll Gate Middle School (2009)				
Square feet	101,867	101,867	101,867	101,867
Capacity (students)	800	800	800	800
Enrollment	591	613	624	474
Total enrollment by year	10,389	10,530	10,446	10,304

Source: District records, including square footage and capacity data provided by a recent study performed by Ohio Facilities Construction Commission (OFCC) and enrollment data from the head counts performed for the SF-3 Average Daily Membership calculations.

Notes: Year of original construction is in parentheses.

In cases in which enrollment numbers are larger than capacity, the District has utilized portable classrooms, which are not included in square footage or capacity amounts. Renovations have been made to several buildings over the years; however, related changes in square footage and capacity are not available. The District has presented the current square footage and capacity figures as of the study performed by OFCC.

(1) During 2018, building square footage totals were updated to agree with information presented in the EMIS system.

2017	2016	2015	2014	2013	2012
92,544	92,544	92,544	92,544	92,544	92,544
771	771	771	771	771	771
336	333	357	416	417	392
48,435	48,435	48,435	48,435	48,435	48,435
387	387	387	387	387	387
489	460	453	457	439	431
46,516	46,516	46,516	46,516	46,516	46,516
572	572	572	572	572	572
483	430	463	544	527	512
75,501	75,501	75,501	75,501	75,501	75,501
653	653	653	653	653	653
560	492	525	555	556	596
46,516	46,516	46,516	46,516	46,516	46,516
372	372	372	372	372	372
476	449	457	346	369	406
94,951	94,951	94,951	94,951	94,951	94,951
693	693	693	693	693	693
642	576	618	580	550	542
89,211	89,211	89,211	89,211	89,211	89,211
656	656	656	656	656	656
487	472	535	566	598	615
115,851	115,851	115,851	115,851	115,851	115,851
821	821	821	821	821	821
916	877	866	860	821	841
142,082	142,082	142,082	142,082	142,082	142,082
1,008	1,008	1,008	1,008	1,008	1,008
787	847	857	864	836	862
261,099	261,099	261,099	261,099	261,099	261,099
1,471	1,471	1,471	1,471	1,471	1,471
1,714	1,693	1,618	1,630	1,630	1,633
323,473	323,473	323,473	323,473	323,473	323,473
1,937	1,937	1,937	1,937	1,937	1,937
1,665	1,677	1,671	1,686	1,782	1,759
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
86,695	86,695	86,695	86,695	86,695	86,695
750	750	750	750	750	750
614	637	656	689	693	689
86,695	86,695	86,695	86,695	86,695	86,695
774	774	774	774	774	774
620	603	567	509	508	536
101,867	101,867	101,867	101,867	101,867	101,867
800	800	800	800	800	800
444	560	581	483	483	471
10,233	10,106	10,224	10,185	10,209	10,285

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

**EDUCATIONAL INDICATORS
LAST TEN FISCAL YEARS**

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
3rd Grade Achievement (Initiated March, 2005)										
Reading/ELA	63.2%	49.9%	80.7%	81.2%	79.8%	73.5%	90.1%	90.1%	90.3%	88.8%
Mathematics	62.8%	NR	83.6%	83.7%	86.8%	85.3%	90.0%	90.0%	88.1%	88.5%
4th Grade Proficiency/Achievement (Initiated March, 1995)										
Reading/ELA	64.3%	NR	80.8%	77.4%	80.6%	73.9%	94.1%	94.1%	95.6%	89.2%
Writing	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Social Studies	N/A	N/A	N/A	N/A	85.5%	N/A	N/A	N/A	N/A	N/A
Mathematics	67.0%	NR	90.1%	87.0%	90.4%	87.6%	85.4%	85.4%	90.9%	87.1%
5th Grade Achievement (Initiated March, 2005)										
Reading/ELA	75.1%	NR	78.6%	82.3%	84.6%	74.0%	82.4%	82.4%	85.8%	89.3%
Mathematics	60.7%	NR	79.5%	80.0%	79.2%	83.2%	78.8%	78.8%	82.7%	84.3%
Science	76.0%	NR	78.2%	82.2%	81.1%	81.8%	79.8%	79.8%	82.7%	86.7%
Citizenship	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
6th Grade Proficiency/Achievement (Initiated March, 1996)										
Reading/ELA	63.3%	NR	70.6%	74.5%	79.6%	68.3%	93.2%	93.2%	93.0%	96.6%
Social Studies	N/A	N/A	N/A	N/A	77.6%	N/A	N/A	N/A	N/A	N/A
Mathematics	52.8%	NR	71.0%	72.3%	75.0%	73.4%	87.3%	87.3%	88.1%	91.9%
7th Grade Achievement (Initiated March, 2005)										
Reading/ELA	74	NR	84.2%	82.4%	74.6%	61.7%	91.0%	91.0%	91.6%	93.0%
Mathematics	54	NR	69.9%	74.7%	66.0%	48.0%	71.7%	71.7%	80.6%	80.4%
Writing	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
8th Grade Achievement (Initiated March, 2005)										
Reading/ELA	66.4%	NR	75.5%	63.8%	65.1%	58.6%	95.2%	95.2%	93.2%	92.8%
Mathematics	41.0%	NR	67.4%	47.3%	53.8%	49.0%	87.0%	87.0%	84.6%	86.6%
Science	69.0%	NR	85.1%	78.1%	75.9%	77.2%	77.8%	77.8%	80.6%	82.8%
Citizenship	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
10th Grade Ohio Graduation Test (OGT): (Initiated March, 2005)										
Reading	N/A	N/A	N/A	N/A	N/A	N/A	95.3%	95.3%	95.2%	94.1%
Writing	N/A	N/A	N/A	N/A	N/A	N/A	95.1%	95.1%	91.5%	92.9%
Mathematics	N/A	N/A	N/A	N/A	N/A	N/A	89.9%	89.9%	92.6%	90.3%
Science	N/A	N/A	N/A	N/A	N/A	N/A	88.1%	88.1%	88.1%	88.1%
Social Studies	N/A	N/A	N/A	N/A	N/A	N/A	91.3%	91.3%	91.7%	90.2%
11th Grade Ohio Graduation Test (OGT):										
Reading	N/A	N/A	N/A	N/A	N/A	79.9%	N/A	N/A	N/A	N/A
Writing	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mathematics	N/A	N/A	N/A	N/A	N/A	95.4%	N/A	N/A	N/A	N/A
Science	N/A	N/A	N/A	N/A	N/A	93.7%	N/A	N/A	N/A	N/A
Social Studies	N/A	N/A	N/A	N/A	N/A	96.6%	N/A	N/A	N/A	N/A
High School End of Course Exams: (Initiated 2015-16)										
Algebra I	61.6%	47.1%	67.6%	74.1%	53.4%	57.0%	N/A	N/A	N/A	N/A
American US Government	66.7%	73.9%	72.3%	77.5%	65.5%	46.2%	N/A	N/A	N/A	N/A
American US History	67.9%	67.8%	80.2%	75.5%	75.3%	83.6%	N/A	N/A	N/A	N/A
Biology	79.9%	77.8%	85.5%	86.6%	75.8%	NC	N/A	N/A	N/A	N/A
English Language Arts I	12.0%	60.0%	81.3%	77.6%	74.6%	61.9%	N/A	N/A	N/A	N/A
English Language Arts II	79.9%	68.4%	76.8%	78.6%	66.0%	62.6%	N/A	N/A	N/A	N/A
EOC Improvement Indicator	23.1%	22.3%	36.5%	39.0%	N/A	N/A	N/A	N/A	N/A	N/A
Geometry	53.5%	34.9%	65.1%	55.3%	51.7%	47.2%	N/A	N/A	N/A	N/A
Mathematics I	NC	NC	NC	NC	NC	NC	N/A	N/A	N/A	N/A
Mathematics II	NC	NC	NC	NC	N/A	N/A	N/A	N/A	N/A	N/A
Physical Science	N/A	N/A	N/A	N/A	N/A	42.2%	N/A	N/A	N/A	N/A
ODE Per Pupil Costs¹										
Pickerington	\$ 9,876	\$ 9,837	\$ 9,645	N/A	N/A	N/A	\$ 10,974	\$ 10,230	\$ 9,435	\$ 9,520
State	\$ 10,336	\$ 9,883	\$ 9,721	N/A	N/A	N/A	\$ 10,985	\$ 10,913	\$ 10,446	\$ 10,597
Pupil/Teacher Ratio	16.23	16.73	17.22	17.43	17.44	18.44	18.80	17.89	N/A	N/A
Student Attendance Rate	92.6%	96.1%	94.8%	93.8%	95.2%	95.3%	95.4%	95.4%	>95%	95.8%
High School Graduation Rate	95.2%	96.7%	95.3%	96.7%	98.1%	97.7%	95.4%	95.4%	95.0%	91.2%
Drop Out Rate	7.66%	4.66%	1.67%	2.54%	3.37%	2.67%	1.38%	N/A	N/A	N/A
Performance Standards										
Pickerington	NR	NR	11	10	6	15	20	20	24	26
Number of Standards	NR	NR	24	24	24	29	24	24	24	26
Performance Index Score	84.0	NR	96.0	94.2	78.7	90.5	102.3	102.3	103.3	103.5
Rating	N/A	N/A	N/A	N/A	N/A	Excellent with Distinction	Excellent with Distinction	Excellent with Distinction	Excellent with Distinction	Excellent with Distinction
Overall Grade Achievement	NR	NR	B	B	N/A	N/A	N/A	N/A	N/A	N/A
Gap Closing	NR	NR	A	A	B	F	N/A	N/A	N/A	N/A
Improving At-Risk K-3 Readers Progress	NR	NR	C	C	C	D	N/A	N/A	N/A	N/A
Graduation Rate	NR	NR	B	C	C	D	N/A	N/A	N/A	N/A
Prepared for Success	NR	NR	A	A	A	A	N/A	N/A	N/A	N/A
	NR	NR	D	D	C	C	N/A	N/A	N/A	N/A

Note: Data for items marked "N/A" are either unavailable, not applicable or no longer computed for the respective reporting period. For the 2019-2021 school years, the Coronavirus Pandemic eliminated most state testing. The state issued 'Not Reported' grades for nearly all of the 2019-2021 School Report Card data. Any reported testing results were severely impacted by the Coronavirus shutdown.

Sources: School District records and Ohio Department of Education

*Effective - this represented the highest rating a school district could achieve in this school year.

¹Beginning in 2019, ODE reports total operational expenditures per pupil.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

OPERATING STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	General Government	Governmental Activities	Enrollment (2)	Percent Change	Teaching Staff
	Expenditures (1)	Expenses (1)			
2021	\$ 140,420,406	\$ 153,383,558	10,389	-1.34%	695
2020	139,380,400	152,179,289	10,530	0.80%	705
2019	133,317,680	128,063,955	10,446	1.38%	693
2018	128,596,188	74,666,616	10,304	0.69%	677
2017	125,721,841	141,290,665	10,233	1.26%	667
2016	115,388,814	119,726,927	10,106	-1.15%	630
2015	118,173,588	120,001,262	10,224	0.38%	630
2014	111,176,999	119,191,744	10,185	-0.24%	630
2013	106,325,880	107,525,936	10,209	-0.74%	618
2012	124,446,976	104,534,767	10,285	-3.04%	613

Sources: District records and the Ohio Department of Education

(1) Debt Service totals have been excluded.

(2) Enrollment figures are taken from historical EMIS fall enrollment data, excluding preschool students. These figures are not consistent with the actual head counts of students used to calculate State funding because those head counts include community school students.

Note: Cost per pupil, teacher/pupil ratios and attendance rates have been presented on the "Educational Indicators - Last Ten Fiscal Years" table on page S 34.

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**PICKERINGTON
LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

SINGLE AUDIT

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2021**

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

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**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM/CLUSTER TITLE	ASSISTANCE LISTING NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER / ADDITIONAL AWARD IDENTIFICATION	TOTAL EXPENDITURES OF FEDERAL AWARDS
U.S. DEPARTMENT OF AGRICULTURE			
<i>Passed Through the Ohio Department of Education</i>			
Child Nutrition Cluster:			
National School Lunch Program - Food Donation	10.555	2021	277,620
Summer Food Service Program for Children	10.559	2021	2,402,225
COVID-19 - Summer Food Service Program for Children	10.559	COVID-19, 2021	308,534
Total Summer Food Service Program for Children			2,710,759
Total U.S. Department of Agriculture and Child Nutrition Cluster			2,988,379
U.S. DEPARTMENT OF THE TREASURY			
<i>Passed Through the Ohio Department of Education</i>			
COVID-19 - Coronavirus Relief Fund - CRF-Suburban SD	21.019	COVID-19, 2021	543,482
COVID-19 - Coronavirus Relief Fund - BroadbandOhio Connectivity	21.019	COVID-19, 2021	149,291
Total U.S. Department of the Treasury and Coronavirus Relief Fund			692,773
U.S. DEPARTMENT OF EDUCATION			
<i>Passed Through the Ohio Department of Education</i>			
Title I Grants to Local Educational Agencies	84.010	2020	112,089
Title I Grants to Local Educational Agencies	84.010A	84.010A, 2021	612,715
Title I Grants to Local Educational Agencies - Expanding Opportunities for Each Child Non-competitive Grant	84.010A	84.010A, 2021	3,000
Total Title I Grants to Local Educational Agencies			727,804
Special Education Cluster (IDEA):			
Special Education _Grants to States	84.027	2020	256,894
Special Education _Grants to States	84.027A	84.027A, 2021	2,021,135
Special Education _Grants to States - Restoration	84.027A	84.027A, 2020	72,438
Special Education _Grants to States - Restoration	84.027A	84.027A, 2021	170,438
Total Special Education _Grants to States			2,520,905
Special Education _Preschool Grants	84.173A	84.173A, 2021	51,162
Total Special Education Cluster (IDEA)			2,572,067
English Language Acquisition States Grants	84.365	2020	3,949
English Language Acquisition States Grants	84.365A	84.365A, 2021	54,616
Total English Language Acquisition State Grants			58,565
Supporting Effective Instruction State Grants	84.367A	84.367A, 2021	77,355
Student Support and Academic Enrichment Program	84.424A	84.424A, 2020	810
Student Support and Academic Enrichment Program	84.424A	84.424A, 2021	54,382
Total Student Support and Academic Enrichment Program			55,192
COVID-19 - Elementary and Secondary School Emergency Relief (ESSER I) Fund	84.425D	COVID-19, 84.425D, 2021	566,567
COVID-19 - Elementary and Secondary School Emergency Relief (ESSER II) Fund	84.425D	COVID-19, 84.425D, 2022	305,579
Total Education Stabilization Fund			872,146
Total U.S. Department of Education			4,363,129
INSTITUTE OF MUSEUM AND LIBRARY SERVICES			
<i>Passed Through the State Library of Ohio</i>			
COVID-19 - Library Services and Technology Act (LSTA) Program	45.310	COVID-19, CARES-VIII-306-21	2,393
Total Institute of Museum and Library Services			2,393
Total Federal Financial Assistance			\$ 8,046,674

The accompanying notes are an integral part of this schedule.

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

NOTE 1 – BASIS OF PRESENTATION & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Pickerington Local School District under programs of the federal government for the fiscal year ended June 30, 2021 and is prepared in accordance with the cash basis of accounting. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Pickerington Local School District, it is not intended to and does not present the financial position, changes in net position or cash flows of the Pickerington Local School District. Such expenditures are recognized following cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be limited to as to reimbursement.

NOTE 2 – DE MINIMIS COST RATE

CFR Section 200.414 of the Uniform Guidance allows a non-federal entity that has never received a negotiated indirect cost rate to charge a de minimis rate of 10% of modified total direct costs to indirect costs. The Pickerington Local School District has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 3 - CHILD NUTRITION CLUSTER

The Pickerington Local School District commingles cash receipts from the U.S. Department of Agriculture with similar State grants. When reporting expenditures on this Schedule, the Pickerington Local School District assumes it expends federal monies first.

NOTE 4 – FOOD DONATION PROGRAM

The Pickerington Local School District reports commodities consumed on the Schedule at the entitlement value. The Pickerington Local School District allocated donated food commodities to the respective program that benefitted from the use of those donated food commodities.

**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other
Matters Based on an Audit of Financial Statements Performed in Accordance with
*Government Auditing Standards***

Pickerington Local School District
Fairfield County
90 North East Street
Pickerington, Ohio 43147

To the Board of Education:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Pickerington Local School District, Fairfield County, Ohio, as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Pickerington Local School District's basic financial statements, and have issued our report thereon dated December 23, 2021, wherein we noted as described Note 18 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Pickerington Local School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Pickerington Local School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Pickerington Local School District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Pickerington Local School District's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Pickerington Local School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Pickerington Local School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Pickerington Local School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Julian & Grube, Inc.

Julian & Grube, Inc.
December 23, 2021

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance and on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Pickerington Local School District
Fairfield County
90 North East Street
Pickerington, Ohio 43147

To the Board of Education:

Report on Compliance for Each Major Federal Program

We have audited the Pickerington Local School District's compliance with the types of compliance requirements described in the *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the Pickerington Local School District's major federal programs for the fiscal year ended June 30, 2021. The Pickerington Local School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Pickerington Local School District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Pickerington Local School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Pickerington Local School District's compliance.

Opinion on Each Major Federal Program

In our opinion, the Pickerington Local School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the fiscal year ended June 30, 2021.

Report on Internal Control over Compliance

Management of the Pickerington Local School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Pickerington Local School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Pickerington Local School District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Pickerington Local School District, as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Pickerington Local School District's basic financial statements. We issued our report thereon dated December 23, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.



Julian & Grube, Inc.
December 23, 2021

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2021**

1. SUMMARY OF AUDITOR'S RESULTS		
<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unmodified
<i>(d)(1)(ii)</i>	<i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii)</i>	<i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material internal control weaknesses reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any significant deficiencies in internal control reported for major federal programs?</i>	No
<i>(d)(1)(v)</i>	<i>Type of Major Program's Compliance Opinion</i>	Unmodified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under 2 CFR §200.516(a)?</i>	No
<i>(d)(1)(vii)</i>	<i>Major Programs (listed):</i>	COVID-19 – Education Stabilization Fund (ALN 84.425); Child Nutrition Cluster
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$750,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee under 2 CFR § 200.520?</i>	Yes

2. FINDINGS RELATED TO THE BASIC FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

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OHIO AUDITOR OF STATE KEITH FABER



PICKERINGTON LOCAL SCHOOL DISTRICT

FAIRFIELD 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 2/10/2022

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

This report is a matter of public record and is available online at
www.ohioauditor.gov