



# WESTERVILLE

CITY SCHOOL DISTRICT



WESTERVILLE CITY SCHOOL DISTRICT  
936 Eastwind Drive, Westerville, Ohio 43081  
[www.wcsoh.org](http://www.wcsoh.org)

## PAFR

POPULAR ANNUAL  
FINANCIAL REPORT

For the year ending June 30, 2020

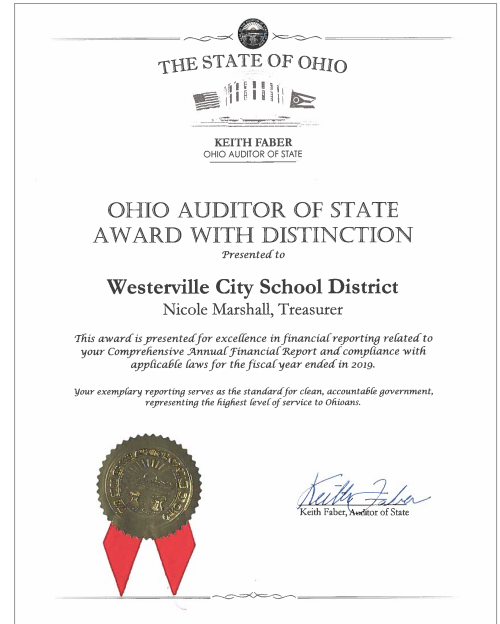


# WESTERVILLE CITY SCHOOLS

## #WHEREYOUBELONG



Westerville Board of Education | Front Row: President—Rev. Vaughn Bell, Board Member—Rev. Rick Vilardo, Board Member—Mrs. Tracy Davidson Back row: Vice-President—Dr. Nancy Nestor-Baker, Treasurer—Mrs. Nicole Marshall, Superintendent—Dr. John Kellogg, Board Member—Mrs. Jennifer Aultman



Nicole Marshall  
Treasurer/CFO

## A Letter From Our Treasurer/CFO

Dear Community Members,

As Treasurer/CFO of Westerville City Schools, I am pleased to present the 2019–20 Popular Annual Financial Report (PAFR) to our community. The purpose of this report is to provide a brief

summary of the District’s revenues and expenditures, as well as other relevant financial trends. This report is prepared in accordance with Generally Accepted Accounting Principles (GAAP) and readers should refer to the District’s Comprehensive Annual Financial Report (CAFR) for an in depth look at the District’s finances in accordance with GAAP. The 2019–20 CAFR can be found on the District’s website at [www.wcsoh.org](http://www.wcsoh.org).

As a means of increasing public awareness, this report provides a clear and thorough overview of the District’s finances through an easy-to-read, user-friendly format. The reader should obtain a better understanding of the financial operations for the District and how the District performed financially during the 2019-2020 fiscal year.

The District has prepared this report because we believe our taxpayers have the right to know how their tax dollars are being spent. With the addition of a PAFR, the District’s taxpayers are offered yet another means of gaining a clear and accurate picture of the District’s finances. We appreciate your continued support of the District and trust that you find this report very informative.

Any comments or questions regarding this report are welcome. Please call **614-797-5765** or email [marshalln@wcsoh.org](mailto:marshalln@wcsoh.org) with any questions or comments you may have.

Respectfully submitted,

Nicole Marshall | Treasurer/CFO

## SUMMARIZED FINANCIAL REPORTS

Numbers in the Financial Position Statement and Financial Activity Statement are taken from the District's Comprehensive Annual Financial Report (CAFR), and are presented in a GAAP format. In addition, this PAFR focuses on the District's General Fund, the operating fund of the District. The CAFR can be obtained from the Treasurer's Office or at [www.wcsoh.org](http://www.wcsoh.org).

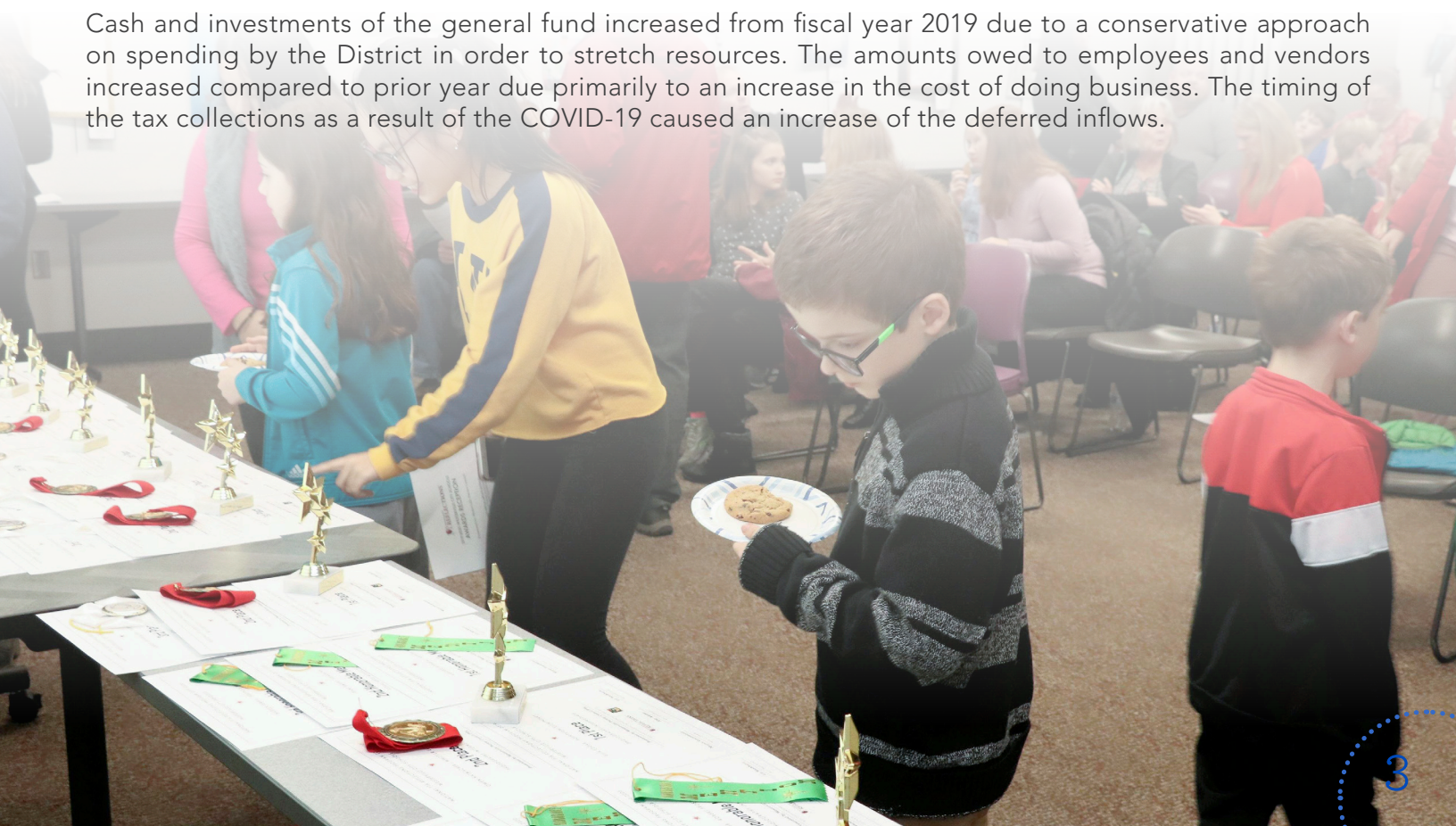
### ASSETS OVER LIABILITIES AND DEFERRED INFLOWS

The Financial Position Statement, known in accounting terms as the balance sheet, reports the assets 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 excess of assets over liabilities and deferred inflows provides the net position, or net worth, of the District. The amounts reported below are for the District's General Fund.

ASSETS (shown in thousands)	Restated			
	2020	2019	2018	2017
Cash and Investments	\$132,884	\$125,897	\$112,927	\$94,481
Receivables	123,003	122,464	123,098	118,965
Other Assets	1,315	1,568	1,148	813
<b>Total Assets</b>	<b>\$257,202</b>	<b>\$249,929</b>	<b>\$237,173</b>	<b>\$214,259</b>

LIABILITIES AND DEFERRED INFLOWS (shown in thousands)	Restated			
	2020	2019	2018	2017
Amount owed to Employees and Vendors	\$21,406	\$19,662	\$17,610	\$15,778
Deferred Inflows	115,850	78,685	80,624	76,625
<b>Total Liabilities and Deferred Inflows</b>	<b>\$137,256</b>	<b>\$98,347</b>	<b>\$98,234</b>	<b>\$92,403</b>
<b>Assets Over Liabilities and Deferred Inflows</b>	<b>\$119,946</b>	<b>\$151,582</b>	<b>\$138,939</b>	<b>\$121,856</b>

Cash and investments of the general fund increased from fiscal year 2019 due to a conservative approach on spending by the District in order to stretch resources. The amounts owed to employees and vendors increased compared to prior year due primarily to an increase in the cost of doing business. The timing of the tax collections as a result of the COVID-19 caused an increase of the deferred inflows.





# Our Expenditures and Services

# DEFINITIONS

**INSTRUCTION** are those activities directly dealing with the teaching of pupils or the interaction between teacher and pupil. This includes aides or classroom assistants of any type, who assist in the instructional process. Technology used by the students is also included here.

**PUPIL SUPPORT** are those activities designed to assess and improve the well-being of pupils and to supplement the teaching process. This includes guidance services, health services, psychological services and support services for students with disabilities.

**INSTRUCTIONAL STAFF SUPPORT** are those activities associated with assisting the instructional staff with the content and process of providing learning experiences for pupils.

**BOARD/ADMINISTRATION/FISCAL** are those activities concerned with establishing and administrating policy in connection with operating the school district and activities associated with the district and building leadership. This function includes budgeting, receiving and disbursing, financial accounting, payroll, inventory control, auditing and fiscal services rendered by persons in the treasurer's office.

**BUSINESS SUPPORT** are those activities concerned with purchasing, receiving, transporting, exchanging and maintaining goods and services for the school district.

**OPERATIONS AND MAINTENANCE** are those activities concerned with keeping the physical plant open, comfortable and safe for use and keeping the grounds, buildings, and equipment in an effective working condition and state of repair. This includes activities of maintaining safety in buildings and on the grounds of the schools.

**TRANSPORTATION** are those activities concerned with the conveyance of individuals to and from school, as provided by state law. It includes transportation to school activities and between home and school.

**CENTRAL SUPPORT** are those activities, other than general administration, that support each of the other instructional and supporting services programs including planning, research, development, evaluation, information staff, statistical, and data processing services.

**NON-INSTRUCTIONAL SERVICES** are those activities concerned with providing non-instructional services to students, staff or the community. This also includes providing certain services to other school districts.

**EXTRACURRICULAR** are those activities under the guidance or supervision of qualified adults that are designed to provide opportunities for pupils to participate in such experiences on an individual basis at school events or public events.

**FACILITIES ACQUISITION AND CONSTRUCTION** are those activities concerned with acquiring land and buildings, remodeling, constructing or additions to buildings, initially installing or extending service systems, and other built-up equipment and improving sites.

**CAPITAL OUTLAY** are those expenditures for the acquisition of, or additions to, capital assets. This includes expenditures for land or existing buildings; improvement of grounds; construction, addition or remodeling of buildings and initial and additional equipment furnishings and vehicles.

**DEBT SERVICE** are those transactions primarily for the purpose of discharging the District's commitment for interest and principal on debt.

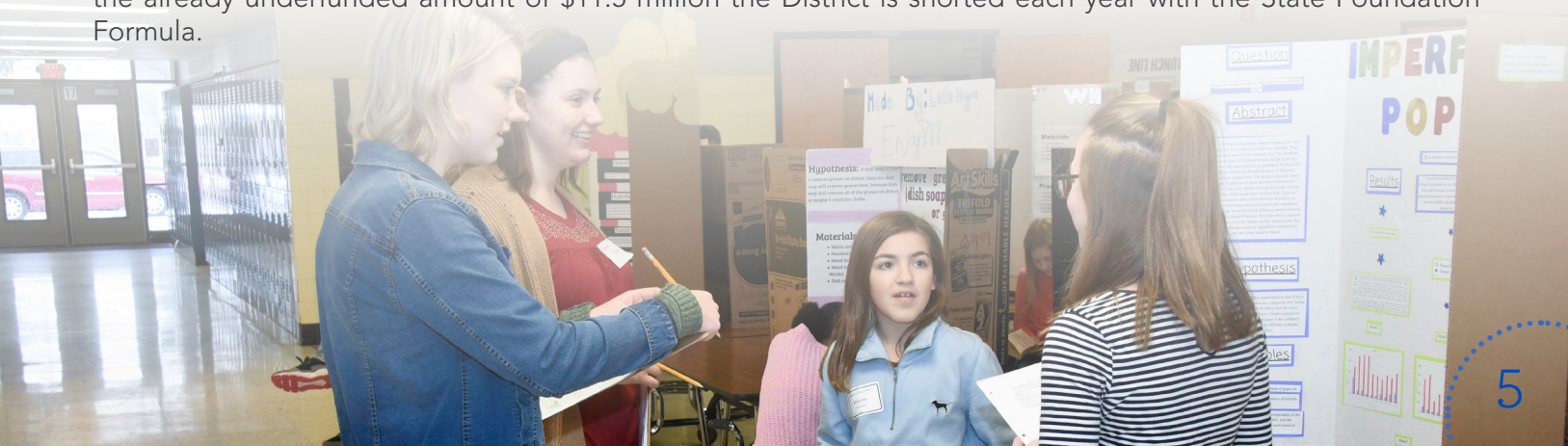
## REVENUES AND RESOURCES OVER EXPENDITURES AND SERVICES

The Financial Activity Statement, known in accounting terms as the income statement, provides a summary of the revenues and resources received by the District compared to the expenditures and services provided by the District. The amounts reported below are for the District's General Fund, on a GAAP basis.

REVENUES & RESOURCES (shown in thousands)	Restated			
	2020	2019	2018	2017
Property Taxes	\$79,067	\$113,485	\$112,657	\$110,334
State and Federal Revenue	58,453	60,996	59,571	58,007
Investment Income	3,229	3,614	944	324
Tuition	1,554	2,299	3,872	2,258
Extracurricular	384	515	541	568
Miscellaneous	5,531	5,775	5,384	4,953
<b>Total Revenues and Resources</b>	<b>\$148,218</b>	<b>\$186,684</b>	<b>\$182,969</b>	<b>\$176,444</b>

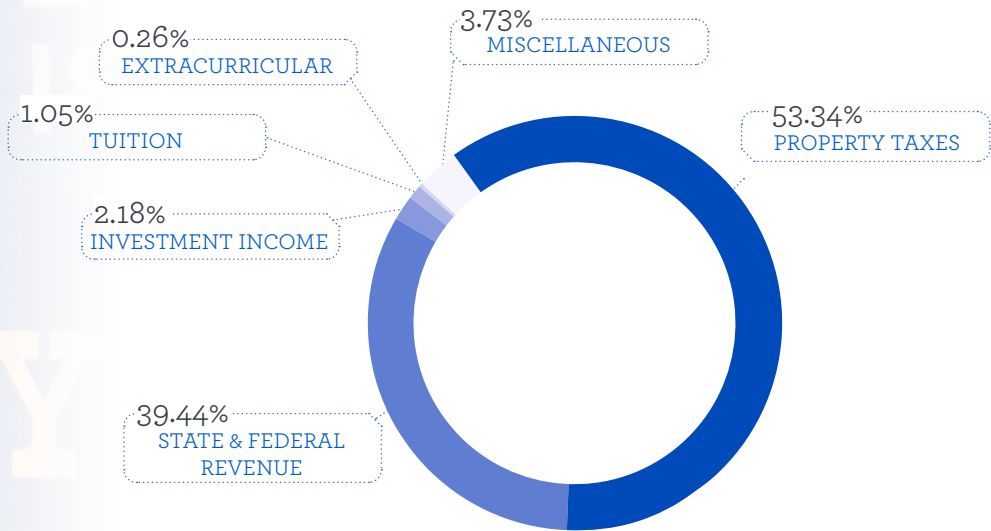
EXPENDITURES & SERVICES (shown in thousands)	Restated			
	2020	2019	2018	2017
Instruction	\$114,128	\$108,559	\$102,571	\$100,178
Pupil Support	14,785	15,259	14,851	14,303
Instructional Staff Support	4,899	5,102	5,457	5,071
Board/Administration/Fiscal	17,153	16,451	15,690	15,327
Business Support	1,053	991	1,018	1,262
Operations and Maintenance	13,090	13,406	13,103	12,710
Transportation	8,705	8,457	8,169	7,834
Central Support	2,729	2,933	2,325	2,152
Operation of Non-Instructional	141	143	116	71
Extracurricular	2,629	2,555	2,375	2,145
Facilities Acquisition and Construction	303	—	6	1,855
Capital Outlay	616	—	—	—
Debt Service	179	179	179	179
<b>Total Expenditures &amp; Services</b>	<b>\$180,410</b>	<b>\$174,035</b>	<b>\$165,860</b>	<b>\$163,087</b>
<b>Revenues &amp; Resources Over Expenditures &amp; Services</b>	<b>(\$32,192)</b>	<b>\$12,649</b>	<b>\$17,109</b>	<b>\$13,357</b>

Due to the COVID-19 Pandemic, the timing of property tax payments were delayed and state revenue was reduced. The largest decline in revenue on a GAAP basis was property taxes due to the amounts available as an advance at June 30, 2020. The reduction is a direct result of the second half property tax payment due date being delayed. Payments were made in late 2020, so the District's overall cash position was not affected by this delay. Governor Dewine reduced state funding to schools as a response to the COVID-19 pandemic, resulting in a \$2.8 million cut in state funding revenue for the District during fiscal year 2020. This cut was in addition to the already underfunded amount of \$11.5 million the District is shorted each year with the State Foundation Formula.



## OUR REVENUES AND RESOURCES FY20

Where the General Fund money comes from



BLENDON'S  
50<sup>TH</sup> YEAR  
T-SHIRTS  
\$10.00

BLENDON'S  
50<sup>TH</sup> YEAR  
T-SHIRTS  
\$10.00

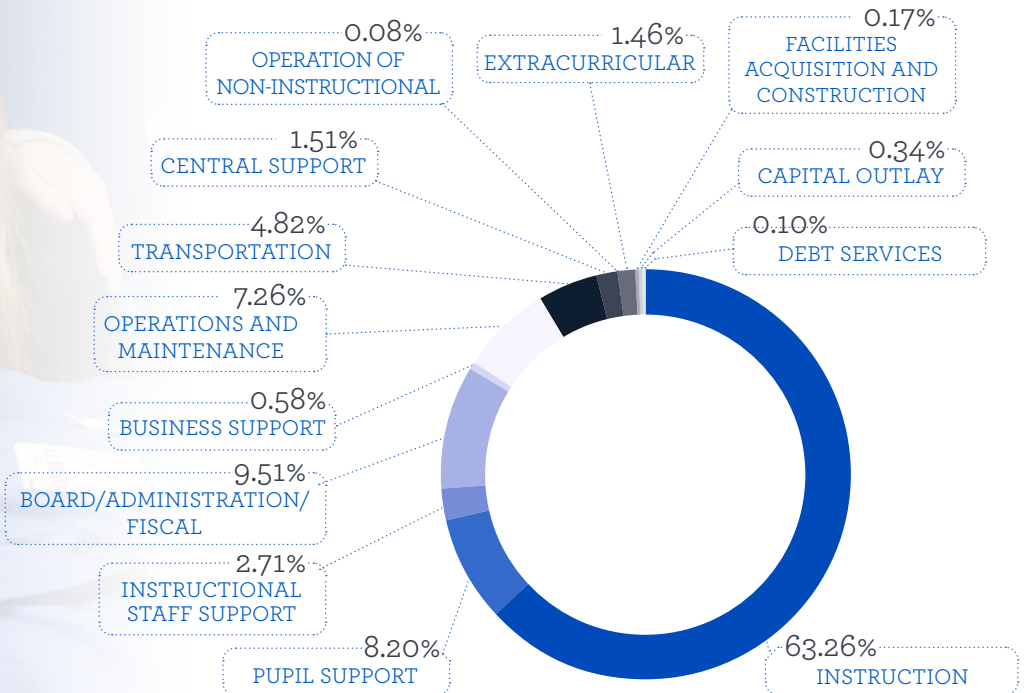


**TOTAL**

Revenues & Resources: **\$148,218**  
(Shown in thousands)

## OUR EXPENDITURES AND SERVICES FY20

Where the General Fund money goes



**TOTAL**

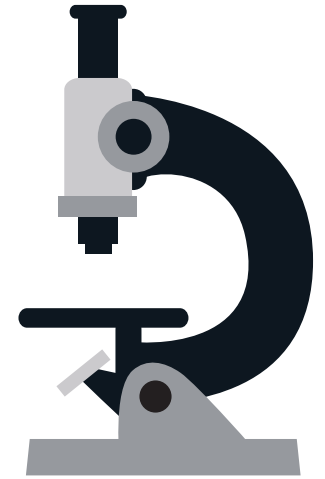
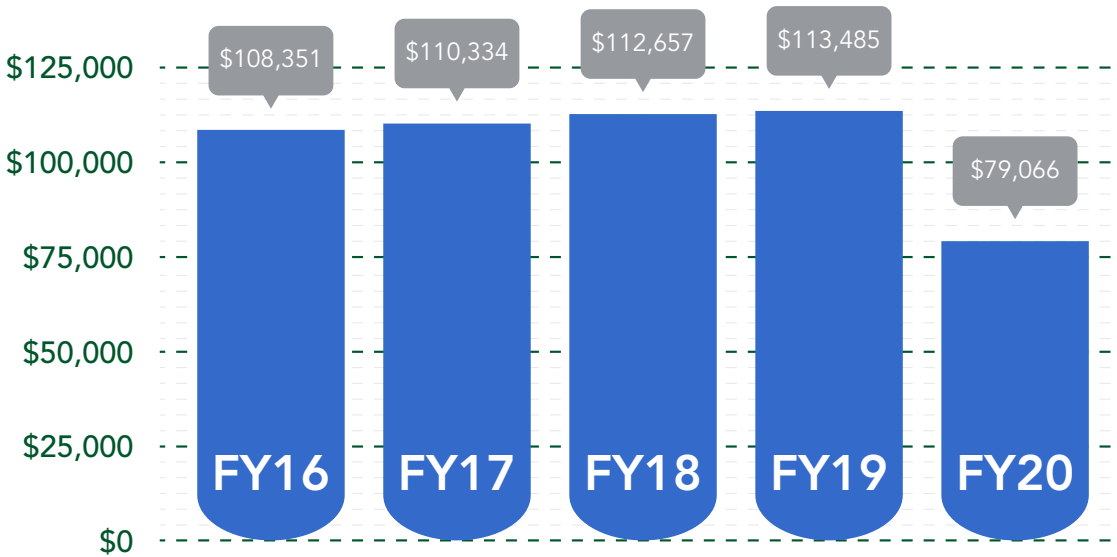
Expenditures & Services:  
(Shown in thousands)

**\$180,410**

Instruction, Pupil Support and Instructional Staff Support make up 74.17% of the General Fund expenditures

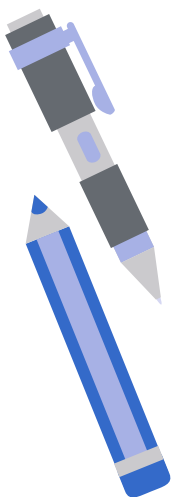
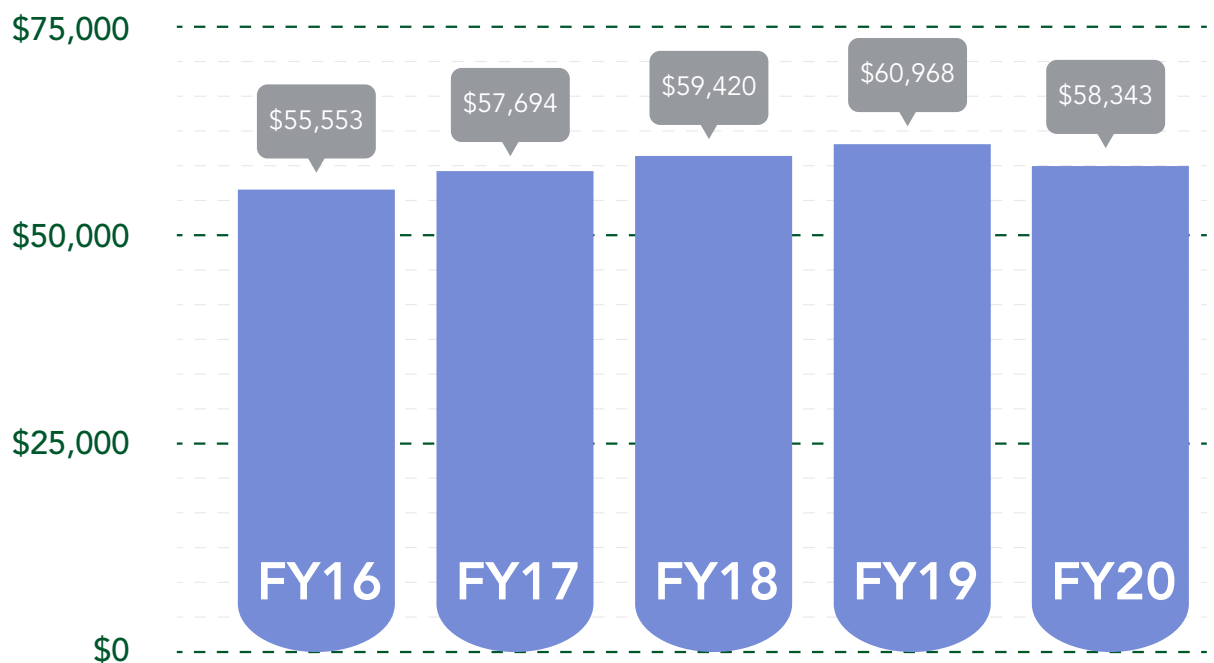
## PROPERTY TAXES

Below is a graph depicting the amount of revenues received by the District's General Fund from real and personal property taxes. Property taxes provide a majority of the local revenue to operate and maintain our schools. The district receives property taxes from Franklin and Delaware counties. Amounts shown in thousands. As previously noted, property tax revenue was reduced on a GAAP basis due to the delay of due dates for property tax payments due to COVID-19, resulting in a lower amount being available as an advance at June 30, 2020.



## STATE FUNDING

The chart below depicts the revenues for the District's General Fund from the State of Ohio. Monies received from the state are critical in running a fiscally solvent school district. The two primary components of State revenues are (1) Unrestricted State Aid consisting of State Foundation which is a formula calculation based upon student enrollment and (2) property tax allocations which include Homestead and Rollback payments which represent the portion of the tax bill paid by the State instead of the taxpayer. Amounts shown in thousands.

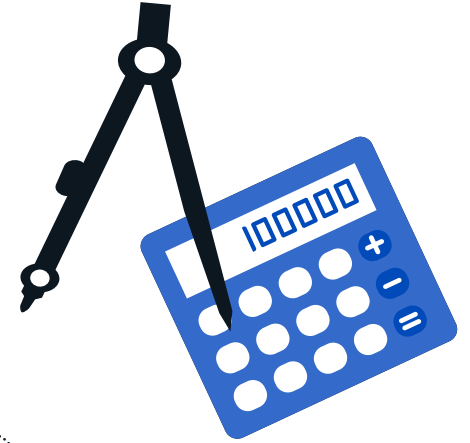


## UNBUNDLING THE TAX RATE

All tax rates for the District, except inside millage, are reduced as valuations increase. In accordance with House Bill 920, as property valuations increase during the triennial update and reappraisal periods, the voted millage is reduced. The result is that voted millage generates the same amount of tax revenue for the District as was received when each levy was initially approved by the voters. The chart below shows the difference in the District's "Gross" or voted tax rates, as compared to the "Effective" rates, which are what is being collected. The rates below are for the 2019 tax year, collected in 2020.

## TAX BURDEN ON HOMEOWNERS

Type	Gross Rate	Effective Rate	Length Approved
Inside—Operating	3.80	3.80	Permanent
Voted—Operating	68.01	42.82	Permanent
Permanent Improvement	3.95	3.40	Permanent
Bond Retirement	4.30	4.30	Various
<b>Total Rates</b>	<b>80.06</b>	<b>54.32</b>	



## ASSESSED VALUES OF REAL PROPERTY

Collection Year	Agricultural/Residential & Other Real Estate	Public Utility Personal Property	Total
2020	2,637,709,430	55,271,050	\$2,692,980,480
2019	2,596,457,820	52,295,150	\$2,648,752,970
2018	2,565,358,330	58,463,770	\$2,623,822,100
2017	2,294,410,060	48,206,100	\$2,342,616,160
2016	2,284,046,520	38,809,570	\$2,322,856,090

## OTHER DEMOGRAPHIC INFORMATION

Unemployment Rate	5.6%
Population	98,805
Per Capita Income	\$39,837





## CAPITAL IMPROVEMENTS

The District uses the permanent improvement fund for capital improvements. The following chart details the uses of the permanent improvement fund by percentage on a cash basis.



## OUTSTANDING DEBT AT YEAR END

The chart below captures the District's long-term bonds, notes, leases, and certificates of participation outstanding. The bonds, notes, and certificates of participation were issued for construction and/or renovation of school buildings. The capital lease obligations were for the acquisition of copier equipment.

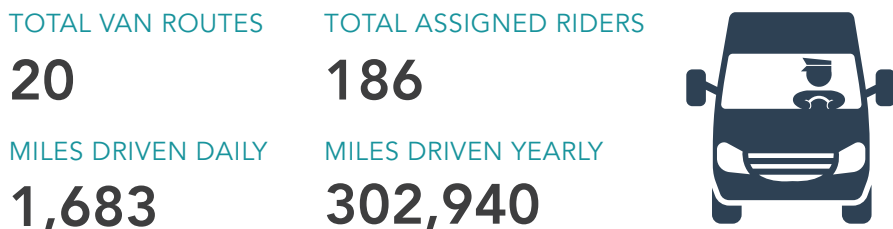
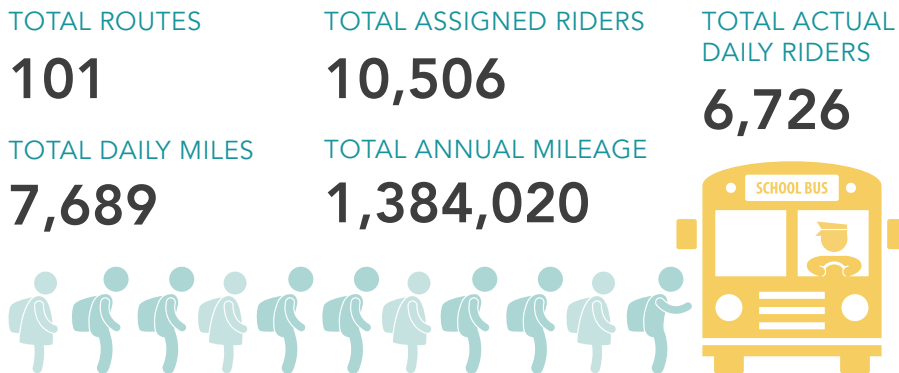
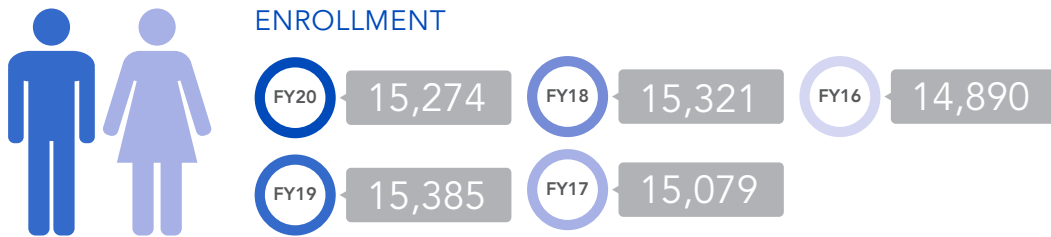
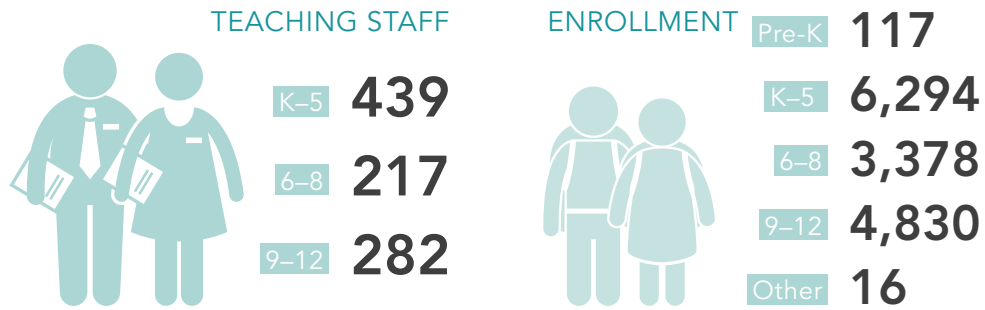
<b>OUTSTANDING DEBT</b> (shown in thousands)	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
General Obligation Bonds	\$148,125	\$50,845	\$56,095	\$60,943
Tax Anticipation Notes	2,855	5,600	8,225	10,725
Capital Lease Obligations	616	174	339	496
Certificates of Participation	39,000	39,000	—	—
<b>TOTAL DEBT</b>	<b>\$190,596</b>	<b>\$95,619</b>	<b>\$64,659</b>	<b>\$72,164</b>

<b>PROJECTS</b> (cash basis)	<b>Original Budget</b>	<b>Adjustments</b>	<b>Adjusted Budget</b>	<b>Spent as of 6/30/2020</b>	<b>Remaining Budget</b>
Renovations to Westerville South High School*	\$37,000,000.00	\$1,000,000.00	\$38,000,000.00	\$12,313,880.89	\$25,686,119.11
New Middle School	32,543,471.00		32,543,471.00		32,543,471.00
New Elementary School	20,703,330.00		20,703,330.00	639,372.55	20,063,957.45
Renovations and Additions to Annehurst Elementary	15,119,130.00		15,119,130.00	471,801.00	14,647,329.00
Renovations and Additions to Whittier Elementary	11,329,057.00		11,329,057.00		11,329,057.00
Renovations to Hawthorne Elementary	9,217,010.00		9,217,010.00		9,217,010.00
Address Facilities Needs at Emerson Elementary	1,378,772.00		1,378,772.00		1,378,772.00
Address Facilities Needs at Hanby Elementary	2,698,977.00		2,698,977.00		2,698,977.00
Address Facilities Needs at Longfellow Elementary	1,055,258.00		1,055,258.00		1,055,258.00
Safety and Security Updates District Wide**	7,500,000.00		7,500,000.00	1,843,032.29	5,656,967.71
Parking lots/Playgrounds	3,454,995.00		3,454,995.00	139,938.00	3,315,057.00
	<b>\$142,000,000.00</b>	<b>\$1,000,000.00</b>	<b>\$143,000,000.00</b>	<b>\$15,408,024.73</b>	<b>\$127,591,975.27</b>

\* Project financed from certificates of participation and budget includes \$1 million from interest revenue, not part of bond issue.

\*\* \$2 million financed from certificates of participation, \$5.5 million financed from bond issue.

# THE NUMBERS BEHIND WESTERVILLE CITY SCHOOLS



# 2019–2020

## DISTRICT ACCOMPLISHMENTS

### OUR MISSION

To prepare students to contribute to the competitive and changing world in which we live.

### OUR VISION

To be the Benchmark of educational excellence.



Approximately 70% of graduates pursue a post-secondary education at colleges and universities around the world or join the military



Ranked by Forbes Magazine as the 5th friendliest community in the nation and by Movoto Real Estate as the 18th best suburban area in the nation for public education



Three National Merit Scholarship Corporation Semifinalists; eight Commended Students.



For the eighth consecutive year, WCSD earned the Auditor of State's Award with Distinction for achieving a "clean" financial audit report.



WCSD earned an Ohio School Public Relations Association "Best of the Best Award" for community engagement efforts.



Since the 2006-2007 school year, Westerville City Schools (WCS) has a grand total of \$23,888,862 in cost avoidance and energy rebate programs related to utilities.



Two Westerville graduates were selected by The Ohio State University to receive the President's Prize, the highest university recognition bestowed on exceptional students committed to social change.



The signing of Senate Bill 86 into law, the Barn Bill, a multi-year project originated by Westerville students and teachers.



Nine Westerville pupils were chosen from 900 nominations across six states for 366 spots in the 2019 Ohio State University Middle School Honor Band Festival.



Three of five scholarships, Ohio State Thespian Conference.



Westerville City Schools was the highest-ranked school district in the nation in a contest that recognizes progressive and environmentally-committed transportation fleets. Under The 100 Best Fleets' Green Garage Contest, the district's fleet was ranked No. 4 in the country behind the City of Tulsa, Oklahoma; the University of California, Irvine and the University of California, Davis.



Westerville City Schools was recognized twice in the Fall 2020 edition of the Learning By Design magazine for Outstanding Projects: Renovation and Addition at Pointview Elementary School and the SHOP at Westerville North High School.



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## CITY SCHOOL DISTRICT

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# PAFR

POPULAR ANNUAL FINANCIAL REPORT

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