



INSPIRING FUTURE SUCCESS

POPULAR ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2024

LAKELWOOD LOCAL SCHOOLS

HEBRON, OHIO

LAKEWOOD LOCAL SCHOOL DISTRICT

Administrative Office
525 East Main Street
Hebron, Ohio 43025

Telephone (740) 928-1928
Facsimile (740) 928-3152
www.lakewoodlocal.k12.oh.us

November 25, 2024

DEAR 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, 2024. It summarizes where our resources come from, how they are used as well as other relevant financial trends. Our goal is to provide financial transparency in an understandable manner.

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 can be found on the Treasurer's page of the District's website at www.lakewoodlocal.k12.oh.us.

The publication of this report is part of our commitment to transparency. We would like to thank our community for their support in creating a report designed to more adequately address their needs as taxpayers, as well as for the opportunity to serve them. We trust that you find this report very informative. 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.

Respectfully Submitted,

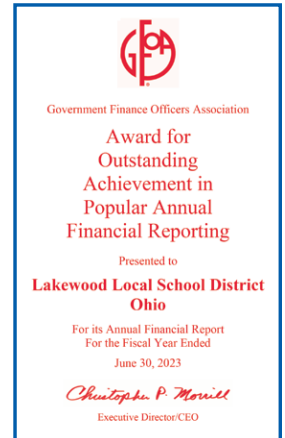


Glenna J. Plaisted, CPA
Treasurer/CFO

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, 2023. 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, 2024

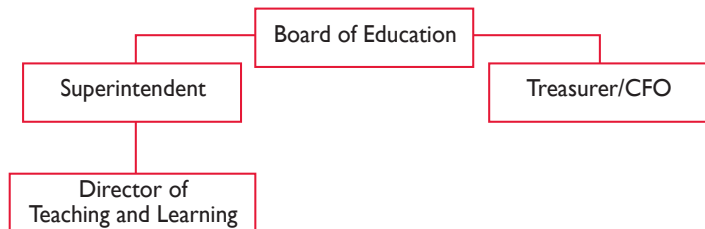


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REVENUES AND RESOURCES OVER EXPENDITURES AND SERVICES (INCOME STATEMENT)

The Financial Activity Statement, known in accounting terms as 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 are for the District's General Fund.

Revenues & Resources (shown in thousands) #	FY24	FY23	FY22	FY21
Local Taxes***	\$17,221	\$19,469	\$16,155	\$15,070
State and Federal Revenue	7,301	6,951	6,964	7,080
Investment Income	1,027	537	(114)	47
Tuition & Fees	846	769	826	1,507
Other Revenues	79	77	66	376
Total Revenues & Resources	\$26,474	\$27,803	\$23,897	\$24,080
Expenditures & Services (shown in thousands) #	FY24	FY23	FY22	FY21
Instruction *	\$13,693	\$13,350	\$13,096	\$14,991
Pupil Support	2,223	1,869	1,515	1,203
Instructional Support**	1,069	911	935	933
Board/Administration/Fiscal	3,026	2,981	2,976	2,880
Business Support	9	8	37	14
Plant Operation	2,676	2,735	2,421	2,178
Transportation	1,963	2,143	2,083	1,918
Central Support	86	82	95	82
Extracurricular	442	434	389	381
Non-Instructional	-	14	42	42
Capital Outlay	633	666	43	394
Debt Service	151	163	21	38
Total Expenditures & Services	\$25,971	\$25,356	\$23,653	\$25,054
Revenues & Resources (under) Expenditures & Services	\$503	\$2,447	\$244	(\$974)

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.

*** In FY24, the decrease in tax revenues is attributed to a \$2.2 million decrease in tax advances available for 2024 compared to FY23. Tax advances can fluctuate on an annual basis.

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 were included in the General Fund and not the Debt Service Fund.

Tax dollars are allocated 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.

Tax dollars are allocated for the payment of principal and interest on a modular classrooms lease purchase agreement which was funded in December, 2022 for \$1,164,105. These payments are transferred from the General Fund to the Debt Service Fund.

Outstanding Debt	FY24	FY23	FY22	FY21
Bond Payable (Maturity 12/1/2026)	\$2,698,049	\$3,549,066	\$4,380,083	\$5,181,100
Energy Conservation Note (Maturity 8/1/2022)	0	0	91,770	183,541
Stadium Lease Purchase Agreement (Maturity 12/1/2026)	820,000	1,080,000	1,330,000	1,575,000
Lease Purchase Agreement For Modular Classrooms (Maturity 6/8/2027)	691,487	930,408	0	0

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.

Assets (shown in thousands)	FY24	FY23	FY22	FY21
Cash and Investments	\$16,310	\$14,266	\$14,073	\$13,822
Receivables	22,872	17,720	16,925	16,158
Other Assets	440	463	337	333
Total Assets	\$39,622	\$32,449	\$31,335	\$30,313

Liabilities (shown in thousands)	FY24	FY23	FY22	FY21
Amounts Owed to Employees and Vendors	\$2,491	\$2,418	\$2,341	\$2,304
Deferred Inflows of Resources	21,788	14,484	16,112	15,389
Total Liabilities and Deferred Inflows	\$24,279	\$16,902	\$18,453	\$17,693
Assets over Liabilities and Deferred Inflows	\$15,343	\$15,547	\$12,882	\$12,620

5 YEAR CAPITAL PLAN

The District has a 5 Year Capital Plan. This Plan allows the District to budget intelligently for the future as we are tasked to maintain our school and facilities. It incorporates all areas of the District including technology, transportation, food service, building and grounds, athletics and each of the school buildings. It provides transparency to the District's plans for the finances necessary to complete these projects.

During fiscal year 2024, the District completed the following larger items which were included within the 5 Year Capital Plan.

- **High School**

- Exterior Door Access System
- Softball Field Renovations
- Softball Field Fence
- Band Instruments

- **Middle School**

- Exterior Door Access System
- Accordion Doors for Band/Choir Room

- **Jackson Intermediate**

- Exterior Door Access System
- Secured Entry Vestibule

- **Lakewood Elementary**

- Exterior Door Access System
- Kitchen Remodel
- Refrigerators in kitchen
- Combi-Oven-Double Stack in kitchen
- Garbage Disposal in kitchen
- Modular Units added to building
- Playground Equipment and Fencing

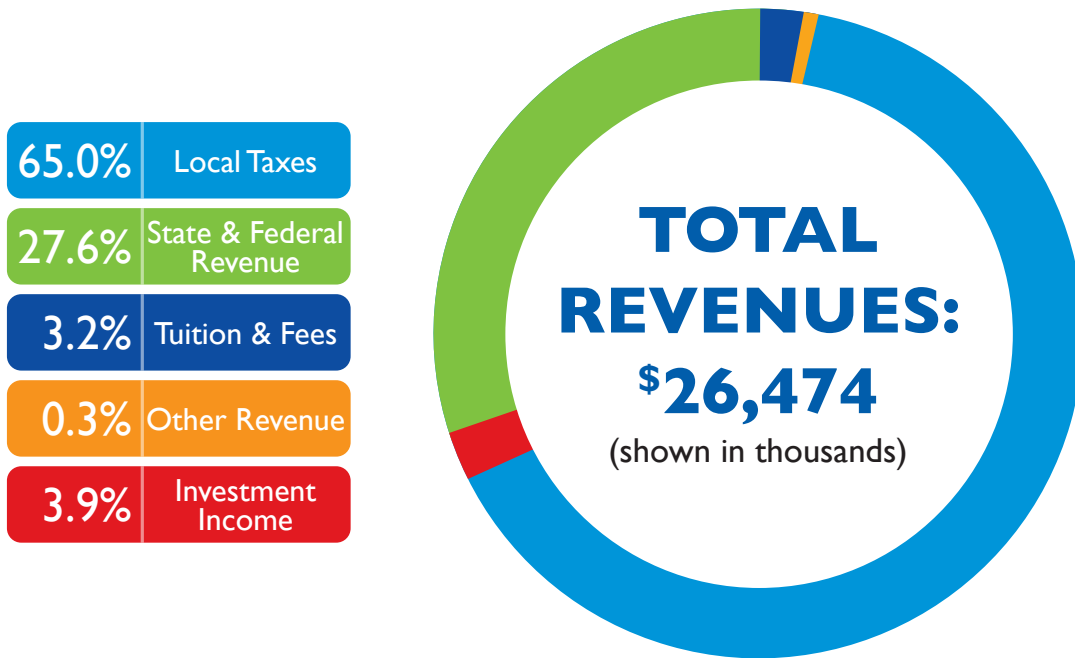
- **Transportation Building**

- Bus Entrance/Exit Gate
- Radio communication system for all buses
- One 78 passenger bus

- **Maintenance Department**

- 72 Inch Lazer Mower
- Ride on Floor Scrubber

OUR REVENUES AND RESOURCES FY24: WHERE THE GENERAL FUND MONEY COMES FROM



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, state share of local property taxes and monies received from both state and federal grants.

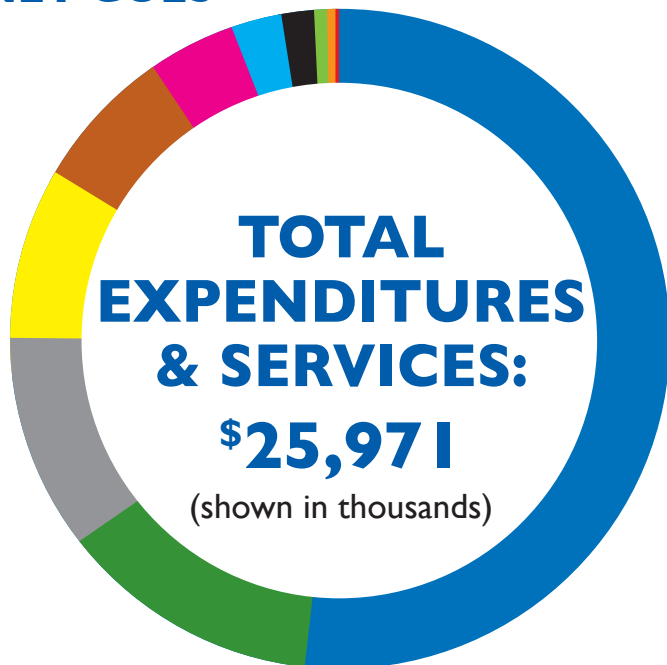
TUITION AND FEES are money received from patrons, other school districts, and other sources for education provided for district educated students.

INVESTMENT EARNINGS are interest earned on monies invested by the School District.

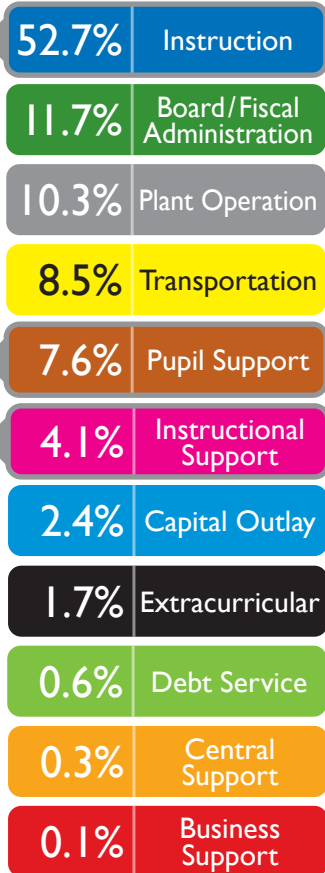
OTHER REVENUES are money received which are not classified elsewhere.



OUR EXPENDITURES AND SERVICES FY24: WHERE THE GENERAL FUND MONEY GOES



Instruction, Pupil Support and Instructional Support make up 64.4% of the General Fund expenditures.



UNDERSTANDING EXPENDITURES AND SERVICES:

DEFINITIONS

INSTRUCTION is the largest expenditure category and relates to the direct instruction of our students, including teachers, classroom services and supplies. 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 1,018 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.

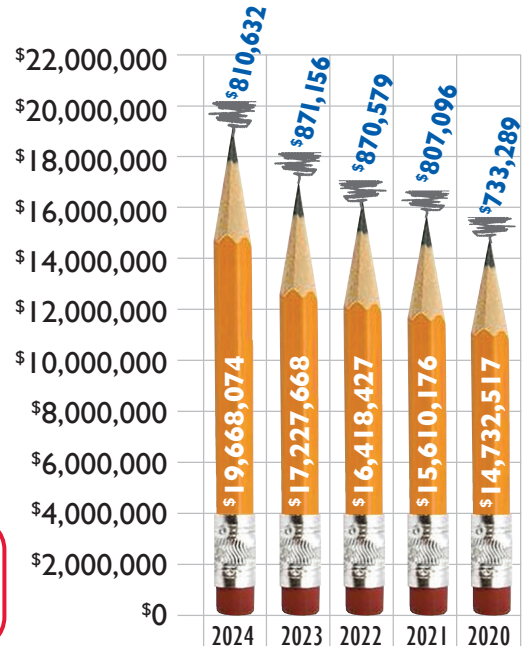
CAPITAL OUTLAY expenditures account for building and other facility additions and improvements.

DEBT SERVICE expenditures relate to the principal and interest payments on a stadium capital lease purchase agreement.

SOURCES OF FUNDING: WHERE DOES THE MONEY COME FROM?

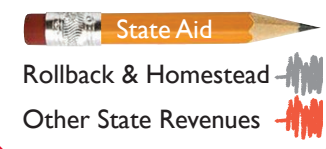
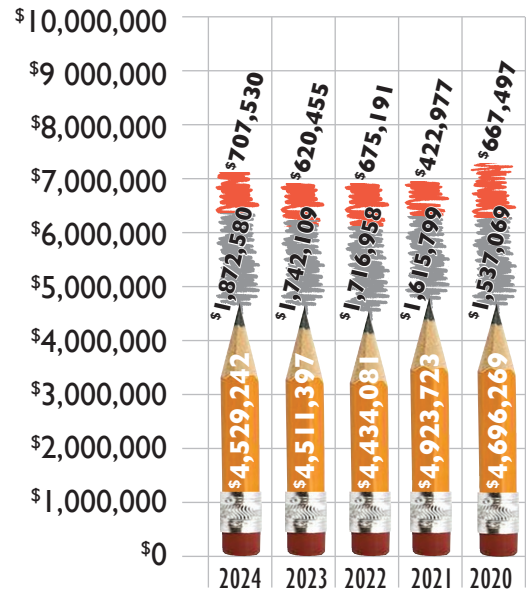
LOCAL PROPERTY TAXES

The graph to the right depicts 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 a ten-year emergency levy which generates \$5,882,139 in district revenues. This levy was passed on November 8, 2022 and began collections in calendar year 2023.



STATE FUNDING

The graph 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: 1) State Foundation payments, which is calculated based on a formula using student enrollment and 2) State share of local property taxes consisting of 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 career tech weighted aid funding, economic disadvantaged funding, casino revenues, special education catastrophic cost reimbursement, gifted education funding, english language learner funding, and student wellness and success funding.



ASSESSED VALUES OF REAL AND PUBLIC UTILITY PROPERTY

Collection Year	Agricultural/ Residential	Commercial/ Industrial	Public Utility	Total
2024	\$ 604,526,430	\$ 181,689,553	\$ 50,871,090	\$ 837,087,073
2023	420,097,760	126,401,386	48,873,630	595,372,776
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

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	15.40	Various	Permanent
Emergency	7.10	7.10	2022	10 Year
Bond Retirement	1.00	1.00	1998	28 Year
Total Rates	46.90	28.10	—	—

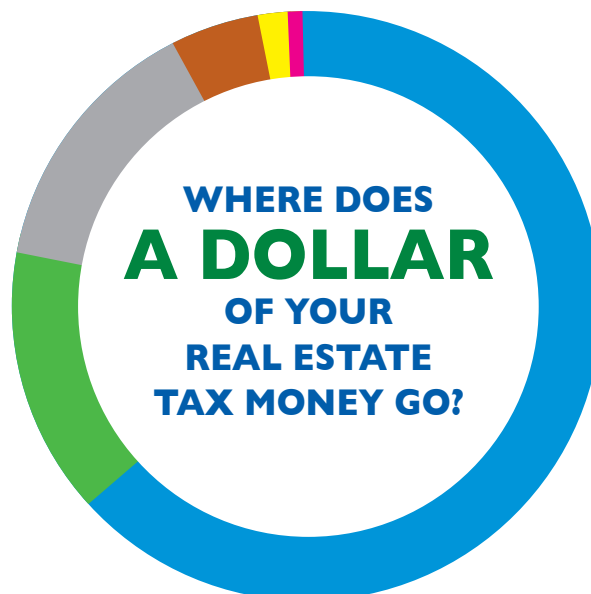
* Rates are for the 2023 tax year collected in calendar year 2024.

** 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 2024 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. A total of \$1,318.39 is the annual amount the owner of a \$100,000 home would pay in taxes.

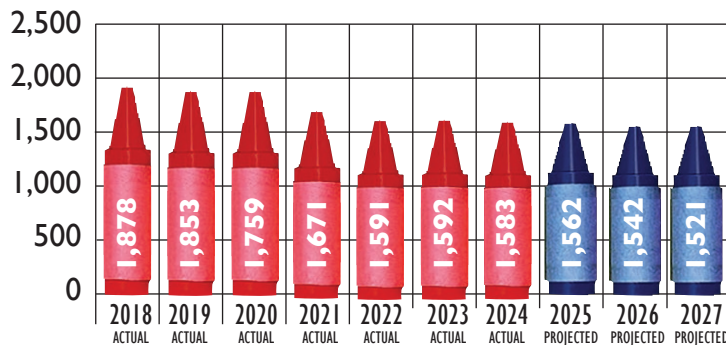
Annual Cost	
School	\$879.13
Township	185.34
County	164.99
C-TEC	62.57
Library	17.61
Park District	8.74
Total	\$1,318.38



66.7%	School
14.1%	Township
12.5%	County
4.7%	C-TEC
1.3%	Library
0.7%	Park District

ENROLLMENT HISTORICAL AND PROJECTED ENROLLMENT

The District educated enrollment during the 2023-2024 school year was 1,583 in grades K-12. The District also operates a preschool which served 60 students and is not included in the above number. The decline in the enrollment trend is projected to continue until enrollment data reflects differently.



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

FINANCIAL CONDITION AND OUTLOOK

The District relies heavily on property tax revenues to maintain its educational programs. The District combined both of its emergency levies into one renewal levy for a ten-year period in November 2022. The emergency operating levy represents approximately 27% of the total tax related revenues for the District and 20% of the District's total revenues. The emergency levy tax revenues contribute towards maintaining the current District operations, allowing the District to pay for things like salaries, utilities, maintenance and existing programming.

Overall property valuations for calendar year 2023 increased

40.63% due to a strong housing market. This generated an additional \$4 million in tax revenues for the District.

The current revenue along with the District's cash balance will provide the District with the necessary funds to meet its operating expenses for fiscal years 2025 through 2029. Due to a strong housing market and the increase in property valuations, the District is projecting an increase in tax revenues during our five-year forecasted period. As the District plans for the future, it will monitor 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, 2023. 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 twenty-first 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, 2023. 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 fifteenth consecutive year the District has received this award.

The District received the Auditor of State Award with Distinction as a result of clean and accurate records for the Fiscal Year ended June 30, 2023.

MAJOR FINANCIAL INITIATIVES

Hebron Elementary closed at the end of the 2022-2023 school year. For the 2023-2024 school year, Hebron Elementary students were relocated to a school building

located on the Lakewood campus which was given the name Lakewood Elementary School. The District is pursuing the sale of the Hebron Elementary building.

2023-2024 STATE REPORT CARD PERFORMANCE

The Ohio Department of Education & Workforce (ODEW) 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 ODEW views as most critical to successful learning.

The District received an overall rating of 3.5 out of 5 Stars for the 2023-2024 school year. Component grades were also given in each area of the report card from 1 to 5 Stars. Below is the data received from the 2023-2024 school year.

Achievement Component: This represents the level of proficiency of students on the state tests. The District received 3 Stars on this component for the third year in a row. 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 84.8 out of 109.3, the same as last year.

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 3 Stars on this component. The District was successful in meeting the needs of subgroups of students in Math Achievement, Gifted Progress and Graduation. The District needs to continue to focus on Chronic absenteeism and make improvements in English Language Arts (ELA) Achievement and Growth.

Progress: This measures the amount of growth students make from year to year. The District received 4 Stars for this component this year. The students made at least expected growth in English Language Arts, Math, Government, American History and Science with the exception of 4th grade ELA and Math, 5th grade Science, 6th grade Math and Geometry.

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, a decrease from last year. The percentage of students who began the previous year off-track that increased

to on-track this year was 27.8%, which is 7.3% lower than the 2022-2023 school year. Approximately 45% of students Grades K-3 are on-track based on the 2023 Fall Diagnostic Assessments. We used mClass Dibels 8th Edition to determine student on-track status and provided Individualized Reading Improvement and Monitoring Plans (RIMPS) for all students who are deemed to be off-track. 64.8% of students were proficient in Reading on the 2023-2024 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 2022 and 2023. The District received 3 Stars for this component. Our 4-year graduation rate is 93%, an increase of 3.1% and our 5-year graduations rate is 90.6% as reported with the Ohio Department of Education & Workforce 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 2022 and 2023. 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. 7.7% of students participated in the College Credit Plus program and 15.4% of students took AP courses. 16.1% of students received Honors Diplomas. 39.2% of student earned industry credentials, which is a significant increase from last year.

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 2023-2024 STATE REPORT CARD

Graduation Rate (4 year)	93.0%
Student Attendance Rate	91.7%
Third Grade Reading Proficiency	64.8%
Promotion to Fourth Grade	100.0%
% of Funds Spent on Classroom Instruction	65.1%
Teachers with Master's Degree	77.3%
Average Experience of Teachers	19 years
Teacher Attendance Rate	93.2%

Source: 2023-2024 State Report Card.



VISION

Reimagining education, instilling community pride, inspiring future success.

MISSION

Lakewood... a family-friendly, inclusive community dedicated to empowering every learner through innovation, collaborative problem-solving and consistent communication.

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Administrative Office
525 East Main Street, P.O. Box 70
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