



FY2022

#WHEREYOUBELONG

PAFR

POPULAR ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2022



WESTERVILLE
CITY SCHOOL DISTRICT



WESTERVILLE

CITY SCHOOL DISTRICT

#WHEREYOUBELONG

WESTERVILLE CITY SCHOOL DISTRICT

936 Eastwind Drive, Westerville, Ohio 43081

p. 614.797.5700 | f. 614.797.5701

wcsoh.org



A Letter From Our Treasurer/ CFO

Dear Community Members,

As Treasurer/CFO of Westerville City Schools, I am pleased to present the 2022 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 2021–2022 ACFR can be found on the Treasurer's page of the District's website at 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 2021–2022 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@wcsoh.org with any questions or comments you may have.

Respectfully submitted,

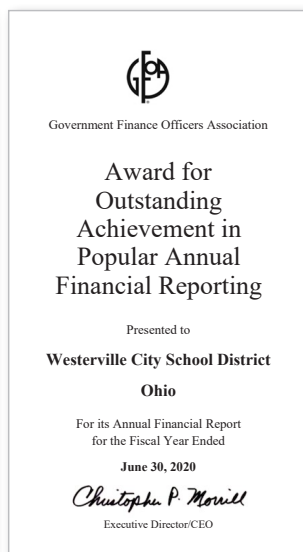
Nicole Marshall

Nicole Marshall | Treasurer/CFO



Westerville Board of Education | Front Row, Left to Right: Board member, Kristy Meyer; Treasurer/CFO, Nicole Marshall; Board Vice-President, Jennifer Aultman

Back Row, Left to Right: Board member, Dr. Nancy Nestor-Baker; Superintendent, Dr. John Kellogg; Board President, Tracy Davidson; Board member, Rev. Vaughn Bell



The District has applied for the GFOA Award for Outstanding Achievement in Popular Annual Financial Reporting for 2021 but has not yet been notified of the results.

SUMMARIZED FINANCIAL REPORTS

Numbers in the Financial Position Statement and Financial Activity Statement are taken from the District's 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>	2022	2021	2020	2019	2018
Cash and Investments	\$154,412	\$145,131	\$132,884	\$125,897	\$112,927
Receivables	\$147,468	\$143,039	\$123,003	\$122,464	\$123,098
Other Assets	\$1,900	\$1,862	\$1,315	\$1,568	\$1,148
Total Assets	\$303,780	\$290,032	\$257,202	\$249,929	\$237,173

LIABILITIES AND DEFERRED INFLOWS <i>(shown in thousands)</i>	2022	2021	2020	2019	2018
Amount owed to Employees and Vendors	\$22,714	\$22,722	\$21,406	\$19,662	\$17,610
Deferred Inflows	\$98,811	\$92,929	\$115,850	\$78,685	\$80,624
Total Liabilities and Deferred Inflows	\$121,525	\$115,651	\$137,256	\$98,347	\$98,234
Assets Over Liabilities and Deferred Inflows	\$182,255	\$174,381	\$119,946	\$151,582	\$138,939

Cash and investments of the General Fund increased from fiscal year 2021 due to a conservative approach on spending by the District in order to stretch resources along with an increase in tax revenues. The timing of the tax collections resulted in an increase in deferred inflows, due to an increase in the amount available for advance from the County.



Fourth-graders in Caitlin Florek's class at Whittier Elementary practice a play written by one of their classmates. The production has been embraced by Florek's class, Whittier teachers and parents and Otterbein University.

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.

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 district facilities open, comfortable and safe for use including keeping the grounds, buildings, and equipment in an effective working condition. This includes activities of maintaining safety in buildings and on the grounds of the schools.

TRANSPORTATION are those activities concerned with transporting students to and from school, as provided by board policy and 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 services to students, staff or the community that are not related directly to daily instruction. 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.

Westerville Central High School students explored gene therapy as a way to potentially treat genetic disorders as a part of a new genome editing lab involving the CRISPR-Cas9 system.



Twinkle, a Canine Companions service dog, comforts a Westerville South High School student. Twinkle is dedicated to Westerville South but also supports the social-emotional needs of students across the district.

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>	2022	2021	2020	2019	2018
Property Taxes	\$132,925	\$166,682	\$79,067	\$113,485	\$112,657
State and Federal Revenue	\$53,989	\$60,611	\$58,453	\$60,996	\$59,571
Investment Income	\$815	\$235	\$3,229	\$3,614	\$944
Tuition	\$2,904	\$1,552	\$1,554	\$2,299	\$3,872
Extracurricular	\$455	\$361	\$384	\$515	\$541
Miscellaneous	\$1,840	\$6,358	\$5,531	\$5,775	\$5,384
Total Revenues & Resources	\$192,928	\$235,799	\$148,218	\$186,684	\$182,969
EXPENDITURES & SERVICES PROVIDED <i>(shown in thousands)</i>	2022	2021	2020	2019	2018
Instruction	\$115,445	\$117,312	\$114,128	\$108,559	\$102,571
Pupil Support	\$16,802	\$14,816	\$14,785	\$15,259	\$14,851
Instructional Staff Support	\$5,091	\$5,481	\$4,899	\$5,102	\$5,457
Board/Administration/Fiscal	\$16,060	\$15,932	\$17,153	\$16,451	\$15,690
Business Support	\$1,047	\$1,084	\$1,053	\$991	\$1,018
Operations and Maintenance	\$14,628	\$12,887	\$13,090	\$13,406	\$13,103
Transportation	\$9,896	\$8,010	\$8,705	\$8,457	\$8,169
Central Support	\$2,925	\$2,768	\$2,729	\$2,933	\$2,325
Operation of Non-Instructional	\$140	\$137	\$141	\$143	\$116
Extracurricular	\$2,815	\$2,641	\$2,629	\$2,555	\$2,375
Facilities Acquisition and Construction	\$12	\$176	\$303	-	\$6
Capital Outlay	-	-	\$616	-	-
Debt Service	\$133	\$100	\$179	\$179	\$179
Total Expenditures & Services	\$184,994	\$181,344	\$180,410	\$174,035	\$165,860
Revenues & Resources Over Expenditures & Services	\$7,934	\$54,455	(\$32,192)	\$12,649	\$17,109

Overall, general fund revenues decreased by \$42.9 million from 2021 to 2022. This decrease is due mostly to the timing of property tax collections during the COVID-19 pandemic (pandemic). Franklin and Delaware Counties extended the deadline for paying second half real estate taxes, which inflated 2021 revenue on a GAAP basis. The District also had a new operating levy that began collections in calendar year 2021.

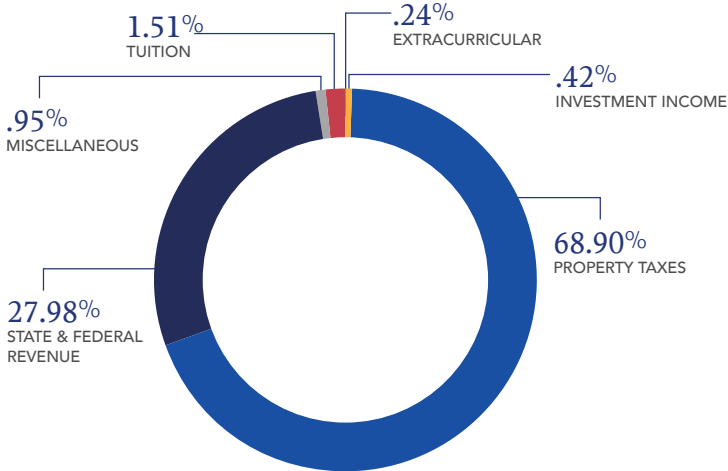
State and federal revenue also decreased from 2021 to 2022. The majority of the decrease is due to the State partially implementing the Fair School Funding Plan (FSFP) as part of the 2022-2023 biennium budget. Prior to 2022, the state's school funding formula included funding all students (limited to the state share amount and statutory cap) that resided in the District, regardless of where they attended schools. The State also transferred funds out of the District's funding (without any limits) and sent it to the respective school for students who do not attend school in the District's schools. This way of funding schools resulted in significant locally generated dollars going to private and charter schools. It also included transfers out for open enrollment.

With the FSFP, the State now funds schools based on where a student attends directly. The State has limited the funding the District can receive and has subtracted the funding and transfers out from the calculation. The net effect of the decrease in funding and the elimination of funds transferred to private and charter schools did not result in any additional funding for the District.

Overall, the District saw an increase in expenditures as the cost of doing business increased. However, some line items show a decrease to the District's general fund revenues as federal grant funds were used in place of general fund dollars as allowable under the Elementary and Secondary School Emergency Relief Funds.

OUR REVENUES AND RESOURCES FY22

Where the General Fund money comes from.



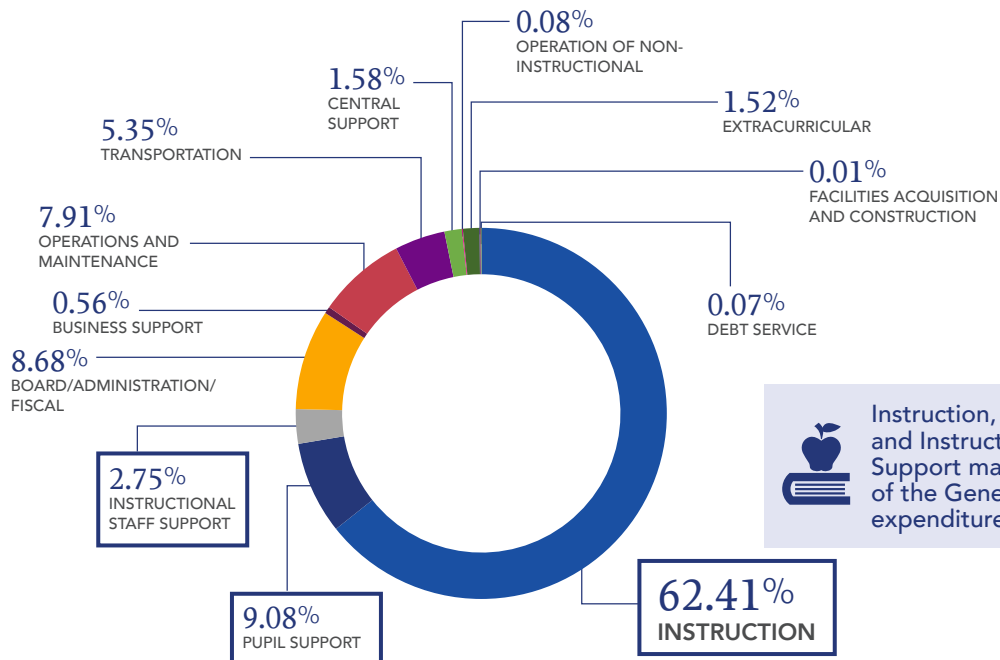
\$192,928 TOTAL
REVENUES & RESOURCES (shown in thousands)




Westerville North High School student leaders participate in the school's Warrior Way Leadership Summit.

OUR EXPENDITURES AND SERVICES FY22

Where the General Fund Money goes.

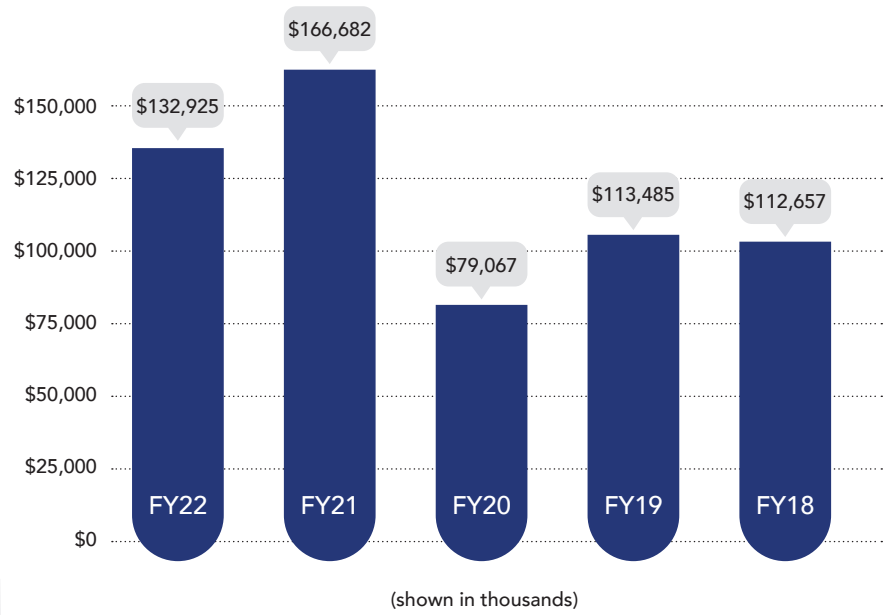


 Instruction, Pupil Support and Instructional Staff Support make up 74.24% of the General Fund expenditures.

\$184,994 TOTAL
EXPENDITURES & SERVICES (shown in thousands)

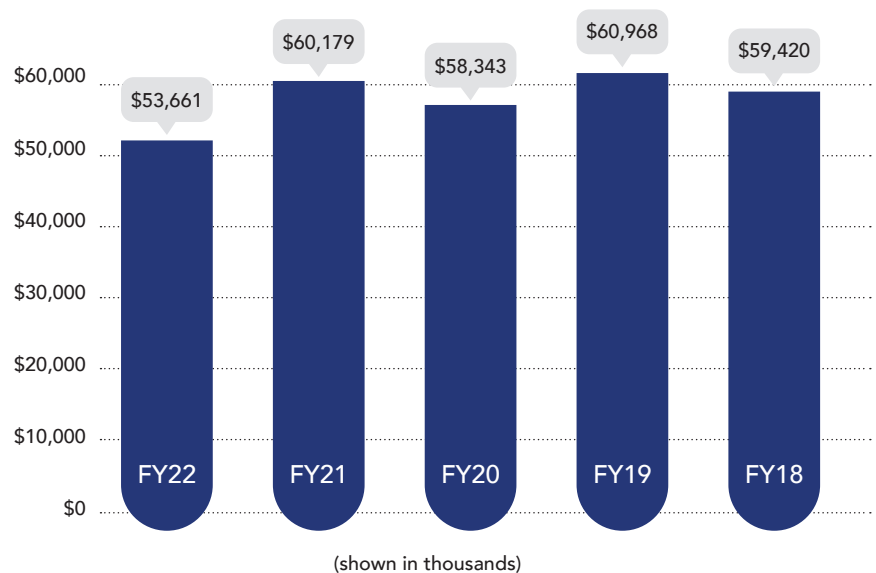
PROPERTY TAXES

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. 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. In fiscal year 2020, there was an extension on the property tax deadlines, which resulted in lower property taxes available for advance from the County. 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. Property tax collections for FY22 were as expected.



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 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. The State changed the way schools are funded. In the past, the District's state revenue was higher to cover the cost of District students that attended other schools through open enrollment, charter schools or private schools on scholarship. The State is now funding those schools directly, so the revenue has decreased and there is a corresponding decrease to purchased service expenditures.



Pointview Elementary kindergarten teacher TJ Potterf releases butterflies she kept in her classroom as part of her butterfly life cycle unit.

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 2021 tax year, collected in 2022.

TAX BURDEN ON HOMEOWNERS

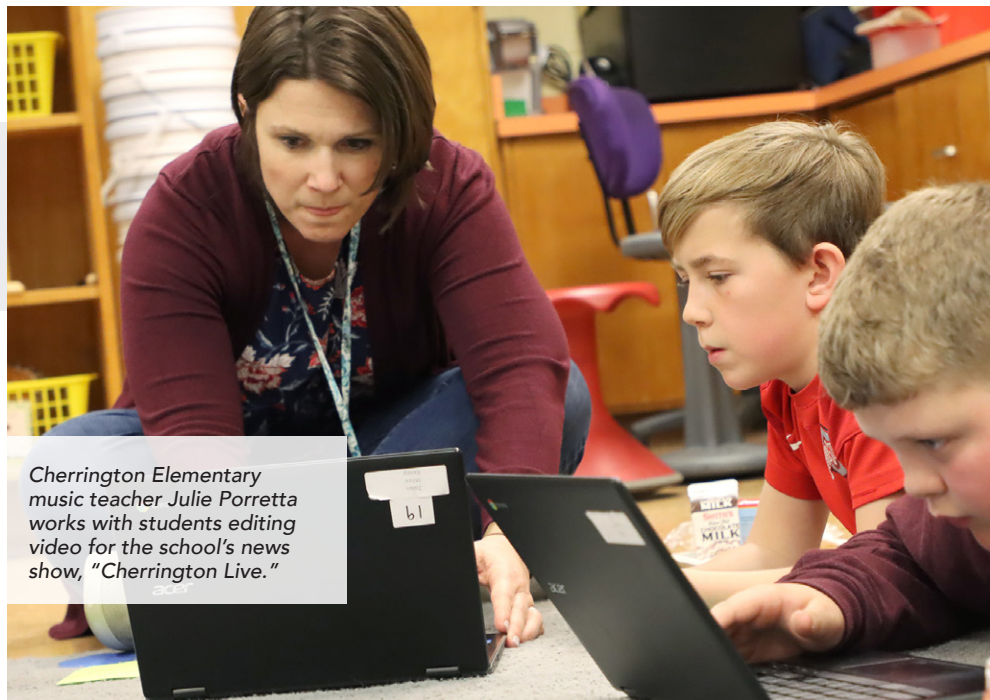
TYPE	GROSS RATE	EFFECTIVE RATE	LENGTH APPROVED
Inside – Operating	3.80	3.80	Permanent
Voted – Operating	73.11	41.37	Permanent
Permanent Improvement	3.95	2.87	Permanent
Bond Retirement	4.00	4.00	Various
Total Rates	84.86	52.04	

ASSESSED VALUE ON REAL PROPERTY

COLLECTION YEAR	AGRICULTURAL/RESIDENTIAL AND OTHER REAL ESTATE	PUBLIC UTILITY PERSONAL PROPERTY	TOTAL
2022	\$3,092,032,180	\$69,402,960	\$3,161,435,140
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

OTHER DEMOGRAPHIC INFORMATION

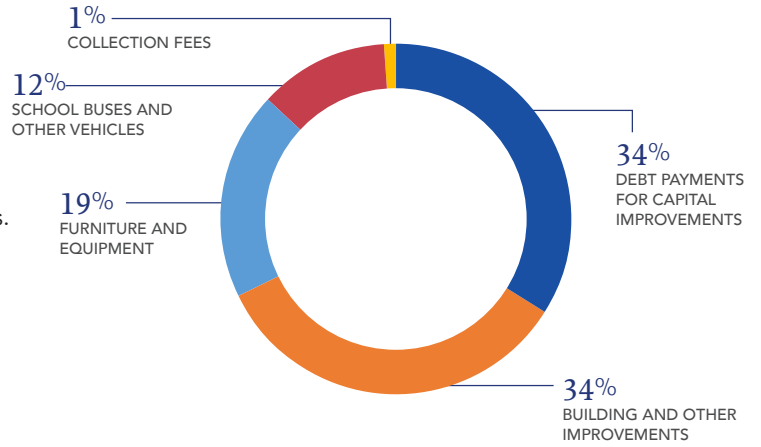
Unemployment Rate	3.10%
Population	103,047
Per Capita Income	\$41,397



Cherrington Elementary music teacher Julie Porretta works with students editing video for the school's news show, "Cherrington Live."

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 lease obligations were for the acquisition of copier equipment.


OUTSTANDING DEBT <i>(shown in thousands)</i>	2022	2021	2020	2019	2018
General Obligation Bonds	\$124,835	\$132,200	\$148,125	\$50,845	\$56,095
Tax Anticipation Notes	–	–	\$2,855	\$5,600	\$8,225
Lease Obligations	\$412	\$530	\$616	\$174	\$339
Certificates of Participation	\$37,960	\$39,000	\$39,000	\$39,000	–
Total Debt	\$163,207	\$171,730	\$190,596	\$95,619	\$64,659

PROJECTS <i>(cash basis)</i>	SCC	Original Budget	Adjustments	Adjusted Budget	Spent as of 6/30/2022	Remaining Budget
Renovations to Westerville South High School*	9001	\$37,000,000.00	\$1,000,000.00	\$38,000,000.00	\$30,697,293.26	\$7,302,706.74
New Middle School	9010	\$32,543,471.00	\$7,904,631.00	\$40,448,102.00	\$8,659,866.85	\$31,788,235.15
New Elementary School	9020	\$20,703,330.00	\$(1,613,602.00)	\$19,089,728.00	\$16,841,482.37	\$2,248,245.63
Renovations and additions to Annehurst Elementary	9030	\$15,119,130.00	\$(5,374,776.00)	\$9,744,354.00	\$7,612,377.03	\$2,131,976.97
Renovations and additions to Whittier Elementary	9050	\$11,329,057.00	\$(451,443.00)	\$10,877,614.00	\$617,841.60	\$10,259,772.40
Renovations to Hawthorne	9040	\$9,217,010.00	–	\$9,217,010.00	\$513,929.40	\$8,703,080.60
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	\$2,719,098.71	\$4,780,901.29
Parking Lots/Playgrounds	910L	\$3,454,995.00	\$(464,810.00)	\$2,990,185.00	\$749,297.92	\$2,240,887.08
		\$142,000,000.00	\$1,000,000.00	\$143,000,000.00	\$68,411,187.14	\$74,588,812.86

* 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

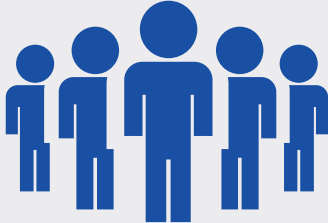
450	K-5
232	6-8
278	9-12




ENROLLMENT

244	Pre-K
6,335	K-5
3,320	6-8
4,793	9-12

TOTAL ENROLLMENT



14,692	14,637	15,274	15,385	15,321
FY22	FY21	FY20	FY19	FY18




SQUARE FOOTAGE MAINTAINED

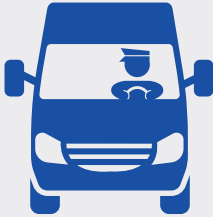
2,307,704

BUS TRANSPORT

101	TOTAL ROUTES
8,518	TOTAL ASSIGNED RIDERS
6,514	AVERAGE DAILY RIDERS
7,983	TOTAL DAILY MILES
1,436,940	TOTAL 180 DAY SCHOOL YEAR ANNUAL MILEAGE



VAN TRANSPORT



20	TOTAL VAN ROUTES
195	TOTAL ASSIGNED RIDERS
1,551	AVERAGE DAILY MILES
279,180	MILES DRIVEN IN 180 DAY SCHOOL YEAR

RECENT DISTRICT ACCOMPLISHMENTS

OUR MISSION

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

Nine Westerville City Schools students received top honors in the 2021-22 Ohio PTA Reflections award program.

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.

Westerville City Schools for the tenth consecutive year earned the Auditor of State Award with Distinction. Fewer than 4 percent of the state's 6,000 governmental entities qualify to receive the award.

All three district high schools had several juniors selected to the College Board National African American Recognition Program based on their PSAT or AP scores.

A WCSD graduate is a 2022 presidential nominee to become an Associate Judge on the District of Columbia Court of Appeals D.C. Court of Appeals.

All district high schools recently implemented Hope Squad, a peer-to-peer suicide prevention program.

A graduating senior received a Gold Key, the highest honor, in the 2022 Scholastic Art & Writing Awards Midwest Region-at-Large.

A graduating senior received a full four-year scholarship through QuestBridge's National College Match, which connects high-achieving seniors from low-income backgrounds with scholarships to top universities.

Westerville South High School's renovation/addition project was recognized by American School & University magazine for its innovative design.

A high school senior was selected as a National Youth Correspondent to the 2022 Washington Journalism and Media Conference at George Mason University.

OUR VISION

To be the Benchmark of educational excellence.

The district's Director of Mental Health & Wellness was named the 2021 Advocate of the Year by the Ohio School Counselor Association.

A middle school student was honored as one of the brightest students in the world by the Johns Hopkins Center for Talented Youth.

A district middle school intervention specialist was one of only 100 educators in the world recognized by the Council for Exceptional Children as part of the organization's 100th-anniversary celebration.

WCSD received an Award for Outstanding Achievement in Popular Annual Financial Reporting from the Government Finance Officers Association of the U.S. and Canada.

A high school's Key Club was honored as "Outstanding Youth Group" by the Delaware County Foundation for its extensive volunteer efforts in the community.

Five students were named School Winners in the Heisman High School Scholarship program honoring outstanding scholar-athletes making a difference in their communities.

A district middle school counseling team was one of only three in Ohio to receive an award for its Ohio School Counselor Accountability Report (OSCAR), which highlights their achievements and impact on students.

Three middle school students were selected to join the Capital University Junior Winds, a youth ensemble that provides high-level instruction and repertoire for band students in grades 8 and 9.

Theatre programs for all three high schools were accepted into the CAPA Marquee High School Musical Theatre Awards competition; two students won best acting honors.

A middle school student competed in the U.S. Chess Federation's National Middle School Championships.



WESTERVILLE

CITY SCHOOL DISTRICT

PAFR

POPULAR ANNUAL FINANCIAL REPORT

936 Eastwind Drive, Westerville, Ohio 43081

p. 614.797.5700 | f. 614.797.5701

wsoh.org



Westerville Central High School Assistant Principal Roshawn Parker greets a student on the last day of school.