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## **Pickerington Local School District Fairfield County, Ohio**

Reports on Compliance and Internal Controls and  
Schedule of Expenditures of Federal Awards

June 30, 2011





# Dave Yost • Auditor of State

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

We have reviewed the *Independent Auditor's Report* of the Pickerington Local School District, Fairfield County, prepared by Clark, Schaefer, Hackett & Co., for the audit period July 1, 2010 through June 30, 2011. 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.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

February 13, 2012

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Pickerington Local School District  
Schedule of Expenditures of Federal Awards  
For the Fiscal Year Ended June 30, 2011

Federal Agency/ Pass Through Agency/ Program Title	Federal CFDA Number	Receipts	Disbursements
U.S. Department of Agriculture: <i>Passed through Ohio Department of Education:</i>			
Nutrition Cluster:			
Non-Cash Assistance (Food Distribution):			
National School Lunch Program	10.555	\$ 283,310	\$ 283,310
Cash Assistance:			
National School Breakfast Program	10.553	96,626	96,626
National School Lunch Program	10.555	<u>1,027,207</u>	<u>1,027,207</u>
Total Nutrition Cluster		<u>1,407,143</u>	<u>1,407,143</u>
Total US Department of Agriculture		<u>1,407,143</u>	<u>1,407,143</u>
U.S. Department of Education: <i>Passed through Ohio Department of Education:</i>			
Title I, Part A Cluster:			
Title I Grants to Local Education Agencies	84.010	296,874	329,205
ARRA - Title I Grants to Local Education Agencies	84.389	<u>192,697</u>	<u>211,174</u>
Total Title I, Part A Cluster		489,571	540,379
Special Education Cluster:			
Special Education Grants to States	84.027	1,429,113	1,509,565
ARRA - Special Education Grants to States	84.391	<u>903,334</u>	<u>958,888</u>
Total Special Education Cluster		2,332,447	2,468,453
ARRA - Education Technology State Grants	84.386	3,922	4,300
Improving Teacher Quality State Grants	84.367	151,441	147,252
Title III	84.365	60,164	61,008
Title IV-A	84.186	10,750	11,075
21st Century CCLC	84.287	207,509	194,393
ARRA - State Fiscal Stabilization	84.394	3,474,655	3,350,222
ARRA - Race to the Top	84.395	<u>10,999</u>	<u>10,473</u>
Total U.S. Department of Education		<u>6,741,458</u>	<u>6,787,555</u>
U.S. Department of Health & Human Services: <i>Passed through Ohio Department of Health:</i>			
Medical Assistance Program	93.778	<u>165,160</u>	<u>165,160</u>
Total US Department of Health & Human Services		<u>165,160</u>	<u>165,160</u>
U.S. Department of Transportation <i>Passed through Ohio Department of Transportation:</i>			
Highway Planning and Construction	20.205	<u>3,309</u>	<u>-</u>
Total US Department of Transportation		<u>3,309</u>	<u>-</u>
Total Federal Assistance		<u>\$ 8,317,070</u>	<u>\$ 8,359,858</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

**1. Significant Accounting Policies:**

The accompanying schedule of expenditures of federal awards is a summary of the federal awards programs of the Pickerington Local School District. This schedule has been prepared on the cash basis of accounting.

**2. U.S. Department of Agriculture Programs:**

Non-monetary assistance, such as food received from the U.S. Department of Agriculture, is reported in the schedule at the fair market value of the commodities received and consumed. Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first. At June 30, 2011 the District had no significant food commodities in inventory.

**3. Matching Requirements:**

Certain federal programs require the School District to contribute non-federal funds (matching funds) to support federally-funded programs. The District has complied with the matching requirements. The expenditure of non-federal (matching) funds is not included on the Schedule of Expenditures of Federal Awards.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

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

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Pickerington Local School District (the District), as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 22, 2011, wherein we noted the District adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. 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**

Management of the District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, 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. However, we identified a deficiency in internal control over financial reporting, described as item 2011-01 in the accompanying schedule of findings and questioned costs, which we consider to be a significant deficiency in internal control over financial reporting. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 management of the District, in a separate letter dated December 22, 2011.

The District's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the District's responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of management, the Board of Education, the Auditor of State of Ohio, 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.

A handwritten signature in cursive script that reads "Clark, Schaefer, Hackett & Co." The signature is written in black ink and is positioned above the typed name and date.

Springfield, Ohio  
December 22, 2011

**REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

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

**Compliance**

We have audited the compliance of the Pickerington Local School District (the District), with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the 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, *Audits 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 the 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 the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompany schedule of findings and questioned costs as item 2011-02.

**Internal Control Over Compliance**

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the 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 and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

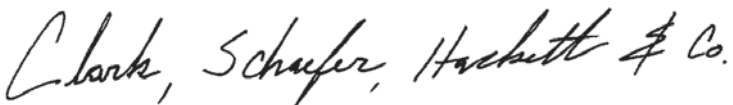
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency as described in the accompanying schedule of findings and questioned costs as item 2011-02. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

### **Schedule of Expenditures of Federal Awards**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended, June 30, 2011, and have issued our report thereon dated December 22, 2011, wherein we noted the District adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for the purpose 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 a whole.

The District's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the District's responses and, accordingly, we express no opinion on the responses.

This report is intended solely for the information and use of management, the Board of Education, the Auditor of State of Ohio, 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.



Springfield, Ohio  
December 22, 2011

**Section I – Summary of Auditors’ Results**

Financial Statements

Type of auditors’ report issued:	Unqualified
Internal control over financial reporting:	
• Material weakness(es) identified?	None noted
• Significant deficiency(ies) identified not considered to be material weakness(es)?	Yes
Noncompliance material to financial statements noted?	None noted

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	None noted
• Significant deficiency(ies) identified not considered to be material weakness(es)?	Yes

Type of auditors’ report issued on compliance for major programs: Unqualified

Any audit findings that are required to be reported in accordance with 510(a) of Circular A-133? Yes

Identification of major programs:

Nutrition Cluster:  
 CFDA 10.553 – National School Breakfast  
 CFDA 10.555 – National School Lunch

Title I Cluster:  
 CFDA 84.010 – Title I  
 CFDA 84.389 – Title I - ARRA

Special Education Cluster:  
 CFDA 84.027 – IDEA B  
 CFDA 84.391 – IDEA B – ARRA

State Fiscal Stabilization Fund – ARRA  
 CFDA 84.394

Dollar threshold to distinguish between Type A and Type B programs: \$300,000

Auditee qualified as low-risk auditee? Yes

## Section II – Financial Statement Findings

### Finding 2011-01 – Audit Adjustments

The District's management is responsible for designing and implementing internal controls over financial reporting which provides reasonable assurance of the integrity of the financial reporting process, the safeguarding of assets and compliance with applicable laws, regulations and contracts.

The following adjustments discovered during the audit were posted to the financial statements:

- Report certain intergovernmental receivables and the related deferred revenue on the fund financial statements and intergovernmental revenue on the Statement of Activities.
- Reclassify accrued wages and benefits to the respective funds from which the associated employees were paid from.
- Reclassification of certain components of fund balance and net assets.

Other insignificant adjustments were proposed as a result of the audit, but were not posted.

The District should review the procedures and controls in place to prepare its annual financial statements to ensure the internal control environment is sufficient to identify potential misstatements during the GAAP conversion process and preparation of the annual financial statements. The annual audit process should not be considered part of the internal controls to detect misstatements in the amounts reported on the financial statements.

*Management response: Upon receipt of this audit comment and the required financial statement adjustments, the District has reviewed and improved its procedures and controls in this area. The District contracts with a firm for the annual GAAP conversion and compilation of the annual financial statements. However, the District understands that it is the District's responsibility to ensure that adequate internal controls exist to prevent the need for material adjustments to those statements. The District believes it now has sufficient internal controls in place relating to the GAAP conversion process and the preparation of the annual financial statements, to prevent such auditors' adjustments in the future.*

## Section III – Federal Awards Findings and Questioned Costs

### Finding 2011-02 – State Fiscal Stabilization Fund – ARRA – CFDA No. 84.394

*Condition:* We performed cash management compliance tests to determine if the District was minimizing the time that elapsed between the receipt of funding from the Ohio Department of Education (ODE) and the disbursement of the funds. We noted the District did not always spend the monthly amounts received through state Foundation payments in accordance with policies stipulated by the ODE.

*Criteria:* 34 CFR 80.20(b)(7) states in part "When advances are made by letter-of-credit or electronic transfer of funds methods, the grantee must make drawdowns as close as possible to the time of making disbursements." For the State Fiscal Stabilization funding, ODE provided the funding through its normal Foundation payment schedule and the District was not required to request the funding. However, ODE stipulated that amounts received should be spent within 30 days or by the end of the month in which it was received, whichever came first.

*Effect:* Noncompliance with cash management requirements could result in funders seeking repayment of excess interest earnings on federal funding or other remedial actions.

*Cause:* District did not implement specific procedures to ensure that federal funds were disbursed in accordance with both Federal and ODE requirements.

*Recommendation:* We recommend the District implement cash management procedures to ensure compliance with all federal requirements.

*Management response:* The District relied upon written guidance from the Ohio Department of Education (ODE) with regard to cash management requirements for the State Fiscal Stabilization Fund (SFSF). Based on the ODE guidance, the District (and apparently many other school districts in Ohio) believed that the District had until September 30, 2011 to liquidate SFSF funds. The District had employees who had performed work prior to June 30, but paychecks for that work continued to be paid from SFSF funds through the summer of 2011 due to the payroll "stretch" schedule. Based on the ODE guidance, the District believed this was permissible. However, subsequently the ODE issued a letter to the Auditor of State wherein the same month they were received. The ODE also acknowledged that the prior communications provided to school districts had been confusing. However, the District's books had already been closed at that point and it was too late to make corrections. It is the District's hope that in the future, ODE guidance to school districts will be consistent with federal cash management requirements.

#### **Section IV – Summary of Prior Audit Findings and Questioned Costs**

None reported

## Independent Accountants' Report on Applying Agreed-Upon Procedure

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

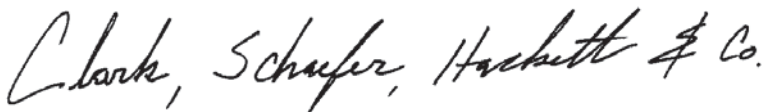
Ohio Rev. Code Section 117.53 states "the auditor of state shall identify whether the school district or community school has adopted an anti-harassment policy in accordance with Section 3313.666 of the Revised Code. This determination shall be recorded in the audit report. The auditor of state shall not prescribe the content or operation of any anti-harassment policy adopted by a school district or community school."

Accordingly, we have performed the procedure enumerated below, which was agreed to by the Board, solely to assist the Board in evaluating whether Pickerington Local School District (the District) has updated its anti-harassment policy in accordance with Ohio Rev. Code Section 3313.666. Management is responsible for complying with this requirement. This agreed-upon procedure engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of this procedure is solely the responsibility of the Board. Consequently; we make no representation regarding the sufficiency of the procedure described below either for the purpose for which this report has been requested or for any other purpose.

1. We noted the Board amended its anti-harassment policy at its meeting on May 5, 2010 to include violence within a dating relationship within its definition of harassment, intimidation or bullying.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with the anti-harassment policy. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board of Education, and the Auditor of State of Ohio, and is not intended to be and should not be used by anyone other than these specified parties.



Springfield, Ohio  
December 22, 2011

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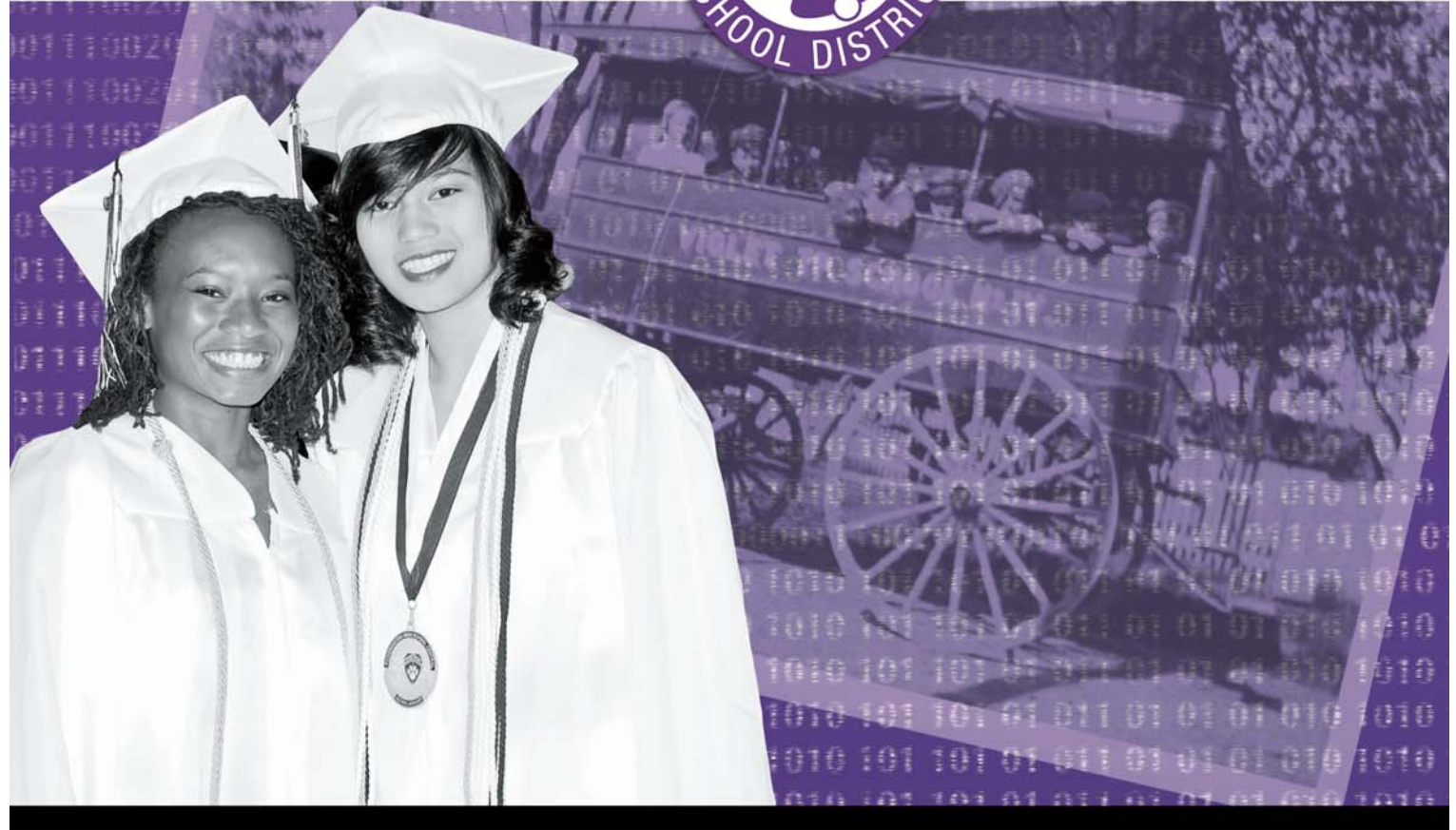
At Clark Schaefer Hackett, we are the sum of our individuals. Each team member's training, experience and drive is well-suited to each client's needs and goals. We are committed to providing insightful and flexible service – from efficient compliance to sophisticated consulting – to help each client prosper today and plan for future success



# Comprehensive Annual



# Financial Report



## The Pickerington Local School District Comprehensive Annual Financial Report

Board of Education  
Pickerington Local School District  
Pickerington, Ohio  
For Fiscal Year Ended June 30, 2011

*Celebrating Excellence Since 1909*

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**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT**

OF THE

**PICKERINGTON LOCAL  
SCHOOL DISTRICT**

FOR THE

**FISCAL YEAR ENDED JUNE 30, 2011**

**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, 2011

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PICKERINGTON LOCAL SCHOOL DISTRICT

Office of the Treasurer

90 East Street, Pickerington, Ohio 43147  
Phone: 614-833-2112 Fax: 614-833-2126  
www.pickerington.k12.oh.us

December 22, 2011

*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, 2011 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, 2011, were audited by Clark Schaefer Hackett 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 complements this letter of transmittal and should be read in conjunction with it.

## PROFILE OF THE DISTRICT

The District originated in the late 1800's, built its first building in 1907, and is a fiscally independent political subdivision in the State of Ohio. By statute the District operates under standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 and Section 119.01 of the Ohio Revised Code to provide education services authorized by charter and further mandated by state and/or federal agencies. The District is in a suburb of Columbus, the state capital, and operated two high schools, two junior high schools, three middle schools, and seven elementary schools as of June 30, 2011. The District had approximately 10,608 students enrolled during the 2010-11 school year.

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

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

The Superintendent is the chief executive officer of the District, responsible to the Board for total educational and support operations. The Treasurer is the chief financial officer of the District, responsible to the Board for maintaining all financial records, issuing warrants in payment of liabilities incurred by the District, acting as custodian of all District funds, and investing idle funds as permitted by Ohio law. Other Board-appointed officials, reporting to the Superintendent, include the Assistant Superintendent, the Director of Human Resources, 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 1,800 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.

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 completed in the summer of 2009. The three new buildings opened on schedule at the beginning of the 2009-10 school year.

In May 2009, the voters approved the extension of a classroom facilities maintenance levy. This approval enabled the district to qualify for \$50 million in state funds from the Ohio School Facilities Commission, which is being used for the renovation of five of the district’s oldest school buildings.

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: For the 2010-2011 school year, the District met 26 out of 26 indicators on the Ohio Department of Education’s Local Report Card for schools. In addition, the District earned a Performance Index 102.8, and met the federal Adequate Yearly Progress goals established by No Child Left Behind with eight subgroups of students. Pickerington Local Schools earned an “Excellent with Distinction” rating by the Ohio Department of Education. The District graduated 96.6% of students for the 2010-2011 school year, exceeding the State requirement of 90%.

## MAJOR INITIATIVES AND PROGRAM ACCOMPLISHMENTS

Data Analysis: Building Leadership Teams analyze and disaggregate all value-added and achievement results with all teachers of Core Content areas. Data from Ohio Achievement Tests (administered to grades levels 3-8) and the Ohio Graduation Tests are analyzed by grade level, content area, and subgroups including standard, response type and item analysis. Teacher-leaders receive training on using data to inform instructional decisions in the classroom.

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

Professional Development: Job-embedded professional learning opportunities are provided to all teaching staff during weekly grade level/content team meetings and state-granted waiver days. Professional development revolves around using research-based instructional strategies and incorporating 21<sup>st</sup> Century skills into daily practice. Building Core Teams analyze data to craft Continuous Improvement Plans (CIP). Professional development is provided to teams of teachers based on the instructional needs at the building, grade, or subject level. Instructional Coaches at grades K-8 assist teachers as they meet the needs of all students and implement differentiated instructional practices.

Gifted & Talented Programs: The District currently operates in-house programs for gifted and talented students at each elementary and middle school by delivering a compacted mathematics curriculum. 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. The proficiency of English language is assessed annually through state mandated testing.

Foreign Languages: Eighth (8<sup>th</sup>) 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 have the option of earning High School credits for Algebra, Honors Algebra, Foreign Language, and Earth Science courses.

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 1-12. Each of our elementary and middle school buildings are served by a Global Integration Team made up of art, music, physical education, and media/technology teachers. 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 technology has become an integral part of education. In addition, technology is a tool to facilitate the 21<sup>st</sup> Century skills for college and career readiness for all students. A comprehensive district plan embeds technology use into 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 informed about district news and events. Teachers have technology web pages and are providing on-line information about homework assignments.

The District created a Help Desk that makes technical services for teachers more efficient.

Summer School Opportunities: The district offers a summer intervention program for students who have not met the states proficient level on the Grade 3 Reading Achievement Assessment. Summer intervention is available for high school students in all content areas in preparation for re-taking the Ohio Graduation Test. High School students have the opportunity to earn Physical Education credit during summer months. The district also offers credit recovery and flexible credit options during the summer.

Intervention is provided for students in grades 1-6 during the regular school day through the Response to Intervention process.

Comprehensive Continuous Improvement Plan:

The District annually completes a needs assessment and develops a CCIP (Comprehensive Continuous Improvement Plan) as required by the Ohio Department of Education, Office of Federal Programs in order to receive federal funds, commonly known as “Title” monies. There are two major goals established in this plan for our District including: Improving Student Achievement and Hiring of teachers who are Highly Qualified. Strategies and action steps that support this goal are developed to provide a structure for expending funds for the following programs - Title I (Disadvantaged), Title II-A (Improving Teacher Quality), Title II-D (Technology), Title III (Limited English Proficient), Title III (Immigrant), Title IV (Safe and Drug-Free Schools), Part B - IDEA (Special Education). The District’s current CCIP was approved by the Ohio Department of Education, Office of Federal Programs in July 2011.

Grants Programs: Staff members continue to seek grant funding to increase instructional and professional opportunities. Our District has been awarded the 21<sup>st</sup> Century Learning Grant to provide after-school intervention to junior high students. The District is also receiving federal funds by being a Race to the Top district; this money is connected to professional development opportunities related to the implementation of revised content standards.

Special Education: The District’s Special Education Programs provide a full continuum of services from kindergarten through 12th grade based on the individual needs of its 1,236 students on Individualized Education Programs (IEPs). Services are provided in all 14 buildings and programs outside of the district. These services range from inclusion support to homebound/hospitalization. Some of the low incidence classrooms are shared across the district requiring some students to be transported outside of their home building in order to receive the services that are offered in those classrooms. These would include multiple disabilities, emotional disturbance, and cognitive disabilities. The District supports these classrooms through smaller class sizes (based on state requirements), intensive related services support, and the utilization of paraprofessionals in the classrooms. Pickerington has 32 low incidence classrooms that either service the building in which it is located or is shared across the District. Each building has at least one special education cross-categorical classroom that serves as a resource room for students. Students in these classrooms receive a range of services from instruction in a content area to supporting classroom teachers by addressing specific skill deficits a student may have. The District also offers inclusion support in many buildings with its special education teachers. These teachers support and co-teach with regular education teachers in the general education setting without pulling the IEP students from the classroom. Pickerington has 47 teachers that provide cross-categorical resource room services, inclusion support in the regular classroom, or even a combination of both.

These classrooms are supported by a well-experienced related services staff consisting of six school psychologists, nearly 7.7 speech therapists, 2.2 occupational therapists, one adaptive physical education teacher, one physical therapist, one assistive technology/visual impairment teacher, one academic/behavior coach, and one work-study coordinator. Some additional services are contracted with other agencies as well. All these classrooms, programs, and personnel are supervised and coordinated on a day-to-day basis by five special education administrators. A special education director oversees all the programs at the district level. Three special education secretaries maintain the special education records and enter critical information into the Education Management Information System (EMIS).

## 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 the financial statements, voters have routinely supported the District in its efforts to keep pace with increased student population. However, on November 2, 2010, voters narrowly defeated a replacement operating levy of 8 mills, which would have resulted in a 6.84 mill increase. The levy would have generated approximately \$7.6 million per year. The levy was needed by the District due to state and local revenue losses and increasing costs. Due to the levy failure, the District implemented substantial budget reductions for fiscal year 2012.

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

On August 2, 2011, District voters approved a new levy of 5.5 mills, for a continuing period of time. The levy commences in tax year 2011 with collections beginning January 2012. This levy is projected to generate \$5.95 million per year. The levy proceeds will be used for current operating expenses. The District's leadership believes that the recent budget reductions and the savings from the negotiated agreement with teachers, in combination with the passage of the August 2011 levy, will provide much-improved financial stability for the District for Fiscal Year 2012 and future years.

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 2011, 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, 2010. 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 principles 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 "Daniel C. Griscom". The signature is written in a cursive style with a long, sweeping underline.

Daniel C. Griscom

Treasurer

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

**ELECTED OFFICIALS AND ADMINISTRATIVE STAFF**

JUNE 30, 2011

Board of Education Members

President  
Vice President  
Member  
Member  
Member

Mrs. Lisa Reade  
Mr. R. Clayton Lopez  
Mr. Lee Gray  
Mrs. Cathy Olshefski  
Mrs. Lori Sanders

Appointed Officials

Superintendent  
Treasurer

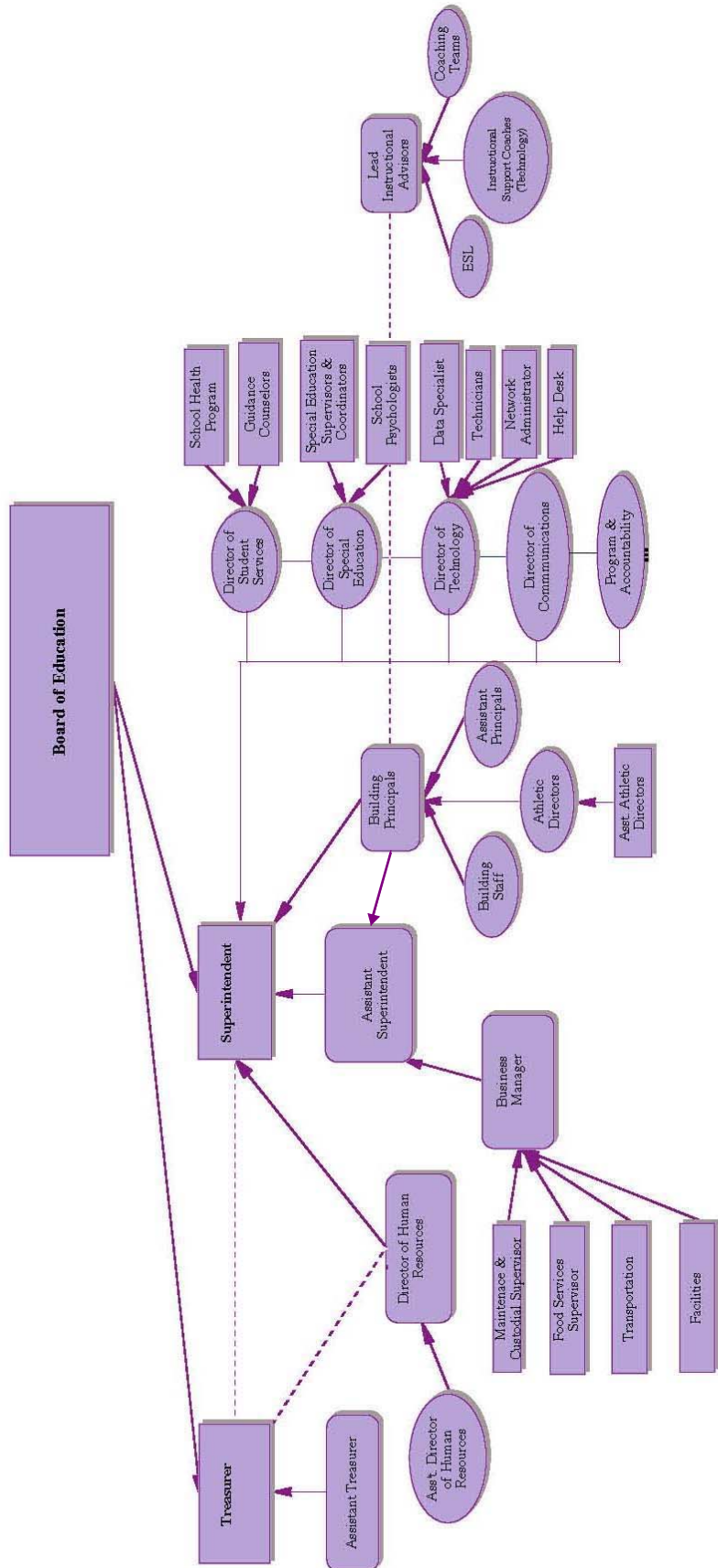
Dr. Karen Mantia  
Daniel C. Griscom

Administrative Staff

Assistant Superintendent  
Director of Human Resources  
Director of Student Services  
Assistant Treasurer  
Business Manager  
Principal, Pickerington High School North  
Principal, Pickerington High School Central  
Principal, Lakeview Junior High School  
Principal, Ridgeview Junior High School  
Principal, Diley Middle School  
Principal, Toll Gate Middle School  
Principal, Harmon Middle School  
Principal, Fairfield Elementary School  
Principal, Heritage Elementary School  
Principal, Pickerington Elementary School  
Principal, Tussing Elementary School  
Principal, Violet Elementary School  
Principal, Toll Gate Elementary School  
Principal, Sycamore Creek Elementary School

James Sotlar  
Debra Porter-Sawyer  
Michael Smith  
Keltah Houser-Siders  
W. Vince Utterback  
Cindi Goldhaber  
Zack Howard  
Jeff Clark  
Susan Caudill  
Heather Hedgepeth  
D. Mark Jones  
Lee Ann Yoakum  
Ruth Stickel  
David Toopes  
Melissa Moriarty  
Jeannette Henson  
Molly Dalgarn  
Kristi Motsch  
Sharon Caccimelio

# PICKERINGTON LOCAL SCHOOL DISTRICT ORGANIZATIONAL CHART



- Pickerington High School Central
- Pickerington High School North
- Lakeview Junior High
- Ridgeview Junior High
- Diley Middle School
- Harmon Middle School
- Tollgate Middle School
- Fairfield Elementary
- Heritage Elementary
- Pickerington Elementary
- Sycamore Elementary
- Tollgate Elementary
- Tussing Elementary
- Violet Elementary

# 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, 2010

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.



*Linda C. Dawson*

President

*Jeffrey R. Emer*

Executive Director

## FINANCIAL SECTION

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## **INDEPENDENT AUDITORS' REPORT**

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Pickerington Local School District (the District) as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the 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 *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 respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2011, and the respective changes in financial position, and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, during the year ended June 30, 2011, the District adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund balance Reporting and Governmental Fund Type Definitions*.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2011, on our consideration of the 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 important for assessing the results of our audit.

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The management's discussion and analysis on pages F3 through F14 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 District's basic financial statements. The introductory section, the combining and individual nonmajor fund financial statements and schedules, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules 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 section 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.

A handwritten signature in cursive script that reads "Clark, Schufer, Hachett & Co." The signature is written in dark ink on a light-colored background.

Springfield, Ohio  
December 22, 2011



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

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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, 2011. 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 2011 are as follows:

- In total, net assets of governmental activities decreased \$3,359,623 which represents a 4.59% decrease from 2010.
- General revenues accounted for \$101,088,230 in revenue or 84.53% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$18,494,239 or 15.47% for total revenues of \$119,582,469.
- The District had \$122,942,092 in expenses related to governmental activities; only \$18,494,239 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 \$101,088,230 were not adequate to provide for these programs.
- The District's major governmental funds include the general, district debt service fund and the classroom facilities fund. The general fund had \$88,953,555 in revenues and \$93,735,507 in expenditures. During fiscal year 2011, the general fund's balance decreased \$4,781,952 from a restated balance of \$7,964,151 to a balance of \$3,182,199.
- The district debt service fund had \$14,689,370 in revenues and \$14,384,658 in expenditures. The district debt service fund's balance increased \$304,712 from \$16,141,690 to \$16,446,402.
- The classroom facilities fund had \$22,189,191 in revenues and \$18,454,383 in expenditures. The classroom facilities fund increased \$3,734,808 from \$8,908,173 to a balance of \$12,642,981.

**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 classroom facilities 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, 2011

**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 2011?" 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 classroom facilities 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, 2011**

***Reporting the District's Fiduciary Responsibilities***

The District 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 a separate statement of fiduciary net assets on page F 22. 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 23 – F 60 of this report.

**The District as a Whole**

The statement of net assets provides the perspective of the District as a whole. The net assets of the District were restated at June 30, 2010 as described in Note 3.C to the basic financial statements.

The table below provides a summary of the District's net assets at June 30, 2011 and June 30, 2010.

	<b>Net Assets</b>	
	Governmental Activities 2011	Restated Governmental Activities 2010
<b><u>Assets</u></b>		
Current and other assets	\$ 123,948,523	\$ 141,246,088
Capital assets, net	<u>163,390,041</u>	<u>152,654,730</u>
Total assets	<u>287,338,564</u>	<u>293,900,818</u>
<b><u>Liabilities</u></b>		
Current liabilities	53,273,022	51,324,182
Long-term liabilities	<u>164,156,242</u>	<u>169,307,713</u>
Total liabilities	<u>217,429,264</u>	<u>220,631,895</u>
<b><u>Net Assets</u></b>		
Invested in capital assets, net of related debt	26,012,261	8,748,029
Restricted	59,915,183	79,798,417
Unrestricted (deficit)	<u>(16,018,144)</u>	<u>(15,277,523)</u>
Total net assets	<u>\$ 69,909,300</u>	<u>\$ 73,268,923</u>

Over time, net assets can serve as a useful indicator of a government's financial position. At June 30, 2011, the District's assets exceeded liabilities by \$69,909,300. At fiscal year-end, restricted net assets were \$59,915,183.

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

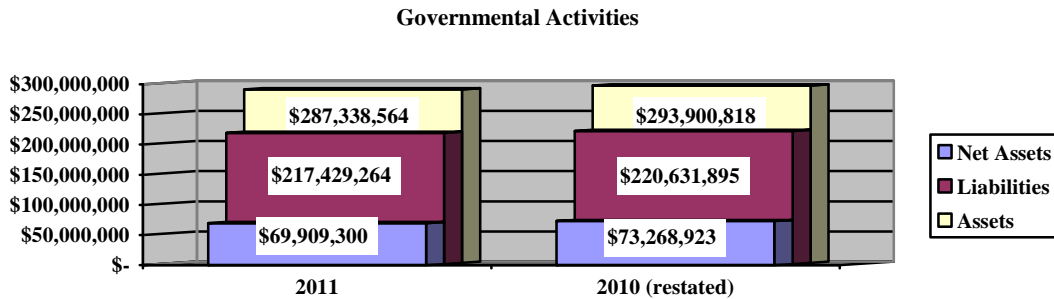
**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

Assets decreased \$6,562,254 or 2.23%. This decrease is primarily due to the decrease in intergovernmental receivables relating to the Ohio School Facilities Commission (OSFC) project. Liabilities of the District decreased \$3,202,631 or 1.45%. This decrease can be attributed to the repayment of general obligation bonds during fiscal year 2011.

At fiscal year-end, capital assets represented 56.86% 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, 2011, were \$26,012,261. 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, \$59,915,183, represents resources that are subject to external restriction on how they may be used. Of this amount, \$34,610,391 is restricted for capital projects and \$17,390,699 is restricted for debt service. Net assets restricted for capital projects have decreased \$19,281,061 as the District continues on the OSFC project. The remaining balance of unrestricted net assets is a deficit of \$16,018,144.

The graph below illustrates the District's assets, liabilities and net assets at June 30, 2011 and June 30, 2010.



The table below shows the change in net assets for fiscal years 2011 and 2010.

	<b>Change in Net Assets</b>	
	Governmental Activities 2011	Restated Governmental Activities 2010
<b>Revenues</b>		
Program revenues:		
Charges for services and sales	\$ 4,794,506	\$ 4,868,765
Operating grants and contributions	13,699,733	8,418,139
General revenues:		
Property taxes	42,311,934	40,460,230
School district income taxes	13,646,693	13,227,609
Grants and entitlements not restricted	44,587,183	48,622,410
Payment in lieu of taxes	231,511	93,764
Investment earnings	206,830	311,036
Other	104,079	129,564
<b>Total revenues</b>	<b>119,582,469</b>	<b>116,131,517</b>

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**Change in Net Assets**

	<u>Governmental Activities 2011</u>	<u>Governmental Activities 2010</u>
<b><u>Expenses</u></b>		
Program expenses:		
Instruction:		
Regular	\$ 53,303,768	\$ 55,599,841
Special	9,164,454	8,960,949
Vocational	1,039,530	1,114,525
Other	2,973,424	3,055,912
Support services:		
Pupil	5,389,487	5,150,296
Instructional staff	7,518,291	7,571,863
Board of education	716,717	575,199
Administration	8,301,524	8,822,490
Fiscal	1,867,031	1,744,987
Business	509,414	578,191
Operations and maintenance	9,890,158	9,740,418
Pupil transportation	5,621,125	5,966,014
Central	175,403	171,148
Operation of non-instructional services:		
Other non-instructional services	54,984	73,232
Food service operations	4,773,849	4,379,685
Extracurricular activities	2,777,341	3,135,454
Interest and fiscal charges	<u>8,865,592</u>	<u>8,540,803</u>
Total expenses	<u>122,942,092</u>	<u>125,181,007</u>
Change in net assets	(3,359,623)	(9,049,490)
Net assets at beginning of year (restated)	<u>73,268,923</u>	<u>82,318,413</u>
Net assets at end of year	<u>\$ 69,909,300</u>	<u>\$ 73,268,923</u>

**Governmental Activities**

Net assets of the District's governmental activities decreased \$3,359,623. Total governmental expenses of \$122,942,092 were offset by program revenues of \$18,494,239 and general revenues of \$101,088,230. Program revenues supported 15.04% of the total governmental expenses.

In the area of program revenues, the significant increase was in operating grants and contributions which increased \$5,281,594. This increase is attributable primarily to \$2,651,705 in funding through the State of Ohio for Pathway for Student Success (PASS) funding which offsets special education costs and the education jobs grant funding of \$2,368,191 from the federal government. PASS funding has been reported as program revenue in fiscal year 2011 versus general revenue in fiscal year 2010.

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

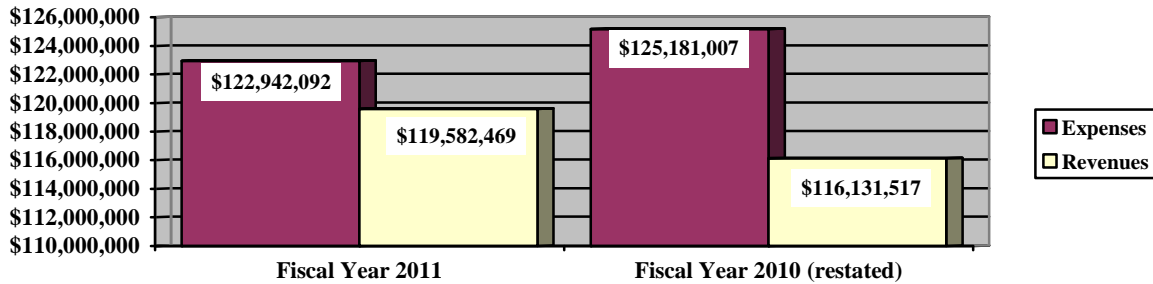
**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

The primary sources of revenue for governmental activities are derived from property taxes, school district income taxes, and unrestricted and restricted grants and entitlements from the State of Ohio. These revenue sources represent 84.08% of total governmental revenue. Real estate property is reappraised every six years.

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 revenues and expenses for fiscal years 2011 and 2010.

**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, 2011**

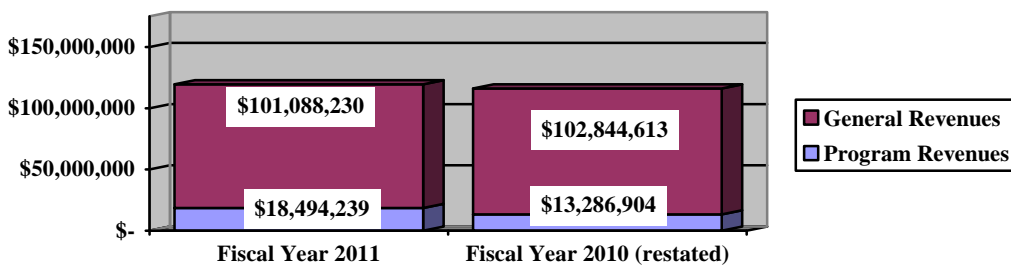
**Governmental Activities**

	Total Cost of Services <u>2011</u>	Net Cost of Services <u>2011</u>	Total Cost of Services <u>2010</u>	Net Cost of Services <u>2010</u>
<b>Program expenses</b>				
Instruction:				
Regular	\$ 53,303,768	\$ 47,138,317	\$ 55,599,841	\$ 52,175,296
Special	9,164,454	4,812,363	8,960,949	6,734,249
Vocational	1,039,530	878,071	1,114,525	954,268
Other	2,973,424	2,862,713	3,055,912	2,966,598
Support services:				
Pupil	5,389,487	4,483,132	5,150,296	4,485,792
Instructional staff	7,518,291	6,746,306	7,571,863	6,559,097
Board of education	716,717	716,717	575,199	575,199
Administration	8,301,524	8,104,764	8,822,490	8,630,440
Fiscal	1,867,031	1,867,031	1,744,987	1,744,987
Business	509,414	509,414	578,191	578,191
Operations and maintenance	9,890,158	9,673,750	9,740,418	9,681,455
Pupil transportation	5,621,125	5,390,064	5,966,014	5,733,400
Central	175,403	174,356	171,148	171,148
Operations of non-instructional services:				
Other non-instructional services	54,984	46,894	73,232	(13,430)
Food service operations	4,773,849	611,598	4,379,685	565,972
Extracurricular activities	2,777,341	1,566,771	3,135,454	1,810,638
Interest and fiscal charges	8,865,592	8,865,592	8,540,803	8,540,803
<b>Total expenses</b>	<b>\$ 122,942,092</b>	<b>\$ 104,447,853</b>	<b>\$ 125,181,007</b>	<b>\$ 111,894,103</b>

The dependence upon tax and other general revenues for governmental activities is apparent, 83.77% of instruction activities are supported through taxes and other general revenues which includes State aid. For all governmental activities, general revenue support is 84.96%. The District's taxpayers and restricted and unrestricted grants and entitlements from the State of Ohio are the primary support for District's students.

The graph below presents the District's governmental activities revenue for fiscal years 2011 and 2010.

**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, 2011**

**The District's Funds**

The District's governmental funds (as presented on the balance sheet on page F17) reported a combined fund balance of \$43,844,385, which is less than last year's total of \$44,486,453. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2011 and June 30, 2010. The District restated fund balances at June 30, 2010 as described in Note 3.B.

	Fund Balance <u>June 30, 2011</u>	Restated Fund Balance <u>June 30, 2010</u>	Increase/ <u>(Decrease)</u>
General	\$ 3,182,199	\$ 7,964,151	\$ (4,781,952)
District debt service	16,446,402	16,141,690	304,712
Classroom facilities	12,642,981	8,908,173	3,734,808
Other governmental	<u>11,572,803</u>	<u>11,472,439</u>	<u>100,364</u>
Total	<u>\$ 43,844,385</u>	<u>\$ 44,486,453</u>	<u>\$ (642,068)</u>

**General Fund**

	2011 <u>Amount</u>	Restated 2010 <u>Amount</u>	Increase/ <u>(Decrease)</u>	Percentage <u>Change</u>
<b><u>Revenues</u></b>				
Taxes	\$ 41,411,526	\$ 40,182,376	\$ 1,229,150	3.06 %
Tuition	393,460	431,780	(38,320)	(8.87) %
Earnings on investments	170,053	367,262	(197,209)	(53.70) %
Intergovernmental	45,530,762	47,112,949	(1,582,187)	(3.36) %
Other revenues	<u>1,447,754</u>	<u>1,408,678</u>	<u>39,076</u>	2.77 %
Total	<u>\$ 88,953,555</u>	<u>\$ 89,503,045</u>	<u>\$ (549,490)</u>	(0.61) %
<b><u>Expenditures</u></b>				
Instruction	\$ 54,631,110	\$ 56,066,087	(1,434,977)	(2.56) %
Support services	36,774,290	37,776,115	(1,001,825)	(2.65) %
Operation of non-instructional services	47,077	49,596	(2,519)	(5.08) %
Extracurricular activities	2,055,529	2,416,223	(360,694)	(14.93) %
Facilities acquisition and construction	73,616	57,870	15,746	27.21 %
Debt service	<u>153,885</u>	<u>307,770</u>	<u>(153,885)</u>	(50.00) %
Total	<u>\$ 93,735,507</u>	<u>\$ 96,673,661</u>	<u>\$ (2,938,154)</u>	(3.04) %

Overall revenues of the general fund decreased \$549,490 or 0.61%. The most significant decrease was in the area intergovernmental revenues. The decrease of \$1,582,187 in intergovernmental revenues can be attributed to the Ohio Department of Education removing a portion of the state foundation payments and supplementing it with federal monies in the form of State Fiscal Stabilization Funds. These supplemented funds had previously been received directly into the general fund but are now being received into a nonmajor governmental fund. The increase in taxes is due to the increase in income tax revenue. Earnings on investments decreased \$197,209 due to lower interest rates earned on investments compared to fiscal year 2010.



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

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

Expenditures of the general fund decreased \$2,938,154 or 3.04%. This decrease in expenditures is a result of the District's efforts to control costs and the District's receipt of American Recovery and Reinvestment Act (ARRA) funds and the Education Jobs grants. These grants were accounted for in the nonmajor governmental funds and the District used the funds to pay instruction and support services costs previously paid for by the general fund. The decrease in debt service is due to the District making two payments in fiscal year 2010.

***District Debt Service Fund***

The District's district debt service fund balance increased \$304,712. This increase in fund balance is due to revenues exceeding the scheduled principal and interest payments on bonds. The table that follows assists in illustrating the financial activities and fund balance of the district debt service fund.

	<u>2011 Amount</u>	<u>2010 Amount</u>	<u>Increase/ (Decrease)</u>	<u>Percentage Change</u>
<b><u>Revenues</u></b>				
Taxes	\$ 12,952,055	\$ 12,734,088	\$ 217,967	1.71 %
Other local revenues	39,531	15,559	23,972	154.07 %
Intergovernmental	<u>1,697,784</u>	<u>1,646,385</u>	<u>51,399</u>	3.12 %
Total	<u>\$ 14,689,370</u>	<u>\$ 14,396,032</u>	<u>\$ 293,338</u>	2.04 %
<b><u>Expenditures</u></b>				
Support services	\$ 237,913	\$ 226,080	\$ 11,833	5.23 %
Debt service	<u>14,146,745</u>	<u>13,787,868</u>	<u>358,877</u>	2.60 %
Total	<u>\$ 14,384,658</u>	<u>\$ 14,013,948</u>	<u>\$ 370,710</u>	2.65 %

***Classroom Facilities Fund***

The classroom facilities fund had \$22,189,191 in revenues and \$18,454,383 in expenditures. The District was approved in fiscal year 2010 for an OSFC project to improve and renovate certain buildings in the District. The project was in full swing as of fiscal year 2011 which explains the increases in revenues and expenditures

	<u>2011 Amount</u>	<u>2010 Amount</u>	<u>Increase/ (Decrease)</u>	<u>Percentage Change</u>
<b><u>Revenues</u></b>				
Earnings on investments	\$ 11,434	\$ 1,946	\$ 9,488	487.56 %
Intergovernmental - State	<u>22,177,757</u>	<u>10,918,878</u>	<u>11,258,879</u>	103.11 %
Total	<u>\$ 22,189,191</u>	<u>\$ 10,920,824</u>	<u>\$ 11,268,367</u>	103.18 %
<b><u>Expenditures</u></b>				
Facilities acquisition and construction	<u>\$ 18,454,383</u>	<u>\$ 2,129,301</u>	<u>\$ 16,325,082</u>	766.69 %
Total	<u>\$ 18,454,383</u>	<u>\$ 2,129,301</u>	<u>\$ 16,325,082</u>	766.69 %

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

***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 2011, the District amended the general fund's budget. For the general fund, original and final budgeted revenues and other financing sources were \$87,426,088. Actual revenues and other financing sources for fiscal year 2011 were \$87,518,239. This represents a \$92,151 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.

General fund original and final appropriations (appropriated expenditures plus other financing uses) totaled \$99,094,475 and \$98,944,475, respectively. The actual budget basis expenditures for fiscal year 2011 totaled \$94,396,679, which was \$4,547,796 less than the final budget appropriations.

**Capital Assets and Debt Administration**

***Capital Assets***

At June 30, 2011, the District had \$163,390,041 invested in land, construction-in-progress, land improvements, buildings and improvements, furniture and equipment and vehicles. This entire amount is reported in governmental activities. The following table shows June 30, 2011 balances compared to June 30, 2010 balances:

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

	Governmental Activities	
	2011	2010
Land	\$ 9,300,237	\$ 9,300,237
Construction-in-progress	19,821,028	2,692,206
Land improvements	11,612,655	12,468,688
Building and improvements	120,185,213	125,387,591
Furniture and equipment	1,695,973	1,928,096
Vehicles	774,935	877,912
<b>Total</b>	<b>\$ 163,390,041</b>	<b>\$ 152,654,730</b>

The total additions to capital assets for fiscal year 2011 were \$17,295,601. 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 \$10,735,311 is due to the recording of additions of \$17,295,601 and depreciation in the amount of \$6,560,290.

See Note 8 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, 2011**

***Debt Administration***

At June 30, 2011, the District had \$156,354,662 in general obligation bonds. Of this total, \$9,405,412 is due within one year and \$146,949,250 is due in greater than one year. The District also had \$1,096,872 outstanding for a lease purchase agreement issued during a prior fiscal year. Of this amount, \$80,591 is due within one year and \$1,016,281 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 2035. 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>2011</u>	Governmental Activities <u>2010</u>
General obligation bonds	\$ 156,354,662	\$ 161,845,660
Lease purchase agreement	<u>1,096,872</u>	<u>1,172,415</u>
<b>Total</b>	<b><u>\$ 157,451,534</u></b>	<b><u>\$ 163,018,075</u></b>

See Note 10 to the basic financial statements for additional information on the District's debt administration.

**Current Financial Related Activities**

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 the same time, the District must meet increasing demands with state and federal mandates such as *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 2010-11 school year) shows the District's students meeting 26 out of 26 criteria. In addition, the District earned a Performance Index Score of 102.8, and met the federal Adequate Yearly Progress (AYP) goals established by No Child Left Behind with eight subgroups of students. In doing so, the District earned 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 this enrollment growth translates into 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 has made cuts to local school districts and governments as part of its efforts to balance the State budget. The result is an 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, 2011**

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 2009, are to be used for current operating expenses.

On March 4, 2009, District voters approved a 7.9 mill renewal levy, for a continuing period of time. The levy commenced in tax year 2009 with collections beginning January 2010. The levy proceeds are used for current operating expenses.

In May 2009, District residents approved the extension of a 0.5 mill classroom facilities maintenance levy. This levy generates approximately \$400,000 per year, which is restricted for the maintenance of the District's facilities. The renewal of this levy enabled the District to qualify for over \$50 million in state funds from the Ohio School Facilities Commission. These funds are being used to renovate the district's five oldest school buildings.

On November 2, 2010, voters narrowly defeated a replacement operating levy of 8 mills, which would have resulted in a 6.84 mill increase. The levy would have generated approximately \$7.6 million per year. The levy was needed by the District due to state and local revenue losses and increasing costs. Due to the levy failure, the District implemented substantial budget reductions for fiscal year 2012.

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

On August 2, 2011, District voters approved a new levy of 5.5 mills, for a continuing period of time. The levy commences in tax year 2011 with collections beginning January 2012. This levy is projected to generate \$5.95 million per year. The levy proceeds will be used for current operating expenses. The District's leadership believes that the recent budget reductions and the savings from the negotiated agreement with teachers, in combination with the passage of the August 2011 levy, will provide much-improved financial stability for the District for Fiscal Year 2012 and future years.

**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 90 East Street, Pickerington, Ohio 43147.

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

STATEMENT OF NET ASSETS  
JUNE 30, 2011

	<b>Governmental Activities</b>
<b>Assets:</b>	
Equity in pooled cash and cash equivalents. . . . .	\$ 50,185,231
Cash in segregated accounts . . . . .	206,800
Receivables:	
Property taxes . . . . .	44,276,050
Income taxes. . . . .	5,962,757
Payment in lieu of taxes . . . . .	231,511
Accounts. . . . .	12,776
Accrued interest . . . . .	44,364
Intergovernmental . . . . .	22,021,927
Prepayments . . . . .	111,487
Materials and supplies inventory. . . . .	35,548
Unamortized bond issuance costs . . . . .	860,072
Capital assets:	
Land and construction in progress. . . . .	29,121,265
Depreciable capital assets, net. . . . .	134,268,776
Capital assets, net . . . . .	163,390,041
Total assets. . . . .	287,338,564
<b>Liabilities:</b>	
Accounts payable. . . . .	775,625
Contracts payable. . . . .	2,036,841
Retainage payable . . . . .	206,800
Accrued wages and benefits . . . . .	9,117,906
Pension obligation payable. . . . .	2,087,503
Intergovernmental payable . . . . .	560,581
Unearned revenue . . . . .	38,073,340
Accrued interest payable . . . . .	414,426
Long-term liabilities:	
Due within one year. . . . .	10,308,528
Due in more than one year. . . . .	153,847,714
Total liabilities . . . . .	217,429,264
<b>Net Assets:</b>	
Invested in capital assets, net of related debt. . . . .	26,012,261
Restricted for:	
Capital projects . . . . .	34,610,391
Classroom facilities maintenance . . . . .	3,825,767
Debt service. . . . .	17,390,699
State funded programs. . . . .	30,849
Federally funded programs . . . . .	2,440,073
Student activities . . . . .	511,241
Other purposes . . . . .	1,106,163
Unrestricted (deficit). . . . .	(16,018,144)
Total net assets . . . . .	\$ 69,909,300

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, 2011

	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets Governmental Activities
		Charges for Services and Sales	Operating Grants and Contributions	
<b>Governmental activities:</b>				
Instruction:				
Regular . . . . .	\$ 53,303,768	\$ 591,367	\$ 5,574,084	\$ (47,138,317)
Special . . . . .	9,164,454	119,792	4,232,299	(4,812,363)
Vocational . . . . .	1,039,530	-	161,459	(878,071)
Other . . . . .	2,973,424	-	110,711	(2,862,713)
Support services:				
Pupil . . . . .	5,389,487	-	906,355	(4,483,132)
Instructional staff . . . . .	7,518,291	-	771,985	(6,746,306)
Board of education . . . . .	716,717	-	-	(716,717)
Administration . . . . .	8,301,524	334	196,426	(8,104,764)
Fiscal . . . . .	1,867,031	-	-	(1,867,031)
Business . . . . .	509,414	-	-	(509,414)
Operations and maintenance . . . . .	9,890,158	215,484	924	(9,673,750)
Pupil transportation . . . . .	5,621,125	-	231,061	(5,390,064)
Central . . . . .	175,403	-	1,047	(174,356)
Operation of non-instructional services:				
Other non-instructional services . . . . .	54,984	-	8,090	(46,894)
Food service operations . . . . .	4,773,849	2,699,934	1,462,317	(611,598)
Extracurricular activities . . . . .	2,777,341	1,167,595	42,975	(1,566,771)
Interest and fiscal charges . . . . .	8,865,592	-	-	(8,865,592)
Total governmental activities . . . . .	<u>\$ 122,942,092</u>	<u>\$ 4,794,506</u>	<u>\$ 13,699,733</u>	<u>(104,447,853)</u>

**General Revenues:**

Property taxes levied for:	
General purposes . . . . .	28,516,543
Facility maintenance . . . . .	376,312
Debt service . . . . .	13,419,079
School district income tax . . . . .	13,646,693
Grants and entitlements not restricted	
to specific programs . . . . .	44,587,183
Payment in lieu of taxes . . . . .	231,511
Investment earnings . . . . .	206,830
Miscellaneous . . . . .	104,079
Total general revenues . . . . .	<u>101,088,230</u>
Change in net assets . . . . .	(3,359,623)
<b>Net assets at beginning</b>	
<b>of year (restated) . . . . .</b>	<u>73,268,923</u>
<b>Net assets at end of year . . . . .</b>	<u>\$ 69,909,300</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2011

	<u>General</u>	<u>District Debt Service</u>	<u>Classroom Facilities</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets:</b>					
Equity in pooled cash and cash equivalents. . . . .	\$ 7,462,239	\$ 15,385,587	\$ 14,639,826	\$ 12,674,895	\$ 50,162,547
Cash in segregated accounts . . . . .	-	-	-	206,800	206,800
Receivables:					
Property taxes. . . . .	29,812,588	13,948,762	-	514,700	44,276,050
Income taxes . . . . .	5,962,757	-	-	-	5,962,757
Payment in lieu of taxes . . . . .	80,184	39,531	-	111,796	231,511
Accounts . . . . .	12,776	-	-	-	12,776
Accrued interest . . . . .	44,364	-	-	-	44,364
Intergovernmental. . . . .	-	-	19,291,185	2,730,742	22,021,927
Prepayments. . . . .	108,045	-	-	3,442	111,487
Materials and supplies inventory. . . . .	-	-	-	35,548	35,548
Due from other funds . . . . .	3,420	-	-	-	3,420
Restricted assets:					
Equity in pooled cash and cash equivalents . . . . .	22,684	-	-	-	22,684
Total assets . . . . .	<u>\$ 43,509,057</u>	<u>\$ 29,373,880</u>	<u>\$ 33,931,011</u>	<u>\$ 16,277,923</u>	<u>\$ 123,091,871</u>
<b>Liabilities:</b>					
Accounts payable . . . . .	\$ 707,529	\$ -	\$ -	\$ 68,096	\$ 775,625
Contracts payable. . . . .	-	-	1,996,845	39,996	2,036,841
Retainage payable. . . . .	-	-	-	206,800	206,800
Accrued wages and benefits. . . . .	8,199,165	-	-	918,741	9,117,906
Compensated absences payable . . . . .	365,450	-	-	-	365,450
Intergovernmental payable . . . . .	539,558	-	-	21,023	560,581
Unearned revenue. . . . .	25,578,579	11,943,716	-	551,045	38,073,340
Deferred revenue . . . . .	3,088,710	983,762	19,291,185	2,656,363	26,020,020
Pension obligation payable . . . . .	1,847,867	-	-	239,636	2,087,503
Due to other funds . . . . .	-	-	-	3,420	3,420
Total liabilities. . . . .	<u>40,326,858</u>	<u>12,927,478</u>	<u>21,288,030</u>	<u>4,705,120</u>	<u>79,247,486</u>
<b>Fund Balances:</b>					
Nonspendable:					
Materials and supplies inventory. . . . .	-	-	-	35,548	35,548
Prepays. . . . .	108,045	-	-	3,442	111,487
Restricted:					
Debt service . . . . .	-	16,446,402	-	366,311	16,812,713
Capital improvements . . . . .	-	-	12,642,981	6,299,061	18,942,042
Classroom facilities maintenance . . . . .	-	-	-	3,798,117	3,798,117
Food service operations . . . . .	-	-	-	695,028	695,028
Targeted academic assistance . . . . .	-	-	-	3,369	3,369
Extracurricular. . . . .	-	-	-	511,241	511,241
School bus purchases . . . . .	22,684	-	-	-	22,684
Other purposes. . . . .	-	-	-	65,553	65,553
Committed:					
Termination benefits. . . . .	300,000	-	-	-	300,000
Assigned:					
Student instruction . . . . .	125,073	-	-	-	125,073
Student and staff support. . . . .	1,066,261	-	-	-	1,066,261
Facilities acquisition and construction . . . . .	102,846	-	-	-	102,846
School supplies . . . . .	12,410	-	-	-	12,410
Subsequent year appropriations . . . . .	889,072	-	-	-	889,072
Other purposes. . . . .	445,632	-	-	-	445,632
Unassigned (deficit) . . . . .	110,176	-	-	(204,867)	(94,691)
Total fund balances . . . . .	<u>3,182,199</u>	<u>16,446,402</u>	<u>12,642,981</u>	<u>11,572,803</u>	<u>43,844,385</u>
Total liabilities and fund balances . . . . .	<u>\$ 43,509,057</u>	<u>\$ 29,373,880</u>	<u>\$ 33,931,011</u>	<u>\$ 16,277,923</u>	<u>\$ 123,091,871</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, 2011

<b>Total governmental fund balances</b>		\$	43,844,385
<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.			163,390,041
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.			
Property taxes receivable	\$	3,122,650	
Income taxes receivable		944,967	
Intergovernmental receivable		21,911,248	
Accrued interest receivable		41,155	
Total		41,155	26,020,020
Unamortized deferred charges are not recognized in the funds.			2,411,551
Unamortized premiums on bond issuances are not recognized in the funds.			(3,901,655)
Unamortized bond issuance costs are not recognized in the funds.			860,072
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.			(414,426)
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		(156,354,662)	
Lease purchase obligation		(1,096,872)	
Compensated absences		(4,849,154)	
Total		(162,300,688)	(162,300,688)
<b>Net assets of governmental activities</b>		\$	69,909,300

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, 2011

	<u>General</u>	<u>District Debt Service</u>	<u>Classroom Facilities</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>					
From local sources:					
Property taxes . . . . .	\$ 27,810,974	\$ 12,952,055	\$ -	\$ 495,705	\$ 41,258,734
Income taxes . . . . .	13,600,552	-	-	-	13,600,552
Payment in lieu of taxes . . . . .	80,184	39,531	-	111,796	231,511
Tuition . . . . .	393,460	-	-	-	393,460
Earnings on investments . . . . .	170,053	-	11,434	13,740	195,227
Charges for services . . . . .	-	-	-	2,699,934	2,699,934
Extracurricular . . . . .	552,102	-	-	532,623	1,084,725
Classroom materials and fees . . . . .	436,836	-	-	-	436,836
Rental income . . . . .	179,001	-	-	28,800	207,801
Contributions and donations . . . . .	-	-	-	44,207	44,207
Other local revenues . . . . .	199,631	-	-	11,629	211,260
Intergovernmental - state . . . . .	45,363,202	1,697,784	22,177,757	314,720	69,553,463
Intergovernmental - federal . . . . .	167,560	-	-	8,120,944	8,288,504
<b>Total revenues . . . . .</b>	<u>88,953,555</u>	<u>14,689,370</u>	<u>22,189,191</u>	<u>12,374,098</u>	<u>138,206,214</u>
<b>Expenditures:</b>					
Current:					
Instruction:					
Regular . . . . .	43,464,547	-	-	3,319,798	46,784,345
Special . . . . .	7,245,934	-	-	1,632,775	8,878,709
Vocational . . . . .	1,061,573	-	-	-	1,061,573
Other . . . . .	2,859,056	-	-	107,688	2,966,744
Support services:					
Pupil . . . . .	4,409,735	-	-	807,779	5,217,514
Instructional staff . . . . .	6,378,503	-	-	752,124	7,130,627
Board of education . . . . .	711,357	-	-	-	711,357
Administration . . . . .	8,036,265	-	-	204,573	8,240,838
Fiscal . . . . .	1,617,815	237,913	-	9,337	1,865,065
Business . . . . .	502,468	-	-	-	502,468
Operations and maintenance . . . . .	9,513,711	-	-	135,030	9,648,741
Pupil transportation . . . . .	5,430,318	-	-	15,024	5,445,342
Central . . . . .	174,118	-	-	1,324	175,442
Operation of non-instructional services:					
Food service operations . . . . .	-	-	-	4,180,731	4,180,731
Other non-instructional services . . . . .	47,077	-	-	7,907	54,984
Extracurricular activities . . . . .	2,055,529	-	-	530,055	2,585,584
Facilities acquisition and construction . . . . .	73,616	-	18,454,383	400,749	18,928,748
Debt service:					
Principal retirement . . . . .	75,543	8,810,000	-	145,000	9,030,543
Interest and fiscal charges . . . . .	78,342	5,336,745	-	23,840	5,438,927
<b>Total expenditures . . . . .</b>	<u>93,735,507</u>	<u>14,384,658</u>	<u>18,454,383</u>	<u>12,273,734</u>	<u>138,848,282</u>
Net change in fund balances . . . . .	(4,781,952)	304,712	3,734,808	100,364	(642,068)
<b>Fund balances at beginning of year (restated).</b>	7,964,151	16,141,690	8,908,173	11,472,439	44,486,453
<b>Fund balances at end of year . . . . .</b>	<u>\$ 3,182,199</u>	<u>\$ 16,446,402</u>	<u>\$ 12,642,981</u>	<u>\$ 11,572,803</u>	<u>\$ 43,844,385</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**Net change in fund balances - total governmental funds** \$ (642,068)

*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	\$	17,295,601	
Current year depreciation		(6,560,290)	
<b>Total</b>			<b>10,735,311</b>

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

Property taxes		1,053,200	
Income taxes		46,141	
Earnings on investments		13,969	
Rental income		(34,081)	
Intergovernmental		(19,708,805)	
<b>Total</b>			<b>(18,629,576)</b>

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

Bonds		8,955,000	
Lease purchase obligation		75,543	
<b>Total</b>			<b>9,030,543</b>

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		10,320	
Accreted interest on "capital appreciation" bonds		(3,464,002)	
Amortization of bond issuance costs		(50,465)	
Amortization on bond premiums		229,903	
Amortization of deferred charges on refundings		(152,421)	
<b>Total</b>			<b>(3,426,665)</b>

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.

(427,168)

**Change in net assets of governmental activities** \$ (3,359,623)

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, 2011

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
From local sources:				
Property taxes . . . . .	\$ 28,691,777	\$ 28,691,777	\$ 28,285,080	\$ (406,697)
Income taxes. . . . .	12,328,300	12,328,300	12,994,477	666,177
Tuition. . . . .	345,500	345,500	376,025	30,525
Earnings on investments . . . . .	361,913	361,913	177,127	(184,786)
Rental income . . . . .	14,000	14,000	7,222	(6,778)
Other local revenues . . . . .	56,182	56,182	107,849	51,667
Intergovernmental - state . . . . .	45,475,366	45,475,366	45,363,201	(112,165)
Intergovernmental - federal . . . . .	153,000	153,000	165,160	12,160
Total revenues . . . . .	<u>87,426,038</u>	<u>87,426,038</u>	<u>87,476,141</u>	<u>50,103</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	44,995,716	44,962,916	43,040,224	1,922,692
Special. . . . .	7,469,423	7,402,206	7,298,741	103,465
Vocational. . . . .	1,168,538	1,168,538	1,139,428	29,110
Other. . . . .	3,076,577	3,062,577	2,973,330	89,247
Support services:				
Pupil. . . . .	4,645,170	4,638,442	4,492,332	146,110
Instructional staff . . . . .	6,881,957	6,770,292	6,570,263	200,029
Board of education . . . . .	883,802	883,802	868,083	15,719
Administration. . . . .	8,600,796	8,682,533	8,129,887	552,646
Fiscal . . . . .	1,687,503	1,683,636	1,654,877	28,759
Business . . . . .	748,991	748,991	591,039	157,952
Operations and maintenance. . . . .	10,485,058	10,485,058	10,189,215	295,843
Pupil transportation . . . . .	5,744,627	5,744,627	5,507,210	237,417
Central. . . . .	219,958	219,958	193,459	26,499
Extracurricular activities. . . . .	2,285,419	2,289,959	1,555,709	734,250
Facilities acquisition and construction . . . . .	184,440	184,440	176,440	8,000
Total expenditures . . . . .	<u>99,077,975</u>	<u>98,927,975</u>	<u>94,380,237</u>	<u>4,547,738</u>
Excess of expenditures over revenues . . . . .	<u>(11,651,937)</u>	<u>(11,501,937)</u>	<u>(6,904,096)</u>	<u>4,597,841</u>
<b>Other financing sources (uses):</b>				
Refund of prior year's expenditures . . . . .	-	-	42,021	42,021
Refund of prior year's receipts. . . . .	(16,500)	(16,500)	(16,442)	58
Sale of capital assets . . . . .	50	50	77	27
Total other financing sources (uses) . . . . .	<u>(16,450)</u>	<u>(16,450)</u>	<u>25,656</u>	<u>42,106</u>
Net change in fund balance . . . . .	(11,668,387)	(11,518,387)	(6,878,440)	4,639,947
<b>Fund balance at beginning of year (restated).</b>	10,132,081	10,132,081	10,132,081	-
<b>Prior year encumbrances appropriated . . . . .</b>	1,537,042	1,537,042	1,537,042	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 736</u>	<u>\$ 150,736</u>	<u>\$ 4,790,683</u>	<u>\$ 4,639,947</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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

STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
JUNE 30, 2011

	<u>Agency</u>
<b>Assets:</b>	
Equity in pooled cash and cash equivalents . . . . .	\$ 225,263
Total assets. . . . .	<u>\$ 225,263</u>
<b>Liabilities:</b>	
Accounts payable. . . . .	\$ 52,855
Intergovernmental payable . . . . .	5,070
Due to students. . . . .	<u>167,338</u>
Total liabilities . . . . .	<u>\$ 225,263</u>

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, 2011**

**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 15<sup>th</sup> largest by enrollment among the 918 public school districts and community schools in the State. The District employs 340 non-certified, 688 certified and 65 administrative employees to provide services to approximately 10,608 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) guidance issued on or before November 30, 1989, to its governmental activities provided it does 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 and component units. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the District, this includes general operations, food service and student related activities of the District.

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**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*

OSBA/OASBO 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 SchoolComp Workers' Compensation Group Rating Plan (GRP) was established through the Ohio School Boards Association (OSBA) and the Ohio Association of School Business Officials (OASBO) as a group purchasing pool.

The Executive Directors of the OSBA and OASBO, or their designees, serve as coordinators of the GRP. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

Ohio School Plan

The Ohio School Plan (the "Plan") is a shared liability, property and fleet insurance risk pool which is governed by a board of thirteen school superintendents, business managers and treasurers. OSBA, BASA and OASBO executive directors serve as ex-officio members. 270 educational entities are served by the Plan. The Plan's board elects officers for one year terms to serve as the Board of Directors. The assembly exercises control over the operation of the plan. All Plan revenues are generated from charges for services. For more information, write to the Ohio School Plan, Hylant Administrative Services, P.O. Box 2083, Toledo, OH 43603-2083.

**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, 2011

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

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.

Classroom facilities fund - The classroom facilities capital projects fund is used to account for financial resources and expenditures related to the school facilities construction project.

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

*PROPRIETARY FUNDS*

Proprietary funds are used to account for the District's ongoing activities which are similar to those often found in the private sector. 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 has no trust funds. 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, 2011**

**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.

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



**PICKERINGTON LOCAL SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**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 6).

Revenue from income taxes is recognized in the fiscal year in which the underlying exchange transaction occurred (See Note 17). 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, 2011, but which were levied to finance fiscal year 2012 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 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  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**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 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  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**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. 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" on the financial statements.

During fiscal year 2011, investments were limited to nonnegotiable certificates of deposits, federal agency securities 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 2011. 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, 2011.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund or the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2011 amounted to \$170,053, which includes \$66,007 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 consumption method.

**PICKERINGTON LOCAL SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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

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

Inventory consists of expendable supplies held for consumption, donated food and purchased food. Donated commodities are valued at entitlement value.

**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 2011, 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, 2011.

On fund financial statements, receivables and payables resulting from short-term interfund loans from the general fund to coverage negative cash balances in other governmental funds are classified as "due to/from other funds". These amounts are eliminated in the governmental type activities columns on the statement of net assets.

**PICKERINGTON LOCAL SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

**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.

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 10.

**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.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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

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.

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**

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

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

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

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

*Assigned* - Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the District Board of Education, which includes giving the Treasurer the authority to constrain monies for intended purposes.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

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

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

**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 school bus purchases and the following nonmajor governmental funds: food services and school trusts.

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.

**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, 2011, the District had \$22,684 in restricted assets, which is described in Note 18.

**PICKERINGTON LOCAL SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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

**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.

**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 2011, the District has implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions", and GASB Statement No. 59, "Financial Instruments Omnibus".

GASB Statement No. 54 establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. GASB Statement No. 54 also clarifies the definitions of governmental fund types.

GASB Statement No. 59 updates and improves guidance for financial reporting and disclosure requirements of certain financial instruments and external investment pools. The implementation of GASB Statement No. 59 did not have an effect on the financial statements of the District.



**PICKERINGTON LOCAL SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)**

**B. Fund Reclassifications/Restatement**

Fund reclassifications are required in order to report funds in accordance with GASB Statement No 54. Beginning fund balances were also restated to reflect an accrual adjustment for accrued wages. This fund reclassifications/restatement had the following effect on the District's governmental fund balances as previously reported:

	<u>General</u>	<u>District Debt Service</u>	<u>Classroom Facilities</u>	<u>Nonmajor Governmental</u>	<u>Total Governmental</u>
Fund balance as previously reported	\$ 6,186,002	\$ 16,141,690	\$ 8,908,173	\$ 13,250,588	\$ 44,486,453
Fund reclassifications:					
Uniform school supplies fund	113,813	-	-	(113,813)	-
Public school support fund	253,558	-	-	(253,558)	-
Other grant fund	364,109	-	-	(364,109)	-
Termination benefits fund	<u>300,000</u>	<u>-</u>	<u>-</u>	<u>(300,000)</u>	<u>-</u>
Fund restatement:					
Accrued wages	<u>746,669</u>	<u>-</u>	<u>-</u>	<u>(746,669)</u>	<u>-</u>
Total fund reclassifications/restatement	<u>1,778,149</u>	<u>-</u>	<u>-</u>	<u>(1,778,149)</u>	<u>-</u>
Restated fund balance at July 1, 2010	<u>\$ 7,964,151</u>	<u>\$ 16,141,690</u>	<u>\$ 8,908,173</u>	<u>\$ 11,472,439</u>	<u>\$ 44,486,453</u>

The fund reclassifications did not have an effect on net assets as previously reported.

**C. Restatement of Net Assets**

The District's net assets have been restated to reflect the effects of an accrual adjustment for income taxes receivable. The restatement had the following effect on net assets as previously reported by the governmental activities:

	<u>Governmental Activities</u>
Net assets, June 30, 2010	\$ 72,370,097
Adjustment for income taxes receivable	<u>898,826</u>
Restated net assets, July 1, 2010	<u>\$ 73,268,923</u>

**PICKERINGTON LOCAL SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)**

**D. Budgetary Prior Period Adjustment**

In prior years certain funds that are legally budgeted in separate special revenue funds were considered part of the general fund on a budgetary basis. The District has elected to report only the legally budgeted general fund in the budgetary statement; therefore, a restatement to the beginning budgetary balance is required. The restatement of the general fund's budgetary-basis fund balance at June 30, 2010 is as follows:

<b>Budgetary Basis</b>	<u>General Fund</u>
Balance at June 30, 2010	\$ 10,144,594
Funds budgeted elsewhere	<u>(12,513)</u>
Restated balance at July 1, 2010	<u>\$ 10,132,081</u>

**E. Deficit Fund Balances**

Fund balances at June 30, 2011 included the following individual fund deficits:

<u>Nonmajor funds</u>	<u>Deficit</u>
IDEA, Part B	\$ 204,867

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

**PICKERINGTON LOCAL SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

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;
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.

**PICKERINGTON LOCAL SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

**A. Cash in Segregated Accounts**

At fiscal year end \$199,507 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.

**B. Deposits with Financial Institutions**

At June 30, 2011, the carrying amount of all District deposits was \$33,894,424. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of June 30, 2011, \$31,699,259 of the District's bank balance of \$34,000,132 was exposed to custodial risk as discussed below, while \$2,300,873 was covered by the FDIC.

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.

**C. Investments**

As of June 30, 2011, the District had the following investments and maturities:

<u>Investment type</u>	<u>Fair Value</u>	<u>Investment Maturity 6 months or less</u>
STAR Ohio	\$ 16,722,870	\$ 16,722,870

*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 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. Ohio Law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The District has no investment policy dealing with credit risk.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**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 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, 2011:

<u>Investment type</u>	<u>Fair Value</u>	<u>% of Total</u>
STAR Ohio	\$ 16,722,870	100.00

**E. Reconciliation of Cash and Investments to the Financial Statements**

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the financial statements as of June 30, 2011:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 33,894,424
Investments	<u>16,722,870</u>
Total	<u>\$ 50,617,294</u>
 <u>Cash and investments per financial statements</u>	
Governmental activities	\$ 50,392,031
Agency funds	<u>225,263</u>
Total	<u>\$ 50,617,294</u>

**NOTE 5 - INTERFUND TRANSACTIONS**

Interfund balances at June 30, 2011 as reported on the fund financial statements, consist of the following amounts due to/from other funds:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General	Nonmajor governmental funds	<u>\$ 3,420</u>

**PICKERINGTON LOCAL SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**NOTE 5 - INTERFUND TRANSACTIONS - (Continued)**

The primary purpose of the interfund balances is to cover negative cash balances in specific funds where revenues were not received by June 30. These interfund balances will be repaid once the anticipated revenues are received.

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

**NOTE 6 - PROPERTY TAXES**

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

Property taxes include amounts levied against all real property, public utility property, and certain tangible personal (used in business) property located in the District. Real property tax revenues received in calendar year 2011 represent the collection of calendar year 2010 taxes. Real property taxes received in calendar year 2011 were levied after April 1, 2010, on the assessed values as of January 1, 2010, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Public utility property tax revenues received in calendar year 2011 represent the collection of calendar year 2010 taxes. Public utility real and tangible personal property taxes received in calendar year 2011 became a lien on December 31, 2009, were levied after April 1, 2010, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

Tangible personal property tax revenues received in the District's fiscal year ended June 30, 2011 (other than public utility property) generally represent the collection of calendar year 2010 taxes levied against local and inter-exchange telephone companies. Tangible personal property taxes received from telephone companies in calendar year 2010 were levied after October 1, 2009 on the value as of December 31, 2009. Amounts paid by multi-county taxpayers were due September 20, 2010. Single county taxpayers could pay annually or semiannually. If paid semiannually, the first payment was due April 30, 2010, with the remainder payable by September 20, 2010.

The District receives property taxes from Fairfield and Franklin Counties. The County Auditors periodically advance to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2011, are available to finance fiscal year 2011 operations. The amount available as an advance at June 30, 2011 was \$2,211,605 in the general fund, \$1,060,815 in the debt service fund, \$9,408 in the library debt service fund (a nonmajor governmental fund) and \$29,743 in the classroom facilities maintenance fund (a nonmajor governmental fund). This amount is recorded as revenue. The amount available for advance at June 30, 2010 was \$2,685,711 in the general fund, \$1,262,196 in the debt service fund, \$14,664 in the library debt service fund (a nonmajor governmental fund) and \$35,629 in the classroom facilities maintenance fund (a nonmajor governmental fund). The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

**PICKERINGTON LOCAL SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 6 - PROPERTY TAXES - (Continued)**

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2011 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to unearned revenue.

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

The assessed values upon which the fiscal year 2011 taxes were collected are:

	2010 Second Half Collections		2011 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 1,142,219,960	98.77	\$ 1,101,144,820	98.67
Public utility personal	13,415,950	1.16	14,451,250	1.29
Tangible personal property	<u>819,627</u>	<u>0.07</u>	<u>415,910</u>	<u>0.04</u>
<b>Total</b>	<b><u>\$ 1,156,455,537</u></b>	<b><u>100.00</u></b>	<b><u>\$ 1,116,011,980</u></b>	<b><u>100.00</u></b>
Tax rate per \$1,000 of assessed valuation for:				
General	\$66.70		\$66.70	
Bond	12.90		13.50	
Facilities maintenance	0.50		0.50	

**NOTE 7 - RECEIVABLES**

Receivables at June 30, 2011 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:

<b>Governmental activities:</b>	
Property taxes	\$ 44,276,050
Income taxes	5,962,757
Payment in lieu of taxes	231,511
Accounts	12,776
Accrued interest	44,364
Intergovernmental	<u>22,021,927</u>
<b>Total</b>	<b><u>\$ 72,549,385</u></b>

**PICKERINGTON LOCAL SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**NOTE 7 - RECEIVABLES - (Continued)**

Receivables have been disaggregated on the face of the basic financial statements. All receivables are expected to be collected within one year except for the OSFC grant of \$19,291,185 (a component of intergovernmental receivable) which will be collected over the term of the construction project.

**NOTE 8 - CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2011, was as follows:

	Balance <u>June 30, 2010</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>June 30, 2011</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 9,300,237	\$ -	\$ -	\$ 9,300,237
Construction in progress	<u>2,692,206</u>	<u>17,128,822</u>	<u>-</u>	<u>19,821,028</u>
Total capital assets, not being depreciated	<u>11,992,443</u>	<u>17,128,822</u>	<u>-</u>	<u>29,121,265</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	18,201,473	-	-	18,201,473
Building and improvements	178,922,444	-	-	178,922,444
Furniture and equipment	4,966,916	85,386	-	5,052,302
Vehicles	<u>1,668,959</u>	<u>81,393</u>	<u>(22,500)</u>	<u>1,727,852</u>
Total capital assets, being depreciated	<u>203,759,792</u>	<u>166,779</u>	<u>(22,500)</u>	<u>203,904,071</u>
<i>Less: accumulated depreciation</i>				
Land improvements	(5,732,785)	(856,033)	-	(6,588,818)
Building and improvements	(53,534,853)	(5,202,378)	-	(58,737,231)
Furniture and equipment	(3,038,820)	(317,509)	-	(3,356,329)
Vehicles	<u>(791,047)</u>	<u>(184,370)</u>	<u>22,500</u>	<u>(952,917)</u>
Total accumulated depreciation	<u>(63,097,505)</u>	<u>(6,560,290)</u>	<u>22,500</u>	<u>(69,635,295)</u>
Governmental activities capital assets, net	<u>\$ 152,654,730</u>	<u>\$ 10,735,311</u>	<u>\$ -</u>	<u>\$ 163,390,041</u>



**PICKERINGTON LOCAL SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 8 - CAPITAL ASSETS - (Continued)**

Depreciation expense was charged to governmental functions as follows:

<u>Instruction:</u>	
Regular	\$ 4,403,536
Special	231,061
Vocational	26,257
Other	6,680
<u>Support services:</u>	
Pupil	148,844
Instructional staff	326,732
Board of education	5,360
Administration	107,177
Fiscal	1,060
Operations and maintenance	383,265
Pupil transportation	169,952
Extracurricular activities	166,021
Food service operation	<u>584,345</u>
Total depreciation expense	<u>\$ 6,560,290</u>

**NOTE 9 - 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, 2011, capital assets acquired by lease purchase have been capitalized under buildings and improvements in the amount of \$1,670,122. Accumulated depreciation of \$133,608 has been booked as of June 30, 2011 leaving a book value of \$1,536,514. Lease-purchase payments have been reflected as debt service expenditures from the general fund. Principal and interest payments totaled \$75,543 and \$78,342, respectively.

**PICKERINGTON LOCAL SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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

The following is a schedule of the future long-term minimum lease payments required under the lease-purchase agreement and the present value of the minimum lease payments as of June 30, 2011.

<u>Fiscal Year Ending June 30,</u>	<u>Total</u>
2012	\$ 153,885
2013	153,885
2014	153,885
2015	153,886
2016	153,885
2017 - 2021	<u>769,404</u>
Total minimum lease payments	1,538,830
Less: amount representing interest	<u>(441,958)</u>
Present value of minimum lease payments	<u>\$ 1,096,872</u>

**NOTE 10 - 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 on 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).

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)**

The following is a summary of the District's general obligation bonds outstanding at June 30, 2011:

	<u>Balance</u> <u>June 30, 2010</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2011</u>
<b>General Obligation Bonds:</b>				
Series 1993, capital appreciation bonds	\$ 447,284	\$ -	\$ (139,060)	\$ 308,224
Series 1993, capital appreciation bonds accreted interest	5,383,358	821,459	(1,835,940)	4,368,877
Series 1999, current interest bonds	835,000	-	(835,000)	-
Series 1999, capital appreciation bonds	599,708	-	-	599,708
Series 1999, capital appreciation bonds accreted interest	886,458	128,968	-	1,015,426
Series 2001, capital appreciation bonds	14,664,893	-	(2,117,293)	12,547,600
Series 2001, capital appreciation bonds accreted interest	7,898,796	1,076,750	(1,222,707)	7,752,839
<b>Public Library Refunding Bonds:</b>				
Series 2002, current interest bonds	690,000	-	(145,000)	545,000
Series 2002, capital appreciation bonds	40,000	-	-	40,000
Series 2002, capital appreciation bonds accreted interest	67,705	15,028	-	82,733

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)**

	Balance			Balance
	<u>June 30, 2010</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2011</u>
<b>General Obligation Bonds:</b>				
Series 2004, current interest refunding bonds	\$ 7,035,000	\$ -	\$ (660,000)	\$ 6,375,000
Series 2004, capital appreciation bonds	144,994	-	-	144,994
Series 2004, capital appreciation bonds accreted interest	195,007	51,117	-	246,124
Series 2006, current interest refunding bonds	59,475,000	-	(755,000)	58,720,000
Series 2006, capital appreciation bonds	5,109,907	-	-	5,109,907
Series 2006, capital appreciation bonds accreted interest	2,502,550	1,370,680	-	3,873,230
Series 2007, current interest bonds	<u>55,870,000</u>	<u>-</u>	<u>(1,245,000)</u>	<u>54,625,000</u>
Total general obligation bonds	<u>\$ 161,845,660</u>	<u>\$ 3,464,002</u>	<u>\$ (8,955,000)</u>	<u>\$ 156,354,662</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 \$447,284. The capital appreciation bonds mature on each December 1 beginning in 2010 through 2014. In fiscal year 2009, capital appreciation bonds of \$168,874 matured with a total accreted interest of \$1,606,127. In fiscal year 2010, capital appreciation bonds of \$153,469 matured with a total accreted interest of \$1,721,531. The capital appreciation bonds have stated 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 remaining capital appreciation bonds is \$7,750,000. A total of \$4,368,877 in accreted interest on the capital appreciation bonds has been included on the statement of net assets at June 30, 2011.

*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.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)**

At June 30, 2011, the remaining issue is comprised of both current interest bonds, par value \$835,000 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 (stated interest rate 8.38%) and December 1, 2012 (stated interest rate 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 \$1,015,426 in accreted interest on the capital appreciation bonds has been included on the statement of net assets at June 30, 2011.

Interest payments on the current interest bonds were due on June 1 and December 1 of each year. The final maturity stated for the current interest bonds was 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, 2011, the remaining issue is comprised of capital appreciation bonds, par value \$14,664,893. 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 \$7,752,839 in accreted interest on the capital appreciation bonds has been included on the statement of net assets at June 30, 2011.

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 was 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.

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 (stated 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 \$82,733 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.

**PICKERINGTON LOCAL SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)**

Interest payments on the current interest bonds are due on June 1 and December 1 each year. The final maturity stated on the current interest bonds is December 1, 2014. The outstanding current interest bonds of \$690,000, capital appreciation bonds of \$40,000, deferred charges of \$15,426 and unamortized premiums of \$36,094 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 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 (stated interest rate 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 is \$845,000. Total accreted interest of \$246,124 has been included on the statement of net assets at June 30, 2011.

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.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)**

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 (stated interest rate 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 \$3,873,230 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 mil 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, 2011, there was \$3,622,836 in unspent proceeds of the Series 2007 general obligation bonds.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 10 - 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
2012	\$ 2,910,000	\$ 5,230,340	\$ 8,140,340	\$ 2,747,924	\$ 4,032,076	\$ 6,780,000
2013	3,010,000	5,113,389	8,123,389	2,607,724	4,282,276	6,890,000
2014	3,995,000	4,973,831	8,968,831	2,162,231	3,202,769	5,365,000
2015	4,140,000	4,802,134	8,942,134	2,120,542	1,969,458	4,090,000
2016	4,180,000	4,622,431	8,802,431	2,038,306	2,171,695	4,210,001
2017 - 2021	18,940,000	18,327,718	37,267,718	7,073,706	14,506,293	21,579,999
2022 - 2026	39,985,000	13,974,288	53,959,288	-	-	-
2027 - 2031	29,450,000	5,562,181	35,012,181	-	-	-
2032 - 2035	13,655,000	1,190,743	14,845,743	-	-	-
Total	<u>\$ 120,265,000</u>	<u>\$ 63,797,055</u>	<u>\$ 184,062,055</u>	<u>\$ 18,750,433</u>	<u>\$ 30,164,567</u>	<u>\$ 48,915,000</u>

The difference in the amount due in one year in the schedule below in Note 10.C. and the amortization schedule above is \$3,747,488 which is the amount of matured capital appreciation bond accreted interest that will be paid in fiscal year 2012.

**C.** During the fiscal year 2011, the following changes occurred in governmental activities long-term obligations:

	Balance Outstanding June 30, 2010	Additions	Reductions	Balance Outstanding June 30, 2011	Amounts Due in One Year
<b>Governmental activities:</b>					
<u>General Obligation Bonds:</u>					
General obligation bonds	\$ 161,845,660	\$ 3,464,002	\$ (8,955,000)	\$ 156,354,662	\$ 9,405,412
Total general obligation bonds payable	<u>161,845,660</u>	<u>3,464,002</u>	<u>(8,955,000)</u>	<u>156,354,662</u>	<u>9,405,412</u>
<u>Other Long-Term Obligations:</u>					
Lease Purchase	1,172,415	-	(75,543)	1,096,872	80,591
Compensated absences	<u>4,722,052</u>	<u>1,464,273</u>	<u>(971,721)</u>	<u>5,214,604</u>	<u>822,525</u>
Total other long-term obligations	<u>5,894,467</u>	<u>1,464,273</u>	<u>(1,047,264)</u>	<u>6,311,476</u>	<u>903,116</u>
Total governmental activities	<u>\$ 167,740,127</u>	<u>\$ 4,928,275</u>	<u>\$ (10,002,264)</u>	162,666,138	<u>\$ 10,308,528</u>
Less: Unamortized deferred charges on refundings				(2,411,551)	
Add: Unamortized premiums on refundings				<u>3,901,655</u>	
Total on statement of net assets				<u>\$ 164,156,242</u>	



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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**NOTE 10 - 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 9 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, 2011, 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, 2011**

**NOTE 11 - OTHER EMPLOYEE BENEFITS**

**Compensated Absences**

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified eleven and twelve month employees hired prior to April 1, 2011 earn twelve to twenty days of vacation per year, with a maximum accrual of 24 to 40 days, depending upon length of service. Classified eleven and twelve month employees hired after to April 1, 2011 earn ten to twenty days of vacation per year, with a maximum accrual of 20 to 40 days, depending upon length of service. Administrative twelve month employees earn fifteen to twenty-five days of vacation per year, with a maximum accrual of 45 to 60 days, depending upon length of service. 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 65 days for both certificated and classified employees with a minimum of five years with the District. An employee receiving such payment must meet the retirement provisions set by STRS Ohio and SERS.

**NOTE 12 - RISK MANAGEMENT**

**A. Property and Liability**

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

Total policy coverage - includes the following:

Property limit (\$1,000 deductible)	\$264,106,709
Boiler and Machinery (\$1,000 deductible)	100,000,000
Automobile liability (\$1,000 deductible)	4,000,000
Medical payments	5,000
Public Employee Dishonesty	100,000
General school district liability:	
Per occurrence	4,000,000
Total per year	6,000,000

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

**B. 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).

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**NOTE 12 - RISK MANAGEMENT - (Continued)**

The dental insurance benefit 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.

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/OASBO Workers' Compensation Group Rating Plan**

For fiscal year 2011, the District participated in the Ohio SchoolComp Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool program offered jointly by the Ohio School Board Association (OSBA) and the Ohio Association of school Business Officials (OASBO) (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.

Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of CompManagement, Inc. provides administrative, cost control and actuarial services to the GRP.

**NOTE 13 - 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, disability, survivor 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](http://www.ohsers.org), under "*Media/Financial Reports*".

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 2011, 11.77 percent and 0.04 percent of annual covered salary was the portion used to fund pension obligations and death benefits, respectively. 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 and death benefits to SERS for the fiscal years ended June 30, 2011, 2010 and 2009 were \$1,120,029, \$1,250,323 and \$806,275, respectively; 52.68 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**NOTE 13 - 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 website at [www.strsoh.org](http://www.strsoh.org), under "Publications".

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 2011, 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, 2011, 2010 and 2009 were \$6,667,463, \$6,721,083 and \$6,491,643, respectively; 83.37 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009. Contributions to the DC and Combined Plans for fiscal year 2011 were \$293,327 made by the District and \$209,520 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, 2011, 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  
FAIRFIELD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**NOTE 14 - 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, Medicare Advantage, and traditional indemnity plans. A prescription drug program is also available to those who elect health coverage. SERS employs two third-party administrators and a pharmacy benefit manager to manage the self-insurance and prescription drug plans, respectively. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Section 3309.69 of the Ohio Revised Code. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B premium for calendar year 2011 was \$96.40 and SERS' reimbursement to retirees was \$45.50. 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. It is also posted on the SERS' Ohio website, [www.ohsers.org](http://www.ohsers.org), under "*Media/Financial Reports*".

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 105(e). For 2011, 1.43 percent of covered payroll was allocated to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2.0 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the statewide SERS-covered payroll for the health care surcharge. For fiscal year 2011, the actuarially determined amount was \$35,800.

Active members do not contribute to the postemployment benefit plans. The Retirement Board establishes the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility and retirement status.

The District's contributions for health care (including surcharge) for the fiscal years ended June 30, 2011, 2010 and 2009 were \$321,840, \$219,843 and \$533,432, respectively; 52.68 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For fiscal year 2011, this actuarially required allocation was 0.76 percent of covered payroll. The District's contributions for Medicare Part B for the fiscal years ended June 30, 2011, 2010, and 2009 were \$72,076, \$74,354 and \$66,524, respectively; 52.68 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009.

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**NOTE 14 - 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](http://www.strsoh.org), under "Publications" 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 2011, 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, 2011, 2010 and 2009 were \$512,882, \$517,006 and \$499,357, respectively; 83.37 percent has been contributed for fiscal year 2011 and 100 percent for fiscal years 2010 and 2009.

**NOTE 15 - 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 assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis); and,
- (d) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

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

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

**NOTE 15 - 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	\$ (6,878,440)
Net adjustment for revenue accruals	128,799
Net adjustment for expenditure accruals	370,696
Net adjustment for other sources/uses	(25,656)
Funds budgeted elsewhere	56,944
Adjustment for encumbrances	<u>1,565,705</u>
GAAP basis	<u>\$ (4,781,952)</u>

Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the uniform school supplies fund, the public school support fund, the other grant fund, the insurance fund and the termination benefits fund.

**NOTE 16 - 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 17 - SCHOOL DISTRICT INCOME TAX**

The District currently benefits from a 1% income tax, which is assessed on all residents of the District. In 2011, the District income tax generated \$13,646,693 in revenue on the accrual basis of accounting. 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, 2011

**NOTE 18 - SET-ASIDES**

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 fiscal year-end. These amounts must be carried forward to be used for the same purposes in future years.

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

	<u>Textbooks</u>	<u>Capital Improvements</u>
Set-aside balance June 30, 2010	\$ -	\$ -
Current year set-aside requirement	1,641,829	1,641,829
Contributions in excess of the current fiscal year set-aside requirement	-	-
Current year qualifying expenditures	(927,199)	-
Excess qualified expenditures from prior years	(3,672,781)	-
Current year offsets	-	(633,350)
Waiver granted by ODE	-	-
Prior year offset from bond proceeds	-	(1,008,479)
Total	<u>\$ (2,958,151)</u>	<u>\$ -</u>
Balance carried forward to fiscal year 2012	<u>\$ -</u>	<u>\$ -</u>
Set-aside balance June 30, 2011	<u>\$ -</u>	<u>\$ -</u>

The District had qualifying disbursements and offsets during the fiscal year that reduced the textbook set-aside amount to below zero. Effective July 1, 2011, the textbook set-aside is no longer required and has been removed from existing law. This negative balance is therefore not being presented as being carried forward to the future fiscal year.

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

A schedule of the restricted assets at June 30, 2011 follows:

Amount restricted for school bus purchases	<u>\$ 22,684</u>
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**PICKERINGTON LOCAL SCHOOL DISTRICT  
FAIRFIELD COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**NOTE 19 - CONTRACTUAL COMMITMENTS**

The District had the following contractual commitments outstanding at June 30, 2011 related to construction contracts:

<u>Contractor</u>	<u>Total Contract</u>	<u>Amount Paid by 6/30/11</u>	<u>Remaining Commitment</u>
Accurate Electric Construction	\$ 5,792,496	\$ 4,246,954	\$ 1,545,542
Aggressive Mechanical, Inc.	301,978	236,038	65,940
Apple	41,313	-	41,313
Apple Computer, Inc.	119,562	-	119,562
Apple Mobile Leasing, Inc.	166,956	7,701	159,255
Aramark Uniform Services	2,570	2,123	447
Charter Hill Construction, Inc.	343,778	271,371	72,407
Chemote, Inc.	452,847	224,550	228,297
Construction Force, LLC.	12,500	7,476	5,024
Gandee & Associates, Inc.	110,530	50,985	59,545
Geotechnical Consultants, Inc.	53,295	6,169	47,126
Germain Ford	40,348	-	40,348
H&A Mechanical, Inc.	670,000	-	670,000
Holabird Sports	605	-	605
IPEVO, Inc.	191	-	191
Johnson Controls, Inc.	1,252,116	827,577	424,539
Lannis Fence Systems	4,386	-	4,386
Lawnfitness Landscapping, LLC.	3,000	635	2,365
Legacy Commercial Flooring	112,230	64,218	48,012
LEPI Enterprises, Inc.	136,101	112,003	24,098
Louis R. Polster Company	376,000	-	376,000
Mark Allard Excavating	1,509,000	151,487	1,357,513
Meade Construction, Inc.	565,400	-	565,400
MRS Industrial, Inc.	765,350	533,775	231,575
Office Mart	1,333	-	1,333
Pyrinex, Inc.	35,640	-	35,640
SA Comunale Company, Inc.	542,344	160,845	381,499
Sauer Group, Inc.	466,500	-	466,500
Shelly Metz Baumann Hawk	473	-	473
South Central Power Company	19,800	-	19,800
Spectrum Industries, Inc.	10,181	-	10,181
T.P. Mechanical Contractors	3,451,692	2,554,085	897,607
Thomas & Marker Construction	5,706,408	2,440,828	3,265,580
Tiger Direct.com	63	-	63
Tom Sexton & Associates, Inc.	11,267	-	11,267
Tri-M Group, LLC.	322,774	213,484	109,290
Vaughn Industries, Inc.	1,111,932	721,824	390,108
	<hr/>	<hr/>	<hr/>
Totals	\$ 24,512,959	\$ 12,834,128	\$ 11,678,831

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

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**NOTE 20 - OTHER COMMITMENTS**

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

<u>Fund</u>	<u>Year-End Encumbrances</u>
General	\$ 1,081,080
Classroom facilities	10,860,711
Nonmajor governmental funds	<u>3,185,263</u>
Total	<u>\$ 15,127,054</u>

**NOTE 21 - SUBSEQUENT EVENT**

On August 2, 2011, the District voters passed a 5.5 mil operating levy. The levy will generate approximately \$5.95 million per year and will begin collections in calendar year 2012.

COMBINING STATEMENTS  
AND INDIVIDUAL FUND SCHEDULES

SUPPLEMENTARY INFORMATION

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**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.

**Classroom Facilities Fund**

This fund is used to account for financial resources and expenditures related to the school facilities construction project fund.

**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, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Over</u>
	<u>Original</u>	<u>Final</u>		
<b>District Debt Service</b>				
Total Revenues and Other Sources	\$ 14,535,000	\$ 14,869,150	\$ 14,890,751	\$ 21,601
Total Expenditures and Other Uses	<u>14,426,745</u>	<u>14,426,745</u>	<u>14,384,658</u>	<u>42,087</u>
Net Change in Fund Balances	108,255	442,405	506,093	63,688
Fund Balance, July 1	<u>14,879,494</u>	<u>14,879,494</u>	<u>14,879,494</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 14,987,749</u>	<u>\$ 15,321,899</u>	<u>\$ 15,385,587</u>	<u>\$ 63,688</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, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Over</u>
	<u>Original</u>	<u>Final</u>		
<b>Classroom Facilities</b>				
Total Revenues and Other Sources	\$ 21,600,000	\$ 22,196,048	\$ 22,196,391	\$ 343
Total Expenditures and Other Uses	<u>26,456,533</u>	<u>30,149,842</u>	<u>29,898,925</u>	<u>250,917</u>
Net Change in Fund Balances	(4,856,533)	(7,953,794)	(7,702,534)	251,260
Fund Balance, July 1	7,953,794	7,953,794	7,953,794	-
Prior Year Encumbrances Appropriated	<u>1,606,533</u>	<u>1,606,533</u>	<u>1,606,533</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 4,703,794</u>	<u>\$ 1,606,533</u>	<u>\$ 1,857,793</u>	<u>\$ 251,260</u>

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

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2011

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Debt Service Fund</u>	<u>Nonmajor Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 5,978,935	\$ 356,903	\$ 6,339,057	\$ 12,674,895
Cash in segregated accounts. . . . .	-	-	206,800	206,800
Receivables:				
Property taxes . . . . .	392,050	122,650	-	514,700
Payment in lieu of taxes . . . . .	1,097	381	110,318	111,796
Intergovernmental . . . . .	2,730,742	-	-	2,730,742
Prepayments. . . . .	3,442	-	-	3,442
Materials and supplies inventory . . . . .	35,548	-	-	35,548
<b>Total assets. . . . .</b>	<u>\$ 9,141,814</u>	<u>\$ 479,934</u>	<u>\$ 6,656,175</u>	<u>\$ 16,277,923</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ 68,096	\$ -	\$ -	\$ 68,096
Contracts payable. . . . .	-	-	39,996	39,996
Retainage payable . . . . .	-	-	206,800	206,800
Accrued wages and benefits . . . . .	918,741	-	-	918,741
Intergovernmental payable . . . . .	21,023	-	-	21,023
Unearned revenue . . . . .	335,754	104,973	110,318	551,045
Deferred revenue. . . . .	2,647,713	8,650	-	2,656,363
Pension obligation payable. . . . .	239,636	-	-	239,636
Due to other funds . . . . .	3,420	-	-	3,420
<b>Total liabilities. . . . .</b>	<u>4,234,383</u>	<u>113,623</u>	<u>357,114</u>	<u>4,705,120</u>
<b>Fund balances:</b>				
Nonspendable:				
Materials and supplies inventory . . . . .	35,548	-	-	35,548
Prepays. . . . .	3,442	-	-	3,442
Restricted:				
Debt service . . . . .	-	366,311	-	366,311
Capital improvements . . . . .	-	-	6,299,061	6,299,061
Classroom facilities maintenance . . . . .	3,798,117	-	-	3,798,117
Food service operations . . . . .	695,028	-	-	695,028
Targeted academic assistance . . . . .	3,369	-	-	3,369
Extracurricular . . . . .	511,241	-	-	511,241
Other purposes. . . . .	65,553	-	-	65,553
Unassigned (deficit) . . . . .	(204,867)	-	-	(204,867)
<b>Total fund balances . . . . .</b>	<u>4,907,431</u>	<u>366,311</u>	<u>6,299,061</u>	<u>11,572,803</u>
<b>Total liabilities and fund balances. . . . .</b>	<u>\$ 9,141,814</u>	<u>\$ 479,934</u>	<u>\$ 6,656,175</u>	<u>\$ 16,277,923</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, 2011

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Debt Service Fund</u>	<u>Nonmajor Capital Projects Funds</u>	<u>Total Nonmajor Governmental Funds</u>
<b>Revenues:</b>				
From local sources:				
Property taxes . . . . .	\$ 367,005	\$ 128,700	\$ -	\$ 495,705
Payment in lieu of taxes. . . . .	1,097	381	110,318	111,796
Earnings on investments . . . . .	2,366	-	11,374	13,740
Charges for services . . . . .	2,699,934	-	-	2,699,934
Extracurricular . . . . .	532,623	-	-	532,623
Rental income. . . . .	-	-	28,800	28,800
Contributions and donations . . . . .	44,207	-	-	44,207
Other local revenues . . . . .	-	-	11,629	11,629
Intergovernmental - state . . . . .	297,310	17,410	-	314,720
Intergovernmental - federal . . . . .	8,120,944	-	-	8,120,944
	<u>12,065,486</u>	<u>146,491</u>	<u>162,121</u>	<u>12,374,098</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular. . . . .	3,319,798	-	-	3,319,798
Special . . . . .	1,632,775	-	-	1,632,775
Other . . . . .	107,688	-	-	107,688
Support services:				
Pupil . . . . .	807,779	-	-	807,779
Instructional staff. . . . .	752,124	-	-	752,124
Administration . . . . .	204,573	-	-	204,573
Fiscal. . . . .	6,814	2,523	-	9,337
Operations and maintenance . . . . .	133,480	-	1,550	135,030
Pupil transportation . . . . .	15,024	-	-	15,024
Central . . . . .	1,324	-	-	1,324
Operation of non-instructional services:				
Food service operations . . . . .	4,180,731	-	-	4,180,731
Other non-instructional services. . . . .	7,907	-	-	7,907
Extracurricular activities . . . . .	522,654	-	7,401	530,055
Facilities acquisition and construction . . . . .	37,885	-	362,864	400,749
Debt service:				
Principal retirement. . . . .	-	145,000	-	145,000
Interest and fiscal charges. . . . .	-	23,840	-	23,840
	<u>11,730,556</u>	<u>171,363</u>	<u>371,815</u>	<u>12,273,734</u>
Net change in fund balances . . . . .	334,930	(24,872)	(209,694)	100,364
<b>Fund balances at beginning of year (restated) . . . . .</b>	<b>4,572,501</b>	<b>391,183</b>	<b>6,508,755</b>	<b>11,472,439</b>
<b>Fund balances at end of year. . . . .</b>	<b><u>\$ 4,907,431</u></b>	<b><u>\$ 366,311</u></b>	<b><u>\$ 6,299,061</u></b>	<b><u>\$ 11,572,803</u></b>

**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.

**Facilities Maintenance Fund**

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

**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.

**Teacher Development 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.

**Data Communication Fund**

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

**Summer School Subsidy Fund**

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

**Education Jobs Fund**

This fund accounts for federal monies whose purpose is to create education jobs. Jobs funded under this program include those that provide educational and related services for early childhood, elementary, and secondary education.

**Race to the Top Fund**

A fund provided to account for federal funds received from the Race to the Top grant.

**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.

**Education Stabilization Fund**

To account for Federal stimulus funds received through State foundation for the purpose of stabilizing the District's

**Stimulus Title II D**

To account for Federal stimulus funds that provides the District with funding for classroom technology resources and professional development on technology integration.

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

**Nonmajor Special Revenue Funds (Continued)**

**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.

**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.

**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.

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

**Uniform School Supplies 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 assigned to expenditures for specified purposes. 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 assigned to expenditures for specified purposes.

**Self Insurance Fund**

A fund provided to account for former involvement related to dental benefits associated through OME-RESA.

**Termination Benefits Fund**

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

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

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2011

	<u>Food Services</u>	<u>School Trusts</u>	<u>Facilities Maintenance</u>	<u>Student Activity</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 1,061,717	\$ 13,196	\$ 3,769,069	\$ 516,543
Receivables:				
Property taxes . . . . .	-	-	392,050	-
Payment in lieu of taxes . . . . .	-	-	1,097	-
Intergovernmental . . . . .	-	-	-	-
Prepayments. . . . .	3,442	-	-	-
Materials and supplies inventory . . . . .	35,548	-	-	-
<b>Total assets. . . . .</b>	<u>\$ 1,100,707</u>	<u>\$ 13,196</u>	<u>\$ 4,162,216</u>	<u>\$ 516,543</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ 26,387	\$ -	\$ 695	\$ 5,302
Accrued wages and benefits . . . . .	194,646	-	-	-
Intergovernmental payable . . . . .	2,231	-	-	-
Unearned revenue . . . . .	-	-	335,754	-
Deferred revenue. . . . .	-	-	27,650	-
Pension obligation payable. . . . .	143,425	-	-	-
Due to other funds . . . . .	-	-	-	-
<b>Total liabilities. . . . .</b>	<u>366,689</u>	<u>-</u>	<u>364,099</u>	<u>5,302</u>
<b>Fund balances:</b>				
Nonspendable:				
Materials and supplies inventory . . . . .	35,548	-	-	-
Prepays. . . . .	3,442	-	-	-
Restricted:				
Classroom facilities maintenance . . . . .	-	-	3,798,117	-
Food service operations . . . . .	695,028	-	-	-
Special education . . . . .	-	-	-	-
Targeted academic assistance . . . . .	-	-	-	-
Extracurricular . . . . .	-	-	-	511,241
Other purposes. . . . .	-	13,196	-	-
Unassigned (deficit) . . . . .	-	-	-	-
<b>Total fund balances . . . . .</b>	<u>734,018</u>	<u>13,196</u>	<u>3,798,117</u>	<u>511,241</u>
<b>Total liabilities and fund balances . . . . .</b>	<u>\$ 1,100,707</u>	<u>\$ 13,196</u>	<u>\$ 4,162,216</u>	<u>\$ 516,543</u>

<u>EMIS</u>	<u>Summer School Subsidy</u>	<u>Education Jobs</u>	<u>Race to the Top</u>	<u>Title VI - B</u>	<u>Education Stabilization</u>
\$ 29,297	\$ 1,552	\$ -	\$ 526	\$ 59,343	\$ 488,756
-	-	-	-	-	-
-	-	-	-	-	-
-	-	2,368,191	-	356,013	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 29,297</u>	<u>\$ 1,552</u>	<u>\$ 2,368,191</u>	<u>\$ 526</u>	<u>\$ 415,356</u>	<u>\$ 488,756</u>
\$ -	\$ -	\$ -	\$ -	\$ 6,293	\$ 18,969
-	-	-	-	322,005	398,877
-	-	-	-	911	10,592
-	-	-	-	-	-
-	-	2,368,191	-	251,872	-
-	-	-	-	39,142	56,171
-	-	-	-	-	-
-	-	2,368,191	-	620,223	484,609
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
29,297	1,552	-	526	-	4,147
-	-	-	-	(204,867)	-
<u>29,297</u>	<u>1,552</u>	<u>-</u>	<u>526</u>	<u>(204,867)</u>	<u>4,147</u>
<u>\$ 29,297</u>	<u>\$ 1,552</u>	<u>\$ 2,368,191</u>	<u>\$ 526</u>	<u>\$ 415,356</u>	<u>\$ 488,756</u>

-- (Continued)

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

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2011

	<u>Stimulus Title II D</u>	<u>Title III</u>	<u>Title I</u>	<u>Drug Free School Grant</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 98	\$ 208	\$ -	\$ -
Receivables:				
Property taxes . . . . .	-	-	-	-
Payment in lieu of taxes . . . . .	-	-	-	-
Intergovernmental . . . . .	-	-	4,146	2,392
Prepayments. . . . .	-	-	-	-
Materials and supplies inventory . . . . .	-	-	-	-
Total assets. . . . .	<u>\$ 98</u>	<u>\$ 208</u>	<u>\$ 4,146</u>	<u>\$ 2,392</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ -	\$ 40	\$ -	\$ -
Accrued wages and benefits . . . . .	-	-	-	-
Intergovernmental payable . . . . .	-	-	-	-
Unearned revenue . . . . .	-	-	-	-
Deferred revenue. . . . .	-	-	-	-
Pension obligation payable. . . . .	-	-	-	-
Due to other funds . . . . .	-	-	3,420	-
Total liabilities. . . . .	<u>-</u>	<u>40</u>	<u>3,420</u>	<u>-</u>
<b>Fund balances:</b>				
Nonspendable:				
Materials and supplies inventory . . . . .	-	-	-	-
Prepays. . . . .	-	-	-	-
Restricted:				
Classroom facilities maintenance . . . . .	-	-	-	-
Food service operations . . . . .	-	-	-	-
Special education . . . . .	-	-	-	-
Targeted academic assistance . . . . .	-	-	726	-
Extracurricular . . . . .	-	-	-	-
Other purposes. . . . .	98	168	-	2,392
Unassigned (deficit) . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances . . . . .	<u>98</u>	<u>168</u>	<u>726</u>	<u>2,392</u>
Total liabilities and fund balances . . . . .	<u>\$ 98</u>	<u>\$ 208</u>	<u>\$ 4,146</u>	<u>\$ 2,392</u>

<u>Title VI-R</u>	<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 8,571	\$ 30,059	\$ 5,978,935
-	-	392,050
-	-	1,097
-	-	2,730,742
-	-	3,442
-	-	35,548
<u>\$ 8,571</u>	<u>\$ 30,059</u>	<u>\$ 9,141,814</u>
\$ -	\$ 10,410	\$ 68,096
-	3,213	918,741
5,928	1,361	21,023
-	-	335,754
-	-	2,647,713
-	898	239,636
-	-	3,420
<u>5,928</u>	<u>15,882</u>	<u>4,234,383</u>
-	-	35,548
-	-	3,442
-	-	3,798,117
-	-	695,028
-	-	-
2,643	-	3,369
-	-	511,241
-	14,177	65,553
-	-	(204,867)
<u>2,643</u>	<u>14,177</u>	<u>4,907,431</u>
<u>\$ 8,571</u>	<u>\$ 30,059</u>	<u>\$ 9,141,814</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, 2011

	<u>Food Services</u>	<u>School Trusts</u>	<u>Facilities Maintenance</u>	<u>Student Activity</u>
<b>Revenues:</b>				
From local sources:				
Property taxes . . . . .	\$ -	\$ -	\$ 367,005	\$ -
Payment in lieu of taxes . . . . .	-	-	1,097	-
Earnings on investments . . . . .	2,366	-	-	-
Charges for services . . . . .	2,699,934	-	-	-
Extracurricular . . . . .	-	-	-	532,623
Contributions and donations . . . . .	-	575	-	43,632
Intergovernmental - state . . . . .	-	-	260,460	-
Intergovernmental - federal . . . . .	1,459,951	-	-	-
Total revenues . . . . .	<u>4,162,251</u>	<u>575</u>	<u>628,562</u>	<u>576,255</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	-	1,649	-	-
Special . . . . .	-	-	-	-
Other . . . . .	-	-	-	-
Support services:				
Pupil . . . . .	-	-	-	-
Instructional staff . . . . .	-	-	-	-
Administration . . . . .	-	-	-	333
Fiscal . . . . .	-	-	6,814	-
Operations and maintenance . . . . .	46,335	-	79,243	7,654
Pupil transportation . . . . .	-	-	-	-
Central . . . . .	-	-	-	-
Operation of non-instructional services:				
Food service operations . . . . .	4,180,731	-	-	-
Other non-instructional services . . . . .	-	-	-	-
Extracurricular activities . . . . .	-	-	-	522,654
Facilities acquisition and construction . . . . .	-	-	37,885	-
Total expenditures . . . . .	<u>4,227,066</u>	<u>1,649</u>	<u>123,942</u>	<u>530,641</u>
Net change in fund balances . . . . .	(64,815)	(1,074)	504,620	45,614
<b>Fund balances (deficits) at beginning of year (restated)</b>	798,833	14,270	3,293,497	465,627
<b>Fund balances at end of year . . . . .</b>	<u>\$ 734,018</u>	<u>\$ 13,196</u>	<u>\$ 3,798,117</u>	<u>\$ 511,241</u>



<u>EMIS</u>	<u>Data Communication</u>	<u>Summer School Subsidy</u>	<u>Race to the Top</u>	<u>Title VI - B</u>	<u>Education Stabilization</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,000	31,850	-	-	-	-
-	-	-	10,999	2,258,267	3,474,655
<u>5,000</u>	<u>31,850</u>	<u>-</u>	<u>10,999</u>	<u>2,258,267</u>	<u>3,474,655</u>
-	-	-	-	-	2,504,139
-	-	-	-	1,520,330	112,445
-	-	-	-	-	107,688
-	17,850	-	-	283,726	506,203
-	14,000	-	10,473	532,794	151,821
5,000	-	-	-	103,648	95,592
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,324	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>6,324</u>	<u>31,850</u>	<u>-</u>	<u>10,473</u>	<u>2,440,498</u>	<u>3,477,888</u>
(1,324)	-	-	526	(182,231)	(3,233)
30,621	-	1,552	-	(22,636)	7,380
<u>\$ 29,297</u>	<u>\$ -</u>	<u>\$ 1,552</u>	<u>\$ 526</u>	<u>\$ (204,867)</u>	<u>\$ 4,147</u>

-- (Continued)

**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, 2011

	<u>Stimulus Title II D</u>	<u>Title III</u>	<u>Title I</u>	<u>Drug Free School Grant</u>
<b>Revenues:</b>				
From local sources:				
Property taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Payment in lieu of taxes . . . . .	-	-	-	-
Earnings on investments . . . . .	-	-	-	-
Charges for services . . . . .	-	-	-	-
Extracurricular . . . . .	-	-	-	-
Contributions and donations . . . . .	-	-	-	-
Intergovernmental - state . . . . .	-	-	-	-
Intergovernmental - federal . . . . .	3,922	58,234	488,895	13,142
Total revenues . . . . .	<u>3,922</u>	<u>58,234</u>	<u>488,895</u>	<u>13,142</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	-	54,277	476,809	10,827
Special . . . . .	-	-	-	-
Other . . . . .	-	-	-	-
Support services:				
Pupil . . . . .	-	-	-	-
Instructional staff . . . . .	2,600	630	7,679	-
Administration . . . . .	-	-	-	-
Fiscal . . . . .	-	-	-	-
Operations and maintenance . . . . .	-	-	-	248
Pupil transportation . . . . .	-	-	-	-
Central . . . . .	-	-	-	-
Operation of non-instructional services:				
Food service operations . . . . .	-	-	-	-
Other non-instructional services . . . . .	-	3,159	2,067	-
Extracurricular activities . . . . .	-	-	-	-
Facilities acquisition and construction . . . . .	-	-	-	-
Total expenditures . . . . .	<u>2,600</u>	<u>58,066</u>	<u>486,555</u>	<u>11,075</u>
Net change in fund balances . . . . .	1,322	168	2,340	2,067
<b>Fund balances (deficits) at beginning of year (restated)</b>	(1,224)	-	(1,614)	325
<b>Fund balances at end of year . . . . .</b>	<u>\$ 98</u>	<u>\$ 168</u>	<u>\$ 726</u>	<u>\$ 2,392</u>

<u>Title VI-R</u>	<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ -	\$ -	\$ 367,005
-	-	1,097
-	-	2,366
-	-	2,699,934
-	-	532,623
-	-	44,207
-	-	297,310
145,371	207,508	8,120,944
<u>145,371</u>	<u>207,508</u>	<u>12,065,486</u>
132,524	139,573	3,319,798
-	-	1,632,775
-	-	107,688
-	-	807,779
10,205	21,922	752,124
-	-	204,573
-	-	6,814
-	-	133,480
-	15,024	15,024
-	-	1,324
-	-	4,180,731
-	2,681	7,907
-	-	522,654
-	-	37,885
<u>142,729</u>	<u>179,200</u>	<u>11,730,556</u>
2,642	28,308	334,930
1	(14,131)	4,572,501
<u>\$ 2,643</u>	<u>\$ 14,177</u>	<u>\$ 4,907,431</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, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Food Services</b>				
Total Revenues and Other Sources	\$ 3,400,000	\$ 3,620,840	\$ 3,846,650	\$ 225,810
Total Expenditures and Other Uses	<u>4,107,739</u>	<u>4,107,739</u>	<u>3,909,149</u>	<u>198,590</u>
Net Change in Fund Balances	(707,739)	(486,899)	(62,499)	424,400
Fund Balance at Beginning of Year	1,032,430	1,032,430	1,032,430	-
Prior Year Encumbrances Appropriated	<u>57,739</u>	<u>57,739</u>	<u>57,739</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 382,430</u>	<u>\$ 603,270</u>	<u>\$ 1,027,670</u>	<u>\$ 424,400</u>
<b>School Trusts</b>				
Total Revenues and Other Sources	\$ 9,000	\$ 9,000	\$ 575	\$ (8,425)
Total Expenditures and Other Uses	<u>15,500</u>	<u>15,500</u>	<u>1,649</u>	<u>13,851</u>
Net Change in Fund Balances	(6,500)	(6,500)	(1,074)	5,426
Fund Balance at Beginning of Year	<u>14,270</u>	<u>14,270</u>	<u>14,270</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 7,770</u>	<u>\$ 7,770</u>	<u>\$ 13,196</u>	<u>\$ 5,426</u>
<b>Facilities Maintenance</b>				
Total Revenues and Other Sources	\$ 417,900	\$ 429,328	\$ 634,448	\$ 205,120
Total Expenditures and Other Uses	<u>180,000</u>	<u>196,171</u>	<u>196,171</u>	<u>-</u>
Net Change in Fund Balances	237,900	233,157	438,277	205,120
Fund Balance at Beginning of Year	<u>3,257,868</u>	<u>3,257,868</u>	<u>3,257,868</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 3,495,768</u>	<u>\$ 3,491,025</u>	<u>\$ 3,696,145</u>	<u>\$ 205,120</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, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Student Activity</b>				
Total Revenues and Other Sources	\$ 620,000	\$ 620,000	\$ 580,255	\$ (39,745)
Total Expenditures and Other Uses	<u>622,224</u>	<u>622,224</u>	<u>588,501</u>	<u>33,723</u>
Net Change in Fund Balances	(2,224)	(2,224)	(8,246)	(6,022)
Fund Balance at Beginning of Year	453,497	453,497	453,497	-
Prior Year Encumbrances Appropriated	<u>18,174</u>	<u>18,174</u>	<u>18,174</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 469,447</u>	<u>\$ 469,447</u>	<u>\$ 463,425</u>	<u>\$ (6,022)</u>
<b>Teacher Development</b>				
Total Expenditures and Other Uses	\$ -	\$ -	\$ 100	\$ (100)
Net Change in Fund Balances	-	-	(100)	(100)
Fund Balance at Beginning of Year	-	-	-	-
Prior Year Encumbrances Appropriated	<u>100</u>	<u>100</u>	<u>100</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ -</u>	<u>\$ (100)</u>
<b>EMIS</b>				
Total Revenues and Other Sources	\$ 15,600	\$ 15,600	\$ 5,000	\$ (10,600)
Total Expenditures and Other Uses	<u>21,228</u>	<u>21,228</u>	<u>6,324</u>	<u>14,904</u>
Net Change in Fund Balances	(5,628)	(5,628)	(1,324)	4,304
Fund Balance at Beginning of Year	30,593	30,593	30,593	-
Prior Year Encumbrances Appropriated	<u>28</u>	<u>28</u>	<u>28</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 24,993</u>	<u>\$ 24,993</u>	<u>\$ 29,297</u>	<u>\$ 4,304</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, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Data Communication</b>				
Total Revenues and Other Sources	\$ 28,000	\$ 31,850	\$ 31,850	\$ -
Total Expenditures and Other Uses	<u>28,000</u>	<u>31,850</u>	<u>31,850</u>	<u>-</u>
Net Change in Fund Balances	-	-	-	-
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Summer School Subsidy</b>				
Fund Balance at Beginning of Year	<u>\$ 1,552</u>	<u>\$ 1,552</u>	<u>\$ 1,552</u>	<u>\$ -</u>
Fund Balance at End of Year	<u>\$ 1,552</u>	<u>\$ 1,552</u>	<u>\$ 1,552</u>	<u>\$ -</u>
<b>Race to the Top</b>				
Total Revenues and Other Sources	\$ 68,373	\$ 68,373	\$ 10,999	\$ (57,374)
Total Expenditures and Other Uses	<u>68,373</u>	<u>68,373</u>	<u>10,473</u>	<u>57,900</u>
Net Change in Fund Balances	-	-	526	526
Fund Balance at Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 526</u>	<u>\$ 526</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, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Title VI-B</b>				
Total Revenues and Other Sources	\$ 2,550,000	\$ 2,550,000	\$ 2,332,447	\$ (217,553)
Total Expenditures and Other Uses	<u>2,558,314</u>	<u>2,522,376</u>	<u>2,475,286</u>	<u>47,090</u>
Net Change in Fund Balances	(8,314)	27,624	(142,839)	(170,463)
Fund Balance at Beginning of Year	137,444	137,444	137,444	-
Prior Year Encumbrances Appropriated	<u>57,905</u>	<u>57,905</u>	<u>57,905</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 187,035</u>	<u>\$ 222,973</u>	<u>\$ 52,510</u>	<u>\$ (170,463)</u>
<b>Education Stabilization Fund</b>				
Total Revenues and Other Sources	\$ 3,087,534	\$ 3,450,415	\$ 3,474,655	\$ 24,240
Total Expenditures and Other Uses	<u>2,989,737</u>	<u>3,383,929</u>	<u>3,383,927</u>	<u>2</u>
Net Change in Fund Balances	97,797	66,486	90,728	24,242
Fund Balance at Beginning of Year	356,941	356,941	356,941	-
Prior Year Encumbrances Appropriated	<u>7,381</u>	<u>7,381</u>	<u>7,381</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 462,119</u>	<u>\$ 430,808</u>	<u>\$ 455,050</u>	<u>\$ 24,242</u>
<b>Stimulus Title II D</b>				
Total Revenues and Other Sources	\$ 4,806	\$ 4,806	\$ 3,922	\$ (884)
Total Expenditures and Other Uses	<u>5,282</u>	<u>5,282</u>	<u>4,300</u>	<u>982</u>
Net Change in Fund Balances	(476)	(476)	(378)	98
Fund Balance at Beginning of Year	<u>476</u>	<u>476</u>	<u>476</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 98</u>	<u>\$ 98</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, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Title III</b>				
Total Revenues and Other Sources	\$ 54,574	\$ 62,623	\$ 60,164	\$ (2,459)
Total Expenditures and Other Uses	<u>55,625</u>	<u>63,674</u>	<u>61,216</u>	<u>2,458</u>
Net Change in Fund Balances	(1,051)	(1,051)	(1,052)	(1)
Fund Balance at Beginning of Year	210	210	210	-
Prior Year Encumbrances Appropriated	<u>842</u>	<u>842</u>	<u>842</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ (1)</u>
<b>Title I</b>				
Total Revenues and Other Sources	\$ 498,790	\$ 505,894	\$ 489,571	\$ (16,323)
Total Expenditures and Other Uses	<u>546,177</u>	<u>553,281</u>	<u>540,377</u>	<u>12,904</u>
Net Change in Fund Balances	(47,387)	(47,387)	(50,806)	(3,419)
Fund Balance at Beginning of Year	39,845	39,845	39,845	-
Prior Year Encumbrances Appropriated	<u>7,541</u>	<u>7,541</u>	<u>7,541</u>	<u>-</u>
Fund Balance (deficit) at End of Year	<u>\$ (1)</u>	<u>\$ (1)</u>	<u>\$ (3,420)</u>	<u>\$ (3,419)</u>
<b>Drug Free School Grant</b>				
Total Revenues and Other Sources	\$ 12,867	\$ 12,867	\$ 10,750	\$ (2,117)
Total Expenditures and Other Uses	<u>13,115</u>	<u>13,115</u>	<u>11,075</u>	<u>2,040</u>
Net Change in Fund Balances	(248)	(248)	(325)	(77)
Fund Balance at Beginning of Year	80	80	80	-
Prior Year Encumbrances Appropriated	<u>245</u>	<u>245</u>	<u>245</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 77</u>	<u>\$ 77</u>	<u>\$ -</u>	<u>\$ (77)</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, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Title VI - R</b>				
Total Revenues and Other Sources	\$ 151,093	\$ 152,203	\$ 151,441	\$ (762)
Total Expenditures and Other Uses	<u>154,935</u>	<u>156,175</u>	<u>155,452</u>	<u>723</u>
Net Change in Fund Balances	(3,842)	(3,972)	(4,011)	(39)
Fund Balance at Beginning of Year	(18)	(18)	(18)	-
Prior Year Encumbrances Appropriated	<u>4,400</u>	<u>4,400</u>	<u>4,400</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ 540</u>	<u>\$ 410</u>	<u>\$ 371</u>	<u>\$ (39)</u>
<b>Miscellaneous Federal Grants</b>				
Total Revenues and Other Sources	\$ 274,961	\$ 274,961	\$ 210,817	\$ (64,144)
Total Expenditures and Other Uses	<u>288,596</u>	<u>288,596</u>	<u>239,775</u>	<u>48,821</u>
Net Change in Fund Balances	(13,635)	(13,635)	(28,958)	(15,323)
Fund Balance at Beginning of Year	(49,961)	(49,961)	(49,961)	-
Prior Year Encumbrances Appropriated	<u>63,596</u>	<u>63,596</u>	<u>63,596</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (15,323)</u>	<u>\$ (15,323)</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, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Uniform School Supplies</b>				
Total Revenues and Other Sources	\$ 470,000	\$ 470,000	\$ 436,836	\$ (33,164)
Total Expenditures and Other Uses	537,904	537,904	469,440	68,464
Net Change in Fund Balances	(67,904)	(67,904)	(32,604)	35,300
Fund Balance at Beginning of Year	97,366	97,366	97,366	-
Prior Year Encumbrances Appropriated	32,904	32,904	32,904	-
Fund Balance at End of Year	<u>\$ 62,366</u>	<u>\$ 62,366</u>	<u>\$ 97,666</u>	<u>\$ 35,300</u>
<b>Public School Support</b>				
Total Revenues and Other Sources	\$ 100,000	\$ 100,000	\$ 78,317	\$ (21,683)
Total Expenditures and Other Uses	141,374	141,374	103,001	38,373
Net Change in Fund Balances	(41,374)	(41,374)	(24,684)	16,690
Fund Balance at Beginning of Year	254,482	254,482	254,482	-
Prior Year Encumbrances Appropriated	6,194	6,194	6,194	-
Fund Balance at End of Year	<u>\$ 219,302</u>	<u>\$ 219,302</u>	<u>\$ 235,992</u>	<u>\$ 16,690</u>
<b>Other Local Grants</b>				
Total Revenues and Other Sources	\$ 731,530	\$ 795,682	\$ 833,462	\$ 37,780
Total Expenditures and Other Uses	787,333	787,333	759,316	28,017
Net Change in Fund Balances	(55,803)	8,349	74,146	65,797
Fund Balance at Beginning of Year	361,479	361,479	361,479	-
Prior Year Encumbrances Appropriated	6,250	6,250	6,250	-
Fund Balance at End of Year	<u>\$ 311,926</u>	<u>\$ 376,078</u>	<u>\$ 441,875</u>	<u>\$ 65,797</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, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Self Insurance</b>				
Total Expenditures and Other Uses	\$ 12,513	\$ 12,513	\$ -	\$ 12,513
Net Change in Fund Balances	(12,513)	(12,513)	-	12,513
Fund Balance at Beginning of Year	12,513	12,513	12,513	\$ -
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,513</u>	<u>\$ 12,513</u>
<b>Termination Benefits</b>				
Total Expenditures and Other Uses	\$ 300,000	\$ 300,000	\$ -	\$ 300,000
Net Change in Fund Balances	(300,000)	(300,000)	-	300,000
Fund Balance at Beginning of Year	300,000	300,000	300,000	\$ -
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 300,000</u>	<u>\$ 300,000</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:

**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.

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

**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, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Library Debt Service</b>				
Total Revenues and Other Sources	\$ 168,000	\$ 168,000	\$ 151,747	\$ (16,253)
Total Expenditures and Other Uses	<u>172,440</u>	<u>172,440</u>	<u>171,363</u>	<u>1,077</u>
Net Change in Fund Balances	(4,440)	(4,440)	(19,616)	(15,176)
Fund Balance at Beginning of Year	<u>376,519</u>	<u>376,519</u>	<u>376,519</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 372,079</u>	<u>\$ 372,079</u>	<u>\$ 356,903</u>	<u>\$ (15,176)</u>

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

**Nonmajor Capital Projects Funds**

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

**Permanent Improvement Fund**

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

**Building Fund**

To account for the acquisition and construction of capital facilities including real property.

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

COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECT FUNDS  
JUNE 30, 2011

	<u>Permanent Improvement</u>	<u>Building</u>	<u>Total Nonmajor Capital Project Funds</u>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents. . . . .	\$ 778,100	\$ 5,560,957	\$ 6,339,057
Cash in segregated accounts. . . . .	-	206,800	206,800
Receivables:			
Payment in lieu of taxes . . . . .	110,318	-	110,318
Total assets. . . . .	<u>\$ 888,418</u>	<u>\$ 5,767,757</u>	<u>\$ 6,656,175</u>
<b>Liabilities:</b>			
Contracts payable. . . . .	\$ 39,996	\$ -	\$ 39,996
Retainage payable . . . . .	-	206,800	206,800
Unearned revenue . . . . .	110,318	-	110,318
Total liabilities. . . . .	<u>150,314</u>	<u>206,800</u>	<u>357,114</u>
<b>Fund balances:</b>			
Restricted:			
Capital improvements . . . . .	738,104	5,560,957	6,299,061
Total fund balances . . . . .	<u>738,104</u>	<u>5,560,957</u>	<u>6,299,061</u>
Total liabilities and fund balances. . . . .	<u>\$ 888,418</u>	<u>\$ 5,767,757</u>	<u>\$ 6,656,175</u>

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

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECT FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<b>Permanent Improvement</b>	<b>Building</b>	<b>Total Nonmajor Capital Project Funds</b>
<b>Revenues:</b>			
From local sources:			
Payment in lieu of taxes . . . . .	\$ 110,318	\$ -	\$ 110,318
Earnings on investments . . . . .	120	11,254	11,374
Rental income. . . . .	28,800	-	28,800
Other local revenues . . . . .	11,629	-	11,629
Total revenues . . . . .	150,867	11,254	162,121
<b>Expenditures:</b>			
Current:			
Support services:			
Operations and maintenance . . . . .	1,550	-	1,550
Extracurricular activities . . . . .	7,401	-	7,401
Facilities acquisition and construction . . . . .	338,979	23,885	362,864
Total expenditures. . . . .	347,930	23,885	371,815
Net change in fund balances . . . . .	(197,063)	(12,631)	(209,694)
<b>Fund balances at beginning of year. . . . .</b>	935,167	5,573,588	6,508,755
<b>Fund balances at end of year . . . . .</b>	\$ 738,104	\$ 5,560,957	\$ 6,299,061



**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, 2011

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<b>Permanent Improvement</b>				
Total Revenues and Other Sources	\$ 1,713,000	\$ 1,713,000	\$ 150,867	\$ (1,562,133)
Total Expenditures and Other Uses	<u>2,654,203</u>	<u>654,203</u>	<u>476,931</u>	<u>177,272</u>
Net Change in Fund Balances	(941,203)	1,058,797	(326,064)	(1,384,861)
Fund Balance at Beginning of Year	817,167	817,167	817,167	-
Prior Year Encumbrances Appropriated	<u>124,203</u>	<u>124,203</u>	<u>124,203</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 167</u>	<u>\$ 2,000,167</u>	<u>\$ 615,306</u>	<u>\$ (1,384,861)</u>
<b>Building</b>				
Total Revenues and Other Sources	\$ 10,000	\$ 10,422	\$ 11,254	\$ 832
Total Expenditures and Other Uses	<u>5,043,016</u>	<u>3,043,016</u>	<u>2,919,560</u>	<u>123,456</u>
Net Change in Fund Balances	(5,033,016)	(3,032,594)	(2,908,306)	124,288
Fund Balance at Beginning of Year	2,556,762	2,556,762	2,556,762	-
Prior Year Encumbrances Appropriated	<u>3,033,016</u>	<u>3,033,016</u>	<u>3,033,016</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 556,762</u>	<u>\$ 2,557,184</u>	<u>\$ 2,681,472</u>	<u>\$ 124,288</u>

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

**Fiduciary 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.

**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**

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<b>Beginning Balance July 1, 2010</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance June 30, 2011</b>
<b>District Agency</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 16,120	\$ 148,672	\$ 164,792	\$ -
Total assets . . . . .	<u>\$ 16,120</u>	<u>\$ 148,672</u>	<u>\$ 164,792</u>	<u>\$ -</u>
<b>Liabilities:</b>				
Deposits held and due to others . . . . .	\$ 16,120	\$ 148,672	\$ 164,792	\$ -
Total liabilities. . . . .	<u>\$ 16,120</u>	<u>\$ 148,672</u>	<u>\$ 164,792</u>	<u>\$ -</u>
<b>Student Activity</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 207,488	\$ 299,204	\$ 281,429	\$ 225,263
Total assets . . . . .	<u>\$ 207,488</u>	<u>\$ 299,204</u>	<u>\$ 281,429</u>	<u>\$ 225,263</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 47,661	\$ 52,855	\$ 47,661	\$ 52,855
Intergovernmental payable. . . . .	-	5,070	-	5,070
Due to students . . . . .	159,827	241,279	233,768	167,338
Total liabilities. . . . .	<u>\$ 207,488</u>	<u>\$ 299,204</u>	<u>\$ 281,429</u>	<u>\$ 225,263</u>
<b>Total Agency Funds</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 223,608	\$ 447,876	\$ 446,221	\$ 225,263
Total assets . . . . .	<u>\$ 223,608</u>	<u>\$ 447,876</u>	<u>\$ 446,221</u>	<u>\$ 225,263</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 47,661	\$ 52,855	\$ 47,661	\$ 52,855
Intergovernmental payable. . . . .	-	5,070	-	5,070
Deposits held and due to others . . . . .	16,120	148,672	164,792	-
Due to students . . . . .	159,827	241,279	233,768	167,338
Total liabilities. . . . .	<u>\$ 223,608</u>	<u>\$ 447,876</u>	<u>\$ 446,221</u>	<u>\$ 225,263</u>

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## STATISTICAL SECTION

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**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.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	<b>S 2-15</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	<b>S 16-21</b>
<b>Debt Capacity</b> 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.	<b>S 22-25</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	<b>S 26-27</b>
<b>Operating Information</b> 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.	<b>S 28-35</b>

**Sources:** 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.

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

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

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b>Governmental activities</b>				
Invested in capital assets, net of related debt	\$ 26,012,261	\$ 8,748,029	\$ 8,765,183	\$ 7,887,455
Restricted	59,915,183	79,798,417	78,804,109	23,739,089
Unrestricted (deficit)	(16,018,144)	(16,176,349)	(5,250,879)	(4,668,772)
Total governmental activities net assets	<u>\$ 69,909,300</u>	<u>\$ 72,370,097</u>	<u>\$ 82,318,413</u>	<u>\$ 26,957,772</u>

**Source:** School District financial records.



<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 7,639,245	\$ 5,680,217	\$ 6,170,204	\$ 9,556,777	\$ 25,058,656
18,391,211	16,510,606	15,221,567	14,428,173	18,535,804
(2,730,099)	(3,513,717)	(2,973,644)	(6,315,089)	(29,321,045)
\$ 23,300,357	\$ 18,677,106	\$ 18,418,127	\$ 17,669,861	\$ 14,273,415

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

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

<b>Expenses</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
Governmental activities:				
Instruction:				
Regular	\$ 53,303,768	\$ 55,599,841	\$ 49,069,735	\$ 47,880,000
Special	9,164,454	8,960,949	7,847,020	7,249,632
Vocational	1,039,530	1,114,525	1,115,837	1,098,881
Adult/continuing	-	-	-	-
Other instructional	2,973,424	3,055,912	2,824,261	2,413,847
Support services:				
Pupil	5,389,487	5,150,296	4,669,725	4,422,909
Instructional staff	7,518,291	7,571,863	6,755,547	5,837,143
Board of education	716,717	575,199	528,045	522,851
Administration	8,301,524	8,822,490	7,916,045	7,476,862
Fiscal	1,867,031	1,744,987	1,718,035	1,789,425
Business	509,414	578,191	624,827	44,051
Operations and maintenance	9,890,158	9,740,418	9,375,277	9,267,414
Pupil transportation	5,621,125	5,966,014	5,034,148	5,701,343
Central	175,403	171,148	176,045	162,150
Operation of non-instructional services:				
Food service operations	4,773,849	4,379,685	4,134,640	3,635,100
Other non-instructional services	54,984	73,232	72,379	65,316
Extracurricular activities	2,777,341	3,135,454	2,799,921	2,772,116
Interest and fiscal charges	8,865,592	8,540,803	8,870,980	8,899,230
Total governmental activities expenses	<u>122,942,092</u>	<u>125,181,007</u>	<u>113,532,467</u>	<u>109,238,270</u>

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$	45,562,366	\$ 42,690,019	\$ 40,326,102	\$ 36,117,943	\$ 31,464,300
	6,782,936	5,977,721	5,423,614	4,865,195	4,514,787
	1,074,249	1,034,985	890,084	761,653	932,546
	-	-	10,895	-	-
	2,217,708	1,796,253	1,581,660	1,122,608	751,589
	4,196,561	4,036,154	3,942,233	3,456,789	3,050,125
	5,741,358	4,983,317	4,413,385	3,645,626	3,136,588
	455,248	501,735	404,032	478,447	323,952
	7,273,966	7,037,059	6,322,386	6,006,765	5,500,019
	1,571,452	1,499,551	1,386,034	1,304,606	1,217,117
	185,988	175,317	192,496	167,919	167,914
	8,238,497	9,428,349	9,238,371	6,589,807	5,422,028
	5,286,583	4,501,482	3,998,024	3,832,851	3,973,490
	50,333	74,200	87,250	81,744	135,761
	3,224,778	3,420,780	3,068,309	2,835,474	2,156,397
	124,132	86,613	84,897	9,937	49,058
	2,503,424	2,577,848	2,557,801	2,137,629	1,780,961
	7,157,888	5,477,377	6,422,079	6,504,277	6,546,476
	<u>101,647,467</u>	<u>95,298,760</u>	<u>90,349,652</u>	<u>79,919,270</u>	<u>71,123,108</u>

-- (Continued)

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

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

<b>Program Revenues</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
Governmental activities:				
Charges for services:				
Instruction:				
Regular	\$ 591,367	\$ 860,381	\$ 901,498	\$ 801,384
Special	119,792	106,344	108,657	91,572
Vocational	-	-	139	187
Other instructional	-	10,697	5,022	6,031
Support services:				
Instructional staff	-	31,957	15,959	89,088
Board of education	-	-	-	-
Administration	334	-	885	282
Operations and maintenance	215,484	54,363	-	82,536
Pupil transportation	-	-	91,567	-
Operation of non-instructional services:				
Food service operations	2,699,934	2,625,572	2,568,292	2,458,391
Other non-instructional services	-	63,026	-	75,782
Extracurricular activities	1,167,595	1,116,425	1,200,698	972,586
Interest and fiscal charges	-	-	-	-
Operating grants and contributions:				
Instruction:				
Regular	5,574,084	2,564,164	542,764	591,395
Special	4,232,299	2,120,356	3,943,115	3,219,492
Vocational	161,459	160,257	164,317	147,101
Other instructional	110,711	78,617	6,514	-
Support services:				
Pupil	906,355	664,504	607,168	513,983
Instructional staff	771,985	980,809	575,271	403,977
Board of education	-	-	-	-
Administration	196,426	192,050	167,290	116,717
Fiscal	-	-	-	32,306
Operations and maintenance	924	4,600	21,308	1,075
Pupil transportation	231,061	232,614	221,562	200,395
Central	1,047	-	1,690	3,134
Operation of non-instructional services:				
Food service operations	1,462,317	1,188,141	1,011,157	900,180
Other non-instructional services	8,090	23,636	51,795	8,660
Extracurricular activities	42,975	208,391	163,631	159,950
Capital grants and contributions:				
Support services:				
Instructional staff	-	-	-	-
Pupil transportation	-	-	82,369	44,517
Extracurricular activities	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total governmental program revenues</b>	<b>18,494,239</b>	<b>13,286,904</b>	<b>12,452,668</b>	<b>10,920,721</b>
<b>Net (Expense)/Revenue</b>				
Governmental activities	<u>\$ (104,447,853)</u>	<u>\$ (111,894,103)</u>	<u>\$ (101,079,799)</u>	<u>\$ (98,317,549)</u>

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 749,201	\$ 805,693	\$ 784,692	\$ 763,229	\$ 580,891
3,103	-	-	-	-
-	-	-	-	-
-	-	-	-	-
29,505	53,191	93,499	80,821	138,370
-	770	1,393	1,393	-
1,567	2,040	-	266	-
80,485	94,134	78,501	205,042	13,715
-	-	-	-	10,973
2,321,306	2,259,423	2,173,639	1,744,919	1,509,232
-	45,858	30,390	5,094	39,257
951,885	757,652	770,200	604,272	331,112
140,458	-	-	-	-
529,021	422,001	515,057	713,667	364,483
3,005,521	486,464	532,541	301,038	239,957
159,709	-	878	-	-
-	-	-	-	23,507
580,490	460,779	621,677	386,820	245,934
389,625	363,616	280,000	257,010	101,573
-	498	-	1,708	-
135,547	110,252	78,249	65,310	21,395
32,728	7,997	-	-	-
12,722	108,387	39,279	-	-
223,805	175,849	3,437	-	-
796	18,670	25,511	33,550	66,873
758,837	836,266	672,054	579,381	473,446
113,868	46,135	42,546	300	-
153,398	264,253	113,753	367,534	61,684
-	91,776	69,720	-	-
64,544	-	-	-	-
-	-	-	-	38,810
-	-	-	-	4,702
<u>10,438,121</u>	<u>7,411,704</u>	<u>6,927,016</u>	<u>6,111,354</u>	<u>4,265,914</u>
<u>\$ (91,209,346)</u>	<u>\$ (87,887,056)</u>	<u>\$ (83,422,636)</u>	<u>\$ (73,807,916)</u>	<u>\$ (66,857,194)</u>

-- (Continued)

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

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

**General Revenues and Other Changes in Net Assets**

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Governmental activities:				
Property taxes levied for:				
General purposes	\$ 28,516,543	\$ 27,409,960	\$ 28,346,890	\$ 27,592,489
Facilities maintenance	376,312	359,894	370,320	367,422
Debt service	13,419,079	12,690,376	13,086,748	13,032,040
Capital projects	-	-	-	-
School district income tax	13,646,693	12,328,783	12,707,691	12,722,150
Grants and entitlements not restricted to specific programs	44,587,183	48,622,410	47,962,247	44,083,762
Grants and entitlements restricted for Ohio School Facilities Commission	-	-	52,387,820	-
Investment earnings	206,830	311,036	1,438,880	3,798,530
Payment in lieu of taxes	231,511	93,764	93,577	-
Miscellaneous	104,079	129,564	46,267	378,571
Total governmental activities	<u>101,088,230</u>	<u>101,945,787</u>	<u>156,440,440</u>	<u>101,974,964</u>
Special Item:				
Refund from OME-RESA	-	-	-	-
Total special item	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 101,088,230</u>	<u>\$ 101,945,787</u>	<u>\$ 156,440,440</u>	<u>\$ 101,974,964</u>
<b>Change in Net Assets</b>				
Governmental activities	<u>\$ (3,359,623)</u>	<u>\$ (9,948,316)</u>	<u>\$ 55,360,641</u>	<u>\$ 3,657,415</u>

**Source:** School District financial records.

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 25,849,872	\$ 23,527,946	\$ 24,291,458	\$ 21,207,490	\$ 14,843,852
362,940	330,505	342,193	346,312	274,717
11,451,584	8,315,839	8,815,701	8,274,592	7,158,273
-	-	4	61	152
12,303,735	10,830,531	10,232,657	9,406,873	8,989,604
42,499,856	43,661,527	40,865,256	37,671,696	32,714,517
-	-	-	-	-
3,171,236	1,370,041	786,837	290,056	767,772
-	-	-	-	-
114,942	109,646	4,493	7,282	68,141
<u>95,754,165</u>	<u>88,146,035</u>	<u>85,338,599</u>	<u>77,204,362</u>	<u>64,817,028</u>
78,432	-	-	-	-
<u>78,432</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 95,832,597</u>	<u>\$ 88,146,035</u>	<u>\$ 85,338,599</u>	<u>\$ 77,204,362</u>	<u>\$ 64,817,028</u>
<u>\$ 4,623,251</u>	<u>\$ 258,979</u>	<u>\$ 1,915,963</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>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
General Fund:				
Nonspendable	\$ 108,045	\$ -	\$ -	\$ -
Restricted	22,684	-	-	-
Committed	300,000	-	-	-
Assigned	2,641,294	-	-	-
Unassigned	110,176	-	-	-
Reserved	-	3,727,023	4,482,583	4,040,380
Unreserved	-	2,458,979	7,991,343	7,584,023
	<u>3,182,199</u>	<u>6,186,002</u>	<u>12,473,926</u>	<u>11,624,403</u>
Total general fund	<u>\$ 3,182,199</u>	<u>\$ 6,186,002</u>	<u>\$ 12,473,926</u>	<u>\$ 11,624,403</u>
All Other Governmental Funds:				
Nonspendable	\$ 38,990	\$ -	\$ -	\$ -
Restricted	40,828,063	-	-	-
Unassigned (deficit)	(204,867)	-	-	-
Reserved	-	21,517,418	22,637,462	48,142,449
Unreserved, reported in:				
Special revenue funds	-	5,820,541	4,817,266	4,909,347
Capital projects funds	-	10,962,492	5,153,568	12,362,602
	<u>40,662,186</u>	<u>38,300,451</u>	<u>32,608,296</u>	<u>65,414,398</u>
Total all other governmental funds	<u>40,662,186</u>	<u>38,300,451</u>	<u>32,608,296</u>	<u>65,414,398</u>
Total governmental funds	<u>\$ 43,844,385</u>	<u>\$ 44,486,453</u>	<u>\$ 45,082,222</u>	<u>\$ 77,038,801</u>

**Source:** School District financial records.

**Note:** The School District implemented GASB 54 in 2011.



<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,752,961	6,619,476	5,319,738	4,037,297	3,905,777	1,689,532
<u>4,447,162</u>	<u>2,390,422</u>	<u>3,125,916</u>	<u>1,851,878</u>	<u>420,002</u>	<u>1,585,761</u>
<u>\$ 10,200,123</u>	<u>\$ 9,009,898</u>	<u>\$ 8,445,654</u>	<u>\$ 5,889,175</u>	<u>\$ 4,325,779</u>	<u>\$ 3,275,293</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
20,186,286	12,800,490	11,665,682	9,908,916	15,150,607	46,697,117
4,260,742	3,790,669	3,209,491	2,648,206	3,091,503	866,622
<u>53,492,285</u>	<u>448,780</u>	<u>1,238,254</u>	<u>2,700,849</u>	<u>1,134,334</u>	<u>7,783,869</u>
<u>77,939,313</u>	<u>17,039,939</u>	<u>16,113,427</u>	<u>15,257,971</u>	<u>19,376,444</u>	<u>55,347,608</u>
<u>\$ 88,139,436</u>	<u>\$ 26,049,837</u>	<u>\$ 24,559,081</u>	<u>\$ 21,147,146</u>	<u>\$ 23,702,223</u>	<u>\$ 58,622,901</u>

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

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

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b>Revenues</b>				
From local sources:				
Property taxes	\$ 41,258,734	\$ 41,103,153	\$ 41,292,565	\$ 41,374,565
Income taxes	13,600,552	12,328,783	12,707,691	12,722,150
Payment in lieu of taxes	231,511	93,764	-	-
Tuition	393,460	431,780	462,861	502,651
Earnings on investments	195,227	379,180	1,549,097	4,248,136
Charges for services	2,699,934	2,625,572	2,568,292	2,458,391
Extracurricular	1,084,725	1,015,191	987,737	990,206
Classroom materials and fees	436,836	498,254	479,304	471,680
Rental income	207,801	212,066	392,681	28,800
Contributions and donations	44,207	115,477	109,700	-
Services provided to other entities	-	-	51,244	-
Other local revenues	211,260	315,056	228,291	682,034
Intergovernmental - state	69,553,463	59,931,199	51,990,846	47,605,837
Intergovernmental - federal	8,288,504	7,685,262	3,236,286	3,088,903
Total revenues	<u>138,206,214</u>	<u>126,734,737</u>	<u>116,056,595</u>	<u>114,173,353</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	46,784,345	46,539,027	45,788,488	44,385,494
Special	8,878,709	8,774,522	7,672,561	7,085,188
Vocational	1,061,573	1,080,428	1,099,164	1,107,582
Adult/Continuing	-	-	-	-
Other	2,966,744	3,049,232	2,817,581	2,404,790
Current:				
Pupil	5,217,514	4,976,200	4,467,457	4,323,183
Instructional staff	7,130,627	7,416,364	6,481,033	5,602,688
Board of education	711,357	569,839	522,685	517,491
Administration	8,240,838	8,668,252	7,899,344	7,548,391
Fiscal	1,865,065	1,736,225	1,721,471	1,798,451
Business	502,468	572,732	618,494	85,315
Operations and maintenance	9,648,741	9,340,562	8,764,331	8,316,116
Pupil transportation	5,445,342	6,247,484	4,979,336	5,516,101
Central	175,442	165,243	171,022	162,150
Operation of non-instructional services:				
Food service operations	4,180,731	3,989,268	3,621,376	3,256,499
Community	-	-	-	-
Other non-instructional services	54,984	73,232	72,379	65,316
Extracurricular activities	2,585,584	2,975,439	2,631,807	2,612,138
Facilities acquisitions and construction	18,928,748	6,838,942	34,760,364	16,959,574
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	9,030,543	8,532,187	7,962,219	7,445,000
Interest and fiscal charges	5,438,927	5,742,451	5,928,532	6,077,208
Bond issuance costs	-	-	-	-
Total expenditures	<u>138,848,282</u>	<u>127,287,629</u>	<u>147,979,644</u>	<u>125,268,675</u>
Excess (deficiency) of revenues over (under) expenditures	(642,068)	(552,892)	(31,923,049)	(11,095,322)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$	36,574,014	\$ 32,106,102	\$ 33,010,092	\$ 29,823,568	\$ 22,493,344	\$ 22,632,467
	12,303,735	10,830,531	10,232,657	9,406,873	8,989,604	8,842,123
	-	-	-	-	-	-
	364,682	385,844	286,220	280,210	281,903	275,790
	2,774,353	1,277,723	714,940	263,681	851,930	2,665,255
	2,321,306	2,259,423	2,173,639	1,744,919	1,509,232	-
	924,704	870,861	805,804	738,964	403,769	343,384
	471,038	423,830	467,455	434,711	-	-
	140,458	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	442,059	576,289	408,438	753,963	661,944	458,118
	45,708,793	43,900,733	41,317,653	37,972,112	32,868,901	30,047,759
	2,541,278	2,389,178	2,358,521	1,875,694	1,121,509	658,622
	<u>104,566,420</u>	<u>95,020,514</u>	<u>91,775,419</u>	<u>83,294,695</u>	<u>69,182,136</u>	<u>65,923,518</u>
	42,491,231	39,459,304	36,981,507	33,883,467	29,885,280	27,825,148
	6,630,911	5,836,223	5,225,258	4,771,884	4,402,242	3,896,805
	1,051,999	1,036,313	868,236	742,302	911,222	685,353
	-	-	10,895	-	-	-
	2,216,745	1,796,253	1,581,660	1,122,608	751,589	462,497
	4,100,926	3,946,185	3,802,951	3,315,532	3,006,873	2,671,523
	5,477,664	4,687,075	4,156,800	3,471,141	2,987,758	2,674,469
	449,888	496,375	398,672	478,384	323,829	302,597
	7,319,310	6,900,352	6,238,029	5,942,396	5,441,042	5,272,419
	1,570,047	1,495,489	1,380,806	1,301,959	1,214,685	1,057,341
	186,834	173,830	190,505	164,063	165,776	158,585
	7,470,768	7,729,018	7,369,327	6,391,724	4,970,984	5,550,975
	5,346,721	4,596,388	4,335,936	3,953,340	3,966,632	3,671,591
	83,733	74,200	87,250	81,416	143,673	200,914
	2,755,163	2,973,652	2,618,111	2,481,291	1,796,314	-
	-	-	-	-	-	36,495
	124,132	86,613	84,897	43,482	37,921	-
	2,347,040	2,440,691	2,417,915	2,094,169	1,736,961	1,462,045
	4,931,875	2,237,784	2,180,142	8,024,168	35,269,073	30,524,600
	-	-	-	-	155,787	-
	5,655,780	4,015,000	3,286,383	2,610,594	2,508,810	2,563,857
	4,427,777	3,561,879	4,760,403	4,996,240	5,268,402	5,772,127
	460,097	524,754	-	207,633	50,378	-
	<u>105,098,641</u>	<u>94,067,378</u>	<u>87,975,683</u>	<u>86,077,793</u>	<u>104,995,231</u>	<u>94,789,341</u>
	(532,221)	953,136	3,799,736	(2,783,098)	(35,813,095)	(28,865,823)

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

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

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	\$ -	\$ 2,000,000	\$ -	\$ -
Transfers (out)	-	(2,000,000)	-	-
Accrued interest on refunding bonds	-	-	-	-
Premium on refunding bonds	-	-	-	-
Sale of capital assets	-	-	162	-
Issuance of refunding bonds	-	-	-	-
Retirement of refunding bonds	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-
Capital lease transaction	-	-	-	-
Lease purchase transaction	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>162</u>	<u>-</u>
<b>Special Item</b>				
Refund from OME-RESA				
Total special item	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ (642,068)</u>	<u>\$ (552,892)</u>	<u>\$ (31,922,887)</u>	<u>\$ (11,095,322)</u>
Capital expenditures	\$ 17,295,601	\$ 3,787,618	\$ 34,603,839	\$ 16,471,688
Debt service as a percentage of noncapital expenditures	11.90%	11.56%	12.25%	12.43%

**Source:** School District financial records.

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
\$ -	\$ 665,886	\$ 333,000	\$ 2,627,993	\$ 3,936,317	\$ 2,816,302
-	(665,886)	(333,000)	(2,627,993)	(3,936,317)	(2,856,857)
-	-	-	30,368	1,998	57,525
1,211,944	3,459,639	-	635,281	87,978	-
-	-	-	-	401	248
59,900,000	67,779,907	-	13,914,992	1,880,000	77,500,000
-	-	-	-	(1,880,000)	-
-	(70,714,793)	-	(14,342,639)	-	-
-	-	-	-	155,787	-
1,432,601	-	-	-	-	-
<u>62,544,545</u>	<u>524,753</u>	<u>-</u>	<u>238,002</u>	<u>246,164</u>	<u>77,517,218</u>
<u>78,432</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 62,090,756</u>	<u>\$ 1,477,889</u>	<u>\$ 3,799,736</u>	<u>\$ (2,545,096)</u>	<u>\$ (35,566,931)</u>	<u>\$ 48,651,395</u>
\$ 4,579,641	\$ 962,556	\$ 801,243	\$ 8,223,678	\$ 35,093,892	\$ 38,681,228
10.49%	8.70%	9.23%	10.04%	11.20%	14.86%

**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
2010	\$ 1,101,144,820	\$ 3,146,128,057	\$ 415,910	\$ 1,663,640	\$ 14,451,250	\$ 57,805,000
2009	1,142,219,960	3,263,485,600	819,627	3,278,508	13,415,950	38,331,286
2008	1,122,774,350	3,207,926,714	5,172,720	20,690,880	12,697,600	36,278,857
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

**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 25% for 2010 and 25% for 2009 and prior.

		<b>Total</b>		
<b>Total Direct Tax Rate</b>	<b>Assessed Value</b>	<b>Estimated Actual Value</b>	<b>%</b>	
\$ 80.70	\$ 1,116,011,980	\$ 3,205,596,697	34.81%	
80.10	1,156,455,537	3,305,095,394	34.99%	
79.70	1,140,644,670	3,264,896,451	34.94%	
80.20	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%	

**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				
2010/2011	18.07	8.55	7.80	0.70	2.90	62.20	13.50	0.50	0.00	4.50	80.70		
2009/2010	18.02	8.55	7.80	0.70	2.90	62.20	12.90	0.50	-	4.50	80.10		
2008/2009	18.02	7.55	7.80	0.70	2.90	62.20	12.50	0.50	-	4.50	79.70		
2007/2008	18.49	7.55	7.80	0.70	2.90	62.20	13.00	0.50	-	4.50	80.20		
2006/2007	17.79	7.55	7.80	0.70	2.90	62.20	13.40	0.50	-	4.50	80.60		
2005/2006	18.44	7.55	7.80	0.70	2.90	62.20	9.70	0.50	-	4.50	76.90		
2004/2005	18.44	7.55	7.80	0.70	2.90	62.20	10.10	0.50	-	4.50	77.30		
2003/2004	18.44	7.55	7.80	0.70	2.90	62.20	10.50	0.50	-	4.50	77.70		
2002/2003	17.64	7.05	7.80	0.70	2.90	54.30	10.50	0.50	-	4.50	69.80		
2001/2002	17.64	7.05	7.80	0.70	2.90	54.30	10.50	0.50	-	4.50	69.80		

Source: Fairfield County and Franklin County Auditor's Offices



<b>Madison Township</b>	<b>Madison Township - City of Pickerington</b>	<b>Violet Township</b>	<b>Violet City of Pickerington/ Reynoldsburg</b>	<b>Liberty Township</b>	<b>School District Public Library</b>	<b>Eastland Joint Vocational School</b>	<b>Tax Year/ Collection Year</b>
21.80	21.20	14.05	12.35	11.57	0.87	2.00	2010/2011
21.80	21.20	14.05	12.35	11.57	0.90	2.00	2009/2010
21.80	21.20	14.05	12.35	11.57	0.15	2.00	2008/2009
21.80	21.20	13.85	12.15	11.57	0.15	2.00	2007/2008
21.80	21.20	12.85	12.15	11.57	0.15	2.00	2006/2007
21.80	21.20	13.83	12.15	11.57	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

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

PRINCIPAL PROPERTY TAX PAYERS  
DECEMBER 31, 2010 AND DECEMBER 31, 2003

<b>December 31, 2010</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total City Taxable Assessed Value</b>
Anyi Apartments LLC	\$ 8,120,010	1	0.73%
Target Corporation	6,779,780	2	0.61%
Pickerington Apartments LLC	6,232,070	3	0.56%
South Central Power Company	5,847,390	4	0.52%
Regency Centers LP	5,583,700	5	0.50%
Lakes Edge	5,057,920	6	0.45%
Creekside I Acquisition LLC	5,041,730	7	0.45%
B & G Realty Inc	4,517,800	8	0.40%
OH Retail II LL LLC	4,295,640	9	0.38%
Pickerington Square LP	4,102,440	10	0.37%
<b>Total</b>	<b>\$ 55,578,480</b>		<b>\$ 1,116,011,980</b>

<b>December 31, 2003</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total City Taxable Assessed Value</b>
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%
<b>Total</b>	<b>\$ 40,903,820</b>		<b>830,797,067</b>

**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

<b>Tax Year/ Collection Year</b>	<b>Current Levy</b>	<b>Current Collection</b>	<b>Percent of Current Levy Collected</b>	<b>Delinquent Collection (1)</b>	<b>Total Collection</b>	<b>Total Collection As a Percent of Total Levy (1)</b>
2010/2011	\$ 47,007,065	\$ 45,820,100	97.47%	\$ 1,690,921	\$ 47,511,021	101.07%
2009/2010	45,892,289	44,294,246	96.52%	1,265,356	45,559,602	99.28%
2008/2009	45,497,947	43,960,111	96.62%	1,404,352	45,364,463	99.71%
2007/2008	42,910,126	41,355,774	96.38%	1,140,168	42,495,942	99.03%
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%

**Source:** Fairfield County Auditor's Office

(1) Delinquent Tax Collections are only available by collection year; therefore the percentage of total tax collections to the current levy may exceed 100 percent in some years. The District will continue to work with the County to get this information in the future.

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

**RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Governmental Activities</b>		<b>(a) Total Primary Government</b>	<b>(b) Per Capita</b>	<b>(b) Per ADM</b>	<b>(b) Total Debt as a Percentage of Personal Income</b>
	<b>General Obligation Bonds</b>	<b>Capital Leases</b>				
2011	\$ 156,354,662	\$ 1,096,872	\$ 157,451,534	\$ 10,512	\$ 14,843	34.34%
2010	161,845,660	1,172,415	163,018,075	11,069	15,449	42.84%
2009	167,360,747	1,309,602	168,670,349	11,536	16,217	44.65%
2008	172,276,266	1,371,821	173,648,087	11,996	17,018	46.42%
2007	176,913,710	1,371,821	178,285,531	12,538	17,800	48.52%
2006	120,033,604	-	120,033,604	8,844	12,345	34.23%
2005	122,049,697	-	122,049,697	9,343	13,219	36.16%
2004	123,571,606	66,383	123,637,989	10,168	13,945	39.35%
2003	124,622,356	116,977	124,739,333	11,079	14,873	42.88%
2002	125,757,015	-	125,757,015	12,032	15,848	46.56%

**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**

<b>Fiscal Year</b>	<b>General Bonded Debt Outstanding</b>		<b>Percentage of Actual Taxable Value of Property</b>	<b>Per Capita</b>
	<b>General Obligation Bonds</b>	<b>Total</b>		
2011	\$ 156,354,662	\$ 156,354,662	4.88%	\$ 10,439
2010	161,845,660	161,845,660	4.90%	10,989
2009	167,360,747	167,360,747	5.13%	11,447
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

**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, 2011

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Pickerington Local School District	\$ 156,354,662	100.00%	\$ 156,354,662
	<u>156,354,662</u>		<u>156,354,662</u>
Overlapping debt:			
Fairfield County	8,165,000	33.42%	2,728,743
Franklin County	252,220,000	0.06%	151,332
City of Canal Winchester	2,429,882	0.04%	972
City of Columbus	356,894,537	0.92%	3,283,430
City of Pickerington	3,535,000	99.87%	3,530,405
City of Reynoldsburg	1,826,000	3.53%	64,458
Madison Township	652,631	0.43%	2,806
Violet Township	2,645,000	94.91%	2,510,370
Solid Waste Authority of Central Ohio-Miscellaneous	27,601,500	0.59%	162,849
Eastland-Fairfield Career & Technical JVS District	300,000	14.63%	43,890
	<u>656,269,550</u>		<u>12,479,255</u>
Total direct and overlapping debt	<u>\$ 968,978,874</u>		<u>\$ 168,833,917</u>

**Source:** Ohio Municipal Advisory Council

**Note:** Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the District by the total assessed valuation of the subdivision. The valuations used were for the 2010 collection year.

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

LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS

<b>Fiscal Year</b>	<b>Voted Debt Limit</b>	<b>Total Debt Applicable to Limit</b>	<b>Debt Service Available Balance</b>	<b>Net Debt Applicable to Limit</b>	<b>Voted Legal Debt Margin (a)</b>	<b>Total Net Debt Applicable to Limit as a Percentage of Debt Limit</b>
2011	\$ 100,403,646	\$ 139,015,433	\$ 16,812,713	\$ 122,202,720	\$ (21,799,074)	121.71%
2010	104,007,232	144,911,786	16,532,873	128,378,913	(24,371,681)	123.43%
2009	102,653,563	151,585,255	16,163,075	135,422,180	(32,768,617)	131.92%
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%

**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>Total Personal Income</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>
2011	14,978	\$ 30,612	\$ 458,506,536	32.9	10,608	7.5%	9.0%	9.0%
2010	14,728	25,839	380,556,792	32.7	10,552	9.5%	10.4%	9.6%
2009	14,621	25,839	377,792,019	32.7	10,401	9.1%	11.1%	9.5%
2008	14,476	25,839	374,045,364	32.7	10,204	5.0%	6.7%	5.7%
2007	14,220	25,839	367,430,580	32.7	10,016	4.8%	5.5%	4.7%
2006	13,573	25,839	350,712,747	32.7	9,723	5.2%	5.9%	5.1%
2005	13,063	25,839	337,534,857	32.7	9,233	5.4%	6.2%	5.5%
2004	12,159	25,839	314,176,401	32.7	8,866	5.3%	5.7%	5.1%
2003	11,259	25,839	290,921,301	32.7	8,387	5.1%	5.5%	5.7%
2002	10,452	25,839	270,069,228	32.7	7,935	3.5%	5.3%	6.0%

(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 SIX YEARS AGO**

<b>Employer</b>	<b>December 31, 2010</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>
Pickerington Local School District	1,222	1	14.41%
Cracker Barrel Restaurant	278	2	3.28%
Kohl's Department Stores	274	3	3.23%
Tamarkin Company, Inc.	248	4	2.92%
Kroger Company, Inc.	246	5	2.90%
Kindred Nursing Center	171	6	2.02%
McDonald's	118	7	1.39%
Wendy's	118	8	1.39%
Steak N' Shake	108	9	1.27%
City of Pickerington	100	10	1.18%
<b>Total</b>	<b>2,883</b>		<b>33.99%</b>
<b>Total Employment within the City</b>	<b>8,483</b>		
<b>Employer</b>	<b>December 31, 2004 (1)</b>		
	<b>Employees</b>	<b>Rank</b>	
Pickerington Local School District	1,005	1	
Kroger Company	320	2	
Cracker Barrel Restaurant	259	3	
Kindred Nursing Care	146	4	
R.G. Barry Corporation	106	5	
American Motorcycle Association	105	6	
City of Pickerington	95	7	
Mount Carmel Health Care Providers	59	8	
Pediatric Associates	57	9	
Huntington National Bank	54	10	
<b>Total</b>	<b>2,206</b>		
<b>Total Employment within the City</b>	<b>n/a</b>		

**Source:** City of Pickerington CAFR

(1) Calendar Year 2004 was the first year information was available.

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

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

<u>Type</u>	<u>2011</u>	<u>2010 (3)</u>	<u>2009 (1)</u>	<u>2008</u>	<u>2007 (1)</u>	<u>2006 (1)</u>	<u>2005 (1)</u>	<u>2004 (2)</u>
Office - administrative	43.00	41.60	43.50	41.00	39.50	39.00	37.50	34.50
Professional - educational	654.00	680.24	676.29	687.10	640.40	591.40	558.80	515.55
Professional - other	30.30	27.78	25.60	24.40	25.40	22.10	22.10	16.40
Technical	18.50	16.50	13.50	12.50	12.50	12.50	13.00	12.41
Office - clerical	126.30	149.35	141.54	138.50	125.60	122.70	109.90	82.21
Craft & trade	13.00	12.00	11.00	9.00	9.00	9.00	7.00	7.00
Service worker/laborer	136.70	113.70	106.15	106.25	100.60	97.80	95.10	91.78
<b>Total</b>	<b>1,021.80</b>	<b>1,041.17</b>	<b>1,017.58</b>	<b>1,018.75</b>	<b>953.00</b>	<b>894.50</b>	<b>843.40</b>	<b>759.85</b>

<u>Function</u>	<u>2011</u>	<u>2010</u>	<u>2009 (1)</u>	<u>2008</u>	<u>2007 (1)</u>	<u>2006 (1)</u>	<u>2005 (1)</u>	<u>2004 (2)</u>
Instruction:								
Regular	520.50	526.07	542.12	552.45	523.10	481.70	476.10	428.25
Special	97.20	91.60	89.55	85.35	72.50	66.00	47.90	38.00
Vocational	11.00	12.00	12.00	11.80	11.50	12.10	9.70	10.00
Support Services:								
Pupil	183.20	181.83	174.26	173.40	169.00	163.40	144.80	52.90
Instructional staff	26.50	40.37	19.50	20.50	19.30	18.50	18.80	73.12
Administration	43.60	47.60	48.00	45.00	33.00	32.00	30.00	61.30
Fiscal	8.00	9.00	8.00	9.00	9.00	9.00	9.00	9.00
Business	2.00	2.00	2.00	1.00	2.00	2.00	2.00	2.00
Operations and maintenance	87.40	87.75	82.00	79.75	74.00	75.50	70.50	55.00
Food service operations	42.40	42.95	40.15	40.50	39.60	34.30	34.60	30.28
<b>Total Governmental Activities</b>	<b>1,021.80</b>	<b>1,041.17</b>	<b>1,017.58</b>	<b>1,018.75</b>	<b>953.00</b>	<b>894.50</b>	<b>843.40</b>	<b>759.85</b>

**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.
- (3): Modifications to the state's EMIS system has resulted in improved employee reporting.

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

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

<b>Function</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
Instruction:										
Regular and Special Enrollment (students) *	10,608	10,552	10,401	10,204	10,016	9,723	9,233	8,866	8,387	7,935
Graduates	n/a	n/a	n/a	669	659	663	606	554	497	494
Support services:										
Board of education										
Regular meetings per year	19	22	16	18	18	18	15	17	15	17
Special meetings per year	14	1	6	5	13	12	13	12	11	11
Administration										
Nonpayroll checks issued	5,690	6,203	6,337	6,222	6,984	6,702	7,680	7,638	6,906	n/a
Pupil transportation										
Avg. students transported daily	5,841	5,783	5,974	6,327	6,538	5,973	5,457	5,413	5,589	5,145
Food service operations										
Meals served to students	1,157,080	1,214,930	1,089,654	1,032,376	1,013,039	992,018	928,798	928,457	805,711	753,964

\*: 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.

**Source:** District records

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

**CAPITAL ASSET STATISTICS  
LAST NINE FISCAL YEARS**

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Land	\$ 9,300,237	\$ 9,300,237	\$ 7,754,673	\$ 7,645,730	\$ 7,645,730
Land improvements	11,612,655	12,468,688	8,137,713	7,921,473	8,498,320
Buildings and improvements	120,185,213	125,387,591	87,381,727	91,302,686	95,223,643
Furniture and equipment	1,695,973	1,928,096	1,289,372	1,469,165	1,585,862
Vehicles	774,935	877,912	574,298	583,289	686,636
Construction in progress	19,821,028	2,692,206	50,924,298	17,435,869	1,158,379
Total Governmental Activities					
Capital Assets, net	<u>\$ 163,390,041</u>	<u>\$ 152,654,730</u>	<u>\$ 156,062,081</u>	<u>\$ 126,358,212</u>	<u>\$ 114,798,570</u>

**Source:** School District financial records.

**Note:** Amounts above are presented net of accumulated depreciation. The District implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$ 6,090,899	\$ 6,090,899	\$ 6,090,899	\$ 6,090,899
9,072,627	8,636,895	9,141,608	1,963,748
97,451,837	101,362,695	105,241,129	46,040,541
1,791,751	1,967,504	2,184,931	414,056
614,412	513,598	149,174	10,604
-	278,952	-	64,311,992
<u>\$ 115,021,526</u>	<u>\$ 118,850,543</u>	<u>\$ 122,807,741</u>	<u>\$ 118,831,840</u>

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

**SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS**

	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
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	423	420	778	785	736	869
Fairfield Elementary (1980)						
Square feet	48,435	48,435	48,435	48,435	48,435	48,435
Capacity (students)	387	387	387	387	787	787
Enrollment	507	535	783	769	767	696
Pickerington Elementary (1977)						
Square feet	46,516	46,516	46,516	46,516	46,516	46,516
Capacity (students)	572	572	372	372	372	372
Enrollment	551	545	745	740	729	773
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	634	670	808	790	811	844
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	368	395	662	675	700	721
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	546	572	837	751	725	684
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	592	604	846	807	850	646
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	870	808	772	819	823	719
Lakeview Junior High School (2003)						
Square feet	142,082	142,082	142,082	142,082	142,082	142,082
Capacity (students)	1,008	1,008	1,008	1,008	1,008	1,008
Enrollment	908	841	865	875	860	879
Pickerington Central High School (1991)						
Square feet	245,652	245,652	245,652	245,652	245,652	245,652
Capacity (students)	1,471	1,471	1,471	1,471	1,471	1,471
Enrollment	1,647	1,619	1,566	1,458	1,349	1,216
Pickerington North High School (2003)						
Square feet	323,473	323,473	323,473	323,473	323,473	323,473
Capacity (students)	1,937	1,937	1,937	1,937	1,937	1,937
Enrollment	1,838	1,830	1,739	1,735	1,666	1,676
Sycamore Creek Elementary (2009)						
Square feet	86,695	86,695	n/a	n/a	n/a	n/a
Capacity (students)	750	750	n/a	n/a	n/a	n/a
Enrollment	704	653	n/a	n/a	n/a	n/a
Toll Gate Elementary (2009)						
Square feet	86,695	86,695	n/a	n/a	n/a	n/a
Capacity (students)	774	774	n/a	n/a	n/a	n/a
Enrollment	559	565	n/a	n/a	n/a	n/a
Toll Gate Middle School (2009)						
Square feet	101,867	101,867	n/a	n/a	n/a	n/a
Capacity (students)	800	800	n/a	n/a	n/a	n/a
Enrollment	461	495	n/a	n/a	n/a	n/a
Total enrollment by year	10,608	10,552	10,401	10,204	10,016	9,723

**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.

2005	2004	2003	2002
92,544	92,544	92,544	92,544
771	771	771	771
655	576	471	444
48,435	48,435	48,435	48,435
787	787	787	787
659	643	665	647
46,516	46,516	46,516	46,516
372	372	372	372
860	739	656	585
75,501	75,501	75,501	75,501
653	653	653	653
789	820	814	788
46,516	46,516	46,516	46,516
372	372	372	372
747	732	736	709
94,951	94,951	94,951	94,951
693	693	693	693
681	689	697	617
89,211	89,211	89,211	89,211
656	656	656	656
632	679	641	641
115,851	115,851	115,851	115,851
821	821	821	821
637	599	1,321	1,253
142,082	142,082	n/a	n/a
1,008	1,008	n/a	n/a
809	801	n/a	n/a
245,652	245,652	245,652	245,652
1,471	1,471	1,471	1,471
1,088	1,170	2,386	2,251
323,473	323,473	n/a	n/a
1,937	1,937	n/a	n/a
1,676	1,418	n/a	n/a
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a
9,233	8,866	8,387	7,935

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

EDUCATIONAL INDICATORS  
LAST TEN FISCAL YEARS

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>3rd Grade Achievement</b>										
(Initiated March, 2005)										
Reading	87.4%	89.1%	89.7%	89.9%	90.6%	90.6%	90.9%	92.8%	n/a	n/a
Mathematics	87.6%	80.3%	87.2%	87.8%	87.0%	83.8%	80.8%	n/a	n/a	n/a
<b>4th Grade Proficiency/Achievement</b>										
(Initiated March, 1995)										
Reading	90.7%	90.4%	90.8%	93.2%	89.0%	89.5%	89.7%	87.5%	82.7%	83.2%
Writing	n/a	n/a	93.6%	93.2%	90.5%	93.1%	90.3%	91.0%	88.3%	90.8%
Mathematics	86.6%	82.2%	85.5%	83.1%	84.7%	89.7%	82.0%	82.9%	77.6%	83.9%
Science	n/a	n/a	n/a	n/a	n/a	n/a	77.7%	79.7%	73.0%	79.0%
Citizenship	n/a	n/a	n/a	n/a	n/a	n/a	83.2%	79.3%	79.9%	85.7%
<b>5th Grade Achievement</b>										
(Initiated March, 2005)										
Reading	88.8%	81.7%	83.3%	85.1%	89.5%	87.0%	89.6%	n/a	n/a	n/a
Mathematics	79.1%	81.2%	77.2%	75.1%	71.1%	72.3%	n/a	n/a	n/a	n/a
Science	84.9%	84.9%	85.9%	82.2%	82.0%	n/a	n/a	n/a	n/a	n/a
Citizenship	n/a	n/a	80.2%	83.5%	74.8%	n/a	n/a	n/a	n/a	n/a
<b>6th Grade Proficiency/Achievement</b>										
(Initiated March, 1996)										
Reading	94.6%	91.9%	91.7%	93.7%	89.4%	94.6%	84.2%	85.5%	86.4%	79.9%
Writing	n/a	n/a	n/a	n/a	n/a	n/a	93.6%	97.2%	95.2%	97.3%
Mathematics	88.7%	85.4%	85.2%	89.4%	82.0%	74.7%	80.7%	87.6%	80.8%	86.3%
Science	n/a	n/a	n/a	n/a	n/a	n/a	80.6%	83.1%	87.2%	83.1%
Citizenship	n/a	n/a	n/a	n/a	n/a	n/a	88.5%	88.5%	91.5%	93.8%
<b>7th Grade Achievement</b>										
(Initiated March, 2005)										
Reading	89.2%	90.6%	90.9%	88.8%	89.5%	91.2%	n/a	n/a	n/a	n/a
Mathematics	79.4%	75.7%	82.8%	76.3%	79.2%	74.8%	71.3%	n/a	n/a	n/a
Writing	n/a	n/a	96.8%	95.2%	93.0%	n/a	n/a	n/a	n/a	n/a
<b>8th Grade Achievement</b>										
(Initiated March, 2005)										
Reading	94.3%	90.8%	84.7%	82.8%	92.5%	88.7%	90.4%	n/a	n/a	n/a
Mathematics	83.2%	74.0%	78.6%	80.1%	86.2%	81.5%	74.0%	n/a	n/a	n/a
Science	78.1%	78.2%	77.7%	77.6%	81.7%	n/a	n/a	n/a	n/a	n/a
Citizenship	n/a	n/a	68.9%	70.4%	70.7%	n/a	n/a	n/a	n/a	n/a
<b>9th Grade Proficiency</b>										
(Passing on 1st Attempt)										
Writing	n/a	n/a	n/a	n/a	n/a	n/a	n/a	97.9%	96.4%	97.8%
Reading	n/a	n/a	n/a	n/a	n/a	n/a	n/a	97.3%	95.4%	97.3%
Mathematics	n/a	n/a	n/a	n/a	n/a	n/a	n/a	91.8%	89.9%	91.3%
Citizenship	n/a	n/a	n/a	n/a	n/a	n/a	n/a	95.9%	93.8%	96.6%
Science	n/a	n/a	n/a	n/a	n/a	n/a	n/a	95.6%	92.1%	96.2%
<b>10th Grade Ohio Graduation Test (OGT):</b>										
(Initiated March, 2005)										
Reading	93.6%	90.3%	92.4%	91.4%	94.1%	96.3%	97.2%	n/a	n/a	n/a
Writing	95.2%	91.0%	97.8%	91.5%	94.8%	96.0%	93.0%	n/a	n/a	n/a
Mathematics	91.0%	88.9%	91.8%	90.4%	93.0%	93.6%	92.7%	n/a	n/a	n/a
Science	85.4%	81.2%	89.2%	84.8%	84.3%	88.8%	87.8%	n/a	n/a	n/a
Social Studies	89.7%	88.4%	93.1%	88.1%	87.1%	91.6%	89.8%	n/a	n/a	n/a
<b>ODE Per Pupil Costs</b>										
Pickerington	\$ 9,865	\$ 9,876	\$ 9,623	\$ 9,299	\$ 8,917	\$ 8,834	\$ 8,346	\$ 7,998	\$ 7,426	\$ 7,430
State	\$ 10,571	\$ 10,512	\$ 10,184	\$ 9,939	\$ 9,586	\$ 9,356	\$ 9,048	\$ 8,758	\$ 8,438	\$ 8,073
<b>Pupil/Teacher Ratio</b>										
	n/a	n/a	n/a	19.10	20.50	20.20	21.00	21.40	18.00	18.10
<b>Student Attendance Rate</b>										
	95.5%	95.4%	95.5%	95.7%	96.4%	96.4%	96.6%	96.6%	96.2%	96.0%
<b>High School Graduation Rate</b>										
	n/a	96.6%	95.0%	97.7%	97.9%	98.1%	97.1%	95.8%	98.2%	95.9%
<b>Performance Standards</b>										
Pickerington	26	25	29	29	27	22	21	18	20	22
Number of Standards	26	26	30	30	30	25	23	18	22	22
Rating	Excellent with Distinction	Excellent	Excellent with Distinction	Excellent with Distinction	Continuous Improvement	Excellent	Effective	Excellent	Effective	Excellent
<b>Performance Index Score</b>										
	102.8	100.7	101.8	100.9	100.0	101.1	99.7	99.5	96.7	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

<b>Fiscal Year</b>	<b>General Government</b>	<b>Governmental Activities (2)</b>	<b>Enrollment (3)</b>	<b>Percent Change</b>	<b>Teaching Staff</b>
	<b>Expenditures (1)</b>	<b>Expenses (1)</b>			
2011	\$ 124,378,812	\$ 114,076,500	10,608	0.53%	688
2010	113,012,991	116,640,204	10,552	1.45%	707
2009	134,088,893	104,661,487	10,401	1.93%	710
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

**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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# Dave Yost • 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  
MARCH 08, 2012