

#WHEREYOUBELONG

PAFR

POPULAR ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2021



WESTERVILLE

CITY SCHOOL DISTRICT



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#WHEREYOUBELONG

WESTERVILLE CITY SCHOOL DISTRICT

936 Eastwind Drive, Westerville, Ohio 43081

p. 614.797.5700 | f. 614.797.5701

wsoh.org



A Letter From Our Treasurer/ CFO

Dear Community Members,

As Treasurer/CFO of Westerville City Schools, I am pleased to present the 2021 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 Annual Comprehensive Financial Report (ACFR) for an in-depth look at the District's finances in accordance with GAAP. The 2020–2021 ACFR can be found on the Treasurer's page of the District's website at www.wsoh.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 2020–2021 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. Through this 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](tel:614.797.5765) or email marshalln@wsoh.org with any questions or comments you may have.

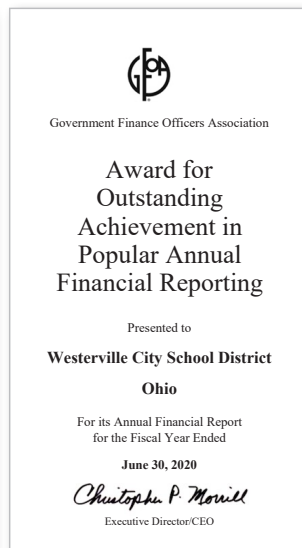
Respectfully submitted,

Nicole Marshall

Nicole Marshall | Treasurer/CFO



Westerville Board of Education | Front Row: President – Rev. Vaughn Bell, Board Member – Rev. Rick Vilardo (term ended 12/31/2021), 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
Inset: Kristy Meyer, term began on 1/1/2022



SUMMARIZED FINANCIAL REPORTS

Numbers in the Financial Position Statement and Financial Activity Statement are taken from the District's Annual Comprehensive Financial Report (ACFR), 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 ACFR can be obtained from the Treasurer's Office or at www.wcsoh.org.

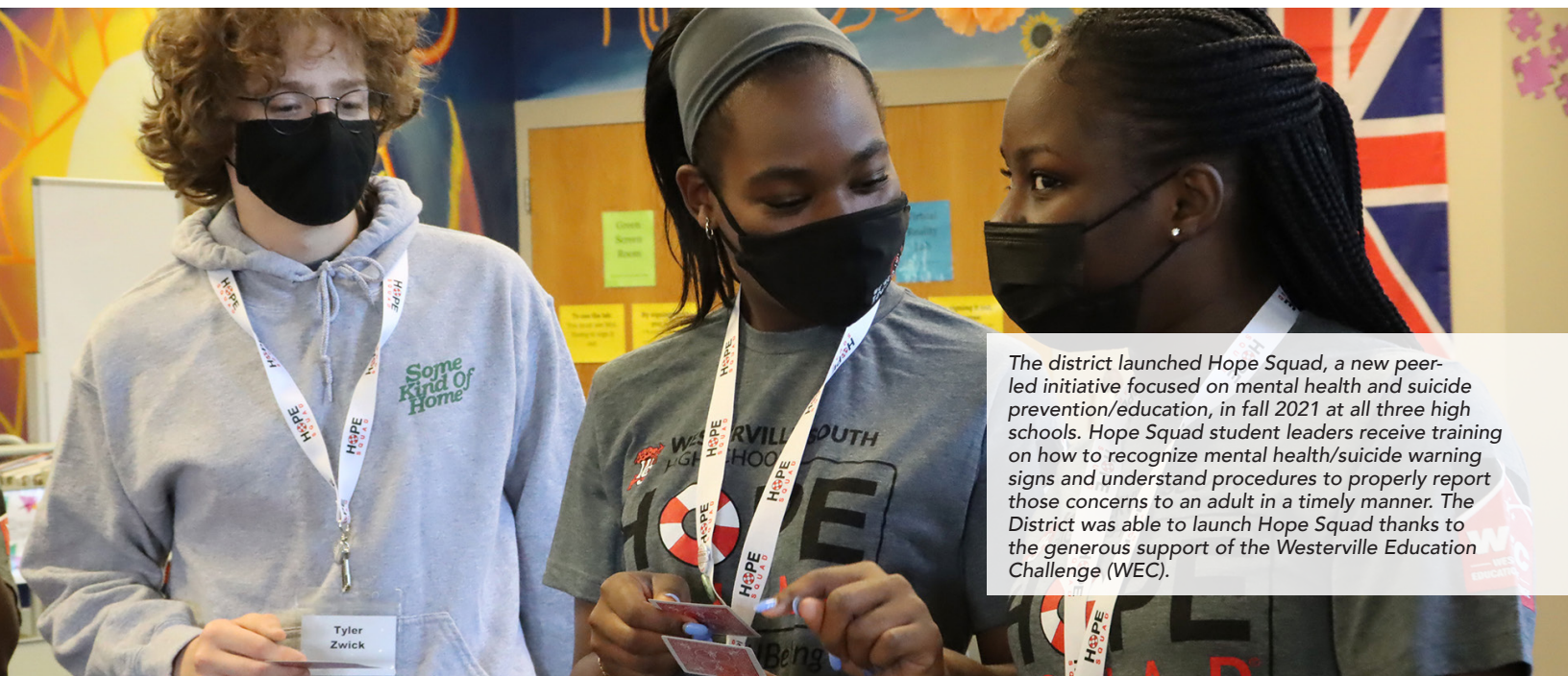
ASSETS OVER LIABILITIES AND DEFERRED INFLOWS

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 <i>(shown in thousands)</i>	2021	2020	2019	2018
Cash and Investments	\$145,131	\$132,884	\$125,897	\$112,927
Receivables	\$143,039	\$123,003	\$122,464	\$123,098
Other Assets	\$1,862	\$1,315	\$1,568	\$1,148
Total Assets	\$290,032	\$257,202	\$249,929	\$237,173

LIABILITIES AND DEFERRED INFLOWS <i>(shown in thousands)</i>	2021	2020	2019	2018
Amount owed to Employees and Vendors	\$22,722	\$21,406	\$19,662	\$17,610
Deferred Inflows	\$92,929	\$115,850	\$78,685	\$80,624
Total Liabilities and Deferred Inflows	\$115,651	\$137,256	\$98,347	\$98,234
Assets Over Liabilities and Deferred Inflows	\$174,381	\$119,946	\$151,582	\$138,939

Cash and investments of the General Fund increased from fiscal year 2020 due to a conservative approach on spending by the District in order to stretch resources along with an increase in tax revenues. 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 COVID-19 caused a decrease of the deferred inflows.



The district launched Hope Squad, a new peer-led initiative focused on mental health and suicide prevention/education, in fall 2021 at all three high schools. Hope Squad student leaders receive training on how to recognize mental health/suicide warning signs and understand procedures to properly report those concerns to an adult in a timely manner. The District was able to launch Hope Squad thanks to the generous support of the Westerville Education Challenge (WEC).

OUR DISBURSEMENTS 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.

The district's pathway programs feature labs that introduce high school students to real-world skills such as a phlebotomy lab that uses the same medical equipment phlebotomists train on — a synthetic arm with veins that contain a solution that simulates blood.



All across the district, teachers are finding opportunities to apply what students are learning in the classroom beyond the school doors. Fifth-grade students at Robert Frost Elementary, for example, participated in the Columbus and Franklin County Metro Parks' SEED program — Students Exploring Ecosystem Dynamics — where they explored ecosystems and other topics they covered in their science lessons.

RECEIPTS AND RESOURCES OVER DISBURSEMENTS 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 <i>(shown in thousands)</i>	2021	2020	2019	2018
Property Taxes	\$166,682	\$79,067	\$113,485	\$112,657
State and Federal Revenue	\$60,611	\$58,453	\$60,996	\$59,571
Investment Income	\$235	\$3,229	\$3,614	\$944
Tuition	\$1,552	\$1,554	\$2,299	\$3,872
Extracurricular	\$361	\$384	\$515	\$541
Miscellaneous	\$6,358	\$5,531	\$5,775	\$5,384
Total Revenues & Resources	\$235,799	\$148,218	\$186,684	\$182,969

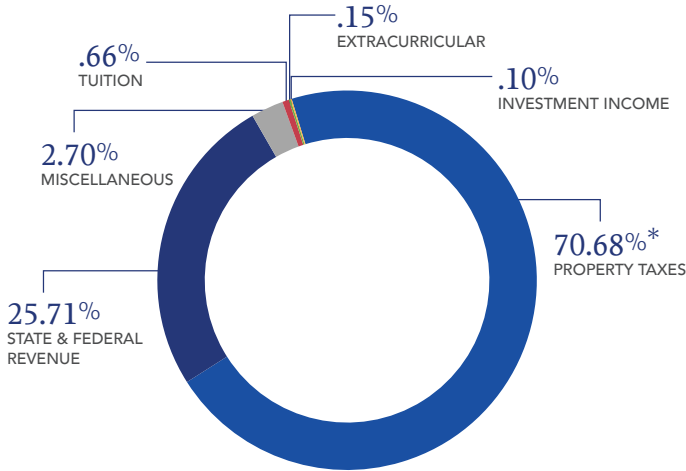
EXPENDITURES & SERVICES PROVIDED <i>(shown in thousands)</i>	2021	2020	2019	2018
Instruction	\$117,312	\$114,128	\$108,559	\$102,571
Pupil Support	\$14,816	\$14,785	\$15,259	\$14,851
Instructional Staff Support	\$5,481	\$4,899	\$5,102	\$5,457
Board/Administration/Fiscal	\$15,932	\$17,153	\$16,451	\$15,690
Business Support	\$1,084	\$1,053	\$991	\$1,018
Operations and Maintenance	\$12,887	\$13,090	\$13,406	\$13,103
Transportation	\$8,010	\$8,705	\$8,457	\$8,169
Central Support	\$2,768	\$2,729	\$2,933	\$2,325
Operation of Non-Instructional	\$137	\$141	\$143	\$116
Extracurricular	\$2,641	\$2,629	\$2,555	\$2,375
Facilities Acquisition and Construction	\$176	\$303	–	\$6
Capital Outlay	\$0	\$616	–	–
Debt Service	\$100	\$179	\$179	\$179
Total Expenditures & Services	\$181,344	\$180,410	\$174,035	\$165,860
Revenues & Resources Over Expenditures & Services	\$54,455	(\$32,192)	\$12,649	\$17,109

The COVID-19 pandemic had an impact on many revenue sources. The most significant was the timing of tax revenues. Franklin and Delaware Counties extended the deadline for paying second half real estate taxes from July 20th, 2020 to August 5th, 2020, and August 20, 2020, respectively. Therefore, tax revenues available as of June 30th, 2020 decreased by \$36.7 million and deferred property taxes increased in the prior year. Deadlines returned to normal in July and August 2021 and as such tax revenues increased and deferred taxes decreased. After making significant cuts in the spring of 2020, the State of Ohio returned a portion of the cuts in fiscal year 2021. The District did see a continued reduction of tuition and fees as families were not charged for days that students were on remote learning and a reduced rate during blended learning. Building rentals also decreased as buildings were closed to outside organizations. The most significant decrease was the \$3 million decrease in interest as rates continued to fall and the market value of investments decreased.

Expenditures had a net increase of approximately \$900K over the prior year. Instruction, Pupil Support and Instructional Staff Support all increased as expected with the cost of doing business and the added costs of the COVID-19 pandemic. Other expenditures decreased due mostly to the District utilizing federal grant funds to reduce the impact of the COVID-19 pandemic on the General Fund.

OUR REVENUES AND RESOURCES FY21

Where the General Fund money comes from.



\$235,799 TOTAL
REVENUES & RESOURCES (shown in thousands)

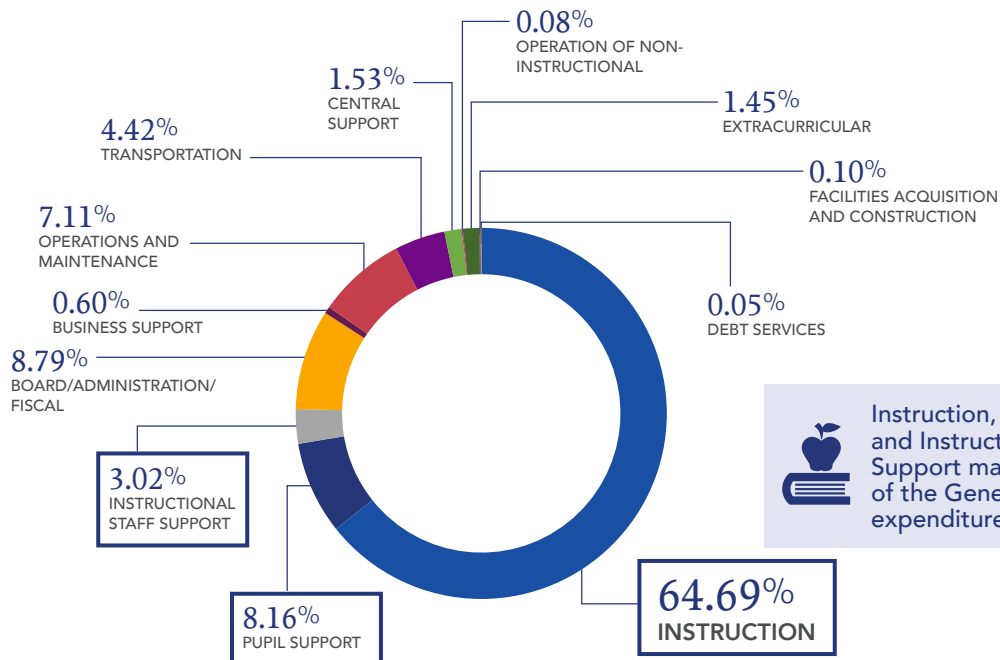
*The property tax percentage is inflated for the year due to the timing of property tax payments.




Whether it's the elementary, middle or high school, students and staff celebrate kindness and often find ways to show others that the district is where they belong. At Genoa Middle School, two seventh-grade students have committed to covering the walls of the sixth-grade bathroom with bright artwork and positive messages, creating a welcoming space for their younger peers.

OUR EXPENDITURES AND SERVICES FY21

Where the General Fund Money goes.

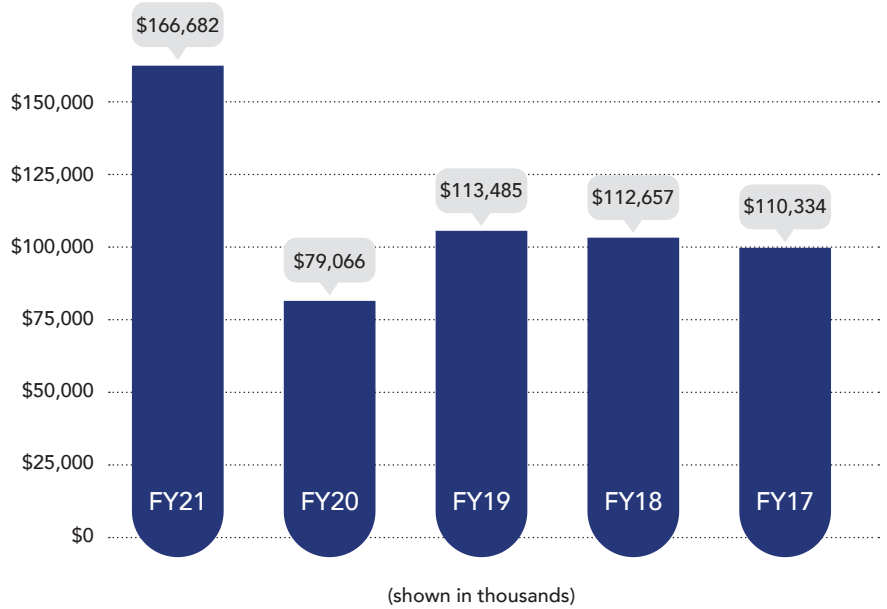


 Instruction, Pupil Support and Instructional Staff Support make up 75.87% of the General Fund expenditures.

\$181,344 TOTAL
EXPENDITURES & SERVICES (shown in thousands)

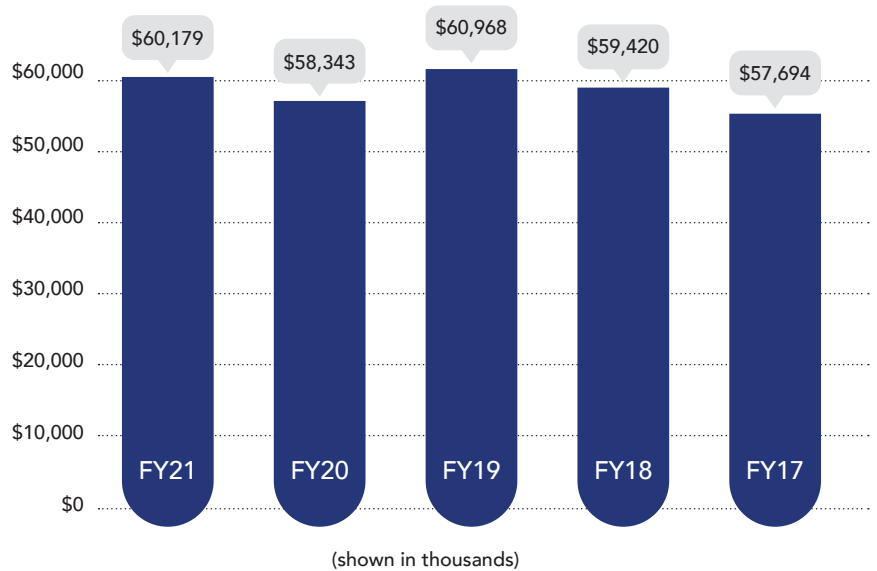
PROPERTY TAXES

The graph to the right depicts 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. 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. In addition, the District passed a 1.95 mill bond issue and a 5.9 mill operating levy in November 2019. Collection of the operating levy was delayed until calendar year 2021. The combined effect of property tax extensions in 2020 and the new levy collections in 2021 resulted in a significant increase in property tax revenue in FY21.



STATE FUNDING

The graph to the right 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) State Foundation payments, which is calculated based on a formula using student enrollment (the District continues to be underfunded from the formula by the State) 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. State Foundation payments were significantly reduced during FY20 due to COVID-19 and the State only partially restored funding from those cuts in FY21.



Funding for the first phase of the district's facility master plan residents approved in 2019 included facility upgrades, safety and security improvements, and new additions at several buildings including Annehurst Elementary.

UNBUNDLING THE TAX RATE

Tax rates for the District, except inside millage, are reduced as valuations increase (Bond rates are adjusted to match debt payments). 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 (small growth is realized for new construction). 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 2020 tax year, collected in 2021.

TAX BURDEN ON HOMEOWNERS

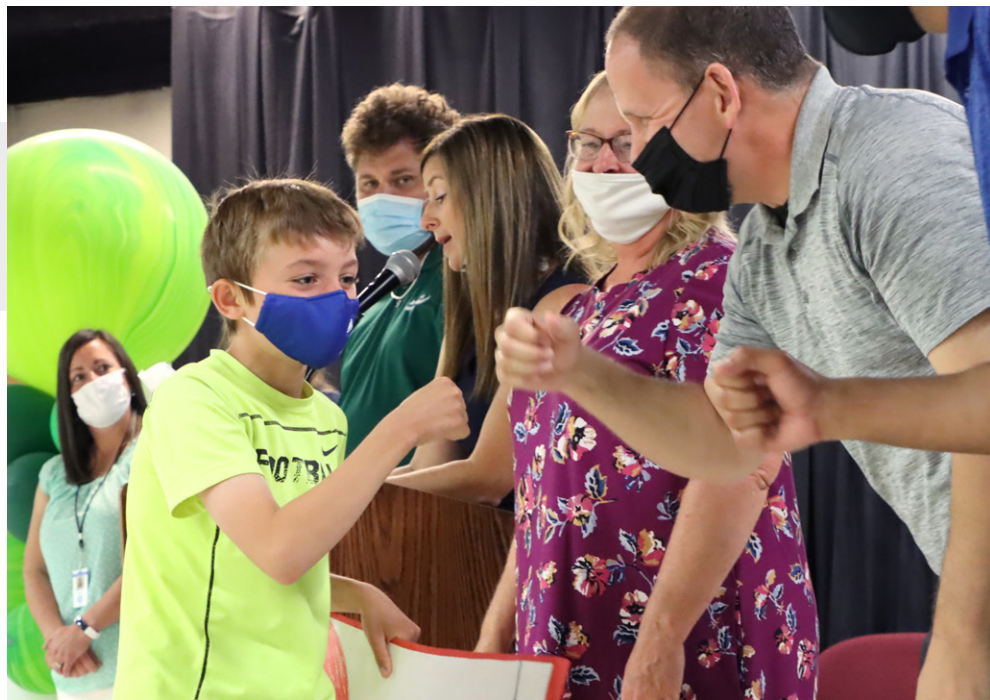
TYPE	GROSS RATE	EFFECTIVE RATE	LENGTH APPROVED
Inside – Operating	3.80	3.80	Permanent
Voted – Operating	73.21	41.60	Permanent
Permanent Improvement	3.95	2.88	Permanent
Bond Retirement	4.10	4.10	Various
Total Rates	85.06	52.38	

ASSESSED VALUE ON REAL PROPERTY

COLLECTION YEAR	AGRICULTURAL/RESIDENTIAL AND OTHER REAL ESTATE	PUBLIC UTILITY PERSONAL PROPERTY	TOTAL
2021	\$3,082,867,100	\$61,273,460	\$3,144,140,560
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

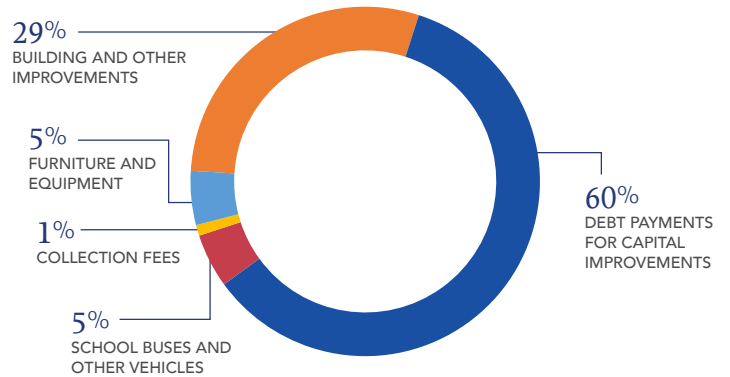
OTHER DEMOGRAPHIC INFORMATION

Unemployment Rate	4.8%
Population	100,148
Per Capita Income	\$40,544



CAPITAL IMPROVEMENTS

The District uses the permanent improvement fund for capital improvements. The following chart details the uses of the permanent improvement levy 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.


OUTSTANDING DEBT <i>(shown in thousands)</i>	2021	2020	2019	2018
General Obligation Bonds	\$132,200	\$148,125	\$50,845	\$56,095
Tax Anticipation Notes	–	\$2,855	\$5,600	\$8,225
Capital Lease Obligations	\$530	\$616	\$174	\$339
Certificates of Participation	\$39,000	\$39,000	\$39,000	–
Total Debt	\$171,730	\$190,596	\$95,619	\$64,659

PROJECTS <i>(cash basis)</i>	SCC	Original Budget	Adjustments	Adjusted Budget	Spent as of 6/30/2021	Remaining Budget
Renovations to Westerville South High School*	9001	\$37,000,000.00	\$1,000,000.00	\$38,000,000.00	\$20,700,854.70	\$17,299,145.30
New Middle School	9010	\$32,543,471.00	\$7,904,631.00	\$40,448,102.00	\$1,432,167.75	\$39,015,934.25
New Elementary School	9020	\$20,703,330.00	\$(1,613,602.00)	\$19,089,728.00	\$6,476,233.81	\$12,613,494.19
Renovations and additions to Annehurst Elementary	9030	\$15,119,130.00	\$(5,374,776.00)	\$9,744,354.00	\$2,751,869.01	\$6,992,484.99
Renovations and additions to Whittier Elementary	9050	\$11,329,057.00	\$(451,443.00)	\$10,877,614.00	–	\$10,877,614.00
Renovations to Hawthorne	9040	\$9,217,010.00	–	\$9,217,010.00	–	\$9,217,010.00
Address Facilities Needs at Emerson	9060	\$1,378,772.00	–	\$1,378,772.00	–	\$1,378,772.00
Address Facilities Needs at Hanby	9070	\$2,698,977.00	–	\$2,698,977.00	–	\$2,698,977.00
Address Facilities Needs at Longfellow	908L	\$1,055,258.00	–	\$1,055,258.00	–	\$1,055,258.00
Safety and Security Updates District Wide**	909L	\$7,500,000.00	–	\$7,500,000.00	\$2,631,521.70	\$4,868,478.30
Parking Lots/Playgrounds	910L	\$3,454,995.00	\$(464,810.00)	\$2,990,185.00	\$592,447.92	\$2,397,737.08
		\$142,000,000.00	\$1,000,000.00	\$143,000,000.00	\$34,585,094.89	\$108,414,905.11

* Project financed from existing resources and budget includes \$1 million from interest revenue, not part of bond issue


** \$2 million financed from existing resources, \$5.5 million financed from bond issue

THE NUMBERS BEHIND WESTERVILLE CITY SCHOOLS



TEACHING STAFF

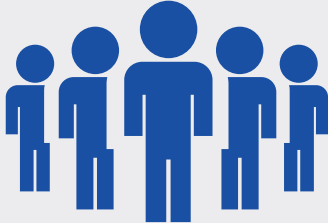
438	K-5
223	6-8
270	9-12




ENROLLMENT

114	Pre-K
6,294	K-5
3,379	6-8
4,834	9-12
16	Other

TOTAL ENROLLMENT



14,637 FY21	15,274 FY20	15,385 FY19	15,321 FY18	15,079 FY17
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SQUARE FOOTAGE MAINTAINED

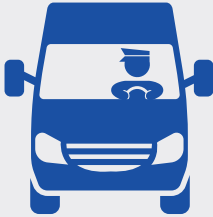
2,173,542

BUS TRANSPORT

101	TOTAL ROUTES
8,433	TOTAL ASSIGNED RIDERS
2,206	TOTAL ACTUAL DAILY RIDERS
7,003	TOTAL DAILY MILES
967,993	TOTAL ANNUAL MILEAGE



VAN TRANSPORT



20	TOTAL VAN ROUTES
152	TOTAL ASSIGNED RIDERS
1,420	MILES DRIVEN DAILY
255,600	MILES DRIVEN YEARLY

RECENT DISTRICT ACCOMPLISHMENTS

OUR MISSION

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

Two high school students won the Voices of Hope virtual poetry slam and as the top prize met with Twenty-One Pilots' drummer Josh Dun and his wife, actress Debby Ryan, at a local supper club.

A high school student placed first among Ohio teens and adults in the National Career Development Association 2020 Art & Poetry Contest.

Three seniors received full four-year scholarships through QuestBridge's National College Match, a program that connects high-achieving high school seniors from low-income backgrounds with scholarships to the country's top universities.

WCSD received the highest rating of four stars from the State Auditor in his efforts to monitor transparency in government and measuring compliance to Ohio's open records laws.

A high school counselor was among only three individuals nationally who were named a 2021 BASE Education winner of National School Counselor Week for his compassionate work with students and families.

WCSD is among seven districts in central Ohio and the only one in Franklin County to receive the Children's Hunger Alliance Child Nutrition Award for its Food Services department's work in feeding students during the pandemic.

Nine middle school students are now published authors as a result of having their "mini-sagas" (a story of 100 words) included in books that are distributed to schools through a national initiative sponsored by YoungWriters.

For the ninth consecutive year, WCSD earned the Auditor of State Award with Distinction following its state audit for the fiscal year ending June 30, 2020. Fewer than 4 percent of the state's 6,000 governmental entities qualify to receive the award.

Nineteen middle school students advanced from regional competition to the statewide Ohio History Day contest.

OUR VISION

To be the Benchmark of educational excellence.

Thirty middle school students advanced to the regional Laws of Life essay competition, with 12 then advancing to the semifinal round. Of those students, six won top honors in the state.

Thirty graduates were among only 200 central Ohio graduates who earned a Global Scholars Diploma, with one district graduate also receiving one of only two Global Scholars Diploma Scholarships presented by the Columbus Council on World Affairs.

Three members of the Class of 2021 were selected as \$2,500 National Merit Scholarship recipients and five current seniors were named semifinalists in the 2022 National Merit Scholarship Program.

A graduate was among only 45 students in the nation to be named a Class of 2021 Ron Brown Scholar, which awards recipients \$40,000 toward educational expenses and provides mentors, as well as career counseling, during college.

All three high schools have recently been awarded a Purple Star designation for their commitment to serving military families.

Several of WCSD's facilities project have been awarded and recognized for innovative design regionally and nationally, including recognition in prestigious national trade publications.

A high school student was selected to the College Board National African American Recognition Program, which recognizes African American students across the country based on their PSAT or AP scores.

WCSD was the highest-ranked school system in the nation in a contest that recognizes progressive and environmentally-committed transportation fleets.



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