



A MESSAGE FROM TREASURER | CFO CLIFF HETZEL

Welcome to the Gahanna-Jefferson Public Schools' Fiscal Year 2024 Financial Spotlight. The Treasurer's Office is proud to present important financial highlights that support student success.

This publication summarizes where our resources come from, how they are used and

the projected future financial status of the District. Our goal is to provide financial transparency in an understandable way.

For more detailed information surrounding our fiscal activities, please refer to both our Five-Year Forecast and Audited Financial Statements available on the District website. Our Audited Financial Statements contain full financial statements and note disclosures for all activities and funds and are prepared in accordance with Generally Accepted Accounting Principles (GAAP).

We hope you find this information helpful and I want to extend an offer of gratitude to the community for all of your support. With any financial questions, comments and feedback, please do not hesitate to contact me at HetzelC@gjps.org.

Thank you,

Clifton C. Hetzel, MBA
Treasurer/CFO



GJPS received **4 STARS** out of 4 from the Ohio Auditor of State. A four-star rating for open and transparent government means the District not only meets but also exceeds expectations by implementing recommended best practices for Sunshine Law compliance.

GJPS Board of Education

We are very mindful of the responsibility that the community has entrusted in us to be fiscally responsible, while providing education that prepares our students for their futures.

We work with the superintendent and treasurer, ensuring the revenue dollars collected are wisely invested by the District. By focusing on our fiscal principles as described below, we will uphold that commitment to our community.

Fiscal Principles

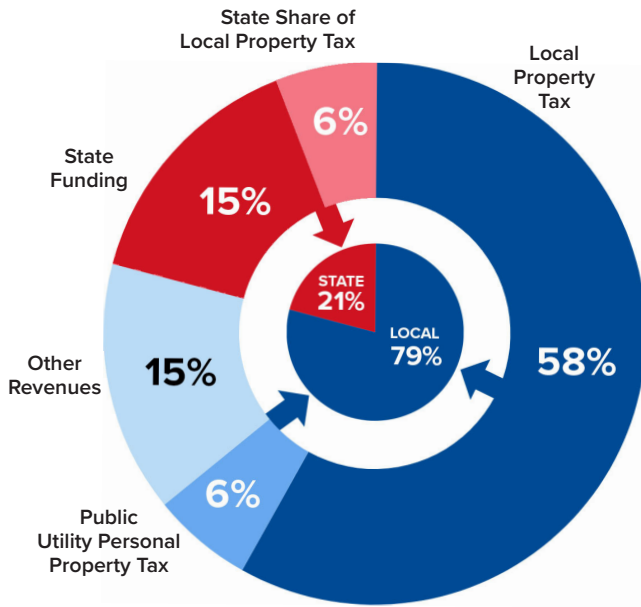
- All fiscal decisions will be made in the context of the five-year forecast.
- Every dollar spent must add value to teaching and learning.
- We will focus on managing expenses but understand that Ohio schools must go to the voters periodically when inflation impacts expenses but does not impact our revenue.
 - This is the result of a legislative cap on school district levies to the value at the time the levy was passed - essentially creating a flat revenue source. Further, state funding of our District is not a stable source of revenue.
- Long range strategic planning for curriculum, technology and capital improvements must be continuously updated and followed.



(Back row L-R) Dion Manley, Sue Horn
(Front row L-R) Daphne Moehring,
Kara Coates, Megan Dimmerling

REVENUES

Revenue By Type



Local Property Tax (58%)

This is the tax homeowners and property owners pay based on the value of their land and buildings. These dollars go directly to our District to help cover day-to-day operating costs.

Public Utility Personal Property Tax (PUPP) (6%)

Utilities pay taxes on the value of their equipment and infrastructure, such as power lines and pipelines, located within the District.

Other Revenues (15%)

This includes earnings on investments, tuition, rentals, threshold cost reimbursement and payment related to Tax Increment Funding (TIF).

State Funding (15%)

This is based on a formula that considers student enrollment and the District's ability to raise money locally through property taxes.

State Share of Local Property Tax (6%)

The state reduces the amount that property owners owe on voted levies by paying a portion of it directly to GJPS.

Did You Know?

Due to Ohio's school funding structure, local property taxes make up the majority of our day-to-day operating revenue.

We are incredibly grateful to our GJPS community for your continued support and confidence shown to our schools through your tax dollars.

Your investment allows us to provide high-quality educational experiences for every student, every day.

PROTECTING YOUR INVESTMENT

GJPS is protecting your investment through:

Strong Investment Performance

GJPS generated \$2.1 million in added revenue from investment earnings on our general fund.

Safe & Secure Deposits

GJPS protects your funds through the Ohio Pooled Collateral System that is monitored by the Ohio Treasurer's Office.

Independent Annual Audit

GJPS is audited using GAAP and files the report with the Auditor of State for public transparency.

Local Property Taxes

In 2020, GJPS passed a levy to help fund daily operations like staffing, utilities and classroom materials. At the time, the levy rate was set at 4.28 mills and brought in about \$5.3 million based on property values when the levy was passed.

Since then, property values across the District have gone up by more than 57%. However, state law applies ***Tax Reduction Factors**, legislated through HB 920, which prevent schools from collecting more money than what voters originally approved.

GENERAL FUND REVENUES	FY24
Local Property Tax	\$ 69,652,828
Public Utility Personal Property Tax	7,071,229
State Funding	18,338,992
State Share of Local Property Tax	6,714,852
All Other Revenues	18,363,860
TOTAL REVENUES	\$ 120,141,761

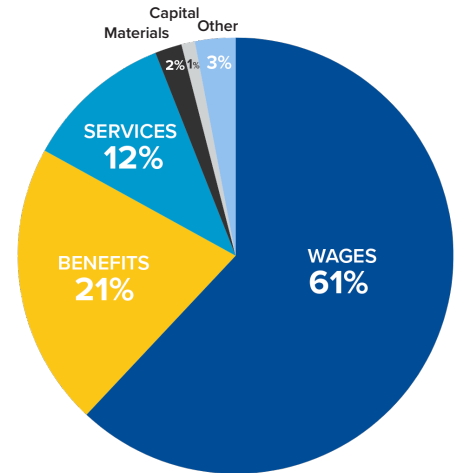
So even though home values have grown, GJPS can't collect more money on that levy unless there's new construction — and that's only added a **small 2.4%** increase in revenue over the last five years.

This means as property values go up, the tax rate goes down to keep the overall revenue about the same. That's why school districts like ours need to return to the ballot every 4 to 6 years. The money from earlier levies doesn't grow with inflation or rising costs, and eventually, a new levy is needed to avoid budget shortfalls and keep up with inflation.

***Tax Reduction Factors:** The amount that a voted tax levy rate has been reduced to prevent the levy from producing more revenue due to property reappraisal, also referred to as HB 920 Factors.

EXPENDITURES

EXPENDITURES	FY24
Personal Services (Wages)	\$ 68,485,401
Employees' Retirement Insurance Benefits	23,296,408
Purchased Services	12,847,971
Supplies and Materials	2,518,343
Capital Outlay	1,082,443
Principal Notes	0
Interest and Fiscal Charges	0
Other Objects	1,740,317
Total Other Financing Uses	1,155,917
TOTAL EXPENDITURES AND OTHER FINANCING	\$111,126,800



PROTECTING YOUR INVESTMENT

Median financial loss in reviewed government fraud cases was \$100,000, with 1/3 of fraud being attributed to lack of internal controls.

To guard against that risk, GJPS has implemented a series of internal controls. All payments require **multifactor authentication** with **vendor compliance checks** and **fraud protection** on every transaction.

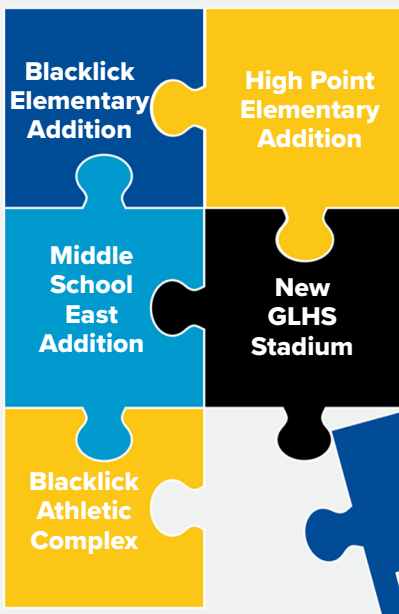
Did You Know?

GJPS saves money by aggregating its electric and gas usage with dozens of other school districts when purchasing and competitively bidding out energy services.

GJPS spent 5% less than the state average for purchased services, supplies and materials.

GJPS has 5.5% less administrative expenditures per pupil than the state average.

PHASE TWO DELIVERS



Phase Two of the Master Facilities Plan has delivered five major projects to meet the needs of our growing student population.

The final piece of the puzzle, a new **Gahanna Lincoln High School**, will open January 2026.



Did You Know?

Change orders for the new high school in FY24 were just 1.59%.

As the industry average is 5-10% of the contract value, this is a big cost saver for GJPS.

GJPS Five Year Forecast

A financial Five Year Forecast is a tool school districts use to plan ahead and make informed financial decisions. This report provides a projection of operational revenues and expenditures over the next five years. It is built using current financial data and is updated regularly to reflect assumptions, trends and anticipated events such as changes in state funding, enrollment and tax revenue.

While forecasts do not predict the future with certainty, they help school leaders and community members understand potential challenges and guide long-term planning. As you can see below, we forecast deficit spending due to our revenue not keeping up with inflationary factors. This chart outlines the projected revenues and expenditures for GJPS through Fiscal Year 2029.

FORECASTED FISCAL YEARS ENDING JUNE 30, 2025 THROUGH 2029					
	FY25	FY26	FY27	FY28	FY29
Total Revenues	\$120,753,362	\$121,208,961	\$122,117,226	\$123,130,013	\$123,115,824
Total Expenditures	122,206,029	128,015,537	136,039,995	141,922,877	148,102,124
Sources Over (Under) Expenditures & Other Financing Uses	(1,452,667)	(6,806,576)	(13,922,769)	(18,792,864)	(24,986,300)
Beginning Cash Balance	52,755,216	51,302,549	44,495,973	30,573,203	11,780,340
Ending Cash Balance	51,302,549	44,495,973	30,573,203	11,780,340	(13,205,960)
Encumbrance Reserve	8,626,701	8,671,699	8,725,004	8,724,294	8,723,585
Unreserved Balance Fund	42,675,848	35,824,274	21,848,200	3,056,046	(21,929,545)
True Day Case Ratio (Cash & Reserve)	145.49	119.48	75.08	23.63	(38.93)

*Source: November 2024 Financial Forecast

Fiscal Year 2025 has brought new proposals from the State Budget, including updates to the formula for the Fair School Funding Plan and other considerations that could impact both public schools and taxpayers.

As we navigate these changes, GJPS remains committed to responsible financial planning and will continue to prioritize efficiency and resource optimization guided by our Strategic Plan and dedication to our community.



Strategic Plan

Our finance department is taking a leading role in supporting our District's Strategic Plan, particularly with helping drive Pillar 4: Organizational Efficiency. As a department this year, we are working to organize and assess the District's consultants, purchased services and subscriptions, including types of resources, quantity, quality and current utilization rates.

Purchased services make up 12% of GJPS' budget and it is the largest category outside of wages and benefits, which makes it an area of focus for us. When looking at outside resources that we procure, we see an opportunity to continue to maximize the dollars we spend. We are working to collect the data regarding our purchased services and work with impacted departments to ensure the efficacy of our agreements.

We are looking across the District to eliminate any overlapping services. There is also an emphasis on limiting our contracts that automatically renew to ensure that all of our purchased services are currently benefiting our students and staff.

Did You Know?

You can learn more about our GJPS Strategic Plan by visiting our website.



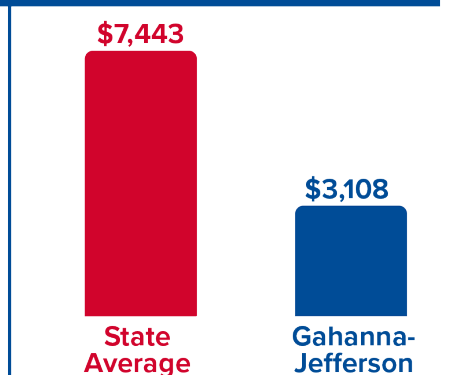
SPOTLIGHT ON VALUE

Smart Spending

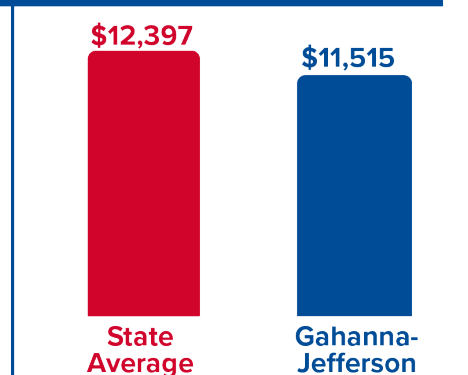
Keeping costs down and performance up results in a competitive value for our taxpayers. It is important for our District to ensure the impact of your tax dollars. We fully understand the importance of due diligence and using our finances to better the education for each of our students.

As stated, one of our financial principles is to use all dollars spent to add value to teaching and learning. We are proud we are able to make the most out of what we receive from our local tax base, as well as from the state. GJPS **receives 58% less** than the average Ohio school district in state funding. Also compared to the state average, we direct **7% more** of our total funds directly into the classroom, resulting in GJPS **spending \$882 less** in expenditure per pupil than the state average.

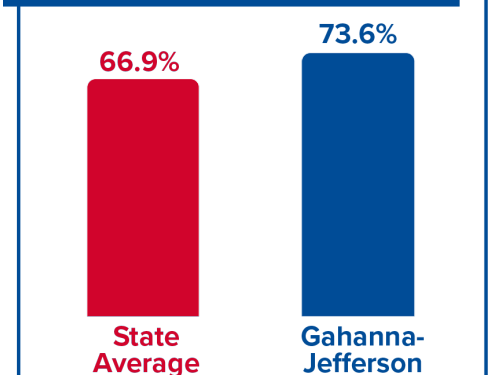
STATE FUNDING PER PUPIL



EXPENDITURES PER PUPIL



% OF \$\$\$ DIRECTED TO CLASSROOM



Maximizing Value

We are thrilled that the dollars we do spend make the most impact in the classroom. As a District, we have performed at a **4 star level** on our state report card in exceeding State Standards. GJPS also received **5 stars** in Gap Closing, which shows how well schools are doing in reducing chronic absenteeism for all students, supporting English learners to increase language proficiency, and identifying gifted students and providing gifted services.

We are proud of the incredible work our staff and students achieve through your taxpayer support, all while our District spends in the bottom third of school districts in Franklin County.



1 PRESCHOOL
7 ELEMENTARY SCHOOLS
3 MIDDLE SCHOOLS
1 HIGH SCHOOL



8,100+
STUDENT
ENROLLMENT



1,050+
TOTAL STAFF
MEMBERS



602
2024 GLHS
GRADUATES



55+
DIFFERENT
LANGUAGES
SPOKEN BY OUR
STUDENTS



210+
COURSE OFFERINGS
AT GLHS

Serving All Students

No matter their situation, we are proud to meet each of our students where they are and help them grow even further.

18% of our students are identified as gifted

TOP 1/3 in the state for the most students with disabilities

39% of our students are economically disadvantaged

Did You Know?

GJPS serves a rich cultural student population and has the 20th largest enrollment out of 613 districts in Ohio!

665 college courses are taken by 285 students in grades 7-12

TOP 10% in the state for the most English language learners

FINANCIAL SPOTLIGHT

GAHANNA-JEFFERSON PUBLIC SCHOOLS



GJP | INSPIRING LEARNERS
BUILDING FUTURES

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