

## LAKEWOOD HIGH SCHOOL MARCHING BAND

**POPULAR ANNUAL FINANCIAL REPORT**  
FOR THE YEAR ENDED JUNE 30, 2022

**LAKEWOOD LOCAL SCHOOLS**  
HEBRON, OHIO

# LAKEWOOD LOCAL SCHOOL DISTRICT

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November 28, 2022

## LAKEWOOD LOCAL SCHOOL DISTRICT COMMUNITY MEMBERS,

We are pleased to present the Lakewood Local School District's Popular Annual Financial Report (PAFR) for the fiscal year ended June 30, 2022. As steward of the community's investments in its schools, the District is committed to ensuring residents have easy access to and understanding of Lakewood Local's finances.

The PAFR summarizes the financial activities and operating results reported in the Lakewood Local School District's audited Annual Comprehensive Financial Report (ACFR). The PAFR is unaudited and presented on a non-GAAP (Generally Accepted Accounting Principle) basis. The PAFR does not include full disclosures or segregated funds. The General Fund is the largest fund from which most day-to-day programs and services are provided. Some readers may be interested in exploring the more comprehensive ACFR. For more detailed financial information, including a discussion of key changes in financial data from last fiscal year, our economic condition and outlook, initiatives and accomplishments, please refer to a copy of the Annual Comprehensive Financial Report, which is available under the Treasurer's webpage at [www.lakewoodlocal.k12.oh.us/TreasurerCFO](http://www.lakewoodlocal.k12.oh.us/TreasurerCFO).

The publication of this report is part of our commitment to transparency. We would like to thank our community for their encouragement in creating a report designed to more adequately address their needs as taxpayers, as well as for the opportunity to serve them. Questions, comments and feedback regarding this report are encouraged, so please do not hesitate to contact me by phone or email at (740) 928-1928 or at [gplaisted@lakewoodlocal.k12.oh.us](mailto:gplaisted@lakewoodlocal.k12.oh.us).

Respectfully Submitted,

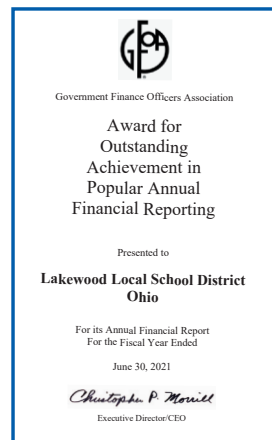


Glenna J. Plaisted  
Treasurer/CFO

## AWARD FOR OUTSTANDING ACHIEVEMENT POPULAR ANNUAL FINANCIAL REPORTING

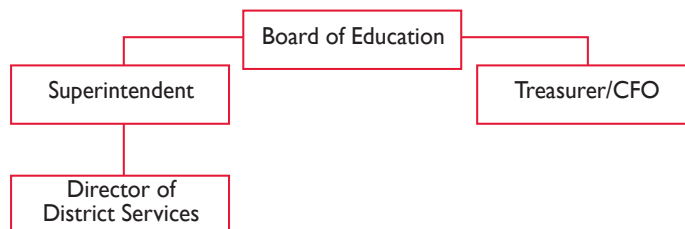
The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the Lakewood Local School District for its Popular Annual Financial Report for the fiscal year ended June 30, 2021. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal.



## ADMINISTRATIVE STRUCTURE

As of June 30, 2022



## TABLE OF CONTENTS

Financial Chart	Page
Income Statement	2
Outstanding Debt	2
Balance Sheet	3
Five-Year Forecast	3
Revenues and Resources	4
Expenditures & Services	5
Local Property Taxes	6
State Funding	6
Assessed Values and Tax Rates	7
Enrollment/Financial Outlook/Accomplishments/Initiatives	8
2021-2022 Report Card	9

## REVENUES AND RESOURCES OVER EXPENDITURES AND SERVICES (INCOME STATEMENT)

The income statement provides a summary of the district revenues and resources compared to the expenditures and services provided by the District. The amounts below reflect the General Fund.

Revenues & Resources (shown in thousands) #	FY22	FY21	FY20	FY19
Local Taxes	\$16,155	\$15,070	\$14,719	\$12,704
State and Federal Revenue	6,964	7,080	7,010	7,870
Investment Income	(114)	47	393	506
Tuition & Fees	796	1,507	1,423	1,012
Other Revenues	96	376	208	128
<b>Total Revenues &amp; Resources</b>	<b>\$23,897</b>	<b>\$24,080</b>	<b>\$23,753</b>	<b>\$22,220</b>

Expenditures & Services (shown in thousands) #	FY22	FY21	FY20	FY19
Instruction *	\$13,096	\$14,991	\$15,016	\$14,590
Pupil Support	1,515	1,203	1,355	1,572
Instructional Support**	935	933	801	718
Board/Administration/Fiscal	2,976	2,880	2,887	2,867
Business Support	37	14	16	26
Plant Operation	2,421	2,178	2,128	2,217
Transportation	2,083	1,918	1,882	1,797
Central Support	95	82	68	39
Extracurricular	389	381	376	360
Non-Instructional	42	42	10	3
Capital Outlay	43	394	82	52
Debt Service	21	38	31	31
<b>Total Expenditures &amp; Services</b>	<b>\$23,653</b>	<b>\$25,054</b>	<b>\$24,652</b>	<b>\$24,272</b>

<b>Revenues &amp; Resources over (under) Expenditures &amp; Services</b>	<b>\$244</b>	<b>(\$974)</b>	<b>(\$899)</b>	<b>(\$2,052)</b>
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# Please refer to the definitions on Page 4 and Page 5.

\* Includes expenditures for teachers, teaching supplies, teaching equipment, and regular, special and vocational instruction.

\*\* Includes expenditures that help teachers.

## OUTSTANDING DEBT AT YEAR END – ALL FUNDS

Tax Dollars are received for the payment of principal and interest on a voter approved bond issue related to the construction of a new high school and other building renovations. This is not part of the General Fund.

Tax Dollars are received for the payment of principal and interest on one energy conservation project. These payments are included in the General Fund and not the Debt Service Fund.

Tax dollars are also received for the payment of principal and interest on a stadium capital lease purchase agreement which was funded in February, 2017 for \$2,500,000. These payments are included in the General Fund and not the Debt Service Fund.

Outstanding Debt	FY22	FY21	FY20	FY19
Bond Payable (Maturity 12/1/2026)	\$4,380,083	\$5,181,100	\$5,962,117	\$6,728,134
Energy Conservation Note (Maturity 8/1/2022)	91,770	183,541	275,312	367,083
Stadium Lease Purchase Agreement (Maturity 12/1/2026)	1,330,000	1,575,000	1,815,000	2,045,000



## ASSETS OVER LIABILITIES AND DEFERRED INFLOWS (BALANCE SHEET)

The Financial Position Statement, known in accounting terms as the Balance Sheet, reports the assets the District has available to provide services along with the liabilities (amounts for which the District is obligated to pay in the future) and deferred inflows (primarily, assets that do not finance the current fiscal year). The District's net position (net worth) is found by subtracting the District's liabilities and deferred inflows from its assets. The amounts below are for the District's General Fund.

<b>Assets</b> (shown in thousands)	<b>FY22</b>	<b>FY21</b>	<b>FY20</b>	<b>FY19</b>
Cash and Investments**	\$14,073	\$13,822	\$14,837	\$16,349
Receivables	16,925	16,158	14,916	14,743
Other Assets	337	333	308	313
<b>Total Assets</b>	<b>\$31,335</b>	<b>\$30,313</b>	<b>\$30,061</b>	<b>\$31,405</b>

<b>Liabilities</b> (shown in thousands)	<b>FY22</b>	<b>FY21</b>	<b>FY20</b>	<b>FY19</b>
Amounts Owed to Employees and Vendors	\$2,341	\$2,304	\$2,539	\$2,354
Deferred Inflows of Resources	16,112	15,389	13,939	14,069
<b>Total Liabilities and Deferred Inflows</b>	<b>\$18,453</b>	<b>\$17,693</b>	<b>\$16,478</b>	<b>\$16,423</b>
<b>Assets over Liabilities and Deferred Inflows</b>	<b>\$12,882</b>	<b>\$12,620</b>	<b>\$13,583</b>	<b>\$14,982</b>

\*\* The District had operating deficits in fiscal years 2019 through 2021. This resulted in a declining cash balance year after year.

## FIVE - YEAR FORECAST (Cash Basis) November 2022

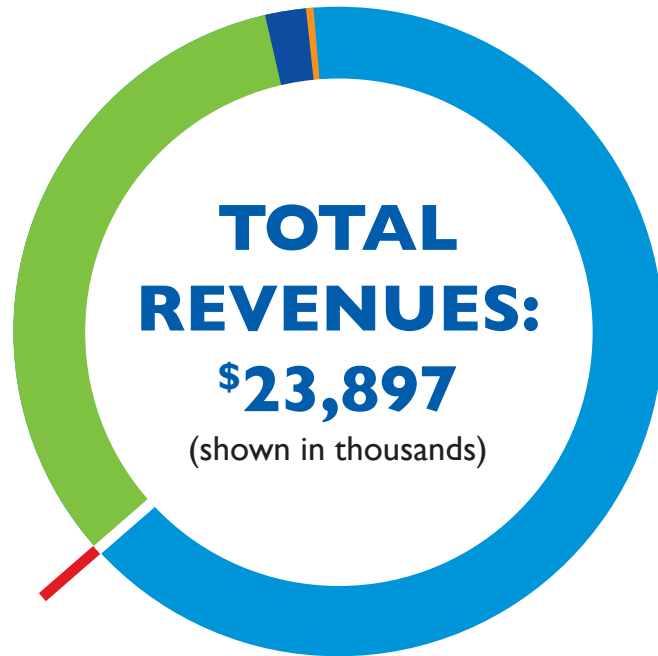
	<b>ACTUAL FY22</b>	<b>PROJECTED FY23</b>	<b>PROJECTED FY24</b>	<b>PROJECTED FY25</b>	<b>PROJECTED FY26</b>
Beginning Balance	\$13,962,951	\$14,386,297	\$13,406,174	\$11,799,905	\$9,189,484
+ Revenue	24,401,588	25,126,937	25,456,815	26,074,832	26,395,077
- Expenditures	(23,978,242)	(26,107,060)	(27,063,084)	(28,685,253)	(30,453,227)
Revenue (Deficit)	423,346	(980,123)	(1,606,269)	(2,610,421)	(4,058,150)
Ending Balance with levy renewal	\$14,386,297	\$13,406,174	\$11,799,905	\$9,189,484	\$5,131,334

This Forecast is the November 2022 forecast. The District successfully passed a renewal emergency levy in November 2022 that combined both current emergency levies into one levy for a ten year period. The District is forecasting operating deficits. The current five year forecast, presented on a cash basis, projects Lakewood Local School will maintain a positive cash balance through June 30, 2026.



## OUR REVENUES AND RESOURCES FY22: WHERE THE GENERAL FUND MONEY COMES FROM

67.6%	Local Taxes
29.1%	State & Federal Revenue
3.4%	Tuition & Fees
0.3%	Other Revenue
-0.4%	Investment Income



## OUR REVENUES AND RESOURCES:

### DEFINITIONS

**LOCAL TAXES** are received from both residential and commercial properties and include real and public utility property taxes.

**STATE AND FEDERAL REVENUES** include formula state aid, homestead/rollback reimbursement, tangible personal property reimbursement and monies received from both state and federal grants.

**TUITION AND FEES** are money received from patrons, other school districts, and other sources for education provided in the schools of the district.

**INVESTMENT EARNINGS** are interest earned and adjustment to fair market value on monies invested by the School District. In FY22, the District had a decline in investment earnings due to an adjustment to fair market value on investments.

**OTHER REVENUES** are money received which are not classified elsewhere.



## OUR EXPENDITURES AND SERVICES FY22: WHERE THE GENERAL FUND MONEY GOES



55.4%	Instruction
12.6%	Board/Fiscal Administration
10.2%	Plant Operation
8.8%	Transportation
6.4%	Pupil Support
3.9%	Instructional Support
1.6%	Extracurricular
0.4%	Central Support
0.2%	Capital Outlay
0.2%	Non-Instructional
0.2%	Business Support
0.1%	Debt Service

## OUR EXPENDITURES AND SERVICES:

### DEFINITIONS

**INSTRUCTION** is the largest expenditure category and relates to the direct instruction of our students. Students are directly impacted by expenditures from this category.

**PUPIL SUPPORT** expenditures include all guidance services, health/safety monitors, health aids, nurses, speech, hearing, occupational therapy, physical therapy and psychological services.

**INSTRUCTIONAL SUPPORT** expenditures include library services, technology integration, curriculum development, staff training and licensed professional development committee.

**BOARD/ADMINISTRATION/FISCAL** expenditures represent those of the administration and Board of Education's operation of the District. Also included in this category is school building secretarial support and financial services, such as payroll, accounts payable and receivable, auditing, budgeting and reporting and fringe benefits administration.

**BUSINESS SUPPORT** expenditures include business services such as copier expenditures and courier services.

**PLANT OPERATION** expenditures relate to the safe and efficient environment of the school including building maintenance, grounds and custodial services.

**TRANSPORTATION** expenditures relate to providing transportation (mostly by bus) to all students who live in the Lakewood Local School District, consistent with Board of Education policies and the laws of the State of Ohio. On average the bus fleet transports approximately 903 students to Lakewood Local Schools.

**CENTRAL SUPPORT** expenditures include technology maintenance and computer network maintenance contracts.

**EXTRACURRICULAR** expenditures account for the salaries, benefits, and supplies for club and athletic related activities.

**NON-INSTRUCTIONAL** expenditures account for non-instructional services provided to the food service operation.

**CAPITAL OUTLAY** expenditures account for building and other facility additions and improvements.

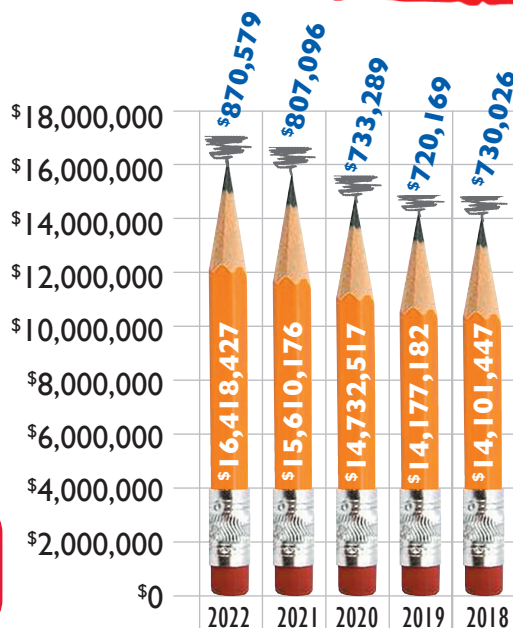
**DEBT SERVICE** expenditures relate to a HB264 energy conservation project principal and interest payments and the principal and interest payments on a stadium lease purchase agreement.



# SOURCES OF FUNDING: WHERE DOES THE MONEY COME FROM?

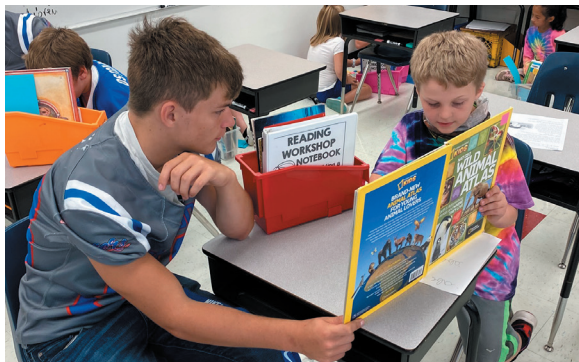
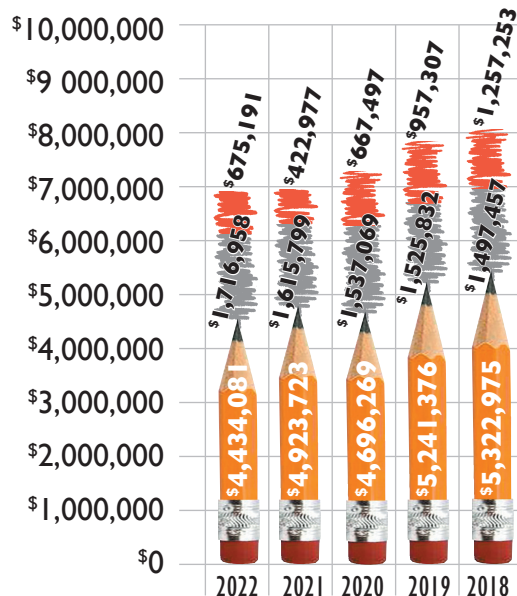
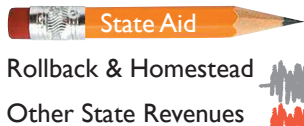
## LOCAL PROPERTY TAXES

To the right is a graph depicting the amount of cash collections received by the District's General Fund and Bond Retirement Fund from real and public utility property taxes. Lakewood Local School District is very fortunate and appreciative for all the support that it receives from the community. Property taxes provide the largest source of local revenue to operate and maintain our school and are received from both residential and commercial properties. The district has two emergency operating levies, a 10 year levy for \$3,528,880 and a 5 year levy for \$2,353,259. On the November 2022 ballot, the District successfully passed a renewal emergency levy that combined both current emergency levies into one levy for a ten year period.



## STATE FUNDING

The chart to the right depicts the actual cash receipts for the District's General Fund from the State of Ohio. The primary components of state revenues are unrestricted state aid, consisting of State Foundation and property tax allocations which include rollback and homestead payments. Rollback and homestead payments represent the portion of the local tax bills paid by the State instead of the local taxpayers. Other State revenue includes tangible personal property tax loss reimbursement, career tech weighted aid funding, economic disadvantaged funding, casino revenues, special education catastrophic cost reimbursement, gifted education funding, English learner funding, and student wellness and success funding.



## ASSESSED VALUES OF REAL AND PUBLIC UTILITY PROPERTY

Collection Year	Residential/ Agricultural	Commercial/ Industrial	Public Utility	Total
2022	\$ 406,477,300	\$ 123,354,114	\$ 41,757,320	\$ 571,588,734
2021	399,640,900	121,351,394	38,771,990	559,764,284
2020	329,034,400	113,244,389	36,716,240	478,995,029
2019	322,978,000	112,437,202	31,890,550	467,305,752
2018	320,881,210	110,396,132	30,572,020	461,849,362
2017	294,980,100	103,718,688	29,234,730	427,933,518
2016	292,955,630	102,715,220	27,025,450	422,696,300

## UNBUNDLING THE TAX RATE

Type	Gross Rate**	Effective Rate**	Year Approved	Length Approved
Inside-Operating*	4.60	4.60	N/A	Permanent
Voted-Operating*	34.20	15.41	Various	Permanent
Emergency	4.20	4.20	2017	5 Year
Emergency	6.30	6.30	2019	10 Year
Bond Retirement	1.70	1.70	1998	28 Year
<b>Total Rates</b>	<b>51.00</b>	<b>32.21</b>	<b>—</b>	<b>—</b>

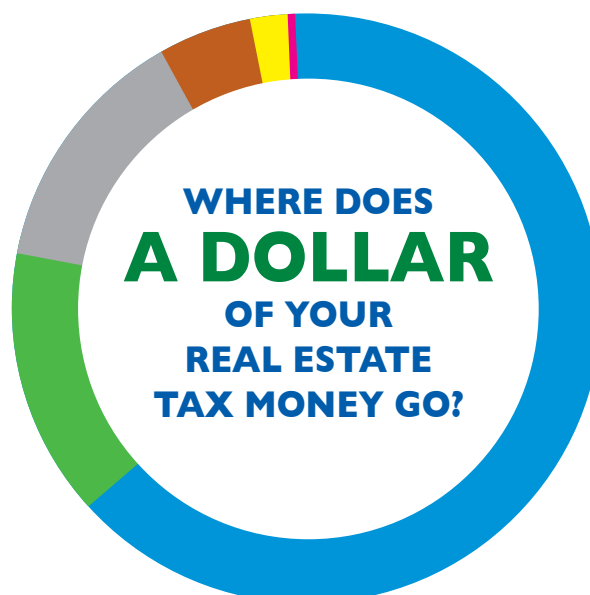
\* Rates are for the 2021 tax year collected in calendar year 2022.

\*\* The difference between the gross and effective rate is due to tax reduction factors that generally prevent changes in voted taxes when valuation of existing real property is increased or decreased.

## WHERE DOES YOUR REAL ESTATE TAX MONEY GO?

Shown to the right are the 2022 collection year amounts that would be charged to the owner of a \$100,000 home in the largest tax district of the District. The graph represents the percentage of each dollar going to each entity. The total of \$1,575.66 is the annual amount the owner of a \$100,000 home would pay in taxes.

Annual Cost	
School	\$1,007.15
County	243.95
Township	216.91
C-TEC	78.16
Library	23.65
Park District	5.84
<b>Total</b>	<b>\$1,575.66</b>



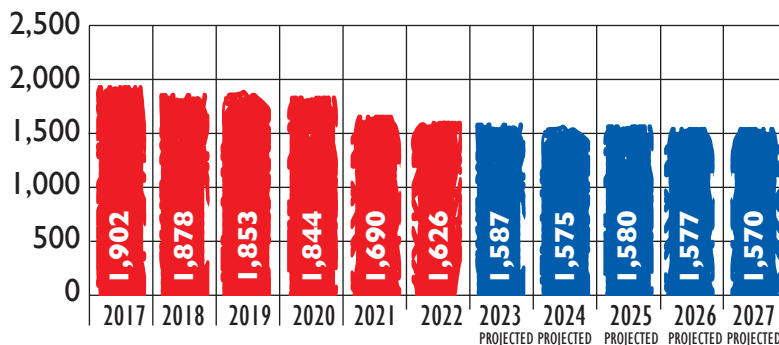
63.9%	School
15.5%	County
13.7%	Township
5.0%	C-TEC
1.5%	Library
0.4%	Park District



## ENROLLMENT HISTORICAL AND PROJECTED ENROLLMENT

The District educated enrollment during the 2021-2022 school year was 1,626 in grades K-12. The District also operates a preschool which served 56 students and is not included in the above number.

Enrollment is being projected to remain stable in this graph.



Starting in 2022, enrollment is shown using District educated enrollment numbers.

## ECONOMIC CONDITION AND OUTLOOK

The Lakewood Local School District remains in a relatively healthy financial condition. The District relies heavily on property tax revenues to maintain its educational programs. The District has two temporary emergency operating levies. The District's five year levy was renewed in November 2017 and the District's ten year levy was renewed in November 2019.

On the November 2022 ballot, the District successfully passed a renewal emergency levy that combined both current emergency levies into one levy for a ten year period. With the passage of this renewal, the two current emergency

levies will not be collected after 2022 and the new combined emergency levy will start collections in 2023. These emergency levies represent approximately 41% of the total tax related revenues and 24% of the District's total revenues. The renewal emergency levies contribute to maintaining the current District operations, allowing the District to pay for things like salaries, utilities, maintenance and existing programming. As the District plans for the future, it will monitor the projected revenues and expenditures to keep the District in a positive fund position.

## FINANCIAL ACCOMPLISHMENTS

The District received the Certificate of Excellence in Financial Reporting from the Government Finance Officers Association for the Lakewood Local School District Annual Comprehensive Financial Report (ACFR) for Fiscal Year ended June 30, 2021. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management. This is the nineteenth consecutive year the District has received this award.

The District received the Award for Outstanding Achievement in Popular Annual Financial Reporting from the Government Finance Officers Association for the Lakewood Local School District Popular Annual Financial Report (PAFR) for the Fiscal Year ended June 30, 2021. This colorful easy to read document is a useful tool in educating the public and staff on the revenues and expenditures of the School District. This is the thirteenth consecutive year the District has received this award.

## MAJOR FINANCIAL INITIATIVES

One challenge the District faces when reviewing the five-year forecast is a declining cash balance. The District implemented a Plan of Reductions for fiscal year 2021 of \$447,619 and in fiscal year 2022 for \$335,500. On the November 2022 ballot, the District successfully passed a renewal emergency levy that combined both current emergency levies into one levy for a ten year period. The District will continue to monitor the District's projected cash balance to determine if additional revenues and/or budget reductions are needed to maintain a positive cash balance.

With the educational challenges and the physical condition of Hebron Elementary School, the Board of Education and Administration are in support of decommissioning Hebron Elementary by August 2023. The Hebron Elementary students will be relocated to the Jackson Intermediate buildings and modular classroom units. The District started the planning for relocating these students in fiscal year 2022. Facility preparations and the lease/purchase of modular classroom units are continuing in fiscal year 2023. The facilities should be ready for students in August 2023 for the start of the 2023-2024 school year.

## 2021-2022 REPORT CARD PERFORMANCE

The Ohio Department of Education's (ODE) Ohio School Report Cards are designed to give each school district a clear picture of the progress in raising achievement and preparing our students for their futures. The information provided in the Report Card outlines areas that ODE views as most critical to successful learning.

The District did not receive an overall rating this year as the report card system has changed. Component grades were given in each area from 1 to 5 Stars. Below is the data received from 2021-2022 school year.

**Achievement Component-** This represents the level of proficiency of students on the state tests. The District received 3 Stars on this component. It is made up of two parts which include the Performance Index and Indicators Met, although the indicators do not count in the final component rating. The District had a Performance Index of 81.9 out of 110.

**Gap Closing-** This shows how well we meet performance expectations for sub-groups of students, such as our students with disabilities and economically disadvantaged. The District received 5 Stars on this component. The District was successful in meeting the needs of most subgroups of students in English Language Arts and Math Achievement and Growth, and Graduation. The District needs to focus on the performance levels of Gifted students and Chronic absenteeism.

**Progress-** This measures the amount of growth students make from year to year. The District received 5 Stars for this component. The students made more than expected growth at all grades in English Language Arts, Math and Science.

**Early Literacy-** This component measures our success rate of moving students in grades K-3 from off-track to on-track from fall to fall, it measures the percent of students who are proficient in Third Grade Reading and it measures the percent of students who are promoted to the Fourth Grade. The District earned 2 Stars on this component. The percentage of students who began the previous year off-track that increased to on-track this year was 21.3%. Approximately 65% of students Grades K-3 are on-

track based on Fall Diagnostic Assessments. We use Renaissance STAR assessments to determine student on-track status and provide Individualized Reading Improvement and Monitoring Plans (RIMPS) for all students who are deemed to be off-track. 54.5% of students were proficient in Reading on the Third Grade Ohio State Test. 100% of third grade students were promoted to fourth grade this past year.

**Graduation Rate-** This is the percent of students who graduate who started at Lakewood High School, including students who may have moved and did not enroll elsewhere. Data reflects the graduating classes of 2020 and 2021. The District received 3 Stars for this component. Our 4-year graduation rate is 91.4% and our 5-year graduations rate is 96.1% as reported with the Ohio Department of Education data. This is higher than the state averages. We continue to focus heavily on finding pathways to graduation for all students despite the challenging graduation requirements that have been set.

**College, Career, Workforce and Military Readiness-** This measures whether students are training in a technical field or preparing for work or college. There was no component score given. This data reflects the graduating classes of 2020 and 2021. This measure awards credits for students who earn remediation-free scores on the ACT for English, reading and math exams, earn an honors Diploma or earn high marks on an industry-recognized credentialing test in one of 13 high-demand career fields. Districts get bonus points for students who achieve at least one of the above and earn a score of 3 or higher on at least one AP Exam or earn at least 3 credits in College Credit Plus (CCP) courses. 13.8% of students participated in the College Credit Plus program and 19.5% of students took AP courses. 20.7% of students received Honors Diplomas. 13.8% of student earned industry credentials.

We use this data, along with diagnostic and screening data, to develop our practice and guide our discussions. Our district team worked this summer to put plans in place to focus on areas of continued growth. Our building goals and Quality Profile are located on the District website under District Profile.

## PERFORMANCE DATA FROM THE 2021-2022 STATE REPORT CARD

Graduation Rate ( 4 year)	91.4%
Student Attendance Rate	90.3%
% Meeting Third Grade Reading Guarantee	100.0%
% of Funds Spent on Classroom Instruction	65.4%
Teachers with Master's Degrees	74.2%
Average Experience of Teachers	18 years
Teacher Attendance Rate	92.9%

Source: 2021-2022 State Report Card.



## VISION

### LAKEWOOD . . .

- Integrity
- Passion
- Innovation

. . . **HOME**

## MISSION

We are a community of learners inspiring each child to explore, grow, and achieve.

Lakewood Local School District  
Administrative Office  
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