

FINANCE AND AUDIT COMMITTEE

WINTER 2025



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PRESENTATION OVERVIEW

1. District Financial Reports
2. Fiscal Year 2025 Results
3. Exploring District Funds
4. Final Thoughts or Questions



PUBLISHED DISTRICT FINANCIAL REPORTS



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Olentangy Schools maintains and publishes financial reports on our financial health

- Five-Year Forecast
 - Updated semi-annually, approved by the Board
- Annual Comprehensive Financial Report (ACFR)
 - Created at the conclusion of each fiscal year
 - Audited by independent account (in accordance with Ohio Revised Code)
- Popular Annual Financial Report (PAFR)
 - Created in concert with the ACFR
- Monthly Board financial reports
 - Provided monthly to Board, reviewed and accepted each month
- For the first time, an annual Budget Document
 - Similar to Five-year but with much greater detail



The Five-Year Forecast

- Focuses solely on the General Fund
- Contains two sections
 - Financial Section which includes historical and future projections
 - Notes section which provide rationale for and support for projections
- Prepared on the cash basis
 - A more macro-level review
- Presented and approved by the Board in November and May of each year



Annual Comprehensive Financial Report (ACFR)

- Prepared in accordance with Generally Accepted Accounting Principles
 - Our cash books are 'converted' to GAAP each year
- Comprised of three sections – Introductory, Financial, and Statistical
- Presents information on a government-wide basis, major funds and combining funds
 - Combination of full accrual and modified accrual accounting
- Submitted for audit on an annual basis in accordance with the Ohio Revised Code
 - Four types of testing to make up the complete audit



The Popular Annual Financial Report (PAFR)

- The Popular Annual Financial Report is a financial-based report that is designed to meet the needs of the average citizen who may be unable or unwilling to fully utilize the ACFR
- The PAFR is created by pulling information from the ACFR, the Five-Year Forecast and any other constructively relevant data to objectively present financial information
- The PAFR should be released within six months of the end of the fiscal year
 - Created in concert with the ACFR



Monthly Board Financial Reports

- Compiled of accounting system reports and bank balances
- Provides an at-a-glance monthly snapshot of financial outcomes and health
- Board reviews report and acknowledges their review by accepting the report in the minutes



Annual Budget Document – New

- Encompasses all funds
- Prepared on the cash basis
 - Presented on a micro level at the object level which is more detail than the Five-Year forecast
- Provides historical actual plus forecasted years
- Includes detailed explanation to accompany the micro-level detail provided
- Fiscal Year 2025 is the first year for compiling



FISCAL YEAR 2025 RESULTS



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Annual Financial Audit Requirements

- The State of Ohio requires an annual audit (ORC 117.11)
- Based on the amount of Federal funds spent during a fiscal year, we are subject to what is referred to as a 'Single Audit'
 - In Fiscal Year 2024, we spent \$11.9 million across six federal programs
- The Ohio Auditor of State is responsible for ensuring ORC is met and audits are performed
 - Audits may be bid to private accounting firms at the state's discretion, referred to as IPAs
 - We currently have a contract with Plattenburg, CPA for our full financial audit
- Under Ohio law, "the Auditor of State may conduct an audit of a public office at any time...if the auditor has reasonable cause to believe that an additional audit is in the public interest" (ORC 117.11(A))



Audited Records

- Our cash books for the year (our main accounting system)
 - Specific receipts and expenses, payroll
- Our Annual Comprehensive Financial Report and the GAAP conversion
 - Based on our financial statements and notes
- Our Federal Receipts and Expenditures
 - Specific expenses tested for Federal compliance
- Ohio compliance requirements
 - Budgeting and Purchasing, Public records, fraud reporting, credit cards



Financial Results

- Top question in reviewing financials in general – is the District better or worse off now versus a year ago and why.
- Change in Net Position (Net Assets) – Net assets increased which means our financial positions improved
 - Net Assets increased by \$47.7m with the required pension and OPEB liability and increased by \$48.9m excluded pension and OPEB
- Three components to Net Position (amounts are excluding pension/OPEB)
 - Net invested in Capital Assets increased \$28.3 million to \$119.8 million
 - Restricted assets decreased \$1.5 million to \$56.9 million
 - Unrestricted assets increased \$22.1 million to \$202.4 million



Financial Results, cont.

- Change in Fund Balance represent different segments of government operations broken down into General Fund (funded largely by operating levies and state funding), Debt Service (specific to pay back debt proceeds), and other governmental (permanent improvement funding, building funds, grant and special revenue funds, etc.)
 - Our General Fund increased \$15.6 million to a balance of \$256.2 million
 - Our Debt Service increased \$1.3 million to \$41.9 million
 - Other Governmental decreased \$31.1 million to \$29.4 million
 - Total Government Wide funds decreased by \$14.2 million to a balance of \$327.6 million



EXPLORING DISTRICT FUNDS



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Different District Funds

- Uniform School Supplies, the 009s
 - ORC 3313.811
 - Provide for purchase and sale of school supplies
 - Profit should be used for school purposes or activities
 - We use this for course supplies and materials at the secondary level and for our summer program
 - In Fiscal 2024, we had \$2.1m in revenues and expenditures
 - High schools account for approximately 2/3rds
 - Remaining 1/3rd are equally between Summer Program and Middle Schools



Different District Funds

- Student-Managed Activities, the 200s
 - ORC 3313.062
 - Provided to account for activities driven by and lead by students
 - Student council, student clubs
 - School stores
 - Had \$1.5m in revenues and \$1.3m in expenditures
- District-Managed Activities, the 300s
 - ORC 3315.062
 - Provided to account for student activities but lead/managed by District
 - Athletics for middle and high schools and turf/field replacement reserves
 - Fiscal year 2024 had \$1.6m in revenue and \$2.5m in expenditures





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THANK YOU