

Madison Local School District

Financial Report to the Community

for the year ending June 30, 2021



We are MADISON!

Madison Local School District

1956 RED BIRD ROAD, MADISON, OHIO 44057
TELEPHONE (440) 428-2166 FACSIMILE (440) 428-9379
www.madisonschools.net

July 14, 2021

TO THE CITIZENS OF THE MADISON LOCAL SCHOOLS,

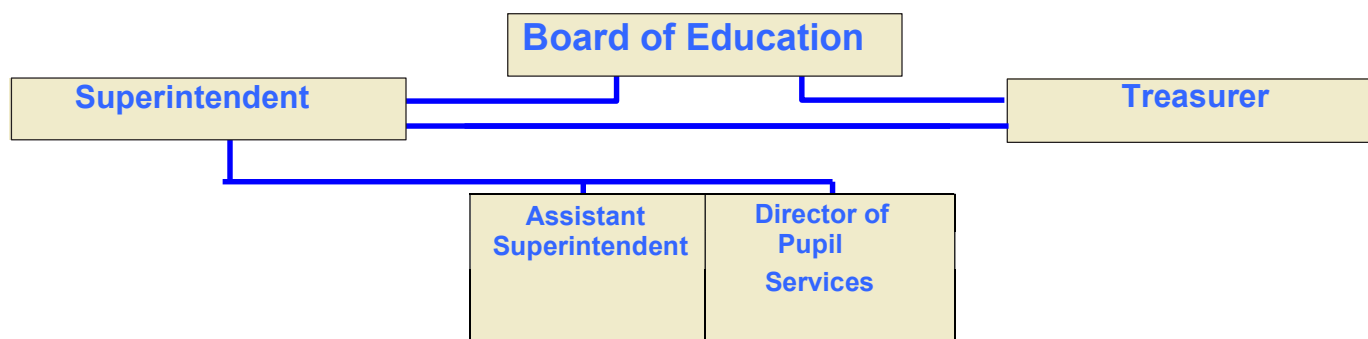
We are pleased to present the Madison Local School District's Financial Report to the Community for the year ending June 30, 2021. This report makes our District's finances easier to understand and communicates our financial situation in an open and accountable manner.

This Report summarizes the financial activities and operating results of the Madison Local School District. This Report is unaudited and presented on a non-GAAP (Generally Accepted Accounting Principle) basis, which primarily deals with full disclosure and segregated funds. The revenue and expenditure numbers presented consist of the General Fund and Joint Financing District Fund of the District. The General Fund and the Joint Financing District Fund are from which most day-to-day programs and services are provided. For more detailed financial information, including a discussion of key changes in financial data from last fiscal year, our economic condition and outlook, please refer to a copy of the audited Annual Financial Report, which will be available at www.madisonschools.net.

The Madison Local School District is proud of this report and the support offered by the Board of Education in its creation. Ultimately, we would like to thank our citizens 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 the Treasurer's office at (440) 428-9328 or at michael.vaccariello@madisonschools.net.

Respectfully submitted,
Michael Vaccariello, CPA
Treasurer

MADISON LOCAL SCHOOLS: ADMINISTRATIVE STRUCTURE AS OF JUNE 30, 2021



SUMMARIZED FINANCIAL REPORTS

Readers of the Financial Activity Statement should keep in mind that the numbers are taken from the District's Financial Report, but are presented in a non-GAAP format.

REVENUES AND RESOURCES OVER EXPENDITURES AND SERVICES

The Financial Activity Statement, known in accounting terms as the income statement, provides a summary of the resources (revenues) and services (expenditures) of the District.

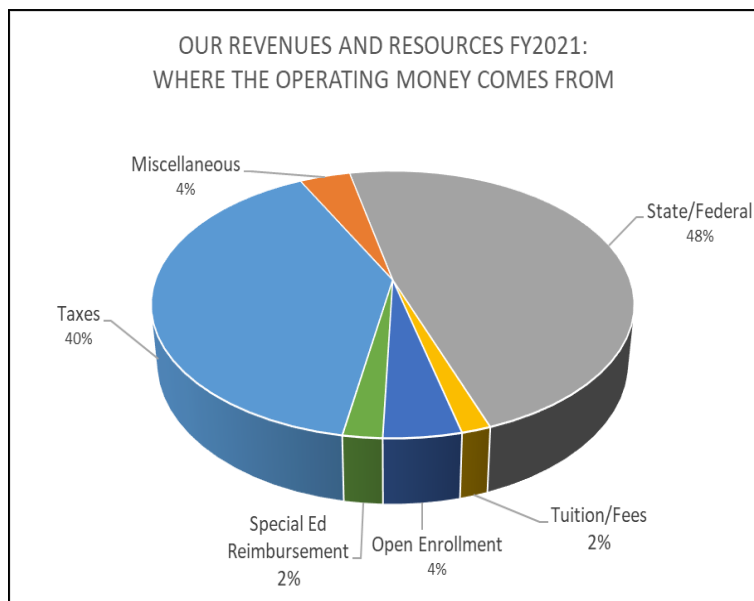
Revenues and Resources	FY2021	FY2020	FY2019	FY2018	FY2017
Property Taxes	\$ 11,729,493	\$ 11,728,069	\$ 11,462,410	\$10,795,160	\$ 9,881,833
State (includes Homestead and Rollback)	\$ 14,143,203	\$ 13,855,230	\$ 14,226,682	\$14,252,925	\$14,476,294
Open Enrollment	\$ 1,297,415	\$ 1,335,148	\$ 1,569,936	\$ 1,625,185	\$ 1,705,762
Pay to Participate Fees	\$ 84,382	\$ 48,208	\$ 74,199	\$ 70,111	\$ 71,419
All Other	\$ 2,254,249	\$ 1,601,809	\$ 1,961,226	\$ 1,639,831	\$ 2,080,668
Total Receipts and Resources	\$ 29,508,742	\$ 28,568,464	\$ 29,294,453	\$28,383,212	\$28,215,976
Disbursements and Services Provided	FY2021	FY2020	FY2019	FY2018	FY2017
Instruction	\$ 17,801,728	\$ 18,134,398	\$ 18,448,100	\$ 7,498,780	\$ 16,927,482
Support Services	\$ 1,472,949	\$ 1,653,978	\$ 1,991,645	\$ 1,865,538	\$ 1,936,956
Administrative	\$ 2,115,034	\$ 2,133,265	\$ 2,054,454	\$ 1,977,353	\$ 1,992,278
Fiscal/Business	\$ 693,121	\$ 700,531	\$ 709,733	\$ 748,886	\$ 683,082
Maintenance	\$ 1,977,103	\$ 2,239,041	\$ 2,439,279	\$ 2,280,323	\$ 2,133,272
Transportation	\$ 2,113,992	\$ 2,042,292	\$ 2,773,106	\$ 2,502,070	\$ 2,226,068
Extracurricular	\$ 538,837	\$ 397,571	\$ 489,802	\$ 461,571	\$ 474,129
Other	\$ 968,512	\$ 918,861	\$ 896,166	\$ 850,262	\$ 691,982
Advances and Transfers	\$ 468,573	\$ 667,242	\$ 689,424	\$ 528,319	\$ 584,141
Total Disbursements and Services Provided	\$ 28,149,849	\$ 28,887,179	\$ 30,491,709	\$ 28,713,102	\$ 27,649,390
Revenues and Resources Over					
Disbursements and Services	\$ 1,358,893	(\$ 318,715)	(\$ 1,197,256)	\$ (329,890)	\$ 566,586

OUTSTANDING DEBT AT YEAR END – ALL FUNDS

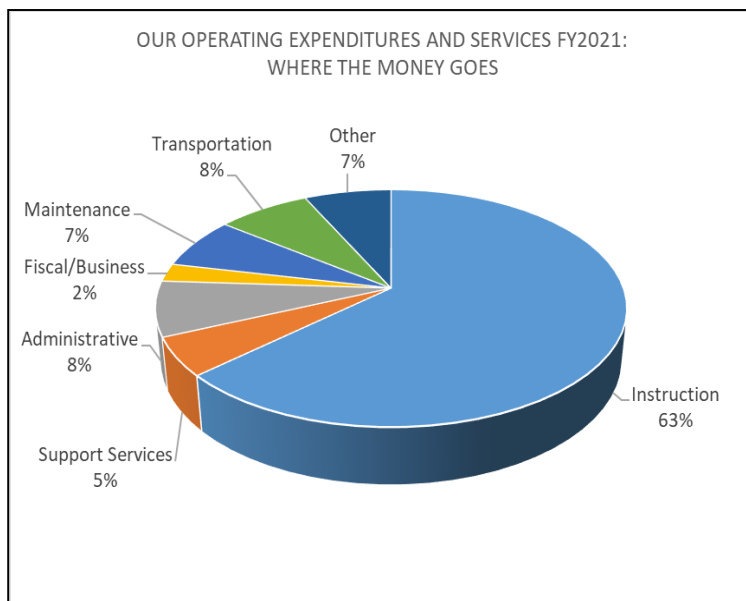
The chart below captures the District's long-term debt obligations. In 2010, the District passed a tax levy for \$21.8 million of debt for its share of the Ohio Schools Facilities Commission \$42 million project and to refinance \$3.2 million of debt from the 1999 building bonds. Taking advantage of the low interest rates in 2019, a portion of the 2010 debt was refinanced saving the taxpayers almost \$1.3 million over the life of the bond issue.

Outstanding Debt at Year End - All Funds	FY2021	FY2020	FY2019	FY2018	FY2017
Bond Anticipation Notes	\$ 1,055,000	\$ 1,135,000	\$ 1,215,000	\$ 1,295,000	\$ 1,375,000
1998 Library Facilities	\$ -	\$ -	\$ -	\$ 80,000	\$ 155,000
1999 Library Facilities (Refunding)	\$ -	\$ -	\$ -	\$ 90,000	\$ 175,000
2010 Building Bonds (Less Sinking Fund Deposits)	\$15,106,853	\$15,951,853	\$17,440,000	\$18,135,000	\$18,860,000
2015 Tax Anticipation Notes	\$ -	\$ -	\$ -	\$ 86,900	\$ 172,000
Total Outstanding	\$16,161,853	\$17,086,853	\$18,655,000	\$19,686,900	\$20,737,000

OUR REVENUES AND RESOURCES FY2021: WHERE THE GENERAL FUND MONEY COMES FROM



OUR EXPENDITURES AND SERVICES FY2021: WHERE THE MONEY GOES



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.

MAINTENANCE 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 Madison Local School District consistent with Board of Education policies and the laws of the State of Ohio.

ADMINISTRATION costs represent those of the Administration and Board of Education's operation of the District. Also included in this category are school building secretarial support.

FISCAL/BUSINESS SUPPORT costs include business services such as risk management, construction management, central warehousing, courier services, and copy expenditures, financial services, such as payroll, accounts payable and receivable, auditing, budgeting and reporting, and fringe benefits administration.

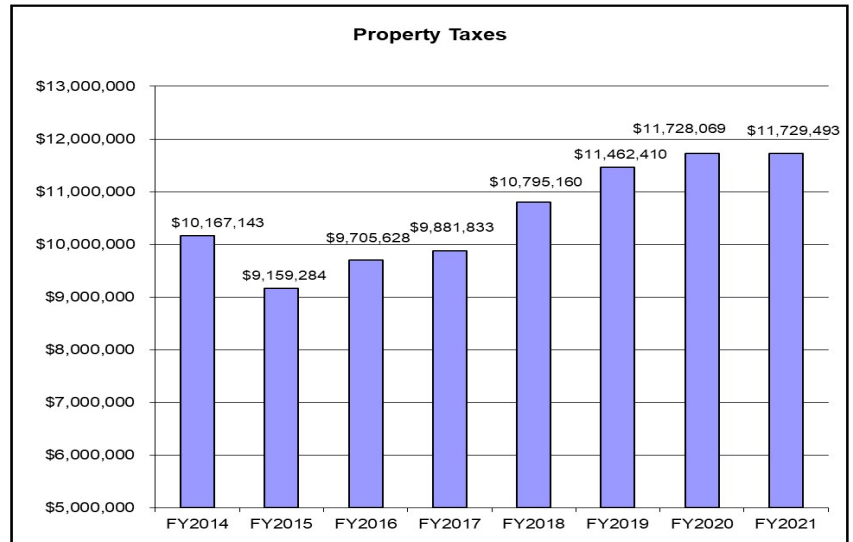
Support Services areas comprise all guidance services, speech, hearing, occupational therapy, physical therapy, and psychological services, library services, mentor teacher program, technology integration support, and literacy collaborative support.

Other expenditures include community relations, technology maintenance staff, computer network maintenance contracts, salaries and benefits of club advisors and athletic coaches, advances and transfers.

SOURCES OF FUNDING: WHERE DOES THE MONEY COME FROM?

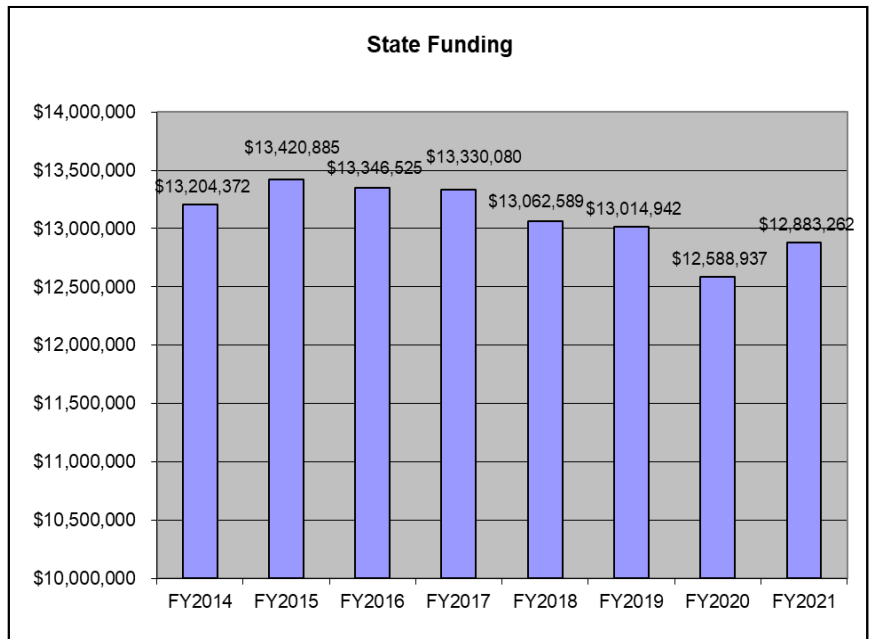
PROPERTY TAXES

To the right is a graph depicting the amount of cash collections received by the District from real and personal property taxes allocated for operations. Property taxes provide a majority of the local revenue to operate and maintain our schools.



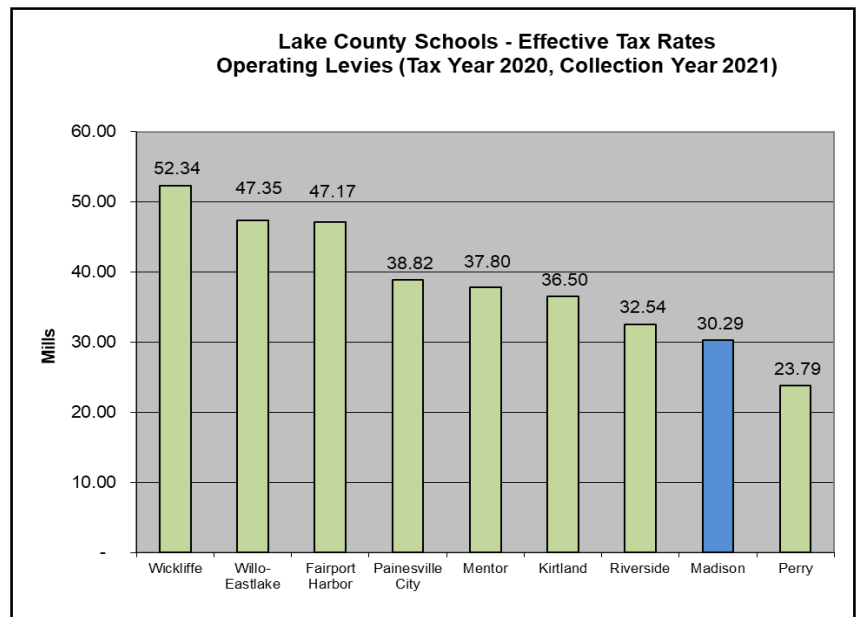
STATE FUNDING

The chart to the right depicts the actual cash receipts for the District's General Fund from the State of Ohio (not including Homestead and Rollback). More than half of the district's operating revenue comes from the State.



Effective Tax Rates for Operations – Lake County

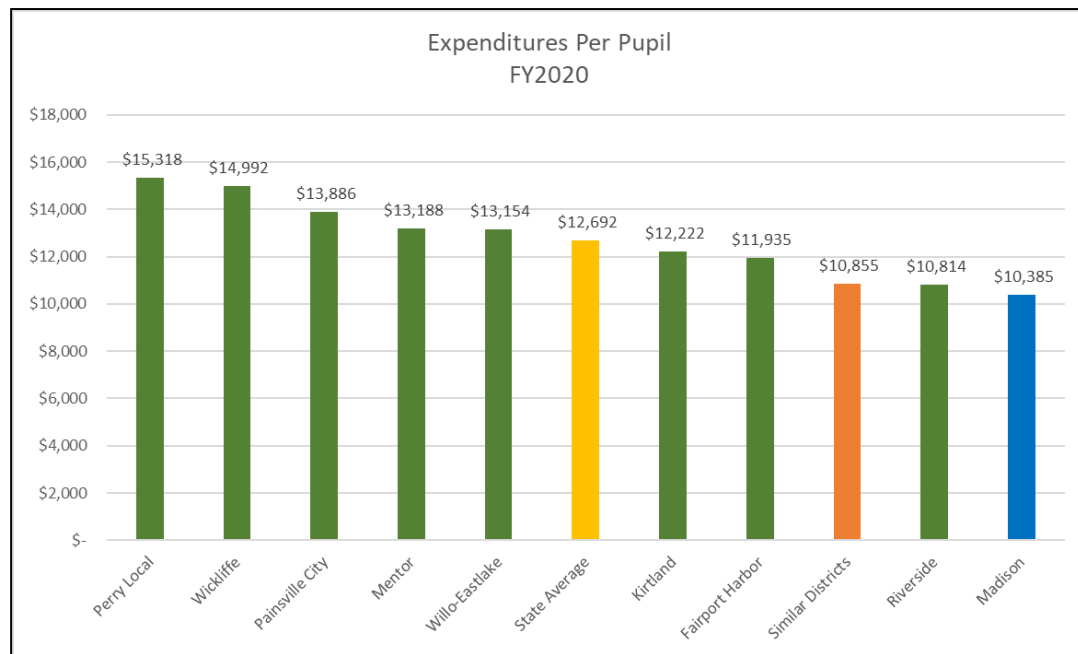
Shown are the effective tax rates for operations. These do not include levies that go towards permanent improvements or debt service. The District has the second lowest tax rate for operations in Lake County.



Expenditures per Pupil

The graph to the right shows a comparison of the expenditures per pupil for the Lake County schools and the state average.

Not only is the district ranked lowest in Lake County, it is also the 79th lowest out of 607 districts state-wide. (The district is also ranked 39th lowest in the state for total revenue per pupil.)



ASSESSED VALUES OF REAL AND TANGIBLE PERSONAL PROPERTY

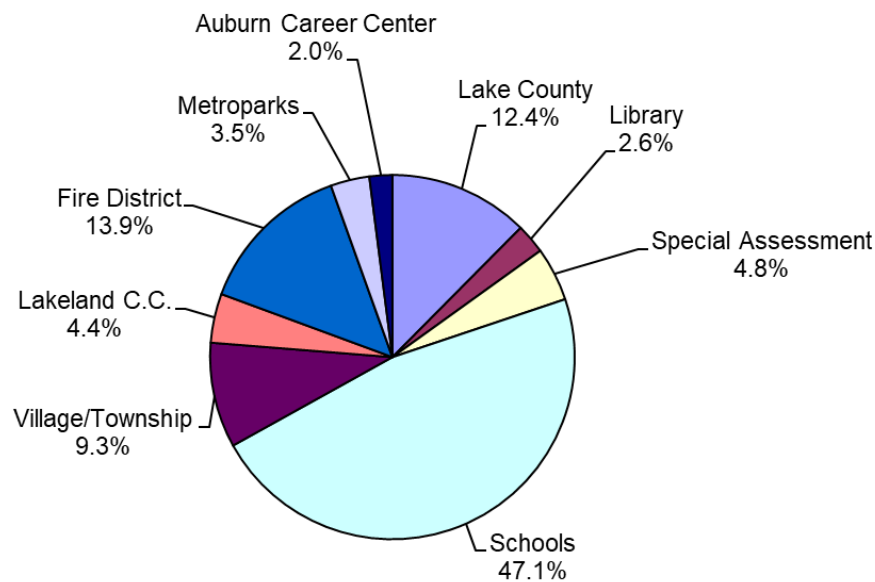
Collection Year	Residential/ Agricultural	Commercial/ Industrial	Public Utility	Tangible Personal	Total
2021	328,854,860	55,338,980	13,909,120	0	398,102,960
2020	326,534,670	54,163,700	13,280,290	0	393,978,660
2019	325,217,560	53,251,650	12,489,630	0	390,958,840
2018	299,962,970	48,873,990	12,244,920	0	361,081,880
2017	297,902,270	47,252,020	11,697,540	0	356,851,830
2016	309,297,250	47,789,590	11,117,730	0	368,204,570
2015	296,812,320	53,018,880	10,931,020	0	360,762,220
2014	296,646,900	48,489,350	10,093,610	0	355,229,860
2013	297,647,700	49,204,350	9,233,920	0	356,085,970
2012	319,019,260	57,820,530	8,545,520	0	385,385,310

UNBUNDLING THE TAX RATE

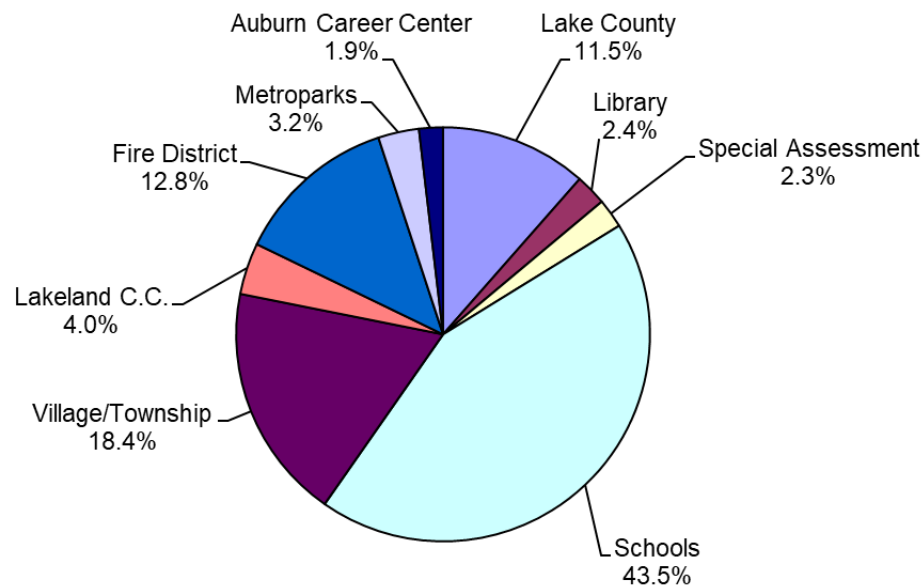
Type	Gross Rate	Effective Rate	Year Approved
Inside - Operating*	4.85	4.85	N/A
Voted - Operating*	49.29	21.42	Various
Emergency - Operating	1.75	1.75	1989
Permanent Improvement	1.00	0.43	1988
Building Bond	3.11	3.11	2010
Building Maintenance	0.50	0.46	2010
Joint Financing District	4.90	2.27	1990
Total Rates	65.40	34.29	

Where Does Your Real Estate Tax Money Go?

**Where Do Your Taxes Go?
Madison Village Resident**



**Where Do Your Taxes Go?
Madison Township Resident**



Financial Highlights During Fiscal Year 2021

COVID 19 Impact on Contracts:

Once again, the District was able to renegotiate significant savings from the bus contract and other contracts for services that were not able to be provided due to the shutdown of the schools in November and December 2020.

Busing Contract:

For fiscal year 2021, the District negotiated a \$75,000 reduction in the cost of the transportation contract with Community Bus Service. This reduction was in addition to the savings realized due to the shutdown of the schools. An additional \$100,000 reduction in the contract cost was negotiated for the upcoming school year.

Elementary and Secondary School Emergency Relief (ESSER) and Other Covid Related Funding:

These are one-time funds for specific purposes. They are temporary and once spent on the specific needs, they will be gone.

ESSER:

During fiscal years 2020, 2021 and 2022, the District received or will be receiving additional funding through the State of Ohio. ESSER I funds in the amount of \$353,736 were allocated in the second half of fiscal year 2020 with certain restrictions on uses and were used to offset operational expenses in that fiscal year. ESSER II funds in the amount of \$1,395,268 were allocated in fiscal year 2021 with more restrictions than ESSER I. \$100,000 of these funds were used to cover the costs of summer school. The remainder will be used to offset operational expenses. American Rescue Plan Elementary and Secondary School Emergency Relief funds (ARP ESSER) were allocated late in fiscal year 2021 with even more restrictions. The ARP ESSER funds will be used over the next couple of years to cover specific pandemic needs like learning recovery (summer school and after school learning opportunities) to close the learning loss gap created by the pandemic.

Coronavirus Relief Funds:

The District received \$150,532.63 from the State of Ohio through the Coronavirus Relief Fund. These funds were spent on Personal Protection Equipment (PPE), distance learning equipment, food service program and cleaning of the buildings.

The Village of Madison redirected some of their Coronavirus Relief Funds to the District. A majority of these funds were used to pay for chrome books with the remainder paying for PPE. We truly appreciate this partnership with the Village.



Mission statement:

The mission of the Madison Local School District is to provide 21st Century educational opportunities with expectations for students to achieve and realize their full potential.

Expect...Believe...Achieve

MADISON LOCAL SCHOOL DISTRICT

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