

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

SUPPLEMENTAL REPORTS

FOR THE FISCAL YEAR ENDED
JUNE 30, 2008

DAN GRISCOM, TREASURER



Mary Taylor, CPA
Auditor of State

Board of Education
Pickerington Local School District
779 Long Road
Pickerington, Ohio 43147

We have reviewed the *Independent Auditor's Report* of the Pickerington Local School District, Fairfield County, prepared by Julian & Grube, Inc., for the audit period July 1, 2007 through June 30, 2008. 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. The Pickerington Local School District is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

February 5, 2009

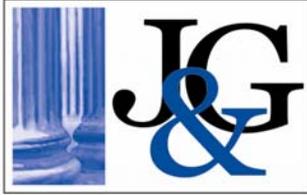
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**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

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Julian & Grube, Inc.

Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS

Board of Education
Pickerington Local School District
779 Long Road
Pickerington, Ohio 43147

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Pickerington Local School District, Fairfield County, Ohio, as of and for the fiscal year ended June 30, 2008, and have issued our report thereon dated December 15, 2008. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise Pickerington Local School District's basic financial statements. The accompanying Schedule of Receipts and Expenditures of Federal Awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as whole.

Julian & Grube, Inc.

Julian & Grube, Inc.
December 15, 2008

**PICKERINGTON LOCAL SCHOOL DISTRICT
SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

FEDERAL GRANTOR/ SUB GRANTOR/ PROGRAM TITLE	CFDA NUMBER	(A) PASS-THROUGH GRANT NUMBER	(B) CASH FEDERAL RECEIPTS	(B) CASH FEDERAL DISBURSEMENTS
U.S. DEPARTMENT OF AGRICULTURE PASSED THROUGH THE OHIO DEPARTMENT OF EDUCATION				
(C) Food Donation	10.550	2008	\$ 222,716	\$ 222,716
Total Food Donation			<u>222,716</u>	<u>222,716</u>
Nutrition Cluster:				
(D)(E) School Breakfast Program	10.553	2008	24,803	24,803
Total School Breakfast Program			<u>24,803</u>	<u>24,803</u>
(D)(E) National School Lunch Program	10.555	2008	679,545	679,545
Total National School Lunch Program			<u>679,545</u>	<u>679,545</u>
Total Nutrition Cluster			<u>704,348</u>	<u>704,348</u>
(D) Team Nutrition Grants	10.574	2008	300	300
Total Team Nutrition Grants			<u>300</u>	<u>300</u>
Total U.S. Department of Agriculture			<u>927,364</u>	<u>927,364</u>
U.S. DEPARTMENT OF EDUCATION PASSED THROUGH THE OHIO DEPARTMENT OF EDUCATION				
Title I Grants to Local Educational Agencies	84.010	2007	-	2,088
Title I Grants to Local Educational Agencies	84.010	2008	259,393	251,765
Total Title I Grants to Local Educational Agencies			<u>259,393</u>	<u>253,853</u>
Special Education_Grants to States	84.027	2007	391,360	393,241
Special Education_Grants to States	84.027	2008	1,330,164	1,180,573
Total Special Education Cluster			<u>1,721,524</u>	<u>1,573,814</u>
Safe and Drug-Free Schools and Communities_State Grants	84.186	2008	21,503	21,503
Total Safe and Drug-Free Schools and Communities_State Grants			<u>21,503</u>	<u>21,503</u>
State Grants for Innovative Programs	84.298	2008	18,543	18,543
Total State Grants for Innovative Programs			<u>18,543</u>	<u>18,543</u>
Education Technology State Grants	84.318	2007	-	600
Education Technology State Grants	84.318	2008	2,865	2,834
Total Educational Technology State Grants			<u>2,865</u>	<u>3,434</u>
English Language Acquisition Grants	84.365	2007	-	47,002
English Language Acquisition Grants	84.365	2008	54,614	6,069
Total English Language Acquisition Grants			<u>54,614</u>	<u>53,071</u>
Improving Teacher Quality State Grants	84.367	2007	3,911	3,911
Improving Teacher Quality State Grants	84.367	2008	140,464	132,329
Total Improving Teacher Quality State Grants			<u>144,375</u>	<u>136,240</u>
Total U.S. Department of Education			<u>2,222,817</u>	<u>2,060,458</u>
Total Federal Financial Assistance			<u>\$ 3,150,181</u>	<u>\$ 2,987,822</u>

- (A) OAKS did not assign pass through numbers for fiscal year 2008
 (B) This schedule was prepared on the cash basis of accounting.
 (C) The Food Donation Program is a non-cash, in kind, federal grant. Commodities are valued at entitlement value
 (D) Commingled with state and local revenue from sales of lunches; assumed expenditures were made on a first-in, first-out basis
 (E) Included as part of "Nutrition Grant Cluster" in determining major programs



Julian & Grube, Inc.
Serving Ohio Local Governments

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**Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Basic Financial Statements
Performed in Accordance With *Government Auditing Standards***

Board of Education
Pickerington Local School District
779 Long Road
Pickerington, Ohio 43147

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Pickerington Local School District, Fairfield County, Ohio, as of and for the fiscal year ended June 30, 2008, which collectively comprise Pickerington Local School District's basic financial statements and have issued our report thereon dated December 15, 2008. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Pickerington Local School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Pickerington Local School District's internal control over financial reporting. Accordingly we do not express an opinion on the effectiveness of Pickerington Local School District's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Pickerington Local School District's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of Pickerington Local School District's financial statements that is more than inconsequential will not be prevented or detected by Pickerington Local School District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Pickerington Local School District's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

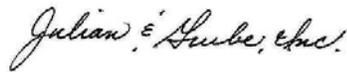
Board of Education
Pickerington Local School District

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Pickerington Local School District's financial statements are free of 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 determination of financial statement amounts. 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*.

We noted certain matters that we reported to the management of Pickerington Local School District in a separate letter dated December 15, 2008.

This report is intended solely for the information and use of the management and Board of Education of Pickerington Local School District and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.



Julian & Grube, Inc.
December 15, 2008



Julian & Grube, Inc.
Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

**Report on Compliance With Requirements Applicable
to Each Major Program and on Internal Control Over
Compliance in Accordance With OMB Circular A-133**

Board of Education
Pickerington Local School District
779 Long Road
Pickerington, OH 43147

Compliance

We have audited the compliance of Pickerington Local School District, Fairfield County, Ohio, with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the fiscal year ended June 30, 2008. Pickerington Local School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs are the responsibility of Pickerington Local School District's management. Our responsibility is to express an opinion on Pickerington Local School District's compliance based on our audit.

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 OMB Circular A-133, *Audit of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 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 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. Our audit does not provide a legal determination on Pickerington Local School District's compliance with those requirements.

In our opinion, Pickerington Local School District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the fiscal year ended June 30, 2008.

Board of Education
Pickerington Local School District

Internal Control Over Compliance

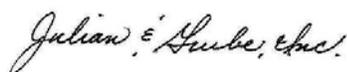
The management of Pickerington Local School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Pickerington Local School District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 Pickerington Local School District's internal control over compliance.

A control deficiency in Pickerington Local School District's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Pickerington Local School District's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by Pickerington Local School District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by Pickerington Local School District's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended for the information and use of management and Board of Education of Pickerington Local School District and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.



Julian & Grube, Inc.
December 15, 2008

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO
JUNE 30, 2008**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 § .505**

1. SUMMARY OF AUDITOR'S RESULTS		
<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unqualified
<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 other 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 Programs' Compliance Opinion</i>	Unqualified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under §.510?</i>	No
<i>(d)(1)(vii)</i>	<i>Major Programs (listed):</i>	Nutrition Cluster: School Breakfast CFDA #10.553; National School Lunch Program CFDA #10.555; Title I Grants to Local Educational Agencies CFDA #84.010
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$300,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee?</i>	Yes

**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO
JUNE 30, 2008**

**SCHEDULE OF FINDINGS
*OMB CIRCULAR A-133 § .505***

**2. FINDINGS RELATED TO THE BASIC FINANCIAL STATEMENTS REQUIRED TO
BE REPORTED IN ACCORDANCE WITH GAGAS**

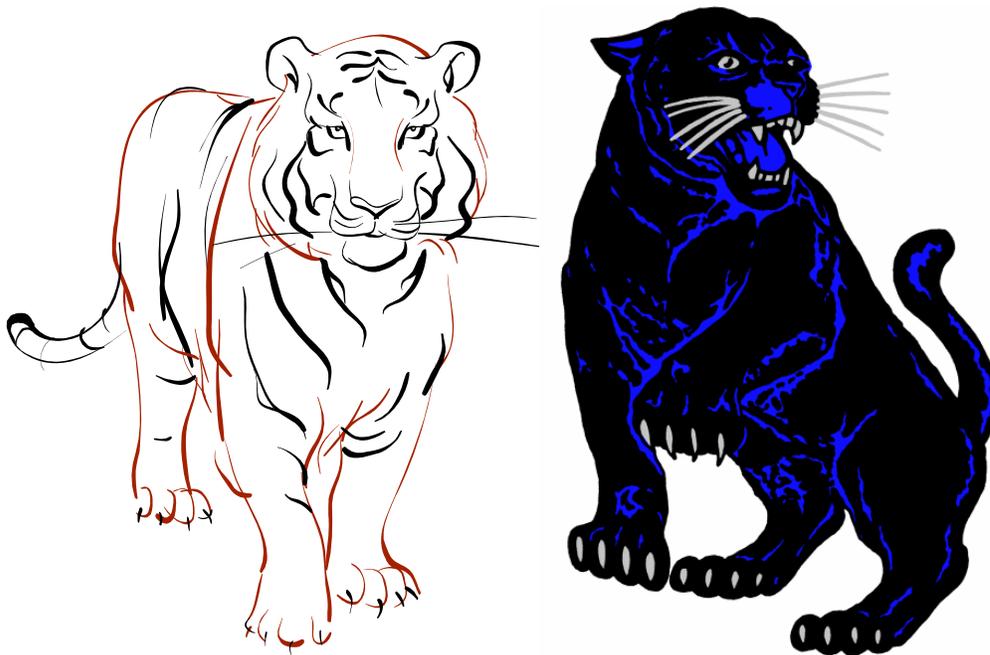
None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

Comprehensive Annual Financial Report

PICKERINGTON LOCAL SCHOOL DISTRICT



Board of Education
Of
Pickerington Local School District
Pickerington, Ohio

For Fiscal Year Ended June 30, 2008

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

OF THE

**PICKERINGTON LOCAL
SCHOOL DISTRICT**

FOR THE

FISCAL YEAR ENDED JUNE 30, 2008

**PREPARED BY
TREASURER'S DEPARTMENT
DAN GRISCOM, TREASURER**

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INTRODUCTORY SECTION

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

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

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PICKERINGTON LOCAL SCHOOL DISTRICT

Office of the Treasurer

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December 15, 2008

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 Comprehensive Annual Financial Report (CAFR) issued by the District. The CAFR for the fiscal year ended June 30, 2008 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 Office of the Treasurer 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, 2008, were audited by Julian & 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 OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations". The single audit report is not included in the CAFR.

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 Management's Discussion and Analysis (MD&A).

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. MD&A complement 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 in a suburb of Columbus, the state capital, and operated two high schools, two junior high schools, two middle schools, and five elementary schools as of June 30, 2008. The District had approximately 10,204 students enrolled during the 2007-08 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 witnessed by scores on standardized tests.

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.

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, is the Assistant Superintendent, the Director of Instruction, the Director of Student Services and the building principals.

Internal Control:

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 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 (except agency) 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. 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 as a second language (“ESL”), students with disabilities and gifted students; student guidance and health services; as well as extracurricular activities.

While rapid growth in student population 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 1800 students. As a result, grades 7 and 8 were relocated to the junior high (old high school building) and grade 5 was moved from each elementary building and relocated with the sixth grade to form a middle school resulting in the District’s present configuration of building spans – K-4, 5-6, 7-8, and 9-12.

More important than the physical improvements and adjustments is the fact that these organizational efforts resulted in a restructuring of both the 5-6 and 7-8 buildings. These facilities now operate in teams, or a “school-within-a-school” concept, which has enhanced instruction and provided numerous opportunities to pay closer attention to each student.

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) 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” (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.

Our community’s greatest building achievement was passed 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 a Pickerington High School North and Lakeview Junior High School that 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. Construction was in process during fiscal year 2008.

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, an expanded writing program, 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 have been Success Academy (an intervention program for at-risk 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 expansion of advanced placement course offerings.

STUDENT ACHIEVEMENT

Scholastic Performance: The District, for the 2007-2008 school year, met 29 out of 30 indicators on the Ohio Department of Education's Local Report Card for schools. The District's Performance Index is 100.9 and we also met Adequate Yearly Progress goals (a federal criteria under No Child Left Behind), which earned Pickerington Local Schools a rating of Excellent with Distinction. This is a higher designation from the previous year, which was Continuous Improvement. The District is working diligently towards achieving the Excellent with Distinction rating (the highest rating possible) for the 2009-2010 school year. The District graduated 97.9% of students for the 2006-2007 school year, which was higher than the State requirement of 90%.

ACT/SAT Testing: The District's students outranked their State and national peers in 2007 on both the ACT and SAT tests. The District's students scored an average ACT composite score of 22.2 at PHS Central and 23.4 at PHS North, compared to an average ACT composite score of 21.7 for all Ohio students and a national average of 21.1. The District's students also scored an average SAT (verbal and math score) of 1075 at PHS Central and 1138 at PHS North, compared to an Ohio average SAT (verbal and math) score of 1078 and a national average of 1017.

Scholastic Achievement: The District's two high schools graduated a combined total of 700 students in the spring of 2008. The 2008 class of graduating seniors earned over \$13 million in academic and athletic scholarships.

MAJOR INITIATIVES AND PROGRAM ACCOMPLISHMENTS

Data Analysis: The District is analyzing and disaggregating all test results, specifically Ohio Achievement Test results (administered to grades levels 3-8) and the Ohio Graduation Test by grade level, content area, and subgroups including strand analysis, response type and item analysis.

The District is determining which students were "on the bubble"; that is, just above or just below the proficiency score, so that these students may receive targeted assistance for improvement from both the classroom teacher and support staff that provides intervention, e.g. reading specialists and math coaches.

Professional development has been conducted at the District, building and grade level for teachers in order to review the test data and determine action steps for using the data to guide intervention strategies and improve instruction.

Delivery of Instructional Services: Two new elementary and one new middle school will open at the beginning of the 2008-2009 school year. In order to provide a comprehensive approach for serving these new buildings and also the existing five elementaries and two middle schools, a review of curriculum, special education and technology services is being conducted within the District.

Gifted & Talented Programs: The District currently operates in-house programs for gifted and talented students, in grade 4, at each elementary, and grades 5 and 6 at the middle school. The program has been expanded to include even more students, and additional teachers. A gifted intervention specialist in each elementary building also allows time for these teachers to act as a gifted resource to all classroom teachers. There are also acceleration/enrichment opportunities for advanced students at the secondary level.

ELL Program: Students in grades K-12 with Limited English Proficiency are provided intervention programs through the Districts' ELL (English Language Learners) teachers. These students proficiency is tested regularly through state mandated testing and they phase out of the program as they obtain mastery of the English language.

Foreign Languages: Following two years of diligent study, the Board of Education approved the implementation of foreign language instruction in the junior high school in 1994. Eighth (8th) grade students are able to enroll in an elective study of German, Spanish, and French to complete a first year high school credit. American Sign Language is also offered at the high school. These additions have provided District students an opportunity to enroll in a fifth year of 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: Junior High students had the option of earning High School credits for Algebra, Honors Algebra, and Foreign Language courses beginning in the 1998-99 school year when changes at the state level permitted this. Beginning in the 1999-2000 school year Biology A and Earth Science A, both high school science courses, were also made available for credit at the Junior High level.

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 teachers provide instruction to students K-12. Each K-6 building has its own music and visual arts teacher. All students at the junior high level are enrolled in a creative arts block. Beginning in the sixth grade at 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 teaching/learning is at the core of everything we do and that technology should be an integral part of education. Technology in our District is part of a comprehensive plan that includes communication, instruction, intervention, data reporting and data analysis.

Currently, the District is improving communications with parents by providing on-line access to student's academic progress. The District also has a listserv that is utilized by principals and the District Director of Communications to keep parents update about district news and events. Teachers have technology web pages and are providing information about homework assignments on-line.

There are four technology instructional coaches that work directly in buildings assisting teachers in technology/curriculum integration. The District also has created a Help Desk that has made technical services for teachers more efficient.

Expanded Summer School Opportunities: As discussions have occurred throughout the District on many instructional items, it has become apparent that either the school day or year must be increased. While this major restructuring will continue to be a topic of great debate, the District is moving toward the same end by expanding instructional opportunities to students via a comprehensive Summer Academy, which provides both enrichment and remedial classes in the summer and beyond the regular school day. During the summer, the District provides K-8 students intervention in both reading and math; additionally, intervention in science and social studies is available for students in grades 5 and 8. Summer intervention is available for high school students in all content areas in preparation for retaking of the Ohio Graduation Test (OGT).

Remedial help is available for elementary aged students. Lastly, the following high school credit courses are offered: Biology B, Earth Science A, and Physical Education.

In addition to summer programs, before and after school intervention is provided in each elementary for students who have failed to pass the third grade reading achievement test. Two of the Districts' elementary buildings that have a higher proportion of at-risk students provide an extension to the school day for reading intervention in grades 1-4. Math and science intervention is provided before/after school for middle school students.

Course of Study Review/Revision: Extensive discussions have been held to revise the District courses of study in an effort to assure that our academic objectives comply with the Ohio academic standards in each subject area. Emphasis continues to be hands-on, applied learning, with an incorporation of higher level thinking skills. Staff members have worked hard to ensure that we have developed instructional strategies that prepare our students to meet with success on Ohio's Achievement and Graduation Tests.

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 know as "Title" monies. There are three major goals established in this plan for our District including: Improving Student Achievement; Hiring of teachers who are Highly Qualified; and Development of Performance Assessments. 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 (Improving Teacher Quality), Title II-D (Technology), Title III (Limited English Proficient), Title III (Immigrant), Title IV (Safe and Drug-Free Schools), Title V (Innovative Instructional Program), Part B - IDEA (Special Education). Each school develops building goals to support the Districts' goals The District's current CCIP was approved by the Ohio Department of Education, Office of Federal Programs in September 2008.

Grants Programs: Staff members continue to seek grant funding to increase instructional and professional opportunities. Our District and staff has been awarded numerous grants, including the 21st Century Learning Grant, the Ford Partnership for Advanced Studies (PAS), and also has been selected as an implementation site for the Ohio Performance Assessment Project in Math and Science.

The special education department has high expectations for its 1,066 identified special needs students and offers a full continuum of services that emphasizes meeting the unique needs of each student. Intensive training has been provided to selected individuals in order to help facilitate the implementation of scientifically research based reading and math programs in all classes. Training on best practices in an inclusion setting has been provided to both regular and special education teachers to help them differentiate instruction in order to meet the needs of all students and help them progress in the general curriculum and meet grade level indicators.

Roles and responsibilities of special education administrators and school psychologists have been adjusted to provide better coverage in the buildings for teachers and to assure compliance with State operating standards in the evaluation and IEP process.

Our 84 special education teachers are supported by strong, knowledgeable administrators and related service staff to allow them to effectively deliver appropriate services to their students in order to prepare them for State testing and ultimately independence after high school.

ECONOMIC CONDITION AND OUTLOOK

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. 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 capitol, and is 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. It is anticipated that the income tax will continue to provide a better source of funding than the traditional property tax, because of its ability to grow as the District grows.

As can be seen in Note 9 of the financial statements, voters have routinely supported the District in its efforts to keep pace with increased student population.

Ohio House Bill 412 requires school districts to spend a certain portion of their revenues on specific categories of expenditures as specified in the law. In the event that the District does not meet the required expenditure level, the shortfall would be reserved and carried forward to the next fiscal year and would be expected to be spent in addition to any requirement for that fiscal year. Two categories of "set-asides" or reserves are pertinent to the District: the textbook and instructional materials set-aside and the capital acquisition set-aside. The set-asides for the textbook and instructional materials and the capital acquisition are required by State statute. For fiscal year 2008, the District had offsets and qualifying disbursements which well exceeded the required set-asides. Given the District's current and anticipated expenditure patterns and levels, the board expects to exceed these requirements for the foreseeable future.

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 comprehensive annual financial report for the fiscal year ended June 30, 2007. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principals and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report 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 CAFR 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 and the Assistant Treasurer of the District for their input and assistance in this project. In the financial area, as in the instructional area, the goal of excellence is always with us.

Respectfully submitted,

A handwritten signature in black ink that reads "Dan Griscom". The signature is written in a cursive, slightly slanted style.

Dan Griscom

Treasurer

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

ELECTED OFFICIALS AND ADMINISTRATIVE STAFF

JUNE 30, 2008

Board of Education Members

President	Mr. Wes Monhollen
Vice President	Mrs. Lori Sanders
Member	Mr. Lee Gray
Member	Mr. Clay Lopez
Member	Mrs. Lisa Reade

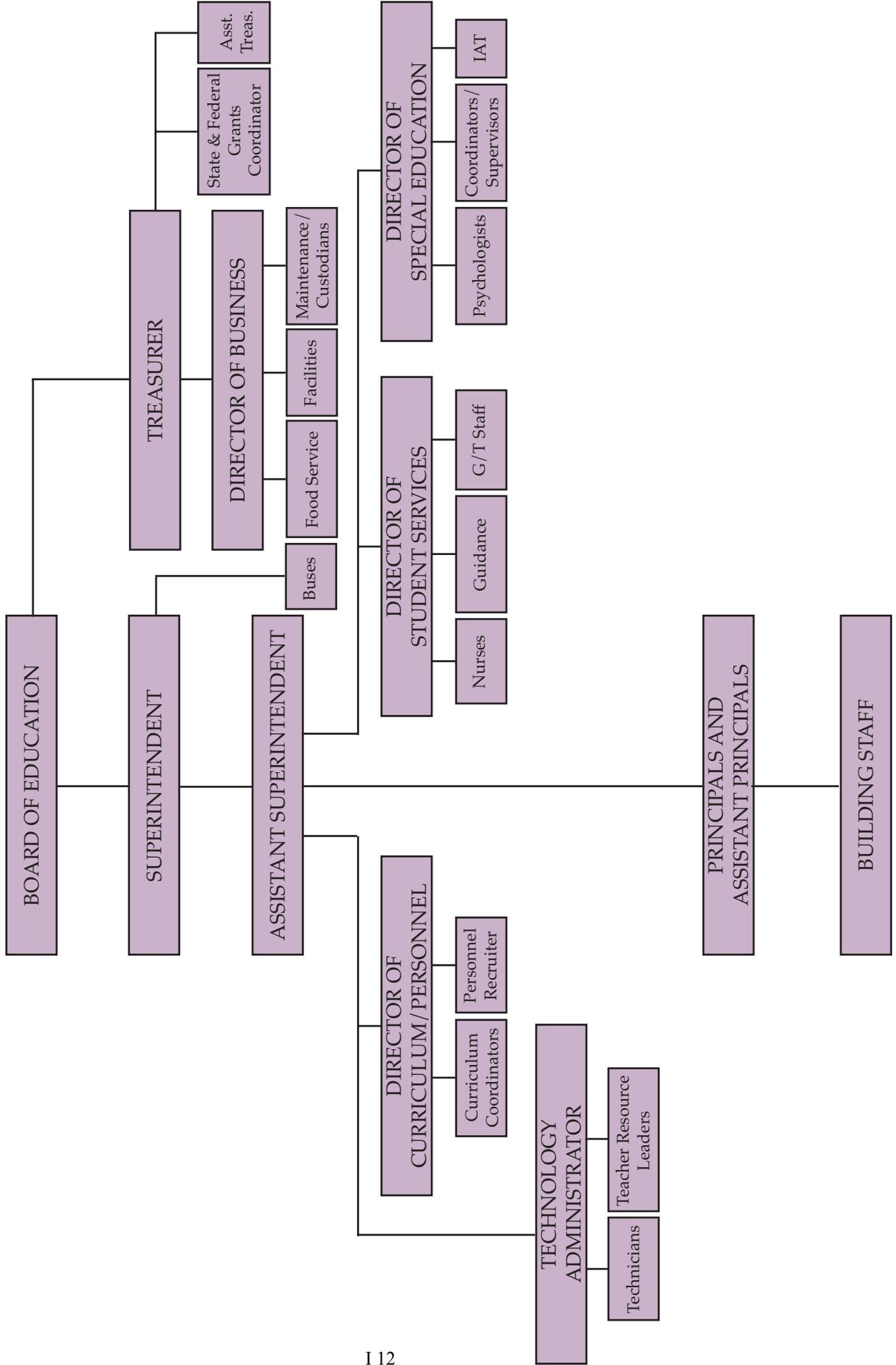
Appointed Officials

Superintendent	Dr. Karen Mantia
Treasurer	Dan Griscom

Administrative Staff

Assistant Superintendent	H. Lewis Stemen
Director of Human Resources	(Vacant)
Director of Instruction	Edwina Campbell
Director of Student Services	George W. Vickroy
Assistant Treasurer	Keltah Houser-Siders
Business Manager	(Vacant)
Principal, Pickerington High School North	Michael Smith
Principal, Pickerington High School Central	Scott Reeves
Principal, Lakeview Junior High School	James Sotlar
Principal, Ridgeview Junior High School	Charles Byers
Principal, Diley Middle School	D. Mark Jones
Principal, Harmon Middle School	Gary Morrow
Principal, Fairfield Elementary School	Frederick W. Nihiser
Principal, Heritage Elementary School	David Toopes
Principal, Pickerington Elementary School	Jane Vazquez
Principal, Tussing Elementary School	Jeannette Henson
Principal, Violet Elementary School	Kristi Motsch

ORGANIZATIONAL CHART



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Pickerington Local School
District, Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2007

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Charles S. Cox

President

Jeffrey R. Emer

Executive Director

FINANCIAL SECTION

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Julian & Grube, Inc.

Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Independent Auditor's Report

Board of Education
Pickerington Local School District
779 Long Road
Pickerington, OH 43147

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Pickerington Local School District, Fairfield County, Ohio, as of and for the fiscal year ended June 30, 2008, which collectively comprise the Pickerington Local School District's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of Pickerington Local School District's management. 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 the *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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Pickerington Local School District, Fairfield County, Ohio, as of June 30, 2008, and the respective changes in financial position thereof and the respective budgetary comparison for the general fund for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

Independent Auditor's Report
Pickerington Local School District

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2008, on our consideration of 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 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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 statements and schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



Julian & Grube, Inc.
December 15, 2008

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
(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, 2008. 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 2008 are as follows:

- In total, net assets of governmental activities increased \$3,657,415 which represents a 15.70% increase from 2007.
- General revenues accounted for \$101,974,964 in revenue or 90.33% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$10,920,721 or 9.67% for total revenues of \$112,895,685.
- The District had \$109,238,270 in expenses related to governmental activities; only \$10,920,721 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 \$101,974,964 were adequate to provide for these programs.
- The District's major governmental funds include the general, district debt service fund, and the building fund. The general fund had \$88,664,843 in revenues and \$87,240,563 in expenditures. During fiscal year 2008, the general fund's balance increased \$1,424,280 from \$10,200,123 to \$11,624,403.
- The district debt service fund had \$14,585,747 in revenues and \$13,548,538 in expenditures. The district debt service fund's balance increased \$1,037,209 from \$14,077,339 to \$15,114,548.
- The building fund had \$2,415,864 in revenues and \$16,901,738 in expenditures. The building fund's balance decreased \$14,485,874 from \$58,311,117 to \$43,825,243.

Using this Comprehensive Annual Financial Report (CAFR)

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 assets* 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, district debt service fund and building fund, which are reported as major funds.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
(UNAUDITED)

Reporting the District as a Whole

Statement of Net Assets 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 2008?" The statement of net assets and the statement of activities answer this question. These statements include *all assets, liabilities, 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.

These two statements report the District's *net assets* and changes in those assets. This change in net assets 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 assets 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 assets and statement of activities can be found on pages F 15 - F 16 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 10. 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, district debt service fund, and the building 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 assets 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 17 – F 21 of this report.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
(UNAUDITED)

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or fiduciary, for its scholarship programs. This activity is presented as a private-purpose trust fund. The District also acts in a trustee capacity as an agent for individuals. These activities are reported in an agency fund. All of the District's fiduciary activities are reported in separate statements of fiduciary net assets and changes in fiduciary net assets on pages F 22 and F 23. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

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 24 – F 58 of this report.

The District as a Whole

The statement of net assets provides the perspective of the District as a whole.

The table below provides a summary of the District's net assets at June 30, 2008 and June 30, 2007.

	Net Assets	
	Governmental Activities <u>2008</u>	Governmental Activities <u>2007</u>
<u>Assets</u>		
Current and other assets	\$ 130,782,889	\$ 138,731,345
Capital assets, net	<u>126,358,212</u>	<u>114,798,570</u>
Total assets	<u>257,141,101</u>	<u>253,529,915</u>
<u>Liabilities</u>		
Current liabilities	50,545,988	45,898,293
Long-term liabilities	<u>179,637,341</u>	<u>184,331,265</u>
Total liabilities	<u>230,183,329</u>	<u>230,229,558</u>
<u>Net Assets</u>		
Invested in capital assets, net of related debt	7,887,455	7,639,245
Restricted	23,739,089	18,391,211
Unrestricted (deficit)	<u>(4,668,772)</u>	<u>(2,730,099)</u>
Total net assets	<u>\$ 26,957,772</u>	<u>\$ 23,300,357</u>

Over time, net assets can serve as a useful indicator of a government's financial position. At June 30, 2008, the District's assets exceeded liabilities by \$26,957,772. At fiscal year-end, restricted net assets were \$23,739,089.

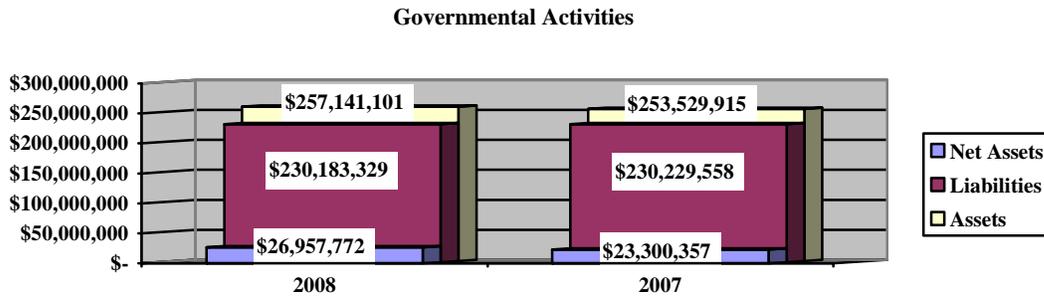
**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
(UNAUDITED)**

At fiscal year-end, capital assets represented 49.14% of total assets. Capital assets include land, land improvements, buildings and improvements, furniture and equipment, vehicles and construction-in-progress. Investments in capital assets, net of related debt to acquire the assets at June 30, 2008, were \$7,887,455. 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 assets, \$23,739,089, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net assets is a deficit of \$4,668,772.

The graph below illustrates the District's assets, liabilities and net assets at June 30, 2008 and June 30, 2007.



The table below shows the change in net assets for fiscal years 2008 and 2007.

Change in Net Assets

	Governmental Activities 2008	Governmental Activities 2007
Revenues		
Program revenues:		
Charges for services and sales	\$ 4,577,839	\$ 4,277,510
Operating grants and contributions	6,298,365	6,096,067
Capital grants and contributions	44,517	64,544
General revenues:		
Property taxes	40,991,951	37,664,396
School district income taxes	12,722,150	12,303,735
Grants and entitlements	44,083,762	42,499,856
Investment earnings	3,798,530	3,171,236
Other	378,571	114,942
Total revenues	<u>112,895,685</u>	<u>106,192,286</u>

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
(UNAUDITED)**

Change in Net Assets

	Governmental Activities <u>2008</u>	Governmental Activities <u>2007</u>
<u>Expenses</u>		
Program expenses:		
Instruction:		
Regular	\$ 47,880,000	\$ 45,562,366
Special	7,249,632	6,782,936
Vocational	1,098,881	1,074,249
Other	2,413,847	2,217,708
Support services:		
Pupil	4,422,909	4,196,561
Instructional staff	5,837,143	5,741,358
Board of education	522,851	455,248
Administration	7,476,862	7,273,966
Fiscal	1,789,425	1,571,452
Business	44,051	185,988
Operations and maintenance	9,267,414	8,238,497
Pupil transportation	5,701,343	5,286,583
Central	162,150	50,333
Operation of non-instructional services:		
Food service operations	3,635,100	3,224,778
Other non-instructional services	65,316	124,132
Extracurricular activities	2,772,116	2,503,424
Interest and fiscal charges	<u>8,899,230</u>	<u>7,157,888</u>
Total expenses	<u>109,238,270</u>	<u>101,647,467</u>
<u>Special Item</u>		
Refund from OME-RESA	-	78,432
Change in net assets	3,657,415	4,623,251
Net assets at beginning of year	<u>23,300,357</u>	<u>18,677,106</u>
Net assets at end of year	<u>\$ 26,957,772</u>	<u>\$ 23,300,357</u>

Governmental Activities

Net assets of the District's governmental activities increased \$3,657,415. Total governmental expenses of \$109,238,270 were offset by program revenues of \$10,920,721 and general revenues of \$101,974,964. Program revenues supported 10.00% of the total governmental expenses.

The primary sources of revenue for governmental activities are derived from property taxes, school district income taxes, and unrestricted grants and entitlements from the State of Ohio. These three revenue sources represent 86.63% of total governmental revenue. Real estate property is reappraised every six years.

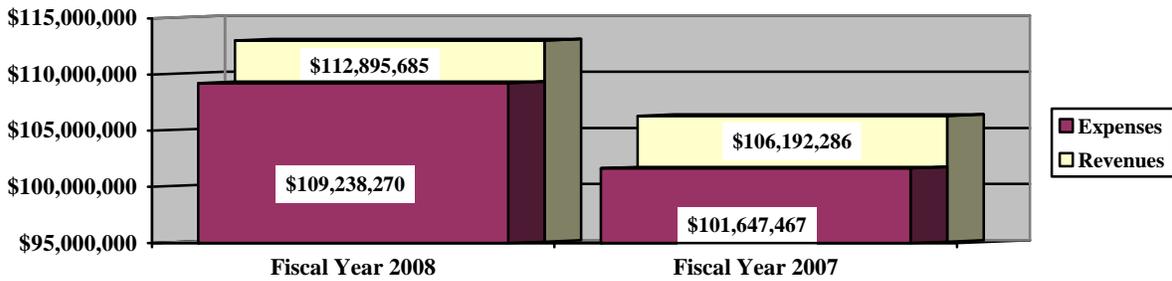
**PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
(UNAUDITED)

Voters approved the school district income tax operating levy in May 1990. This is a continuing levy from which revenue has increased over the years due to the growth in the District.

The graph below presents the District's governmental activities revenue and expenses for fiscal years 2008 and 2007.

Governmental Activities - Revenues and Expenses



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, 2008
(UNAUDITED)**

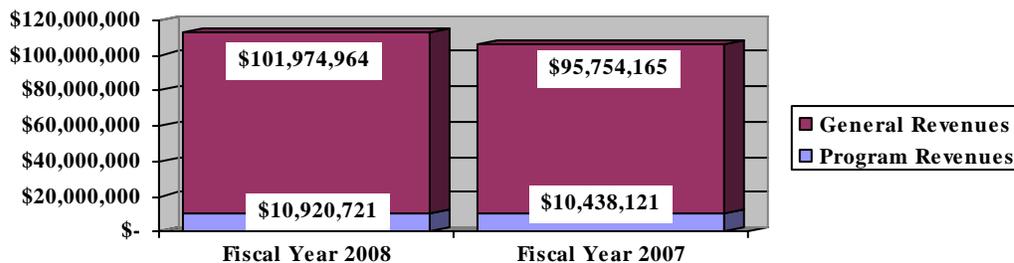
Governmental Activities

	Total Cost of Services <u>2008</u>	Net Cost of Services <u>2008</u>	Total Cost of Services <u>2007</u>	Net Cost of Services <u>2007</u>
Program expenses				
Instruction:				
Regular	\$ 47,880,000	\$ 46,487,221	\$ 45,562,366	\$ 44,284,144
Special	7,249,632	3,938,568	6,782,936	3,774,312
Vocational	1,098,881	951,593	1,074,249	914,540
Other	2,413,847	2,407,816	2,217,708	2,217,708
Support services:				
Pupil	4,422,909	3,908,926	4,196,561	3,616,071
Instructional staff	5,837,143	5,344,078	5,741,358	5,322,228
Board of education	522,851	522,851	455,248	455,248
Administration	7,476,862	7,359,863	7,273,966	7,136,852
Fiscal	1,789,425	1,757,119	1,571,452	1,538,724
Business	44,051	44,051	185,988	185,988
Operations and maintenance	9,267,414	9,183,803	8,238,497	8,145,290
Pupil transportation	5,701,343	5,456,431	5,286,583	4,998,234
Central	162,150	159,016	50,333	49,537
Operations of non-instructional services				
Food service operations	3,635,100	276,529	3,224,778	144,635
Other non-instructional services	65,316	(19,126)	124,132	10,264
Extracurricular activities	2,772,116	1,639,580	2,503,424	1,398,141
Interest and fiscal charges	<u>8,899,230</u>	<u>8,899,230</u>	<u>7,157,888</u>	<u>7,017,430</u>
Total expenses	<u>\$ 109,238,270</u>	<u>\$ 98,317,549</u>	<u>\$ 101,647,467</u>	<u>\$ 91,209,346</u>

The dependence upon tax and other general revenues for governmental activities is apparent, 91.72% of instruction activities are supported through taxes and other general revenues which includes State aid. For all governmental activities, general revenue support is 90.00%. The District's taxpayers 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 2008 and 2007.

Governmental Activities - General and Program Revenues



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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
(UNAUDITED)

The District's Funds

The District's governmental funds (as presented on the balance sheet on page F17 reported a combined fund balance of \$77,038,801, which is less than last year's total of \$88,139,436. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2008 and June 30, 2007.

	<u>Fund Balance June 30, 2008</u>	<u>Fund Balance June 30, 2007</u>	<u>Increase/ Decrease</u>
General	\$ 11,624,403	\$ 10,200,123	\$ 1,424,280
District debt service	15,114,548	14,077,339	1,037,209
Building	43,825,243	58,311,117	(14,485,874)
Other governmental	<u>6,474,607</u>	<u>5,550,857</u>	<u>923,750</u>
Total	<u>\$ 77,038,801</u>	<u>\$ 88,139,436</u>	<u>\$ (11,100,635)</u>

The primary reason for the decrease in fund balance was expenditures from the building fund, for the construction of two elementary schools and one middle school. The schools are scheduled to open in the fall of 2009.

General Fund

The District's general fund balance increased \$1,424,280. Growth in revenues exceeded the growth in expenditures, as illustrated in the following table.

	<u>2008 Amount</u>	<u>2007 Amount</u>	<u>Change</u>	<u>Percentage Change</u>
<u>Revenues</u>				
Taxes	\$ 40,528,147	\$ 37,531,439	\$ 2,996,708	7.98 %
Tuition	408,019	281,266	126,753	45.07 %
Earnings on investments	1,789,578	1,863,643	(74,065)	(3.97) %
Intergovernmental	45,781,851	44,069,814	1,712,037	3.88 %
Other revenues	<u>157,248</u>	<u>77,645</u>	<u>79,603</u>	102.52 %
Total	<u>\$ 88,664,843</u>	<u>\$ 83,823,807</u>	<u>\$ 4,841,036</u>	5.78 %
<u>Expenditures</u>				
Instruction	\$ 53,455,655	\$ 50,713,692	2,741,963	5.41 %
Support services	32,303,161	30,353,340	1,949,821	6.42 %
Extracurricular activities	1,476,382	1,391,265	85,117	6.12 %
Facilities acquisition and construction	<u>5,365</u>	<u>253,717</u>	<u>(248,352)</u>	(97.89) %
Total	<u>\$ 87,240,563</u>	<u>\$ 82,712,014</u>	<u>\$ 4,528,549</u>	5.48 %

Overall revenues of the general fund increased \$4,841,036 or 5.78%. The most significant increases were in the areas of taxes and intergovernmental revenues. Tax revenue increased \$2,996,708 or 7.98%. This increase is primarily due to an increase in income tax receipts and real estate tax receipts. The increase of \$1,712,037 in intergovernmental revenue can be attributed to an increase of roughly \$1,000,000 in State foundation receipts and an increase of \$400,000 in tangible personal property tax reimbursement receipts. Tuition revenue increased \$126,753 due to more students enrolling in the District who live outside of the District.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
(UNAUDITED)**

Expenditures of the general fund increased \$4,528,549 or 5.48%. The most significant increases were in the areas of instruction and support services. These expenditures increased \$2,741,963 and 1,949,821, respectively. These increases are primarily due to an increase in teachers and staff as well as scheduled contract increases in salaries.

District Debt Service Fund

The District's district debt service fund balance increased \$1,037,209. This increase in fund balance is due to revenues exceeding the scheduled principal and interest payments on bonds. The increase in revenues is the result of collection of a newly passed tax levy. The increase in expenditures is due mainly to the scheduled debt service payments on bonds issued in fiscal year 2007. During fiscal year 2008, the District made principal and interest payments of \$1,685,000 and \$2,666,538, respectively, on this issuance compared to only an interest payment of \$750,066 during fiscal year 2007. The table that follows assists in illustrating the financial activities and fund balance of the district debt service fund.

	<u>2008</u> <u>Amount</u>	<u>2007</u> <u>Amount</u>	<u>Change</u>	<u>Percentage</u> <u>Change</u>
<u>Revenues</u>				
Taxes	\$ 13,048,708	\$ 10,855,537	\$ 2,193,171	20.20 %
Intergovernmental	<u>1,537,039</u>	<u>1,215,156</u>	<u>321,883</u>	26.49 %
Total	<u>\$ 14,585,747</u>	<u>\$ 12,070,693</u>	<u>\$ 2,515,054</u>	20.84 %
<u>Expenditures</u>				
Support services	\$ 225,043	\$ 182,634	\$ 42,409	23.22 %
Debt service	<u>13,323,495</u>	<u>10,181,714</u>	<u>3,141,781</u>	30.86 %
Total	<u>\$ 13,548,538</u>	<u>\$ 10,364,348</u>	<u>\$ 3,184,190</u>	30.72 %

Building Fund

The District's building fund balance decreased \$14,485,874. The increase in earnings on investments is due primarily to a greater cash balance during the fiscal year for investments to earn interest. The increase in facilities acquisition and construction expenditures is primarily due to costs associated with the construction of two elementary schools (Sycamore Elementary and Tollgate Elementary) and one middle school (Tollgate Middle). The table that follows assists in illustrating the financial activities and fund balance of the building fund.

	<u>2008</u> <u>Amount</u>	<u>2007</u> <u>Amount</u>	<u>Change</u>	<u>Percentage</u> <u>Change</u>
<u>Revenues</u>				
Earnings on investments	\$ 2,415,714	\$ 878,580	\$ 1,537,134	174.96 %
Miscellaneous	<u>150</u>	<u>-</u>	<u>150</u>	100.00 %
Total	<u>\$ 2,415,864</u>	<u>\$ 878,580</u>	<u>\$ 1,537,284</u>	174.97 %
<u>Expenditures</u>				
Facilities acquisition and construction	\$ 16,901,738	\$ 4,331,024	\$ 12,570,714	290.25 %
Total	<u>\$ 16,901,738</u>	<u>\$ 4,331,024</u>	<u>\$ 12,570,714</u>	290.25 %

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
(UNAUDITED)

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.

During the course of fiscal year 2008, the District did not amend the general fund's budget. For the general fund, original and final budgeted revenues and other financing sources were \$84,995,388 and \$84,995,388 respectively. Actual revenues and other financing sources for fiscal year 2008 were \$88,828,746. This represents a \$3,833,358 increase over final budgeted revenues. In accordance with State statute, estimated revenues are required to be amended if additional amounts are intended to be appropriated. This increase is due to changes in enrollment figures which effects tuition and intergovernmental estimates in the original and final budgeted amounts. This increase in revenue is also the result of the increases in assessed property values, State revenues and interest revenue.

General fund original and final appropriations (appropriated expenditures plus other financing uses) totaled \$89,121,497 and \$89,121,662, respectively. The actual budget basis expenditures for fiscal year 2008 totaled \$87,968,394, which was \$1,153,268 less than the final budget appropriations.

Capital Assets and Debt Administration

Capital Assets

At June 30, 2008, the District had \$126,358,212 invested in land, land improvements, buildings and improvements, furniture and equipment, vehicles, and construction-in-progress. This entire amount is reported in governmental activities. The following table shows June 30, 2008 balances compared to June 30, 2007 balances:

	Capital Assets at June 30 (Net of Depreciation)	
	<u>Governmental Activities</u>	
	<u>2008</u>	<u>2007</u>
Land	\$ 7,645,730	\$ 7,645,730
Construction-in-progress	17,435,869	1,158,379
Land improvements	7,921,473	8,498,320
Building and improvements	91,302,686	95,223,643
Furniture and equipment	1,469,165	1,585,862
Vehicles	<u>583,289</u>	<u>686,636</u>
Total	<u>\$ 126,358,212</u>	<u>\$ 114,798,570</u>

The total additions to capital assets for fiscal year 2008 were \$16,471,688. The primary source for additions is the ongoing construction of two elementary schools and one middle school. The overall increase in capital assets, net of depreciation, of \$11,559,642 is due to the recording of depreciation in the amount of \$4,912,046.

See Note 7 to the basic financial statements for additional information on the District's capital assets.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
(UNAUDITED)

Debt Administration

At June 30, 2008, the District had \$172,276,266 in general obligation bonds. Of this total, \$7,766,163 is due within one year and \$164,510,103 is due in greater than one year. The District also had \$1,371,821 outstanding for a lease purchase agreement issued during a prior fiscal year. Of this amount, \$62,219 is due within one year and \$1,309,602 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 building and debt service on behalf of the public library. The general obligation bonds are scheduled to mature in fiscal year 2029. Payment of principal and interest on the general obligation bonds is being made from the debt service fund.

Outstanding Debt, at Year End

	Governmental Activities <u>2008</u>	Governmental Activities <u>2007</u>
General obligation bonds	\$ 172,276,266	\$ 176,913,710
Lease purchase agreement	<u>1,371,821</u>	<u>1,371,821</u>
Total	<u>\$ 173,648,087</u>	<u>\$ 178,285,531</u>

See Note 9 to the basic financial statements for additional information on the District's debt administration.

Current Financial Related Activity

The District has continued to maintain the highest standards of service to students, parents, and community. The District is always presented with challenges and opportunities. National events economically affect the District and the surrounding area; the District has been impacted by lower growth in State foundation revenue, and the phasing out of personal property tax. At this same time, the District must determine how best to meet the mandates of *No Child Left Behind*.

The Board of Education and administration closely monitor the District's revenues and expenditures in accordance with its financial forecast. Overall, the District continues to perform at the highest level determined by the State of Ohio, which is measured by a defined set of proficiency criteria, including Ohio Achievement Test results, Ohio Graduation Test results, attendance rates and graduation rate.

The most recent State report card (for the 2007-08 school year) shows the District's students meeting 29 out of 30 criteria, as well as achieving two consecutive years of "adequate yearly progress" (AYP), which earned the District the State's highest rating of "excellent with distinction." The District was able to reach this goal while maintaining total expenditures per student at an amount well below the State average for comparable districts.

The District has experienced steadily increasing enrollment for many years, and increasing enrollment translates to both additional staffing and building needs. The District depends heavily on the State; approximately 51% of the (cash-basis) revenue of the general fund is received from the State. However, the State of Ohio is currently experiencing large budget shortfalls, so it is likely there will be increasing dependence on local sources of revenues. This comes at a time when the local economy is facing its share of challenges also, particularly from the slump in the housing market, and a lower rate of growth in personal income.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008
(UNAUDITED)**

The District also faces challenges in the areas of facilities and operations. There is a need to find alternatives for housing of students through the maximum utilization of all space within the District. Existing buildings need to be put on a permanent improvement cycle for renovation and repair. The District continues to experience rising health insurance costs and has taken steps to address these increases. Technology has continued to advance and the District has made great strides in terms of enhancing instruction by updating existing equipment; however, with the current budget constraints, the District continues to face challenges in terms of its technology replacement cycle. Due to increases in enrollment, the District is also addressing transportation needs of students. The District is constantly making improvements to bus routes and schedules in order to reduce fuel costs and avoid increasing driver pay hours.

The District passed a 5 mill replacement levy on November 6, 2007, for a continuing period of time. The tax collections, which began January 2008, are to be used for current operating expenses.

In addition, on March 4, 2008, District voters approved a 7.9 mill renewal levy, for a continuing period of time. The levy commences in tax year 2008 with collections beginning January 2009. The levy proceeds will be used for current operating expenses.

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 Dan Griscom, Treasurer of Pickerington Local School District at 779 Long Road, Pickerington, Ohio 43147.

**BASIC
FINANCIAL STATEMENTS**

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

STATEMENT OF NET ASSETS
JUNE 30, 2008

	Governmental Activities
Assets:	
Equity in pooled cash and cash equivalents . . .	\$ 62,402,424
Cash with fiscal agent	21,881
Cash in segregated accounts	157,756
Investments	19,700,000
Receivables:	
Property taxes	41,995,980
School district income taxes	4,832,932
Accounts	11,492
Intergovernmental	14,778
Accrued interest	464,693
Prepayments	92,915
Materials and supplies inventory	76,569
Unamortized bond issuance costs	1,011,469
Capital assets:	
Land and construction-in-progress	25,081,599
Depreciable capital assets, net	101,276,613
Total capital assets, net	126,358,212
Total assets	257,141,101
 Liabilities:	
Accounts payable	1,114,269
Contracts payable	2,730,083
Retainage payable	152,598
Accrued wages and benefits	8,308,163
Pension obligation payable	1,936,767
Intergovernmental payable	389,007
Unearned revenue	35,398,913
Matured bonds payable	20,000
Matured interest payable	1,881
Accrued interest payable	494,307
Long-term liabilities:	
Due within one year	8,584,174
Due in more than one year	171,053,167
Total liabilities	230,183,329
 Net Assets:	
Invested in capital assets, net of related debt	7,887,455
Restricted for:	
Capital projects	4,380,481
Debt service	15,724,746
School facilities projects	2,433,443
Locally funded programs	325,091
State funded programs	41,297
Federally funded programs	155,079
Student activities	379,154
Other purposes	299,798
Unrestricted (deficit)	(4,668,772)
Total net assets	\$ 26,957,772

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, 2008

	Expenses	Program Revenues			Net (Expense)
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Assets
					Governmental Activities
Governmental activities:					
Instruction:					
Regular	\$ 47,880,000	\$ 801,384	\$ 591,395	\$ -	\$ (46,487,221)
Special	7,249,632	91,572	3,219,492	-	(3,938,568)
Vocational	1,098,881	187	147,101	-	(951,593)
Other	2,413,847	6,031	-	-	(2,407,816)
Support services:					
Pupil	4,422,909	-	513,983	-	(3,908,926)
Instructional staff	5,837,143	89,088	403,977	-	(5,344,078)
Board of education.	522,851	-	-	-	(522,851)
Administration.	7,476,862	282	116,717	-	(7,359,863)
Fiscal	1,789,425	-	32,306	-	(1,757,119)
Business	44,051	-	-	-	(44,051)
Operations and maintenance.	9,267,414	82,536	1,075	-	(9,183,803)
Pupil transportation	5,701,343	-	200,395	44,517	(5,456,431)
Central	162,150	-	3,134	-	(159,016)
Operation of non-instructional services:					
Food service operations.	3,635,100	2,458,391	900,180	-	(276,529)
Other non-instructional services	65,316	75,782	8,660	-	19,126
Extracurricular activities	2,772,116	972,586	159,950	-	(1,639,580)
Interest and fiscal charges	8,899,230	-	-	-	(8,899,230)
Totals	\$ 109,238,270	\$ 4,577,839	\$ 6,298,365	\$ 44,517	(98,317,549)

General Revenues:

Property taxes levied for:	
General purposes	27,592,489
Special revenue	367,422
Debt service.	13,032,040
School district income tax	12,722,150
Grants and entitlements not restricted to specific programs	44,083,762
Investment earnings	3,798,530
Miscellaneous	378,571
Total general revenues	101,974,964
Change in net assets	3,657,415
Net assets at beginning of year	23,300,357
Net assets at end of year	\$ 26,957,772

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2008

	General	District Debt Service	Building	Other Governmental Funds	Total Governmental Funds
Assets:					
Equity in pooled cash and cash equivalents . . .	\$ 15,350,696	\$ 13,704,562	\$ 26,685,388	\$ 6,652,406	\$ 62,393,052
Cash with fiscal agent	-	21,881	-	-	21,881
Cash in segregated accounts.	5,158	-	152,598	-	157,756
Investments	-	-	19,700,000	-	19,700,000
Receivables:					
Property taxes	28,652,666	12,814,605	-	528,709	41,995,980
School district income taxes.	4,832,932	-	-	-	4,832,932
Accounts	11,492	-	-	-	11,492
Intergovernmental	-	-	-	14,778	14,778
Accrued interest	201,132	-	263,561	-	464,693
Prepayments	90,017	-	-	2,898	92,915
Materials and supplies inventory	-	-	-	76,569	76,569
Restricted assets:					
Equity in pooled cash and cash equivalents	9,372	-	-	-	9,372
Total assets	<u>\$ 49,153,465</u>	<u>\$ 26,541,048</u>	<u>\$ 46,801,547</u>	<u>\$ 7,275,360</u>	<u>\$ 129,771,420</u>
Liabilities:					
Accounts payable	\$ 1,053,392	\$ -	\$ -	\$ 60,877	\$ 1,114,269
Contracts payable	-	-	2,730,083	-	2,730,083
Retainage payable	-	-	152,598	-	152,598
Accrued wages and benefits	8,151,059	-	-	157,104	8,308,163
Compensated absences payable	286,895	-	-	-	286,895
Pension obligation payable.	1,846,770	-	-	89,997	1,936,767
Intergovernmental payable	369,685	-	-	19,322	389,007
Matured bonds payable.	-	20,000	-	-	20,000
Matured interest payable	-	1,881	-	-	1,881
Deferred revenue	1,601,106	671,605	93,623	27,709	2,394,043
Unearned revenue.	24,220,155	10,733,014	-	445,744	35,398,913
Total liabilities	<u>37,529,062</u>	<u>11,426,500</u>	<u>2,976,304</u>	<u>800,753</u>	<u>52,732,619</u>
Fund Balances:					
Reserved for encumbrances.	1,010,146	-	32,180,959	303,718	33,494,823
Reserved for school bus purchase	9,372	-	-	-	9,372
Reserved for materials and supplies inventory	-	-	-	76,569	76,569
Reserved for property tax unavailable for appropriation.	2,930,845	1,409,986	-	55,256	4,396,087
Reserved for prepayments.	90,017	-	-	2,898	92,915
Reserved for debt service	-	13,704,562	-	408,501	14,113,063
Unreserved:					
Designated for budget stabilization	2,627,993	-	-	-	2,627,993
Undesignated, reported in:					
General fund.	4,956,030	-	-	-	4,956,030
Special revenue funds	-	-	-	4,909,347	4,909,347
Capital projects funds	-	-	11,644,284	718,318	12,362,602
Total fund balances.	<u>11,624,403</u>	<u>15,114,548</u>	<u>43,825,243</u>	<u>6,474,607</u>	<u>77,038,801</u>
Total liabilities and fund balances	<u>\$ 49,153,465</u>	<u>\$ 26,541,048</u>	<u>\$ 46,801,547</u>	<u>\$ 7,275,360</u>	<u>\$ 129,771,420</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2008

Total governmental fund balances		\$ 77,038,801
<i>Amounts reported for governmental activities on the statement of net assets are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		126,358,212
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Property taxes receivable	\$ 2,200,980	
Accounts receivable	6,837	
Accrued interest receivable	186,226	
Total		2,394,043
Unamortized deferred charges are not recognized in the funds.		2,868,813
Unamortized premiums on bond issuances are not recognized in the funds.		(4,591,364)
Unamortized bond issuance costs are not recognized in the funds.		1,011,469
In the statement of activities interest is accrued on outstanding bonds, whereas in governmental funds, interest expenditures are reported when due.		(494,307)
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	(172,276,266)	
Lease purchase obligation	(1,371,821)	
Compensated absences	(3,979,808)	
Total		(177,627,895)
Net assets of governmental activities		\$ 26,957,772

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, 2008

	General	District Debt Service	Building	Other Governmental Funds	Total Governmental Funds
Revenues:					
From local sources:					
Taxes	\$ 40,528,147	\$ 13,048,708	\$ -	\$ 519,860	\$ 54,096,715
Tuition	408,019	-	-	94,632	502,651
Charges for services	-	-	-	2,458,391	2,458,391
Earnings on investments	1,789,578	-	2,415,714	42,844	4,248,136
Classroom materials and fees	-	-	-	471,680	471,680
Extracurricular	-	-	-	990,206	990,206
Rental income	-	-	-	28,800	28,800
Other local revenues	157,248	-	150	524,636	682,034
Intergovernmental - state	45,781,851	1,537,039	-	286,947	47,605,837
Intergovernmental - federal	-	-	-	3,088,903	3,088,903
Total revenues	88,664,843	14,585,747	2,415,864	8,506,899	114,173,353
Expenditures:					
Current:					
Instruction:					
Regular	43,229,275	-	-	1,156,219	44,385,494
Special	6,718,715	-	-	366,473	7,085,188
Vocational	1,107,400	-	-	182	1,107,582
Other	2,400,265	-	-	4,525	2,404,790
Support services:					
Pupil	3,712,034	-	-	611,149	4,323,183
Instructional staff	5,085,099	-	-	517,589	5,602,688
Board of education	517,491	-	-	-	517,491
Administration	7,408,887	-	-	139,504	7,548,391
Fiscal	1,528,686	225,043	-	44,722	1,798,451
Business	85,315	-	-	-	85,315
Operations and maintenance	8,300,833	-	-	15,283	8,316,116
Pupil transportation	5,506,101	-	-	10,000	5,516,101
Central	158,715	-	-	3,435	162,150
Operation of non-instructional services:					
Food service operations	-	-	-	3,256,499	3,256,499
Other non-instructional services	-	-	-	65,316	65,316
Extracurricular activities	1,476,382	-	-	1,135,756	2,612,138
Facilities acquisition and construction	5,365	-	16,901,738	52,471	16,959,574
Debt service:					
Principal retirement	-	7,285,000	-	160,000	7,445,000
Interest and fiscal charges	-	6,038,495	-	38,713	6,077,208
Total expenditures	87,240,563	13,548,538	16,901,738	7,577,836	125,268,675
Net change in fund balances	1,424,280	1,037,209	(14,485,874)	929,063	(11,095,322)
Fund balances at beginning of year	10,200,123	14,077,339	58,311,117	5,550,857	88,139,436
Decrease in reserve for inventory	-	-	-	(5,313)	(5,313)
Fund balances at end of year	\$ 11,624,403	\$ 15,114,548	\$ 43,825,243	\$ 6,474,607	\$ 77,038,801

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 YEAR ENDED JUNE 30, 2008

Net change in fund balances - total governmental funds \$ (11,095,322)

*Amounts reported for governmental activities in the
statement of activities are different because:*

Government funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.

Capital asset additions	\$	16,471,688	
Current year depreciation		(4,912,046)	
Total			11,559,642

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Taxes		(382,614)	
Tuition		(126,878)	
Intergovernmental		(487,749)	
Earnings on investments		(406,882)	
Total			(1,404,123)

Governmental funds report expenditures for inventory when purchased, however, in the statement of activities they are reported as an expense when consumed.

(5,313)

Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement net assets.

7,445,000

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.

Decrease in accrued interest payable		19,201	
Accreted interest on "capital appreciation" bonds		(2,807,556)	
Amortization of bond issuance costs		(121,711)	
Amortization on bond premiums		253,295	
Amortization of deferred charges on refundings		(165,251)	
Total			(2,822,022)

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.

(20,447)

Change in net assets of governmental activities \$ 3,657,415

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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
From local sources:				
Taxes	\$ 36,876,515	\$ 36,876,515	\$ 40,003,622	\$ 3,127,107
Tuition.	275,000	275,000	408,019	133,019
Earnings on investments.	1,875,000	1,875,000	2,200,289	325,289
Other local revenues.	50,000	50,000	131,530	81,530
Intergovernmental - state	45,743,873	45,743,873	45,803,207	59,334
Total revenues.	<u>84,820,388</u>	<u>84,820,388</u>	<u>88,546,667</u>	<u>3,726,279</u>
Expenditures:				
Current:				
Instruction:				
Regular	43,377,689	43,377,769	43,248,029	129,740
Special.	6,842,340	6,842,353	6,710,049	132,304
Vocational.	1,117,627	1,117,629	1,111,257	6,372
Other.	2,399,636	2,399,640	2,384,535	15,105
Support services:				
Pupil.	3,912,984	3,912,991	3,814,047	98,944
Instructional staff	5,538,309	5,538,319	5,134,841	403,478
Board of education	589,581	589,582	584,708	4,874
Administration.	7,579,355	7,579,369	7,528,352	51,017
Fiscal	1,569,922	1,569,925	1,564,595	5,330
Business	114,016	114,016	100,346	13,670
Operations and maintenance.	8,832,856	8,832,872	8,776,717	56,155
Pupil transportation	4,987,725	4,987,734	4,985,725	2,009
Central.	171,965	171,965	160,723	11,242
Extracurricular activities.	1,588,922	1,588,925	1,498,950	89,975
Facilities acquisition and construction.	498,572	498,573	365,520	133,053
Total expenditures	<u>89,121,497</u>	<u>89,121,662</u>	<u>87,968,394</u>	<u>1,153,268</u>
Excess (deficiency) of revenues over (under) expenditures.	<u>(4,301,109)</u>	<u>(4,301,274)</u>	<u>578,273</u>	<u>4,879,547</u>
Other financing sources:				
Refund of prior year expenditure.	175,000	175,000	281,755	106,755
Sale of assets	-	-	324	324
Total other financing sources	<u>175,000</u>	<u>175,000</u>	<u>282,079</u>	<u>107,079</u>
Net change in fund balance	(4,126,109)	(4,126,274)	860,352	4,986,626
Fund balance at beginning of year	12,087,077	12,087,077	12,087,077	-
Prior year encumbrances appropriated	1,222,075	1,222,075	1,222,075	-
Fund balance at end of year	<u>\$ 9,183,043</u>	<u>\$ 9,182,878</u>	<u>\$ 14,169,504</u>	<u>\$ 4,986,626</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUND
JUNE 30, 2008

	<u>Agency</u>
Assets:	
Equity in pooled cash and cash equivalents	\$ 147,269
Total assets	<u>\$ 147,269</u>
Liabilities:	
Accounts payable.	\$ 19,789
Deposits held and due to others	2,069
Due to students	<u>125,411</u>
Total liabilities	<u>\$ 147,269</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	Private-Purpose Trust
	Scholarship
Additions:	
Gifts and contributions.	\$ 1,050
Total additions.	1,050
Deductions:	
Scholarships awarded	4,000
Change in net assets	(2,950)
Net assets at beginning of year.	2,950
Net assets at end of year	\$ -

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, 2008**

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 ranks as the 16th largest by enrollment among the 896 public school districts and community schools in the State. The District employs 322 non-certified, 760 certified and 59 administrative employees to provide services to approximately 9,820 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 also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental activities provided they do not conflict with or contradict GASB pronouncements. 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". The reporting entity is composed of the primary government, component units and other organizations that are included to ensure that the basic financial statements of the District are not misleading. 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, foods service, community services 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 have access to 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. 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, 2008

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

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

JOINTLY GOVERNED ORGANIZATIONS

Metropolitan Education Council (MEC)

MEC is a not-for-profit educational council whose primary purpose and objective is to contribute to the educational services available to school districts in Franklin County and surrounding areas by cooperative action membership. The governing board consists of a representative from each of the Franklin County districts. Districts outside of Franklin County are associate members and each county selects a single district to represent them on the governing board. MEC is its own fiscal agent.

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 POOLS

Ohio School Boards Association Workers' Compensation Group Rating Plan

The District participates in a group rating plan for workers' compensation as established under Section 4123.29 of the Ohio Revised Code. The Ohio School Boards Association Workers' Compensation Group Rating Plan (GRP) was established through the Ohio School Boards Association (OSBA) as a group purchasing pool.

The GRP's business and affairs are conducted by a three member Board of Directors consisting of the President, the President-Elect, and the Immediate Past President of the OSBA. The Executive Director of the OSBA, or his designee, serves as coordinator of the GRP. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

Metropolitan Educational Council Liability, Fleet and Property Program

The Metropolitan Educational Council Liability, Fleet and Property Program (MEC) is a group purchasing pool consisting of public school districts who are members of the MEC Purchasing Cooperative. The purpose of a group purchasing pool is for members to pool funds or resources to purchase group insurance products to provide liability, fleet and property insurance to participants at a lower rate than if the individual districts acted independently. Each district pays a monthly premium to the MEC for insurance coverage which is provided by Selective Insurance. The program is governed by a Board of Trustees elected in accordance with the Trust Agreement and voted on by participating MEC member districts. Financial information can be obtained from Elmo Kallner, who serves as administrator, at MEC, 2100 Citygate Drive, Columbus, OH 43219.

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.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

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

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 and liabilities is reported as fund balance. The following are the District's major governmental funds:

General Fund - The general fund is used to account for all financial resources except those required to be accounted for 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.

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.

Building Fund - This fund used to account for monies received and expended in connection with the renovation and construction of District buildings.

Other governmental funds of the District are used to account for (a) financial resources to be used for the acquisition, construction, or improvement of capital facilities other than those accounted for in the building fund; (b) for food service and uniform school supplies operations; (c) for grants and other resources whose use is restricted to a particular purpose; and (d) for debt activity related to the Library bond issue.

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. The District has no proprietary funds.

FIDUCIARY FUNDS

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency 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's only trust fund is a private-purpose trust which accounts for scholarship programs for students. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District's agency funds accounts for student activities and amounts held for individuals and organizations.

C. Basis of Presentation and Measurement Focus

Government-wide Financial Statements - The statement of net assets 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.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

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

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.

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

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 and current liabilities 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.

The private-purpose trust fund is reported using the economic resources measurement focus. Agency funds do not report a measurement focus as they do not report operations.

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. Fiduciary funds also use the accrual basis of accounting.

Revenues - Exchange and Non-exchange 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, 2008**

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 and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (see Note 5).

Revenue from income taxes is recognized in the fiscal year in which the underlying exchange transaction occurred (see Note 16). 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, interest, tuition, grants, student fees and rentals.

Unearned Revenue and Deferred Revenue - Unearned revenue and deferred revenue arise when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of June 30, 2008, but which were levied to finance fiscal year 2009 operations, and other revenues received in advance of the fiscal year for which they are intended to finance, have been recorded as unearned revenue. Grants and entitlements received before the eligibility requirements are met and delinquent property taxes due at June 30, 2008 are recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have been reported as deferred revenue.

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, 2008

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 agency 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 express 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 June 30, 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.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

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

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.

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 in a central bank account. Monies for all funds 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 cash equivalents" and "investments" on the financial statements.

During fiscal year 2008, investments were limited to nonnegotiable certificates of deposits, federal agency securities, banker's acceptances and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio). Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Nonparticipating investment contracts, such as nonnegotiable certificates of deposit, are reported at cost.

The District has invested funds in STAR Ohio during fiscal year 2008. 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 does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's shares price which is the price the investment could be sold for on June 30, 2008.

Under existing Ohio statutes all investment earning 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 2008 amounted to \$1,789,578, which includes \$441,087 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, purchased inventories are presented 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 purchase method while they are accounted for using the consumption method for government-wide reporting.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

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

On the fund financial statements, reported material and supplies inventory is equally offset by a fund balance reserve 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.

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 assets, 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 fair market values as of the date received. During fiscal year 2008, 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:

<u>Description</u>	Governmental Activities <u>Estimated Lives</u>
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 "interfund loans receivable/payable." These amounts are eliminated in the governmental activities column on the statement of net assets. The District had no interfund loans receivable or payable at June 30, 2008.

J. Unamortized Issuance Costs/Bond Premium and Discount/Accounting Gain or Loss

On government-wide financial statements, issuance costs are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Unamortized issuance costs are recorded as a separate line item on the statement of net assets.

Bond premiums are deferred and accreted over the term of the bonds. Bond premiums are presented as an addition to the face amount of the bonds.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

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

For bond refundings resulting in the defeasance of debt reported in the government-wide financial statements, 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 an addition to or reduction of the face amount of the new debt.

On the governmental fund financial statements, issuance costs and bond premiums are recognized in the current period. A reconciliation between the bonds face value and the amount reported on the statement of net assets is presented in Note 9.

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.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full 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 are recognized as a liability on the fund financial statements when due.

M. Fund Balance Reserves and Designation

The District reserves those portions of fund equity which are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund equity reserves have been established for encumbrances, debt service, prepayments, bus purchases, materials and supplies inventory and property taxes unavailable for appropriation. The reserve for property taxes unavailable for appropriation represents taxes recognized as revenue under GAAP, but not available for appropriation under State statute. A fund balance designation is reported for amounts set-aside by the District for budget stabilization.

N. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The amount restricted for other purposes includes the balance reserved for future termination benefits.

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

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.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

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

Q. Restricted Assets

Assets are reported as restricted assets when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by enabling legislation. At June 30, 2008, the District had \$9,372 in restricted assets, which is described in Note 17.

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. The District had no interfund transfers during the fiscal year.

S. 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 2008, the District has implemented GASB Statement No. 45, "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions", GASB Statement No. 48, "Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues" and GASB Statement No. 50, "Pension Disclosures".

GASB Statement No. 45 establishes uniform standards of financial reporting for other postemployment benefits and increases the usefulness and improves the faithfulness of representations in the financial reports. The implementation of GASB Statement No. 45 did not have an effect on the financial statements of the District; however, certain disclosures related to postemployment benefits (see Note 13) have been modified to conform to the new reporting requirements.

GASB Statement No. 48 establishes criteria to ascertain whether certain transactions should be regarded as sales or as collateralized borrowings, as well as disclosure requirements for future revenues that are pledged and sold. The implementation of GASB Statement No. 48 did not have an effect on the financial statements of the District.

GASB Statement No. 50 establishes standards that more closely align the financial reporting requirements for pensions with those of other postemployment benefits. The implementation of GASB Statement No. 50 did not have an effect on the financial statements of the District.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

B. Deficit Fund Balances

Fund balances at June 30, 2008 included the following individual fund deficits:

<u>Nonmajor governmental fund</u>	<u>Deficit</u>
Title VI	\$ 18

The general fund is liable for any deficit in this fund and provides transfers when cash is required, not when accruals occur. The deficit fund balance resulted from an adjustment for accrued liabilities.

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, Government National Mortgage Association, and Student Loan Marketing 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 market 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;

**PICKERINGTON LOCAL SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

4. Bonds and other obligations of the State of Ohio;
5. 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;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

Protection of the District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the 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. 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 payable. These funds are included in the total amount of "Deposits with Financial Institutions" below.

B. Cash in Segregated Accounts

At fiscal year-end \$152,598 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.

At fiscal year-end, \$5,158 was on deposit with Huntington National Bank for athletic accounts. This amount is included in the total amount of "Deposits with Financial Institutions" below.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

C. Deposits with Financial Institutions

At June 30, 2008, the carrying amount of all District deposits was \$61,423,702. Based on the criteria described in GASB Statement No. 40, “Deposits and Investment Risk Disclosures”, as of June 30, 2008, \$62,644,921 of the District’s bank balance of \$62,644,921 was exposed to custodial risk as discussed below, while \$300,000 was covered by the Federal Deposit Insurance Corporation.

Custodial credit risk is the risk that, in the event of bank failure, the District’s deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the District. The District has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions’ trust department and 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.

D. Investments

As of June 30, 2008, the District had the following investments and maturities:

<u>Investment type</u>	<u>Fair Value</u>	<u>Investment Maturities</u>			
		<u>6 months or less</u>	<u>7 to 12 months</u>	<u>13 to 18 months</u>	<u>19 to 24 months</u>
Banker's acceptance	\$ 832,144	\$ 832,144	\$ -	\$ -	\$ -
FHLMC	999,397	-	-	-	999,397
FNMA	1,004,278	1,004,278	-	-	-
STAR Ohio	18,169,809	18,169,809	-	-	-
Total	<u>\$ 21,005,628</u>	<u>\$ 20,006,231</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 999,397</u>

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 federal securities and Banker’s Acceptance, were rated AAA and Aaa by Standard & Poor’s and Moody’s Investor Services, respectively. Standard & Poor’s has assigned STAR Ohio an AAAM money market rating.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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 federal agency securities and banker's acceptance 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.

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, 2008:

<u>Investment type</u>	<u>Fair Value</u>	<u>% of Total</u>
Banker's acceptance	\$ 832,144	3.96
FHLMC	999,397	4.76
FNMA	1,004,278	4.78
STAR Ohio	<u>18,169,809</u>	<u>86.50</u>
Total	<u>\$ 21,005,628</u>	<u>100.00</u>

E. Reconciliation of Cash and Investments to the Statement of Net Assets

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net assets as of June 30, 2008:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 61,423,702
Investments	<u>21,005,628</u>
Total	<u>\$ 82,429,330</u>
 <u>Cash and investments per statement of net assets</u>	
Governmental activities	\$ 82,282,061
Agency funds	<u>147,269</u>
Total	<u>\$ 82,429,330</u>

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

NOTE 5 - PROPERTY TAXES

Property taxes include amounts levied against all real, public utility, and tangible (used in business) property located in the school district. All property taxes are collected on behalf of the District by the auditors of Fairfield and Franklin Counties. Fairfield County collects approximately 98% and Franklin County 2% of the District's taxes. Due and collection dates for taxes due during fiscal year 2008 were:

<u>Fairfield County</u>	<u>Franklin County</u>
July 27, 2007	January 20, 2008
November 4, 2007	January 25, 2008
February 19, 2008	June 20, 2008
April 30, 2008	

Real property taxes received in calendar year 2008 were levied after April 1, 2007, on the assessed value listed as of January 1, 2007, the lien date.

Assessed values are established by State law at 35% of appraised market value for real estate and public utility property taxes and at 25% for tangible personal property taxes. A revaluation of all property is required to be completed no less than every six years. The last revaluation was completed in December 2001. Public utility property taxes are assessed on tangible personal property, as well as land and improvements, at true value (normally 35% of cost). The assessed values upon which fiscal year 2008 taxes were collected are:

	<u>2007 Second Half Collections</u>	<u>2008 First Half Collections</u>
Real estate	\$ 1,020,662,560	\$ 1,122,831,790
Public utility	14,706,530	12,640,160
Tangible personal property	<u>6,205,133</u>	<u>4,844,002</u>
Total	<u>\$ 1,041,574,223</u>	<u>\$ 1,140,315,952</u>

Ohio law prohibits taxation of property from all taxing authorities in excess of 1% of assessed value without a vote of the people. Under current procedures, the District's share is .45% (4.5 mills) of assessed value. Increases in the property tax rate are restricted only by voter willingness to approve such increases. The total tax rate for the District was 80.35 mills in 2008.

Public utility property tax revenue received in calendar year 2008 represents collections of calendar year 2007 taxes. Public utility real and tangible personal property taxes received in calendar year 2008 became a lien December 31, 2006, were levied after April 1, 2007 and are collected in 2008 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

NOTE 5 - PROPERTY TAXES - (Continued)

Tangible personal property tax revenue received during calendar year 2008 (other than public utility property) represents the collection of 2008 taxes. Tangible personal property taxes received in calendar year 2008 were levied after April 1, 2007 on the value as of December 31, 2007. Tangible personal property tax is being phased out. For 2007, tangible personal property is assessed at 12.5% for property including inventory. This percentage will be reduced to 6.25% for 2008 and will be reduced to zero in 2009. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the District prior to June 30.

House Bill No. 66 was signed into law on June 30, 2005. House Bill No. 66 phases out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business and railroad property will be eliminated by calendar year 2009, and the tax on telephone and telecommunications property will be eliminated by calendar year 2011. The tax is phased out by reducing the assessment rate on the property each year. The bill replaces the revenue lost by the District due to the phasing out of the tax. In calendar years 2008-2010, the District will be fully reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements will be phased out.

The Fairfield and Franklin County Treasurers collect property tax on behalf of the District. 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, 2008, are available to finance fiscal year 2008 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, personal property and public utility taxes, which became measurable as of June 30, 2008. Although total property tax collections for the next fiscal year are measurable, they are not (exclusive of advances) intended to finance current fiscal year operations. The net receivable (total receivable less amount available intended to finance the current year) is therefore offset by a credit to unearned revenue. The amount available as an advance and recorded as revenue at June 30, 2008, was \$2,930,845 in the general fund, \$1,409,986 in the District debt service fund, \$16,269 in the library debt service fund (a nonmajor governmental fund) and \$38,987 in the facilities maintenance fund (a nonmajor governmental fund). The amount available as an advance and recorded as revenue at June 30, 2007, was \$2,206,532 in the general fund, \$1,110,298 in the District debt service fund, \$12,429 in the library debt service fund (a nonmajor governmental fund) and \$31,956 in the facilities maintenance fund (a nonmajor governmental fund).

Taxes available for advance and recognized as revenue, but not received by the District prior to June 30, are reflected as a reservation of fund balance. The District is prohibited by law from appropriating this revenue in accordance with Ohio Revised Code Section 5705.35, since an advance of revenue was not requested and received prior to the end of the fiscal year.

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

NOTE 6 - RECEIVABLES

Receivables at June 30, 2008 consisted of taxes, accounts (billings for user charged services and student fees), 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 assets follows:

Governmental activities

Property taxes	\$ 41,995,980
School district income taxes	4,832,932
Accounts	11,492
Intergovernmental	14,778
Accrued interest	<u>464,693</u>
Total	<u><u>\$ 47,319,875</u></u>

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

NOTE 7 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2008, was as follows:

	<u>Balance</u> <u>June 30, 2007</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2008</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 7,645,730	\$ -	\$ -	\$ 7,645,730
Construction in progress	<u>1,158,379</u>	<u>16,277,490</u>	<u>-</u>	<u>17,435,869</u>
Total capital assets, not being depreciated	<u>8,804,109</u>	<u>16,277,490</u>	<u>-</u>	<u>25,081,599</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	12,273,053	-	-	12,273,053
Building and improvements	136,295,512	-	-	136,295,512
Furniture and equipment	3,794,701	154,611	-	3,949,312
Vehicles	<u>1,100,214</u>	<u>39,587</u>	<u>-</u>	<u>1,139,801</u>
Total capital assets, being depreciated	<u>153,463,480</u>	<u>194,198</u>	<u>-</u>	<u>153,657,678</u>
<i>Less: accumulated depreciation</i>				
Land improvements	(3,774,733)	(576,847)	-	(4,351,580)
Building and improvements	(41,071,869)	(3,920,957)	-	(44,992,826)
Furniture and equipment	(2,208,839)	(271,308)	-	(2,480,147)
Vehicles	<u>(413,578)</u>	<u>(142,934)</u>	<u>-</u>	<u>(556,512)</u>
Total accumulated depreciation	<u>(47,469,019)</u>	<u>(4,912,046)</u>	<u>-</u>	<u>(52,381,065)</u>
Governmental activities capital assets, net	<u>\$ 114,798,570</u>	<u>\$ 11,559,642</u>	<u>\$ -</u>	<u>\$ 126,358,212</u>

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

NOTE 7 - CAPITAL ASSETS - (Continued)

Depreciation expense was charged to governmental functions as follows:

Instruction:

Regular	\$ 3,213,934
Special	167,935
Vocational	20,161
Other	6,680

Support Services:

Pupil	109,291
Instructional staff	258,890
Board of education	5,360
Administration	63,476
Operations and maintenance	244,825
Pupil transportation	179,044
Extracurricular activities	166,038
Food service operation	<u>476,412</u>
Total depreciation expense	<u>\$ 4,912,046</u>

NOTE 8 - LEASE PURCHASE AGREEMENT - LESSEE DISCLOSURE

During a previous fiscal year, the District entered into a lease-purchase agreement with Fifth Third Bank. This lease meets the criteria of a lease-purchase as defined by FASB Statement No. 13, "Accounting for Leases", 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, 2008, capital assets acquired by lease purchase have been capitalized under buildings and improvements in the amount of \$1,670,122. Accumulated depreciation of \$33,402 has been booked as of June 30, 2008 leaving a book value of 1,636,720. Lease-purchase payments have been reflected as debt service expenditures from the other local grants fund (a nonmajor governmental fund).

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

NOTE 8 - LEASE PURCHASE AGREEMENT - LESSEE DISCLOSURE - (Continued)

The following is a schedule of the future long-term minimum lease payments required under the lease-purchase agreement and the present value of the minimum lease payments as of June 30, 2008.

Fiscal Year Ending <u>June 30,</u>	<u>Total</u>
2009	\$ 153,886
2010	153,885
2011	153,885
2012	153,885
2013	153,885
2014 - 2018	769,426
2019 - 2022	<u>615,519</u>
Total minimum lease payments	2,154,371
Less: amount representing interest	<u>(782,550)</u>
Present value of minimum lease payments	<u>\$ 1,371,821</u>

NOTE 9 - LONG-TERM OBLIGATIONS

A. General Obligation Bonds

The District has eight general obligation bond issues outstanding. These bonds were issued for general governmental activities, specifically; construction, and/or renovation of school buildings, and construction of a public library. 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 in the statement of net assets. Payments of principal and interest relating to these bonds are recorded as expenditures in the District's debt service fund. Public library refund bonds are being repaid from the library debt service fund (a nonmajor governmental fund).

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

NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

The following is a summary of the District's general obligation bonds outstanding at June 30, 2008:

	<u>Balance</u> <u>June 30, 2007</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2008</u>
General Obligation Bonds:				
Series 1993, capital appreciation bonds	\$ 769,627	\$ -	\$ -	\$ 769,627
Series 1993, capital appreciation bonds accreted interest	5,557,060	1,068,473	-	6,625,533
Series 1994, current interest bonds	1,590,000	-	(500,000)	1,090,000
Series 1999, current interest bonds	3,135,000	-	(735,000)	2,400,000
Series 1999, capital appreciation bonds	599,708	-	-	599,708
Series 1999, capital appreciation bonds accreted interest	571,125	96,874	-	667,999
Series 2001, current interest bonds	7,795,000	-	(2,025,000)	5,770,000
Series 2001, capital appreciation bonds	14,664,893	-	-	14,664,893
Series 2001, capital appreciation bonds accreted interest	4,744,190	999,212	-	5,743,402
Public Library Refunding Bonds:				
Series 2002, current interest bonds	1,155,000	-	(160,000)	995,000
Series 2002, capital appreciation bonds	40,000	-	-	40,000
Series 2002, capital appreciation bonds accreted interest	32,787	10,156	-	42,943

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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

	Balance			Balance
	<u>June 30, 2007</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2008</u>
General Obligation Bonds:				
Series 2003, capital appreciation bonds	\$ 1,314,998	\$ -	\$ (1,314,998)	\$ -
Series 2003, capital appreciation bonds accreted interest	243,480	36,522	(280,002)	-
Series 2004, current interest bonds	7,235,000	-	(65,000)	7,170,000
Series 2004, capital appreciation bonds	144,994	-	-	144,994
Series 2004, capital appreciation bonds accreted interest	78,311	33,573	-	111,884
Series 2006, current interest refunding bonds	61,590,000	-	(680,000)	60,910,000
Series 2006, capital appreciation bonds	5,109,907	-	-	5,109,907
Series 2006, capital appreciation bonds accreted interest	642,630	562,746	-	1,205,376
Series 2007, current interest bonds	<u>59,900,000</u>	<u>-</u>	<u>(1,685,000)</u>	<u>58,215,000</u>
Total general obligation bonds	<u>\$ 176,913,710</u>	<u>\$ 2,807,556</u>	<u>\$ (7,445,000)</u>	<u>\$ 172,276,266</u>

Series 1993 General Obligation Bonds - On March 15, 1993, the District issued general obligation bonds to provide funds for the construction of a new high school. The current interest bonds were refunded by the Series 2003 refunding general obligation bonds; however, the capital appreciation bonds are still outstanding.

This outstanding portion of the issue consists of capital appreciation bonds, par value \$769,627. The capital appreciation bonds mature on each December 1 beginning in 2009 through 2014. The capital appreciation bonds have effective interest rates ranging from 15.80% to 15.90% and mature at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity of the capital appreciation bonds is \$11,400,000. A total of \$6,625,533 in accreted interest on the capital appreciation bonds has been included on the statement of net assets at June 30, 2008.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

Series 1994 General Obligation Bond - On February 1, 1994, the District issued current interest general obligation bonds to finance a new elementary school building, various additions to other school buildings and technology equipment District-wide. A portion of the current interest bonds were refunded by the Series 2004 refunding general obligation bonds. The remaining bonds bear an interest rate of 5.21% and mature on December 1, 2009.

Series 1999 General Obligation Bonds - On January 1, 1999, the District issued general obligation bonds to provide funds for acquiring and constructing two new middle schools, renovating the old middle school, furnishing and equipping the same, and providing related facilities, appurtenances, and site improvements, site acquisition and portable classrooms. A portion of the current interest bonds were refunded by the Series 2006 refunding general obligation bonds.

At June 30, 2008, the remaining issue is comprised of both current interest bonds, par value \$3,135,000 and capital appreciation bonds, par value \$599,708. The interest rates on the current interest bonds range from 3.10% to 5.00%. The capital appreciation bonds mature on December 1, 2011 (effective interest 8.38%) and December 1, 2012 (effective interest 8.16%) at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity of the capital appreciation bonds is \$1,740,000. A total of \$667,999 in accreted interest on the capital appreciation bonds has been included on the statement of net assets at June 30, 2008.

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated for the current interest bonds is December 1, 2010.

Series 2001 General Obligation Bonds - On November 1, 2001, the District issued \$77,499,893 in general obligation bonds to provide for constructing, furnishing and equipping a new high school building, new junior high school building, with related facilities, appurtenances, and site improvements thereto, and acquiring land for school purposes. A portion of the current interest bonds was refunded by the Series 2006 refunding general obligation bonds.

At June 30, 2008, the remaining issue is comprised of both current interest bonds, par value \$7,795,000, and capital appreciation bonds, par value \$14,664,893. The interest rates on the current interest bonds range from 3.00% to 5.25%. The capital appreciation bonds mature on each December 1 beginning in 2010 through 2016. The capital appreciation bonds have effective interest rates ranging from 5.14% to 5.15% and mature at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity of the capital appreciation bonds is \$26,880,000. A total of \$5,743,402 in accreted interest on the capital appreciation bonds has been included on the statement of net assets at June 30, 2008.

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated on the current interest bonds is December 1, 2009.

Series 2002 Refunding General Obligation Bonds - On November 1, 2002, the District issued general obligation bonds (Series 2002 library improvement refunding bonds) to currently refund the callable portion of the Series 1992 library improvement general obligation bonds (principal \$1,880,000; interest rate 3.7%). The refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net assets.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

The refunding issue is comprised of both current interest bonds, par value \$1,840,000, and capital appreciation bonds, par value \$40,000. The average interest rate on the current interest bonds is 3.08%. The capital appreciation bonds mature each December 1, 2015 and 2016 (effective interest 13.95%) at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity of the capital appreciation bonds is \$235,000. Total accreted interest of \$42,943 has been included on the statement of net assets.

The reacquisition price exceeded the net carrying amount of the old debt by \$37,600. 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, 2014. The outstanding current interest bonds of \$995,000, capital appreciation bonds of \$40,000, unamortized bond issuance costs of \$31,002, unamortized deferred charges of \$21,210 and unamortized premiums of \$49,629 are not included in the calculation of invested in capital assets, net of related debt because the proceeds of these bonds were not used to purchase capital assets held by the District.

Series 2003 Refunding General Obligation Bonds - On October 1, 2003, the District issued general obligation bonds (refunding bonds, series 2003) to currently refund \$6,415,000 of the Series 1993 current interest bonds. The refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net assets.

The refunding issue is comprised of both current interest bonds, par value \$5,100,000, and capital appreciation bonds, par value \$1,314,998. The average interest rate on the current interest bonds is 2.50%. During fiscal year 2008, the remaining capital appreciation bonds matured at an accreted value of \$1,595,000.

Series 2004 Refunding General Obligation Bonds - On May 1, 2004, the District issued general obligation bonds (Series 2004 Refunding Bonds) to advance refund the callable portion of the Series 1994 current interest general obligation bonds (principal \$7,500,000; interest rate 5.21%). The issuance proceeds of \$7,799,399 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 assets.

The refunding issue is comprised of both current interest bonds, par value \$7,355,000 and capital appreciation bonds, par value \$144,994. The average interest rate on the current interest bonds is 4.0%. The capital appreciation bonds mature December 1, 2016 (effective interest 14.60%) at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity of the capital appreciation bonds (as of issue date) reported on the statement of net assets at June 30, 2007 was \$845,000. Total accreted interest of \$111,884 has been included on the statement of net assets at June 30, 2008.

**PICKERINGTON LOCAL SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

The reacquisition price exceeded the net carrying amount of the old debt by \$299,399. 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 in the issue is December 1, 2019.

Series 2006 Refunding General Obligation Bonds - On February 26, 2006, the District issued general obligation bonds (Series 2006 Refunding Bonds) to advance refund the callable portion of the Series 1999 current interest general obligation bonds (principal \$15,425,000; interest rate of 3.10% to 5.0%) and the Series 2001 current interest general obligation bonds (principal \$52,355,000; interest rate 3.0% to 5.25%). The issuance proceeds of \$67,779,907 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 assets.

The refunding issue is comprised of both current interest bonds, par value \$62,670,000, and capital appreciation bonds, par value \$5,109,907. The average interest rate on the current interest bonds is 4.0%. The capital appreciation bonds mature December 1, 2017, December 1, 2018 and December 1, 2019 (effective interest 9.55%) at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity of the capital appreciation bonds is \$16,780,000. Total accreted interest of \$1,205,376 has been included on the statement of net assets.

The reacquisition price exceeded the net carrying amount of the old debt by \$2,934,793. 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, 2028.

Series 2007 General Obligation Bonds - On February 8, 2007, the District issued general obligation bonds in the amount of \$59,900,000. The issue is comprised of serial and term bonds with interest rates ranging from 4.00% to 5.00%. The bonds will be retired from the District debt service fund with revenue generated from a 3.8 mill tax levy. The bonds will be used for the purpose of constructing, furnishing and equipping two new elementary schools and a new middle school as well as renovating and repairing existing facilities and buildings and upgrading computer technology.

Interest payments on the current interest bonds are due on June 1 and December 1 each year. The final maturity stated in the issue is December 1, 2034. At June 30, 2008, there was \$40,458,858 in unspent proceeds of the Series 2007 general obligation bonds.

**PICKERINGTON LOCAL SCHOOL DISTRICT
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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

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			Capital Appreciation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2009	\$ 6,125,000	\$ 6,238,491	\$ 12,363,491	\$ 168,874	\$ 1,606,126	\$ 1,775,000
2010	6,520,000	5,974,992	12,494,992	153,469	1,721,531	1,875,000
2011	3,640,000	5,360,585	9,000,585	2,563,932	3,621,068	6,185,000
2012	2,910,000	5,230,340	8,140,340	2,732,473	4,047,527	6,780,000
2013	3,010,000	5,113,389	8,123,389	2,315,595	3,704,405	6,020,000
2014 - 2018	18,345,000	22,797,550	41,142,550	10,149,504	13,910,496	24,060,000
2019 - 2023	27,870,000	16,570,077	44,440,077	3,245,282	7,939,718	11,185,000
2024 - 2028	40,305,000	10,452,856	50,757,856	-	-	-
2029 - 2033	20,715,000	3,327,481	24,042,481	-	-	-
2034 - 2035	7,110,000	305,362	7,415,362	-	-	-
Total	<u>\$ 136,550,000</u>	<u>\$ 81,371,123</u>	<u>\$ 217,921,123</u>	<u>\$ 21,329,129</u>	<u>\$ 36,550,871</u>	<u>\$ 57,880,000</u>

The difference in the amount due in one year in the schedule below in Note 10.C. and the amortization schedule above is \$133,837 of accreted interest which will accrete during fiscal year 2009.

C. During the fiscal year 2008, the following changes occurred in governmental activities long-term obligations:

	Balance Outstanding June 30, 2007	Additions	Reductions	Balance Outstanding June 30, 2008	Amounts Due in One Year
Governmental activities:					
<u>General Obligation Bonds:</u>					
General obligation bonds	\$ 176,913,710	\$ 2,807,556	\$ (7,445,000)	\$ 172,276,266	\$ 7,766,163
Total general obligation bonds payable	<u>176,913,710</u>	<u>2,807,556</u>	<u>(7,445,000)</u>	<u>172,276,266</u>	<u>7,766,163</u>
<u>Other Long-Term Obligations:</u>					
Lease Purchase	1,371,821	-	-	1,371,821	62,219
Compensated absences	<u>4,235,139</u>	<u>1,067,460</u>	<u>(1,035,896)</u>	<u>4,266,703</u>	<u>755,792</u>
Total other long-term obligations	<u>5,606,960</u>	<u>1,067,460</u>	<u>(1,035,896)</u>	<u>5,638,524</u>	<u>818,011</u>
Total governmental activities	<u>\$ 182,520,670</u>	<u>\$ 3,875,016</u>	<u>\$ (8,480,896)</u>	177,914,790	<u>\$ 8,584,174</u>
Less: Unamortized deferred charges on refundings				(2,868,813)	
Add: Unamortized premiums on refundings				<u>4,591,364</u>	
Total on statement of net assets				<u>\$ 179,637,341</u>	

**PICKERINGTON LOCAL SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)

Lease Purchase Agreement - The District entered a lease purchase agreement during fiscal year 2007 for the construction of a bus/maintenance facility. See Note 8 for details.

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, 2008 the District had no unvoted debt.

E. State Loans

In 1979 and in 1999, respectively, the District received a \$2,500,000 and \$6,780,000 interest-free loan from the State of Ohio for the construction of classroom facilities. As of September 2000, S.B. 272 forgives the debt on State loan repayment. Under S.B. 272, districts like Pickerington, which are in the upper half of all Ohio districts in terms of assessed valuation per pupil, no longer are required to pay the State one-half of the half-mill being collected in connection with state-financed classroom facilities projects. S.B. 272 instead requires that all of the half-mill be retained by the school district and applied to repair and maintenance of the district's State projects. Since the District is not required to repay these State loans, no obligation is reported on the statement of net assets.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

NOTE 10 - OTHER EMPLOYEE BENEFITS

Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn twelve to twenty days of vacation per year, with a maximum accrual of 45 to 60 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.

Each employee earns 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 61 days for both certificated and classified employees. An employee receiving such payment must meet the retirement provisions set by STRS Ohio and SERS.

NOTE 11 - 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 MEC Liability, Fleet and Property Program beginning July 1, 2004. The program provides coverage for the group through excess liability for \$250,000,000. 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 (\$1,000 deductible)	\$250,000,000
Boiler and Machinery (\$2,500 deductible)	50,000,000
Automobile liability (\$1,000 deductible)	1,000,000
Uninsured/underinsured motorist	1,000,000
Medical payments	5,000
Public Employee Dishonesty	500,000
General school district liability:	
Per occurrence	1,000,000
Total per year	3,000,000
Excess liability	5,000,000

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. Group Health and Dental Insurance

Health, life and dental group insurance is offered to employees as a fringe benefit. Employer and employee contributions to premium are determined by negotiated agreements with employee labor unions (currently, single coverage is 95% Board-paid and 5% employee-paid capped at \$15.00/month and family coverage is 90% Board-paid and 10% employee-paid capped at \$75.00/month).

In 2006, the District switched its dental benefits to Met Life. This is a fully funded plan in which the Board picks up no more than \$55.00 of the monthly premium, with employees paying the additional cost on a monthly basis through payroll deductions.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

NOTE 11 - RISK MANAGEMENT - (Continued)

Post employment health care is provided to plan participants or their beneficiaries through the respective retirement systems discussed in Note 13. As such, no funding provisions are required by the District.

C. OSBA Group Workers' Compensation Rating Plan

For fiscal year 2008, the District participated in the Ohio School Boards Association Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool (Note 2.A.). The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP.

A participant will then either receive money from or be required to contribute to the "equity pooling fund". This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Gates McDonald & Co. provides administrative, cost control and actuarial services to the GRP.

NOTE 12 - PENSION PLANS

A. School Employees Retirement System

Plan Description - The District contributes to the School Employees Retirement System (SERS), a cost-sharing, multiple-employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746. It is also posted on the SERS' Ohio website, www.ohsers.org, under *Forms and Publications*.

Funding Policy - Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute at an actuarially determined rate. The current District rate is 14 percent of annual covered payroll. A portion of the District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits. For fiscal year 2008, 9.16 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to a statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2008, 2007 and 2006 were \$770,542, \$770,848 and \$725,735, respectively; 48.29 percent has been contributed for fiscal year 2008 and 100 percent for fiscal years 2007 and 2006.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

NOTE 12 - PENSION PLANS - (Continued)

B. State Teachers Retirement System of Ohio

Plan Description - The District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple-employer public employee retirement plan. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio Web site at www.strsoh.org.

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. 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 DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

A DB or Combined Plan member with five or more years credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor 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 - For fiscal year 2008, plan members were required to contribute 10 percent of their annual covered salaries. The District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2008, 2007 and 2006 were \$6,275,519, \$5,897,218 and \$5,430,187, respectively; 82.79 percent has been contributed for fiscal year 2008 and 100 percent for fiscal years 2007 and 2006. Contributions to the DC and Combined Plans for fiscal year 2008 were \$133,743 made by the District and \$232,134 made by the plan members.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the SERS/STRS Ohio have an option to choose Social Security or the SERS/STRS Ohio. As of June 30, 2008, certain members of the Board of Education have elected Social Security. The District's liability is 6.2 percent of wages paid.

**PICKERINGTON LOCAL SCHOOL DISTRICT
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**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

NOTE 13 - POSTEMPLOYMENT BENEFITS

A. School Employees Retirement System

Plan Description - The District participates in two cost-sharing, multiple employer postemployment benefit plans administered by the School Employees Retirement System (SERS) for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's and traditional indemnity plans as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligations to contribute are established by the System based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad St., Suite 100, Columbus, Ohio 43215-3746.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 401h. For 2008, 4.18 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for 2008, this amount was \$35,800.

Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

The District's contributions for health care for the fiscal years ended June 30, 2008, 2007, and 2006 were \$504,520, \$396,209 and \$429,067, respectively; 48.29 percent has been contributed for fiscal year 2008 and 100 percent for fiscal years 2007 and 2006.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For fiscal year 2008, this actuarially required allocation was 0.66 percent of covered payroll. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2008, 2007, and 2006 were \$55,519, \$52,418 and \$57,763, respectively; 48.29 percent has been contributed for fiscal year 2008 and 100 percent for fiscal years 2007 and 2006.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

NOTE 13 - POSTEMPLOYMENT BENEFITS - (Continued)

B. State Teachers Retirement System of Ohio

Plan Description - The District contributes to the cost sharing, multiple employer defined benefit Health Plan (the "Plan") administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS Ohio which may be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Funding Policy - Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2008, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The District's contributions for health care for the fiscal years ended June 30, 2008, 2007, and 2006 were \$482,732, \$453,632 and \$417,707, respectively; 82.79 percent has been contributed for fiscal year 2008 and 100 percent for fiscal years 2007 and 2006.

NOTE 14 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (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 a reservation of fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);
- (d) Investments are reported as fair market value (GAAP basis) rather than cost (budget basis).

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

NOTE 14 - BUDGETARY BASIS OF ACCOUNTING - (Continued)

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	\$ 860,352
Net adjustment for revenue accruals	118,176
Net adjustment for expenditure accruals	(447,994)
Net adjustment for other sources/uses	(282,079)
Adjustment for encumbrances	<u>1,175,825</u>
GAAP basis	<u>\$ 1,424,280</u>

NOTE 15 - 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 16 - SCHOOL DISTRICT INCOME TAX

The District currently benefits from a 1% income tax, which is assessed on all residents of the District. In 2008, the District income tax generated \$12,722,150 in revenue. The District apportions all the proceeds to the general fund.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

NOTE 17 - STATUTORY RESERVES

The District is required by State statute to annually set-aside in the general fund an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount 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 year-end. These amounts must be carried forward to be used for the same purposes in future years. During the fiscal year ended June 30, 2008, the reserve activity was as follows:

	<u>Textbooks/ Instructional Materials</u>	<u>Capital Acquisition Reserve</u>
Set-aside balance as of June 30, 2007	\$ (5,002,829)	\$ (144,774,460)
Current year set-aside requirement	1,539,934	1,539,934
Qualifying disbursements	<u>(1,027,254)</u>	<u>(202,955)</u>
Total	<u>\$ (4,490,149)</u>	<u>\$ (143,437,481)</u>
Balance carried forward to FY 2009	<u>\$ (4,490,149)</u>	<u>\$ (143,234,526)</u>

The District had qualifying disbursements during the fiscal year and prior years that reduced the set-aside amounts below zero for the textbooks/instructional materials. This negative amount is presented as being carried forward to the next fiscal year.

The District had offsets (both current year and prior year) and qualifying disbursements during the year that reduced the set-aside amounts below zero for the capital acquisition reserve. The negative amounts due to debt related offsets are being carried forward to the next fiscal year.

In addition to the above statutory reserves, the District also received monies restricted for school bus purchases.

A schedule of the restricted assets at June 30, 2008 follows:

Amount restricted for school bus purchases	\$ 9,372
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In a previous year, the District's Board of Education elected to designate \$2,627,993 for budget stabilization. Unless repealed, these funds may only be spent on designated purposes relating to budget stabilization.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

NOTE 18 - CONTRACTUAL COMMITMENTS

The District had the following contractual commitments outstanding at June 30, 2008 related to construction contracts:

Contractor	Total Contract	Amount Paid By June 30, 2008	Remaining Commitment
George J. Igel & Co.	\$ 1,363,100	\$ (1,027,580)	\$ 335,520
Dunlop & Johnston, Inc.	3,701,450	(432,790)	3,268,660
Steveco, Inc.	1,347,000	(433,497)	913,503
Tarrier Steel Co.	2,683,400	(863,155)	1,820,245
Exterior Systems, Inc.	1,963,850	(25,000)	1,938,850
Peterman Plumbing & Heating, Inc.	1,911,345	(340,518)	1,570,827
Central Fire Protection	529,700	(36,343)	493,357
Gutridge Plumbing, Inc.	6,289,000	(156,918)	6,132,082
Vaughn Industries, LLC.	4,130,290	(298,673)	3,831,617
Microman	434,175	(4,457)	429,718
Performance Site Company	2,874,000	(2,198,594)	675,406
Thomas & Marker Construction Co.	7,737,400	(790,770)	6,946,630
Phoenix Masonry, LTD.	<u>3,079,000</u>	<u>(992,957)</u>	<u>2,086,043</u>
Total	<u>\$ 38,043,710</u>	<u>\$ (7,601,252)</u>	<u>\$ 30,442,458</u>

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COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES

SUPPLEMENTARY INFORMATION

**PICKERINGTON LOCAL SCHOOLS
FAIRFIELD COUNTY, OHIO**

MAJOR FUNDS

General Fund

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, no additional financial statements are presented here.

District Debt Service Fund

A fund 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.

Building Fund

This fund is used to account for monies received and expended in connection with the renovation and construction of District buildings.

**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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Over</u>
	<u>Original</u>	<u>Final</u>		
District Debt Service				
Total Revenues and Other Sources	\$ 13,552,400	\$ 13,550,960	\$ 14,286,876	\$ 735,916
Total Expenditures and Other Uses	13,523,271	13,549,496	13,549,355	141
Net Change in Fund Balances	29,129	1,464	737,521	736,057
Fund Balance, July 1	12,967,041	12,967,041	12,967,041	-
Fund Balance, June 30	<u>\$ 12,996,170</u>	<u>\$ 12,968,505</u>	<u>\$ 13,704,562</u>	<u>\$ 736,057</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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Over</u>
	<u>Original</u>	<u>Final</u>		
Building				
Total Revenues and Other Sources	\$ -	\$ -	\$ 2,573,275	\$ 2,573,275
Total Expenditures and Other Uses	<u>27,268,602</u>	<u>50,768,602</u>	<u>49,168,597</u>	<u>1,600,005</u>
Net Change in Fund Balances	(27,268,602)	(50,768,602)	(46,595,322)	4,173,280
Fund Balance, July 1	52,701,066	52,701,066	52,701,066	-
Prior Year Encumbrances Appropriated	<u>5,368,602</u>	<u>5,368,602</u>	<u>5,368,602</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 30,801,066</u>	<u>\$ 7,301,066</u>	<u>\$ 11,474,346</u>	<u>\$ 4,173,280</u>

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

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2008

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in pooled cash and cash equivalents.	\$ 5,323,432	\$ 408,501	\$ 920,473	\$ 6,652,406
Receivables:				
Property taxes	373,579	155,130	-	528,709
Intergovernmental	14,778	-	-	14,778
Prepayments.	2,898	-	-	2,898
Materials and supplies inventory	76,569	-	-	76,569
Total assets.	<u>\$ 5,791,256</u>	<u>\$ 563,631</u>	<u>\$ 920,473</u>	<u>\$ 7,275,360</u>
Liabilities:				
Accounts payable.	\$ 60,877	\$ -	\$ -	\$ 60,877
Accrued wages and benefits	157,104	-	-	157,104
Pension obligation payable.	89,997	-	-	89,997
Intergovernmental payable	19,322	-	-	19,322
Deferred revenue.	19,579	8,130	-	27,709
Unearned revenue	315,013	130,731	-	445,744
Total liabilities.	<u>661,892</u>	<u>138,861</u>	<u>-</u>	<u>800,753</u>
Fund balances:				
Reserved for encumbrances.	101,563	-	202,155	303,718
Reserved for materials and supplies inventory . . .	76,569	-	-	76,569
Reserved for property tax unavailable for appropriation.	38,987	16,269	-	55,256
Reserved for prepayments.	2,898	-	-	2,898
Reserved for debt service	-	408,501	-	408,501
Unreserved-undesignated:				
Special revenue funds	4,909,347	-	-	4,909,347
Capital projects funds	-	-	718,318	718,318
Total fund balances	<u>5,129,364</u>	<u>424,770</u>	<u>920,473</u>	<u>6,474,607</u>
Total liabilities and fund balances.	<u>\$ 5,791,256</u>	<u>\$ 563,631</u>	<u>\$ 920,473</u>	<u>\$ 7,275,360</u>

**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, 2008

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
From local sources:				
Taxes	\$ 371,052	\$ 148,808	\$ -	\$ 519,860
Tuition	94,632	-	-	94,632
Charges for services	2,458,391	-	-	2,458,391
Earnings on investments	42,724	-	120	42,844
Classroom materials and fees	471,680	-	-	471,680
Extracurricular	990,206	-	-	990,206
Rental income.	-	-	28,800	28,800
Other local revenues	253,198	-	271,438	524,636
Intergovernmental - state	269,351	17,596	-	286,947
Intergovernmental - federal	3,088,903	-	-	3,088,903
	<u>8,040,137</u>	<u>166,404</u>	<u>300,358</u>	<u>8,506,899</u>
Expenditures:				
Current:				
Instruction:				
Regular	1,156,219	-	-	1,156,219
Special	366,473	-	-	366,473
Vocational	182	-	-	182
Other	4,525	-	-	4,525
Support services:				
Pupil	611,149	-	-	611,149
Instructional staff.	517,589	-	-	517,589
Administration	139,504	-	-	139,504
Fiscal.	42,098	2,624	-	44,722
Operations and maintenance	4,673	-	10,610	15,283
Pupil transportation	10,000	-	-	10,000
Central	3,435	-	-	3,435
Operation of non-instructional services:				
Food service operations	3,256,499	-	-	3,256,499
Other non-instructional services.	65,316	-	-	65,316
Extracurricular activities	1,135,756	-	-	1,135,756
Facilities acquisition and construction	52,471	-	-	52,471
Debt service:				
Principal retirement.	-	160,000	-	160,000
Interest and fiscal charges.	-	38,713	-	38,713
	<u>7,365,889</u>	<u>201,337</u>	<u>10,610</u>	<u>7,577,836</u>
Net change in fund balances	674,248	(34,933)	289,748	929,063
Fund balances, July 1	4,460,429	459,703	630,725	5,550,857
Decrease in reserve for inventory	(5,313)	-	-	(5,313)
Fund balances, June 30	<u>\$ 5,129,364</u>	<u>\$ 424,770</u>	<u>\$ 920,473</u>	<u>\$ 6,474,607</u>

**PICKERINGTON LOCAL SCHOOLS
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 expendable trusts 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 Fund

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

School Trusts Fund

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

Uniform School Supplies Fund

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 Fund

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

Other Local Grants Fund

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

Facility Maintenance Fund

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

Termination Benefits Fund

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

Student Activity Fund

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.

Staff Training Fund

A fund provided to account for receipts and expenditures necessary for providing assistance to local school districts for the development of in-service programs.

Educational Management Information System (EMIS) Fund

A fund provided to account for state funds provided to assist the district in implementing a staff, student and financial reporting system as mandated by the Omnibus Education Reform Act of 1989.

Entry Year Programs Fund

A fund to account for the implementation of entry-year programs.

Data Communication Fund

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

SchoolNet Professional Development Fund

A fund provided to account for state funds received to provide professional development programs related to technology

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

Nonmajor Special Revenue Funds (Continued)

Ohio Reads Fund

A fund provided to account for monies use to develop reading skills funded by the State of Ohio, Department of Education.

Summer School Subsidy Fund

A fund provided to account for monies received for summer intervention services.

Miscellaneous State Grants Fund

A fund provided to account for environmental education to support children and adults in protecting the environment and conserving its natural resources funded by the State of Ohio, Environmental Protection Agency.

Education of Handicapped Children, Title VI-B Fund

A fund which accounts for Federal funds used in the identification of handicapped children, development of procedural safeguards, implementation of least-restrictive alternative service patterns, and provision of full educational opportunities to handicapped children at preschool elementary, and secondary levels.

Nutrition Education and Training Program Fund

A fund to encourage the effective dissemination of scientifically valid information to children participating or eligible to participate in the school lunch and related nutrition programs.

Limited English Proficiency, Title III Fund

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 Fund

To account for funds which are to: 1) establish or improve programs designed to meet the special needs of migratory agricultural workers or migratory fishers' and 2) enable State education agencies to coordinate their state migrant education programs and local projects with similar programs and projects in other states, including the transfer of school records or other information about migratory children.

Title VI Fund

A fund which accounts for Federal funds which consolidates various programs into a single authorization used in accordance with the educational needs and priorities of the District.

Drug Free School Grant Fund

A fund which accounts for Federal funds used to establish, operate, and improve local programs of drug abuse prevention, early intervention, rehabilitation referral, and education in the District.

Reducing Class Size, Title VI-R Fund

To account for a federal grant aimed to reducing class sizes throughout the district.

Miscellaneous Federal Grants Fund

To account for federal grants not classified elsewhere.

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

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2008

	<u>Food Services</u>	<u>School Trusts</u>	<u>Uniform School Supplies</u>	<u>Public School Support</u>
Assets:				
Equity in pooled cash and cash equivalents.	\$ 1,307,438	\$ 14,987	\$ 131,161	\$ 252,224
Receivables:				
Property taxes	-	-	-	-
Intergovernmental	-	-	-	-
Prepayments.	2,898	-	-	-
Materials and supplies inventory	76,569	-	-	-
Total assets.	<u>\$ 1,386,905</u>	<u>\$ 14,987</u>	<u>\$ 131,161</u>	<u>\$ 252,224</u>
Liabilities:				
Accounts payable.	\$ 9,236	\$ -	\$ 7,995	\$ 1,397
Accrued wages and benefits	157,104	-	-	-
Pension obligation payable.	89,997	-	-	-
Intergovernmental payable	4,440	-	-	9
Deferred revenue.	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities.	<u>260,777</u>	<u>-</u>	<u>7,995</u>	<u>1,406</u>
Fund balances (deficits):				
Reserved for encumbrances	39,054	-	25,716	9,881
Reserved for materials and supplies inventory	76,569	-	-	-
Reserved for property tax unavailable for appropriation.	-	-	-	-
Reserved for prepayments	2,898	-	-	-
Unreserved-undesignated (deficits)	1,007,607	14,987	97,450	240,937
Total fund balances (deficits)	<u>1,126,128</u>	<u>14,987</u>	<u>123,166</u>	<u>250,818</u>
Total liabilities and fund balances.	<u>\$ 1,386,905</u>	<u>\$ 14,987</u>	<u>\$ 131,161</u>	<u>\$ 252,224</u>

<u>Other Local Grants</u>	<u>Facilities Maintenance</u>	<u>Termination Benefits</u>	<u>Student Activity</u>	<u>EMIS</u>	<u>Entry Year Programs</u>	<u>School Net Professional Development</u>
\$ 327,031	\$ 2,374,877	\$ 300,000	\$ 389,401	\$ 33,925	\$ 1,381	\$ 3,740
-	373,579	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 327,031</u>	<u>\$ 2,748,456</u>	<u>\$ 300,000</u>	<u>\$ 389,401</u>	<u>\$ 33,925</u>	<u>\$ 1,381</u>	<u>\$ 3,740</u>
\$ 104	\$ -	\$ -	\$ 10,247	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,836	-	202	-	130	61	-
-	19,579	-	-	-	-	-
-	315,013	-	-	-	-	-
<u>1,940</u>	<u>334,592</u>	<u>202</u>	<u>10,247</u>	<u>130</u>	<u>61</u>	<u>-</u>
151	-	-	20,419	-	1,381	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	38,987	-	-	-	-	-
-	-	-	-	-	-	-
<u>324,940</u>	<u>2,374,877</u>	<u>299,798</u>	<u>358,735</u>	<u>33,795</u>	<u>(61)</u>	<u>3,740</u>
<u>325,091</u>	<u>2,413,864</u>	<u>299,798</u>	<u>379,154</u>	<u>33,795</u>	<u>1,320</u>	<u>3,740</u>
<u>\$ 327,031</u>	<u>\$ 2,748,456</u>	<u>\$ 300,000</u>	<u>\$ 389,401</u>	<u>\$ 33,925</u>	<u>\$ 1,381</u>	<u>\$ 3,740</u>

-- (Continued)

PICKERINGTON LOCAL SCHOOL DISTRICT
FAIRFIELD COUNTY, OHIO
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
 JUNE 30, 2008

	<u>Summer School Subsidy</u>	<u>Miscellaneous State Grants</u>	<u>Title VI - B</u>	<u>Title III</u>
Assets:				
Equity in pooled cash and cash equivalents.	\$ 1,552	\$ 18,787	\$ 149,592	\$ 1,543
Receivables:				
Property taxes - current & delinquent	-	-	-	-
Intergovernmental	-	-	-	-
Prepayments.	-	-	-	-
Materials and supplies inventory	-	-	-	-
Total assets.	<u>\$ 1,552</u>	<u>\$ 18,787</u>	<u>\$ 149,592</u>	<u>\$ 1,543</u>
Liabilities:				
Accounts payable.	\$ -	\$ 17,862	\$ 13,445	\$ 591
Accrued wages and benefits	-	-	-	-
Pension obligation payable.	-	-	-	-
Intergovernmental payable	-	35	11,673	101
Deferred revenue.	-	-	-	-
Unearned revenue	-	-	-	-
Total liabilities.	<u>-</u>	<u>17,897</u>	<u>25,118</u>	<u>692</u>
Fund balances (deficits):				
Reserved for encumbrances	-	913	2,540	922
Reserved for materials and supplies inventory	-	-	-	-
Reserved for property tax				
unavailable for appropriation.	-	-	-	-
Reserved for prepayments	-	-	-	-
Unreserved-undesignated (deficits)	<u>1,552</u>	<u>(23)</u>	<u>121,934</u>	<u>(71)</u>
Total fund balances (deficits)	<u>1,552</u>	<u>890</u>	<u>124,474</u>	<u>851</u>
Total liabilities and fund balances.	<u>\$ 1,552</u>	<u>\$ 18,787</u>	<u>\$ 149,592</u>	<u>\$ 1,543</u>

Title I	Title VI	Title VI-R	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ 7,627	\$ -	\$ 8,135	\$ 31	\$ 5,323,432
-	-	-	-	373,579
-	-	-	14,778	14,778
-	-	-	-	2,898
-	-	-	-	76,569
<u>\$ 7,627</u>	<u>\$ -</u>	<u>\$ 8,135</u>	<u>\$ 14,809</u>	<u>\$ 5,791,256</u>
\$ -	\$ -	\$ -	\$ -	\$ 60,877
-	-	-	-	157,104
-	-	-	-	89,997
524	18	285	8	19,322
-	-	-	-	19,579
-	-	-	-	315,013
<u>524</u>	<u>18</u>	<u>285</u>	<u>8</u>	<u>661,892</u>
586	-	-	-	101,563
-	-	-	-	76,569
-	-	-	-	38,987
-	-	-	-	2,898
<u>6,517</u>	<u>(18)</u>	<u>7,850</u>	<u>14,801</u>	<u>4,909,347</u>
<u>7,103</u>	<u>(18)</u>	<u>7,850</u>	<u>14,801</u>	<u>5,129,364</u>
<u>\$ 7,627</u>	<u>\$ -</u>	<u>\$ 8,135</u>	<u>\$ 14,809</u>	<u>\$ 5,791,256</u>

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

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES / (DEFICITS)
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>Food Services</u>	<u>School Trusts</u>	<u>Uniform School Supplies</u>	<u>Public School Support</u>
Revenues:				
From local sources:				
Taxes	\$ -	\$ -	\$ -	\$ -
Tuition	-	-	-	94,632
Charges for services	2,458,391	-	-	-
Earnings on investments	42,724	-	-	-
Classroom materials and fees.	-	-	471,680	-
Extracurricular	-	-	-	-
Other local revenues	-	9,567	-	76,269
Intergovernmental - state	91,308	-	-	-
Intergovernmental - federal	851,008	-	-	-
Total revenues	<u>3,443,431</u>	<u>9,567</u>	<u>471,680</u>	<u>170,901</u>
Expenditures:				
Current:				
Instruction:				
Regular	-	8,258	377,514	-
Special	-	-	-	-
Vocational	-	-	182	-
Other	-	-	-	4,525
Support services:				
Pupil	-	-	-	-
Instructional staff.	-	-	-	66,843
Administration	-	2,067	-	-
Fiscal.	-	-	-	-
Operations and maintenance	-	-	-	-
Pupil transportation	-	-	-	-
Central	-	-	-	-
Operation of non-instructional services:				
Food service operations	3,256,499	-	-	-
Other non-instructional services.	-	-	-	56,860
Extracurricular activities	-	-	80,885	-
Facilities acquisition and construction	-	-	-	-
Total expenditures.	<u>3,256,499</u>	<u>10,325</u>	<u>458,581</u>	<u>128,228</u>
Net change in fund balances.	186,932	(758)	13,099	42,673
Fund balances, July 1.	944,509	15,745	110,067	208,145
Decrease in reserve for inventory.	(5,313)	-	-	-
Fund balances (deficits), June 30	<u>\$ 1,126,128</u>	<u>\$ 14,987</u>	<u>\$ 123,166</u>	<u>\$ 250,818</u>

<u>Other Local Grants</u>	<u>Facility Maintenance</u>	<u>Termination Benefits</u>	<u>Student Activity</u>	<u>Staff Training</u>	<u>EMIS</u>	<u>Entry Year Programs</u>	<u>Data Communication</u>
\$ -	\$ 371,052	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
501,865	-	-	488,341	-	-	-	-
32,506	-	-	134,856	-	-	-	-
-	47,290	-	-	-	35,440	23,200	33,000
-	-	-	-	-	-	-	-
<u>534,371</u>	<u>418,342</u>	<u>-</u>	<u>623,197</u>	<u>-</u>	<u>35,440</u>	<u>23,200</u>	<u>33,000</u>
113,001	-	54,220	-	-	-	3,946	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	2,080	-	18,953	33,000
-	-	-	338	-	-	-	-
-	6,691	-	-	-	35,407	-	-
-	-	-	4,673	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	3,435	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
473,829	-	-	581,042	-	-	-	-
-	52,471	-	-	-	-	-	-
<u>586,830</u>	<u>59,162</u>	<u>54,220</u>	<u>586,053</u>	<u>2,080</u>	<u>38,842</u>	<u>22,899</u>	<u>33,000</u>
(52,459)	359,180	(54,220)	37,144	(2,080)	(3,402)	301	-
377,550	2,054,684	354,018	342,010	2,080	37,197	1,019	-
-	-	-	-	-	-	-	-
<u>\$ 325,091</u>	<u>\$ 2,413,864</u>	<u>\$ 299,798</u>	<u>\$ 379,154</u>	<u>\$ -</u>	<u>\$ 33,795</u>	<u>\$ 1,320</u>	<u>\$ -</u>

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

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES / (DEFICITS)
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	<u>School Net Professional Development</u>	<u>Ohio Reads</u>	<u>Summer School Subsidy</u>	<u>Miscellaneous State Grants</u>	<u>Title VI - B</u>
Revenues:					
From local sources:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Tuition	-	-	-	-	-
Charges for services	-	-	-	-	-
Earnings on investments	-	-	-	-	-
Classroom materials and fees.	-	-	-	-	-
Extracurricular	-	-	-	-	-
Other local revenues	-	-	-	-	-
Intergovernmental - state	4,770	82	-	34,261	-
Intergovernmental - federal	-	-	-	-	1,721,524
Total revenues	<u>4,770</u>	<u>82</u>	<u>-</u>	<u>34,261</u>	<u>1,721,524</u>
Expenditures:					
Current:					
Instruction:					
Regular	-	-	-	29,498	137,233
Special	-	-	-	15,670	350,803
Vocational	-	-	-	-	-
Other	-	-	-	-	-
Support services:					
Pupil	-	-	-	-	610,549
Instructional staff.	999	-	-	7,419	353,899
Administration	-	-	-	-	137,099
Fiscal.	-	-	-	-	-
Operations and maintenance	-	-	-	-	-
Pupil transportation	-	-	-	-	-
Central	-	-	-	-	-
Operation of non-instructional services:					
Food service operations	-	-	-	-	-
Other non-instructional services.	-	-	-	-	-
Extracurricular activities	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-
Total expenditures.	<u>999</u>	<u>-</u>	<u>-</u>	<u>52,587</u>	<u>1,589,583</u>
Net change in fund balances.	3,771	82	-	(18,326)	131,941
Fund balances, July 1.	(31)	(82)	1,552	19,216	(7,467)
Decrease in reserve for inventory.	-	-	-	-	-
Fund balances (deficits), June 30.	<u>\$ 3,740</u>	<u>\$ -</u>	<u>\$ 1,552</u>	<u>\$ 890</u>	<u>\$ 124,474</u>

Nutrition Education and Training	Title III	Title I	Title VI	Drug Free School Grant	Title VI-R	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 371,052
-	-	-	-	-	-	-	94,632
-	-	-	-	-	-	-	2,458,391
-	-	-	-	-	-	-	42,724
-	-	-	-	-	-	-	471,680
-	-	-	-	-	-	-	990,206
-	-	-	-	-	-	-	253,198
-	-	-	-	-	-	-	269,351
300	54,614	259,393	18,543	21,503	144,375	17,643	3,088,903
300	54,614	259,393	18,543	21,503	144,375	17,643	8,040,137
300	49,836	238,710	17,858	11,503	114,334	8	1,156,219
-	-	-	-	-	-	-	366,473
-	-	-	-	-	-	-	182
-	-	-	-	-	-	-	4,525
-	-	-	-	-	-	600	611,149
-	760	9,203	703	-	20,896	2,834	517,589
-	-	-	-	-	-	-	139,504
-	-	-	-	-	-	-	42,098
-	-	-	-	-	-	-	4,673
-	-	-	-	10,000	-	-	10,000
-	-	-	-	-	-	-	3,435
-	-	-	-	-	-	-	3,256,499
-	2,970	5,006	-	-	480	-	65,316
-	-	-	-	-	-	-	1,135,756
-	-	-	-	-	-	-	52,471
300	53,566	252,919	18,561	21,503	135,710	3,442	7,365,889
-	1,048	6,474	(18)	-	8,665	14,201	674,248
-	(197)	629	-	-	(815)	600	4,460,429
-	-	-	-	-	-	-	(5,313)
\$ -	\$ 851	\$ 7,103	\$ (18)	\$ -	\$ 7,850	\$ 14,801	\$ 5,129,364

**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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Food Services				
Total Revenues and Other Sources	\$ 2,554,500	\$ 2,554,500	\$ 3,220,714	\$ 666,214
Total Expenditures and Other Uses	<u>2,417,720</u>	<u>3,232,720</u>	<u>3,066,322</u>	<u>166,398</u>
Net Change in Fund Balances	136,780	(678,220)	154,392	832,612
Fund Balance, July 1	1,093,055	1,093,055	1,093,055	-
Prior Year Encumbrances Appropriated	<u>18,364</u>	<u>18,364</u>	<u>18,364</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 1,248,199</u>	<u>\$ 433,199</u>	<u>\$ 1,265,811</u>	<u>\$ 832,612</u>
School Trusts				
Total Revenues and Other Sources	\$ 2,000	\$ 2,000	\$ 9,567	\$ 7,567
Total Expenditures and Other Uses	<u>1,750</u>	<u>10,550</u>	<u>10,325</u>	<u>225</u>
Net Change in Fund Balances	250	(8,550)	(758)	7,792
Fund Balance, July 1	15,745	15,745	15,745	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 15,995</u>	<u>\$ 7,195</u>	<u>\$ 14,987</u>	<u>\$ 7,792</u>
Uniform School Supplies				
Total Revenues and Other Sources	\$ 413,563	\$ 413,563	\$ 471,671	\$ 58,108
Total Expenditures and Other Uses	<u>408,847</u>	<u>508,847</u>	<u>486,595</u>	<u>22,252</u>
Net Change in Fund Balances	4,716	(95,284)	(14,924)	80,360
Fund Balance, July 1	94,404	94,404	94,404	-
Prior Year Encumbrances Appropriated	<u>22,577</u>	<u>22,577</u>	<u>22,577</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 121,697</u>	<u>\$ 21,697</u>	<u>\$ 102,057</u>	<u>\$ 80,360</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, 2008

	Budgeted Amounts		Actual	Variance with Final Budget- Over (Under)
	Original	Final		
Public School Support				
Total Revenues and Other Sources	\$ 133,610	\$ 133,610	\$ 170,901	\$ 37,291
Total Expenditures and Other Uses	106,695	146,195	144,438	1,757
Net Change in Fund Balances	26,915	(12,585)	26,463	39,048
Fund Balance, July 1	207,660	207,660	207,660	-
Prior Year Encumbrances Appropriated	7,200	7,200	7,200	-
Fund Balance, June 30	<u>\$ 241,775</u>	<u>\$ 202,275</u>	<u>\$ 241,323</u>	<u>\$ 39,048</u>
Other Local Grants				
Total Revenues and Other Sources	\$ 615,300	\$ 615,300	\$ 534,371	\$ (80,929)
Total Expenditures and Other Uses	564,114	590,164	589,599	565
Net Change in Fund Balances	51,186	25,136	(55,228)	(80,364)
Fund Balance, July 1	380,770	380,770	380,770	-
Prior Year Encumbrances Appropriated	1,284	1,284	1,284	-
Fund Balance, June 30	<u>\$ 433,240</u>	<u>\$ 407,190</u>	<u>\$ 326,826</u>	<u>\$ (80,364)</u>
Facility Maintenance				
Total Revenues and Other Sources	\$ 378,600	\$ 378,600	\$ 411,311	\$ 32,711
Total Expenditures and Other Uses	75,992	75,992	59,610	16,382
Net Change in Fund Balances	302,608	302,608	351,701	49,093
Fund Balance, July 1	1,993,084	1,993,084	1,993,084	-
Prior Year Encumbrances Appropriated	30,092	30,092	30,092	-
Fund Balance, June 30	<u>\$ 2,325,784</u>	<u>\$ 2,325,784</u>	<u>\$ 2,374,877</u>	<u>\$ 49,093</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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Termination Benefits				
Total Expenditures and Other Uses	\$ -	\$ 355,000	\$ 55,000	\$ 300,000
Net Change in Fund Balances	-	(355,000)	(55,000)	300,000
Fund Balance, July 1	355,000	355,000	355,000	-
Fund Balance, June 30	<u>\$ 355,000</u>	<u>\$ -</u>	<u>\$ 300,000</u>	<u>\$ 300,000</u>
Student Activity				
Total Revenues and Other Sources	\$ 432,800	\$ 432,800	\$ 623,195	\$ 190,395
Total Expenditures and Other Uses	537,181	687,181	609,020	78,161
Net Change in Fund Balances	(104,381)	(254,381)	14,175	268,556
Fund Balance, July 1	330,439	330,439	330,439	-
Prior Year Encumbrances Appropriated	18,286	18,286	18,286	-
Fund Balance, June 30	<u>\$ 244,344</u>	<u>\$ 94,344</u>	<u>\$ 362,900</u>	<u>\$ 268,556</u>
Staff Training				
Total Revenues and Other Sources	\$ -	\$ -	\$ -	\$ -
Total Expenditures and Other Uses	-	2,083	2,083	-
Net Change in Fund Balances	-	(2,083)	(2,083)	-
Fund Balance, July 1	2,083	2,083	2,083	-
Prior Year Encumbrances Appropriated	-	-	-	-
Fund Balance, June 30	<u>\$ 2,083</u>	<u>\$ -</u>	<u>\$ -</u>	<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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
EMIS				
Total Revenues and Other Sources	\$ -	\$ 14,014	\$ 35,440	\$ 21,426
Total Expenditures and Other Uses	822	38,874	38,875	(1)
Net Change in Fund Balances	(822)	(24,860)	(3,435)	21,425
Fund Balance, July 1	37,360	37,360	37,360	-
Fund Balance, June 30	<u>\$ 36,538</u>	<u>\$ 12,500</u>	<u>\$ 33,925</u>	<u>\$ 21,425</u>
Entry Year Programs				
Total Revenues and Other Sources	\$ -	\$ 23,200	\$ 23,200	\$ -
Total Expenditures and Other Uses	1,597	24,797	24,797	-
Net Change in Fund Balances	(1,597)	(1,597)	(1,597)	-
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	1,597	1,597	1,597	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Data Communication				
Total Revenues and Other Sources	\$ -	\$ 33,000	\$ 33,000	\$ -
Total Expenditures and Other Uses	-	33,000	33,000	-
Net Change in Fund Balances	-	-	-	-
Fund Balance, July 1	-	-	-	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
SchoolNet Professional Development				
Total Revenues and Other Sources	\$ -	\$ 4,770	\$ 4,770	\$ -
Total Expenditures and Other Uses	-	4,770	1,030	3,740
Net Change in Fund Balances	-	-	3,740	3,740
Fund Balance, July 1	-	-	-	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,740</u>	<u>\$ 3,740</u>
Summer School Subsidy				
Fund Balance, July 1	\$ 1,552	\$ 1,552	\$ 1,552	\$ -
Fund Balance, June 30	<u>\$ 1,552</u>	<u>\$ 1,552</u>	<u>\$ 1,552</u>	<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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Miscellaneous State Grants				
Total Revenues and Other Sources	\$ 34,261	\$ 39,261	\$ 34,261	\$ (5,000)
Total Expenditures and Other Uses	<u>79,195</u>	<u>91,829</u>	<u>86,817</u>	<u>5,012</u>
Net Change in Fund Balances	(44,934)	(52,568)	(52,556)	12
Fund Balance, July 1	16,439	16,439	16,439	-
Prior Year Encumbrances Appropriated	<u>36,129</u>	<u>36,129</u>	<u>36,129</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 7,634</u>	<u>\$ -</u>	<u>\$ 12</u>	<u>\$ 12</u>
Title VI-B				
Total Revenues and Other Sources	\$ 2,261,322	\$ 2,261,322	\$ 1,721,524	\$ (539,798)
Total Expenditures and Other Uses	<u>2,261,045</u>	<u>1,599,927</u>	<u>1,599,927</u>	<u>-</u>
Net Change in Fund Balances	277	661,395	121,597	(539,798)
Fund Balance, July 1	(3,402)	(3,402)	(3,402)	-
Prior Year Encumbrances Appropriated	<u>5,283</u>	<u>5,283</u>	<u>5,283</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 2,158</u>	<u>\$ 663,276</u>	<u>\$ 123,478</u>	<u>\$ (539,798)</u>
Title III				
Total Revenues and Other Sources	\$ 55,750	\$ 57,031	\$ 54,614	\$ (2,417)
Total Expenditures and Other Uses	<u>55,750</u>	<u>54,584</u>	<u>54,584</u>	<u>-</u>
Net Change in Fund Balances	-	2,447	30	(2,417)
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ 2,447</u>	<u>\$ 30</u>	<u>\$ (2,417)</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, 2008

	Budgeted Amounts		Actual	Variance with Final Budget- Over (Under)
	Original	Final		
Title I				
Total Revenues and Other Sources	\$ 293,663	\$ 293,663	\$ 259,393	\$ (34,270)
Total Expenditures and Other Uses	<u>277,311</u>	<u>254,440</u>	<u>254,440</u>	<u>-</u>
Net Change in Fund Balances	16,352	39,223	4,953	(34,270)
Fund Balance, July 1	1,892	1,892	1,892	-
Prior Year Encumbrances Appropriated	<u>196</u>	<u>196</u>	<u>196</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 18,440</u>	<u>\$ 41,311</u>	<u>\$ 7,041</u>	<u>\$ (34,270)</u>
Title VI				
Total Revenues and Other Sources	\$ 13,715	\$ 42,600	\$ 18,543	\$ (24,057)
Total Expenditures and Other Uses	<u>13,715</u>	<u>18,543</u>	<u>18,543</u>	<u>-</u>
Net Change in Fund Balances	-	24,057	-	(24,057)
Fund Balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ 24,057</u>	<u>\$ -</u>	<u>\$ (24,057)</u>
Drug Free School Grant				
Total Revenues and Other Sources	\$ 21,503	\$ 21,503	\$ 21,503	\$ -
Total Expenditures and Other Uses	<u>21,503</u>	<u>21,503</u>	<u>21,503</u>	<u>-</u>
Net Change in Fund Balances	-	-	-	-
Fund Balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Title VI - R				
Total Revenues and Other Sources	\$ 159,821	\$ 159,821	\$ 144,376	\$ (15,445)
Total Expenditures and Other Uses	<u>159,821</u>	<u>136,241</u>	<u>136,241</u>	<u>-</u>
Net Change in Fund Balances	-	23,580	8,135	(15,445)
Fund Balance, July 1	(1,356)	(1,356)	(1,356)	-
Prior Year Encumbrances Appropriated	<u>1,356</u>	<u>1,356</u>	<u>1,356</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ 23,580</u>	<u>\$ 8,135</u>	<u>\$ (15,445)</u>
Miscellaneous Federal Grants				
Total Revenues and Other Sources	\$ 2,842	\$ 2,866	\$ 2,865	\$ (1)
Total Expenditures and Other Uses	<u>3,442</u>	<u>3,434</u>	<u>3,434</u>	<u>-</u>
Net Change in Fund Balances	(600)	(568)	(569)	(1)
Fund Balance, July 1	-	-	-	-
Prior Year Encumbrances Appropriated	<u>600</u>	<u>600</u>	<u>600</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ 32</u>	<u>\$ 31</u>	<u>\$ (1)</u>
Nutrition Education and Training Program				
Total Revenues and Other Sources	\$ -	\$ 300	\$ 300	\$ -
Total Expenditures and Other Uses	<u>-</u>	<u>300</u>	<u>300</u>	<u>-</u>
Net Change in Fund Balances	-	-	-	-
Fund Balance, July 1	-	-	-	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

Nonmajor Debt Service Fund

Debt service funds are 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 notes payable, as required by Ohio Law. The nonmajor debt service fund is:

Since there is only one nonmajor debt service fund, no additional financial statements are presented here.

Library Debt Service Fund

A fund used to account for the accumulation of resources and payment of general obligation bond principal and interest and certain long-term obligations related to the public library.

**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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Bond Retirement - Library Debt				
Total Revenues and Other Sources	\$ 151,300	\$ 152,740	\$ 162,564	\$ 9,824
Total Expenditures and Other Uses	<u>201,338</u>	<u>201,338</u>	<u>201,337</u>	<u>1</u>
Net Change in Fund Balances	(50,038)	(48,598)	(38,773)	9,825
Fund Balance, July 1	<u>447,274</u>	<u>447,274</u>	<u>447,274</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ 397,236</u></u>	<u><u>\$ 398,676</u></u>	<u><u>\$ 408,501</u></u>	<u><u>\$ 9,825</u></u>

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

Nonmajor Capital Projects Fund

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 projects fund is:

Permanent Improvement Fund

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

**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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Permanent Improvement				
Total Revenues and Other Sources	\$ -	\$ -	\$ 359,872	\$ 359,872
Total Expenditures and Other Uses	<u>465,215</u>	<u>465,215</u>	<u>305,639</u>	<u>159,576</u>
Net Change in Fund Balances	(465,215)	(465,215)	54,233	519,448
Fund Balance, July 1	463,870	463,870	463,870	-
Prior Year Encumbrances Appropriated	<u>200,215</u>	<u>200,215</u>	<u>200,215</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 198,870</u>	<u>\$ 198,870</u>	<u>\$ 718,318</u>	<u>\$ 519,448</u>

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

Fiduciary Funds

The trust fund is used to account for assets held by the district in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds.

The agency fund is used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds.

Private-Purpose Trust Fund

Special Trust Fund

The district has one special trust fund, a private-purpose trust fund, which is comprised of assets held in trust that were created by donations for the establishment of memorial funds.

Agency Funds

District Agency Fund

A fund used to account for those assets held by a school district as an agent for individuals, private organization, other governmental units, and/or funds. Agency funds could include a central payroll account and funds for a teacher or a parent-teacher organization.

Student Activity Fund

An agency 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.

**PICKERINGTON LOCAL SCHOOLS
FAIRFIELD COUNTY, OHIO**

SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2008

	Beginning Balance July 1, 2007	Additions	Deletions	Ending Balance June 30, 2008
District Agency				
Assets:				
Equity in pooled cash and cash equivalents	\$ 2,069	\$ -	\$ -	\$ 2,069
Total assets	<u>\$ 2,069</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,069</u>
Liabilities:				
Deposits held and due to others	\$ 2,069	\$ -	\$ -	\$ 2,069
Total liabilities.	<u>\$ 2,069</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,069</u>
Student Activity				
Assets:				
Equity in pooled cash and cash equivalents	\$ 137,246	\$ 345,479	\$ 337,525	\$ 145,200
Total assets	<u>\$ 137,246</u>	<u>\$ 345,479</u>	<u>\$ 337,525</u>	<u>\$ 145,200</u>
Liabilities:				
Accounts payable	\$ 7,211	\$ 12,578	\$ -	\$ 19,789
Due to students	130,035	-	4,624	125,411
Total liabilities.	<u>\$ 137,246</u>	<u>\$ 12,578</u>	<u>\$ 4,624</u>	<u>\$ 145,200</u>
Total Agency Funds				
Assets:				
Equity in pooled cash and cash equivalents	\$ 139,315	\$ 345,479	\$ 337,525	\$ 147,269
Total assets	<u>\$ 139,315</u>	<u>\$ 345,479</u>	<u>\$ 337,525</u>	<u>\$ 147,269</u>
Liabilities:				
Accounts payable	\$ 7,211	\$ 12,578	\$ -	\$ 19,789
Deposits held and due to others	2,069	-	-	2,069
Due to students	130,035	-	4,624	125,411
Total liabilities.	<u>\$ 139,315</u>	<u>\$ 12,578</u>	<u>\$ 4,624</u>	<u>\$ 147,269</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, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Special Trust				
Total Revenues and Other Sources	\$ -	\$ -	\$ 1,050	\$ 1,050
Total Expenditures and Other Uses	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>	<u>-</u>
Net Change in Fund Balances	(4,000)	(4,000)	(2,950)	1,050
Fund Balance, July 1	<u>2,950</u>	<u>2,950</u>	<u>2,950</u>	<u>-</u>
Fund Balance, June 30	<u>\$ (1,050)</u>	<u>\$ (1,050)</u>	<u>\$ -</u>	<u>\$ 1,050</u>
District Agency				
Fund Balance, July 1	<u>\$ 2,069</u>	<u>\$ 2,069</u>	<u>\$ 2,069</u>	<u>\$ -</u>
Fund Balance, June 30	<u>\$ 2,069</u>	<u>\$ 2,069</u>	<u>\$ 2,069</u>	<u>\$ -</u>
Student Activity				
Total Revenues and Other Sources	\$ 189,000	\$ 275,000	\$ 349,200	\$ 74,200
Total Expenditures and Other Uses	<u>180,389</u>	<u>354,989</u>	<u>348,875</u>	<u>6,114</u>
Net Change in Fund Balances	8,611	(79,989)	325	80,314
Fund Balance, July 1	133,697	133,697	133,697	-
Prior Year Encumbrances Appropriated	<u>3,549</u>	<u>3,549</u>	<u>3,549</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 145,857</u>	<u>\$ 57,257</u>	<u>\$ 137,571</u>	<u>\$ 80,314</u>

STATISTICAL SECTION

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

STATISTICAL SECTION

This part of the Pickerington City School District's comprehensive annual 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>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 28-34

Sources: This is the District's first comprehensive annual financial report. Sources are noted on the individual schedules. The District implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

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

NET ASSETS BY COMPONENT
LAST SIX FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Governmental activities				
Invested in capital assets, net of related debt	\$ 7,887,455	\$ 7,639,245	\$ 5,680,217	\$ 6,170,204
Restricted	23,739,089	18,391,211	16,510,606	15,221,567
Unrestricted (deficit)	(4,668,772)	(2,730,099)	(3,513,717)	(2,973,644)
Total governmental activities net assets	<u>\$ 26,957,772</u>	<u>\$ 23,300,357</u>	<u>\$ 18,677,106</u>	<u>\$ 18,418,127</u>

Source: School District financial records.

<u>2004</u>	<u>2003</u>
\$ 9,556,777	\$ 25,058,656
14,428,173	18,535,804
(6,315,089)	(29,321,045)
<u>\$ 17,669,861</u>	<u>\$ 14,273,415</u>

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

CHANGES IN NET ASSETS
LAST SIX FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Expenses				
Governmental activities:				
Instruction:				
Regular	\$ 47,880,000	\$ 45,562,366	\$ 42,690,019	\$ 40,326,102
Special	7,249,632	6,782,936	5,977,721	5,423,614
Vocational	1,098,881	1,074,249	1,034,985	890,084
Adult/Continuing	-	-	-	10,895
Other instructional	2,413,847	2,217,708	1,796,253	1,581,660
Support services:				
Pupil	4,422,909	4,196,561	4,036,154	3,942,233
Instructional staff	5,837,143	5,741,358	4,983,317	4,413,385
Board of education	522,851	455,248	501,735	404,032
Administration	7,476,862	7,273,966	7,037,059	6,322,386
Fiscal	1,789,425	1,571,452	1,499,551	1,386,034
Business	44,051	185,988	175,317	192,496
Operations and maintenance	9,267,414	8,238,497	9,428,349	9,238,371
Pupil transportation	5,701,343	5,286,583	4,501,482	3,998,024
Central	162,150	50,333	74,200	87,250
Operation of non-instructional services:				
Food service operations	3,635,100	3,224,778	3,420,780	3,068,309
Other non-instructional services	65,316	124,132	86,613	84,897
Extracurricular activities	2,772,116	2,503,424	2,577,848	2,557,801
Interest and fiscal charges	8,899,230	7,157,888	5,477,377	6,422,079
Total governmental activities expenses	<u>109,238,270</u>	<u>101,647,467</u>	<u>95,298,760</u>	<u>90,349,652</u>

	<u>2004</u>	<u>2003</u>
\$	36,117,943	\$ 31,464,300
	4,865,195	4,514,787
	761,653	932,546
	-	-
	1,122,608	751,589
	3,456,789	3,050,125
	3,645,626	3,136,588
	478,447	323,952
	6,006,765	5,500,019
	1,304,606	1,217,117
	167,919	167,914
	6,589,807	5,422,028
	3,832,851	3,973,490
	81,744	135,761
	2,835,474	2,156,397
	9,937	49,058
	2,137,629	1,780,961
	6,504,277	6,546,476
	<u>79,919,270</u>	<u>71,123,108</u>
		- (Continued)

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

CHANGES IN NET ASSETS - (Continued)
LAST SIX FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Program Revenues	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Governmental activities:				
Charges for services:				
Instruction:				
Regular	\$ 801,384	\$ 749,201	\$ 805,693	\$ 784,692
Special	91,572	3,103	-	-
Vocational	187	-	-	-
Other instructional	6,031	-	-	-
Support services:				
Instructional staff	89,088	29,505	53,191	93,499
Board of education	-	-	770	1,393
Administration	282	1,567	2,040	-
Operations and maintenance	82,536	80,485	94,134	78,501
Pupil transportation	-	-	-	-
Operation of non-instructional services:				
Food service operations	2,458,391	2,321,306	2,259,423	2,173,639
Other non-instructional services	75,782	-	45,858	30,390
Extracurricular activities	972,586	951,885	757,652	770,200
Interest and fiscal charges	-	140,458	-	-
Operating grants and contributions:				
Instruction:				
Regular	591,395	529,021	422,001	515,057
Special	3,219,492	3,005,521	486,464	532,541
Vocational	147,101	159,709	-	878
Other instructional	-	-	-	-
Support services:				
Pupil	513,983	580,490	460,779	621,677
Instructional staff	403,977	389,625	363,616	280,000
Board of education	-	-	498	-
Administration	116,717	135,547	110,252	78,249
Fiscal	32,306	32,728	7,997	-
Operations and maintenance	1,075	12,722	108,387	39,279
Pupil transportation	200,395	223,805	175,849	3,437
Central	3,134	796	18,670	25,511
Operation of non-instructional services:				
Food service operations	900,180	758,837	836,266	672,054
Other non-instructional services	8,660	113,868	46,135	42,546
Extracurricular activities	159,950	153,398	264,253	113,753
Capital grants and contributions:				
Support services:				
Instructional staff	-	-	91,776	69,720
Pupil transportation	44,517	64,544	-	-
Extracurricular activities	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total governmental program revenues	<u>10,920,721</u>	<u>10,438,121</u>	<u>7,411,704</u>	<u>6,927,016</u>
Net (Expense)/Revenue				
Governmental activities	<u>\$ (98,317,549)</u>	<u>\$ (91,209,346)</u>	<u>\$ (87,887,056)</u>	<u>\$ (83,422,636)</u>

<u>2004</u>	<u>2003</u>
\$ 763,229	\$ 580,891
-	-
-	-
-	-
80,821	138,370
1,393	-
266	-
205,042	13,715
-	10,973
1,744,919	1,509,232
5,094	39,257
604,272	331,112
-	-
713,667	364,483
301,038	239,957
-	-
-	23,507
386,820	245,934
257,010	101,573
1,708	-
65,310	21,395
-	-
-	-
33,550	66,873
579,381	473,446
300	-
367,534	61,684
-	-
-	-
-	38,810
	4,702
6,111,354	4,265,914
\$ (73,807,916)	\$ (66,857,194)

- (Continued)

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

CHANGES IN NET ASSETS - (Continued)
LAST SIX FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

General Revenues and Other Changes in Net Assets

Governmental activities:	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Property taxes levied for:				
General purposes	\$ 27,592,489	\$ 25,849,872	\$ 23,527,946	\$ 24,291,458
Special revenue	367,422	362,940	330,505	342,193
Debt service	13,032,040	11,451,584	8,315,839	8,815,701
Capital projects	-	-	-	4
School district income tax	12,722,150	12,303,735	10,830,531	10,232,657
Grants and entitlements not restricted to specific programs	44,083,762	42,499,856	43,661,527	40,865,256
Investment earnings	3,798,530	3,171,236	1,370,041	786,837
Miscellaneous	378,571	114,942	109,646	4,493
Total governmental activities	<u>101,974,964</u>	<u>95,754,165</u>	<u>88,146,035</u>	<u>85,338,599</u>
Special Item:				
Refund from OME-RESA	-	78,432	-	-
Total special item	<u>-</u>	<u>78,432</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 101,974,964</u>	<u>\$ 95,832,597</u>	<u>\$ 88,146,035</u>	<u>\$ 85,338,599</u>
Change in Net Assets				
Governmental activities	<u>\$ 3,657,415</u>	<u>\$ 4,623,251</u>	<u>\$ 258,979</u>	<u>\$ 1,915,963</u>

Source: School District financial records.

	<u>2004</u>		<u>2003</u>
\$	21,207,490	\$	14,843,852
	346,312		274,717
	8,274,592		7,158,273
	61		152
	9,406,873		8,989,604
	37,671,696		32,714,517
	290,056		767,772
	7,282		68,141
	<u>77,204,362</u>		<u>64,817,028</u>
	-		-
	-		-
\$	<u>77,204,362</u>	\$	<u>64,817,028</u>
\$	<u>3,396,446</u>	\$	<u>(2,040,166)</u>

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

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
General Fund:				
Reserved	\$ 4,040,380	\$ 5,752,961	\$ 6,619,476	\$ 5,319,738
Unreserved	<u>7,584,023</u>	<u>4,447,162</u>	<u>2,390,422</u>	<u>3,125,916</u>
Total general fund	<u>\$ 11,624,403</u>	<u>\$ 10,200,123</u>	<u>\$ 9,009,898</u>	<u>\$ 8,445,654</u>
All Other Governmental Funds:				
Reserved	\$ 48,142,449	\$ 20,186,286	\$ 12,800,490	\$ 11,665,682
Unreserved (deficit), reported in:				
Special revenue funds	4,909,347	4,260,742	3,790,669	3,209,491
Capital projects funds	<u>12,362,602</u>	<u>53,492,285</u>	<u>448,780</u>	<u>1,238,254</u>
Total all other governmental funds	<u>65,414,398</u>	<u>77,939,313</u>	<u>17,039,939</u>	<u>16,113,427</u>
Total governmental funds	<u>\$ 77,038,801</u>	<u>\$ 88,139,436</u>	<u>\$ 26,049,837</u>	<u>\$ 24,559,081</u>

Source: School District financial records.

<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
\$ 4,037,297	\$ 3,905,777	\$ 1,689,532	\$ 1,138,261	\$ 1,911,238	\$ 2,153,899
<u>1,851,878</u>	<u>420,002</u>	<u>1,585,761</u>	<u>1,224,336</u>	<u>1,026,200</u>	<u>2,133,441</u>
<u>\$ 5,889,175</u>	<u>\$ 4,325,779</u>	<u>\$ 3,275,293</u>	<u>\$ 2,362,597</u>	<u>\$ 2,937,438</u>	<u>\$ 4,287,340</u>
\$ 9,908,916	\$ 15,150,607	\$ 46,697,117	\$ 13,130,158	\$ 7,735,314	\$ 18,870,811
2,648,206	3,091,503	866,622	634,973	520,661	357,740
<u>2,700,849</u>	<u>1,134,334</u>	<u>7,783,869</u>	<u>(6,146,576)</u>	<u>7,710,322</u>	<u>9,534,707</u>
<u>15,257,971</u>	<u>19,376,444</u>	<u>55,347,608</u>	<u>7,618,555</u>	<u>15,966,297</u>	<u>28,763,258</u>
<u>\$ 21,147,146</u>	<u>\$ 23,702,223</u>	<u>\$ 58,622,901</u>	<u>\$ 9,981,152</u>	<u>\$ 18,903,735</u>	<u>\$ 33,050,598</u>

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

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Revenues				
From local sources:				
Taxes	\$ 54,096,715	\$ 48,877,749	\$ 42,936,633	\$ 43,242,749
Tuition	502,651	364,682	385,844	286,220
Charges for services	2,458,391	2,321,306	2,259,423	2,173,639
Earnings on investments	4,248,136	2,774,353	1,277,723	714,940
Classroom materials and fees	471,680	471,038	423,830	467,455
Extracurricular	990,206	924,704	870,861	805,804
Rental income	28,800	140,458	-	-
Other local revenues	682,034	442,059	576,289	408,438
Intergovernmental - state	47,605,837	45,708,793	43,900,733	41,317,653
Intergovernmental - federal	3,088,903	2,541,278	2,389,178	2,358,521
Total revenues	<u>114,173,353</u>	<u>104,566,420</u>	<u>95,020,514</u>	<u>91,775,419</u>
Expenditures				
Current:				
Instruction:				
Regular	44,385,494	42,491,231	39,459,304	36,981,507
Special	7,085,188	6,630,911	5,836,223	5,225,258
Vocational	1,107,582	1,051,999	1,036,313	868,236
Adult/Continuing	-	-	-	10,895
Other	2,404,790	2,216,745	1,796,253	1,581,660
Current:				
Pupil	4,323,183	4,100,926	3,946,185	3,802,951
Instructional staff	5,602,688	5,477,664	4,687,075	4,156,800
Board of education	517,491	449,888	496,375	398,672
Administration	7,548,391	7,319,310	6,900,352	6,238,029
Fiscal	1,798,451	1,570,047	1,495,489	1,380,806
Business	85,315	186,834	173,830	190,505
Operations and maintenance	8,316,116	7,470,768	7,729,018	7,369,327
Pupil transportation	5,516,101	5,346,721	4,596,388	4,335,936
Central	162,150	83,733	74,200	87,250
Operation of non-instructional services:				
Food service operations	3,256,499	2,755,163	2,973,652	2,618,111
Community	-	-	-	-
Other non-instructional services	65,316	124,132	86,613	84,897
Extracurricular activities	2,612,138	2,347,040	2,440,691	2,417,915
Facilities acquisitions and construction	16,959,574	4,931,875	2,237,784	2,180,142
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	7,445,000	5,655,780	4,015,000	3,286,383
Interest and fiscal charges	6,077,208	4,427,777	3,561,879	4,760,403
Bond issuance cost	-	460,097	524,754	-
Total expenditures	<u>125,268,675</u>	<u>105,098,641</u>	<u>94,067,378</u>	<u>87,975,683</u>
Excess of revenues over (under) expenditures	(11,095,322)	(532,221)	953,136	3,799,736

	2004	2003	2002	2001	2000	1999
\$	39,230,441	\$ 31,482,948	\$ 31,474,590	\$ 28,046,408	\$ 24,979,140	\$ 23,846,464
	280,210	281,903	275,790	253,075	196,135	148,272
	1,744,919	1,509,232	-	-	-	-
	263,681	851,930	2,665,255	2,066,816	1,909,171	1,726,777
	434,711	-	-	-	-	-
	738,964	403,769	343,384	-	-	-
	-	-	-	-	-	-
	753,963	661,944	458,118	780,527	702,658	700,736
	37,972,112	32,868,901	30,047,759	24,540,717	21,010,158	19,323,948
	1,875,694	1,121,509	658,622	425,510	375,104	295,891
	<u>83,294,695</u>	<u>69,182,136</u>	<u>65,923,518</u>	<u>56,113,053</u>	<u>49,172,366</u>	<u>46,042,088</u>
	33,883,467	29,885,280	27,825,148	24,432,681	22,279,104	20,213,747
	4,771,884	4,402,242	3,896,805	3,321,682	2,841,291	2,558,900
	742,302	911,222	685,353	619,573	533,128	489,830
	-	-	-	-	-	26,037
	1,122,608	751,589	462,497	424,413	369,410	297,190
	3,315,532	3,006,873	2,671,523	2,894,093	2,428,379	1,953,567
	3,471,141	2,987,758	2,674,469	2,669,420	1,777,939	1,403,905
	478,384	323,829	302,597	230,393	308,713	245,176
	5,942,396	5,441,042	5,272,419	4,712,817	3,887,868	3,512,752
	1,301,959	1,214,685	1,057,341	1,124,105	1,048,227	965,829
	164,063	165,776	158,585	132,791	146,049	126,768
	6,391,724	4,970,984	5,550,975	4,692,719	4,218,896	3,461,985
	3,953,340	3,966,632	3,671,591	3,322,690	3,304,996	2,861,346
	81,416	143,673	200,914	165,516	115,697	94,942
	2,481,291	1,796,314	-	-	13,925	14,206
	-	-	36,495	32,249	12,795	11,618
	43,482	37,921	-	-	-	-
	2,094,169	1,736,961	1,462,045	1,219,352	1,074,351	1,011,699
	8,024,168	35,269,073	30,524,600	9,567,434	-	-
	-	155,787	-	-	13,757,167	9,405,083
	2,610,594	2,508,810	2,563,857	3,002,216	2,920,228	2,100,641
	4,996,240	5,268,402	5,772,127	2,475,747	2,581,333	2,629,957
	207,633	50,378	-	-	-	-
	<u>86,077,793</u>	<u>104,995,231</u>	<u>94,789,341</u>	<u>65,039,891</u>	<u>63,619,496</u>	<u>53,385,178</u>
	(2,783,098)	(35,813,095)	(28,865,823)	(8,926,838)	(14,447,130)	(7,343,090)

- (Continued)

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

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS - (Continued)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Other Financing Sources (Uses)				
Transfers in	\$ -	\$ -	\$ 665,886	\$ 333,000
Transfers (out)	-	-	(665,886)	(333,000)
Accrued interest on refunding bonds	-	-	-	-
Premium on refunding bonds	-	1,211,944	3,459,639	-
Sale of capital assets	-	-	-	-
Issuance of refunding bonds	-	59,900,000	67,779,907	-
Retirement of refunding bonds	-	-	-	-
Proceeds from loan	-	-	-	-
Payment to refunding bond escrow agent	-	-	(70,714,793)	-
Capital lease transaction	-	-	-	-
Lease purchase transaction	-	1,432,601	-	-
Total other financing sources	<u>-</u>	<u>62,544,545</u>	<u>524,753</u>	<u>-</u>
Special Item				
Refund from OME-RESA				
Total special item	<u>-</u>	<u>78,432</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ (11,095,322)</u>	<u>\$ 62,090,756</u>	<u>\$ 1,477,889</u>	<u>\$ 3,799,736</u>
Capital expenditures	\$ 16,471,688	\$ 4,579,641	\$ 962,556	\$ 801,243
Debt service as a percentage of noncapital expenditures	12.43%	10.49%	8.70%	9.23%

Source: School District financial records.

<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
\$ 2,627,993	\$ 3,936,317	\$ 2,816,302	\$ 1,686,796	\$ -	\$ 59,895
(2,627,993)	(3,936,317)	(2,856,857)	(1,691,155)	-	(69,776)
30,368	1,998	57,525	-	-	-
635,281	87,978	-	-	-	59,895
-	401	248	5,400	-	-
13,914,992	1,880,000	77,500,000	-	-	24,000,000
-	(1,880,000)	-	-	-	-
-	-	-	-	-	6,780,000
(14,342,639)	-	-	-	-	-
-	155,787	-	-	315,240	-
-	-	-	-	-	-
<u>238,002</u>	<u>246,164</u>	<u>77,517,218</u>	<u>1,041</u>	<u>315,240</u>	<u>30,830,014</u>
-	-	-	-	-	-
<u>\$ (2,545,096)</u>	<u>\$ (35,566,931)</u>	<u>\$ 48,651,395</u>	<u>\$ (8,925,797)</u>	<u>\$ (14,131,890)</u>	<u>\$ 23,486,924</u>
\$ 8,223,678	\$ 35,093,892	\$ 38,681,228	\$ 7,309,715	\$ 22,193,207	\$ 9,344,356
10.04%	11.20%	14.86%	9.49%	13.28%	10.74%

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

ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS

Collection Year	Real Property (a)		Tangible Personal Property (b)		Public Utility (c)	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2007	\$ 1,122,831,790	\$ 3,208,090,829	\$ 4,844,002	\$ 19,376,008	\$ 12,640,160	\$ 36,114,743
2006	1,020,662,560	2,916,178,743	6,205,133	24,820,532	14,706,530	42,018,657
2005	974,433,660	2,784,096,171	10,671,040	42,684,160	15,671,040	44,774,400
2004	925,853,450	2,645,295,571	15,297,650	61,190,600	14,857,540	42,450,114
2003	802,438,990	2,292,682,829	14,528,287	58,113,148	13,829,790	39,513,686
2002	721,684,940	2,061,956,971	15,677,480	62,709,920	12,390,680	35,401,943
2001	600,692,010	1,716,262,886	14,257,107	57,028,428	15,641,510	44,690,029
2000	574,339,500	1,640,970,000	12,405,084	49,620,336	16,042,660	45,836,171
1999	537,563,450	1,535,895,571	11,137,564	44,550,256	16,646,850	47,562,429
1998	484,772,540	1,385,064,400	10,924,107	43,696,428	16,405,030	46,871,514

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) The rate at which tangible personal property used in business is assessed for purposes ad valorem property taxation decreased one percent each year from 35% in 1983 until it reached 25% in 1993.
- (c) Assumes public utilities are assessed at true value which is 35%.

		Total		
Total Direct Tax Rate	Assessed Value	Estimated Actual Value	%	
\$ 80.35	\$ 1,140,315,952	\$ 3,263,581,579	34.94%	
80.60	1,041,574,223	2,983,017,932	34.92%	
76.90	1,000,775,740	2,871,554,731	34.85%	
77.30	956,008,640	2,748,936,285	34.78%	
77.70	830,797,067	2,390,309,663	34.76%	
69.80	749,753,100	2,160,068,834	34.71%	
69.80	630,590,627	1,817,981,343	34.69%	
69.80	602,787,244	1,736,426,507	34.71%	
65.76	565,347,864	1,628,008,256	34.73%	
65.76	512,101,677	1,475,632,342	34.70%	

**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	City of Columbus	Pickerington Local School District							
						Voted						Unvoted	Total
						General	Bond	Classroom Facilities	Permanent Improvement				
2007/2008	\$ 18.49	\$ 7.55	\$ 7.80	\$ 0.70	\$ 3.14	\$ 62.20	\$13.15	\$ 0.50	\$ -	\$ 4.50	\$ 80.35		
2006/2007	17.79	7.55	7.80	0.70	3.14	62.20	13.40	0.50	-	4.50	80.60		
2005/2006	18.44	7.55	7.80	0.70	3.14	62.20	9.70	0.50	-	4.50	76.90		
2004/2005	18.44	7.55	7.80	0.70	3.14	62.20	10.10	0.50	-	4.50	77.30		
2003/2004	18.44	7.55	7.80	0.70	3.14	62.20	10.50	0.50	-	4.50	77.70		
2002/2003	17.64	7.05	7.80	0.70	3.14	54.30	10.50	0.50	-	4.50	69.80		
2001/2002	17.64	7.05	7.80	0.70	3.14	54.30	10.50	0.50	-	4.50	69.80		
2000/2001	17.64	7.05	7.80	0.76	3.14	54.30	10.50	0.50	-	4.50	69.80		
1999/2000	17.64	7.05	7.80	0.76	3.14	51.30	8.71	0.50	0.75	4.50	65.76		
1998/1999	17.54	7.05	7.80	0.77	3.14	51.30	8.71	0.50	0.75	4.50	65.76		

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	Tax Year/ Collection Year
\$ 21.80	\$ 21.20	\$ 13.85	\$ 12.15	\$ 7.57	\$ 0.15	\$ 2.00	2007/2008
21.80	21.20	12.85	12.15	7.57	0.15	2.00	2006/2007
21.80	21.20	13.83	12.15	7.57	0.15	2.00	2005/2006
21.80	21.20	13.55	12.15	7.57	0.20	2.00	2004/2005
21.80	21.20	13.65	12.15	7.57	0.30	2.00	2003/2004
21.80	21.20	13.65	12.15	7.57	0.30	2.00	2002/2003
21.80	21.20	9.80	8.30	7.57	0.30	2.00	2001/2002
21.80	21.20	9.80	8.30	7.57	0.50	2.00	2000/2001
21.80	21.20	9.80	8.30	7.57	0.60	2.00	1999/2000
21.80	21.20	10.05	8.55	7.57	0.60	2.00	1998/1999

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

PRINCIPAL PROPERTY TAX PAYERS
DECEMBER 31, 2007 AND DECEMBER 31, 2003

December 31, 2007			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Anyi Apartments	\$ 7,568,750	1	0.76%
Pickerington Apartments LLC	5,922,760	2	0.59%
Creekside I Acquisitions LLC	5,730,010	3	0.57%
South Central Power	4,952,320	4	0.49%
Regency Centers LP	4,126,610	5	0.41%
AERC Turnberry Inc	3,983,990	6	0.40%
Oh Retail II LL LLC	3,607,000	7	0.36%
Brooksedge Apartments LLC	3,465,000	8	0.35%
B & G Relty Inc	3,354,670	9	0.34%
Lakes Edge LLC	3,325,000	10	0.33%
Total	<u>\$ 46,036,110</u>		<u>\$ 1,140,315,952</u>

December 31, 2003			
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Brentwood Lake, Inc.	\$ 7,568,750	1	0.91%
NOCA Apartments One Limited	5,436,030	2	0.65%
AERC Turnbury Inc.	4,025,000	3	0.48%
Regency Centers LP	3,972,080	4	0.48%
Lakes Edge Partnership	3,932,590	5	0.47%
South Central Power Company	3,712,270	6	0.45%
Brooksedge at Tussing, Inc.	3,485,000	7	0.42%
Interstate Limited Partnership	3,380,790	8	0.41%
Dominion Homes, Inc.	2,717,440	9	0.33%
Centex Homes	2,673,870	10	0.32%
Total	<u>\$ 40,903,820</u>		<u>830,797,067</u>

Source: Fairfield County Auditor's Office

Note: Information on principal property tax payers prior to December 31, 2003 was unavailable.

**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	Total Collection	Total Collection As a Percent of Total Levy
2006/2007	\$ 42,652,185	\$ 40,545,738	95.06%	\$ 1,127,694	\$ 41,673,432	97.71%
2005/2006	37,094,381	35,806,389	96.53%	877,081	36,683,470	98.89%
2004/2005	35,267,774	34,179,618	96.91%	776,789	34,956,407	99.12%
2003/2004	25,554,535	24,351,818	95.29%	574,565	24,926,383	97.54%
2002/2003	24,606,005	23,458,085	95.33%	455,996	23,914,081	97.19%
2001/2002	22,556,633	21,490,968	95.28%	344,818	21,835,786	96.80%
2000/2001	19,204,375	18,337,038	95.48%	346,782	18,683,820	97.29%
1999/2000	18,307,924	17,512,454	95.66%	295,864	17,808,318	97.27%
1998/1999	18,281,153	17,723,753	96.95%	237,459	17,961,212	98.25%
1997/1998	14,765,753	14,388,155	97.44%	231,438	14,619,593	99.01%

Source: Fairfield County Auditor's Office

Note: Property tax levies and collections for the tax year/collection year 2007/2008 was not available.

**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
	General Obligation Bonds	Capital Leases			
2008	\$ 172,276,266	\$ 1,371,821	\$ 173,648,087	\$ 11,996	\$ 17,018
2007	176,913,710	1,371,821	178,285,531	12,538	17,800
2006	120,033,604	-	120,033,604	8,844	12,345
2005	122,049,697	-	122,049,697	9,343	13,219
2004	123,571,606	66,383	123,637,989	10,168	13,945
2003	124,622,356	116,977	124,739,333	11,079	14,873
2002	125,757,015	-	125,757,015	12,032	15,848
2001	49,802,289	103,857	49,906,146	4,907	6,612
2000	50,799,627	199,907	50,999,534	5,208	7,108
1999	53,459,627	-	53,459,627	6,653	7,646

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	Total		
2008	\$ 172,276,266	\$ 172,276,266	5.28%	\$ 11,901
2007	176,913,710	176,913,710	5.93%	12,441
2006	120,033,604	120,033,604	4.18%	8,844
2005	122,049,697	122,049,697	4.44%	9,343
2004	123,571,606	123,571,606	5.17%	10,163
2003	124,622,356	124,622,356	5.77%	11,069
2002	125,757,015	125,757,015	6.92%	12,032
2001	49,802,289	49,802,289	2.87%	4,896
2000	50,799,627	50,799,627	3.12%	5,188
1999	53,459,627	53,459,627	3.62%	6,653

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, 2008

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Pickerington Local School District	\$ 172,276,266	100.00%	\$ 172,276,266
Overlapping debt:			
Fairfield County	9,235,000	34.50%	3,186,075
Franklin County	201,425,000	0.05%	100,713
City of Columbus	510,227,235	0.95%	4,847,159
City of Pickerington	5,120,000	99.85%	5,112,320
Violet Township	2,830,000	94.87%	2,684,821
Eastland-Fairfield Career & Technical JVS District	<u>750,000</u>	15.13%	<u>113,475</u>
Total direct and overlapping debt	<u>\$ 901,863,501</u>		<u>\$ 188,320,829</u>

Source: Ohio Municipal Advisory Council

**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
2008	\$ 102,175,834	\$ 157,879,129	\$ 15,114,548	\$ 142,764,581	\$ (40,588,747)	139.72%
2007	92,933,023	176,913,710	14,537,042	162,376,668	(69,443,645)	174.72%
2006	90,069,817	120,033,604	11,159,050	108,874,554	(18,804,737)	120.88%
2005	86,040,778	122,049,697	9,447,143	112,602,554	(26,561,776)	130.87%
2004	74,771,736	123,571,606	7,711,039	115,860,567	(41,088,831)	154.95%
2003	67,477,779	124,622,356	6,032,554	118,589,802	(51,112,023)	175.75%
2002	56,753,156	125,757,015	6,201,343	119,555,672	(62,802,516)	210.66%
2001	54,250,852	49,802,289	6,577,015	43,225,274	11,025,578	79.68%
2000	50,881,308	50,799,627	5,717,332	45,082,295	5,799,013	88.60%
1999	46,089,151	53,459,627	5,701,536	47,758,091	(1,668,940)	103.62%

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 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>Population (1)</u>	<u>Per Capita Personal Income (2)</u>	<u>Median Age (2)</u>	<u>School Enrollment (3)</u>	<u>Unemployment Rates</u>		
					<u>Fairfield County</u>	<u>Ohio</u>	<u>United States</u>
2008	14,476	\$ 25,839	32.7	10,204	5.0%	6.7%	5.7%
2007	14,220	25,839	32.7	10,016	4.8%	5.5%	4.7%
2006	13,573	25,839	32.7	9,723	5.2%	5.9%	5.1%
2005	13,063	25,839	32.7	9,233	5.4%	6.2%	5.5%
2004	12,159	25,839	32.7	8,866	5.3%	5.7%	5.1%
2003	11,259	25,839	32.7	8,387	5.1%	5.5%	5.7%
2002	10,452	25,839	32.7	7,935	3.5%	5.3%	6.0%
2001	10,171	25,839	32.7	7,548	3.3%	4.8%	5.8%
2000	9,792	25,839	32.7	7,175	2.9%	3.9%	4.0%
1999	8,035	15,330	32.7	6,992	3.0%	4.0%	4.1%

(1) Mid-Ohio Regional Planning Commission

(2) U. S. Census Bureau

(3) 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.

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

**PRINCIPAL EMPLOYERS
CURRENT YEAR AND SEVEN YEARS AGO**

Employer	December 31, 2007		
	Employees	Rank	Percentage of Total City Employment
Pickerington Local School District	1,123	1	12.52%
Kroger Company, Inc.	313	2	3.49%
Cracker Barrel Resturant	290	3	3.23%
Kohl's Department Stores	273	4	3.04%
Kindred Nursing Center	228	5	2.54%
Bob Evans Farms, Inc.	172	6	1.92%
Max & Erma's Restaurants, Inc.	151	7	1.68%
City of Pickerington	118	8	1.32%
American Motorcycle Association	110	9	1.23%
R.G. Barry Corporation	102	10	1.14%
Total	<u>2,880</u>		<u>32.11%</u>
Total Employment within the City	<u>8,968</u>		

Employer	December 31, 2000	
	Employees	Rank
Pickerington Local School District	813	1
Cracker Barrel Restaurant	464	2
Kroger Company	390	3
Kindred Nursing Care	254	4
State of Ohio	203	5
Longhorn Steakhouse	142	6
City of Columbus	82	7
City of Pickerington	78	8
Defense Accounting Office	56	9
Mt. Carmel Health Care Providers	52	10
Total	<u>2,534</u>	
Total Employment within the City	<u>n/a</u>	

Source: City of Pickerington CAFR

Note: Information on principal employers prior to 2000 was not available.

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

STAFFING STATISTICS
FULL TIME EQUIVALENTS (FTE) BY TYPE AND FUNCTION
LAST FIVE FISCAL YEARS

<u>Type</u>	<u>2008</u>	<u>2007 (1)</u>	<u>2006 (1)</u>	<u>2005 (1)</u>	<u>2004 (2)</u>
Office - administrative	41.00	39.50	39.00	37.50	34.50
Professional - educational	687.10	640.40	591.40	558.80	515.55
Professional - other	24.40	25.40	22.10	22.10	16.40
Technical	12.50	12.50	12.50	13.00	12.41
Office - clerical	138.50	125.60	122.70	109.90	82.21
Craft & trade	9.00	9.00	9.00	7.00	7.00
Service worker/laborer	106.25	100.60	97.80	95.10	91.78
Total	<u>1,018.75</u>	<u>953.00</u>	<u>894.50</u>	<u>843.40</u>	<u>759.85</u>

<u>Function</u>	<u>2008</u>	<u>2007 (1)</u>	<u>2006 (1)</u>	<u>2005 (1)</u>	<u>2004 (2)</u>
Instruction:					
Regular	552.45	523.10	481.70	476.10	428.25
Special	85.35	72.50	66.00	47.90	38.00
Vocational	11.80	11.50	12.10	9.70	10.00
Support Services:					
Pupil	173.40	169.00	163.40	144.80	52.90
Instructional staff	20.50	19.30	18.50	18.80	73.12
Administration	45.00	33.00	32.00	30.00	61.30
Fiscal	9.00	9.00	9.00	9.00	9.00
Business	1.00	2.00	2.00	2.00	2.00
Operations and maintenance	79.75	74.00	75.50	70.50	55.00
Food service operations	40.50	39.60	34.30	34.60	30.28
Total Governmental Activities	<u>1,018.75</u>	<u>953.00</u>	<u>894.50</u>	<u>843.40</u>	<u>759.85</u>

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): These amounts have been changed from what was previously reported to include employees that were not previous included.

(2): Past data was not easily attainable therefore estimates have been used if data could not be obtained. Information prior to fiscal year 2004 was not available.

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

**OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Function	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Instruction:										
Regular and Special										
Enrollment (students) *	10,204	10,016	9,723	9,233	8,866	8,387	7,935	7,548	7,175	6,992
Graduates	n/a	n/a	663	606	554	497	494	483	503	479
Support services:										
Board of education										
Regular meetings per year	18	18	18	15	17	15	17	11	12	12
Special meetings per year	5	13	12	13	12	11	11	10	7	11
Administration										
Nonpayroll checks issued	6,222	6,984	6,702	7,680	7,638	6,906	n/a	n/a	n/a	n/a
Pupil transportation										
Avg. students transported daily	6,327	6,538	5,973	5,457	5,413	5,589	5,145	n/a	n/a	n/a
Food service operations										
Meals served to students	1,032,376	1,013,039	992,018	928,798	928,457	805,711	753,964	n/a	n/a	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.

n/a: Information is not available.

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

**CAPITAL ASSET STATISTICS
LAST SIX FISCAL YEARS**

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Land	\$ 7,645,730	\$ 7,645,730	\$ 6,090,899	\$ 6,090,899	\$ 6,090,899	\$ 6,090,899
Land improvements	7,921,473	8,498,320	9,072,627	8,636,895	9,141,608	1,963,748
Buildings and improvements	91,302,686	95,223,643	97,451,837	101,362,695	105,241,129	46,040,541
Furniture and equipment	1,469,165	1,585,862	1,791,751	1,967,504	2,184,931	414,056
Vehicles	583,289	686,636	614,412	513,598	149,174	10,604
Construction in progress	17,435,869	1,158,379	-	278,952	-	64,311,992
Total Governmental Activities						
Capital Assets, net	<u>\$126,358,212</u>	<u>\$114,798,570</u>	<u>\$115,021,526</u>	<u>\$118,850,543</u>	<u>\$122,807,741</u>	<u>\$118,831,840</u>

Source: School District financial records.

Note: Amounts above are presented net of accumulated depreciation.

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

**SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS**

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Heritage Elementary (1907) (1)						
Square feet	92,544	92,544	92,544	92,544	92,544	92,544
Capacity (students)	771	771	771	771	771	771
Enrollment	785	736	869	655	576	471
Fairfield Elementary (1980)						
Square feet	48,435	48,435	48,435	48,435	48,435	48,435
Capacity (students)	387	787	787	787	787	787
Enrollment	769	767	696	659	643	665
Pickerington Elementary (1977)						
Square feet	46,516	46,516	46,516	46,516	46,516	46,516
Capacity (students)	372	372	372	372	372	372
Enrollment	740	729	773	860	739	656
Tussing Elementary (1996)						
Square feet	75,501	75,501	75,501	75,501	75,501	75,501
Capacity (students)	653	653	653	653	653	653
Enrollment	790	811	844	789	820	814
Violet Elementary (1977)						
Square feet	46,516	46,516	46,516	46,516	46,516	46,516
Capacity (students)	372	372	372	372	372	372
Enrollment	675	700	721	747	732	736
Diley Middle School (2000)						
Square feet	94,951	94,951	94,951	94,951	94,951	94,951
Capacity (students)	693	693	693	693	693	693
Enrollment	751	725	684	681	689	697
Harmon Middle School (2000)						
Square feet	89,211	89,211	89,211	89,211	89,211	89,211
Capacity (students)	656	656	656	656	656	656
Enrollment	807	850	646	632	679	641
Ridgeview Junior High School (1968)						
Square feet	115,851	115,851	115,851	115,851	115,851	115,851
Capacity (students)	821	821	821	821	821	821
Enrollment	819	823	719	637	599	1,321
Lakeeview Junior High School (2003)						
Square feet	142,082	142,082	142,082	142,082	142,082	n/a
Capacity (students)	1,008	1,008	1,008	1,008	1,008	n/a
Enrollment	875	860	879	809	801	n/a
Pickerington Central High School (1991)						
Square feet	245,652	245,652	245,652	245,652	245,652	245,652
Capacity (students)	1,008	1,471	1,471	1,471	1,471	1,471
Enrollment	875	1,349	1,216	1,088	1,170	2,386
Pickerington North High School (2003)						
Square feet	323,473	323,473	323,473	323,473	323,473	n/a
Capacity (students)	1,937	1,937	1,937	1,937	1,937	n/a
Enrollment	1,735	1,666	1,676	1,676	1,418	n/a
Total enrollment by year	10,204	10,016	9,723	9,233	8,866	8,387

Source: District records, including square footage and capacity data provided by a recent study performed by Ohio School Facilities Commission (OSFC) 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 the square footage amounts.

Renovations have been made to several buildings over the years, however, the change affect of square footage and capacity are not available, therefore, the District has presented the current square footage and capacity as of the study performed by OSFC.

(1) Heritage operates as a "swing" building. For the school years 1996-2000 Heritage accomodated middle school students, for the school years 2002-2003 Heritage accomodated K-4 students, for school year 2005 K-5 and school year 2006 K-6.

(2) During school year 2001 Heritage was closed for renovations.

2002	2001 (2)	2000	1999
92,544	92,544	92,544	92,544
771	-	771	771
444	-	1,130	1,126
48,435	48,435	48,435	48,435
787	787	787	787
647	632	631	629
46,516	46,516	46,516	46,516
372	372	372	372
585	826	747	734
75,501	75,501	75,501	75,501
653	653	653	653
788	769	690	657
46,516	46,516	46,516	46,516
372	372	372	372
709	776	756	726
94,951	94,951	n/a	n/a
693	693	n/a	n/a
617	569	n/a	n/a
89,211	89,211	n/a	n/a
656	656	n/a	n/a
641	616	n/a	n/a
115,851	115,851	115,851	115,851
821	821	821	821
1,253	1,222	1,142	1,056
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
245,652	245,652	245,652	245,652
1,471	1,471	1,471	1,471
2,251	2,138	2,079	2,064
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
7,935	7,548	7,175	6,992

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

EDUCATIONAL INDICATORS
LAST TEN FISCAL YEARS

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
3rd Grade Achievement										
(Initiated March, 2005)										
Reading	89.9%	90.6%	90.6%	90.9%	92.8%	n/a	n/a	n/a	n/a	n/a
Mathematics	87.8%	87.0%	83.8%	80.8%	n/a	n/a	n/a	n/a	n/a	n/a
4th Grade Proficiency/Achievement										
(Initiated March, 1995)										
Reading	93.2%	89.0%	89.5%	89.7%	87.5%	82.7%	83.2%	79.6%	84.2%	86.7%
Writing	93.2%	90.5%	93.1%	90.3%	91.0%	88.3%	90.8%	93.3%	95.2%	84.3%
Mathematics	83.1%	84.7%	89.7%	82.0%	82.9%	77.6%	83.9%	84.2%	76.3%	81.1%
Science	n/a	n/a	n/a	77.7%	79.7%	73.0%	79.0%	80.0%	77.4%	79.2%
Citizenship	n/a	n/a	n/a	83.2%	79.3%	79.9%	85.7%	84.4%	85.7%	93.4%
5th Grade Achievement										
(Initiated March, 2005)										
Reading	85.1%	89.5%	87.0%	89.6%	n/a	n/a	n/a	n/a	n/a	n/a
Mathematics	75.1%	71.1%	72.3%	n/a						
Science	82.2%	82.0%	n/a							
Citizenship	83.5%	74.8%	n/a							
6th Grade Proficiency/Achievement										
(Initiated March, 1996)										
Reading	93.7%	89.4%	94.6%	84.2%	85.5%	86.4%	79.9%	83.2%	80.9%	79.4%
Writing	n/a	n/a	n/a	93.6%	97.2%	95.2%	97.3%	96.7%	93.5%	95.9%
Mathematics	89.4%	82.0%	74.7%	80.7%	87.6%	73.8%	86.3%	87.7%	84.7%	79.7%
Science	n/a	n/a	n/a	80.6%	83.1%	87.2%	83.1%	86.5%	77.6%	68.0%
Citizenship	n/a	n/a	n/a	88.5%	88.5%	91.5%	93.8%	90.7%	93.7%	93.1%
7th Grade Achievement										
(Initiated March, 2005)										
Reading	88.8%	89.5%	91.2%	n/a						
Mathematics	76.3%	79.2%	74.8%	71.3%	n/a	n/a	n/a	n/a	n/a	n/a
Writing	95.2%	93.0%	n/a							
8th Grade Achievement										
(Initiated March, 2005)										
Reading	82.8%	92.5%	88.7%	90.4%	n/a	n/a	n/a	n/a	n/a	n/a
Mathematics	80.1%	86.2%	81.5%	74.0%	n/a	n/a	n/a	n/a	n/a	n/a
Science	77.6%	81.7%	n/a							
Citizenship	70.4%	70.7%	n/a							
9th Grade Proficiency										
(Passing on 1st Attempt)										
Writing	n/a	n/a	n/a	n/a	97.9%	96.4%	97.8%	99.2%	98.2%	97.9%
Reading	n/a	n/a	n/a	n/a	97.3%	95.4%	97.3%	97.5%	98.8%	97.6%
Mathematics	n/a	n/a	n/a	n/a	91.8%	89.9%	91.3%	92.0%	94.8%	89.5%
Citizenship	n/a	n/a	n/a	n/a	95.9%	93.8%	96.6%	95.5%	96.4%	94.2%
Science	n/a	n/a	n/a	n/a	95.6%	92.1%	96.2%	93.2%	95.0%	93.0%
10th Grade Ohio Graduation Test (OGT):										
(Initiated March, 2005)										
Reading	91.4%	94.1%	96.3%	97.2%	n/a	n/a	n/a	n/a	n/a	n/a
Writing	91.5%	94.8%	96.0%	93.0%	n/a	n/a	n/a	n/a	n/a	n/a
Mathematics	90.4%	93.0%	93.6%	92.7%	n/a	n/a	n/a	n/a	n/a	n/a
Science	84.8%	84.3%	88.8%	87.8%	n/a	n/a	n/a	n/a	n/a	n/a
Social Studies	88.1%	87.1%	91.6%	89.8%	n/a	n/a	n/a	n/a	n/a	n/a
ODE Per Pupil Costs										
Pickerington	\$ 9,299	\$ 8,917	\$ 8,834	\$ 8,346	\$ 7,998	\$ 7,426	\$ 7,430	\$ 6,854	\$ 6,371	\$ 6,075
State	\$ 9,939	\$ 9,586	\$ 9,356	\$ 9,048	\$ 8,758	\$ 8,438	\$ 8,073	\$ 7,602	\$ 7,057	\$ 6,642
Pupil/Teacher Ratio	19.10	20.50	20.20	21.00	21.40	18.00	18.10	20.10	19.90	20.70
Student Attendance Rate	95.7%	96.4%	96.4%	96.6%	96.6%	96.2%	96.0%	95.8%	95.9%	95.5%
High School Graduation Rate	n/a	97.9%	98.1%	97.1%	95.8%	98.2%	95.9%	96.2%	92.2%	92.8%
Performance Standards										
Pickerington	29	27	22	21	18	20	22	27	27	26
Number of Standards	30	30	25	23	18	22	22	27	27	27
Rating	Excellent with Distinction	Continuous Improvement	Excellent	Effective	Excellent	Effective	Excellent	Excellent	*Effective	*Effective
Performance Index Score	100.9	100.0	101.1	99.7	99.5	96.7	n/a	n/a	n/a	n/a

Sources: School District records and Ohio Department of Education

*Effective - this represented the highest rating a school district could achieve in this school year.

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

OPERATING STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	General Government	Governmental Activities (2)	Enrollment (3)	Percent Change	Teaching Staff
	Expenditures (1)	Expenses (1)			
2008	\$ 111,746,467	\$ 100,339,040	10,204	1.88%	709
2007	94,554,987	94,489,579	10,016	3.01%	689
2006	85,965,745	89,821,383	9,723	5.31%	658
2005	79,928,897	83,927,573	9,233	4.14%	618
2004	78,263,326	73,414,993	8,866	5.71%	617
2003	97,167,641	64,576,632	8,387	5.70%	586
2002	86,453,357	n/a	7,935	5.13%	554
2001	59,561,928	n/a	7,548	5.20%	554
2000	58,117,935	n/a	7,175	2.62%	474
1999	48,654,580	n/a	6,992	4.58%	430

Sources: District records and the Ohio Department of Education

(1) Debt Service totals have been excluded.

(2) The District implemented GASB 34 in fiscal year 2003.

(3) 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 33.

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Mary Taylor, CPA
Auditor of State

PICKERINGTON LOCAL SCHOOL DISTRICT

FAIRFIELD COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
FEBRUARY 17, 2009**