



Lancaster City School District, Ohio

“Lancaster City Schools, the Place to Be
for Learning, Caring, Succeeding ”



— Tallmadge Elementary Book Fair Thank You —

Annual Comprehensive Financial Report (ACFR)

For the Fiscal Year Ended June 30, 2021

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Lancaster City School District, Ohio

Annual Comprehensive Financial Report (ACFR)



For the Fiscal Year Ended June 30, 2021
Issued By: Treasurer's Office

Julie Taylor, Treasurer

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LANCASTER CITY SCHOOL DISTRICT, OHIO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021
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Introductory Section



**Lancaster
Gales**

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TREASURER'S OFFICE

Julie Taylor, Treasurer
Jennifer Smith, Assistant Treasurer

December 16, 2021

To the Board of Education Members and Citizens of
Lancaster City School District:

We are pleased to submit to you the Annual Comprehensive Financial Report (ACFR) of Lancaster City School District (School District) for the fiscal year ended June 30, 2021. This ACFR includes an opinion from the Ohio Auditor of State's Office and conforms to generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the School District.

State law requires that an official report prepared on the GAAP basis be prepared annually within 150 days after the close of the year. The report includes the basic financial statements that provide information about the School District's financial position and the results of financial operations.

This report will provide the taxpayers of the School District with comprehensive financial data in a format that will enable them to gain a clear understanding of the School District's finances. Copies will be made available to the Fairfield County District Library and/or can be printed from the School District's website. We are proud to be one of two school districts in Fairfield County that issues an ACFR. We intend to continue financial reporting improvements based on management experience and reader input. Comments on the report are respectfully requested.

PROFILE OF THE GOVERNMENT

Overview of the School District: The Lancaster City School District is located in the residential-commercial community of Lancaster, the county seat of Fairfield County, which is approximately thirty miles south of Columbus.

Lancaster was founded November 10, 1800, by Colonel Ebenezer Zane, a trail blazer who, in 1797, laid out "Zane's Trace," a trail through Ohio which stretches from Wheeling, West Virginia, to Limestone, Kentucky. His sons, Noah and John, laid out the original town from Pearl Street on the east to Front Street (now Memorial Drive) on the west and included Chestnut, Main, Wheeling, and Mulberry Streets running east and west between Pearl and Front Streets. The town was named New Lancaster at the request of the early German settlers from Lancaster, Pennsylvania, but was shortened to Lancaster in 1805.

General William Tecumseh Sherman was born in Lancaster, and his home on downtown Main Street is maintained by the State of Ohio as a Civil War Museum. Thomas Ewing, born in Lancaster in 1789, was one of the first graduates of Ohio University and later became a lawyer, a United States Senator, Secretary of the Treasury, and an advisor to President Lincoln.

Lancaster is home to the annual Lancaster Festival, Fairfield County Fair, and the Zane Square Festival as well as the Heritage Tour, an annual tour of the beautiful and historic buildings and homes in Lancaster.

The Lancaster City School District was organized in the mid 1850's and continues to operate in the picturesque and historical setting of the Lancaster area. Over the years, in order to meet the needs of a growing community, the School District has expanded many times, and particularly in the mid 1950's and 1960's. The School District educates students from preschool through grade twelve. During fiscal year 2021, the School District was composed of a high school (serving 1,773 students in grades 9-12 at the Lancaster High School campus and the Stanbery School campus), a former freshman school currently used for career based intervention technology students and administration, two junior high schools (serving grades 6-8) appropriately named General Sherman Junior High and Thomas Ewing Junior High, five elementary schools, and a preschool. As of June 30, 2021, the citizens of Lancaster have an investment of \$132,985,809 net of depreciation in School District land, construction in progress, land improvements, buildings and improvements, furniture and equipment, and vehicles.

Statutorily, the School District operates under standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 of the Ohio Revised Code, to provide education services authorized by charter, and further mandated by State and Federal agencies. The School District operates under a locally elected Board of Education which consists of five members. The Board of Education controls the School District's ten instructional facilities staffed by 310 classified employees, 433 certificated personnel (includes 430 teachers and 3 certificated non-teaching positions), and 50 administrative employees who provide services to 6,133 students.

The School District provides a wide range of educational and support services as mandated by State statute or public desires. These include regular and vocational instruction, special instructional programs, student guidance services, extracurricular activities, and food service operations.

THE REPORTING ENTITY

The School District's reporting entity is composed of the primary government and other organizations which are included to ensure that the financial statements are not misleading. The reporting entity has been defined in accordance with the principles established by the Governmental Accounting Standards Board (GASB) in Statement Number 14, "The Financial Reporting Entity", in GASB Statement Number 39, "Determining Whether Certain Organizations are Component Units", and in GASB Statement Number 61, "The Financial Reporting Entity: Omnibus".

Component units are legally separate organizations for which the School District is financially accountable. Financial accountability exists if the School District appoints a voting majority of the component unit's governing board and (1) the School District is able to significantly influence the programs or services performed or provided; or (2) the School District is legally entitled to or can otherwise access the organization's resources; the School District is legally obligated in some manner to finance the deficits of, or provide financial support to the organization, or the School District is obligated for the debt of the organization. The School District has no component units.

The School District participates in the following jointly governed organizations: Licking Area Computer Association, META Solutions, Coalition of Rural and Appalachian Schools, and the Fairfield County Multi-System Youth Committee. Disclosure of the jointly governed organizations is presented in Note 18 to the Basic Financial Statements.

The School District participates in the Ohio SchoolComp Workers' Compensation Group Retrospective Rating Program, the Ohio School Plan, and the South Central Ohio Insurance Consortium, insurance purchasing pools. Information pertaining to these pools is presented in Note 19 to the Basic Financial Statements.

INTERNAL CONTROLS

Management of the School District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the School District are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived from its implementation; and (2) the valuation of costs and benefits requires estimates and judgements by management.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the management's discussion and analysis (MD&A). This letter of transmittal should be read in conjunction with the MD&A as they are designed to complement each other. The School District's MD&A can be found immediately following the independent auditor's report.

BUDGETARY CONTROLS

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the certificate of estimated resources and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than custodial funds, are legally required to be budgeted and appropriated. The primary level of budgetary control required by Ohio Revised Code is at the fund level. The level of budgetary control imposed by the School District (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. Any budgetary modifications at the fund level may only be made by resolution of the Board of Education. The School District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts at year end are carried forward to succeeding years and are not re-appropriated.

ASSESSING ECONOMIC CONDITION AND OUTLOOK

Located in the south-central portion of the State, Lancaster, and Fairfield County of which it is a part, borders or buffers the urban expansion of Columbus (the capital city of Ohio) and the picturesque beauty of southeastern Ohio with its scenic attractions and rolling hills. Lancaster remains one of the lowest cost cities in the United States to do business for communities with under 50,000 in population. The low costs mean a faster return on investment properties to continue our community growth.

The City of Lancaster's population had remained relatively stable for a number of years, but has changed more significantly within the past decade. The United States Census Bureau estimated the population of Lancaster for calendar year 2020 to be 40,552 as compared to the calendar year 2010 census of 37,243, the calendar year 2000 census of 35,335, and the calendar year 1990 census of 34,507. These signs of increased growth activity, which if fully realized, could have a significant impact on the School District.

Development/Commercial/Industrial: The Fairfield 33 Development Alliance, a public/private non-profit organization formed in 2007, has strategically marketed the Route 33 Corridor to help bring in hundreds of million in investments and created thousands of jobs since its inception. By the year 2027, the Alliance strives to add 7,500 new jobs, attract half a billion dollars in investment, and increase the average wages of employees in Fairfield County by 25 percent. Due to the U.S. Route 33 Bypass, Lancaster is in a good position to expect additional successful economic growth. This “interstate look-alike” highway with a divided four-lane cross-section in a limited-access right-of-way has lessened traffic on Memorial Drive, and thus alleviated the traffic congestion on the City of Lancaster’s major commercial corridor. This has attracted customers to shop at the numerous businesses along this corridor, and attract new businesses both domestically and internationally based. The pandemic has stalled some of the new development. While a few companies were temporarily impacted by the COVID-19 virus, most continued operations and those that were impacted are back in production.

The City of Lancaster invested \$10.6 million in renovations of an existing building in Downtown Lancaster to house Municipal Court operations. The newly located Municipal Court opened in April of 2016. The building includes a courtroom and office for three judges. Also located in the building are the clerk of court, city prosecutor, court administrators, and the probation department.

Fairfield County completed a \$35 million public safety facility, located on Wheeling Street, in June of 2017. The 384 bed public safety facility will house minimum, medium, and maximum security inmates and allows for future expansion of up to 250 additional beds.

In addition to the above mentioned government investments downtown, The Mill Party and Event Center, a 6,000 square feet renovated reception hall, was completed in 2017. Lancaster’s first microbrewery, Double Edge Brewing, opened March of 2018. Other new downtown restaurant options include O’Huids Gaelic Pub, Bob’s Backyard Barbeque, Maria’s Mexican Restaurant, The Downtown Bistro, and JB’s Downtown Grill. The \$3.5 million renovation project of the 199-year-old Mithoff Hotel was completed June of 2019 and houses a legal practice, dental hygienist school, a gift shop, and a spa on the ground level and apartments on the second floor.

Lancaster is a desirable location to live and the community is experiencing high growth in residential development. The largest project is Timbertop, a 77 acre mixed development that will provide an assisted living facility, condominiums, market rentals, and a single-family development. East Point Apartments and Lofts (previously East Elementary School) located near downtown opened Phase I units (one and two bedroom flats within the refurbished elementary school) at the end of 2020. Phase II includes 18 townhomes with attached garages and 20 garden-style units which opened in 2021. The Lancaster Port Authority is also working to build multifamily housing to help address the shortage of affordable housing. Other residential projects include Misty Meadows, The Flats, Gateway, and The Outlook.

The School District in conjunction with the Ohio Facility Construction Commission (OFCC) completed an \$88 million project to construct five new elementary buildings in January of 2017. The School District extended its partnership with the OFCC to construct two new junior high school buildings estimated at \$50 million. Thomas Ewing opened in January of 2020 and General Sherman opened in August of 2020. The School District passed a 3.7 mill bond levy in May of 2019 to construct a high school. This project will also be in partnership with the OFCC and complete the School District’s master plan for facilities. The School District received approval in July of 2020 to enter the Expedited Local Partnership Program (ELPP) which allowed the School District to start the high school project using the School District’s share of proceeds first. The Ohio Controlling Board approved the release of State funds for the high school project on August 2, 2021 and the School District signed the Resolution of Acceptance in the Ohio Facilities Construction Commission Classroom Facilities Assistance Program on August 26, 2021.

Lancaster is a hub for medical services in Fairfield and other surrounding counties. Fairfield Medical Center (FMC) provides full hospital services to the region with a 222 bed facility and smaller outpatient clinics throughout the City of Lancaster. FMC has over 400 doctors on staff and employs a total of 1,997

employees and has remained the City of Lancaster's largest employer over the years. In June of 2015, FMC completed its \$38 million facility plan that includes 11 operating rooms, a new surgery wing, advanced technology, family-friendly support areas, and 36 new private patient rooms. OhioHealth Physicians completed a 10,000 square foot medical building in June of 2018 that features a lab draw station, radiology services and room for orthopedic specialty services. FMC opened a \$31 million, 85,000 square-foot, off-campus health and wellness complex, named the River Valley Campus, in September of 2019. The complex offers emergency, health and wellness, diagnostic, rehabilitative, laboratory and women's services, as well as a retail pharmacy and childcare.

Retail space in Lancaster often gets repurposed. The Tree Church purchased the former Rose's 80,000 square foot building, invested in a \$2.5 million renovation, and began holding services there on September 30, 2018. The former Kroger building on the west side was vacated when Kroger opened their \$18 million dollar, 103,531 square foot, new Kroger store in November of 2017. The vacated location is now home to Home Goods and a Pet supply retailer. Planet Fitness purchased the former Carnival Foods building and opened the 22,000 square feet fitness center in January of 2019.

The Ohio University Lancaster campus is situated on 113 acres on the northern edge of Lancaster and serves students from throughout central Ohio. A variety of associate's and bachelor's degree programs can be completed on the Lancaster Campus. Students can begin more than 250 academic programs. Enrollment at the Lancaster Campus is approximately 1,400 students.

Industrially, the infrastructure built by the City of Lancaster has begun to produce new manufacturing. SRI Ohio, a Canadian glass bottle decorating company, added an additional 60,000 square feet in 2013 and purchased multimillion-dollar machinery as part of their expansion in 2015. The company announced its third expansion in five years with the purchase of a 120,000 square foot building. Martin Partitions Inc. constructed a new 30,000 square foot facility. CFM Global dba Complete Filter Media celebrated its first polyester filter production line in November 2018 and a Chinese affiliated company dba as SharedOptions4 began operations in early 2019. The Lancaster Port Authority completed a brownfield redevelopment project that will create a small business center on the east side of Lancaster. The Lancaster Port Authority also has a 50,400 square foot "spec" building available for sale/lease. Magna Seating that manufactures metal seat frames for cars and light trucks completed its construction of the 153,000 square foot facility with an initial investment of \$60 million. South Central Power Company will consolidate its operation from three different facilities into a new \$30 million Headquarters and Operations Center in Rockmill Industrial Park to be complete around the end of 2021. Lastly, a 106-acre industrial site on South Ewing Street recently became an American Electric Power Certified Site for large industrial projects.

One of the largest pipelines ever constructed in the United States made its way through Fairfield County and was completed in 2010. The REX Rocky Express Pipeline stretching nearly 1,700 miles from Colorado is a 42-inch diameter pipeline delivering approximately 1.6 billion cubic feet of natural gas per day to the Midwest and Eastern United States. The School District continues to benefit from this project through increased property tax collections.

Unprecedented COVID-19 Educational Overview: On March 12, 2020, Governor Mike DeWine announced a statewide K-12 school closure due to the COVID-19 pandemic. School buildings were closed to children for an extended period of time, which was later extended to June 30, 2020. During the extended school building closure, school employees were required to continue to offer educational services through alternative means. Alternative means included online learning and educational packets. Ohio House Bill (HB) 197 was passed in response to the COVID-19 health crisis and provided numerous educational changes to law to assist schools in completing the school year. Students were able to return to school in a blended model for fiscal year 2021 which included in-person and remote days.

The State of Ohio budget cuts for fiscal year 2020 were implemented with education experiencing a portion of those cuts. The School District incurred a 4.2 percent budget reduction in State foundation funding for fiscal year 2020. Fiscal year 2021 remained at the reduced level. Federal stimulus dollars were allocated to school districts through the federally approved Cares Act to provide some relief; however, the result of stagnant State and local revenues, in combination with inflationary expense increases, and economic impacts of COVID-19 forces the School District to make decisions which are best for students while consistently being good stewards of public monies.

Summary: While there are challenges in the operation of a community and in its schools, especially in light of the COVID-19 pandemic, there are also some advantages. There is a spirit of cooperation between the City, the County, the school districts, and the Ohio University branch to improve the quality of life in Lancaster. Other advantages are the location of Lancaster, favorable taxation rates, excellent city services, an excellent public school system, and the optimism of its leaders and its citizens.

MAJOR INITIATIVES/ACCOMPLISHMENTS

For the Year: The setting and reaching of either individual or “corporate” goals is a common method of striving for excellence in the Lancaster City School District and occurs in all areas of our school community. Our mission: “Lancaster City Schools, the Place to Be for Learning, Caring, Succeeding.”

There has been a significant push within the last several years to restructure our curricular programs, to replace all of our textbooks, and to bring the School District into the computer age. Large portions of the appropriations are going to new computer equipment and to the training of staff. During fiscal year 2018, the School District completed its one-to-one technology plan for grades kindergarten through twelve.

There were a number of specific initiatives and accomplishments made during the fiscal year ended June 30, 2021. Some of those were as follows:

Human Resources

- Successfully reorganized the Human Resources Department as experiencing staffing changes.
- Set goals for fiscal year 2022: increase employee retention, enhance employee performance, automate processes, and develop and implement human resource policies and practices.

Instructional Services Department

- Implemented a new English language arts curriculum in kindergarten through twelfth grade.
- Implemented new Project Lead the Way courses in the junior high schools.
- Implemented a new math curriculum in kindergarten through twelfth grade.
- Created materials for students to support learning at home.
- Provided extended learning opportunities to students in kindergarten through twelfth grade throughout the summer.

Student Services Department

- Increased Social Emotional curriculums to include secondary students.
- Implemented coaching for special education teachers in resource rooms and co-teaching environments.

Custodial/Maintenance Department

- Due to the COVID-19 pandemic, the maintenance department moved desks, chairs, tables, and other classroom furniture and installed sneeze guard shields to be in compliance with State social distance requirements. The custodial department enhanced cleaning protocols to provide a safe environment.
- Installed lights on front of the new Coach Earl and Barbara Jones Press box and helped wire and set up the new sound system for Fulton Field.

Transportation Department

- Purchased new technology: Tyler Drive with onboard GPS routing & Onscreen for parent bus tracking via the My Bus Stop app.
- Hired, trained, and licensed four new bus drivers.

Business Manager

- Successfully re-located the transportation department to River Valley Mall while new parking lots could be constructed at the new baseball and softball fields' site formally known as the old Thomas Ewing site.
- Nearly completed the second stage of architectural design, called Design Development, for the Lancaster High School new building project. This provides a set of drawings to the Construction Manager at Risk to begin estimating the project's cost.
- Continued to work with OFCC and construction companies on the final stages of the new junior high school buildings.

Technology Department

- Opened the new General Sherman with all new technology setup, installation of computers, and network configuration.
- Upgraded our computer systems across the district from Windows 7 to Windows 10 with the exception of a very few specialty systems that will be upgraded in the near future.

Treasurer's Department

- Received an unmodified opinion on the fiscal year 2020 audit with no material citations or recommendations noted.
- Received notice that the Lancaster City Schools Annual Comprehensive Financial Report (ACFR) for Fiscal Year ending June 30, 2020, qualified for a Certificate of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management. The School District has prepared an ACFR each year since fiscal year 1991, with exception for fiscal year ended June 30, 1995.
- Received notice that Lancaster City Schools Popular Annual Financial Report (PAFR) for Fiscal Year ending June 30, 2020, qualified for the Award of Outstanding Achievement in Popular Annual Financial Reporting. This colorful easy to read document is a useful tool in educating the public and staff on what revenues and expenditures the School District receives. The School District has prepared a PAFR each year since Fiscal Year 2008.

Food Service Department

- The food service department was able to continue to offer curbside meal pickup, as well as serve students that were attending school, during the blended learning model.
- Was able to run a successful operation to collect enough reimbursement from the State to continue to have a positive balance after COVID-19.

Athletic Department

- Had eight Ohio Capital Conference (OCC) Buckeye Division champion teams this year and finished second in the OCC All-Sports award for our division.
- Student athletes had an average GPA of 3.24.

Lancaster High School

- Had 18 students have a composite score of 30 or above on the ACT.
- The Lancaster High School Gale's athletic teams won a school record eight OCC championships during the 2020-2021 school year including two district championships in baseball and softball while both boys and girls cross country teams qualified for the State meet. They also had three individual State qualifiers in wrestling and one in boys track and one in girls track.

General Sherman Junior High School

- Staff participated in the 2021 Adopt-a-Grandparent program and adopted 22 seniors for Valentine's Day at Crestview Rehabilitation Center.
- Held several fundraisers to raise money to buy Christmas gifts for General Sherman families in need.

Thomas Ewing Junior High School

- Thomas Ewing Student Council provided thank you snacks to all those involved in the vaccination clinic for Lancaster City Schools. They also provided ten Thomas Ewing families with Christmas.
- Donated over 1,500 food items to the Maywood Mission food pantry.

Gorsuch West Elementary

- Received the Positive Behavior Intervention System Silver State Award
- Established new community partnerships with Gorsuch Construction, Ryan Homes, and South Central Power Company.

Medill Elementary

- Received a DrumFit mini grant to incorporate the use of exercise balls and sticks to focus on physical activity, the development of key social and emotional skills, mindfulness, and meditative activities to help children manage their physical and mental health.
- Received the 2020 Positive Behavior Intervention System Bronze Award.

Mount Pleasant Elementary

- Recognized by the Ohio Positive Behavior Intervention System Network and State Support Team and awarded the 2021 Gold Award for the implementation of school-wide behavior intervention and supports.
- Student Leadership Teams continued during this school year online. This year Mount Pleasant Elementary School implemented a few new leadership teams: Student Lighthouse Team, Poetry Club, Life Ninja Club, Tech Club, Green Gales, ROX, and Sign Language Club.
- Our Green Gales Club collected over 1,000 pounds of caps and worked with the Recycling Center to store until we are ready to turn them in for additional recycled furniture for our courtyard area.

Tallmadge Elementary

- Supplied every student in kindergarten through third grade with a take home literacy kit so that they could practice at home. We had a raffle that kindergarten through third grade students could win the Family Fun Night Grade Level Basket by videoing the child using the materials.
- Received a grant of \$6720 for students in fourth and fifth grade to purchase books.

Tarhe Trails Elementary

- Donated \$6,716 to the American Heart Association from the school's Kids Heart Challenge (KHC)/American Heart Challenge event.

Along with the major initiatives listed above, all teachers and administrators have set goals for their classrooms and buildings or departments. All of the goals, whether individual or School District-wide, have one common purpose - excellence in education for the students of the School District.

For the Future: The School District will continue to have to seek ways to be more efficient, do more with less, while continuing to offer an excellent education to all children who attend Lancaster City Schools. State funding of schools in Ohio is always an uncertainty; therefore, the School District needs to remain flexible to the changes that most likely will come due to the State government's lack of focus and

responsibility to fund schools adequately in Ohio. In the future, the School District will continue to deal with the unconstitutional funding formula and increased costs of educating students.

LONG-TERM FINANCIAL PLANNING

In the November, 2006 general election, the School District electorate approved a 10 year 1.5 percent earned income tax initiative. This issue was expected to generate approximately \$8,698,676 annually according to the Ohio Department of Taxation. The School District began receiving full year collections in fiscal year 2008 in the amount of \$9,260,589. The income tax earnings have continued to rise. The School District received \$14,276,643 in fiscal year 2021. In the November 2015 general election, the School District electorate renewed the 1.5 percent earned income tax for a continuing period of time. With the passage of this continuing revenue stream, the School District had the fiscal stability to finance and build two new middle school buildings in partnership with the Ohio Facilities Construction Commission without asking for additional taxpayer dollars.

The Board of Education Standing Finance Committee has reviewed the five year forecast so that the School District's Board of Education's directive to maintain a 12 percent operating cash carryover has been met in two years of the five year forecast.

The School District has realized increases in enrollment from 6,083 in fiscal year 2012 to 6,406 in fiscal year 2020; however, effects of the COVID-19 pandemic reduced enrollment to 6,133 in fiscal year 2021 as parents look to alternative education.

The School District extended its partnership with the OFCC to construct two new junior high school buildings. Planning for the junior high schools began in December of 2016. The junior high school buildings opened in January of 2020 and August of 2020. The School District's share of the project is being funded with operating funds (made possible with the renewal of the income tax in November of 2015 on a continuing basis). Bonds were bid on August 24, 2016, and issued on September 7, 2016. The total project is estimated to be \$50 million. The State share of the project was approved on July 14, 2016 through the OFCC in the amount of \$21,535,297. The School District accepted the State share portion on August 23, 2016. The School District hopes to begin closing out these projects in the near future as the School District works with OFCC on the final stages of the projects.

The School District passed a 3.7 mill bond levy in May of 2019 to partner yet again with the OFCC to construct a new high school. The Board of Education had delayed the collection of taxes for tax year 2019, collection in 2020, due to the OFCC not having its portion of the project available. The Fairfield County Auditor began property tax collections for tax year 2020, collection in 2021. The School District received approval in July of 2020 to enter the Expedited Local Partnership Program (ELPP) which allowed the School District to start the high school project using the School District's share of proceeds first. As mention prior, the Ohio Controlling Board approved the release of State funds for the high school project on August 2, 2021 and the School District signed the Resolution of Acceptance in the Ohio Facilities Construction Commission Classroom Facilities Assistance Program on August 26, 2021.

There are needs in the School District that have been included in the current five year forecast. These include: purchasing of new textbooks (electronic and paper copy), updating computer hardware and software, updating library books and reference materials, maintenance of building and grounds, and salaries and benefits are negotiated items within the union contracts.

The School District, in the past, has met these challenges and it is hoped, will continue to meet the challenges in the future for its students. After all, WE ARE THE PLACE TO BE FOR LEARNING, CARING, and SUCCEEDING.

FINANCIAL INFORMATION

Relevant Financial Policies: The School District will strive to ensure that the budget is structurally balanced so that current year revenues are sufficient to fund current year expenditures without the use of one-time revenue sources. One-time revenue sources may be used for one-time expenditures, such as capital projects. School buildings and departments are encouraged to maximize the use of State and federal revenues so as to help preserve general revenues for other needs. The Board of Education passed a cash reserve resolution in fiscal year 2010 that will help ensure a 12 percent operating cash carryover be maintained at least two years out into the five year forecast.

Budgetary appropriations may not exceed estimated resources; therefore, at fiscal year end 2021, the School District's Board of Education assigned general fund balances in the amount of \$9,500,000 to cover the gap between estimated resources and appropriations in fiscal year 2021's appropriated budget. The budget may be amended or supplemented at any time during the year upon formal action of the Board of Education. Transfers of cash between funds require the Board of Education's authorization. The basis of accounting and various funds the School District utilizes are fully described in Note 2 to the Basic Financial Statements. Additional information on the School District's budgetary accounting can also be found in Notes 2 and 5.

The Treasurer manages the investments of the School District by adhering to the Investment and Depository Policy as authorized by the School District's Investment Policy and in keeping with Ohio Revised Code Section 135.35. The policy details the objectives and allowable rules for the safekeeping of School District funds. More information about investments is available in Note 6 to the Basic Financial Statements.

The School District's capital assets policy is designed to provide accountability and control over the school's capital assets and to assist buildings and departments in gathering and maintaining information needed for the preparation of the financial statements.

INDEPENDENT AUDIT

In compliance with State statute, the basic financial statements have been audited by the Ohio Auditor of State's Office. The independent auditor concluded that the School District's financial statements for the year ended June 30, 2021, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

AWARDS AND ACKNOWLEDGMENTS

Awards: The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Lancaster City School District for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2020. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of State and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, with contents conforming to program standards. Such ACFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Lancaster City School District has received a Certificate of Achievement for twenty-eight years out of the last twenty-nine years. The School District did not submit an ACFR for the fiscal year ended June 30, 1995. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

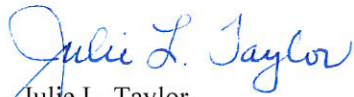
In addition, the School District received the Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR) from GFOA for the year ended June 30, 2020. The PAFR is a condensed, more user-friendly financial report intended to provide highlights of the School District's financial condition. This was the twelfth year the School District produced a PAFR and received the award.

Acknowledgments: The publication of this report is a major step toward the commitment to professionalizing the financial reporting of the Lancaster City School District and significantly increases the accountability of the School District to the taxpayers.

The accomplishment of this report would not have been possible without the assistance, support, and efforts of the staff of the Treasurer's office, Superintendent's office, and various administrators and employees of the School District. A special thank you is extended to State Auditor Keith Faber's office for its guidance in preparing this financial report.

Finally, sincere appreciation is extended to the Board of Education, where the commitment to excellence begins. Without their support, this ACFR would not have been possible.

Respectfully Submitted,



Julie L. Taylor
Treasurer

Lancaster City School District



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Lancaster City School District
Ohio**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

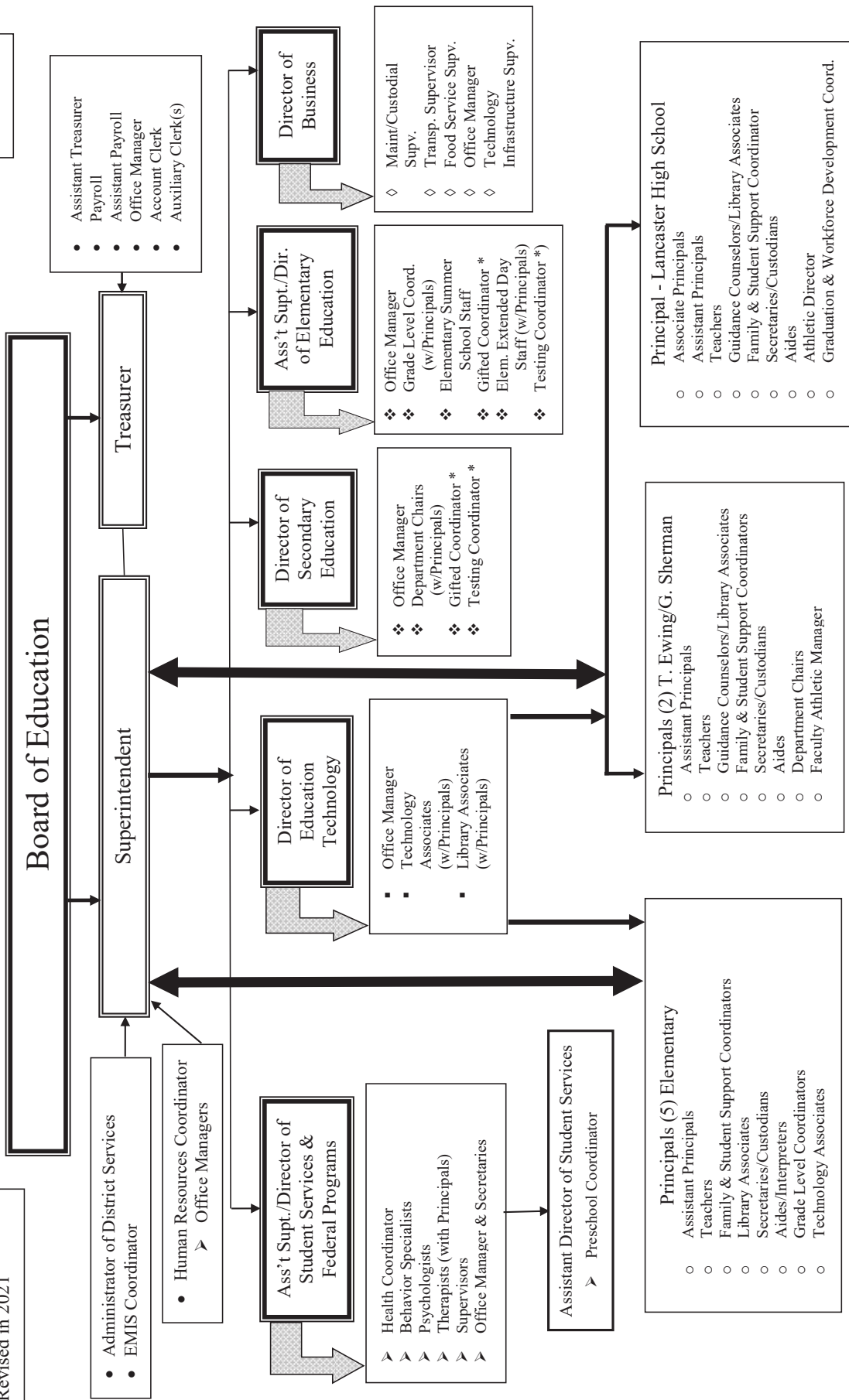
Christopher P. Morrell

Executive Director/CEO

Lancaster City Schools' Organizational Chart

Revised in 2021

File: CCA



LANCASTER CITY SCHOOL DISTRICT, OHIO
ORGANIZATIONAL CHART
(Continued)

<u>SUPERINTENDENT</u>	<u>PRINCIPALS, ASSISTANT PRINCIPALS VOCATIONAL DIRECTOR</u>	<u>TREASURER</u>
-- Administrative Assistant For Data Processing Services	-- Teachers	-- Assist. Treasurer
-- Administrator of District Services	-- Guidance Counselors	-- Payroll Clerk
	-- Deans	-- Assist. Payroll Clerk
	-- Media	-- Account Clerk
	-- Tutors	-- Office Manager
	-- Secretaries	
	-- Instructional Educational Assistants	
	-- Classroom Technology Technicians	
	-- Health Assistants	
	-- Graduation and Workforce Development Coordinator	
	-- Library Associates	
<u>SPECIAL EDUCATION</u>	<u>DIRECTORS, SUPERVISORS COORDINATORS</u>	<u>FOOD SERVICE SUPERVISOR</u>
-- Health Care Coordinator	-- Office Manager	-- Managing Cooks
-- Behavior Specialists		-- Assistant Managing Cooks
-- Social Workers		-- Cooks
-- Psychologists		-- Cashiers
-- Therapists		-- Secretary
-- Preschool Coordinator		-- Account Clerk
-- Secretary		
-- Office Manager		
-- Social Services Coordinators		
-- Behavior Technician		
-- Assistant Director of Student Services		
-- Licensed Practical Nurse		
-- Interpreter		
-- Occupational Therapy Assistant		
<u>MAINTENANCE/CUSTODIAL SUPERVISOR</u>	<u>TRANSPORTATION SUPERVISOR</u>	
-- Journeyman/Apprentice	-- Bus Driver	
-- Secretary	-- Mechanic	
-- Custodians	-- Secretary	
-- Maintenance Staff	-- Bus Aide	
-- Courier	-- Van Driver	
-- Managing Custodian		

LANCASTER CITY SCHOOL DISTRICT, OHIO

PRINCIPAL OFFICIALS

JUNE 30, 2021

BOARD OF EDUCATION

Ms. Amy Eyman President
Ms. Kathy Kittredge Vice President
Ms. Dianne Garlinger. Member
Mr. Jay Nauman. Member
Ms. Lise Ricketts. Member

Treasurer

Julie Taylor, Treasurer

Administration

Steve Wigton Superintendent
Jerry Rainey Director of Business
Kevin Snyder Director of Secondary Education
Donna McCance Director of Student Services
Nathan Hale Director of Human Resources/Assistant Superintendent
Dr. Jeromey Sheets Director of Elementary Education

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Financial Section



**Lancaster
Gales**

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OHIO AUDITOR OF STATE KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
(800) 282-0370

INDEPENDENT AUDITOR'S REPORT

Lancaster City School District
Fairfield County
345 East Mulberry Street
Lancaster, Ohio 43130

To the Board of Education:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lancaster City School District, Fairfield County, Ohio (the School District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the School District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the School District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School District, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 24 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the School District. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include management's discussion and analysis and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the School District's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derive(s) from and relate(s) directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this information to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2021, on our consideration of the School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio

December 16, 2021

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Lancaster City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

As management of the Lancaster City School District (the School District), we offer readers of the School District's financial statements this narrative overview and analysis of the financial activities of the School District for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with the basic financial statements and the notes to the basic financial statements.

Financial Highlights

Key financial highlights for fiscal year 2021 are as follows:

- Net position of governmental activities decreased \$5,804,462.
- General revenues accounted for \$74,191,986 in revenue or 79 percent of all revenues. Program specific revenues in the form of charges for services, grants, contributions, and interest accounted for \$19,482,114 or 21 percent of total revenues of \$93,674,100.
- The School District had its highest year of income taxes revenue since it was originally enacted in 2007. Income taxes were over \$14 million.
- Capital assets increased in the amount of \$2,385,208 primarily due to the completion of the General Sherman Junior High School in August of 2020 and due to the School District starting the architectural phase of the new high school.
- The School District had \$99,478,562 in expenses related to governmental activities; only \$19,482,114 of these expenses were offset by program specific charges for services, grants, contributions, and interest. General revenues in the amount of \$74,191,986 and prior year net position were used to provide for these activities.
- The School District partially advanced refunded \$11,085,000 in school facilities construction and improvement bonds, series 2016B, and issued \$12,925,000 in school improvement refunding bonds, series 2021. This refunding will save the School District and its taxpayers \$824,244 in debt service payments over 15 years.
- The School District has three major funds, the general fund, bond retirement fund, and the school building construction. The general fund had \$75,185,451 in revenues, \$71,343,984 in expenditures, and (\$2,501,576) in other financing sources (uses). The general fund's balance increased \$1,339,891. The bond retirement fund had \$5,851,069 in revenues, \$7,047,425 in expenditures, and \$2,116,088 in net other financing sources (uses). Bond retirement fund balances increased \$919,732. The school building construction fund had \$189,542 in revenues and \$2,256,974 in expenditures. The school building construction fund's balance decreased \$2,067,432 due to bond proceeds being used for construction of new facilities.

Lancaster City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

Using this Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities and conditions.

The statement of net position and statement of activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a long-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements look at the School District's most significant funds with all non-major funds presented in total in one column.

Reporting the School District as a Whole

Statement of Net Position and Statement of Activities

While this document contains information about the large number of funds used by the School District to provide programs and activities for students, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2021?" The statement of net position and the statement of activities answer this question. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and changes in that position. This change in net position is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the School District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs, and other factors.

In the statement of net position and the statement of activities, all of the School District's activities are reported as governmental including instruction, support services, operation of non-instructional services, extracurricular activities, and interest and fiscal charges.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major funds begins on page 12. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for multiple financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the general fund, bond retirement fund, and school building construction fund.

Lancaster City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

Governmental Funds Most of the School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at fiscal year end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general governmental operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds When the School District charges customers for the services it provides, these services are generally reported in proprietary funds. When the services are provided to the employees of the School District, the services are reported as an internal service fund. The School District has one internal service fund to account for employee medical, surgical, prescription drug, and dental claims.

Fiduciary Funds Fiduciary funds are used to account for resources held for the benefit of parties outside the School District. Fiduciary funds are not reflected on the government-wide financial statements because the resources of these funds are not available to support the School District's programs. The School District has one custodial fund.

The School District as a Whole

Recall that the statement of net position provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net position for 2021 compared to 2020.

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Lancaster City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

Table 1 - Net Position

	Governmental Activities		
	2021	2020	Change
Assets			
Current and Other Assets	\$181,045,676	\$184,764,668	(\$3,718,992)
Net OPEB Asset	4,914,195	4,426,789	487,406
Capital Assets	132,985,809	130,600,601	2,385,208
Total Assets	<u>318,945,680</u>	<u>319,792,058</u>	<u>(846,378)</u>
Deferred Outflows of Resources			
Deferred Charge on Refunding	2,881,221	2,209,224	671,997
Pension	17,576,675	16,084,492	1,492,183
OPEB	2,274,181	1,731,867	542,314
Total Deferred Outflows of Resources	<u>22,732,077</u>	<u>20,025,583</u>	<u>2,706,494</u>
Liabilities			
Current and Other Liabilities	12,508,492	14,555,627	(2,047,135)
Long-Term Liabilities:			
Due Within One Year	4,647,638	2,637,319	2,010,319
Pension	86,295,577	75,502,687	10,792,890
OPEB	6,175,410	7,070,318	(894,908)
Other Amounts Due In More Than One Year	156,336,651	159,227,274	(2,890,623)
Total Liabilities	<u>265,963,768</u>	<u>258,993,225</u>	<u>6,970,543</u>
Deferred Inflows of Resources			
Property Taxes/Payment in Lieu of Taxes	28,845,651	26,375,441	2,470,210
Pension	1,022,505	4,363,567	(3,341,062)
OPEB	9,224,138	7,659,251	1,564,887
Total Deferred Inflows of Resources	<u>39,092,294</u>	<u>38,398,259</u>	<u>694,035</u>
Net Position			
Net Investment in Capital Assets	48,796,097	46,706,563	2,089,534
Restricted	9,208,764	12,389,930	(3,181,166)
Unrestricted (Deficits)	(21,383,166)	(16,670,336)	(4,712,830)
Total Net Position	<u>\$36,621,695</u>	<u>\$42,426,157</u>	<u>(\$5,804,462)</u>

The net pension liability (NPL) is one of the largest liabilities reported by the School District at June 30, 2021. GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the “employment exchange” – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the School District is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

Lancaster City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

Total assets of governmental activities decreased \$846,378. Current and other assets decreased in the amount of \$3,718,992 mainly due to decreases in cash and cash equivalents and investments due to the School District spending bond proceeds on capital asset additions for the new General Sherman Junior High School which opened to students in August of 2020 and architectural fees for the new high school. Intergovernmental receivables also decreased in fiscal year 2021 due to the completion of the General Sherman Junior High School and the School District drawing down the Ohio Facilities Construction Commission's (OFCC) portion of the project. Only \$276,856 remains an intergovernmental receivable from the OFCC as of June 30, 2021 as the School District is in the final phase of building updates and land improvements of the new junior high schools. The School District issued \$66,125,000 in general obligation bonds in May of 2020 for the local share of the new high school building under the expedited local partnership program of the OFCC. The OFCC portion of the project was not available during fiscal year 2020 or 2021; therefore, the School District has begun to spend the local share portion of the project until the OFCC portion of the project is available to be drawn down. Capital assets increased in the amount of \$2,385,208 primarily due to the completion of the General Sherman Junior High School building, architectural fees of the new high school building, new junior high baseball and softball fields for their new locations, a new high school football stadium press box, and new school buses. The capital asset additions in the amount of \$6,102,726 for fiscal year 2021 were offset by current year depreciation expenses in the amount of \$3,717,518.

Total liabilities of governmental activities increased \$6,970,543. Current and other liabilities decreased in the amount of \$2,047,135 due primarily to decreases in contracts payable due to the completion of the majority of the work on the two new junior high school buildings. Long-term liabilities increased in the amount of \$9,017,678 mainly due to increases in the pension liability. Fiscal year 2021 principal payments on outstanding bonds, including bond premium and discount amortization and capital appreciation bond accretion payments, were \$3,230,841 and capital leases payable principal payments were \$44,470. During fiscal year 2021, the School District partially advanced refunded School Facilities Construction and Improvement General Obligation Bonds, Series 2016B term bonds in the amount of \$11,085,000 and issued \$12,925,000 in School Improvement Refunding Bonds, Series 2021. The School District's taxpayers will benefit from the partial refunding due to a decrease in interest rates for the new refunding bonds. Interest and fiscal charges expense increased \$1,465,957 from fiscal year 2020 to fiscal year 2021 due mainly to an increase in current year capital appreciation bonds accretion. Compensated absences increased in the amount of \$578,302 due to staff meeting the criteria as probable for retirement and increases in wages.

Table 2 shows the changes in net position for the fiscal year ended June 30, 2021, and comparisons to fiscal year 2020.

Lancaster City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

Table 2 - Changes in Net Position

	Governmental Activities		
	2021	2020	Change
Revenues			
Program Revenues			
Charges for Services	\$1,954,642	\$2,442,953	(\$488,311)
Operating Grants, Contributions, and Interest	17,472,625	15,645,408	1,827,217
Capital Grants and Contributions	54,847	172,082	(117,235)
Total Program Revenues	19,482,114	18,260,443	1,221,671
General Revenues			
Property Taxes	30,926,847	26,443,230	4,483,617
Income Taxes	14,171,831	13,134,382	1,037,449
Grants and Entitlements	27,259,320	26,400,833	858,487
Payment in Lieu of Taxes	350,235	344,430	5,805
Unrestricted Contributions	5,480	0	5,480
Unrestricted Interest	389,347	2,286,667	(1,897,320)
Miscellaneous	1,088,926	698,962	389,964
Total General Revenues	74,191,986	69,308,504	4,883,482
Total Revenues	93,674,100	87,568,947	6,105,153
Program Expenses			
Instruction:			
Regular	39,192,261	35,333,529	3,858,732
Special	15,806,174	15,271,683	534,491
Vocational	2,469,736	2,193,813	275,923
Student Intervention Services	282,661	259,874	22,787
Support Services:			
Pupils	6,981,917	6,283,001	698,916
Instructional Staff	4,206,942	4,255,350	(48,408)
Board of Education	127,797	88,861	38,936
Administration	6,704,871	6,584,329	120,542
Fiscal	1,832,963	1,768,133	64,830
Business	398,058	384,077	13,981
Operation and Maintenance of Plant	5,818,896	10,024,152	(4,205,256)
Pupil Transportation	3,537,584	3,593,687	(56,103)
Central	1,137,847	1,182,582	(44,735)
Operation of Non-Instructional Services:			
Food Service Operations	3,154,878	3,213,995	(59,117)
Other	1,302,634	1,079,677	222,957
Extracurricular Activities	2,059,870	1,717,313	342,557
Interest and Fiscal Charges	4,463,473	2,997,516	1,465,957
Total Program Expenses	99,478,562	96,231,572	3,246,990
<i>Change in Net Position</i>	<i>(5,804,462)</i>	<i>(8,662,625)</i>	<i>2,858,163</i>
Net Position Beginning of Year	42,426,157	51,088,782	(8,662,625)
Net Position End of Year	\$36,621,695	\$42,426,157	(\$5,804,462)

Lancaster City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

The DeRolf IV Ohio Supreme Court decision has not eliminated the dependence on property taxes. The fundamental reliance on property taxes is still inherent with public schools in Ohio. The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. Inflation alone will not increase the amount of funds generated by a tax levy. Basically, the mills collected decrease as the real property valuation increases thus generating about the same revenue. Property taxes made up approximately 33 percent of revenues for governmental activities for the School District in fiscal year 2021. In November 2006, the voters in the School District passed the 1.5 percent earned income tax levy for a ten year period. On November 3, 2015, the School District electorate renewed the 1.5 percent earned income tax for a continuing period. Income taxes made up approximately 15 percent of revenues for governmental activities for the School District in fiscal year 2021.

Program revenues increased by less than 7 percent and general revenues increased 7 percent from fiscal year 2020 as compared to fiscal year 2021. Operating grants, contributions, and interest increased during fiscal year 2021 primarily due to an increase in school emergency relief and due to the new coronavirus relief funding. Charges for services decreased due mainly to decreases in food service charges due to the School District being able to offer students free lunches due to new COVID-19 reimbursement options through the State. The School District was also on a blended model attendance for the majority of the year which also decreased food service sales. General revenues fluctuated in the different revenue sources from fiscal year 2020 to fiscal year 2021 but resulted in an increase of \$4,883,482 from the prior year. The largest area of change was seen in property taxes revenue. Property taxes reflected an increase primarily due to an increase in assessed property valuations and due to the Fairfield County Auditor beginning to collect the 3.7 mill bond levy for the new high school beginning with January 1, 2021 collections. See Note 7 for more details on the increase in property tax valuations and the increased millage. Unrestricted interest earnings reflected a decrease in fiscal year 2021 due to lower rates of interest on investments compared to fiscal year 2020. Income taxes revenue reflected an increase. Historically income taxes have increased every year since it was originally enacted.

Program expenses increased during fiscal year 2021 compared to fiscal year 2020. Expenses increased due to the fluctuation in the pension/OPEB related expenses and increases in salaries and benefits. Interest and fiscal charges increased due to the increase in interest and fiscal charges due to the School District issuing the debt for the high school in fiscal year 2020 and the first full year of interest payments was paid in fiscal year 2021.

Instruction comprises approximately 58 percent of governmental program expenses, support services make up approximately 31 percent of the program expenses, operation of non-instructional services make up approximately 4 percent of program expenses, extracurricular activities make up approximately 2 percent, and the remaining 5 percent of program expenses is related to interest and fiscal charges of the School District.

The statement of activities shows the cost of program services and the charges for services, grants, contributions, and interest earnings offsetting those services. Table 3 shows the total cost of services and the net cost of services. That is, it identifies the cost of those services supported by tax revenue and unrestricted state entitlements.

Lancaster City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

Table 3 - Total and Net Cost of Services

	Governmental Activities			
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	2021	2021	2020	2020
Program Expenses				
Instruction:				
Regular	\$39,192,261	\$36,688,945	\$35,333,529	\$33,827,360
Special	15,806,174	7,755,396	15,271,683	7,080,643
Vocational	2,469,736	1,876,973	2,193,813	1,608,749
Student Intervention Services	282,661	209,662	259,874	181,569
Support Services:				
Pupils	6,981,917	4,310,639	6,283,001	4,521,683
Instructional Staff	4,206,942	3,360,721	4,255,350	3,289,111
Board of Education	127,797	127,797	88,861	88,861
Administration	6,704,871	6,402,799	6,584,329	6,314,515
Fiscal	1,832,963	1,828,944	1,768,133	1,762,779
Business	398,058	398,058	384,077	384,077
Operation and Maintenance of Plant	5,818,896	5,412,488	10,024,152	9,654,409
Pupil Transportation	3,537,584	3,330,850	3,593,687	3,306,963
Central	1,137,847	1,137,847	1,182,582	1,182,582
Operation of Non-Instructional Services:				
Food Service Operations	3,154,878	851,254	3,213,995	621,601
Other	1,302,634	120,054	1,079,677	(103,541)
Extracurricular Activities	2,059,870	1,720,548	1,717,313	1,252,252
Interest and Fiscal Charges	4,463,473	4,463,473	2,997,516	2,997,516
Totals	\$99,478,562	\$79,996,448	\$96,231,572	\$77,971,129

The prior schedule clearly shows the dependence upon tax revenues and state subsidies for governmental activities. For 2021, only 20 percent of the governmental activities performed by the School District are supported through program revenues such as charges for services, grants, contributions, and interest. The remaining 80 percent is provided through taxes and entitlements.

The School District's Major Funds

The School District's major funds (the general fund, the bond retirement fund, and the school building construction fund) are accounted for using the modified accrual basis of accounting.

General Fund - The general fund had total revenues of \$75,185,451, expenditures of \$71,343,984, and other financing sources (uses) of (\$2,501,576) which resulted in an increase in fund balance of \$1,339,891. Revenues increased by \$2,603,987 from the prior year due primarily to the increase in property taxes revenue due to an increase in assessed valuations. Income taxes also reflected an increase in fiscal year 2021. The COVID-19 pandemic, which began in March of 2020, impacted income taxes during fiscal year 2020; however, historically income taxes have increased every year since it was originally enacted. Expenditures also reflected an increase in the amount of \$1,073,088 from fiscal year 2020 to 2021. This 1.5 percent

Lancaster City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

increase over the prior year was largely related to salary and benefit cost increases. Other financing uses consisted of transfers out and was fairly consistent with the prior year.

Bond Retirement Fund - The bond retirement fund had total revenues of \$5,851,069, expenditures of \$7,047,425, and net other financing sources (uses) of \$2,116,088. The ending fund balance was \$4,003,612. During fiscal year 2021, the School District partially refunded the school facilities construction and improvement general obligation bonds, series 2016B. See Note 16 for more information on the advanced refunding.

School Building Construction - The school building construction fund had revenues of \$189,542 and expenditures of \$2,256,974. The ending fund balance was \$65,384,830. During fiscal year 2021, the School District began to plan for the new high school project under the OFCC expedited local partnership program and incurred architectural fees. These fees were paid from the fiscal year 2020 issued bonds which is the School District's local share of the project. This fund also includes the local share construction costs associated with the final stages of the new junior high school buildings.

General Fund Budgeting Highlights

The School District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the general fund.

During fiscal year 2021, the School District amended its general fund budget as needed. The School District closely monitors its resources and uses and if necessary, modifies appropriations on a timely basis. For revenues, decreases in the area of income taxes and intergovernmental revenues from the original budget to the final budget were primarily due to COVID-19 concerns. However, actual revenues more closely mirrored the original budget amount which resulted in revenues higher than anticipated. For expenditures and other financing uses, changes from the original budget to the final budget decreased in the amount of \$2,590,101 which was primarily due to a decrease in anticipated transfers out. The general fund transferred \$20,488 to the food service special revenue fund for inactive bad student accounts, \$1,891,088 to the bond retirement debt service fund for the bond payment related to the two new junior high school buildings, \$250,000 to the permanent improvement and \$340,000 building improvement capital projects funds for future repairs/improvements, and \$134,000 to the termination benefits fund. The termination benefits fund is combined with the general fund for GAAP reporting purposes but shown as a special revenue fund on a budgetary reporting basis. The School District's ending unobligated fund balance was \$40,977,146 which was fairly consistent with the unobligated fund balance at the beginning of the fiscal year.

Debt Administration and Capital Assets

Debt At June 30, 2021, the School District had \$156,175,915 in bonded debt and capital leases outstanding (including premiums, discounts, and capital appreciation bond accretion), with \$4,161,432 being due within one year. The net pension/OPEB liability under GASB 68 and GASB 75 is also reported as a long-term obligation that has been previously disclosed within the management's discussion and analysis. See Notes 15 and 16 for more detailed information on the School District's debt. Table 4 shows fiscal year 2021 compared to 2020.

Lancaster City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

Table 4 - Outstanding Debt at June 30 - Governmental Activities

	2021	2020
School Facilities Construction and Improvement Bonds Series 2012	\$1,034,638	\$1,503,709
School Facilities Construction and Improvement Bonds Series 2016A	309,341	480,568
School Facilities Construction and Improvement Bonds Series 2016B	13,524,894	26,394,418
School Facilities Construction and Improvement Refunding Bonds, Series 2017	9,290,973	9,479,197
School Facilities Construction and Improvement Refunding Bonds, Series 2019	51,290,951	51,836,532
School Facilities Construction and Improvement Bonds Series 2020	67,616,424	67,711,933
School Improvement Refunding Bonds Series 2021	12,925,000	0
Capital Leases	183,694	228,164
Totals	\$156,175,915	\$157,634,521

Capital Assets At the end of fiscal year 2021, the School District had \$132,985,809 invested in nondepreciable and depreciable capital assets. Table 5 shows fiscal year 2021 compared to 2020.

Table 5 - Capital Assets (Net of Depreciation) - Governmental Activities

	2021	2020
Land	\$3,255,302	\$3,255,302
Construction in Progress	1,980,729	23,633,846
Land Improvements	8,567,280	6,127,399
Buildings and Improvements	114,616,643	92,677,815
Furniture and Equipment	2,640,021	2,987,197
Vehicles	1,925,834	1,919,042
Totals	\$132,985,809	\$130,600,601

The majority of the change in capital assets during fiscal year 2021 is reflected in construction in progress, land improvements, and buildings and improvements. This was due to the construction of the new General Sherman Junior High School building which opened in August of 2020 and was moved from construction in progress to buildings and improvements and land improvements. As of June 30, 2021, the new high school was in construction in progress along with other improvement projects in progress. See Note 10 for more information about the School District's capital assets.

Economic Factors

During fiscal year 2021, the School District's net position decreased by \$5,804,462. The main reason for this decrease is due to the increase in expenses during fiscal year 2021 due to the fluctuations of the pension/OPEB related expenses. Expenses also increased due to the increase in interest and fiscal charges due to fiscal year 2021 being the first year of interest payments on the new bonds for the high school. The School District OFCC intergovernmental receivables decreased due to the completion of the Thomas Ewing Junior High School building which was opened in January of 2020 and the completion of the General Sherman Junior High School building which opened in August of 2020. As of June 30, 2021, some final phase construction items remain to be completed on the junior high schools' property; therefore, fiscal year 2021 still has an intergovernmental receivable in the amount of \$276,856 due from OFCC. Expenses also fluctuate each year largely due to the fluctuation of the net pension liability expenses and the net OPEB liability expenses. The School District received its 14th year of income tax revenues from the passage of the 1.5 percent earned income tax levy. On November 3, 2015, voters approved the renewal 1.5 percent earned income tax levy for a continuing period of time. Due to this continuous revenue stream, the School District has the fiscal stability to finance and build the two new junior high school buildings in partnership with the

Lancaster City School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2021
Unaudited

OFCC without asking for additional taxpayer dollars. The School District will continue to be conservative in the area of expenses in the future. The School District continues to utilize a Board Finance Committee created during fiscal year 2005 whose purpose is to monitor the School District's financial stability and to meet throughout the fiscal year and report to the Board of Education any finance related recommendations. In March of 2010, the Board passed a resolution to maintain a cash reserve balance of 12 percent of operating expenses which is necessary in the interest of sound fiscal management and affirm that tax levies shall be pursued, and/or the School District's finances otherwise managed to ensure the cash reserve. The Board of Education and administration of the School District must continue to maintain careful financial planning and prudent fiscal management in order to preserve the opportunities our students have come accustomed to.

Contacting the School District's Financial Management

This financial report is designed to provide our citizen's, taxpayers, and investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional financial information you may contact Julie Taylor, Treasurer, Lancaster City School District, 345 East Mulberry Street, Lancaster, Ohio 43130, or E-Mail at j_taylor@lcsschools.net.

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Lancaster City School District, Ohio
Statement of Net Position
June 30, 2021

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	\$66,386,628
Cash and Cash Equivalents with Fiscal Agents	4,409,286
Income Taxes Receivable	5,064,151
Materials and Supplies Inventory	291,245
Inventory Held for Resale	34,154
Accrued Interest Receivable	149,580
Intergovernmental Receivable	1,919,677
Accounts Receivable	561,222
Prepays	396,590
Property Taxes Receivable	32,912,500
Payment in Lieu of Taxes Receivable	375,411
Investments	68,545,232
Net OPEB Asset	4,914,195
Nondepreciable Capital Assets	5,236,031
Depreciable Capital Assets, Net	127,749,778
<i>Total Assets</i>	<u>318,945,680</u>
Deferred Outflows of Resources	
Deferred Charge on Refunding	2,881,221
Pension	17,576,675
OPEB	2,274,181
<i>Total Deferred Outflows of Resources</i>	<u>22,732,077</u>
Liabilities	
Accounts Payable	521,011
Contracts Payable	422,882
Accrued Salaries and Benefits Payable	6,242,470
Matured Compensated Absences Payable	357,007
Accrued Interest Payable	1,155,865
Intergovernmental Payable	1,687,018
Retainage Payable	426,526
Unearned Revenue	48,713
Claims Payable	1,647,000
Long-Term Liabilities:	
Due Within One Year	4,647,638
Due In More Than One Year:	
Net Pension Liability	86,295,577
Net OPEB Liability	6,175,410
Other Amounts Due in More Than One Year	156,336,651
<i>Total Liabilities</i>	<u>265,963,768</u>
Deferred Inflows of Resources	
Property Taxes	28,470,240
Payment in Lieu of Taxes	375,411
Pension	1,022,505
OPEB	9,224,138
<i>Total Deferred Inflows of Resources</i>	<u>39,092,294</u>
Net Position	
Net Investment in Capital Assets	48,796,097
Restricted for:	
School Building Construction	1,475,143
Classroom Facilities Construction	2,540,991
Classroom Facilities Maintenance	3,685,381
District and Student Managed Activities	416,943
Auxiliary Services	92,207
Food Service	296,661
Federal and State Grants	642,117
Community Grants and Contributions	59,321
Unrestricted (Deficit)	(21,383,166)
<i>Total Net Position</i>	<u>\$36,621,695</u>

See accompanying notes to the basic financial statements

Lancaster City School District, Ohio
Statement of Activities
For the Fiscal Year Ended June 30, 2021

		Program Revenues		
	Expenses	Charges for Services	Operating Grants, Contributions, and Interest	Capital Grants and Contributions
Governmental Activities				
Instruction:				
Regular	\$39,192,261	\$1,209,046	\$1,294,270	\$0
Special	15,806,174	184,581	7,866,197	0
Vocational	2,469,736	21,310	571,453	0
Student Intervention Services	282,661	0	72,999	0
Support Services:				
Pupils	6,981,917	0	2,671,278	0
Instructional Staff	4,206,942	0	846,221	0
Board of Education	127,797	0	0	0
Administration	6,704,871	485	301,587	0
Fiscal	1,832,963	0	4,019	0
Business	398,058	0	0	0
Operation and Maintenance of Plant	5,818,896	139,418	265,744	1,246
Pupil Transportation	3,537,584	0	163,422	43,312
Central	1,137,847	0	0	0
Operation of Non-Instructional Services:				
Food Service Operations	3,154,878	8,524	2,295,100	0
Other	1,302,634	90,480	1,092,100	0
Extracurricular Activities	2,059,870	300,798	28,235	10,289
Interest and Fiscal Charges	4,463,473	0	0	0
Totals	\$99,478,562	\$1,954,642	\$17,472,625	\$54,847

General Revenues

Property Taxes Levied for:

 General Purpose

 Debt Service

 Classroom Facilities Maintenance

Income Taxes Levied for General Purposes

Grants and Entitlements not Restricted to Specific Programs

Payment in Lieu of Taxes

Unrestricted Contributions

Unrestricted Interest

Miscellaneous

Total General Revenues

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

See accompanying notes to the basic financial statements

Net (Expense)
Revenue and Changes
in Net Position

Governmental
Activities

(\$36,688,945)
(7,755,396)
(1,876,973)
(209,662)

(4,310,639)
(3,360,721)
(127,797)
(6,402,799)
(1,828,944)
(398,058)
(5,412,488)
(3,330,850)
(1,137,847)

(851,254)
(120,054)
(1,720,548)
(4,463,473)

(79,996,448)

24,938,299
5,564,756
423,792
14,171,831
27,259,320
350,235
5,480
389,347
1,088,926

74,191,986

(5,804,462)

42,426,157

\$36,621,695

Lancaster City School District, Ohio

Balance Sheet

Governmental Funds

June 30, 2021

	General	Bond Retirement	School Building Construction	Other Governmental Funds	Total Governmental Funds
Assets					
Equity in Pooled Cash and Cash Equivalents	\$44,539,829	\$3,321,041	\$55,572	\$17,963,880	\$65,880,322
Investments	0	0	65,686,684	2,858,548	68,545,232
Restricted Cash and Cash Equivalents	0	0	79,013	347,513	426,526
Receivables:					
Property Taxes	25,620,990	6,848,315	0	443,195	32,912,500
Payment in Lieu of Taxes	375,411	0	0	0	375,411
Income Taxes	5,064,151	0	0	0	5,064,151
Accounts	10,303	0	0	632	10,935
Intergovernmental	47,603	0	0	1,872,074	1,919,677
Accrued Interest	79,842	0	69,069	669	149,580
Interfund	130,071	0	0	0	130,071
Prepays	328,213	0	0	68,377	396,590
Inventory Held for Resale	0	0	0	34,154	34,154
Materials and Supplies Inventory	267,664	0	0	23,581	291,245
<i>Total Assets</i>	<u>\$76,464,077</u>	<u>\$10,169,356</u>	<u>\$65,890,338</u>	<u>\$23,612,623</u>	<u>\$176,136,394</u>
Liabilities					
Accounts Payable	\$371,228	\$0	\$0	\$149,783	\$521,011
Contracts Payable	3,575	0	378,008	41,299	422,882
Retainage Payable	0	0	79,013	347,513	426,526
Accrued Salaries and Benefits Payable	5,578,986	0	0	663,484	6,242,470
Intergovernmental Payable	1,477,648	0	0	209,370	1,687,018
Matured Compensated Absences Payable	357,007	0	0	0	357,007
Interfund Payable	0	0	0	130,071	130,071
Unearned Revenue	0	0	0	48,713	48,713
<i>Total Liabilities</i>	<u>7,788,444</u>	<u>0</u>	<u>457,021</u>	<u>1,590,233</u>	<u>9,835,698</u>
Deferred Inflows of Resources					
Property Taxes	22,178,660	5,907,429	0	384,151	28,470,240
Payment in Lieu of Taxes	375,411	0	0	0	375,411
Unavailable Revenue	2,328,934	258,315	48,487	1,024,758	3,660,494
<i>Total Deferred Inflows of Resources</i>	<u>24,883,005</u>	<u>6,165,744</u>	<u>48,487</u>	<u>1,408,909</u>	<u>32,506,145</u>
Fund Balances					
Nonspendable	595,877	0	0	91,958	687,835
Restricted	0	4,003,612	65,384,830	8,502,583	77,891,025
Committed	1,562,706	0	0	7,477,961	9,040,667
Assigned	10,070,931	0	0	4,722,354	14,793,285
Unassigned (Deficit)	31,563,114	0	0	(181,375)	31,381,739
<i>Total Fund Balances</i>	<u>43,792,628</u>	<u>4,003,612</u>	<u>65,384,830</u>	<u>20,613,481</u>	<u>133,794,551</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$76,464,077</u>	<u>\$10,169,356</u>	<u>\$65,890,338</u>	<u>\$23,612,623</u>	<u>\$176,136,394</u>

See accompanying notes to the basic financial statements

Lancaster City School District, Ohio
*Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
June 30, 2021*

Total Governmental Fund Balances		\$133,794,551
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		132,985,809
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as deferred inflows of resources - unavailable revenue in the funds:		
Delinquent Property Taxes	1,519,500	
Income Taxes	1,031,129	
Intergovernmental and Ohio School Facilities Revenue	1,008,640	
Interest	100,681	
Tuition and Fees	112	
Charges for Services	432	3,660,494
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		3,392,353
Deferred outflows of resources represent deferred charges on refundings which are not reported in the funds.		2,881,221
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(1,155,865)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds Payable	(79,185,000)	
Capital Appreciation Bonds	(860,000)	
Refunding Bonds Payable	(66,900,000)	
Refunding Capital Appreciation Bonds	(1,173,031)	
Accretion on Capital Appreciation Bonds	(977,033)	
Premium on Bonds Issued	(7,302,038)	
Discounts on Bonds Issued	404,881	
Capital Leases	(183,694)	
Compensated Absences Payable	(4,808,374)	(160,984,289)
The net pension liability and net OPEB (asset) liability is not due and payable in the current period; therefore, the (asset) liability and related deferred inflows/outflows are not reported in the governmental funds:		
Net OPEB Asset	4,914,195	
Deferred Outflows - Pension	17,576,675	
Deferred Outflows - OPEB	2,274,181	
Net Pension Liability	(86,295,577)	
Net OPEB Liability	(6,175,410)	
Deferred Inflows - Pension	(1,022,505)	
Deferred Inflows - OPEB	(9,224,138)	(77,952,579)
Net Position of Governmental Activities		<u>\$36,621,695</u>

See accompanying notes to the basic financial statements

Lancaster City School District, Ohio
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2021

	General	Bond Retirement	School Building Construction	Other Governmental Funds	Total Governmental Funds
Revenues					
Property Taxes	\$25,198,674	\$5,477,619	\$0	\$442,833	\$31,119,126
Payment in Lieu of Taxes	350,235	0	0	0	350,235
Income Taxes	14,276,643	0	0	0	14,276,643
Intergovernmental	32,367,518	373,450	0	13,532,759	46,273,727
Interest	148,024	0	189,542	18,945	356,511
Tuition and Fees	1,537,235	0	0	17,494	1,554,729
Charges for Services	0	0	0	16,053	16,053
Rent	135,012	0	0	0	135,012
Extracurricular Activities	106,538	0	0	294,559	401,097
Gifts and Donations	18,194	0	0	54,715	72,909
Miscellaneous	1,047,378	0	0	49,741	1,097,119
<i>Total Revenues</i>	<u>75,185,451</u>	<u>5,851,069</u>	<u>189,542</u>	<u>14,427,099</u>	<u>95,653,161</u>
Expenditures					
Current:					
Instruction:					
Regular	33,689,542	0	0	1,309,624	34,999,166
Special	10,510,398	0	0	3,179,182	13,689,580
Vocational	2,038,560	0	0	104,675	2,143,235
Student Intervention Services	191,117	0	0	78,242	269,359
Support Services:					
Pupils	3,488,308	0	0	2,677,313	6,165,621
Instructional Staff	2,930,259	0	0	874,123	3,804,382
Board of Education	127,608	0	0	0	127,608
Administration	5,603,070	0	0	305,143	5,908,213
Fiscal	1,658,564	92,917	0	8,016	1,759,497
Business	354,207	0	0	0	354,207
Operation and Maintenance of Plant	5,308,574	0	0	359,628	5,668,202
Pupil Transportation	3,070,736	0	0	59,798	3,130,534
Central	1,030,174	0	0	0	1,030,174
Operation of Non-Instructional Services:					
Food Service Operations	0	0	0	2,686,840	2,686,840
Other Non-Instructional Services	42,141	0	0	1,221,484	1,263,625
Extracurricular Activities	1,195,117	0	0	628,134	1,823,251
Capital Outlay	24,936	0	2,256,974	2,866,397	5,148,307
Debt Service:					
Principal Retirement	44,470	2,084,881	0	0	2,129,351
Interest and Fiscal Charges	36,203	4,484,508	0	0	4,520,711
Capital Appreciation Bond Accretion	0	160,119	0	0	160,119
Issuance Costs	0	225,000	0	0	225,000
<i>Total Expenditures</i>	<u>71,343,984</u>	<u>7,047,425</u>	<u>2,256,974</u>	<u>16,358,599</u>	<u>97,006,982</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>3,841,467</u>	<u>(1,196,356)</u>	<u>(2,067,432)</u>	<u>(1,931,500)</u>	<u>(1,353,821)</u>
Other Financing Sources (Uses)					
Refunding Bonds Issued	0	12,925,000	0	0	12,925,000
Payment to Refunded Bond Escrow Agent	0	(12,700,000)	0	0	(12,700,000)
Transfers In	0	1,891,088	0	610,488	2,501,576
Transfers Out	(2,501,576)	0	0	0	(2,501,576)
<i>Total Other Financing Sources (Uses)</i>	<u>(2,501,576)</u>	<u>2,116,088</u>	<u>0</u>	<u>610,488</u>	<u>225,000</u>
<i>Net Change in Fund Balances</i>	<u>1,339,891</u>	<u>919,732</u>	<u>(2,067,432)</u>	<u>(1,321,012)</u>	<u>(1,128,821)</u>
<i>Fund Balances Beginning of Year</i>	<u>42,452,737</u>	<u>3,083,880</u>	<u>67,452,262</u>	<u>21,934,493</u>	<u>134,923,372</u>
<i>Fund Balances End of Year</i>	<u>\$43,792,628</u>	<u>\$4,003,612</u>	<u>\$65,384,830</u>	<u>\$20,613,481</u>	<u>\$133,794,551</u>

See accompanying notes to the basic financial statements

Lancaster City School District, Ohio
*Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2021*

Net Change in Fund Balances - Total Governmental Funds		(\$1,128,821)
<i>Amounts reported for governmental activities in the statement of activities are different because of the following:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.		
Capital Asset Additions	6,102,726	
Depreciation Expense	<u>(3,717,518)</u>	2,385,208
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds:		
Miscellaneous	(8,193)	
Tuition and Fees	(136,196)	
Intergovernmental and Ohio School Facilities Revenue	(1,562,153)	
Delinquent Property Taxes	(192,279)	
Income Taxes	(104,812)	
Interest	15,031	
Charges for Services	<u>(16,053)</u>	(2,004,655)
Long-term debt proceeds are other financing sources in the governmental funds, but the issuance increases the long-term liabilities on the statement of activities:		
Refunding Bonds Issued		(12,925,000)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated Absences Payable		(578,302)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:		
Premium Amortization	999,337	
Discount Amortization	(13,496)	
Deferred Charges on Refunding Amortization	(100,644)	
Accretion of Capital Appreciation Bonds	(819,064)	
Accrued Interest Payable	<u>(8,895)</u>	57,238
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
General Obligation Bonds Payable	1,620,000	
Capital Appreciation Bonds Payable	464,881	
Capital Appreciation Bonds Accretion Payable	160,119	
Capital Leases Payable	<u>44,470</u>	2,289,470
Payment to refunded bond escrow agent is an other financing use in governmental funds; but the payment is included in the calculation of deferred outflows: deferred charges on refunding on the statement of net position.		12,700,000
The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the district-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.		(999,696)
Contractually required contributions are reported as expenditures in the governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	6,359,807	
OPEB	<u>191,451</u>	6,551,258
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability and OPEB (asset) liability are reported as pension expense in the statement of activities.		
Pension	(12,319,452)	
OPEB	<u>168,290</u>	<u>(12,151,162)</u>
<i>Change in Net Position of Governmental Activities</i>		<u><u>(\$5,804,462)</u></u>
See accompanying notes to the basic financial statements		

Lancaster City School District, Ohio
Statement of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property Taxes	\$23,550,000	\$23,550,000	\$25,098,402	\$1,548,402
Payment in Lieu of Taxes	300,000	300,000	350,235	50,235
Income Taxes	13,393,953	10,000,000	13,542,164	3,542,164
Intergovernmental	32,856,723	28,347,743	32,329,235	3,981,492
Interest	500,000	500,000	694,558	194,558
Tuition and Fees	1,273,735	1,273,735	1,525,788	252,053
Rent	125,338	125,338	150,140	24,802
Extracurricular Activities	70,000	51,414	85,886	34,472
Gifts and Donations	0	0	5,480	5,480
Miscellaneous	800,000	805,000	1,191,819	386,819
<i>Total Revenues</i>	<u>72,869,749</u>	<u>64,953,230</u>	<u>74,973,707</u>	<u>10,020,477</u>
Expenditures				
Current:				
Instruction:				
Regular	28,382,310	29,602,055	29,241,718	360,337
Special	11,272,652	11,408,207	10,931,020	477,187
Vocational	2,086,896	2,094,689	2,086,135	8,554
Student Intervention Services	187,383	191,553	183,176	8,377
Other	4,816,293	5,119,625	5,027,132	92,493
Support Services:				
Pupils	5,811,485	3,648,504	3,533,350	115,154
Instructional Staff	3,315,528	3,378,489	3,173,996	204,493
Board of Education	118,158	144,438	129,741	14,697
Administration	5,839,676	5,797,535	5,677,177	120,358
Fiscal	1,715,581	1,772,211	1,693,433	78,778
Business	451,187	416,671	383,418	33,253
Operation and Maintenance of Plant	6,156,848	6,480,817	6,103,334	377,483
Pupil Transportation	3,474,603	3,990,900	3,680,304	310,596
Central	1,138,851	1,153,262	1,065,961	87,301
Operation of Non-Instructional Services	11,540	1,540	0	1,540
Extracurricular Activities	1,188,550	1,282,881	1,209,215	73,666
Capital Outlay	128,470	127,582	46,206	81,376
Debt Service - Issuance Costs	0	225,100	225,000	100
<i>Total Expenditures</i>	<u>76,096,011</u>	<u>76,836,059</u>	<u>74,390,316</u>	<u>2,445,743</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(3,226,262)</u>	<u>(11,882,829)</u>	<u>583,391</u>	<u>12,466,220</u>
Other Financing Source (Use)				
Refunding Bonds Issued	0	225,000	225,000	0
Transfers Out	(6,039,194)	(2,709,045)	(2,635,576)	73,469
<i>Total Other Financing Source (Use)</i>	<u>(6,039,194)</u>	<u>(2,484,045)</u>	<u>(2,410,576)</u>	<u>73,469</u>
<i>Net Change in Fund Balance</i>	<u>(9,265,456)</u>	<u>(14,366,874)</u>	<u>(1,827,185)</u>	<u>12,539,689</u>
<i>Fund Balance Beginning of Year</i>	<u>40,669,126</u>	<u>40,669,126</u>	<u>40,669,126</u>	<u>0</u>
<i>Prior Year Encumbrances Appropriated</i>	<u>2,135,205</u>	<u>2,135,205</u>	<u>2,135,205</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$33,538,875</u>	<u>\$28,437,457</u>	<u>\$40,977,146</u>	<u>\$12,539,689</u>

See accompanying notes to the basic financial statements

Lancaster City School District, Ohio

Statement of Fund Net Position

Internal Service Fund

June 30, 2021

	Employee Benefits Self Insurance
Current Assets	
Equity in Pooled Cash and Cash Equivalents	\$79,780
Cash and Cash Equivalents with Fiscal Agents	4,409,286
Accounts Receivable	550,287
<i>Total Assets</i>	5,039,353
Current Liabilities	
Claims Payable	1,647,000
Net Position	
Unrestricted	\$3,392,353
See accompanying notes to the basic financial statements	

Lancaster City School District, Ohio
*Statement of Revenues,
Expenses, and Changes in Fund Net Position
Internal Service Fund
For the Fiscal Year Ended June 30, 2021*

	Employee Benefits Self Insurance
Operating Revenues	
Charges for Services	<u>\$14,902,050</u>
Operating Expenses	
Purchased Services	2,877,197
Claims	<u>13,050,143</u>
<i>Total Operating Expenses</i>	<u>15,927,340</u>
<i>Operating Loss</i>	(1,025,290)
Non-Operating Revenue	
Interest	<u>25,594</u>
<i>Change in Net Position</i>	(999,696)
<i>Net Position Beginning of Year</i>	<u>4,392,049</u>
<i>Net Position End of Year</i>	<u><u>\$3,392,353</u></u>
See accompanying notes to the basic financial statements	

Lancaster City School District, Ohio
Statement of Cash Flows
Internal Service Fund
For the Fiscal Year Ended June 30, 2021

	Employee Benefits Self Insurance
Increase (Decrease) in Cash and Cash Equivalents	
Cash Flows from Operating Activities:	
Cash Received from Interfund Services Provided	\$14,902,050
Cash Payments to Vendors for Services	(2,877,197)
Cash Payments for Claims	(12,354,413)
<i>Net Cash Used for Operating Activities</i>	(329,560)
Cash Flows from Investing Activities:	
Interest	25,594
<i>Net Decrease in Cash and Cash Equivalents</i>	(303,966)
<i>Cash and Cash Equivalents Beginning of Year</i>	4,793,032
<i>Cash and Cash Equivalents End of Year</i>	\$4,489,066
Reconciliation of Operating Loss to	
Net Cash Used for Operating Activities:	
Operating Loss	(\$1,025,290)
Adjustments to Reconcile Operating Loss	
to Net Cash Used for Operating Activities	
Changes in Assets and Liabilities:	
Increase in Accounts Receivable	(83,270)
Increase in Claims Payable	779,000
<i>Net Cash Used for Operating Activities</i>	(\$329,560)

See accompanying notes to the basic financial statements

Lancaster City School District, Ohio
Statement of Changes in Fiduciary Net Position
Custodial Fund
For the Fiscal Year Ended June 30, 2021

	Tournament Account
Additions	
Charges Received for OHSAA	\$6,123
Deductions	
Distributions on Behalf of OHSAA	6,123
<i>Change in Net Position</i>	0
<i>Net Position Beginning of Year</i>	0
<i>Net Position End of Year</i>	\$0
See accompanying notes to the basic financial statements	

Lancaster City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 1 - Description of the School District and Reporting Entity

Lancaster City School District (the "School District"), created in the 1850's, is organized under Article VI, Section 2 of the Constitution of the State of Ohio. The School District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four year terms. The School District provides educational services as authorized by State statute and federal guidelines.

The Board controls the School District's ten instructional facilities staffed by 310 classified employees, 433 certificated personnel, and 50 administrative employees who provide services to 6,133 students and other community members.

Reporting Entity

A reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the School District consists of all funds, departments, agencies, and offices that are not legally separate from the School District. For Lancaster City School District, this includes general operations, food service, and student related activities of the School District.

The following activities are included within the reporting entity:

Private Schools - William V. Fisher Catholic School, Saint Bernadette School, Fairfield Christian Academy, and Saint Mary's School are private schools operated within the School District boundaries. Current State legislation provides funding to these private schools. These monies are received and disbursed on behalf of the private schools by the Treasurer of the School District, as directed by the private schools. This activity is presented in a special revenue fund.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization's resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt or the levying of taxes, and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. The School District has no component units.

The School District participates in four jointly governed organizations and three pools. These organizations are the Licking Area Computer Association, META Solutions, Coalition of Rural and Appalachian Schools, Fairfield County Multi-System Youth Committee, the Ohio School Comp Workers' Compensation Group Retrospective Rating Program, the Ohio School Plan, and the South Central Ohio Insurance Consortium. These organizations are presented in Notes 18 and 19 to the basic financial statements.

Lancaster City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 2 - Summary of Significant Accounting Policies

The financial statements of the School District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the School District's accounting policies are described below.

Basis of Presentation

The School District's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. These statements usually distinguish between those activities that are governmental and those that are considered business-type activities; however, the School District has no business-type activities.

The statement of net position presents the financial condition of the governmental activities of the School District at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department, and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School District. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental financial statements is on major funds. The School District's major funds are presented in separate columns. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

Fund Accounting

The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary, and fiduciary.

Governmental Funds Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and deferred outflows of resources, and liabilities and

Lancaster City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

deferred inflows of resources is reported as fund balance. The following is a description of the School District's major governmental funds:

General Fund The general fund accounts for and reports all financial resources except those required to be accounted for in another fund. The general fund balance is available to the School District for any purpose, provided it is expended or transferred according to the general laws of Ohio.

Bond Retirement Fund The bond retirement fund is used to account for restricted levy proceeds to pay for general obligation bonded debt.

School Building Construction Fund The school building construction fund is used to account for the restricted bond proceeds used for the upgrades in construction of the two new junior high school buildings and the local share of the new high school building which are all being built through the Ohio Facilities Construction Commission project.

The other governmental funds of the School District account for grants and other resources whose use is restricted to a particular purpose.

Proprietary Funds Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. Proprietary funds are classified as enterprise or internal service; the School District has no enterprise funds.

Internal Service Fund The internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the School District on a cost reimbursement basis. The School District's only internal service fund accounted for the operation of the School District's self-insurance program for employee medical, surgical, prescription drug, and dental claims.

Fiduciary Fund Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and custodial funds. Trust funds are distinguished from custodial funds by the existence of a trust agreement or equivalent arrangements that has certain characteristics. The School District has no trust funds. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund.

The School District's fiduciary fund, a custodial fund, is used to account for receipts and expenses related to the Ohio High School Athletic Association athletic tournament activities.

Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the School District are included on the statement of net position. The statement of activities presents increases (revenues) and decreases (expenses) in total net position.

Fund Financial Statements All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current

Lancaster City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, all proprietary and fiduciary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. In fiduciary funds, a liability to the beneficiaries of fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities, other than those to beneficiaries, are recognized using the economic resources measurement focus.

For the proprietary fund, the statement of revenues, expenses, and changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activity.

For the fiduciary fund, a statement of changes in fiduciary net position reports additions to and deductions from its custodial fund.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements and the statements presented for proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, in the recording of deferred outflows/inflows of resources, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-Exchange Transactions Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days of fiscal year end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, payment in lieu of taxes, income taxes, grants, entitlements, and donations. Revenue from income taxes is recognized in the period in which the income is earned. On the accrual basis, revenue from property taxes and payment in lieu of taxes is recognized in the fiscal year for which the taxes are levied (See Note 7). Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis.

Lancaster City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year end: property taxes available as an advance, income taxes, interest, tuition, grants, fees, and rent.

Unearned Revenue Unearned revenue represents amounts under the accrual and modified accrual basis of accounting for which asset recognition criteria have been met, but for which revenue recognition criteria have not yet been met because such amounts have not yet been earned.

On governmental fund financial statements, revenue received as of June 30, 2021, for fiscal year 2022 services, has been recorded as unearned revenue.

Deferred Outflows/Inflows of Resources In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, deferred outflows of resources are reported on the government-wide statement of net position for deferred charge on refunding and pension and OPEB plans. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension/OPEB are explained in Notes 13 and 14.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the School District, deferred inflows of resources include property taxes, payment in lieu of taxes, pension and OPEB plans, and unavailable revenue. Property taxes and payment in lieu of taxes represent amounts for which there is an enforceable legal claim as of June 30, 2021, but which were levied to finance fiscal year 2022 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet and represents receivables which will not be collected within the available period. For the School District, unavailable revenue includes delinquent property taxes, accrued interest, income taxes, tuition and fees, charges for services, and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balance to Net Position of Governmental Activities found on page 21. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 13 and 14)

Expenses/Expenditures On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The purpose of the measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Cash and Cash Equivalents

To improve cash management, cash received by the School District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the School District's records. Interest in the pool is presented as "equity and pooled cash and cash equivalents" on the financial statements.

Lancaster City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

Investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the School District are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months not purchased from the pool are reported as investments. For fiscal year 2021, investments were shown in the school building construction major capital projects fund and the classroom facilities nonmajor capital projects fund due to the investment of bond proceeds related to the construction of the two new junior high school buildings and the new high school building.

During fiscal year 2021, investments were limited to the State Treasury Asset Reserve of Ohio (STAR Ohio), money market mutual funds, municipal bonds, federal agency securities, treasury bills, commercial paper, and negotiable certificates of deposit.

Except for nonparticipating investment contracts, the School District reports investments at fair value, which is based on quoted market prices. Nonparticipating investment contracts, such as nonnegotiable certificates of deposit are reported at cost. The School District had no nonnegotiable certificates of deposit for fiscal year 2021.

STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The School District measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For fiscal year 2021, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, 24 hours advance notice is appreciated for deposits and withdrawals of \$100 million or more. STAR Ohio reserves the right to limit the transaction to \$250 million per day, requiring the excess amount to be transacted the following business day(s), but only to the \$250 million limit. All accounts of the participant will be combined for these purposes.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2021 amounted to \$148,024, which includes \$44,873 assigned from other School District funds.

"Cash and Cash Equivalents with Fiscal Agent" represents monies on hand at the fiscal agent for medical and dental insurance cash balances for the self-insurance program which began on July 1, 2007, with the South Central Ohio Insurance Consortium.

Restricted Assets

The School District has set aside certain resources in the capital projects funds. Restricted assets cash and cash equivalents in the school building construction and classroom facilities capital projects funds represent retainage payable owed to contractors for construction services.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2021, are recorded as a prepaid using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expense/expenditure is reported in the fiscal year in which services are consumed.

Lancaster City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

Inventory

Inventories are presented at cost on a first-in, first-out basis and are expensed/expended when used. Inventory consists of expendable supplies held for consumption and purchased and donated food held for resale.

Capital Assets

The School District's only capital assets are general capital assets. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. The School District was able to estimate the historical cost for the initial reporting of capital assets by backtrending (i.e., estimating the current replacement cost of the assets to be capitalized and using an appropriate price-index to deflate the costs to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their acquisition values as of the date received. The School District maintains a capitalization threshold of five thousand dollars. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

All capital assets, except land and construction in progress, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Land Improvements	15-50 years
Buildings and Improvements	20-80 years
Furniture and Equipment	5-20 years
Vehicles	5-10 years

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans or interfund services provided and used are classified as "interfund receivables/payables". These amounts are eliminated on the statement of net position.

Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for vacation time when earned. Vacation must be used within two years after it is earned.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the School District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the School District's termination policy. The School District records a liability for accumulated unused sick leave for classified employees after ten years of current service and certified employees after fifteen years of current service with the School District.

Lancaster City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

The entire compensated absences liability is reported on the government-wide financial statements. On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account “matured compensated absences payable” in the funds from which these payments will be made.

Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB liability (asset), deferred outflows of resources, and deferred inflows of resources related to pensions/OPEB, and pension/OPEB expense, information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. Bonds and capital leases are recognized as a liability on the fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan’s fiduciary net position is not sufficient for payment of those benefits.

Internal Activity

Transfers within governmental activities are eliminated on the government wide financial statements.

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Payments for interfund services provided and used are not eliminated.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Bond Premium, Discounts, and Issuance Costs

On the government-wide financial statement, bond premiums and discounts are deferred and amortized over the term of the bonds using the effective interest method. Bond premiums are presented as an increase of the face amount of the bonds payable; bond discounts are presented as a decrease of the face amount of the bonds payable. On the governmental fund statements, bond premiums and discounts are recorded in the year the bonds are issued. Prior to February 6, 2014, under Ohio law, premiums on the original issuance of debt were permitted to be deposited into a capital project fund and used for capital purposes. Beginning February 6, 2014, under Ohio law, premiums on the original issuance of debt are to be deposited into the bond retirement fund to be used for debt retirement and are precluded from being applied to the project fund. Ohio law does allow premiums on refunding debt to be used as part of the payment to the bond escrow agent.

Lancaster City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

Bond issuance costs are shown as expensed in the year of the debt issuance.

Deferred Charge on Refunding

On the government-wide financial statements, the difference between the reacquisition price (funds required to refund the old debt) and the net carrying amount of the old debt, the gain/loss on the refunding, is being amortized as a component of interest expense. The deferred amount is amortized over the life of the old or new debt, whichever is shorter, using the effective interest method and is presented as deferred outflows of resources on the statement of net position.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the School District is bound to observe constraints imposed upon the use of the resources in governmental funds. The classifications are as follows:

Nonspendable: The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or are legally or contractually required to be maintained intact. The "not in spendable form" includes items that are not expected to be converted to cash. It also includes prepaids for all governmental fund types.

Restricted: The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by State constitution or external resource providers. Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

Committed: The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action (resolution) of the School District's Board of Education. Those committed amounts cannot be used for any other purpose unless the School District's Board of Education removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for the use in satisfying those contractual requirements.

Assigned: Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. These amounts are assigned by the School District's Board of Education. In the general fund, assigned amounts represent intended uses established by policies of the School District's Board of Education or a School District official delegated that authority by resolution or by State Statute. State statute authorizes the School District's Treasurer to assign fund balance for purchases on order provided such amounts have been lawfully appropriated. The School District's Board of Education assigned fund balance to cover a gap between estimated revenue and appropriations in fiscal year 2022's appropriated budget. The Board of Education has also assigned fund balance for capital improvements and public school support.

Lancaster City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

Unassigned: Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report deficit balances.

The School District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first, followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which the amounts in any of the unrestricted fund balance classifications could be used.

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

The School District applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are charges for services for services for self-insurance programs. Operating expenses are necessary costs' incurred to provide the good or service that is the primary activity of the fund. Revenues and expenses not meeting this definition are reported as non-operating.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Budgetary Data

All funds, except custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution, and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and set annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level for all funds. The Treasurer has been authorized to allocate Board appropriations to the function and object level within each fund.

The certificate of estimated resources may be amended during the fiscal year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statement reflect the amounts in the amended certificate at the time the permanent appropriations were passed. The amounts reported as the final budgeted amounts in the budgetary statement reflect the final amended certificate approved.

Lancaster City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

The appropriation resolution is subject to amendment by the Board throughout the fiscal year with the restriction that appropriations may not exceed estimated revenues. The amounts reported as the original budgeted amounts reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the fiscal year.

Some of the School District's funds are separate for budgeting purposes then they are combined on the GAAP basis. The public school support and termination benefits special revenue funds are budgeted individually on a cash basis but are combined with the general fund on a GAAP basis. The striving readers and the literacy grant special revenue funds are budgeted individually on a cash basis but they are combined on a GAAP basis and presented as the literacy and striving readers grant special revenue fund. The preschool tuition, public school preschool, and preschool special education special revenue funds are budgeted individually on a cash basis but they are combined on a GAAP basis and presented as the preschool special revenue fund.

Note 3 - Changes in Accounting Principles

For fiscal year 2021, the School District implemented the Governmental Accounting Standards Board's (GASB) Statement No. 98, *The Annual Comprehensive Financial Report*. GASB 98 establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. The School District is also implementing *Implementation Guide No. 2019-1*. These changes were incorporated in the School District's 2021 financial statements; however, there was no effect on beginning net position/fund balance.

Note 4 - Accountability

The following funds had deficit fund balances as of June 30, 2021:

	<u>Deficit Fund Balances</u>
<u>Special Revenue Funds:</u>	
School Emergency Relief	(\$86,081)
IDEA - B	(41,443)
Title I	(10,080)
Reducing Class Size	(7,883)
Title IV-A	(2,107)

These deficits are the result of the recognition of payables in accordance with generally accepted accounting principles as well as short-term interfund loans from the general fund needed for operations until the receipt of grant monies. The general fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

Lancaster City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 5 - Budgetary Basis of Accounting

While the School District is reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The statement of revenues, expenditures and changes in fund balances - budget and actual (budget basis) for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP (modified accrual) basis are as follows:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Fair market value adjustments, unrecorded cash, negative cash interfund advances, and prepaids are reported on the balance sheet (GAAP basis), but not on the budgetary basis.
4. Encumbrances are treated as expenditures (budget basis) rather than as committed or assigned fund balance (GAAP basis).
5. Advances in and advances out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).
6. Budgetary revenues and expenditures of the public school support fund and termination benefits fund are reclassified to the general fund for GAAP Reporting.

The following table summarizes the adjustments necessary to reconcile the GAAP basis statement to the budgetary basis statement for the general fund.

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Lancaster City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

Net Change in Fund Balance	
GAAP Basis	\$1,339,891
Net Adjustment for Revenue Accruals	(445,220)
Net Adjustment for Expenditure Accruals	(607,612)
Beginning:	
Negative cash interfund advances	(162,554)
Unrecorded Cash	46
Fair Value of Investments	632,729
Prepays	248,530
Ending:	
Negative cash interfund advances	130,071
Unrecorded Cash	(8)
Fair Value of Investments	(139,951)
Prepays	(328,213)
To reclassify excess of revenues and other sources of financial resources under expenditures and other uses of financial resources into financial statement fund types	(46,562)
Adjustment for Encumbrances	<u>(2,448,332)</u>
Budget Basis	<u><u>(\$1,827,185)</u></u>

Note 6 - Deposits and Investments

Monies held by the School District are classified by State statute into three categories.

Active monies are public monies determined to be necessary to meet current demands upon the School District treasury. Active monies must be maintained either as cash in the School District treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the Board has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Protection of School District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Lancaster City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

Interim monies may be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities described in (1) or (2) provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio, and with certain limitations, including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAR Ohio); and
8. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an amount not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met. The investment in commercial paper notes of a single issuer shall not exceed in the aggregate five percent of interim moneys available for investment at the time of purchase.

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

At June 30, 2021, the School District's internal service fund had a balance of \$4,409,286 with fiscal agents, which was held by the South Central Ohio Insurance Consortium (SCOIC), an insurance purchasing pool (See Note 19). The balances were held by SCOIC in pooled accounts which are representative of numerous entities and therefore cannot be included in the risk disclosures reported by the School District. Disclosures for SCOIC as a whole may be obtained from the fiscal agent, Bloom-Carroll Local School District, 5240 Plum Road, Carroll, Ohio 43112.

Lancaster City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

Investments As of June 30, 2021, the School District had the following investments:

Measurement/Investment	Measurement Amount	Maturity	Ratings	Percentage of Total Investment
<i>Net Asset Value Per Share:</i>				
STAR Ohio	\$6,213,440	Average 54 Days	AAAm	4.74%
<i>Fair Value - Level One Inputs:</i>				
Money Market Mutual Funds	173,399	under one year	n/a	0.13
<i>Fair Value - Level Two Inputs:</i>				
Federal Home Loan Mortgage Corporation Notes	10,049,339	under five years	Aaa	7.66
Federal Farm Credit Bank Notes	12,929,306	under four years	Aaa	9.86
Federal National Mortgage Association Notes	8,634,861	under five years	Aaa	6.58
Federal Home Loan Bank Notes	8,531,491	under five years	Aaa	6.50
United States Treasury Bills	439,998	under one year	P-1	0.34
Municipal Bonds	5,747,784	under one year	SP1+	4.38
Municipal Bonds	5,608,736	under seven years	AA	4.28
Municipal Bonds	878,720	under seven years	Aaa	0.67
Municipal Bonds	913,355	under seven years	Aa1	0.70
Municipal Bonds	1,705,095	under five years	Aa2	1.30
Municipal Bonds	398,092	under seven years	Aa3	0.30
Commercial Paper	53,046,819	under one year	P-1	40.45
Negotiable Certificates of Deposit	15,888,370	under four years	n/a	12.11
<i>Total Fair Value - Level Two Inputs</i>	<u>124,771,966</u>			
Total	<u><u>\$131,158,805</u></u>			

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the School District's recurring fair value measurements as of June 30, 2021. The money market mutual funds are measured at fair value and is valued using quoted market prices (Level 1 inputs). The School District's remaining investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data (Level 2 inputs).

Interest Rate Risk The School District's investment policy addresses interest rate risk to the extent that it allows the Treasurer to invest funds to a maximum maturity of five years except for municipal obligations which will be limited to 10 years, commercial paper which will be limited to 270 days, and bankers' acceptances which will be limited to 180 days. The Treasurer cannot make investments which she does not reasonably believe can be held until the maturity date.

Credit Risk STAR Ohio carries a rating of AAAm by Standard and Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. All

Lancaster City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

other investments ratings are Moody's ratings except for Municipal Bonds with the SP+ and AA which are Standard and Poor's ratings. The School District has no investment policy that addresses credit risk.

Custodial Credit Risk For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The commercial paper investments are exposed to custodial credit risk in that they are uninsured, unregistered, and held by the counterparty's trust department agent but not in the School District's name. The School District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

Concentration of Credit Risk Concentration of credit risk is defined by the Governmental Accounting Standards Board as having five percent or more invested in the securities of a single issuer. The School District places no limit on the amount it may invest in any one issuer.

Note 7 - Property Taxes and Tax Abatements

Property Taxes

Property taxes are levied and assessed on a calendar year basis while the School District's fiscal year runs from July through June. First half tax collections are received by the School District in the second half of the fiscal year. Second half tax distributions occur in the first half of the following fiscal year.

Property taxes include amounts levied against all real and public utility property (used in business) located in the School District. Real property tax revenue received in calendar year 2021 represents collections of calendar year 2020 taxes. Real property taxes received in calendar year 2021 were levied after April 1, 2020, on the assessed value listed as of January 1, 2020, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar year 2021 represents collections of calendar year 2020 taxes. Public utility real property taxes received in calendar year 2021 became a lien December 31, 2019, were levied after April 1, 2020, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The School District receives property taxes from Fairfield County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2021, are available to finance fiscal year 2022 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property and public utility property taxes which were measurable as of June 30, 2021, and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reflected as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows or resources for property taxes.

Lancaster City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

The amount available as an advance at June 30, 2021, was \$2,922,760. \$2,196,340 was available to the general fund, \$43,849 was available to the classroom facilities maintenance special revenue fund, and \$682,571 was available to the bond retirement debt service fund. The amount available as an advance at June 30, 2020, was \$2,050,675 in the general fund, \$41,275 was available to the classroom facilities maintenance special revenue fund, and \$264,605 was available to the bond retirement debt service fund.

On an accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

The assessed values upon which the fiscal year 2021 taxes were collected are:

	2020 Second-Half Collections		2021 First-Half Collections		2021 Effective Tax Rates (per \$1,000 of assessed valuation)
	Amount	Percent	Amount	Percent	
Agricultural/ Residential	\$765,493,610	70%	\$771,522,750	70%	\$26.9134
Commerical/Industrial and Public Utility Real	256,363,780	24%	258,980,770	23%	33.5356
Public Utility Personal	70,762,830	6%	79,625,390	7%	71.6000
Total	<u>\$1,092,620,220</u>	<u>100%</u>	<u>\$1,110,128,910</u>	<u>100%</u>	
Tax rate per \$1,000 of assessed valuation	\$67.90		\$71.60		

The increase in the tax rates was due to the passage of a 3.7 mill levy in May of 2019 for the construction of a new high school. These collections of tax revenues did not begin until calendar year 2021.

Tax Abatements

The School District's property taxes were reduced by Community Reinvestment Area agreements entered into by the City of Lancaster. The abated taxes for the School District amounted to \$293,322.

Note 8 - Income Tax

The School District levies a voted tax of one and one half percent for general operations on the earned income of residents and of estates. Employers of residents are required to withhold income tax on compensation and remit the tax to the State. Taxpayers are required to file an annual return. The State makes quarterly distributions to the School District after withholding amounts for administrative fees and estimated refunds. Income tax revenue is credited to the general fund.

The tax was effective on January 1, 2007, and was set to expire on December 31, 2016; however, on November 3, 2015, the School District electorate renewed the 1.5 percent earned income tax for a continuing period. With the passage of this continuing revenue stream, the School District had the fiscal stability to finance and build two new junior high school buildings in partnership with the Ohio Facilities Construction Commission without asking for additional taxpayer dollars.

Lancaster City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 9 - Receivables

Receivables at June 30, 2021, consisted of property taxes, income taxes, accounts (rent, student fees, and tuition), intergovernmental grants, payment in lieu of taxes, interfund, and interest. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds. All receivables except property taxes are expected to be received within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year. Delinquent property taxes as of June 30, 2021, were \$1,519,500.

A summary of principal items of intergovernmental receivables follows:

	<u>Amounts</u>
<u>Governmental Activities</u>	
Innovative Workforce Incentive	\$28,750
Medicaid Reimbursement	10,790
Early Childhood Grants	92,654
Carl Perkins Secondary Grant	1,868
Title II-A Grant	69,266
School Emergency Relief Grant	97,999
School Quality Improvement Grant	316,361
Title I Grant	422,501
Idea, Part B Grant	255,730
Title IV	60,264
Classroom Facilities	276,856
Food Services Reimbursements	278,575
Miscellaneous Reimbursements	8,063
Total	<u><u>\$1,919,677</u></u>

In fiscal year 2017, the School District was awarded \$21,535,297 in grant funding from the Ohio Facilities Construction Commission (OFCC) for the building of two new junior high schools. At June 30, 2021, \$276,856 remained a receivable.

Payment in Lieu of Taxes

Ety Pointe Centre The School District entered into a thirty year Tax Increment Financing Agreement (TIF) in 2006. The purpose of the TIF was for the construction of Ety Pointe Centre, a shopping center, and public infrastructure improvements. The School District began receiving payments in fiscal year 2010. During fiscal year 2021, a payment in the amount of \$337,798 was received. As of June 30, 2021, a receivable for \$364,096 has been recorded which represents the payment anticipated for fiscal year 2022.

Fairfield Metropolitan Housing Authority The School District receives payment in lieu of taxes each year from Fairfield Metropolitan Housing Authority (Metro Housing). Due to Ohio Revised Code Section 3735.35, Metro Housing must remit payment in lieu of taxes to the county treasurer. These payments must be distributed to the taxing subdivisions levying taxes in the subdivisions in which the Metro Housing property is located. During fiscal year 2021, a payment in the amount of \$8,922 was received. As of June 30, 2021, a receivable for \$7,758 has been recorded which represents the payment anticipated for fiscal year 2022.

Farm Credit Leasing Services – South Central Power The School District will receive payment in lieu of taxes each year from Farm Credit Leasing Services if Fairfield County qualifies due to low energy production from the solar panels located within the School District. These payments from Farm Credit Leasing Services must be distributed to the taxing subdivisions levying taxes in the subdivision in which the solar panels are

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located. The lease term of the property began June 1, 2017, and ending on May 31, 2042. During fiscal year 2021, a payment in the amount of \$3,515 was received. As of June 30, 2021, a receivable for \$3,557 has been recorded which represents the payment anticipated for fiscal year 2022.

Note 10 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2021, was as follows:

	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021
Nondepreciable Capital Assets				
Land	\$3,255,302	\$0	\$0	\$3,255,302
Construction in Progress	23,633,846	5,485,737	(27,138,854)	1,980,729
Total Capital Assets not being depreciated	26,889,148	5,485,737	(27,138,854)	5,236,031
Depreciable Capital Assets				
Land Improvements	8,098,947	2,866,006	0	10,964,953
Buildings and Improvements	110,018,187	24,475,542	0	134,493,729
Furniture and Equipment	7,053,396	34,700	0	7,088,096
Vehicles	5,037,150	379,595	0	5,416,745
Total at Historical Cost	130,207,680	27,755,843	0	157,963,523
Less Accumulated Depreciation				
Land Improvements	(1,971,548)	(426,125)	0	(2,397,673)
Buildings and Improvements	(17,340,372)	(2,536,714)	0	(19,877,086)
Furniture and Equipment	(4,066,199)	(381,876)	0	(4,448,075)
Vehicles	(3,118,108)	(372,803)	0	(3,490,911)
Total Accumulated Depreciation	(26,496,227)	(3,717,518)	0	(30,213,745)
Depreciable Capital Assets, Net of Accumulated Depreciation	103,711,453	24,038,325	0	127,749,778
Governmental Activities Capital Assets, Net	\$130,600,601	\$29,524,062	(\$27,138,854)	\$132,985,809

Construction in progress as of June 30, 2021, consisted of the new high school building and various other improvement projects at other School District locations. The School District completed the new General Sherman Junior High School building in August of 2020 and opened to students on the first day of school for fiscal year 2021. Some additional work will be required on this property in fiscal year 2022 and will be added to capital assets when completed. The former General Sherman Junior High School building, along with all of its contents, remained intact during fiscal year 2021 while the School District tries to sell the property.

Depreciation expense was charged to governmental functions as follows:

Regular	\$957,499	Business	\$20,486
Special	638,131	Operation and Maintenance of Plant	245,137
Vocational	82,007	Pupil Transportation	561,791
Student Intervention Services	10,636	Central	83,268
Support Services:		Extracurricular Activities	189,799
Pupils	230,436	Operation of Non-Instructional Services:	
Instructional Staff	110,350	Food Service Operations	363,740
Administration	199,165	Other	3,802
Fiscal	21,271	Total Depreciation Expense	<u>\$3,717,518</u>

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Note 11 - Risk Management

Property and Liability

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2021, the School District joined together with other school districts in Ohio to participate in the Ohio School Plan (OSP), a public entity insurance purchasing pool, for insurance coverage. Each individual school district enters into an agreement with the OSP and its premium is based on types of coverage, limits of coverage, and deductibles that it selects. The School District pays this annual premium to the OSP. (See Note 19)

The types and amounts of coverage provided are as follows:

Coverage	Amount	Deductible
Building and Personal Property - replacement cost	\$233,868,404	\$1,000
Boiler and Machinery	100,000,000	1,000
Flood	1,000,000	25,000
Earthquake	1,000,000	25,000
Automobile Liability	2,000,000	500
Auto Medical Payments	5,000	0
Uninsured/Underinsured Motorists	1,000,000	500
Educational General Liability Coverage:		
General Aggregate	4,000,000	0
Sexual Abuse Injury	2,000,000	0
Products/Completed Operations Aggregate	2,000,000	0
Personal and Advertising Injury	2,000,000	0
Fiduciary Liability for Each Fiduciary Claim	2,000,000	2,500
Fiduciary Liability Aggregate Limit	4,000,000	2,500
Employer's Liability for Each Accident	2,000,000	0
Educational Liability for Errors and Omissions Injury Limit	2,000,000	2,500
Educational Liability for Errors and Omissions Injury Aggregate	4,000,000	2,500
Employment Practices Injury Limit	2,000,000	2,500
Employment Practices Injury Aggregate Limit	4,000,000	2,500

Settled claims have not exceeded this commercial coverage in any of the past three years and there have been no significant reductions in insurance coverage from the prior year.

Workers' Compensation

The School District participates in the workers' compensation program provided by the State of Ohio. The School District participates in the Ohio SchoolComp Workers' Compensation Group Retrospective Rating Program (Program), an insurance purchasing pool (Note 19). The Program is intended to achieve lower workers' compensation rates while establishing safer working conditions and environments for participants. The participating school districts continue to pay their own premiums and have the opportunity to receive retrospective premium adjustments based upon the combined performance of the group. Depending upon that performance, the participating school districts can either receive a premium refund or assessment. Employers will pay experience or based rated premiums under the same terms as if they were not in a retro group. The total premium for the entire group is the standard premium of the group. The standard premium serves as the benchmark that is adjusted up and down retroactively. In order to allocate the savings derived by formation of the Program, the Program's executive committee annually calculates the group-retrospective premium

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based on developed incurred claim losses for the whole group. The new premium is compared to the standard premium. If the retrospective premium is lower than the standard premium, a refund will be distributed to the employers of the group. If the retrospective premium is higher, an assessment will be charged to each participant.

Participation in the Program is limited to school districts that can meet the Program's selection criteria. The firm of Sedwick Managed Care Ohio serves as the third party administrator of the Program and provides administrative, cost control, and actuarial services. Each year, the School District pays an enrollment fee to the Program to cover the cost of administering the Program.

The School District may withdraw from the Program if written notice is provided sixty days prior to the prescribed application deadline of the Ohio Bureau of Workers' Compensation. However, the participant is not relieved of the obligation to pay any amounts owed to the Program prior to withdrawal.

Medical and Dental

The School District provides a medical, prescription drug, and dental insurance program for its employees. The School District joined the South Central Ohio Insurance Consortium (SCOIC), an insurance purchasing pool (Note 19), on November 1, 2006. The School District's medical, prescription drug, and dental were all considered self-insured programs due to the School District retaining the risk. SCOIC contracted with CareFactor for claims servicing. The School District had shared risk pool coverage and stop-loss insurance through SCOIC for individual claims in excess of \$100,000 per employee per year for medical and prescription claims. SCOIC purchases stop loss coverage for individual claims over \$1,500,000. SCOIC members also participate in a Jefferson Health Plan shared risk pool for individual claims from \$500,000 to \$1,500,000. The Jefferson Health Plan has a stop loss coverage insurance policy through Sun Life which covered individual claims in excess of \$1,500,000 per employee per year for medical and prescription claims. The School District has no stop loss coverage for the dental claims. The maximum dental benefit per covered person is \$1,500 per calendar year. The premiums paid into the internal service fund are used for claims, claim reserves, and administrative costs. The internal service fund presented in the financial statements reflects the premiums paid into the self-insurance internal service fund by the same funds that pay the employees' salaries. The School District pays monthly medical premiums of up to \$2,618 for certified and classified employees for family coverage and up to \$1,041 for certified and classified employees for single coverage of which the employees are responsible for 20 percent of the medical premium. The School District pays monthly dental premiums of up to \$90 for family and single coverage for certified and classified employees.

The claims liability of \$1,647,000 reported in the internal service fund at June 30, 2021, is based on the requirements of Governmental Accounting Standards Board Statement Number 30 which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The claims liability is based on an estimate provided by an actuary for medical and dental claims. The full amount of claims payable is presented as current liabilities because it is expected to be paid within the following fiscal year. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in claims activity for the past two fiscal years, including medical, surgical, prescription drug, and dental are as follows:

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	Balance at Beginning of Year	Current Year Claims	Claims Payments	Balance at End of Year
2020	\$1,171,800	\$11,319,192	\$11,622,992	\$868,000
2021	868,000	13,133,413 (1)	12,354,413	1,647,000
(1) Claims Expense		\$13,050,143		
+ Stop Loss Receivable from current year		550,287		
- Stop Loss Receivable from prior year		(467,017)		
		<u>\$13,133,413</u>		

Note 12 - Employee Benefits

Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees and administrators who work 260 days per year earn ten to twenty-five days of vacation per fiscal year, depending upon length of service. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers and administrators who work less than 260 days per year do not earn vacation time.

Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave accumulation is unlimited. Upon retirement, payment is made for one-third of accrued, but unused sick leave credit up to a maximum of 65 days for classified and certified employees. If a certified employee retires within their first year of eligibility for retirement, then the maximum retirement payment is 100 days.

Life Insurance

The School District provides life insurance and accidental death and dismemberment insurance to most employees through American United Life Insurance Company an amount of \$50,000 to \$75,000 depending upon the employee's position.

Deferred Compensation

School District employees participate in a statewide deferred compensation plan that was created in accordance with Internal Revenue Code Section 457. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plan, the deferred compensation is not available until termination, retirement, death, or an unforeseeable emergency.

Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System have an option to choose Social Security or the School Employees Retirement System / State Teachers Retirement System. As of June 30, 2021, one of the Board of Education members elected Social Security.

Note 13 - Defined Benefit Pension Plans

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Net Pension Liability/Net OPEB Liability (Asset)

The net pension liability and the net OPEB liability (asset) reported on the statement of net position represent liabilities to employees for pensions and OPEB, respectively. Pensions/OPEB are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions/OPEB are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension/OPEB liability (asset) represent the School District's proportionate share of each pension/OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension/OPEB plan's fiduciary net position. The net pension/OPEB liability (asset) calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

Ohio Revised Code limits the School District's obligation for this liability to annually required payments. The School District cannot control benefit terms or the manner in which pensions/OPEB are financed; however, the School District does receive the benefit of employees' services in exchange for compensation including pension and OPEB.

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The proportionate share of each plan's unfunded benefits is presented as a *net OPEB asset* or long-term *net pension/OPEB liability* on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note 14 for the required OPEB disclosures.

Plan Description - School Employees Retirement System (SERS)

Plan Description – The School District non-teaching employees participate in SERS, a cost-sharing multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability and survivor benefits, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone

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financial report that includes financial statements, required supplementary information and detailed information about SERS' fiduciary net position. That report can be obtained by visiting the SERS website at www.ohsers.org under Employers/Audit Resources.

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017 *	Eligible to Retire on or after August 1, 2017
Full Benefits	Any age with 30 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially Reduced Benefits	Age 60 with 5 years of service credit Age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or Age 60 with 25 years of service credit

* Members with 25 years of service credit as of August 1, 2017, will be included in this plan.

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on years of service; 2.2 percent for the first thirty years of service and 2.5 percent for years of service credit over 30. Final average salary is the average of the highest three years of salary.

An individual whose benefit effective date is before April 1, 2018, is eligible for a cost of living adjustment (COLA) on the first anniversary date of the benefit. Beginning April 1, 2018, new benefit recipients must wait until the fourth anniversary of their benefit for COLA eligibility. The COLA is added each year to the base benefit amount on the anniversary date of the benefit. A three-year COLA suspension is in effect for all benefit recipients for the years 2018, 2019, and 2020. Upon resumption of the COLA, it will be indexed to the percentage increase in the CPI-W, not to exceed 2.5 percent and with a floor of 0 percent. In 2020, the Board of Trustees approved a 0.5 percent cost-of-living adjustment (COLA) for eligible retirees and beneficiaries in 2021.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2021, the allocation to pension, death benefits, and Medicare B was 14.0 percent. For fiscal year 2021, the Retirement Board did not allocate any employer contribution to the Health Care Fund.

The School District's contractually required contribution to SERS was \$1,409,464 for fiscal year 2021. Of this amount, \$193,928 is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

Plan Description – School District licensed teachers and other faculty members participate in STRS Ohio, a cost-sharing multiple employer public employee system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information, and detailed information about STRS' fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Web site at www.strsoh.org.

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New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan, and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307.

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. In April 2017, the Retirement Board made the decision to reduce COLA granted on or after July 1, 2017, to 0 percent to preserve the fiscal integrity of the retirement system. Benefit recipients' base benefit and past cost-of living increases are not affected by this change. Eligibility changes will be phased in until August 1, 2026, when retirement eligibility for unreduced benefits will be five year of service credit and age 65, or 35 years of service credit and at least age 60.

Eligibility changes for DB Plan members who retire with actuarially reduced benefits will be phased in until August 1, 2023, when retirement eligibility will be five years of qualifying service credit and age 60, or 30 years of service credit at any age.

The DC Plan allows members to place all their member contributions and 9.53 percent of the 14 percent employer contributions into an investment account. The member determines how to allocate the member and employer money among various investment choices offered by STRS. The remaining 4.47 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12 percent of the 14 percent member rate is deposited into the member's DC account and the remaining 2 percent is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age fifty and after termination of employment.

New members who choose the DC plan or Combined Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS plan. The optional annuitization of a member's defined contribution account or the defined contribution portion of a member's Combined Plan account to a lifetime benefit results in STRS bearing the risk of investment gain or loss on the account. STRS has therefore included all three plan options as one defined benefit plan for GASB 68 reporting purposes.

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. New members must have at least ten years of qualifying service credit that apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. Eligible survivors of members who die before service retirement may qualify for monthly benefits. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The fiscal year 2021 employer and employee contribution rate of 14 percent was equal to the statutory maximum rates. For fiscal year 2021, the full employer contribution was allocated to pension.

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The School District's contractually required contribution to STRS was \$4,950,343 for fiscal year 2021. Of this amount, \$529,891 is reported as an intergovernmental payable.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on School District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	SERS	STRS	
Proportion of the Net Pension Liability:			
Prior Measurement Date	0.2740256%	0.26727949%	
Current Measurement Date	0.2818048%	0.27961307%	
Change in Proportionate Share	0.0077792%	0.01233358%	
			Total
Proportionate Share of the Net Pension Liability	\$18,639,164	\$67,656,413	\$86,295,577
Pension Expense	\$2,297,044	\$10,022,408	\$12,319,452

At June 30, 2021, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	\$36,206	\$151,804	\$188,010
Changes of assumptions	0	3,631,842	3,631,842
Net difference between projected and actual earnings on pension plan investments	1,183,209	3,290,139	4,473,348
Changes in proportionate Share and difference between the School District contributions and proportionate share of contributions	280,074	2,643,594	2,923,668
School District contributions subsequent to the measurement date	1,409,464	4,950,343	6,359,807
Total Deferred Outflows of Resources	\$2,908,953	\$14,667,722	\$17,576,675
Deferred Inflows of Resources			
Differences between expected and actual experience	\$0	\$432,616	\$432,616
Changes in Proportionate Share and Difference between the School District contributions and proportionate share of contributions	77,237	512,652	589,889
Total Deferred Inflows of Resources	\$77,237	\$945,268	\$1,022,505

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\$6,359,807 reported as deferred outflows of resources related to pension resulting from the School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year Ending June 30:	SERS	STRS	Total
2022	\$97,645	\$3,181,572	\$3,279,217
2023	460,975	1,309,476	1,770,451
2024	493,187	2,303,983	2,797,170
2025	370,445	1,977,080	2,347,525
Total	<u>\$1,422,252</u>	<u>\$8,772,111</u>	<u>\$10,194,363</u>

Actuarial Assumptions - SERS

SERS' total pension liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment termination). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2020, are presented below:

Inflation	3.00 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent
COLA or Ad Hoc COLA	2.5 percent
Investment Rate of Return	7.50 percent net of investment expense, including inflation
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)

Mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. Mortality among service retired members, and beneficiaries were based upon the RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120 percent of male rates, and 110 percent of female rates. Mortality among disabled members

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were based upon the RP-2000 Disabled Mortality Table, 90 percent for male rates and 100 percent for female rates, set back five years is used for the period after disability retirement.

The most recent experience study was completed for the five year period ended June 30, 2015.

The long-term return expectation for the Pension Plan Investments has been determined by using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating an arithmetic weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalanced uncorrelated asset classes.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.00 %	1.85 %
US Stocks	22.50	5.75
Non-US Stocks	22.50	6.50
Fixed Income	19.00	2.85
Private Equity	12.00	7.60
Real Assets	17.00	6.60
Multi-Asset Strategies	5.00	6.65
Total	<u>100.00 %</u>	

Discount Rate The total pension liability was calculated using the discount rate of 7.50 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.50 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50 percent), or one percentage point higher (8.50 percent) than the current rate.

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
School District's proportionate share of the net pension liability	\$25,533,378	\$18,639,164	\$12,854,786

Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the July 1, 2020, actuarial valuation are presented below:

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Inflation	2.50 percent
Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation
Discount Rate of Return	7.45 percent
Payroll Increases	3 percent
Cost-of-Living Adjustments (COLA)	0.0 percent, effective July 1, 2017

Post-retirement mortality rates for healthy retirees are based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the July 1, 2020, valuation are based on the results of an actuarial experience study for the period July 1, 2011, through June 30, 2016.

STRS' investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return *</u>
Domestic Equity	28.00 %	7.35 %
International Equity	23.00	7.55
Alternatives	17.00	7.09
Fixed Income	21.00	3.00
Real Estate	10.00	6.00
Liquidity Reserves	1.00	2.25
Total	<u>100.00 %</u>	

* 10 year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25 percent, but does not include investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

Discount Rate The discount rate used to measure the total pension liability was 7.45 percent as of June 30, 2020. The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30,

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2020. Therefore, the long-term expected rate of return on pension plan investments of 7.45 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2020.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the School District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.45 percent, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.45 percent) or one-percentage-point higher (8.45 percent) than the current rate:

	1% Decrease (6.45%)	Current Discount Rate (7.45%)	1% Increase (8.45%)
School District's proportionate share of the net pension liability	\$96,330,955	\$67,656,413	\$43,357,129

Note 14 - Defined Benefit OPEB Plans

See Note 13 for a description of the net OPEB liability.

Plan Description - School Employees Retirement System (SERS)

Health Care Plan Description – the School District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS' Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS' health care coverage. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. The financial report of the Plan is included in the SERS Comprehensive Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Active employee members do not contribute to the Health Care Plan. The SERS Retirement Board established the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2021, no allocation was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2021, this amount was \$23,000. Statutes provide that no employer shall pay a health care surcharge

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greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2021, the School District's surcharge obligation was \$191,451.

The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The School District's contractually required contribution to SERS was \$191,451 for fiscal year 2021, all is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

Plan Description – The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Medicare Part B premium reimbursements will be discontinued effective January 1, 2021. The Plan is included in the report of STRS which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. All benefit recipients pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14 percent of covered payroll. For fiscal year ended June 30, 2021, STRS did not allocate any employer contributions to post-employment health care.

OPEB Liabilities (Assets), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability (asset) was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date. The School District's proportion of the net OPEB liability (asset) was based on the School District's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	SERS	STRS	
Proportion of the Net OPEB Liability (Asset):			
Prior Measurement Date	0.2811495%	0.26727949%	
Current Measurement Date	0.2841454%	0.27961307%	
Change in Proportionate Share	0.0029959%	0.01233358%	
			Total
Proportionate Share of the:			
Net OPEB Liability	\$6,175,410	\$0	\$6,175,410
Net OPEB (Asset)	\$0	(\$4,914,195)	(\$4,914,195)
OPEB Expense	\$52,502	(\$220,792)	(\$168,290)

At June 30, 2021, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

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	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$81,107	\$314,878	\$395,985
Changes of assumptions	1,052,693	81,121	1,133,814
Net difference between projected and actual earnings on OPEB plan investments	69,582	172,222	241,804
Changes in proportionate Share and difference between the School District contributions and proportionate share of contributions contributions subsequent	3,259	307,868	311,127
School District contributions subsequent to the measurement date	<u>191,451</u>	<u>0</u>	<u>191,451</u>
Total Deferred Outflows of Resources	<u>\$1,398,092</u>	<u>\$876,089</u>	<u>\$2,274,181</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$3,140,627	\$978,836	\$4,119,463
Changes of assumptions	155,544	4,667,659	4,823,203
Changes in Proportionate Share and Difference between the School District contributions and proportionate share of contributions	<u>165,053</u>	<u>116,419</u>	<u>281,472</u>
Total Deferred Inflows of Resources	<u>\$3,461,224</u>	<u>\$5,762,914</u>	<u>\$9,224,138</u>

\$191,451 reported as deferred outflows of resources related to OPEB resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2022	(\$463,342)	(\$1,197,589)	(\$1,660,931)
2023	(458,307)	(1,081,016)	(1,539,323)
2024	(459,126)	(1,040,122)	(1,499,248)
2025	(438,228)	(1,111,720)	(1,549,948)
2026	(323,943)	(221,783)	(545,726)
Thereafter	<u>(111,637)</u>	<u>(234,595)</u>	<u>(346,232)</u>
Total	<u>(\$2,254,583)</u>	<u>(\$4,886,825)</u>	<u>(\$7,141,408)</u>

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Actuarial Assumptions - SERS

The total OPEB liability is determined by SERS' actuaries in accordance with GASB Statement No. 74, as part of their annual actuarial valuation for each retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment terminations). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2020, are presented below:

Inflation	3.00 percent
Wage Increases	3.50 percent to 18.20 percent
Investment Rate of Return	7.50 percent net of investment expense, including inflation
Municipal Bond Index Rate:	
Measurement Date	2.45 percent
Prior Measurement Date	3.13 percent
Single Equivalent Interest Rate, net of plan investment expense, including price inflation	
Measurement Date	2.63 percent
Prior Measurement Date	3.22 percent
Medical Trend Assumption	
Medicare	5.25 to 4.75 percent
Pre-Medicare	7.00 to 4.75 percent

Mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and Scale BB, 120 percent of male rates and 110 percent of female rates. RP-2000 Disabled Mortality Table with 90 percent for male rates and 100 percent for female rates set back five years.

The most recent experience study was completed for the five year period ended June 30, 2015.

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2010 through 2015, and was adopted by the Board on April 21, 2016. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.50

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percent, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The SERS health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 13.

Discount Rate The discount rate used to measure the total OPEB liability at June 30, 2020 was 2.63 percent. The discount rate used to measure total OPEB liability at June 30, 2019, was 3.22 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the state statute contribution rate of 2.00 percent of projected covered employee payroll each year, which includes a 1.50 percent payroll surcharge and 0.50 percent of contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2025. Therefore, the long-term expected rate of return on OPEB plan assets was used to present value the projected benefit payments through the fiscal year ending June 30, 2024, and the Fidelity General Obligation 20-year Municipal Bond Index rate of 2.45 percent, as of June 30, 2020 (i.e. municipal bond rate), was used to present value the projected benefit payments for the remaining years in the projection. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The projection of future benefit payments for all current plan members was until the benefit payments ran out.

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.63%) and higher (3.63%) than the current discount rate (2.63%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.00% decreasing to 3.75%) and higher (8.00% decreasing to 5.75%) than the current rate.

	1% Decrease (1.63%)	Current Discount Rate (2.63%)	1% Increase (3.63%)
School District's proportionate share of the net OPEB liability	\$7,558,548	\$6,175,410	\$5,075,817
	1% Decrease (6.00 % decreasing to 3.75%)	Current Trend Rate (7.00 % decreasing to 4.75%)	1% Increase (8.00 % decreasing to 5.75%)
School District's proportionate share of the net OPEB liability	\$4,862,665	\$6,175,410	\$7,930,885

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Actuarial Assumptions – STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2020, actuarial valuation are presented below:

Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation
Payroll Increases	3 percent
Discount Rate of Return	7.45 percent
Health Care Cost Trends	
Medical	
Pre-Medicare	5.00 percent initial, 4 percent ultimate
Medicare	-6.69 percent initial, 4 percent ultimate
Prescription Drug	
Pre-Medicare	6.50 percent initial, 4 percent ultimate
Medicare	11.87 initial, 4 percent ultimate

Projections of benefits include the historical pattern of sharing benefit costs between the employers and retired plan members.

For healthy retirees the mortality rates are based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. For disabled retirees, mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the June 30, 2020, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

Since the prior measurement date, there was no change to the claims costs process. Claim curves were updated to reflect the projected fiscal year ending June 30, 2021 premium based on June 30, 2020 enrollment distribution. The non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984 percent to 2.055 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1 percent for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

The STRS health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 13.

Discount Rate The discount rate used to measure the total OPEB liability was 7.45 percent as of June 30, 2020. The projection of cash flows used to determine the discount rate assumes STRS continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2020. Therefore, the long-term expected rate of return on health care plan investments of 7.45 percent was used to measure the total OPEB liability as of June 30, 2020.

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Sensitivity of the School District's Proportionate Share of the Net OPEB Asset to Changes in the Discount and Health Care Cost Trend Rate The following table represents the net OPEB asset as of June 30, 2020, calculated using the current period discount rate assumption of 7.45 percent, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.45 percent) or one percentage point higher (8.45 percent) than the current assumption. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease (6.45%)	Current Discount Rate (7.45%)	1% Increase (8.45%)
School District's proportionate share of the net OPEB asset	(\$4,275,670)	(\$4,914,195)	(\$5,455,961)

	1% Decrease	Current Trend Rate	1% Increase
School District's proportionate share of the net OPEB asset	(\$5,422,332)	(\$4,914,195)	(\$4,295,209)

Note 15 - Capital Leases – Lessee Disclosure

In prior fiscal years, the School District entered into capital leases for copiers. During fiscal year 2020, the School District entered into new capital leases for copiers. These leases meet the criteria of a capital lease which is when a lease transfers benefits and risks of ownership to the lessee. Capital lease payments are reflected as debt service expenditures in the basic financial statements. The copier equipment acquired by lease has been capitalized in the government-wide statements in the amount of \$256,052 which is equal to the present value of the future minimum lease payments at the time of acquisition. A corresponding liability was recorded in the government-wide statements. The capitalized leased assets are reflected net of accumulated depreciation in the amount of \$71,126 for equipment. Principal payments toward all capital leases during 2021 totaled \$44,470.

The agreement provides for minimum annual lease payments as follows:

Year	Principal	Interest	Total
2022	\$46,432	\$27,518	\$73,950
2023	57,999	22,674	80,673
2024	66,793	13,880	80,673
2025	12,470	975	13,445
Total	<u>\$183,694</u>	<u>\$65,047</u>	<u>\$248,741</u>

Note 16 - Long Term Obligations

The changes in the School District's long-term obligations during the year consist of the following:

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	Principal Outstanding 6/30/2020	Additions	Deductions	Principal Outstanding 6/30/2021	Due in One Year
Governmental Activities					
School Facilities Construction and Improve- ment General Obligation Bond Series 2012					
Serial Bonds 4.00%	\$1,480,000	\$0	\$460,000	\$1,020,000	\$490,000
Bond Premium	23,709	0	9,071	14,638	0
School Facilities Construction and Improve- ment General Obligation Bonds Series 2016A					
Serial Bonds 2.00%	465,000	0	165,000	300,000	165,000
Bond Premium	15,568	0	6,227	9,341	0
School Facilities Construction and Improve- ment General Obligation Bonds Series 2016B					
Serial Bonds 2.00% - 4.00%	18,140,000	0	11,955,000	6,185,000	885,000
Term Bonds 3.00%	6,415,000	0	0	6,415,000	0
Bond Premium	1,839,418	0	914,524	924,894	0
School Facilities Construction and Improve- ment Refunding Bonds, Series 2017					
Serial Bonds 2.00% - 2.50%	1,985,000	0	125,000	1,860,000	125,000
Term Bonds 3.25%	6,265,000	0	0	6,265,000	0
Capital Appreciation Bonds 29.45%	30,000	0	0	30,000	0
Capital Appreciation Bonds Accretion	25,948	17,690	0	43,638	0
Bond Premium	1,173,249	0	80,914	1,092,335	0
School Facilities Construction Refunding Bonds Series 2019					
Serial Bonds 2.448% - 2.788%	6,755,000	0	0	6,755,000	0
Term Bonds 2.948% - 3.432%	39,095,000	0	0	39,095,000	0
Capital Appreciation Bonds 37.50%	1,607,912	0	464,881	1,143,031	218,896
Capital Appreciation Bonds Accretion	252,578	629,558	160,119	722,017	196,104
Bond Premium	4,126,042	0	550,139	3,575,903	0
School Facilities Construction and Improvement Bonds Series 2020					
Serial Bonds 1.75% - 3.111%	23,185,000	0	0	23,185,000	1,550,000
Term Bonds 3.596% - 3.846%	42,080,000	0	0	42,080,000	0
Discount for Term Bonds	(418,377)	0	(13,496)	(404,881)	0
Capital Appreciation Bonds 24.18% - 24.49%	860,000	0	0	860,000	0
Capital Appreciation Bonds Accretion	39,562	171,816	0	211,378	0
Premium for Capital Appreciation Bonds	1,965,748	0	280,821	1,684,927	0
School Improvement Refunding Bonds Series 2021					
Serial Bonds 0.252% - 2.383%	0	12,925,000	0	12,925,000	485,000
Total Bonds	157,406,357	13,744,064	15,158,200	155,992,221	4,115,000
Net Pension Liability:					
SERS	16,395,433	2,243,731	0	18,639,164	0
STRS	59,107,254	8,549,159	0	67,656,413	0
Total Net Pension Liability	75,502,687	10,792,890	0	86,295,577	0
Net OPEB Liability - SERS	7,070,318	0	894,908	6,175,410	0
Capital Leases Payable	228,164	0	44,470	183,694	46,432
Compensated Absences Payable	4,230,072	1,273,696	695,394	4,808,374	486,206
Total Governmental Activities Long-Term Obligations	\$244,437,598	\$25,810,650	\$16,792,972	\$253,455,276	\$4,647,638

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School Facilities Construction and Improvement General Obligation Bonds Series 2012 – On August 21, 2012, the School District issued \$60,410,000 in School Facilities Construction and Improvement General Obligation Bonds, Series 2012, at a variable interest rate. The bonds were issued for a thirty-seven year period with a final maturity at October 1, 2049. The bond proceeds represented the local share for the School District's construction of five new elementary instruction buildings for grades preschool through fifth. On November 14, 2018, the School District approved \$3,919,066 of unspent principal to be used for the construction of two new junior high school buildings and the Ohio Facilities Construction Commission approved it on November 26, 2018. The bond issue included serial and term bonds in the amount of \$11,450,000 and \$48,960,000 respectively. The bonds were issued at a premium in the amount of \$3,567,951. On December 28, 2017, the School District advanced refunded \$8,600,000 in term bonds. On October 31, 2019, the School District advanced refunded \$7,100,000 in serial bonds and \$40,360,000 in term bonds. This bond will be retired from the bond retirement debt service fund through property taxes.

Principal and interest requirements to retire the School Facilities Construction and Improvement General Obligation Serial Bonds outstanding at June 30, 2021, are as follows:

Fiscal Year Ending June 30,	Principal	Interest
2022	\$490,000	\$31,000
2023	530,000	10,600
Total	<u>\$1,020,000</u>	<u>\$41,600</u>

School Facilities Construction and Improvement General Obligation Bonds Series 2016 A – On September 7, 2016, the School District issued \$1,140,000 in School Facilities Construction and Improvement General Obligation Bonds, Series 2016A, at a 2.00 percent interest rate, which consisted of all serial bonds. The bonds were issued for a six year period with a final maturity at October 1, 2022. The bond proceeds were issued for the purpose of constructing school facilities and renovating existing school facilities under the Exceptional Needs Program of the Ohio Facilities Construction Commission. The bonds were issued at a premium in the amount of \$37,364. Issuance costs associated with the bonds were \$15,244. This bond will be retired from the bond retirement debt service fund through property taxes.

Principal and interest requirements to retire the School Facilities Construction and Improvement General Obligation Bonds Series 2016A outstanding at June 30, 2021, are as follows:

Fiscal Year Ending June 30,	Principal	Interest
2022	\$165,000	\$4,350
2023	135,000	1,350
Total	<u>\$300,000</u>	<u>\$5,700</u>

School Facilities Construction and Improvement General Obligation Bonds Series 2016 B – On September 7, 2016, the School District issued \$27,000,000 in School Facilities Construction and Improvement General Obligation Bonds, Series 2016B, at a variable interest rate. The bonds were issued for a twenty-three year period with a final maturity at October 1, 2039. The purpose of the bonds is to construct school facilities and renovating existing school facilities under the Classroom Facilities Assistance Program of the Ohio Facilities Construction Commission which includes the construction of two new junior high buildings. The bond issue included serial and term bonds in the amount of \$20,585,000 and \$6,415,000 respectively. The bonds were issued at a premium in the amount of \$2,169,571. Issuance costs associated with the bonds were \$351,580. On March 25, 2021, the School District advanced refunded \$11,085,000 in serial bonds. This bond will be retired from the bond retirement debt service fund through income taxes.

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The term bonds due October 1, 2039, are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the date of redemption, on October 1 in the years and in the respective principal amounts as follows:

Calendar Year	Issue
2036	\$1,535,000
2037	1,580,000
2038	1,625,000
Total mandatory sinking fund payments	4,740,000
Amount due at stated maturity	1,675,000
Total	<u>\$6,415,000</u>

Principal and interest requirements to retire the School Facilities Construction and Improvement General Obligation Bonds Series 2016B outstanding at June 30, 2021, are as follows:

Fiscal Year Ending June 30,	Principal	Interest
2022	\$885,000	\$387,488
2023	905,000	365,063
2024	930,000	332,888
2025	970,000	294,888
2026	1,005,000	255,388
2027-2031	0	1,176,438
2032-2036	1,490,000	1,155,019
2037-2040	6,415,000	391,875
Total	<u>\$12,600,000</u>	<u>\$4,359,047</u>

School Facilities Construction and Improvement Refunding Bonds Series 2017 – On December 28, 2017, the School District issued \$8,595,000 in School Facilities Construction and Improvement Refunding Bonds to partially refund term bonds in the amount of \$8,600,000 for the Series 2012 School Facilities Construction and Improvement General Obligation Bonds. At the date of refunding, \$9,818,852 was deposited in an irrevocable trust to provide for all future debt service payments on the partially refunded Series 2012 School Facilities Construction and Improvement General Obligation Bonds. The refunding bonds consisted of serial bonds in the amount of \$2,300,000, term bonds in the amount of \$6,265,000, and capital appreciation bonds in the amount of \$30,000. The bonds were issued with a premium in the amount of \$1,375,533 and issuance costs of \$151,681. As a result, \$8,600,000 of the Series 2012 School Facilities Construction and Improvement General Obligation Bonds are considered defeased and the liabilities for those bonds has been removed from the statement of net position. As of June 30, 2021, \$9,187,443 remained in the escrow account to retire the partially refunded Series 2012 School Facilities Construction and Improvement General Obligation Bonds outstanding balance in the amount of \$8,600,000. This bond will be retired from the bond retirement debt service fund through property taxes.

The partial advance refunding resulted in a difference between the net carrying amount of the old debt and an acquisition price, in the amount of \$311,053. This difference is being reported in the accompanying financial statements as deferred outflows or resources – deferred charge on refunding and is being amortized to interest expense over the life of the bonds using the straight-line method. The amount amortized during fiscal year 2021 was \$9,720. The School District advanced refunded a portion of the Series 2012 School Facilities Construction and Improvement General Obligation Bonds to reduce its total debt service payments over 32 years by \$1,137,316 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$780,696.

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The term bonds due October 1, 2037, are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the date of redemption, on October 1 in the years and in the respective principal amounts as follows:

Calendar Year	Issue
2028	\$150,000
2029	150,000
2030	155,000
2031	160,000
2032	165,000
2034	510,000
2035	1,600,000
2036	1,675,000
Total mandatory sinking fund payments	4,565,000
Amount due at stated maturity	1,700,000
Total	<u>\$6,265,000</u>

Principal and interest requirements to retire the School Facilities Construction and Improvement General Refunding Bonds Series 2017 outstanding at June 30, 2021, are as follows (the interest column includes the capital appreciation bonds accretion in fiscal years 2033 and 2034):

Fiscal Year Ending June 30,	Principal	Interest
2022	\$125,000	\$256,138
2023	130,000	253,588
2024	130,000	250,988
2025	135,000	248,000
2026	135,000	244,625
2027-2031	740,000	1,164,231
2032-2036	2,465,000	3,502,094
2037-2041	3,375,000	271,094
2042-2046	0	161,000
2047-2050	920,000	112,700
Total	<u>\$8,155,000</u>	<u>\$6,464,458</u>

School Facilities Construction and Improvement Refunding Bonds Series 2019 – On October 31, 2019, the School District issued \$47,457,912 in School Facilities Construction and Improvement Refunding Bonds to partially refund serial and term bonds in the amount of \$7,100,000 and \$40,360,000; respectively, for the Series 2012 School Facilities Construction and Improvement General Obligation Bonds. At the date of refunding, \$51,428,682 was deposited in an irrevocable trust to provide for all future debt service payments on the partially refunded Series 2012 School Facilities Construction and Improvement General Obligation Bonds. The refunding bonds consisted of serial bonds in the amount of \$6,755,000, term bonds in the amount of \$39,095,000, and capital appreciation bonds in the amount of \$1,607,912. The bonds were issued with a premium in the amount of \$4,401,111 and issuance costs of \$426,486. As a result, \$47,460,000 of the Series 2012 School Facilities Construction and Improvement General Obligation Bonds are considered defeased and the liabilities for those bonds has been removed from the statement of net position. As of June 30, 2021, \$49,411,004 remained in the escrow account to retire the partially refunded Series 2012 School Facilities Construction and Improvement General Obligation Bonds outstanding balance in the amount of \$47,460,000. This bond will be retired from the bond retirement debt service fund through property taxes.

Lancaster City School District, Ohio
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The partial advance refunding resulted in a difference between the net carrying amount of the old debt and an acquisition price, in the amount of \$1,955,056. This difference is being reported in the accompanying financial statements as deferred outflows or resources – deferred charge on refunding and is being amortized to interest expense over the life of the bonds using the straight-line method. The amount amortized during fiscal year 2021 was \$65,169. The School District advanced refunded a portion of the Series 2012 School Facilities Construction and Improvement General Obligation Bonds to reduce its total debt service payments over 31 years by \$7,224,083 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$4,379,422.

The term bonds due October 1, 2035, 2038, 2041, 2044, and 2049 are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the date of redemption, on October 1 in the years and in the respective principal amounts as follows:

Calendar Year	Issue				
	\$1,350,000	\$3,335,000	\$7,690,000	\$9,025,000	\$17,965,000
2033	\$430,000	\$0	\$0	\$0	\$0
2034	450,000	0	0	0	0
2036	0	490,000	0	0	0
2037	0	505,000	0	0	0
2039	0	0	2,440,000	0	0
2040	0	0	2,550,000	0	0
2042	0	0	0	2,820,000	0
2043	0	0	0	2,960,000	0
2045	0	0	0	0	3,385,000
2046	0	0	0	0	3,530,000
2047	0	0	0	0	3,730,000
2048	0	0	0	0	3,885,000
Total mandatory sinking fund payments	880,000	995,000	4,990,000	5,780,000	14,530,000
Amount due at stated maturity	470,000	2,340,000	2,700,000	3,245,000	3,165,000
Total	<u>\$1,350,000</u>	<u>\$3,335,000</u>	<u>\$7,690,000</u>	<u>\$9,025,000</u>	<u>\$17,695,000</u>
Stated Maturity	10/1/2035	10/1/2038	10/1/2041	10/1/2044	10/1/2049

Principal and interest requirements to retire the School Facilities Construction and Improvement General Refunding Bonds Series 2019 outstanding at June 30, 2021, are as follows (the interest column includes the capital appreciation bonds accretion in fiscal years 2022 through 2028):

Lancaster City School District, Ohio
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Fiscal Year Ending June 30,	Principal	Interest
2022	\$218,896	\$1,686,523
2023	155,231	1,750,189
2024	258,619	2,206,801
2025	187,159	2,298,260
2026	135,391	2,370,028
2027-2031	3,987,735	9,451,295
2032-2036	4,305,000	6,594,554
2037-2041	8,325,000	5,888,406
2042-2046	15,110,000	3,796,062
2047-2050	14,310,000	966,108
Total	<u>\$46,993,031</u>	<u>\$37,008,226</u>

School Facilities Construction and Improvement General Obligation Bonds Series 2020 – On April 22, 2020, the School District issued \$66,125,000 in School Facilities Construction and Improvement General Obligation Bonds, Series 2020, at a variable interest rate. The bonds were issued for a thirty year period with a final maturity at October 1, 2050. The bond proceeds represented the local share for the School District's construction of a new high school building under the OFCC expedited local partnership program which was approved by voters on May 7, 2019. The OFCC portion of the project is \$39,802,530 and was approved by the State of Ohio Controlling Board on July 27, 2020. The bond issue included serial, term, and capital appreciation bonds in the amounts of \$23,185,000, \$42,080,000, and \$860,000, respectively. The capital appreciation bonds were issued at a premium in the amount of \$1,965,748 and the term bonds were issued at a discount of \$418,377. Bond issuance costs were in the amount of \$598,478. This bond will be retired from the bond retirement debt service fund through property taxes.

The term bonds due October 1, 2040, 2045, and 2050 are subject to mandatory sinking fund redemption at a redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the date of redemption, on October 1 in the years and in the respective principal amounts as follows:

Calendar Year	\$11,545,000	Issue \$13,840,000	\$16,695,000
2036	\$2,150,000	\$0	\$0
2037	2,225,000	0	0
2038	2,305,000	0	0
2039	2,390,000	0	0
2041	0	2,565,000	0
2042	0	2,660,000	0
2043	0	2,765,000	0
2044	0	2,870,000	0
2046	0	0	3,095,000
2047	0	0	3,210,000
2048	0	0	3,335,000
2049	0	0	3,460,000
Total mandatory sinking fund payments	9,070,000	10,860,000	13,100,000
Amount due at stated maturity	<u>2,475,000</u>	<u>2,980,000</u>	<u>3,595,000</u>
Total	<u>\$11,545,000</u>	<u>\$13,840,000</u>	<u>\$16,695,000</u>
Stated Maturity	10/1/2040	10/1/2045	10/1/2050

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Principal and interest requirements to retire the School Facilities Construction and Improvement General Obligation Bonds Series 2020 outstanding at June 30, 2021, are as follows (the interest column includes the capital appreciation bonds accretion in fiscal years 2025 and 2026):

Fiscal Year Ending June 30,	Principal	Interest
2022	\$1,550,000	\$2,167,335
2023	1,575,000	2,138,196
2024	1,610,000	2,106,093
2025	1,640,000	2,071,551
2026	475,000	2,053,535
2027-2031	7,355,000	9,912,918
2032-2036	9,840,000	8,666,557
2037-2041	11,545,000	6,903,987
2042-2046	13,840,000	4,546,066
2047-2051	16,695,000	1,635,226
Total	<u>\$66,125,000</u>	<u>\$42,201,464</u>

School Improvement Refunding Bonds Series 2021 – On March 25, 2021, the School District issued \$12,925,000 in School Improvement Refunding Bonds to partially refund serial bonds in the amount of \$11,085,000 for the Series 2016B School Facilities Construction and Improvement General Obligation Bonds. At the date of refunding, \$12,700,000 was deposited in an irrevocable trust to provide for all future debt service payments on the partially refunded Series 2016B School Facilities Construction and Improvement General Obligation Bonds. The refunding bonds consisted of all serial bonds and had issuance costs in the amount of \$225,000. As a result, \$11,085,000 of the Series 2016B School Facilities Construction and Improvement General Obligation Bonds are considered defeased and the liabilities for those bonds has been removed from the statement of net position. As of June 30, 2021, \$12,478,308 remained in the escrow account to retire the partially refunded Series 2016B School Facilities Construction and Improvement General Obligation Bonds outstanding balance in the amount of \$11,085,000. This bond will be retired from the bond retirement debt service fund through property taxes.

The partial advance refunding resulted in a difference between the net carrying amount of the old debt and an acquisition price, in the amount of \$772,641. This difference is being reported in the accompanying financial statements as deferred outflows or resources – deferred charge on refunding and is being amortized to interest expense over the life of the bonds using the straight-line method. The amount amortized during fiscal year 2021 was \$25,755. The School District advanced refunded a portion of the Series 2016B School Facilities Construction and Improvement General Obligation Bonds to reduce its total debt service payments over 15 years by \$824,244 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$497,451. During fiscal year 2021, the School District paid \$870,000 toward the principal of the Series 2016B General Obligation Serial Bonds and amortized \$72,165 of the premium prior to the advance refunding on March 25, 2021.

The table presented below represents the fiscal year 2021 refunding transaction.

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Series 2016B General Obligation Serial Bonds	\$23,685,000
Premium on Series 2016B General Obligation Bonds	1,767,253
Total Series 2016B General Obligation Bonds	<u>25,452,253</u>
Non-refunded Portion of the Series 2016B General Obligation Serial Bonds	(12,600,000)
Non-refunded Premium on Series 2016B General Obligation Bonds	(924,894)
Payment to Refunded Bond Escrow Agent - Other Financing Use	<u>(12,700,000)</u>
Fiscal Year 2018 Refunding Bonds Accounting Difference	<u><u>(\$772,641)</u></u>

Principal and interest requirements to retire the School Improvement Refunding Bonds Series 2021 outstanding at June 30, 2021, are as follows:

Fiscal Year Ending June 30,	Principal	Interest
2022	\$485,000	\$210,176
2023	385,000	205,509
2024	385,000	204,194
2025	385,000	202,392
2026	390,000	199,433
2027-2031	7,425,000	721,611
2032-2035	3,470,000	143,040
Total	<u><u>\$12,925,000</u></u>	<u><u>\$1,886,355</u></u>

The School District's overall legal debt margin was (\$18,677,817), with an unvoted debt margin of \$1,110,129 at June 30, 2021. Net indebtedness exceeds the nine percent limitation due to debt issued to fund the School District's portion of the costs of a school facilities project under Ohio Revised Code Chapter 3318, and, as a result, such debt is not subject to State consents or special needs approval pursuant to Ohio Revised Code Section 133.06(I).

As of June 30, 2021, \$66,204,225 of bond proceeds remained unspent (after debt related payables of \$569,140). These unspent bond proceeds are reflected as restricted on the balance sheet in the school building construction major capital projects fund and the classroom facilities nonmajor capital projects fund. On the statement of net position, these unspent bond proceeds are offset against the outstanding bonds payable.

Capital leases payable will be paid from the general fund.

Compensated absences will be paid from the general fund and the food service special revenue fund.

There is no repayment schedule for the net pension/OPEB liability. However, employee pension/OPEB contributions are made from the following funds: general fund, food service, district managed student activity, auxiliary services, school emergency relief, idea-b, title 1, reducing class size, and preschool special revenue funds. School District pays obligations related to employee compensation from the fund benefitting from their service. For additional information related to the net pension/OPEB liability, see Notes 13 and 14.

Lancaster City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

Note 17 - Interfund Balances and Activity

Interfund balances at June 30, 2021, consist of the following individual interfund receivables and payables:

	Interfund Receivable	Interfund Payable
Major Funds:		
General	\$130,071	\$0
Other Governmental Funds:		
School Emergency Relief	0	10,948
IDEA - B	0	6,607
Title I	0	89,961
Reducing Class Size	0	19,416
Title IV-A	0	1,784
Vocational Education	0	1,355
Total Other Governmental Funds	0	130,071
Total All Funds	\$130,071	\$130,071

The interfund receivables/payables are due to the general fund making advances to other non-major governmental funds to subsidize negative cash balances. The interfund payables are anticipated to be repaid within one year.

	Transfer To	Transfer From
Major Funds:		
General	\$0	\$2,501,576
Bond Retirement	1,891,088	0
Total Major Funds	1,891,088	2,501,576
Other Governmental Funds:		
Food Service	20,488	0
Permanent Improvement	250,000	0
Building and Improvement	340,000	0
Total Other Governmental Funds	610,488	0
Total All Funds	\$2,501,576	\$2,501,576

Interfund transfers during 2021 consisted of the general fund transferring \$20,488 to the food service special revenue fund for the purpose of refunding unpaid student lunches, \$1,891,088 to the bond retirement fund for the purpose of retiring the bonds for the construction of the two junior high school buildings, \$250,000 to the permanent improvement capital projects fund for the purpose of complying with the capital plan set by the School District for future repairs/improvement projects, and \$340,000 to the building and improvement capital projects fund for the purpose of future repairs and improvements.

Note 18 - Jointly Governed Organizations

Licking Area Computer Association - The School District is a participant in the Licking Area Computer Association (LACA), a regional council of governments, computer consortium. LACA is an association which services twenty-six school districts, educational service centers, and community schools within the boundaries of Licking, Muskingum, Fairfield, Perry, and Knox counties. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The governing board of LACA

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consists of the superintendents from all participating school districts. The continued existence of LACA is not dependent on School District's continued participation and no equity interest exists.

The LACA constitution states that any school district withdrawing from the Association prior to dissolution forfeits their claim to the Association's capital assets. The Board exercises total control over the operations of LACA including budgeting, appropriating, contracting, and designating management. The School District's total payments to LACA for fiscal year 2021 were \$208,113. Financial statements for LACA can be obtained from the Licking Area Computer Association, 50 South Quentin Road, Newark, OH 43055.

META Solutions - The School District participates in the META Solutions, a jointly governed organization created as a regional council of governments pursuant to Chapter 167 of the Ohio Revised Code. META Solutions operates as, and has all the powers of, a data acquisition site/information technology center pursuant to applicable provisions of the Ohio Revised Code. The organization was formed for the purpose of identifying, developing, and providing to members and non-members innovative educational and technological services and products, as well as expanded opportunities for cooperative purchasing. The General Assembly of META Solutions consists of one delegate from every member school district. The delegate is the superintendent of the school district or the superintendent's designee. The degree of control exercised by any participating school district is limited to its representation on the General Assembly. The General Assembly exercises total control over the operation of META Solutions including budgeting, appropriating, contracting, and designating management. The School District paid nothing to META Solutions during fiscal year 2021 for services. META Solutions memberships became free effective July 1, 2017. Financial information can be obtained from META Solutions, 2100 Citygate Drive, Columbus, Ohio 43219.

Coalition of Rural and Appalachian Schools - The Coalition of Rural and Appalachian Schools is a jointly governed organization including 136 school districts and other educational institutions in the 35-county region of Ohio designated as Appalachia. The Coalition is operated by a Board which is composed of seventeen members, one elected and one appointed member from each of the seven regions and one appointment from the eighth region into which the 35 Appalachian counties are divided, and two from Ohio University College of Education. The Board exercises total control over the operations of the Coalition including budgeting, appropriating, contracting, and designating management. The Coalition provides various in-service training programs for school district administrative personnel; gathers data regarding the level of education provided to children in the region; cooperates with other professional groups to assess and develop programs designed to meet the needs of member school districts; and provides staff development programs for school district personnel. The Coalition is not dependent on the continued participation of the School District and the School District does not maintain an equity interest in or financial responsibility for the Coalition.

Fairfield County Multi-System Youth Committee - The Fairfield County Multi-System Youth Committee is a group of agencies that coordinate the provision of services to multi-need youth in the area. Members of the Committee include representatives of the Fairfield County Youth Services, Fairfield County Board of Developmental Disabilities, Fairfield County Alcohol, Drug Addiction, and Mental Health Board, Fairfield County Children Services, Fairfield Department of Health, New Horizons, the local office of Rehabilitation Services Commission, Fairfield County Drug and Alcohol Recovery Services, and the Lancaster City Schools. The Committee received no additional monies from the School District during fiscal year 2021. Operations were paid from the previous existing balance that had accumulated from State and federal grants. No debt is currently outstanding. The Committee is not dependent upon the continued participation of the School District and the School District does not maintain an equity interest in or financial responsibility for the Committee. The Fairfield County Multi-System Youth Committee is located at 831 College Avenue Suite C, Lancaster, Ohio 43130.

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Note 19 - Pools

Ohio SchoolComp Workers' Compensation Group Retrospective Rating Program - The Ohio SchoolComp Workers' Compensation Group Retrospective Rating Program (Program) is a shared risk pool among school districts in Ohio. Section 4123.29, Ohio Revised Code, permits the establishment of employer group retrospective rating plans for workers' compensation rating purposes. The Program is governed by the Ohio School Board Association (OSBA) Executive Committee that consists of seven members as follows: the president of OSBA, Immediate Past President of OSBA, and five representatives elected from the participating school districts.

The Program, a Bureau of Workers' Compensation certified sponsor, established the program based upon guidelines set forth by the Bureau of Workers' Compensation (BWC). The Program created a group of school districts that will practice effective workplace safety and claims management to achieve lower premiums for workers compensation coverage than they would individually. The participating school districts continue to pay their own premiums and have the opportunity to receive retrospective premium adjustments based upon the combined performance of the group. Depending upon that performance, the participating school districts can receive either a premium refund or premium assessment. The Program's third party administrator (TPA), Sedgewick provides administrative, cost control, and actuarial services to the Program. The cost of the TPA will be paid by each school district in proportion to its payroll to the total payroll of the group.

The School District began participating in the program effective January 1, 2011. The School District paid \$20,085 in enrollment fees to the Program as of June 30, 2021, and \$186,169 in workers' compensation premiums.

Ohio School Plan - The School District participates in the Ohio School Plan (OSP), and insurance purchasing pool. The OSP is created and organized pursuant to and as authorized by Section 2744.081 of the Ohio Revised Code. The OSP is an unincorporated, non-profit association of its members and an instrumentality for each member for the purpose of enabling members of the Plan to provide for a formalized, joint insurance purchasing program to maintain adequate insurance protection, risk management programs, and other administrative services. The OSP's business and affairs are conducted by a twelve member Board of Directors consisting of school district superintendents and treasurers. Hylant Administrative Services, LLC is the Administrator of the OSP and is responsible for providing underwriting, claims management, risk management, accounting, system support services, sales, and marketing.

South Central Ohio Insurance Consortium - The School District is a member of the South Central Ohio Insurance Consortium (SCOIC), an insurance purchasing pool. The SCOIC's primary purpose and objective is establishing and carrying out a cost effective cooperative health program for its member organizations. The governing board consists of the superintendent or other designee appointed by each of the members of the SCOIC. Members include 24 public entities with approximately 4,000 employees covered for medical and prescription benefits with many different plan designs in place, as well as dental, vision, life, and accidental death and dismemberment insurances. The Bloom-Carroll Local School District serves as the fiscal agent for the SCOIC.

SCOIC contracts with the Jefferson Health Plan, a risk sharing, claims servicing, and insurance purchasing pool, for medical, dental, and prescription drug coverage on a self-insured basis and for an internal pool and stop loss insurance. The SCOIC members are considered self-insured and pay a monthly premium to SCOIC that is actuarially calculated based on the participants' actual claims experience which are utilized for the payments of claims within the claims servicing pool up to the self-insurance deductible limit; and for this portion of the plan, all plan participants retain their own risk. An additional fee is paid for participation in the internal pool that is based on the claims of the internal pool in aggregate and is not based on individual claims experience. In the event of a deficiency in the internal pool, participants would be charged a higher rate for

Lancaster City School District, Ohio
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participation, and in the event of a surplus, the internal pool paid dividends to the participants. The School District, member of SCOIC, participated in the shared risk pool through SCOIC for individual claims in excess of \$100,000. SCOIC contracts with CareFactor to service claims of SCOIC members. SCOIC members purchase stop loss coverage for individual claims over \$1,500,000. SCOIC members also participate in a Jefferson Health Plan shared risk pool for individual claims from \$500,000 to \$1,500,000. Sun Life provides stop loss coverage for individual claims over \$1,500,000 for members of the Jefferson Health Plan. In the event that the School District would withdraw from SCOIC, the School District would be required to give a 180-day notice prior to the end of their three-year contract, be responsible for all run-out claims and would have no rights to share in any surplus funds of SCOIC. To obtain financial information for the SCOIC, write to the fiscal agent, Bloom-Carroll Local School District, 5240 Plum Road NW, Carroll, Ohio 43112.

Note 20 - Contingencies

Grants

The School District received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2021, if applicable, cannot be determined at this time.

Litigation

The School District is currently not party to any litigation.

School Foundation

In fiscal year 2021, School District foundation funding was based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. ODE adjustments for fiscal year 2021 were finalized on November 12, 2021.

Note 21 - Set-asides

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the acquisition and construction of capital improvements. Amounts not spent by fiscal year end or offset by similarly restricted resources received during the year must be held in cash at fiscal year end and carried forward to be used for the same purposes in future fiscal years.

The following cash basis information describes the change in the fiscal year end set-aside amounts for capital acquisition. Disclosure of this information is required by State statute.

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	Capital Improvements
Set-aside Balance as of June 30, 2020	\$0
Current Year Set-aside Requirement	1,128,672
Current Year Offsets	(5,749,912)
Qualifying Disbursements	(1,217,108)
Total	(\$5,838,348)
Set-aside Balance Carried Forward to Future Fiscal Years	\$0

The School District had qualifying disbursements and offsets during the fiscal year that reduced the capital improvements set-aside amounts below zero. The excess in the capital maintenance set-aside may not be carried forward to reduce the set-aside requirement in future fiscal years.

Note 22 - Significant Commitments

Encumbrances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At fiscal year end, the amount of encumbrances expected to be honored upon performance by the vendor in the next fiscal year were as follows:

Governmental Funds:	
General Fund	\$2,448,332
School Building Construction	6,299,937
Nonmajor Governmental Funds	2,777,220
Total	\$11,525,489

Contractual Commitments

As of June 30, 2021, the School District had contractual purchase commitments for the following projects:

Project	Fund	Original Contract	Paid to Date	Amount Remaining
High School OFCC Building Project	School Building Construction	\$7,300,300	\$1,682,932	\$5,617,368
Rubber Athletic Flooring	School Emergency Relief	49,850	24,925	24,925
Moving Athletic Fields for the New High School	Classroom Facilities	284,470	272,872	11,598
	Total	\$7,634,620	\$1,980,729	\$5,653,891

Note 23 - Fund Balances

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the School District is bound to observe constraints imposed upon the use of the resources in governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented as follows:

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Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

Fund Balances	General	Bond Retirement	School Building Construction	Other Governmental Funds	Total
<u>Nonspendable:</u>					
Prepays	\$328,213	\$0	\$0	\$68,377	\$396,590
Materials and Supplies Inventory	267,664	0	0	23,581	291,245
<i>Total Nonspendable</i>	<u>595,877</u>	<u>0</u>	<u>0</u>	<u>91,958</u>	<u>687,835</u>
<u>Restricted for:</u>					
School Building Construction	0	0	65,384,830	0	65,384,830
Classroom Facilities Construction	0	0	0	3,884,549	3,884,549
Classroom Facilities Maintenance	0	0	0	3,670,186	3,670,186
District and Student Managed Activities	0	0	0	416,943	416,943
Auxiliary Services	0	0	0	92,078	92,078
Food Service	0	0	0	379,410	379,410
Federal and State Grants	0	0	0	128	128
Community Grants and Contributions	0	0	0	59,289	59,289
Bond Retirement	0	4,003,612	0	0	4,003,612
<i>Total Restricted</i>	<u>0</u>	<u>4,003,612</u>	<u>65,384,830</u>	<u>8,502,583</u>	<u>77,891,025</u>
<u>Committed to:</u>					
Scholarships	0	0	0	36,891	36,891
Preschool	0	0	0	81,070	81,070
Termination Benefits	1,000,280	0	0	0	1,000,280
Capital Improvements	0	0	0	7,360,000	7,360,000
Purchases on Order for:					
Professional Services	107,758	0	0	0	107,758
Medical Services	14,787	0	0	0	14,787
Equipment Services	318,132	0	0	0	318,132
Educational Services	121,749	0	0	0	121,749
<i>Total Committed</i>	<u>1,562,706</u>	<u>0</u>	<u>0</u>	<u>7,477,961</u>	<u>9,040,667</u>
<u>Assigned to:</u>					
Capital Improvements	0	0	0	4,722,354	4,722,354
Public School Support	104,537	0	0	0	104,537
Assigned to Subsequent Year's Appropriations	9,500,000	0	0	0	9,500,000
Purchases on Order for:					
Professional Services	117,918	0	0	0	117,918
Employee Services	38,815	0	0	0	38,815
Equipment and Supplies	216,677	0	0	0	216,677
Utilities	92,984	0	0	0	92,984
<i>Total Assigned</i>	<u>10,070,931</u>	<u>0</u>	<u>0</u>	<u>4,722,354</u>	<u>14,793,285</u>
Unassigned (Deficit)	31,563,114	0	0	(181,375)	31,381,739
<i>Total Fund Balances</i>	<u>\$43,792,628</u>	<u>\$4,003,612</u>	<u>\$65,384,830</u>	<u>\$20,613,481</u>	<u>\$133,794,551</u>

Lancaster City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

On March 22, 2010, the Board of Education approved a resolution to maintain a cash reserve balance of twelve percent of operating expenses for the purpose of sound fiscal management. This minimum cash balance is required for the first two years of the rolling five year forecast period. If the Treasurer finds that the twelve percent cash reserve is not met within those first two years of the five year forecast, the Treasurer and Superintendent will advise the Board of Education in order to allow the Board of Education to consider steps to be taken to meet the reserve. The minimum cash reserve balance as of June 30, 2021 was \$8,949,307 which was based on actual fiscal year 2021 cash expenditures multiplied by twelve percent. The School District's general fund cash balances were adequate for the minimum cash reserve balance; therefore, no action was needed by the Board of Education for fiscal year 2021. This twelve percent cash reserve balance is reported as unassigned in the general fund.

Note 24 - COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June of 2021 while the national state of emergency continues. During fiscal year 2021, the school district received Coronavirus Aid, Relief, and Economic Security (CARES) Act funding. The School District's investment portfolio and the investments of the pension and other employee benefit plans in which the School District participates fluctuate with market conditions, and due to market volatility, the amount of losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the School District's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated. Additional funding has been made available through the Consolidated Appropriations Act, 2021, passed by Congress on December 21, 2020, and/or the American Rescue Plan Act, passed by Congress on March 11, 2021.

Note 25 - Ohio Facilities Construction Commission Close-Out

The School District had an Ohio Facilities Construction Commission (OFCC) project for the construction of two new junior high school buildings. Thomas Ewing was the first junior high school to be completed and was opened to students in January of 2020. The second junior high school building, General Sherman Junior High, was open to students on the first day of school in August of 2020. As of June 30, 2021, there continues to be open purchase orders for final construction and improvement costs for the final stages of the construction requirements on both schools. When those additional costs are incurred in the future, they will be added to capital assets. OFCC has not started the close-out procedures and neither OFCC nor the School District knows of an amount that could be returned to OFCC due to all of the various construction requirements and final procedures that still need to be met. Management believes that any money that could possibly be returned to OFCC after all of the construction requirements have been met, would be considered immaterial to the financial statements.

Note 26 - Subsequent Events

For fiscal year 2022, School District foundation funding received from the state of Ohio will be funded using a direct funding model. Under this new model, community school, scholarship, and open enrollment funding will be directly funded by the State of Ohio to the respective schools. For fiscal year 2021 and prior, the amounts related to students who were residents of the School District were funded to the School District who, in turn, made the payment to the respective school. For fiscal year 2021, the School District reported \$4,425,267 in revenue and expenditures/expense related to these programs. Also during fiscal year 2021, the School District reported \$936,171 in tuition and fees from the resident school districts which will be direct funded to the School District as the educating entity in fiscal year 2022. This new funding system calculates a unique base cost and a unique "per-pupil local capacity amount" for each School District. The School District's state core foundation funding is then calculated. Any change in funding

Lancaster City School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2021

will be subject to a phase in percentage of 16.67 percent for fiscal year 2022 and 33.33 percent for fiscal year 2023.

On May 7, 2019, voters approved the issuance of bonds for a maximum of 37 years for the purpose of constructing school facilities and renovating existing facilities under a program of the Ohio Facilities Construction Commission and locally funded initiatives; furnishing and equipping the same; improving the sites thereof; and acquiring land and interest in land. On September 24, 2019, the Lancaster City School District Board of Education approved deferring the issuance of bonds in 2019 and the corresponding levy due to the OFCC not being able to provide its full share of the project presently. On September 24, 2019, the School District also passed a resolution of intent to participate in the OFCC expedited local partnership program. The School District is obligated for a maximum amount of \$66,125,000 for their local share and the OFCC is obligated for \$39,802,530 of the total estimated project cost. The School District issued \$66,125,000 in School Facilities Construction and Improvement Bonds on April 22, 2020, which mature on October 1, 2050. The Fairfield County Auditor began to collect taxes for the debt retirement on January 1, 2021. The OFCC portion of the project was approved by the State of Ohio Controlling Board on July 27, 2020, under the expedited local partnership program; however, no money could be drawn down until the final approvals were granted for the release of funds. On July 8, 2021 the Ohio School Facilities Commission approved the Certification of Conditional Approval and then it was approved by the Ohio Controlling Board President on August 2, 2021 which granted the approval for the release of funds by the State. The School District signed the Resolution of Acceptance in the Ohio Facilities Construction Commission Classroom Facilities Assistance Program on August 26, 2021.

Beginning in fiscal year 2022, Fairfield Christian Academy will begin to receive their auxiliary services funding directly and will no longer be presented in the School District's auxiliary services fund.

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Lancaster City School District, Ohio
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
School Employees Retirement System of Ohio
*Last Eight Fiscal Years (1) **

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
School District's Proportion of the Net Pension Liability	0.2818048%	0.2740256%	0.2814465%	0.2836311%
School District's Proportionate Share of the Net Pension Liability	\$18,639,164	\$16,395,433	\$16,118,962	\$16,946,332
School District's Covered Payroll	\$9,870,293	\$9,516,541	\$9,090,481	\$8,878,121
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	188.84%	172.28%	177.32%	190.88%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.55%	70.85%	71.36%	69.50%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year.

* Amounts presented for each fiscal year were determined as of the School District's measurement date which is the prior fiscal year end.

See accompanying notes to required supplementary information

2017	2016	2015	2014
0.2703412%	0.2588009%	0.2570550%	0.2570550%
\$19,786,481	\$14,767,430	\$13,009,408	\$15,286,236
\$8,439,803	\$8,112,207	\$7,603,214	\$6,771,366
234.44%	182.04%	171.10%	225.75%
62.98%	69.16%	71.70%	65.52%

Lancaster City School District, Ohio
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net OPEB Liability
School Employees Retirement System of Ohio
*Last Five Fiscal Years (1) **

	2021	2020	2019	2018
School District's Proportion of the Net OPEB Liability	0.2841454%	0.2811495%	0.2848480%	0.2870770%
School District's Proportionate Share of the Net OPEB Liability	\$6,175,410	\$7,070,318	\$7,902,453	\$7,704,392
School District's Covered Payroll	\$9,870,293	\$9,516,541	\$9,090,481	\$8,878,121
School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	62.57%	74.30%	86.93%	86.78%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	18.17%	15.57%	13.57%	12.46%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

* Amounts presented for each fiscal year were determined as of the School District's measurement date which is the prior fiscal year end.

See accompanying notes to required supplementary information

2017

0.2738443%

\$7,805,576

\$8,439,803

92.49%

11.49%

Lancaster City School District, Ohio
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
State Teachers Retirement System of Ohio
*Last Eight Fiscal Years (1) **

	2021	2020	2019	2018
School District's Proportion of the Net Pension Liability	0.27961307%	0.26727949%	0.26781203%	0.27260486%
School District's Proportionate Share of the Net Pension Liability	\$67,656,413	\$59,107,254	\$58,885,852	\$64,757,868
School District's Covered Payroll	\$34,054,071	\$31,806,843	\$30,599,200	\$29,048,221
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	198.67%	185.83%	192.44%	222.93%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.50%	77.40%	77.30%	75.30%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2014 is not available. An additional column will be added each year.

* Amounts presented for each fiscal year were determined as of the School District's measurement date which is the prior fiscal year end.

See accompanying notes to required supplementary information

2017	2016	2015	2014
0.25992422%	0.25054074%	0.25484464%	0.25484464%
\$87,004,471	\$69,242,133	\$61,987,036	\$73,838,552
\$27,561,343	\$27,141,200	\$26,052,229	\$25,200,900
315.68%	255.12%	237.93%	293.00%
66.80%	72.10%	74.70%	69.30%

Lancaster City School District, Ohio
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net OPEB Liability (Asset)
State Teachers Retirement System of Ohio
*Last Five Fiscal Years (1) **

	2021	2020	2019	2018
School District's Proportion of the Net OPEB Liability (Asset)	0.27961307%	0.26727949%	0.26781203%	0.27260486%
School District's Proportionate Share of the Net OPEB Liability (Asset)	(\$4,914,195)	(\$4,426,789)	(\$4,303,467)	\$10,636,036
School District's Covered Payroll	\$34,054,071	\$31,806,843	\$30,599,200	\$29,048,221
School District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	-14.43%	-13.92%	-14.06%	36.62%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	182.10%	174.70%	176.00%	47.10%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

* Amounts presented for each fiscal year were determined as of the School District's measurement date which is the prior fiscal year end.

See accompanying notes to required supplementary information

2017

0.25992422%

\$13,900,815

\$27,561,343

50.44%

37.30%

Lancaster City School District, Ohio
Required Supplementary Information
Schedule of the School District Contributions
School Employees Retirement System of Ohio
Last Ten Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Net Pension Liability				
Contractually Required Contribution	\$1,409,464	\$1,381,841	\$1,284,733	\$1,227,215
Contributions in Relation to the Contractually Required Contribution	<u>(1,409,464)</u>	<u>(1,381,841)</u>	<u>(1,284,733)</u>	<u>(1,227,215)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
School District Covered Payroll (2)	\$10,067,600	\$9,870,293	\$9,516,541	\$9,090,481
Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>13.50%</u>	<u>13.50%</u>
Net OPEB Liability				
Contractually Required Contribution (3)	\$191,451	\$143,365	\$235,596	\$226,631
Contributions in Relation to the Contractually Required Contribution	<u>(191,451)</u>	<u>(143,365)</u>	<u>(235,596)</u>	<u>(226,631)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
OPEB Contributions as a Percentage of Covered Payroll	<u>1.90%</u>	<u>1.45%</u>	<u>2.48%</u>	<u>2.49%</u>
Total Contributions as a Percentage of Covered Payroll (3)	<u>15.90%</u>	<u>15.45%</u>	<u>15.98%</u>	<u>15.99%</u>

Notes to the Required Supplementary Information:

- (1) The School District experienced a large number of retirements at the end of fiscal year 2012. In fiscal year 2013, the School District replaced the higher paid employees with employees at the lower end of the pay scale.
- (2) The School District's covered payroll is the same for Pension and OPEB
- (3) Includes Surcharge

See accompanying notes to required supplementary information

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>(1)</u> <u>2013</u>	<u>2012</u>
\$1,242,937	\$1,181,572	\$1,069,189	\$1,053,806	\$937,157	\$1,052,590
<u>(1,242,937)</u>	<u>(1,181,572)</u>	<u>(1,069,189)</u>	<u>(1,053,806)</u>	<u>(937,157)</u>	<u>(1,052,590)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$8,878,121	\$8,439,803	\$8,112,207	\$7,603,214	\$6,771,366	\$7,825,945
<u>14.00%</u>	<u>14.00%</u>	<u>13.18%</u>	<u>13.86%</u>	<u>13.84%</u>	<u>13.45%</u>
\$153,027	\$138,065	\$196,568	\$136,181	\$123,189	\$151,749
<u>(153,027)</u>	<u>(138,065)</u>	<u>(196,568)</u>	<u>(136,181)</u>	<u>(123,189)</u>	<u>(151,749)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>1.72%</u>	<u>1.64%</u>	<u>2.42%</u>	<u>1.79%</u>	<u>1.82%</u>	<u>1.94%</u>
<u>15.72%</u>	<u>15.64%</u>	<u>15.60%</u>	<u>15.65%</u>	<u>15.66%</u>	<u>15.39%</u>

Lancaster City School District, Ohio
Required Supplementary Information
Schedule of the School District Contributions
State Teachers Retirement System of Ohio
Last Ten Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Net Pension Liability				
Contractually Required Contribution	\$4,950,343	\$4,767,570	\$4,452,958	\$4,283,888
Contributions in Relation to the Contractually Required Contribution	<u>(4,950,343)</u>	<u>(4,767,570)</u>	<u>(4,452,958)</u>	<u>(4,283,888)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
School District Covered Payroll (2)	\$35,359,593	\$34,054,071	\$31,806,843	\$30,599,200
Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>
Net OPEB Liability				
Contractually Required Contribution	\$0	\$0	\$0	\$0
Contributions in Relation to the Contractually Required Contribution	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
OPEB Contributions as a Percentage of Covered Payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Total Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>

Notes to the Required Supplementary Information:

- (1) The School District experienced a large number of retirements at the end of fiscal year 2012. In fiscal year 2013, the School District replaced the higher paid employees with employees at the lower end of the pay scale.
- (2) The School District's covered payroll is the same for Pension and OPEB.

See accompanying notes to required supplementary information

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>(1)</u> <u>2013</u>	<u>2012</u>
\$4,066,751	\$3,858,588	\$3,799,768	\$3,386,790	\$3,276,117	\$3,633,504
<u>(4,066,751)</u>	<u>(3,858,588)</u>	<u>(3,799,768)</u>	<u>(3,386,790)</u>	<u>(3,276,117)</u>	<u>(3,633,504)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$29,048,221	\$27,561,343	\$27,141,200	\$26,052,229	\$25,200,900	\$27,950,031
<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>13.00%</u>	<u>13.00%</u>	<u>13.00%</u>
\$0	\$0	\$0	\$260,522	\$252,009	\$279,500
<u>0</u>	<u>0</u>	<u>0</u>	<u>(260,522)</u>	<u>(252,009)</u>	<u>(279,500)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>1.00%</u>	<u>1.00%</u>	<u>1.00%</u>
<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>

Lancaster City School District, Ohio
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2021

Net Pension Liability

Changes in Assumptions – SERS

Beginning in fiscal year 2018, an assumption of 2.5 percent was used for COLA or Ad Hoc Cola. Prior to 2018, an assumption of 3 percent was used.

Beginning with fiscal year 2017, amounts reported incorporate changes in assumptions used by SERS in calculating the total pension liability in the latest actuarial valuation. These assumptions compared with those used in fiscal year 2016 and prior are presented below:

	Fiscal Year 2017	Fiscal Year 2016 and Prior
Wage Inflation	3.00 percent	3.25 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent	4.00 percent to 22.00 percent
Investment Rate of Return	7.50 percent net of investments expense, including inflation	7.75 percent net of investments expense, including inflation

Beginning with fiscal year 2017, mortality assumptions use mortality rates that are based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. Amounts reported for fiscal year 2016 and prior, use mortality assumptions that are based on the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables were used for the period after disability retirement.

Changes in Assumptions - STRS

Beginning with fiscal year 2018, amounts reported incorporate changes in assumptions and changes in benefit terms used by STRS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in fiscal year 2017 and prior are presented below:

	Fiscal Year 2018	Fiscal Year 2017 and Prior
Inflation	2.50 percent	2.75 percent
Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65	12.25 percent at age 20 to 2.75 percent at age 70
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation	7.75 percent, net of investment expenses, including inflation
Payroll Increases	3 percent	3.5 percent
Cost-of-Living Adjustments (COLA)	0.0 percent, effective July 1, 2017	2 percent simple applied as follows: for members retiring before August 1, 2013, 2 percent per year; for members retiring August 1, 2013, or later, 2 percent COLA commences on fifth anniversary of retirement date.

Lancaster City School District, Ohio
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2021

Beginning with fiscal year 2018, post-retirement mortality rates for healthy retirees are based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

For fiscal year 2017 and prior actuarial valuation, mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022—Scale AA) for Males and Females. Males' ages are set-back two years through age 89 and no set-back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89, and no set back from age 90 and above.

Net OPEB Liability

Changes in Assumptions – SERS

Amounts reported incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

Municipal Bond Index Rate:

Fiscal year 2021	2.45 percent
Fiscal year 2020	3.13 percent
Fiscal year 2019	3.62 percent
Fiscal year 2018	3.56 percent
Fiscal year 2017	2.92 percent

**Single Equivalent Interest Rate, net of plan investment expense,
including price inflation**

Fiscal year 2021	2.63 percent
Fiscal year 2020	3.22 percent
Fiscal year 2019	3.70 percent
Fiscal year 2018	3.63 percent
Fiscal year 2017	2.98 percent

Changes in Assumptions – STRS

For fiscal year 2018, the discount rate was increased from 3.26 percent to 4.13 percent based on the methodology defined under GASB *Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB)* and the long term expected rate of return was reduced from 7.75 percent to 7.45 percent. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

For fiscal year 2019, the discount rate was increased from the blended rate of 4.13 percent to the long-term expected rate of return of 7.45.

Lancaster City School District, Ohio
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2021

Changes in Benefit Terms – STRS OPEB

For fiscal year 2018, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1 percent to 1.9 percent per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2020.

For fiscal year 2019, the subsidy multiplier for non-Medicare benefit recipients was increased from 1.9 percent to 1.944 percent per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased effective January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020.

For fiscal year 2020, there was no change to the claims costs process. Claim curves were trended to the fiscal year ending June 30, 2020 to reflect the current price renewals. The non-Medicare subsidy percentage was increased effective January 1, 2020 from 1.944 percent to 1.984 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1 percent for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.

For fiscal year 2021, there was no change to the claims costs process. Claim curves were updated to reflect the projected fiscal year ending June 30, 2021 premium based on June 30, 2020 enrollment distribution. The non-Medicare subsidy percentage was increased effective January 1, 2021 from 1.984 percent to 2.055 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021 to 2.1 percent for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

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Lancaster City School District, Ohio

Combining and Individual Fund Financial Statements and Schedules

Lancaster City School District, Ohio

General Fund

The general fund accounts for and reports all financial resources except those required to be accounted for in another fund. The general fund balance is available to the School District for any purpose, provided it is expended or transferred according to the general laws of Ohio. The general fund budgetary comparison statement included in the basic financial statements demonstrates compliance at the legal level of control, thus no additional budgetary comparisons are presented.

Nonmajor Governmental Fund Types

Special Revenue Funds

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Debt Service Fund

Debt service funds are used to account for and report financial resources that are restricted to expenditure for principal and interest on general obligation debt. For fiscal year 2021, there was only one debt service fund, bond retirement, which is considered a major fund.

Capital Projects Funds

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlay including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary fund or for assets that will be held in trust.

Lancaster City School District, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$4,808,424	\$13,155,456	\$17,963,880
Investments	0	2,858,548	2,858,548
Restricted Assets Cash and Cash Equivalents	0	347,513	347,513
Receivables:			
Property Taxes	443,195	0	443,195
Accounts	632	0	632
Intergovernmental	1,595,218	276,856	1,872,074
Accrued Interest	669	0	669
Prepays	68,377	0	68,377
Inventory Held for Resale	34,154	0	34,154
Materials and Supplies Inventory	23,581	0	23,581
<i>Total Assets</i>	<u>\$6,974,250</u>	<u>\$16,638,373</u>	<u>\$23,612,623</u>
Liabilities			
Accounts Payable	\$102,682	\$47,101	\$149,783
Contracts Payable	41,299		41,299
Retainage Payable		347,513	347,513
Accrued Salaries and Benefits Payable	663,484	0	663,484
Intergovernmental Payable	209,370	0	209,370
Interfund Payable	130,071	0	130,071
Unearned Revenue	48,713	0	48,713
<i>Total Liabilities</i>	<u>1,195,619</u>	<u>394,614</u>	<u>1,590,233</u>
Deferred Inflows of Resources			
Property Taxes	384,151	0	384,151
Unavailable Revenue	747,902	276,856	1,024,758
<i>Total Deferred Inflows of Resources</i>	<u>1,132,053</u>	<u>276,856</u>	<u>1,408,909</u>
Fund Balances			
Nonspendable	91,958	0	91,958
Restricted	4,618,034	3,884,549	8,502,583
Committed	117,961	7,360,000	7,477,961
Assigned	0	4,722,354	4,722,354
Unassigned (Deficit)	(181,375)	0	(181,375)
<i>Total Fund Balances</i>	<u>4,646,578</u>	<u>15,966,903</u>	<u>20,613,481</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$6,974,250</u>	<u>\$16,638,373</u>	<u>\$23,612,623</u>

Lancaster City School District, Ohio
*Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2021*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues			
Property Taxes	\$442,833	\$0	\$442,833
Intergovernmental	12,208,353	1,324,406	13,532,759
Interest	8,504	10,441	18,945
Tuition and Fees	17,494	0	17,494
Charges for Services	16,053	0	16,053
Extracurricular Activities	294,559	0	294,559
Gifts and Donations	43,180	11,535	54,715
Miscellaneous	35,799	13,942	49,741
<i>Total Revenues</i>	<u>13,066,775</u>	<u>1,360,324</u>	<u>14,427,099</u>
Expenditures			
Current:			
Instruction:			
Regular	1,309,624	0	1,309,624
Special	3,179,182	0	3,179,182
Vocational	104,675	0	104,675
Student Intervention Services	78,242	0	78,242
Support Services:			
Pupils	2,677,313	0	2,677,313
Instructional Staff	874,123	0	874,123
Administration	305,143	0	305,143
Fiscal	8,016	0	8,016
Operation and Maintenance of Plant	312,527	47,101	359,628
Pupil Transportation	16,486	43,312	59,798
Operation of Non-Instructional Services:			
Food Service Operations	2,686,840	0	2,686,840
Other Non-Instructional Services	1,221,484	0	1,221,484
Extracurricular Activities	239,078	389,056	628,134
Capital Outlay	0	2,866,397	2,866,397
<i>Total Expenditures</i>	<u>13,012,733</u>	<u>3,345,866</u>	<u>16,358,599</u>
<i>Excess of Revenues Over (Under)</i> <i>Expenditures</i>	54,042	(1,985,542)	(1,931,500)
Other Financing Source			
Transfers In	20,488	590,000	610,488
<i>Net Change in Fund Balances</i>	74,530	(1,395,542)	(1,321,012)
<i>Fund Balances Beginning of Year</i>	<u>4,572,048</u>	<u>17,362,445</u>	<u>21,934,493</u>
<i>Fund Balances End of Year</i>	<u><u>\$4,646,578</u></u>	<u><u>\$15,966,903</u></u>	<u><u>\$20,613,481</u></u>

Lancaster City School District, Ohio

Nonmajor Special Revenue Funds

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. Following is a description of the School Districts' nonmajor special revenue funds:

Food Service Fund - To account for and report charges for services and operating grants restricted to the food service operations of the School District.

Scholarship Memorial Fund - To account for and report monies donated to the School District without conditions or limitations that are committed for student scholarships.

Restricted Scholarship Fund - To account for and report monies donated to the School District with conditions and limitations that are restricted for student scholarships.

Community Grants Fund - To account for and report extracurricular activities and sometimes money received from a private foundation and local businesses to provide restricted funds for the development of teaching staff and extracurricular activities for students. For fiscal year 2021, this fund only received extracurricular activities revenue.

Classroom Facilities Maintenance Fund - To account for levy proceeds from a half mill levy for maintenance of facilities passed in March of 2012 restricted for the maintenance of school buildings.

Student Managed Activity Fund - To account for those restricted student activity programs which have student participation in the activity and have student involvement in the management of the program for which the School District has administrative involvement.

District Managed Student Activity Fund - To account for and report restricted student activity programs which have student participation in the activity but do not have student management of programs.

Auxiliary Services Fund - To account for and report restricted State grant monies that provide services and materials to pupils attending non-public schools within the School District.

Data Communications Fund - To account for and report restricted State grant monies awarded to the School District to provide for data communication.

School Emergency Relief Fund - To account for and report emergency relief grants to the School District for related COVID-19 pandemic expenses. Grant restrictions include, but are not limited to, providing for coordination of preparedness and response efforts, training and professional development of staff, planning and coordination during long-term closure, and purchasing technology for students.

Coronavirus Relief Funding Fund - To account for and report coronavirus relief grant funding to the School District for COVID-19 pandemic related expenses. Grant restrictions include, but are not limited to, providing for coordination of preparedness and response efforts, training and professional development of staff, planning and coordination during long-term closure, and purchasing technology and home internet for students.

IDEA - B Fund - To account for and report restricted Federal grant monies used to assist in the education of children with disabilities.

Title I Fund - To account for and report restricted Federal grant monies used to assist the School District in providing financial assistance to State and Local educational agencies to meet the special needs of educationally deprived children.

(Continued)

Lancaster City School District, Ohio

Nonmajor Special Revenue Funds (Continued)

Reducing Class Size Fund - To account for and report restricted Federal grant monies awarded to the School District by the Federal Government for the specific purpose of reducing class size at the primary level.

Miscellaneous State Grants Fund - To account for miscellaneous State grants which are considered restricted. The current grant was awarded for the purpose of alcohol and drug addiction prevention. It was awarded to the School District by the Fairfield County Alcohol, Drug Addiction, and Mental Health Board.

Title IV-A Fund - To account for and report restricted Federal grant monies used to assist in student support and academic enrichment. To support safe and healthy students with comprehensive school mental health, drug and violence prevention, training on trauma-informed practices, and health and physical education.

Safety Grant Fund - To account for and report restricted State grant monies used to support school safety training for students, employees, and school resource officers.

Student Wellness and Success Fund - To account for and report restricted State grant monies used to provide for student wellness which includes: mental health services, child welfare, community liaisons, physical health, mentoring, family engagement, and support services.

Literacy and Striving Readers Grant Fund - To account for and report restricted Federal grant monies used to improve literacy outcomes for children from birth through grade 12 focusing on students living in poverty, students with disabilities, students learning English, and students identified as having a reading disability. This grant was also used to help support literacy efforts in combination with Universal Design for Learning and Positive Behavior Intervention Supports. This fund includes the striving readers and the literacy grant funds for GAAP reporting purposes.

Pandemic Support Fund - To account for and report restricted Federal grant monies used for COVID-19 pandemic support within the special education instruction department.

Vocational Education Fund - To account for and report restricted Federal and State grant funds for the development of vocational education programs.

Preschool Fund - To account for and report committed tuition monies and restricted Federal and State revenues awarded to the School District for the improvement and expansion of services provided for preschool children and handicapped preschool children. This fund includes the preschool tuition, public school preschool, and preschool special education funds for GAAP reporting purposes.

Public School Support Fund - To account for and report specific local revenue sources (other than taxes) generated by individual school buildings. Expenditures include field trips, assemblies, materials and other items to supplement co-curricular and extra-curricular programs. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source.

Termination Benefits Fund - To account for and report cash committed for paying termination benefits or for paying salaries when the number of pay periods exceeds the usual and customary for a year. This fund is included with the general fund for GAAP reporting as it does not have a restricted revenue source. This fund was established by fund transfers from the general fund.

Lancaster City School District, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2021

	Food Service	Scholarship Memorial	Restricted Scholarship	Community Grants	Classroom Facilities Maintenance	Student Managed Activity	District Managed Student Activity
Assets							
Equity in Pooled Cash and Cash Equivalents	\$386,042	36,880	39,848	19,699	\$3,655,293	\$99,492	\$326,404
Receivables:							
Property Taxes	0	0	0	0	443,195	0	0
Accounts	432	0	0	0	0	200	0
Intergovernmental	278,575	0	0	0	0	0	0
Accrued Interest	408	41	44	0	0	0	0
Prepays	1,722	0	0	0	0	0	0
Inventory Held for Resale	34,154	0	0	0	0	0	0
Materials and Supplies Inventory	23,581	0	0	0	0	0	0
<i>Total Assets</i>	<u>\$724,914</u>	<u>\$36,921</u>	<u>\$39,892</u>	<u>\$19,699</u>	<u>\$4,098,488</u>	<u>\$99,692</u>	<u>\$326,404</u>
Liabilities							
Accounts Payable	\$1,696	\$0	\$0	\$270	\$28,956	\$0	\$5,316
Contracts Payable	0	0	0	0	0	0	0
Accrued Salaries and Benefits Payable	178,464	0	0	0	0	0	2,039
Intergovernmental Payable	90,596	0	0	0	0	0	1,798
Interfund Payable	0	0	0	0	0	0	0
Unearned Revenue	48,713	0	0	0	0	0	0
<i>Total Liabilities</i>	<u>319,469</u>	<u>0</u>	<u>0</u>	<u>270</u>	<u>28,956</u>	<u>0</u>	<u>9,153</u>
Deferred Inflows of Resources							
Property Taxes	0	0	0	0	384,151	0	0
Unavailable Revenue	732	30	32	0	15,195	0	0
<i>Total Deferred Inflows of Resources</i>	<u>732</u>	<u>30</u>	<u>32</u>	<u>0</u>	<u>399,346</u>	<u>0</u>	<u>0</u>
Fund Balances:							
Nonspendable	25,303	0	0	0	0	0	0
Restricted	379,410	0	39,860	19,429	3,670,186	99,692	317,251
Committed	0	36,891	0	0	0	0	0
Unassigned (Deficits)	0	0	0	0	0	0	0
<i>Total Fund Balances (Deficits)</i>	<u>404,713</u>	<u>36,891</u>	<u>39,860</u>	<u>19,429</u>	<u>3,670,186</u>	<u>99,692</u>	<u>317,251</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$724,914</u>	<u>\$36,921</u>	<u>\$39,892</u>	<u>\$19,699</u>	<u>\$4,098,488</u>	<u>\$99,692</u>	<u>\$326,404</u>

Auxiliary Services	School Emergency Relief	IDEA - B	Title I	Reducing Class Size	Miscellaneous State Grants	Title IV-A	Safety Grant	Vocational Education	Preschool	Total Nonmajor Special Revenue Funds
\$160,044	\$0	\$0	\$0	\$0	\$6	\$0	\$0	\$0	\$84,716	\$4,808,424
0	0	0	0	0	0	0	0	0	0	443,195
0	0	0	0	0	0	0	0	0	0	632
0	97,999	255,730	738,862	69,266	0	60,264	0	1,868	92,654	1,595,218
176	0	0	0	0	0	0	0	0	0	669
0	0	0	20,054	0	13,375	0	33,226	0	0	68,377
0	0	0	0	0	0	0	0	0	0	34,154
0	0	0	0	0	0	0	0	0	0	23,581
<u>\$160,220</u>	<u>\$97,999</u>	<u>\$255,730</u>	<u>\$758,916</u>	<u>\$69,266</u>	<u>\$13,381</u>	<u>\$60,264</u>	<u>\$33,226</u>	<u>\$1,868</u>	<u>\$177,370</u>	<u>\$6,974,250</u>
\$53,572	\$2,821	\$1,920	\$4,163	\$0	\$0	\$2,106	\$0	\$391	\$1,471	\$102,682
0	41,299	0	0	0	0	0	0	0	0	41,299
12,940	38,047	141,652	194,295	19,515	0	0	0	0	76,532	663,484
1,501	25,975	33,468	34,892	3,348	0	4,917	0	0	12,875	209,370
0	10,948	6,607	89,961	19,416	0	1,784	0	1,355	0	130,071
0	0	0	0	0	0	0	0	0	0	48,713
<u>68,013</u>	<u>119,090</u>	<u>183,647</u>	<u>323,311</u>	<u>42,279</u>	<u>0</u>	<u>8,807</u>	<u>0</u>	<u>1,746</u>	<u>90,878</u>	<u>1,195,619</u>
0	0	0	0	0	0	0	0	0	0	384,151
129	64,990	113,526	445,685	34,870	0	53,564	0	0	19,149	747,902
<u>129</u>	<u>64,990</u>	<u>113,526</u>	<u>445,685</u>	<u>34,870</u>	<u>0</u>	<u>53,564</u>	<u>0</u>	<u>0</u>	<u>19,149</u>	<u>1,132,053</u>
0	0	0	20,054	0	13,375	0	33,226	0	0	91,958
92,078	0	0	0	0	6	0	0	122	0	4,618,034
0	0	0	0	0	0	0	0	0	81,070	117,961
0	(86,081)	(41,443)	(30,134)	(7,883)	0	(2,107)	0	0	(13,727)	(181,375)
<u>92,078</u>	<u>(86,081)</u>	<u>(41,443)</u>	<u>(10,080)</u>	<u>(7,883)</u>	<u>13,381</u>	<u>(2,107)</u>	<u>33,226</u>	<u>122</u>	<u>67,343</u>	<u>4,646,578</u>
<u>\$160,220</u>	<u>\$97,999</u>	<u>\$255,730</u>	<u>\$758,916</u>	<u>\$69,266</u>	<u>\$13,381</u>	<u>\$60,264</u>	<u>\$33,226</u>	<u>\$1,868</u>	<u>\$177,370</u>	<u>\$6,974,250</u>

Lancaster City School District, Ohio
*Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2021*

	Food Service	Scholarship Memorial	Restricted Scholarship	Community Grants	Classroom Facilities Maintenance	Student Managed Activity
Revenues						
Property Taxes	\$0	\$0	\$0	\$0	\$442,833	\$0
Intergovernmental	2,290,838	0	0	0	83,100	0
Interest	4,940	359	348	0	0	0
Tuition and Fees	0	0	0	0	0	0
Charges for Services	16,053	0	0	0	0	0
Extracurricular Activities	0	0	0	4,814	0	48,647
Gifts and Donations	0	3,465	0	0	0	11,480
Miscellaneous	25,138	0	0	0	0	85
<i>Total Revenues</i>	<u>2,336,969</u>	<u>3,824</u>	<u>348</u>	<u>4,814</u>	<u>525,933</u>	<u>60,212</u>
Expenditures						
Current:						
Instruction:						
Regular	0	0	0	4,292	0	0
Special	0	0	0	1,647	0	0
Vocational	0	0	0	0	0	0
Student Intervention Services	0	0	0	0	0	0
Support Services:						
Pupils	0	0	0	0	0	0
Instructional Staff	0	0	0	0	0	0
Administration	0	0	0	0	0	0
Fiscal	0	0	0	0	8,016	0
Operation and Maintenance of Plant	0	0	0	0	157,723	0
Pupil Transportation	0	0	0	0	0	0
Operation of Non-Instructional Services:						
Food Service Operations	2,686,840	0	0	0	0	0
Other Non-Instructional Services	0	709	1	0	0	55,746
Extracurricular Activities	0	0	0	0	0	0
<i>Total Expenditures</i>	<u>2,686,840</u>	<u>709</u>	<u>1</u>	<u>5,939</u>	<u>165,739</u>	<u>55,746</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(349,871)	3,115	347	(1,125)	360,194	4,466
Other Financing Source						
Transfer In	20,488	0	0	0	0	0
<i>Net Change in Fund Balance</i>	(329,383)	3,115	347	(1,125)	360,194	4,466
<i>Fund Balances (Deficits) at Beginning of Year</i>	<u>734,096</u>	<u>33,776</u>	<u>39,513</u>	<u>20,554</u>	<u>3,309,992</u>	<u>95,226</u>
<i>Fund Balances (Deficits) at End of Year</i>	<u>\$404,713</u>	<u>\$36,891</u>	<u>\$39,860</u>	<u>\$19,429</u>	<u>\$3,670,186</u>	<u>\$99,692</u>

District Managed Student Activity	Auxiliary Services	Data Communications	School Emergency Relief	Coronavirus Relief Funding	IDEA - B	Title I	Reducing Class Size	Miscellaneous State Grants	Title IV-A
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	835,587	14,400	1,009,512	476,517	1,774,015	2,380,259	269,349	67,198	107,810
0	2,857	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
241,098	0	0	0	0	0	0	0	0	0
28,235	0	0	0	0	0	0	0	0	0
3,175	0	0	0	0	0	0	0	0	0
272,508	838,444	14,400	1,009,512	476,517	1,774,015	2,380,259	269,349	67,198	107,810
0	0	0	601,673	450,781	0	228,673	0	0	19,205
4,699	0	0	830	0	958,225	1,558,941	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	2,564	0	75,273	405	0	0	0
0	0	0	203,646	17,536	291,932	23,967	0	35,884	10,000
0	0	14,400	127,200	0	16,537	431,047	242,590	17,933	7,920
0	0	0	0	0	277,072	12,316	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	85,003	8,200	0	0	0	0	59,001
0	0	0	14,755	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
21,049	908,483	0	47,229	0	89,462	59,661	29,676	0	9,468
239,078	0	0	0	0	0	0	0	0	0
264,826	908,483	14,400	1,082,900	476,517	1,708,501	2,315,010	272,266	53,817	105,594
7,682	(70,039)	0	(73,388)	0	65,514	65,249	(2,917)	13,381	2,216
0	0	0	0	0	0	0	0	0	0
7,682	(70,039)	0	(73,388)	0	65,514	65,249	(2,917)	13,381	2,216
309,569	162,117	0	(12,693)	0	(106,957)	(75,329)	(4,966)	0	(4,323)
\$317,251	\$92,078	\$0	(\$86,081)	\$0	(\$41,443)	(\$10,080)	(\$7,883)	\$13,381	(\$2,107)

(continued)

Lancaster City School District, Ohio
*Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances*
Nonmajor Special Revenue Funds (Continued)
For the Fiscal Year Ended June 30, 2021

	Safety Grant	Student Wellness and Success	Literacy and Striving Readers Grant	Pandemic Support	Vocational Education	Preschool	Total Nonmajor Special Revenue Funds
Revenues							
Property Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$442,833
Intergovernmental	33,226	2,032,777	27,333	47,643	105,248	653,541	12,208,353
Interest	0	0	0	0	0	0	8,504
Tuition and Fees	0	0	0	0	0	17,494	17,494
Charges for Services	0	0	0	0	0	0	16,053
Extracurricular Activities	0	0	0	0	0	0	294,559
Gifts and Donations	0	0	0	0	0	0	43,180
Miscellaneous	0	0	0	0	0	7,401	35,799
<i>Total Revenues</i>	<u>33,226</u>	<u>2,032,777</u>	<u>27,333</u>	<u>47,643</u>	<u>105,248</u>	<u>678,436</u>	<u>13,066,775</u>
Expenditures							
Current:							
Instruction:							
Regular	0	0	5,000	0	0	0	1,309,624
Special	0	0	0	47,643	0	607,197	3,179,182
Vocational	0	0	0	0	104,675	0	104,675
Student Intervention Services	0	0	0	0	0	0	78,242
Support Services:							
Pupils	0	2,032,777	6,821	0	0	54,750	2,677,313
Instructional Staff	0	0	15,512	0	258	726	874,123
Administration	0	0	0	0	0	15,755	305,143
Fiscal	0	0	0	0	0	0	8,016
Operation and Maintenance of Plant	0	0	0	0	0	2,600	312,527
Pupil Transportation	0	0	0	0	0	1,731	16,486
Operation of Non-Instructional Services:							
Food Service Operations	0	0	0	0	0	0	2,686,840
Other Non-Instructional Services	0	0	0	0	0	0	1,221,484
Extracurricular Activities	0	0	0	0	0	0	239,078
<i>Total Expenditures</i>	<u>0</u>	<u>2,032,777</u>	<u>27,333</u>	<u>47,643</u>	<u>104,933</u>	<u>682,759</u>	<u>13,012,733</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	33,226	0	0	0	315	(4,323)	54,042
Other Financing Source							
Transfer In	0	0	0	0	0	0	20,488
<i>Net Change in Fund Balance</i>	33,226	0	0	0	315	(4,323)	74,530
<i>Fund Balances (Deficits) at Beginning of Year</i>	0	0	0	0	(193)	71,666	4,572,048
<i>Fund Balances (Deficits) at End of Year</i>	<u>\$33,226</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$122</u>	<u>\$67,343</u>	<u>\$4,646,578</u>

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Food Service Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$2,133,500	\$1,813,289	(\$320,211)
Interest	15,000	5,340	(9,660)
Charges for Services	515,520	16,286	(499,234)
Gifts and Donations	5,000	0	(5,000)
Miscellaneous	25,000	25,138	138
<i>Total Revenues</i>	<u>2,694,020</u>	<u>1,860,053</u>	<u>(833,967)</u>
Expenditures			
Current:			
Support Services:			
Central	575	0	575
Non-Instructional Services:			
Food Service Operations	<u>2,767,739</u>	<u>2,522,990</u>	<u>244,749</u>
<i>Total Expenditures</i>	<u>2,768,314</u>	<u>2,522,990</u>	<u>245,324</u>
<i>Excess of Revenues Under Expenditures</i>	(74,294)	(662,937)	(588,643)
Other Financing Source			
Operating Transfers In	<u>24,982</u>	<u>20,488</u>	<u>(4,494)</u>
<i>Net Change in Fund Balance</i>	(49,312)	(642,449)	(593,137)
<i>Fund Balance Beginning of Year</i>	858,643	858,643	0
<i>Prior Year Encumbrances Appropriated</i>	<u>96,177</u>	<u>96,177</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$905,508</u></u>	<u><u>\$312,371</u></u>	<u><u>(\$593,137)</u></u>

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Scholarship Memorial Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Interest	\$470	\$364	(\$106)
Gifts and Donations	4,000	3,465	(535)
<i>Total Revenues</i>	4,470	3,829	(641)
Expenditures			
Current:			
Non-Instructional Services:			
Community Services	4,805	1,434	3,371
<i>Net Change in Fund Balance</i>	(335)	2,395	2,730
<i>Fund Balance Beginning of Year</i>	33,035	33,035	0
<i>Prior Year Encumbrances Appropriated</i>	725	725	0
<i>Fund Balance at End of Year</i>	<u>\$33,425</u>	<u>\$36,155</u>	<u>\$2,730</u>

Lancaster City School District, Ohio
Schedule of Revenues, Expenses, and Changes
in Fund Equity - Budget and Actual (Budget Basis)
Restricted Scholarship Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Interest	\$580	\$397	(\$183)
Expenses			
Current:			
Non-Instructional Services:			
Community Services	2,825	1,526	1,299
<i>Net Change in Fund Balance</i>	(2,245)	(1,129)	1,116
<i>Fund Equity Beginning of Year</i>	39,127	39,127	0
<i>Prior Year Encumbrances Appropriated</i>	325	325	0
<i>Fund Equity at End of Year</i>	<u>\$37,207</u>	<u>\$38,323</u>	<u>\$1,116</u>

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Community Grants Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Extracurricular Activities	\$20,000	\$4,814	(\$15,186)
Expenditures			
Current:			
Instruction:			
Regular	19,153	4,727	14,426
Special	2,467	1,964	503
<i>Total Expenditures</i>	21,620	6,691	14,929
<i>Net Change in Fund Balance</i>	(1,620)	(1,877)	(257)
<i>Fund Balance Beginning of Year</i>	19,932	19,932	0
<i>Prior Year Encumbrances Appropriated</i>	622	622	0
<i>Fund Balance at End of Year</i>	\$18,934	\$18,677	(\$257)

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Classroom Facilities Maintenance Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Property Taxes	\$418,000	\$440,259	\$22,259
Intergovernmental	82,000	83,100	1,100
<i>Total Revenues</i>	<u>500,000</u>	<u>523,359</u>	<u>23,359</u>
Expenditures			
Current:			
Support Services:			
Fiscal	10,000	8,016	1,984
Operation and Maintenance of Plant	523,575	252,203	271,372
<i>Total Expenditures</i>	<u>533,575</u>	<u>260,219</u>	<u>273,356</u>
<i>Net Change in Fund Balance</i>	<u>(33,575)</u>	<u>263,140</u>	<u>296,715</u>
<i>Fund Balance Beginning of Year</i>	<u>3,241,925</u>	<u>3,241,925</u>	<u>0</u>
<i>Prior Year Encumbrances Appropriated</i>	<u>33,575</u>	<u>33,575</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$3,241,925</u></u>	<u><u>\$3,538,640</u></u>	<u><u>\$296,715</u></u>

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Student Managed Activity Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Extracurricular Activities	\$82,913	\$48,647	(\$34,266)
Gifts and Donations	18,807	11,280	(7,527)
Miscellaneous	0	85	85
<i>Total Revenues</i>	<u>101,720</u>	<u>60,012</u>	<u>(41,708)</u>
Expenditures			
Current:			
Non-Instructional Services:			
Other	96,693	60,382	36,311
<i>Net Change in Fund Balance</i>	<u>5,027</u>	<u>(370)</u>	<u>(5,397)</u>
<i>Fund Balance Beginning of Year</i>	<u>91,168</u>	<u>91,168</u>	<u>0</u>
<i>Prior Year Encumbrances Appropriated</i>	<u>4,153</u>	<u>4,153</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$100,348</u></u>	<u><u>\$94,951</u></u>	<u><u>(\$5,397)</u></u>

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
District Managed Student Activity Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Extracurricular Activities	\$283,018	\$241,098	(\$41,920)
Gifts and Donations	12,400	28,235	15,835
Miscellaneous	0	3,175	3,175
<i>Total Revenues</i>	<u>295,418</u>	<u>272,508</u>	<u>(22,910)</u>
Expenditures			
Current:			
Instruction:			
Special	7,000	4,699	2,301
Non-Instructional Services:			
Other	90,510	36,188	54,322
Extracurricular Activities	<u>338,035</u>	<u>283,188</u>	<u>54,847</u>
<i>Total Expenditures</i>	<u>435,545</u>	<u>324,075</u>	<u>111,470</u>
<i>Net Change in Fund Balance</i>	(140,127)	(51,567)	88,560
<i>Fund Balance Beginning of Year</i>	263,291	263,291	0
<i>Prior Year Encumbrances Appropriated</i>	<u>59,155</u>	<u>59,155</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$182,319</u></u>	<u><u>\$270,879</u></u>	<u><u>\$88,560</u></u>

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Auxiliary Services Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$1,031,216	\$835,587	(\$195,629)
Interest	2,654	2,913	259
<i>Total Revenues</i>	1,033,870	838,500	(195,370)
Expenditures			
Current:			
Non-Instructional Services:			
Community Services	1,030,857	1,021,994	8,863
<i>Net Change in Fund Balance</i>	3,013	(183,494)	(186,507)
<i>Fund Balance Beginning of Year</i>	142,070	142,070	0
<i>Prior Year Encumbrances Appropriated</i>	52,100	52,100	0
<i>Fund Balance at End of Year</i>	<u>\$197,183</u>	<u>\$10,676</u>	<u>(\$186,507)</u>

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Data Communications Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$18,000	\$14,400	(\$3,600)
Expenditures			
Current:			
Support Services:			
Instructional Staff	18,000	14,400	3,600
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance at End of Year</i>	\$0	\$0	\$0

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
School Emergency Relief Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$1,298,780	\$1,101,237	(\$197,543)
Expenditures			
Current:			
Instruction:			
Regular	583,093	580,134	2,959
Support Services:			
Pupils	205,452	163,249	42,203
Instructional Staff	148,433	132,314	16,119
Operation and Maintenance of Plant	177,465	104,681	72,784
Pupil Transportation	11,916	11,762	154
Non-Instructional Services:			
Community Services	47,687	47,229	458
<i>Total Expenditures</i>	<u>1,174,046</u>	<u>1,039,369</u>	<u>134,677</u>
<i>Net Change in Fund Balance</i>	124,734	61,868	(62,866)
<i>Fund Balance (Deficit) Beginning of Year</i>	(410,523)	(410,523)	0
<i>Prior Year Encumbrances Appropriated</i>	<u>285,789</u>	<u>285,789</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u><u>\$0</u></u>	<u><u>(\$62,866)</u></u>	<u><u>(\$62,866)</u></u>

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Coronavirus Relief Funding Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$476,517	\$476,517	\$0
Expenditures			
Current:			
Instruction:			
Regular	450,781	450,781	0
Support Services:			
Pupils	17,536	17,536	0
Operation and Maintenance of Plant	8,200	8,200	0
<i>Total Expenditures</i>	<u>476,517</u>	<u>476,517</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
IDEA - B Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$2,074,023	\$1,818,047	(\$255,976)
Expenditures			
Current:			
Instruction:			
Special	1,170,819	1,028,894	141,925
Student Intervention Services	84,305	74,456	9,849
Support Services:			
Pupils	363,329	329,338	33,991
Instructional Staff	26,714	21,526	5,188
Administration	322,732	292,645	30,087
Non-Instructional Services:			
Community Services	92,498	91,065	1,433
<i>Total Expenditures</i>	<u>2,060,397</u>	<u>1,837,924</u>	<u>222,473</u>
<i>Net Change in Fund Balance</i>	13,626	(19,877)	(33,503)
<i>Fund Balance (Deficit) Beginning of Year</i>	(58,394)	(58,394)	0
<i>Prior Year Encumbrances Appropriated</i>	<u>44,768</u>	<u>44,768</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$0</u>	<u>(\$33,503)</u>	<u>(\$33,503)</u>

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Title I Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$3,086,853	\$2,344,710	(\$742,143)
Expenditures			
Current:			
Instruction:			
Regular	387,705	367,886	19,819
Special	1,811,345	1,544,269	267,076
Student Intervention Services	18,582	18,582	0
Support Services:			
Pupils	90,955	30,467	60,488
Instructional Staff	676,173	454,513	221,660
Administration	27,138	22,138	5,000
Non-Instructional Services:			
Community Services	62,941	61,492	1,449
<i>Total Expenditures</i>	<u>3,074,839</u>	<u>2,499,347</u>	<u>575,492</u>
<i>Net Change in Fund Balance</i>	12,014	(154,637)	(166,651)
<i>Fund Balance (Deficit) Beginning of Year</i>	(86,027)	(86,027)	0
<i>Prior Year Encumbrances Appropriated</i>	<u>74,013</u>	<u>74,013</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u><u>\$0</u></u>	<u><u>(\$166,651)</u></u>	<u><u>(\$166,651)</u></u>

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Reducing Class Size Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$320,964	\$243,829	(\$77,135)
Expenditures			
Current:			
Support Services:			
Instructional Staff	283,433	245,574	37,859
Non-Instructional Services:			
Community Services	37,530	29,803	7,727
<i>Total Expenditures</i>	<u>320,963</u>	<u>275,377</u>	<u>45,586</u>
<i>Net Change in Fund Balance</i>	1	(31,548)	(31,549)
<i>Fund Balance (Deficit) Beginning of Year</i>	(4,707)	(4,707)	0
<i>Prior Year Encumbrances Appropriated</i>	<u>4,707</u>	<u>4,707</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u><u>\$1</u></u>	<u><u>(\$31,548)</u></u>	<u><u>(\$31,549)</u></u>

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Miscellaneous State Grants Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$67,198	\$67,198	\$0
Expenditures			
Current:			
Support Services:			
Pupils	49,265	49,261	4
Instructional Staff	17,933	17,933	0
<i>Total Expenditures</i>	67,198	67,194	4
<i>Net Change in Fund Balance</i>	0	4	4
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance at End of Year</i>	\$0	\$4	\$4

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Title IV-A Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$176,653	\$106,098	(\$70,555)
Expenditures			
Current:			
Instruction:			
Regular	6,967	1,867	5,100
Other	48,406	18,975	29,431
Support Services:			
Pupils	10,000	10,000	0
Instructional Staff	8,920	7,920	1,000
Operation and Maintenance of Plant	80,698	62,698	18,000
Operation of Non-Instructional Services:			
Community Services	20,580	15,853	4,727
<i>Total Expenditures</i>	<u>175,571</u>	<u>117,313</u>	<u>58,258</u>
<i>Net Change in Fund Balance</i>	1,082	(11,215)	(12,297)
<i>Fund Balance (Deficit) Beginning of Year</i>	(17,987)	(17,987)	0
<i>Prior Year Encumbrances Appropriated</i>	<u>16,905</u>	<u>16,905</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$0</u>	<u>(\$12,297)</u>	<u>(\$12,297)</u>

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Safety Grant Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$33,226	\$33,226	\$0
Expenditures			
Current:			
Support Services:			
Operation and Maintenance of Plant	33,226	33,226	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance at End of Year</i>	\$0	\$0	\$0

Lancaster City School District, Ohio
*Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Student Wellness and Success Fund
For the Fiscal Year Ended June 30, 2021*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$2,032,777	\$2,032,777	\$0
Expenditures			
Current:			
Support Services:			
Pupils	2,032,777	2,032,777	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance at End of Year</i>	\$0	\$0	\$0

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Striving Readers Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$15,512	\$15,512	\$0
Expenditures			
Current:			
Instructional Staff	15,512	15,512	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance at End of Year</i>	\$0	\$0	\$0

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Literacy Grant Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$17,969	\$14,790	(\$3,179)
Expenditures			
Current:			
Instruction:			
Regular Instruction	5,000	5,000	0
Support Services:			
Pupils	10,000	6,883	3,117
<i>Total Expenditures</i>	15,000	11,883	3,117
<i>Net Change in Fund Balance</i>	2,969	2,907	(62)
<i>Fund Balance (Deficit) Beginning of Year</i>	(2,969)	(2,969)	0
<i>Fund Balance (Deficit) at End of Year</i>	\$0	(\$62)	(\$62)

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Pandemic Support Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$47,643	\$47,643	\$0
Expenditures			
Current:			
Instruction:			
Special	47,643	47,643	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance at End of Year</i>	\$0	\$0	\$0

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Vocational Education Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$125,286	\$111,509	(\$13,777)
Expenditures			
Current:			
Instruction:			
Vocational	115,157	113,836	1,321
Support Services:			
Instructional Staff	2,000	2,000	0
<i>Total Expenditures</i>	<u>117,157</u>	<u>115,836</u>	<u>1,321</u>
<i>Net Change in Fund Balance</i>	8,129	(4,327)	(12,456)
<i>Fund Balance (Deficit) Beginning of Year</i>	(22,154)	(22,154)	0
<i>Prior Year Encumbrances Appropriated</i>	<u>14,025</u>	<u>14,025</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u><u>\$0</u></u>	<u><u>(\$12,456)</u></u>	<u><u>(\$12,456)</u></u>

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Preschool Tuition Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Tuition and Fees	\$25,000	\$17,494	(\$7,506)
Expenditures			
Current:			
Instruction:			
Special	73,983	14,468	59,515
Support Services:			
Pupils	500	0	500
Instructional Staff	2,600	2,600	0
<i>Total Expenditures</i>	<u>77,083</u>	<u>17,068</u>	<u>60,015</u>
<i>Net Change in Fund Balance</i>	(52,083)	426	52,509
<i>Fund Balance Beginning of Year</i>	72,023	72,023	0
<i>Prior Year Encumbrances Appropriated</i>	<u>583</u>	<u>583</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$20,523</u></u>	<u><u>\$73,032</u></u>	<u><u>\$52,509</u></u>

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Public School Preschool Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$620,000	\$520,394	(\$99,606)
Miscellaneous	7,401	7,401	0
<i>Total Revenues</i>	<u>627,401</u>	<u>527,795</u>	<u>(99,606)</u>
Expenditures			
Current:			
Instruction:			
Special	578,000	491,376	86,624
Support Services:			
Pupils	29,401	23,184	6,217
Administration	18,000	14,921	3,079
Pupil Transportation	2,000	2,000	0
<i>Total Expenditures</i>	<u>627,401</u>	<u>531,481</u>	<u>95,920</u>
<i>Net Change in Fund Balance</i>	0	(3,686)	(3,686)
<i>Fund Balance (Deficit) Beginning of Year</i>	(3,789)	(3,789)	0
<i>Prior Year Encumbrances Appropriated</i>	<u>3,789</u>	<u>3,789</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u><u>\$0</u></u>	<u><u>(\$3,686)</u></u>	<u><u>(\$3,686)</u></u>

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Preschool Special Education Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$100,028	\$74,933	(\$25,095)
Expenditures			
Current:			
Instruction:			
Special	61,774	42,904	18,870
Support Services:			
Pupils	38,254	32,824	5,430
<i>Total Expenditures</i>	<u>100,028</u>	<u>75,728</u>	<u>24,300</u>
<i>Net Change in Fund Balance</i>	0	(795)	(795)
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$0</u>	<u>(\$795)</u>	<u>(\$795)</u>

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Public School Support Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Rent	\$1,000	\$724	(\$276)
Extracurricular Activities	50,036	21,576	(28,460)
Gifts and Donations	21,070	12,714	(8,356)
Miscellaneous	3,929	250	(3,679)
<i>Total Revenues</i>	<u>76,035</u>	<u>35,264</u>	<u>(40,771)</u>
Expenditures			
Current:			
Instruction:			
Regular	10,500	2,000	8,500
Vocational	300	0	300
Non-Instructional Services:			
Other	102,598	54,029	48,569
<i>Total Expenditures</i>	<u>113,398</u>	<u>56,029</u>	<u>57,369</u>
<i>Net Change in Fund Balance</i>	<u>(37,363)</u>	<u>(20,765)</u>	<u>16,598</u>
<i>Fund Balance Beginning of Year</i>	104,649	104,649	0
<i>Prior Year Encumbrances Appropriated</i>	<u>7,794</u>	<u>7,794</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$75,080</u></u>	<u><u>\$91,678</u></u>	<u><u>\$16,598</u></u>

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Termination Benefits Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
<i>Total Revenues</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Expenditures			
Current:			
Instruction:			
Regular	199,850	112,879	86,971
Special	40,150	16,736	23,414
Support Services:			
Administration	50,000	0	50,000
Operation and Maintenance of Plant	10,000	5,026	4,974
<i>Total Expenditures</i>	<u>300,000</u>	<u>134,641</u>	<u>165,359</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(300,000)</u>	<u>(134,641)</u>	<u>165,359</u>
Other Financing Source			
Transfers In	<u>290,000</u>	<u>134,000</u>	<u>(156,000)</u>
<i>Net Change in Fund Balance</i>	<u>(10,000)</u>	<u>(641)</u>	<u>9,359</u>
<i>Fund Balance Beginning of Year</i>	<u>1,000,921</u>	<u>1,000,921</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$990,921</u></u>	<u><u>\$1,000,280</u></u>	<u><u>\$9,359</u></u>

Lancaster City School District, Ohio

Major Debt Service Fund

The debt service fund is used to account for and report financial resources that are restricted to expenditure for principal and interest on general obligation debt. Following is a description of the non major debt service fund:

Bond Retirement Fund – This fund accounts for restricted levy proceeds to pay for general obligation bonded debt.

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Bond Retirement Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Property Taxes	\$2,650,000	\$5,059,653	\$2,409,653
Intergovernmental	323,000	373,450	50,450
<i>Total Revenues</i>	<u>2,973,000</u>	<u>5,433,103</u>	<u>2,460,103</u>
Expenditures			
Current:			
Support Services:			
Fiscal	94,000	92,917	1,083
Debt Service:			
Principal Retirement	2,085,877	2,084,881	996
Interest and Fiscal Charges	4,706,527	4,484,508	222,019
Capital Appreciation Bond Accretion	160,119	160,119	0
<i>Total Expenditures</i>	<u>7,046,523</u>	<u>6,822,425</u>	<u>224,098</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(4,073,523)</u>	<u>(1,389,322)</u>	<u>2,684,201</u>
Other Financing Sources (Use)			
Refunding Bonds Issued	14,150,000	12,700,000	(1,450,000)
Payment to Refunded Bond Escrow Agent	(14,150,000)	(12,700,000)	1,450,000
Transfer In	1,891,088	1,891,088	0
<i>Total Other Financing Sources (Use)</i>	<u>1,891,088</u>	<u>1,891,088</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(2,182,435)</u>	<u>501,766</u>	<u>2,684,201</u>
<i>Fund Balance Beginning of Year</i>	<u>2,819,275</u>	<u>2,819,275</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$636,840</u></u>	<u><u>\$3,321,041</u></u>	<u><u>\$2,684,201</u></u>

Lancaster City School District, Ohio

Capital Projects Funds

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlay including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary fund or for assets that will be held in trust. Following is a description of the major capital projects funds:

Major Capital Projects Fund

School Building Construction Fund - To account for the restricted bond proceeds used for the upgrades in construction of the two new junior high school buildings and the local share of the new high school building which are all being built through the Ohio Facilities Construction Commission project.

Nonmajor Capital Projects Funds

Permanent Improvement Fund - To account for and report the funds assigned for acquisition, construction, or improvement of capital facilities other than those financed by proprietary and trust funds. Some monies have been committed for the purpose of roof maintenance, a new football field press box, and new junior high baseball and softball fields. This fund receives minor donations and extracurricular revenues used for capital related purposes but the majority of the fund balance is from transfers from the general fund.

Classroom Facilities Fund - To account for the receipts and expenditures from the Ohio Facilities Construction Commission and the School District's local share for the construction of school buildings.

Building and Improvement Fund - To account for and report the funds committed for repairs and improvements to the high school building and other non-Ohio Facilities Construction Commission School District buildings. The fund was created under Ohio Revised Code 5705.13. To date, this fund consists of money transferred from the general fund which is allowed by Ohio Revised Code 5705.14 (e).

School Bus Purchase Program Fund - To account for and report the receipts and expenditures from the State grant restricted for school bus purchases.

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
School Building Construction Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Interest	\$234,000	\$238,460	\$4,460
Expenditures			
Capital Outlay	51,474,473	8,679,864	42,794,609
<i>Net Change in Fund Balance</i>	(51,240,473)	(8,441,404)	42,799,069
<i>Fund Balance Beginning of Year</i>	66,656,155	66,656,155	0
<i>Prior Year Encumbrances Appropriated</i>	1,304,473	1,304,473	0
<i>Fund Balance at End of Year</i>	<u>\$16,720,155</u>	<u>\$59,519,224</u>	<u>\$42,799,069</u>

Lancaster City School District, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2021

	Permanent Improvement	Classroom Facilities	Building and Improvement	Total Nonmajor Capital Projects Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$4,769,455	\$1,026,001	\$7,360,000	\$13,155,456
Investments	0	2,858,548	0	2,858,548
Restricted Assets Cash and Cash Equivalents	0	347,513	0	347,513
Intergovernmental Receivables	0	276,856	0	276,856
<i>Total Assets</i>	<u>\$4,769,455</u>	<u>\$4,508,918</u>	<u>\$7,360,000</u>	<u>\$16,638,373</u>
Liabilities				
Accounts Payable	\$47,101	\$0	\$0	\$47,101
Retainage Payable	0	347,513	0	347,513
<i>Total Liabilities</i>	<u>47,101</u>	<u>347,513</u>	<u>0</u>	<u>394,614</u>
Deferred Inflows of Resources				
Unavailable Revenue	0	276,856	0	276,856
Fund Balances				
Restricted	0	3,884,549	0	3,884,549
Committed	0	0	7,360,000	7,360,000
Assigned	4,722,354	0	0	4,722,354
<i>Total Fund Balances</i>	<u>4,722,354</u>	<u>3,884,549</u>	<u>7,360,000</u>	<u>15,966,903</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$4,769,455</u>	<u>\$4,508,918</u>	<u>\$7,360,000</u>	<u>\$16,638,373</u>

Lancaster City School District, Ohio
*Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2021*

	Permanent Improvement	Classroom Facilities	Building and Improvement	School Bus Purchase Program	Total Nonmajor Capital Projects Funds
Revenues					
Intergovernmental	\$0	\$1,281,094	\$0	\$43,312	\$1,324,406
Interest	0	10,441	0	0	10,441
Gifts and Donations	11,535	0	0	0	11,535
Miscellaneous	371	13,571	0	0	13,942
<i>Total Revenues</i>	<u>11,906</u>	<u>1,305,106</u>	<u>0</u>	<u>43,312</u>	<u>1,360,324</u>
Expenditures					
Current:					
Support Services:					
Operation and Maintenance of Plant	47,101	0	0	0	47,101
Pupil Transportation	0	0	0	43,312	43,312
Extracurricular Activities	389,056	0	0	0	389,056
Capital Outlay	83,718	2,782,679	0	0	2,866,397
<i>Total Expenditures</i>	<u>519,875</u>	<u>2,782,679</u>	<u>0</u>	<u>43,312</u>	<u>3,345,866</u>
<i>Excess of Revenues Under Expenditures</i>	(507,969)	(1,477,573)	0	0	(1,985,542)
Other Financing Source					
Transfers In	250,000	0	340,000	0	590,000
<i>Net Change in Fund Balances</i>	(257,969)	(1,477,573)	340,000	0	(1,395,542)
<i>Fund Balances Beginning of Year</i>	<u>4,980,323</u>	<u>5,362,122</u>	<u>7,020,000</u>	<u>0</u>	<u>17,362,445</u>
<i>Fund Balances End of Year</i>	<u>\$4,722,354</u>	<u>\$3,884,549</u>	<u>\$7,360,000</u>	<u>\$0</u>	<u>\$15,966,903</u>

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Permanent Improvement Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Gifts and Donations	\$5,000	\$11,535	\$6,535
Miscellaneous	750	371	(379)
<i>Total Revenues</i>	<u>5,750</u>	<u>11,906</u>	<u>6,156</u>
Expenditures			
Current:			
Support Services:			
Operation and Maintenance of Plant	48,000	47,101	899
Extracurricular Activities	468,598	461,758	6,840
Capital Outlay	995,359	83,718	911,641
<i>Total Expenditures</i>	<u>1,511,957</u>	<u>592,577</u>	<u>919,380</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,506,207)</u>	<u>(580,671)</u>	<u>925,536</u>
Other Financing Source			
Transfers In	250,000	250,000	0
<i>Net Change in Fund Balance</i>	<u>(1,256,207)</u>	<u>(330,671)</u>	<u>925,536</u>
<i>Fund Balance Beginning of Year</i>	<u>4,521,067</u>	<u>4,521,067</u>	<u>0</u>
<i>Prior Year Encumbrances Appropriated</i>	<u>511,958</u>	<u>511,958</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$3,776,818</u></u>	<u><u>\$4,702,354</u></u>	<u><u>\$925,536</u></u>

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Classroom Facilities Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$1,557,950	\$1,281,094	(\$276,856)
Interest	49,500	44,428	(5,072)
Miscellaneous	0	13,571	13,571
<i>Total Revenues</i>	<u>1,607,450</u>	<u>1,339,093</u>	<u>(268,357)</u>
Expenditures			
Capital Outlay	<u>7,745,088</u>	<u>7,205,328</u>	<u>539,760</u>
<i>Net Change in Fund Balance</i>	<u>(6,137,638)</u>	<u>(5,866,235)</u>	<u>271,403</u>
<i>Fund Balance Beginning of Year</i>	<u>1,260,846</u>	<u>1,260,846</u>	<u>0</u>
<i>Prior Year Encumbrances Appropriated</i>	<u>6,745,088</u>	<u>6,745,088</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$1,868,296</u></u>	<u><u>\$2,139,699</u></u>	<u><u>\$271,403</u></u>

Lancaster City School District, Ohio
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
Building and Improvement Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
<i>Total Revenues</i>	\$0	\$0	\$0
Expenditures			
Capital Outlay	3,000,000	0	3,000,000
<i>Excess of Revenues Under Expenditures</i>	(3,000,000)	0	3,000,000
Other Financing Source			
Transfers In	6,235,000	340,000	(5,895,000)
<i>Net Change in Fund Balance</i>	3,235,000	340,000	(2,895,000)
<i>Fund Balance Beginning of Year</i>	7,020,000	7,020,000	0
<i>Fund Balance at End of Year</i>	<u>\$10,255,000</u>	<u>\$7,360,000</u>	<u>(\$2,895,000)</u>

Lancaster City School District, Ohio
*Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual (Budget Basis)
School Bus Purchase Program Fund
For the Fiscal Year Ended June 30, 2021*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Interest	\$43,312	\$43,312	\$0
Expenditures			
Current:			
Support Services:			
Pupil Transportation	43,312	43,312	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance at End of Year</i>	\$0	\$0	\$0

Lancaster City School District, Ohio

Internal Service Fund

The internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the School District on a cost-reimbursement basis.

The Employee Benefits Self Insurance Fund - This fund accounts for the operation of the School District's self-insurance program for employee medical, surgical, prescription drug, and dental claims.

Lancaster City School District, Ohio
Schedule of Revenues, Expenses, and Changes
in Fund Equity - Budget and Actual (Budget Basis)
Employee Benefits Self Insurance Fund
For the Fiscal Year Ended June 30, 2021

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues			
Charges for Services	\$15,000,000	\$14,902,050	(\$97,950)
Expenses			
Current:			
Support Services:			
Central:			
Purchased Services	4,039	4,039	0
Claims	14,995,961	14,956,764	39,197
<i>Total Expenses</i>	<u>15,000,000</u>	<u>14,960,803</u>	<u>39,197</u>
<i>Net Change in Fund Balance</i>	0	(58,753)	(58,753)
<i>Fund Equity Beginning of Year</i>	<u>138,533</u>	<u>138,533</u>	<u>0</u>
<i>Fund Equity at End of Year</i>	<u>\$138,533</u>	<u>\$79,780</u>	<u>(\$58,753)</u>

Lancaster City School District, Ohio

Fiduciary Fund

Custodial Fund

Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. These funds do not account for the School District's own source revenue. The following is a description of the School District's custodial fund:

Tournament Account Fund – To account for monies held by the School District to be distributed for the benefit of the Ohio High School Athletic Association (OHSAA) athletic tournaments. For fiscal year 2021, there was no Statement of Fiduciary Net Position. The Statement of Changes in Fiduciary Net Position is located on page 28.

Statistical Section



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Statistical Section

This part of the School District's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the School District's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the School District's financial position has changed over time.	S2-S13
Revenue Capacity These schedules contain information to help the reader understand and assess the factors affecting the School District's ability to generate its most significant local revenue source, property tax.	S14-S23
Debt Capacity These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	S24-S29
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	S30-S31
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	S32-S49

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

Lancaster City School District, Ohio
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2012	2013	2014 (1)	2015
Net Investment in Capital Assets	\$10,124,925	\$11,590,278	\$16,476,059	\$25,740,188
Restricted for:				
School Building Construction (4)	0	0	0	0
Classroom Facilities Construction	0	25,597,562	22,362,386	12,273,013
Capital Projects	0	0	9,781	1,168,539
Debt Service	0	1,326,932	716,983	851,463
Classroom Facilities Maintenance	0	286,129	752,867	1,232,636
District and Student Managed Activities	154,599	170,742	153,612	175,593
Auxiliary Services	177,517	68,165	76,104	47,067
IDEA - B (6)	829,513	732,038	317,303	145,107
Title I (7)	145,829	458,680	216,280	172,927
Food Service	832,212	1,046,964	1,214,943	1,212,855
Other Purposes	274,036	211,330	150,853	326,308
Federal and State Grants (2)	0	0	0	0
Community Grants and Contributions (2)	0	0	0	0
Unrestricted (Deficits)	42,864,021	43,400,056	(39,619,703)	(33,238,007)
Total Net Position	\$55,402,652	\$84,888,876	\$2,827,468	\$10,107,689

- (1) The School District reported the impact of GASB Statement No. 68 beginning in fiscal year 2014.
(2) Prior to 2017 these amounts were combined with Other Purposes.
(3) The School District reported the impact of GASB Statement No. 75 beginning in fiscal year 2017.
(4) Prior to 2020 these amounts were combined with Capital Projects.
(5) The School District reported the impact of GASB Statement No. 84 beginning in fiscal year 2019.
(6) After 2016 these amounts were combined with Federal and State Grants.
(7) After 2015 these amounts were combined with Federal and State Grants.

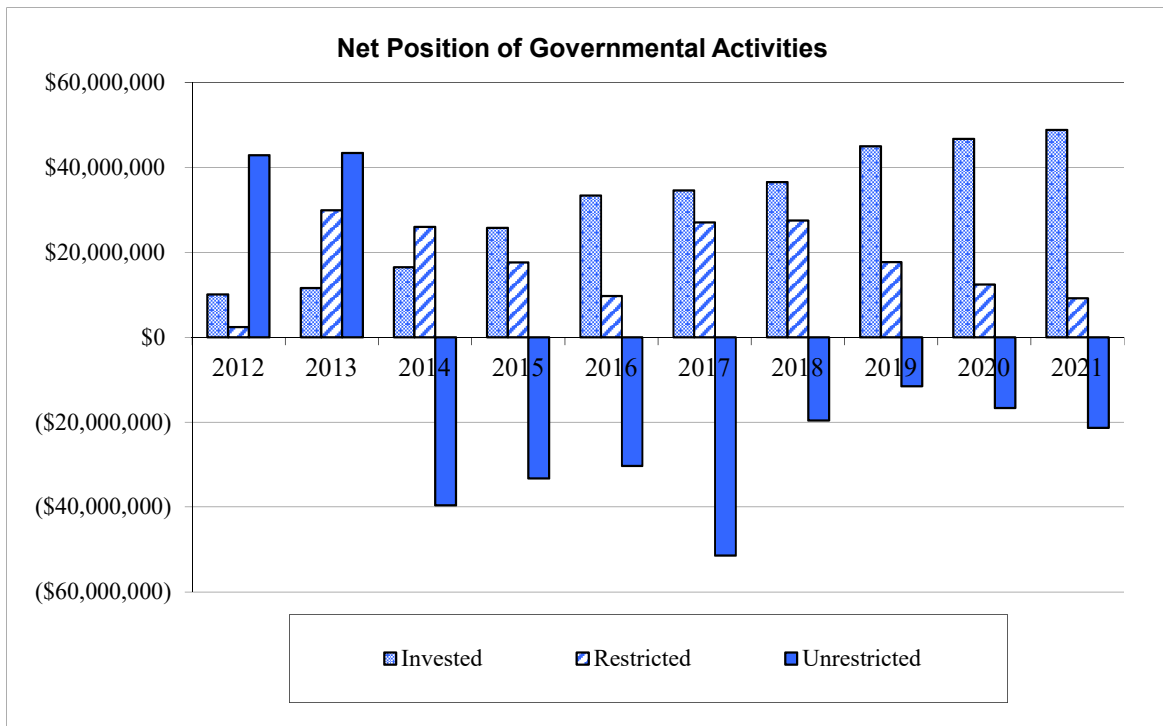


TABLE 1

2016	2017 (3)	2018	2019 (5)	2020	2021
\$33,343,775	\$34,593,562	\$36,559,735	\$44,963,445	\$46,706,563	\$48,796,097
0	0	0	0	2,135,551	1,475,143
3,825,043	22,111,463	21,949,481	11,165,596	4,812,264	2,540,991
1,586,307	1,309,785	1,449,778	1,531,970	0	0
993,593	0	0	0	0	0
1,683,588	2,098,304	2,524,724	2,963,816	3,344,228	3,685,381
179,302	190,573	211,020	346,594	404,795	416,943
63,567	25,650	120,871	60,943	162,315	92,207
62,892	0	0	0	0	0
0	0	0	0	0	0
1,191,674	1,051,082	894,019	715,373	653,365	296,661
92,365	0	0	0	0	0
0	216,427	302,172	856,025	817,345	642,117
0	15,969	18,164	58,610	60,067	59,321
(30,303,481)	(51,439,305)	(19,604,067)	(11,573,590)	(16,670,336)	(21,383,166)
\$12,718,625	\$10,173,510	\$44,425,897	\$51,088,782	\$42,426,157	\$36,621,695

Lancaster City School District, Ohio
Changes in Net Position of Governmental Activities
Last Ten Fiscal Years
(accrual basis of accounting)

	2012	2013	2014	2015 (1)
Expenses				
Regular Instruction	\$27,582,357	\$27,890,107	\$29,848,634	\$29,708,171
Special Instruction	6,734,872	7,794,149	10,217,253	9,651,160
Vocational Instruction	1,861,495	1,758,521	1,974,580	1,923,408
Student Intervention Services	89,895	3,174	174,512	260,881
Pupils Support Services	3,816,291	3,282,144	3,597,290	3,865,507
Instructional Staff Support Services	4,143,502	4,068,497	2,279,993	2,816,972
Board of Education Support Services	159,360	192,292	67,899	92,128
Administration Support Services	4,363,280	4,466,574	4,315,917	4,297,909
Fiscal Support Services	1,223,058	1,338,643	1,518,643	1,502,900
Business Support Services	276,541	297,066	302,839	290,761
Operation and Maintenance of				
Plant Support Services	4,858,140	6,118,563	6,567,218	4,938,089
Pupil Transportation Support Services	1,898,371	1,888,965	1,982,221	2,016,563
Central Support Services	897,022	930,175	1,147,639	1,011,934
Food Service Operations	2,604,226	2,595,416	2,579,805	2,709,448
Other Operation of Non-				
Instructional Services	1,051,937	1,205,901	1,004,579	991,078
Extracurricular Activities	1,236,389	1,260,333	1,280,481	1,293,274
Interest and Fiscal Charges	37,373	2,222,824	2,557,104	2,528,146
<i>Total Expenses</i>	<i>62,834,109</i>	<i>67,313,344</i>	<i>71,416,607</i>	<i>69,898,329</i>
Program Revenues				
Charges for Services				
Regular Instruction	938,378	749,921	867,120	988,590
Special Instruction	108,523	258,463	300,429	209,001
Vocational Instruction	48,254	52,492	78,097	103,288
Pupils Support Services	28,577	24,898	6,302	6,387
Instructional Staff Support Services	46	0	0	238
Administration Support Services	1,767	115,824	120,294	17,276
Operation and Maintenance of				
Plant Support Services	129,251	131,918	110,416	103,105
Pupil Transportation Support Services	17,179	19,743	20,545	20,560
Food Service Operations	737,163	652,895	573,579	533,732
Other Operation of Non-				
Instructional Services	170,080	195,446	146,532	115,456
Extracurricular Activities	338,384	329,327	317,986	345,615
Operating Grants, Contributions, and Interest				
Regular Instruction	942,726	639,781	530,186	1,723,429
Special Instruction	3,426,182	4,041,995	5,700,993	5,945,696
Vocational Instruction	532,314	492,743	366,636	496,989
Student Intervention Services	0	0	106,224	147,149
Pupils Support Services	570,319	209,826	220,381	258,411
Instructional Staff Support Services	1,498,589	1,050,092	246,445	763,570

TABLE 2

2016	2017	2018 (2)	2019 (3)	2020	2021
\$29,700,108	\$31,674,609	\$14,186,565	\$27,615,492	\$35,333,529	\$39,192,261
11,020,872	11,806,914	6,443,215	11,434,335	15,271,683	15,806,174
2,024,594	2,122,086	912,083	1,821,216	2,193,813	2,469,736
180,818	211,613	206,719	281,920	259,874	282,661
4,208,387	5,175,261	2,671,564	4,653,583	6,283,001	6,981,917
2,618,263	2,695,038	2,045,335	3,024,346	4,255,350	4,206,942
102,519	155,000	88,258	99,806	88,861	127,797
4,711,867	5,384,707	2,251,147	4,786,808	6,584,329	6,704,871
1,523,603	1,620,955	1,543,008	1,608,601	1,768,133	1,832,963
331,799	364,667	342,391	361,874	384,077	398,058
5,891,773	7,354,044	5,130,324	5,220,033	10,024,152	5,818,896
2,227,854	2,526,574	2,524,533	3,044,950	3,593,687	3,537,584
1,190,186	1,175,341	850,855	1,155,006	1,182,582	1,137,847
3,123,926	3,254,245	3,045,637	3,171,517	3,213,995	3,154,878
1,038,093	1,134,373	992,211	4,078,884	1,079,677	1,302,634
1,857,024	1,852,100	1,866,475	2,109,839	1,717,313	2,059,870
2,532,837	3,217,408	3,123,744	3,082,651	2,997,516	4,463,473
74,284,523	81,724,935	48,224,064	77,550,861	96,231,572	99,478,562
1,075,346	1,131,977	1,172,302	1,162,511	1,103,530	1,209,046
98,405	282,708	160,790	170,750	228,677	184,581
81,305	78,237	86,030	27,143	25,124	21,310
0	0	0	0	788	0
1,313	2,095	7,527	0	0	0
7,084	0	0	43,036	41,667	485
88,412	73,525	116,273	199,546	230,349	139,418
23,742	15,922	9,524	6,904	5,438	0
527,806	499,615	496,726	480,008	310,020	8,524
199,658	124,204	133,319	326,318	191,556	90,480
318,142	345,516	398,522	387,084	305,804	300,798
533,751	299,445	157,096	199,505	402,639	1,294,270
6,792,284	6,898,413	7,096,388	8,251,427	7,962,363	7,866,197
444,602	549,130	612,295	571,175	559,940	571,453
133,416	174,189	186,997	82,823	78,305	72,999
335,598	305,443	326,856	395,148	1,760,530	2,671,278
158,207	343,999	321,093	464,366	966,239	846,221

(Continued)

Lancaster City School District, Ohio
Changes in Net Position of Governmental Activities
Last Ten Fiscal Years
(accrual basis of accounting) (Continued)

	2012	2013	2014	2015 (1)
Operating Grants, Contributions, and Interest				
Administration Support Services	\$308,105	\$338,369	\$415,640	\$482,832
Fiscal Support Services	0	27,911	52,337	51,927
Operation and Maintenance of				
Plant Support Services	0	26,989	0	70,378
Pupil Transportation Support Services	112,226	153,141	152,160	168,817
Central Support Services	24,737	21,600	0	0
Food Service Operations	2,015,424	2,096,846	2,088,784	2,074,633
Other Operation of Non-				
Instructional Services	991,955	910,871	806,292	871,401
Extracurricular Activities	0	1,896	1,038	244
Capital Grants and Contributions				
Regular Instruction	0	157,417	0	0
Special Instruction	0	48,280	0	0
Vocational Instruction	0	11,943	0	0
Pupils Support Services	0	23,248	0	0
Instructional Staff Support Services	0	55,420	0	0
Administration Support Services	0	30,403	0	912
Fiscal Support Services	0	3,570	0	0
Business Support Services	0	1,785	0	0
Operation and Maintenance of				
Plant Support Services	0	31,578	0	0
Pupil Transportation Support Services	0	31,112	3,700	0
Central Support Services	0	2,975	0	0
Food Service Operations	0	31,578	0	0
Other Operation of Non-				
Instructional Services	0	1,785	0	0
Extracurricular Activities	1,056	6,887	3	16,224
Total Program Revenues	12,941,235	12,980,968	13,232,119	15,515,860
Net Expense	(49,892,874)	(54,332,376)	(58,184,488)	(54,382,469)
General Revenues				
Property Taxes Levied for:				
General Purposes	19,355,151	20,265,836	21,853,496	20,985,094
Debt Service	0	1,798,935	3,081,621	2,612,314
Classroom Facilities Maintenance	0	264,526	423,255	436,839
Income Taxes Levied for General Purposes	10,297,991	10,447,432	10,977,817	11,076,920
Grants and Entitlements not				
Restricted to Specific Programs	22,571,044	50,369,829	23,626,572	25,577,379
Gain on Sale of Capital Assets	6,324	23,138	24,884	1,715
Payment in Lieu of Taxes	99,473	168,385	119,261	130,635
Unrestricted Contributions	15,130	6,403	5,358	1,148
Investment Earnings	279,429	188,017	575,118	523,283
Miscellaneous	64,627	286,099	119,890	317,363
Total General Revenues	52,689,169	83,818,600	60,807,272	61,662,690
Change in Net Position	\$2,796,295	\$29,486,224	\$2,622,784	\$7,280,221

(1) Expenses are first impacted by the implementation of GASB Statement No. 68 beginning in fiscal year 2015.

(2) Expenses are first impacted by the implementation of GASB Statement No. 75 beginning in fiscal year 2018.

(3) Implemented GASB Statement No. 84 in fiscal year 2020 and restated fiscal year 2019.

TABLE 2

2016	2017	2018 (2)	2019 (3)	2020	2021
\$218,156	\$408,448	\$106,571	\$195,139	\$228,147	\$301,587
40,195	9,130	5,924	12,627	5,354	4,019
11,169	41,497	44,383	233,795	139,394	265,744
131,988	166,917	174,666	155,820	232,802	163,422
0	0	0	0	0	0
2,297,069	2,316,336	2,178,953	2,187,555	2,282,374	2,295,100
840,735	964,782	1,022,700	1,084,179	991,662	1,092,100
1,124	0	0	0	35,659	28,235
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
41	186	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	1,246
0	0	0	0	48,484	0
0	0	0	0	0	43,312
0	0	0	0	0	0
0	0	0	0	0	0
1,711	4,825	1,077	7,075	123,598	10,289
14,361,259	15,036,539	14,816,012	16,643,934	18,260,443	19,482,114
(59,923,264)	(66,688,396)	(33,408,052)	(60,906,927)	(77,971,129)	(79,996,448)
21,108,780	21,725,046	23,033,869	20,614,576	23,306,355	24,938,299
2,639,222	2,562,761	2,726,800	2,303,339	2,710,565	5,564,756
411,175	412,558	443,747	382,210	426,310	423,792
11,639,038	12,205,606	12,257,559	12,859,173	13,134,382	14,171,831
25,751,582	47,910,599	27,045,954	27,301,635	26,400,833	27,259,320
0	0	69,075	5,841	0	0
90,674	104,193	244,740	329,324	344,430	350,235
3,350	2,432	1,000	1,000	0	5,480
777,493	564,600	1,170,281	2,745,023	2,286,667	389,347
112,886	208,850	667,414	1,027,691	698,962	1,088,926
62,534,200	85,696,645	67,660,439	67,569,812	69,308,504	74,191,986
\$2,610,936	\$19,008,249	\$34,252,387	\$6,662,885	(\$8,662,625)	(\$5,804,462)

Lancaster City School District, Ohio
Program Revenues by Function
Last Ten Fiscal Years
(accrual basis of accounting)

<i>Function</i>	2012	2013	2014	2015
Regular Instruction	\$1,881,104	\$1,547,119	\$1,397,306	\$2,712,019
Special Instruction	3,534,705	4,348,738	6,001,422	6,154,697
Vocational Instruction	580,568	557,178	444,733	600,277
Student Intervention Services	0	0	106,224	147,149
Pupils Support Services	598,896	257,972	226,683	264,798
Instructional Staff Support Services	1,498,635	1,105,512	246,445	763,808
Administration Support Services	309,872	484,596	535,934	501,020
Fiscal Support Services	0	31,481	52,337	51,927
Business Support Services	0	1,785	0	0
Operation and Maintenance of Plant Support Services	129,251	190,485	110,416	173,483
Pupil Transportation Support Services	129,405	203,996	176,405	189,377
Central Support Services	24,737	24,575	0	0
Food Service Operations	2,752,587	2,781,319	2,662,363	2,608,365
Other Operation of Non-Instructional Services	1,162,035	1,108,102	952,824	986,857
Extracurricular Activities	339,440	338,110	319,027	362,083
Total Program Revenues	\$12,941,235	\$12,980,968	\$13,232,119	\$15,515,860

(1) Implemented GASB Statement No. 84 in fiscal year 2020 and restated fiscal year 2019.

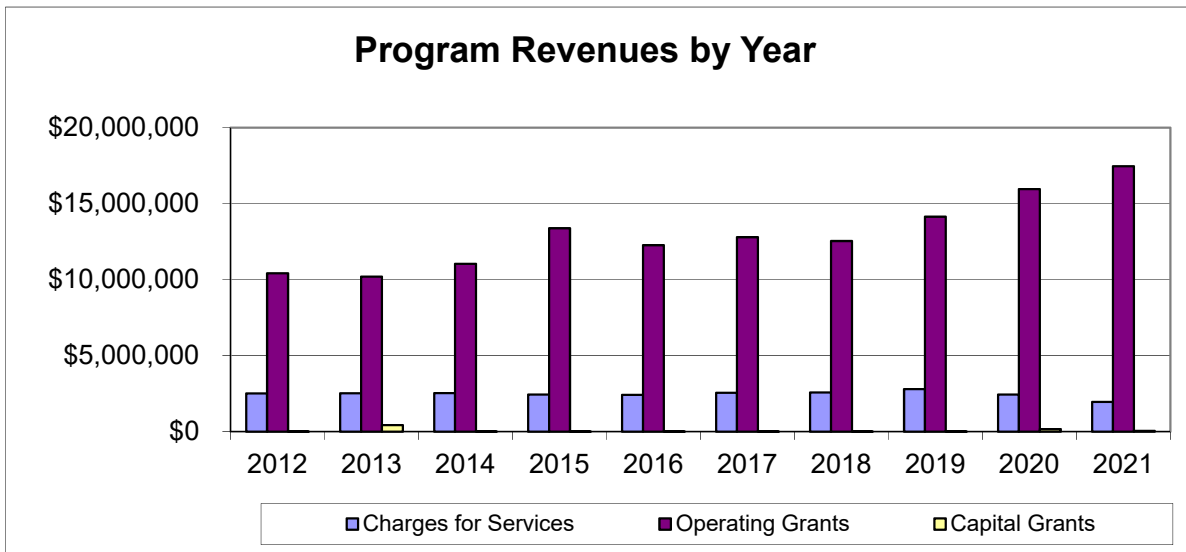


TABLE 3

2016	2017	2018	2019 (1)	2020	2021
\$1,609,097	\$1,431,422	\$1,329,398	\$1,362,016	\$1,506,169	\$2,503,316
6,890,689	7,181,121	7,257,178	8,422,177	8,191,040	8,050,778
525,907	627,367	698,325	598,318	585,064	592,763
133,416	174,189	186,997	82,823	78,305	72,999
335,598	305,443	326,856	395,148	1,761,318	2,671,278
159,520	346,094	328,620	464,366	966,239	846,221
225,281	408,634	106,571	238,175	269,814	302,072
40,195	9,130	5,924	12,627	5,354	4,019
0	0	0	0	0	0
99,581	115,022	160,656	433,341	369,743	406,408
155,730	182,839	184,190	162,724	286,724	206,734
0	0	0	0	0	0
2,824,875	2,815,951	2,675,679	2,667,563	2,592,394	2,303,624
1,040,393	1,088,986	1,156,019	1,410,497	1,183,218	1,182,580
320,977	350,341	399,599	394,159	465,061	339,322
<u>\$14,361,259</u>	<u>\$15,036,539</u>	<u>\$14,816,012</u>	<u>\$16,643,934</u>	<u>\$18,260,443</u>	<u>\$19,482,114</u>

Lancaster City School District, Ohio
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2012	2013	2014	2015
General Fund				
Nonspendable	\$192,201	\$233,871	\$272,265	\$285,634
Committed	1,487,757	1,537,138	959,770	873,019
Assigned	2,663,482	1,574,861	791,069	1,676,847
Unassigned	23,888,980	27,454,346	33,724,581	38,430,356
<i>Total General Fund</i>	<u>28,232,420</u>	<u>30,800,216</u>	<u>35,747,685</u>	<u>41,265,856</u>
Bond Retirement				
Restricted	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
School Building Construction				
Restricted	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Classroom Facilities				
Nonspendable	0	0	6,553	0
Restricted	<u>0</u>	<u>56,238,658</u>	<u>60,020,664</u>	<u>38,957,959</u>
<i>Total Classroom Facilities</i>	<u>0</u>	<u>56,238,658</u>	<u>60,027,217</u>	<u>38,957,959</u>
All Other Governmental Funds				
Nonspendable	19,740	134,727	139,998	58,698
Restricted	1,274,814	14,010,684	11,595,365	8,731,470
Committed	129,304	141,911	124,935	671,378
Assigned	7,437,921	6,585,818	4,797,228	4,641,314
Unassigned (Deficits)	<u>(165,668)</u>	<u>(53,785)</u>	<u>(127,249)</u>	<u>(106,934)</u>
<i>Total All Other Governmental Funds</i>	<u>8,696,111</u>	<u>20,819,355</u>	<u>16,530,277</u>	<u>13,995,926</u>
<i>Total Governmental Funds</i>	<u><u>\$36,928,531</u></u>	<u><u>\$107,858,229</u></u>	<u><u>\$112,305,179</u></u>	<u><u>\$94,219,741</u></u>

(1) Implemented GASB Statement No. 84 in fiscal year 2020 and restated fiscal year 2019.

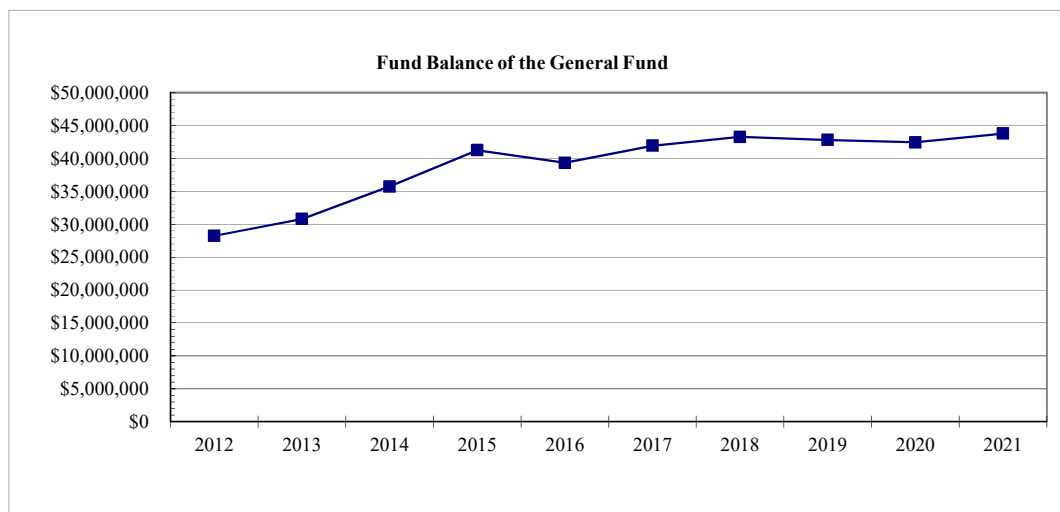


TABLE 4

2016	2017	2018	2019 (1)	2020	2021
\$417,286	\$471,733	\$628,459	\$459,616	\$460,319	\$595,877
1,638,158	1,296,633	1,061,934	1,293,851	1,566,406	1,562,706
2,829,153	2,264,369	6,544,528	4,956,692	17,732,954	10,070,931
34,463,767	37,902,931	35,051,530	36,100,253	22,693,058	31,563,114
39,348,364	41,935,666	43,286,451	42,810,412	42,452,737	43,792,628
0	0	0	0	0	4,003,612
0	0	0	0	67,452,262	65,384,830
0	0	0	0	0	0
15,982,647	34,654,860	40,090,999	17,764,044	5,362,122	0
15,982,647	34,654,860	40,090,999	17,764,044	5,362,122	0
16,451	20,468	19,533	19,251	40,941	91,958
8,541,256	11,244,410	9,981,689	10,561,442	7,729,084	8,502,583
6,838,140	6,567,132	7,061,513	6,438,536	7,575,697	7,477,961
4,591,434	4,380,495	2,933,063	5,079,454	4,530,068	4,722,354
(176,250)	(33,376)	(104,345)	(90,987)	(219,539)	(181,375)
19,811,031	22,179,129	19,891,453	22,007,696	19,656,251	20,613,481
\$75,142,042	\$98,769,655	\$103,268,903	\$82,582,152	\$134,923,372	\$133,794,551

Lancaster City School District, Ohio
Changes in Fund Balances, Governmental Funds (1)
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2012	2013	2014	2015
Revenues				
Property Taxes	\$18,670,963	\$22,154,415	\$25,820,261	\$24,259,446
Payment in Lieu of Taxes	90,883	122,423	156,129	133,404
Income Taxes	10,274,903	10,468,860	10,919,272	11,159,854
Intergovernmental	32,914,732	37,282,526	44,252,133	49,667,754
Interest	201,627	162,021	578,441	489,546
Tuition and Fees	1,082,139	1,168,376	1,334,027	1,254,670
Charges for Services	737,163	652,895	573,579	533,732
Rent	130,816	133,272	111,739	104,292
Extracurricular Activities	567,484	576,384	521,955	550,554
Gifts and Donations	88,646	77,331	67,971	49,892
Miscellaneous	64,627	281,799	124,190	317,363
<i>Total Revenues</i>	<u>64,823,983</u>	<u>73,080,302</u>	<u>84,459,697</u>	<u>88,520,507</u>
Expenditures				
Current:				
Instruction:				
Regular	27,325,710	27,812,378	29,012,986	28,985,611
Special	6,782,966	7,772,205	9,826,230	9,705,078
Vocational	1,796,053	1,780,656	1,845,123	1,905,290
Student Intervention Services	88,813	2,058	173,296	248,690
Support Services:				
Pupils	3,777,464	3,289,153	3,508,400	3,698,365
Instructional Staff	4,072,815	3,994,307	2,309,927	2,729,325
Board of Education	159,360	192,292	67,899	92,245
Administration	4,153,291	4,368,763	4,328,975	4,299,622
Fiscal	1,211,820	1,327,490	1,500,199	1,497,487
Business	272,601	294,612	293,807	282,327
Operation and Maintenance of Plant	4,679,532	4,882,727	4,778,122	4,795,097
Pupil Transportation	2,030,856	1,971,460	2,112,092	2,128,818
Central	883,231	935,544	1,060,086	1,011,765
Food Service Operations	2,560,151	2,535,560	2,499,862	2,655,450
Other Operation of Non-Instructional Services	1,057,043	1,224,423	977,668	1,021,118
Extracurricular Activities	1,177,767	1,192,661	1,213,735	1,231,059
Capital Outlay	350,693	3,016,136	9,384,545	37,040,070
Debt Service:				
Principal Retirement	147,514	159,762	2,479,580	896,641
Interest and Fiscal Charges	36,725	1,618,796	2,665,099	2,627,982
Capital Appreciation Bond Accretion	0	0	0	0
Issuance Costs	0	833,000	0	0
<i>Total Expenditures</i>	<u>62,564,405</u>	<u>69,203,983</u>	<u>80,037,631</u>	<u>106,852,040</u>
<i>Excess of Revenues Over</i> <i>(Under) Expenditures</i>	<u>2,259,578</u>	<u>3,876,319</u>	<u>4,422,066</u>	<u>(18,331,533)</u>
Other Financing Sources (Uses)				
Inception of Capital Lease	20,409	1,036,010	0	221,211
Proceeds from Sale of Capital Assets	0	39,418	24,884	24,884
General Obligation Bonds Issued	0	60,410,000	0	0
Refunding Bonds Issued	0	0	0	0
Energy Conservation Notes Issued	0	2,000,000	0	0
Premium on Bonds Issued	0	3,567,951	0	0
Premium on Refunding Bonds Issued	0	0	0	0
Discount on Bonds Issued	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0
Transfers In	14,081	52,683,081	470,230	2,310,590
Transfers Out	(14,081)	(52,683,081)	(470,230)	(2,310,590)
<i>Total Other Financing Sources (Uses)</i>	<u>20,409</u>	<u>67,053,379</u>	<u>24,884</u>	<u>246,095</u>
<i>Net Change in Fund Balances</i>	<u>\$2,279,987</u>	<u>\$70,929,698</u>	<u>\$4,446,950</u>	<u>(\$18,085,438)</u>
Debt Service as a Percentage of Noncapital Expenditures	0.3%	2.7%	7.2%	5.1%

(1) Includes General, Special Revenue, Capital Projects and Debt Service Funds.

(2) Implemented GASB Statement No. 84 in fiscal year 2020 and restated fiscal year 2019.

TABLE 5

2016	2017	2018	2019 (2)	2020	2021
\$24,387,927	\$24,995,939	\$26,384,969	\$23,161,699	\$26,473,647	\$31,119,126
112,676	104,193	244,740	329,324	344,430	350,235
11,556,995	12,010,139	12,275,780	12,875,809	12,961,759	14,276,643
40,022,330	38,864,180	49,561,830	45,165,000	46,754,843	46,273,727
839,384	522,123	1,155,738	2,695,253	2,249,500	356,511
1,217,727	1,440,336	1,357,045	1,357,308	1,422,125	1,554,729
527,806	499,615	452,739	458,019	344,253	16,053
89,528	74,768	117,560	102,312	160,609	135,012
586,152	539,080	609,682	748,051	536,577	401,097
25,111	49,215	54,255	84,312	251,408	72,909
112,886	306,372	667,414	792,701	919,313	1,097,119
79,478,522	79,405,960	92,881,752	87,769,788	92,418,464	95,653,161
28,562,820	30,469,333	31,149,690	31,096,705	32,898,339	34,999,166
10,427,791	11,331,374	12,162,829	12,393,983	13,869,248	13,689,580
1,880,951	2,064,939	1,970,455	1,979,141	1,985,957	2,143,235
180,350	213,017	198,936	275,080	248,153	269,359
4,123,499	4,988,102	4,827,880	5,055,924	5,699,563	6,165,621
2,531,615	2,653,941	2,668,894	3,118,822	3,934,497	3,804,382
102,650	154,526	88,977	99,589	87,803	127,608
4,530,195	4,966,852	5,075,321	5,306,860	5,930,019	5,908,213
1,500,733	1,572,146	1,560,935	1,552,528	1,667,287	1,759,497
316,733	352,117	332,696	343,207	334,887	354,207
4,939,195	5,305,641	5,184,229	5,421,180	5,162,351	5,668,202
1,906,594	2,575,124	2,979,098	3,056,146	2,882,340	3,130,534
1,148,153	1,105,881	1,133,153	1,166,652	1,145,618	1,030,174
2,876,309	2,997,138	2,914,242	2,877,405	2,743,255	2,686,840
1,045,713	1,125,761	1,051,931	3,506,001	1,067,371	1,263,625
1,743,523	1,734,749	2,017,571	1,990,043	1,559,818	1,823,251
27,283,038	9,140,382	7,975,512	24,085,164	21,656,008	5,148,307
898,606	885,278	1,930,149	1,816,956	1,756,578	2,129,351
2,633,196	3,138,787	3,388,949	3,320,994	2,799,251	4,520,711
0	0	0	0	0	160,119
0	366,824	151,681	0	1,024,964	225,000
98,631,664	87,141,912	88,763,128	108,462,380	108,453,307	97,006,982
(19,153,142)	(7,735,952)	4,118,624	(20,692,592)	(16,034,843)	(1,353,821)
48,357	806,844	0	0	256,052	0
27,086	209,786	228,943	5,841	17,299	0
0	28,140,000	0	0	66,125,000	0
0	0	8,595,000	0	47,457,912	12,925,000
0	0	0	0	0	0
0	2,206,935	0	0	1,965,748	0
0	0	1,375,533	0	4,401,111	0
0	0	0	0	(418,377)	0
0	0	(9,818,852)	0	(51,428,682)	(12,700,000)
8,803,904	27,759,985	2,688,687	8,775,719	2,936,353	2,501,576
(8,803,904)	(27,759,985)	(2,688,687)	(8,775,719)	(2,936,353)	(2,501,576)
75,443	31,363,565	380,624	5,841	68,376,063	225,000
(\$19,077,699)	\$23,627,613	\$4,499,248	(\$20,686,751)	\$52,341,220	(\$1,128,821)
4.9%	5.1%	6.7%	6.2%	5.1%	7.3%

Lancaster City School District, Ohio
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Collection Year	Real Property			Tangible Personal Property	
				Public Utility	
	Assessed Value		Estimated	Assessed Value	Estimated
	Residential/ Agricultural	Commercial/ Industrial/PU	Actual Value		Actual Value
2012	\$616,978,730	\$245,316,740	\$2,463,701,343	\$44,756,650	\$179,026,600
2013	618,293,410	247,941,310	2,474,956,343	48,644,050	194,576,200
2014	614,184,870	252,145,190	2,475,228,743	48,977,450	195,909,800
2015	617,354,180	246,263,980	2,467,480,457	48,501,740	194,006,960
2016	619,442,520	247,328,750	2,476,489,343	51,539,360	206,157,440
2017	639,780,840	252,019,550	2,548,001,114	54,517,070	218,068,280
2018	645,511,750	245,633,080	2,546,128,086	56,237,600	224,950,400
2019	651,189,120	249,606,860	2,573,702,800	62,774,980	251,099,920
2020	765,493,610	256,363,780	2,919,592,543	70,762,830	283,051,320
2021	771,522,750	258,980,770	2,944,295,771	79,625,390	318,501,560

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property.

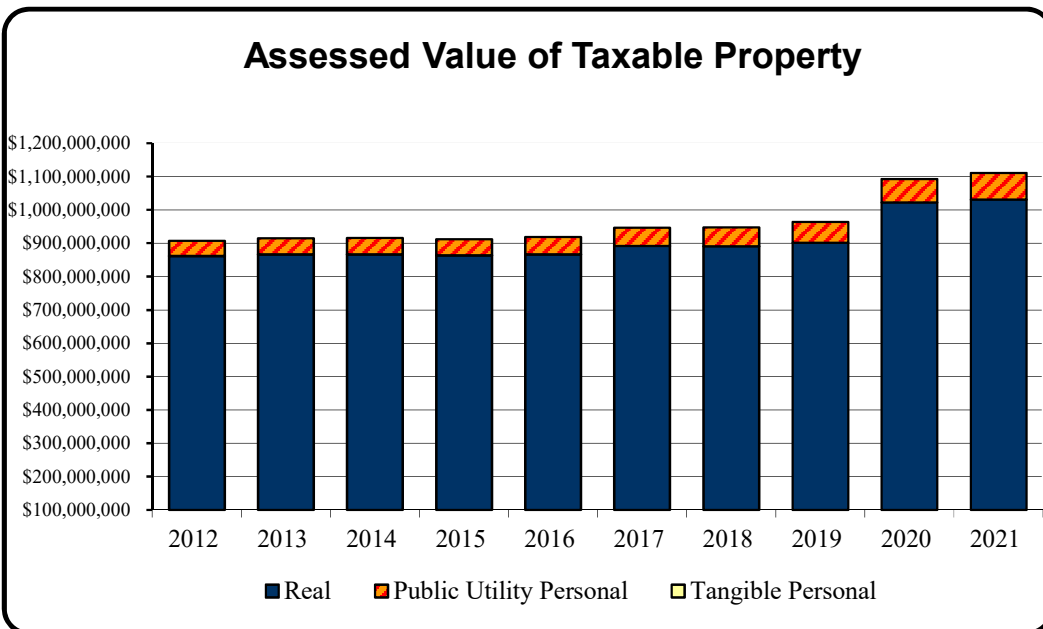
The tangible personal property values associated with each year were the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by a 10 percent and a 2 1/2 percent rollback, and homestead exemptions before being billed.

Values are shown net of exempt property.

Source: Fairfield County Auditor

TABLE 6

Assessed Value	Total Estimated Actual Value	Ratio	Full Tax Rate Per \$1,000 of Assessed Valuation	Weighted Average Tax Rate
\$907,052,120	\$2,642,727,943	34%	\$64.6000	\$24.6920
914,878,770	2,669,532,543	34%	68.7000	28.8821
915,307,510	2,671,138,543	34%	68.3000	28.6960
912,119,900	2,661,487,417	34%	68.3000	28.8818
918,310,630	2,682,646,783	34%	68.3000	29.0139
946,317,460	2,766,069,394	34%	68.1000	28.4427
947,382,430	2,771,078,486	34%	68.1000	28.6292
963,570,960	2,824,802,720	34%	68.1000	28.9199
1,092,620,220	3,202,643,863	34%	67.9000	27.5820
1,110,128,910	3,262,797,331	34%	71.6000	31.6635



Lancaster City School District, Ohio
Property Tax Rates
(per \$1,000 of assessed value)
Last Ten Years

	Collection Year			
	2012	2013	2014	2015
Unvoted Millage				
Operating	\$4.0000	\$4.0000	\$4.0000	\$4.0000
Voted Millage - by levy				
1976 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	5.8670	5.8675	5.9082	5.9171
Commercial/Industrial and Public Utility Real	7.7974	7.6915	7.8340	8.1095
General Business and Public Utility Personal	32.7000	32.7000	32.7000	32.7000
1977 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	1.7942	1.7946	1.8068	1.8095
Commercial/Industrial and Public Utility Real	2.3845	2.3522	2.3957	2.4800
General Business and Public Utility Personal	10.0000	10.0000	10.0000	10.0000
1990 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	4.7881	4.7892	4.8218	4.8291
Commercial/Industrial and Public Utility Real	5.4469	5.3730	5.4725	5.6650
General Business and Public Utility Personal	10.0000	10.0000	10.0000	10.0000
1997 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	5.3299	5.3310	5.3674	5.3755
Commercial/Industrial and Public Utility Real	5.1083	5.0390	5.1323	5.3128
General Business and Public Utility Personal	7.9000	7.9000	7.9000	7.9000
2012 Permanent Improvement - continuing				
Effective Millage Rates				
Residential/Agricultural Real	0.0000	0.5000	0.5000	0.5000
Commercial/Industrial and Public Utility Real	0.0000	0.4932	0.5000	0.5000
General Business and Public Utility Personal	0.0000	0.5000	0.5000	0.5000
2012 Bond Retirement - 37 years (\$61,550,000)				
Effective Millage Rates				
Residential/Agricultural Real	0.0000	3.6000	3.2000	3.2000
Commercial/Industrial and Public Utility Real	0.0000	3.6000	3.2000	3.2000
General Business and Public Utility Personal	0.0000	3.6000	3.2000	3.2000
2020 Bond Retirement - 30 years (\$66,125,000)				
Effective Millage Rates				
Residential/Agricultural Real	0.0000	0.0000	0.0000	0.0000
Commercial/Industrial and Public Utility Real	0.0000	0.0000	0.0000	0.0000
General Business and Public Utility Personal	0.0000	0.0000	0.0000	0.0000
Total voted millage by type of property				
Residential/Agricultural Real	17.7792	21.8823	21.6042	21.6312
Commercial/Industrial and Public Utility Real	20.7371	24.5489	24.5345	25.2673
General Business and Public Utility Personal	60.6000	64.7000	64.3000	64.3000
Total millage by type of property				
Residential/Agricultural Real	21.7792	25.8823	25.6042	25.6312
Commercial/Industrial and Public Utility Real	24.7371	28.5489	28.5345	29.2673
General Business and Public Utility Personal	64.6000	68.7000	68.3000	68.3000
Total Direct Rate for the School District	64.6000	68.7000	68.3000	68.3000
Total Weighted Average Tax Rate	\$24.6920	\$28.8821	\$28.6960	\$28.8818

TABLE 7

Collection Year					
2016	2017	2018	2019	2020	2021
\$4.0000	\$4.0000	\$4.0000	\$4.0000	\$4.0000	\$4.0000
5.8985	5.7223	5.7219	5.7180	5.6037	5.6059
8.1763	8.1047	8.3080	8.3801	8.3470	8.4737
32.7000	32.7000	32.7000	32.7000	32.7000	32.7000
1.8038	1.7499	1.7498	1.7486	1.7137	1.7143
2.5004	2.4785	2.5407	2.5627	2.5526	2.5913
10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
4.8138	4.6700	4.6697	4.6665	4.1479	4.1468
5.7116	5.6615	5.8036	5.8539	5.8308	5.9193
10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
5.3585	5.1984	5.1981	5.1945	4.5348	4.5330
5.3566	5.3096	5.4428	5.4900	5.4683	5.5513
7.9000	7.9000	7.9000	7.9000	7.9000	7.9000
0.4984	0.4835	0.4835	0.4832	0.4136	0.4134
0.5000	0.4956	0.5000	0.5000	0.4980	0.5000
0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
3.2000	3.0000	3.0000	3.0000	2.8000	2.8000
3.2000	3.0000	3.0000	3.0000	2.8000	2.8000
3.2000	3.0000	3.0000	3.0000	2.8000	2.8000
0.0000	0.0000	0.0000	0.0000	0.0000	3.7000
0.0000	0.0000	0.0000	0.0000	0.0000	3.7000
0.0000	0.0000	0.0000	0.0000	0.0000	3.7000
21.5731	20.8242	20.8230	20.8107	19.2137	22.9134
25.4449	25.0499	25.5951	25.7867	25.4967	29.5356
64.3000	64.1000	64.1000	64.1000	63.9000	67.6000
25.5731	24.8242	24.8230	24.8107	23.2137	26.9134
29.4449	29.0499	29.5951	29.7867	29.4967	33.5356
68.3000	68.1000	68.1000	68.1000	67.9000	71.6000
68.3000	68.1000	68.1000	68.1000	67.9000	71.6000
\$29.0139	\$28.4427	\$28.6292	\$28.9199	\$27.5820	\$31.6635

(Continued)

Lancaster City School District, Ohio
Property Tax Rates
(per \$1,000 of assessed value)
Last Ten Years (Continued)

	Collection Year			
	2012	2013	2014	2015
Overlapping Rates by Taxing District				
Berne Township Millage				
Effective Millage Rates				
Residential/Agricultural Real	4.9748	4.9726	6.2286	6.2286
Commercial/Industrial and Public Utility Real	4.7892	4.7893	6.3343	6.3343
General Business and Public Utility Personal	7.7000	7.7000	9.1000	9.1000
Greenfield Township Millage				
Effective Millage Rates				
Residential/Agricultural Real	8.9731	8.9624	8.6591	8.6591
Commercial/Industrial and Public Utility Real	8.1221	8.1129	7.7885	7.7885
General Business and Public Utility Personal	11.1000	11.1000	11.1000	11.1000
Hocking Township Millage				
Effective Millage Rates				
Residential/Agricultural Real	4.1902	4.1891	4.0665	4.0665
Commercial/Industrial and Public Utility Real	3.6478	3.8439	3.8051	3.8051
General Business and Public Utility Personal	4.7000	4.7000	4.7000	4.7000
Pleasant Township Millage				
Effective Millage Rates				
Residential/Agricultural Real	8.1227	8.1278	7.8841	7.8841
Commercial/Industrial and Public Utility Real	8.3185	8.2385	8.1975	8.1975
General Business and Public Utility Personal	9.1000	9.1000	9.1000	9.1000
Lancaster City Millage				
Effective Millage Rates				
Residential/Agricultural Real	3.4000	3.4000	6.4000	6.4000
Commercial/Industrial and Public Utility Real	3.4000	3.4000	6.4000	6.4000
General Business and Public Utility Personal	3.4000	3.4000	6.4000	6.4000
Fairfield County Library Millage				
Effective Millage Rates				
Residential/Agricultural Real	0.4265	0.4267	0.4079	0.4079
Commercial/Industrial and Public Utility Real	0.4364	0.4317	0.4343	0.4343
General Business and Public Utility Personal	0.5000	0.5000	0.5000	0.5000
Fairfield County Historic Parks Millage				
Effective Millage Rates				
Residential/Agricultural Real	0.4000	0.4000	0.3938	0.3938
Commercial/Industrial and Public Utility Real	0.4000	0.3971	0.3950	0.3950
General Business and Public Utility Personal	0.4000	0.4000	0.4000	0.4000
Fairfield County Millage				
Effective Millage Rates				
Residential/Agricultural Real	7.9357	7.9407	7.8574	7.8574
Commercial/Industrial and Public Utility Real	7.8343	7.7965	7.7684	7.7684
General Business and Public Utility Personal	8.5500	8.5500	8.5500	8.5500

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

Real property tax rates for voted levies are reduced so that inflationary increases in value do not generate additional revenue.

Source: Ohio Department of Taxation, Fairfield County Auditor

TABLE 7

Collection Year					
2016	2017	2018	2019	2020	2021
6.2342	6.0521	5.9475	10.8390	9.1425	8.9469
6.3601	6.2440	6.2630	11.1362	10.9364	10.7321
9.1000	9.0000	8.9000	13.8000	13.3000	13.1000
9.3632	8.9572	9.4911	9.4857	8.5727	8.4770
8.8244	8.7666	9.1092	9.3123	9.0346	8.9482
11.8000	11.8000	12.3000	12.3000	12.3000	12.2000
4.0645	6.3716	6.3585	6.3455	5.7420	7.5482
3.6831	6.1475	6.1331	6.1285	6.1914	7.9486
4.7000	7.2000	7.2000	7.2000	7.2000	9.0000
7.9011	7.7287	9.7182	9.7087	8.9078	8.9031
8.1815	8.4238	10.4453	10.4513	10.4536	10.5592
9.1000	9.1000	11.1000	11.1000	11.1000	11.1000
6.3882	6.3007	6.3019	6.3005	5.8750	5.8728
6.4000	6.3714	6.4000	6.4000	6.3921	6.4000
6.4000	6.4000	6.4000	6.4000	6.4000	6.4000
0.4995	0.4787	0.4776	0.4767	0.4098	0.4094
0.5000	0.4969	0.5000	0.5000	0.4989	0.5000
0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
0.3935	0.3729	0.3718	0.3709	0.3145	0.3139
0.4000	0.3984	0.4000	0.4000	0.4000	0.4000
0.4000	0.4000	0.4000	0.4000	0.4000	0.4000
9.7023	9.3305	10.3066	10.2875	10.2217	10.2064
9.7806	9.7514	10.7870	10.8382	12.1778	12.1973
10.4000	10.4000	11.4000	11.4000	12.7000	12.7000

TABLE 8

Lancaster City School District, Ohio
Property Tax Levies and Collections (1)
Last Ten Years

Calendar Collection Year (2)	Current Tax Levy	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections (3)	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy
2011	\$23,271,990	\$21,510,168	92.43%	\$654,463	\$22,164,631	95.24%
2012	26,434,836	25,455,153	96.29	987,323	26,442,476	100.03
2013	26,228,405	25,354,221	96.67	865,761	26,219,982	99.97
2014	26,411,292	25,522,809	96.64	761,578	26,284,387	99.52
2015	26,466,973	25,808,726	97.51	957,467	26,766,193	101.13
2016	26,679,804	25,983,522	97.39	820,015	26,803,537	100.46
2017	26,905,555	26,079,359	96.93	381,043	26,460,402	98.35
2018	27,649,237	26,757,450	96.77	641,652	27,399,102	99.10
2019	29,797,488	28,967,908	97.22	961,106	29,929,014	100.44
2020	34,903,720	34,004,899	97.42	1,038,816	35,043,715	100.40

Source: Fairfield County Auditor's Office

(1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental revenue.

(2) The 2021 information cannot be presented because all collections have not been made by June 30, 2021.

(3) The County does not identify delinquent tax collections by tax year.

Note: The School District receives taxes from Fairfield County. Fairfield County's current reporting system does not track delinquency tax collections by tax year. Outstanding delinquencies are tracked in that total by the date the parcel is first certified delinquent. Penalties and interest are applied to the total outstanding delinquent balance. The presentation will be updated as new information becomes available.

TABLE 9

Lancaster City School District, Ohio
Principal Taxpayers
Real Estate Tax
2021 and 2012 (1)

Name of Taxpayer	2021	
	Assessed Value	Percent of Real Property Assessed Value
Zane Properties Corporation	\$7,447,740	0.72%
Lancaster Apartment Properties	6,958,450	0.68
River Valley Redemption LLC	6,452,430	0.63
River Valley Plaza LP	4,438,260	0.43
G & I IX Anchor Hocking LLC	4,333,680	0.42
SUSO 4 Hocking LP	4,319,800	0.42
DOC-2405 North Columbus Street	4,030,080	0.39
Lancaster Phase One Group, PLL	3,997,540	0.39
DFG Lancaster LLC	3,852,860	0.37
Lancaster Ridge Holding LLC	3,520,480	0.34
Totals	\$49,351,320	4.79%
Total Assessed Valuation	\$1,030,503,520	

Name of Taxpayer	2012	
	Assessed Value	Percent of Real Property Assessed Value
Glimcher River Valley Mall LLC	\$19,284,540	2.25%
Cole GE Lancaster LLC	5,447,010	0.63
Lancaster Phase One Group PLL	4,269,580	0.50
Winlan LLC	4,239,480	0.49
NL Ventures VI West Fair LLC	4,174,860	0.48
Plaza SC Investors LLC	3,659,420	0.42
Riverview Medical Office	2,905,000	0.34
RP River Valley LLC	2,859,850	0.33
BP Lancaster LLC	2,434,550	0.28
Lancaster Retirement LLC	2,424,120	0.28
Totals	\$51,698,410	6.00%
Total Assessed Valuation	\$862,295,470	

(1) The amounts presented represent the assessed values upon which 2021 and 2012 collections were based.

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TABLE 10

Lancaster City School District, Ohio
Principal Taxpayers
Public Utilities Tax
2021 and 2012 (1)

Name of Taxpayer	2021	
	Assessed Value	Percent of Public Utility Assessed Value
Ohio Power Company	\$31,152,310	39.12%
Rockies Express Pipeline, LLC	15,639,370	19.64
Total	<u>\$46,791,680</u>	<u>58.76%</u>
Total Assessed Valuation	<u>\$79,625,390</u>	

Name of Taxpayer	2012	
	Assessed Value	Percent of Public Utility Assessed Value
Rockies Express Pipeline	\$17,153,900	38.32%
Ohio Power Company	19,252,750	43.02
Total	<u>\$36,406,650</u>	<u>81.34%</u>
Total Assessed Valuation	<u>\$44,756,650</u>	

(1) The amounts presented represent the assessed values upon which 2021 and 2012 collections were based.

Source: Fairfield County Auditor's Office

Lancaster City School District, Ohio

*Ratio of Outstanding Debt by Type
Last Ten Fiscal Years*

<u>Fiscal Year</u>	<u>Estimated Population (1)</u>	<u>Per Capita Income (2)</u>	<u>Personal Income (3)</u>	<u>School Facilities Construction Bonds (4)</u>	<u>Capital Leases</u>
2012	38,780	\$33,569	\$1,301,805,820	\$0	\$378,240
2013	38,880	35,929	1,396,919,520	63,929,735	1,254,488
2014	39,359	39,223	1,543,778,057	62,433,304	564,908
2015	38,854	40,324	1,566,748,696	62,161,873	459,478
2016	38,780	41,145	1,595,603,100	61,870,442	204,229
2017	39,848	42,049	1,675,568,552	91,855,667	745,795
2018	40,280	44,179	1,779,530,120	90,827,415	495,646
2019	39,942	46,113	1,841,845,446	89,043,087	223,690
2020	40,505	47,295	1,915,683,975	157,406,357	228,164
2021	40,552	47,295	1,917,906,840	155,992,221	183,694

Source:

- (1) Lancaster City Community Development Department estimates as reported in the City of Lancaster Annual Comprehensive Financial Report presented on a calendar year basis for years 2012 - 2017. The U.S. Census Bureau for years 2018 - 2021 as reported on a calendar year basis.
- (2) U.S. Census Bureau presented on a calendar year. The 2021 figure is not available at this time so the 2020 figure was used for 2021.
- (3) Computation of per capita personal income multiplied by population presented on a calendar year.
- (4) Includes the School Facilities Construction and Improvement Refunding Bonds, Series 2017 and 2020 and School Improvement Refunding Bonds, Series 2021.

TABLE 11

Energy Conservation Notes	Total Debt Outstanding	Ratio of Total Debt to Personal Income	Total Debt Per Capita
\$0	\$378,240	0.03%	\$10
2,000,000	67,184,223	4.81	1,728
1,610,000	64,608,212	4.19	1,642
1,215,000	63,836,351	4.07	1,643
815,000	62,889,671	3.94	1,622
410,000	93,011,462	5.55	2,334
0	91,323,061	5.13	2,267
0	89,266,777	4.85	2,235
0	157,634,521	8.23	3,892
0	156,175,915	8.14	3,851

TABLE 12

Lancaster City School District, Ohio
*Ratio of General Obligation Bonded Debt to Estimated
 True Value and General Obligation Bonded Debt Per Capita
 Last Ten Fiscal Years*

Fiscal Year	Population (1)	Estimated Actual Value of Taxable Property (2)	General Obligation Bonded Debt (3)	Ratio of Bonded Debt to Estimated Actual Value	Bonded Debt per Capita
2012	38,780	\$2,642,727,943	\$0	0.00%	\$0
2013	38,880	2,669,532,543	63,929,735	2.39%	1,644
2014	39,359	2,671,138,543	62,433,304	2.34%	1,586
2015	38,854	2,661,487,417	62,161,873	2.34%	1,600
2016	38,780	2,682,646,783	61,870,442	2.31%	1,595
2017	39,848	2,766,069,394	91,855,667	3.32%	2,305
2018	40,280	2,771,078,486	90,827,415	3.28%	2,255
2019	39,942	2,824,802,720	89,043,087	3.15%	2,229
2020	40,505	3,202,643,863	157,406,357	4.91%	3,886
2021	40,552	3,262,797,331	155,992,221	4.78%	3,847

Sources: (1) Lancaster City Community Development Department estimates as reported in the City of Lancaster Annual Comprehensive Financial Report presented on a calendar year basis for years 2012 - 2019. The U.S. Census Bureau for years 2020 - 2021 as reported on a calendar year basis.

(2) Fairfield County Auditor presented on a calendar year.

(3) Although the bond retirement fund is restricted for debt service, it is not specifically restricted restricted to the payment of principal; therefore, these resources are not reflected as a deduction from general obligation bonded debt.

TABLE 13

Lancaster City School District, Ohio
Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
June 30, 2021

	Debt Attributable to Governmental Activities	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
Direct Debt			
Lancaster City School District as of June 30, 2021			
General Obligation and Refunding Bonds	\$155,992,221	100.00%	\$155,992,221
Capital Leases	183,694	100.00%	183,694
Total Direct Debt	156,175,915		156,175,915
Overlapping Debt:			
Payable from Property Taxes as of December 31, 2020:			
Berne Township Firehouse Note	400,000	0.73%	2,920
Greenfield Township General Obligation Bonds	1,050,000	20.57%	215,985
Hocking Township Firehouse Note	297,102	73.60%	218,667
Fairfield County General Obligation Bonds	32,187,912	24.28%	7,815,225
Fairfield County Long Term Loans	325,000	24.28%	78,910
Fairfield County Capital Leases	93,110	24.28%	22,607
City of Lancaster General Obligation Bond Anticipation Notes	2,348,309	100.00%	2,348,309
City of Lancaster General Obligation Bonds	8,703,949	100.00%	8,703,949
City of Lancaster OPWC Loan	72,257	100.00%	72,257
City of Lancaster Installment Loans	157,374	100.00%	157,374
City of Lancaster Capital Leases	991,287	100.00%	991,287
Payable from Other Sources as of December 31, 2020:			
Fairfield County Special Assessment Bonds	413,000	24.28%	100,276
Fairfield County Capital Leases	74,733	24.28%	18,145
City of Lancaster Ohio Water Development Authority Loan	240,912	100.00%	240,912
City of Lancaster State Infrastructure Bank Loan	224,115	100.00%	224,115
Total Overlapping Debt	47,579,060		21,210,939
Total Direct and Overlapping Debt	\$203,754,975		\$177,386,854

Source: Fairfield County Auditor, School District records, City of Lancaster, and the townships of Berne, Greenfield, Hocking, and Pleasant. Pleasant Township had no debt outstanding as of December 31, 2020.

- (1) Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the School District by the total assessed valuation of the government. The valuations used were for the 2021 collection year.

Lancaster City School District, Ohio
Computation of Legal Debt Margin
Last Ten Fiscal Years

	2012	2013	2014	2015
Assessed Valuation (1)	<u>\$907,052,120</u>	<u>\$914,878,770</u>	<u>\$915,307,510</u>	<u>\$912,119,900</u>
Debt Limit - 9% of Assessed Value (2)	<u>\$81,634,691</u>	<u>\$82,339,089</u>	<u>\$82,377,676</u>	<u>\$82,090,791</u>
Amount of Debt Applicable to Debt Limit				
General Obligation Bonds for School Facilities				
Construction	0	60,410,000	59,010,000	58,835,000
Refunding Bonds, Series 2017 and 2020 for				
School Facilities Construction	0	0	0	0
Construction Bonds and Refunding Bonds,				
Series 2021 Income Tax Backed	0	0	0	0
Energy Conservation Notes	0	2,000,000	1,610,000	1,215,000
Less Amount Available in Debt Service	0	(1,752,329)	(1,044,110)	(1,227,845)
Totals	<u>0</u>	<u>60,657,671</u>	<u>59,575,890</u>	<u>58,822,155</u>
Exemptions:				
Income Tax Backed	0	0	0	0
Energy Conservation Notes	0	(2,000,000)	(1,610,000)	(1,215,000)
Totals	<u>0</u>	<u>(2,000,000)</u>	<u>(1,610,000)</u>	<u>(1,215,000)</u>
Amount of Debt Subject to Limit	<u>0</u>	<u>58,657,671</u>	<u>57,965,890</u>	<u>57,607,155</u>
Legal Debt Margin	<u>\$81,634,691</u>	<u>\$23,681,418</u>	<u>\$24,411,786</u>	<u>\$24,483,636</u>
Legal Debt Margin as a Percentage of the Debt Limit	100.00%	28.76%	29.63%	29.83%
Unvoted Debt Limit - .10% of Assessed Value (1)	\$907,052	\$914,879	\$915,308	\$912,120
Amount of Debt Subject to Limit	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Legal Debt Margin	<u>\$907,052</u>	<u>\$914,879</u>	<u>\$915,308</u>	<u>\$912,120</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	100.00%	100.00%	100.00%
Additional Limit for Unvoted Energy Conservation Long-Term Notes				
Debt Limit - .9% of Assessed Value (1)	\$8,163,469	\$8,233,909	\$8,237,768	\$8,209,079
Amount of Debt Subject to Limit				
Energy Conservation Long-Term Notes	<u>0</u>	<u>(2,000,000)</u>	<u>(1,610,000)</u>	<u>(1,215,000)</u>
Unvoted Legal Debt Margin	<u>\$8,163,469</u>	<u>\$6,233,909</u>	<u>\$6,627,768</u>	<u>\$6,994,079</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	75.71%	80.46%	85.20%

Source: Fairfield County Auditor and School District Financial Records

- (1) In 2006, HB 530 changed the assessed valuation utilized in the legal debt margin calculation to exclude general business tangible personal property as well as railroad and telephone tangible property.
- (2) Ohio Bond Law sets a limit of 9% for overall debt and 1/10 of 1% for unvoted debt.
- (3) Net indebtedness exceeds the 9% limitation due to debt issued to fund the School District's portion of the costs of a school facilities project under Ohio Revised Code Chapter 3318, and, as a result, such debt is not subject to State consents or special needs approval pursuant to Ohio Revised Code Section 133.06(I).

Note: The amount of debt presented as subject to the limit should be the balances used to compute the margin as specified by statute, i.e. the gross balances, not amounts that are net of premiums or discounts.

TABLE 14

2016	2017	2018	2019	2020 (3)	2021
<u>\$918,310,630</u>	<u>\$946,317,460</u>	<u>\$947,382,430</u>	<u>\$963,570,960</u>	<u>\$1,092,620,220</u>	<u>\$1,110,128,910</u>
<u>\$82,647,957</u>	<u>\$85,168,571</u>	<u>\$85,264,419</u>	<u>\$86,721,386</u>	<u>\$98,335,820</u>	<u>\$99,911,602</u>
58,640,000	59,565,000	50,455,000	49,940,000	68,070,000	67,445,000
0	0	8,595,000	8,400,000	55,737,912	55,148,031
0	27,000,000	26,240,000	25,405,000	24,555,000	25,525,000
815,000	410,000	0	0	0	0
<u>(1,393,707)</u>	<u>(2,812,844)</u>	<u>(2,212,818)</u>	<u>(1,514,909)</u>	<u>(3,083,880)</u>	<u>(4,003,612)</u>
<u>58,061,293</u>	<u>84,162,156</u>	<u>83,077,182</u>	<u>82,230,091</u>	<u>145,279,032</u>	<u>144,114,419</u>
0	(27,000,000)	(26,240,000)	(25,405,000)	(24,555,000)	(25,525,000)
<u>(815,000)</u>	<u>(410,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(815,000)</u>	<u>(27,410,000)</u>	<u>(26,240,000)</u>	<u>(25,405,000)</u>	<u>(24,555,000)</u>	<u>(25,525,000)</u>
<u>57,246,293</u>	<u>56,752,156</u>	<u>56,837,182</u>	<u>56,825,091</u>	<u>120,724,032</u>	<u>118,589,419</u>
<u>\$25,401,664</u>	<u>\$28,416,415</u>	<u>\$28,427,237</u>	<u>\$29,896,295</u>	<u>(\$22,388,212)</u>	<u>(\$18,677,817)</u>
30.73%	33.36%	33.34%	34.47%	-22.77%	-18.69%
\$918,311	\$946,317	\$947,382	\$963,571	\$1,092,620	\$1,110,129
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$918,311</u>	<u>\$946,317</u>	<u>\$947,382</u>	<u>\$963,571</u>	<u>\$1,092,620</u>	<u>\$1,110,129</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
\$8,264,796	\$8,516,857	\$8,526,442	\$8,672,139	\$9,833,582	\$9,991,160
<u>(815,000)</u>	<u>(410,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$7,449,796</u>	<u>\$8,106,857</u>	<u>\$8,526,442</u>	<u>\$8,672,139</u>	<u>\$9,833,582</u>	<u>\$9,991,160</u>
90.14%	95.19%	100.00%	100.00%	100.00%	100.00%

TABLE 15

Lancaster City School District, Ohio
Demographic and Economic Statistics
Last Ten Years

<u>Calendar Year</u>	<u>Population Lancaster City (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (2)</u>	<u>Unemployment Rate Fairfield County</u>
2011	38,780	\$1,301,805,820	\$33,569	7.70%
2012	38,880	1,396,919,520	35,929	6.30
2013	39,359	1,543,778,057	39,223	6.40
2014	38,854	1,566,748,696	40,324	5.00
2015	38,780	1,595,603,100	41,145	4.30
2016	39,848	1,675,568,552	42,049	4.20
2017	40,280	1,779,530,120	44,179	4.30
2018	39,942	1,841,845,446	46,113	4.00
2019	40,505	1,915,683,975	47,295	3.70
2020 (3)	40,552	1,917,906,840	47,295	4.30

Sources: Ohio Bureau of Employment Services
U.S. Census Bureau
City of Lancaster

- (1) Population is estimated by the City of Lancaster Community Development Department estimates as reported in the City of Lancaster Annual Comprehensive Financial Report presented on a calendar year basis for years 2011 - 2018. The U.S. Census Bureau for years 2019 - 2020 as reported on a calendar year basis.
County Economic Development website, respectively.
- (2) Per Capita Income is available by County only (Fairfield County), Personal Income is a calculation.
- (3) Calendar year 2020 is the latest information available.

TABLE 16

Lancaster City School District, Ohio*Principal Employers**Current Year and Nine Years Ago*

Employer	Nature of Business	Calendar Year 2020		
		Number of Employees	Rank	Percentage of Total Employment
Fairfield Medical Center	Medical Services	1,997	1	10.98%
Fairfield County	County Government	856	2	4.70%
Kroger - Lancaster Locations	Grocer	840	3	4.62%
Lancaster City Schools	Education	793	4	4.36%
Oneida (formerly Anchor)	Manufacturing	700	5	3.85%
MAGNA	Manufacturing	600	6	3.30%
City of Lancaster	City Government	468	7	2.57%
State of Ohio	State Government	387	8	2.13%
Treehouse	Manufacturing	342	9	1.88%
Crown Cork & Seal	Manufacturing	188	10	1.03%
Total		7,171		39.42%
Total Employment within the School District		18,194		

Employer	Nature of Activity	Calendar Year 2011		
		Number of Employees	Rank	Percentage of Total Employment
Fairfield Medical Center	Medical Services	2,039	1	11.72%
Anchor Hocking Corporation	Manufacturing	1,148	2	6.60%
Fairfield County	County Government	810	3	4.66%
Lancaster City School District	Education	676	4	3.89%
City of Lancaster	City Government	408	5	2.34%
Ralston Foods, Incorporated	Manufacturing	387	6	2.22%
Giant Eagle	Grocer	350	7	2.01%
Diamond Power	Manufacturing	310	8	1.78%
Walmart	Grocer	300	9	1.72%
Kroger-Lancaster Locations	Grocer	255	10	1.47%
Total		6,683		38.41%
Total Employment within the School District		17,400		

Source: Total employment is from the Ohio Labor Market Information website provided on a calendar year basis. Company information is from the Fairfield County Economic Development webpage, compiled as of May 2021 as the latest data available, information from Fairfield County payroll office compiled on a calendar year basis, and information from the Lancaster City Schools payroll department compiled on a fiscal year basis

TABLE 17

Lancaster City School District, Ohio
School District Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Regular Instruction										
Certified Employees	266	263	262	267	261	263	264	263	263	268
Special Instruction										
Classified Employees (1)	0	0	66	62	61	68	63	67	77	64
Certified Employees	82	90	91	91	91	96	100	100	103	103
Vocational Instruction										
Classified Employees	1	1	1	1	1	1	1	0	0	0
Certified Employees	17	17	17	17	17	16	16	16	16	16
Student Intervention Services										
Certified Employees	0	0	3	3	3	3	3	4	3	3
Pupil Support Services										
Classified Employees	15	14	15	27	27	24	25	26	25	32
Certified Employees	22	22	22	26	30	34	34	31	33	33
Administrators	0	0	0	0	0	0	0	5	7	8
Instructional Staff										
Classified Employees (1)	63	59	16	16	17	17	17	18	17	16
Certified Employees	5	5	3	4	4	4	6	7	9	9
Administrators	1	1	1	1	1	1	1	1	5	5
Administration										
Classified Employees	21	23	20	19	20	22	23	23	23	22
Administrators	21	23	24	24	26	27	28	29	32	29
Fiscal										
Classified Employees	4	4	4	4	4	4	4	4	4	4
Administrators	2	2	2	2	2	2	2	2	2	2
Business										
Classified Employees	1	1	2	2	2	2	2	2	2	2
Administrators	1	1	1	1	1	1	1	1	1	1
Operation and Maintenance of Plant										
Classified Employees	50	50	47	47	46	45	47	48	43	44
Administrators	1	1	1	1	1	1	1	1	1	1
Pupil Transportation										
Classified Employees	38	42	41	39	42	45	50	57	60	64
Administrators	1	1	1	1	1	1	1	1	1	1
Central										
Classified Employees	4	4	6	6	6	6	6	6	6	6
Administrators	1	1	2	2	2	2	2	2	1	1
Food Service Program										
Classified Employees	52	52	51	51	58	56	56	56	56	55
Administrators	1	1	1	1	1	1	1	1	1	1
Non-Instructional Services										
Classified Employees	1	1	0	0	0	0	0	0	0	0
Certified Employees	2	2	2	3	2	1	1	1	1	1
Extracurricular Activities										
Classified Employees	2	2	1	1	1	1	1	1	1	1
Administrators	1	1	1	1	1	1	1	1	1	1
Totals	676	684	704	720	729	745	757	774	794	793

(1) During fiscal year 2014, classified employees were reclassified from instructional staff back to special instruction.

Source: Lancaster City School District Personnel Records

Method: The figures include only the full-time employees

TABLE 18

Lancaster City School District, Ohio
Per Pupil Cost
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>General Fund Expenditures</u>	<u>Enrollment</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Pupil/ Teacher Ratio</u>
2012	\$53,239,374	6,083	\$8,752	N/A	394	15.4
2013	56,206,708	6,025	9,329	6.59%	399	15.1
2014	57,432,328	6,218	9,236	-0.99%	400	15.5
2015	57,181,378	6,245	9,156	-0.87%	411	15.2
2016	59,163,624	6,299	9,393	2.58%	408	15.4
2017	65,236,549	6,354	10,267	9.31%	411	15.5
2018	66,846,854	6,302	10,607	3.31%	414	15.2
2019	67,890,069	6,403	10,603	-0.04%	416	15.4
2020	70,270,896	6,406	10,970	3.46%	425	15.1
2021	71,343,984	6,133	11,633	6.04%	430	14.3

Source: School District Records and the Ohio Department of Education.

Lancaster City School District, Ohio

*Building Statistics
Last Ten Fiscal Years*

	2012	2013	2014
Cedar Heights Elementary School			
Constructed in 1939, addition in 1973			
Total Building Square Footage	31,100	31,100	31,100
Enrollment Grades K-5 for 2011-2015, building closed in 2016	374	381	389
Student Capacity	460	460	460
Instruction Classrooms	22	22	22
Teaching Stations	31	31	31
Administrators	1	2	2
Certified Staff	24	24	26
Classified Staff	10	9	13
East Elementary School			
Constructed in 1939			
Total Building Square Footage	37,518	37,518	37,518
Enrollment Grades K-5 for 2011-2016, building closed during 2017	381	378	385
Student Capacity	314	314	314
Instruction Classrooms	20	20	20
Teaching Stations	24	24	24
Administrators	1	2	1
Certified Staff	21	21	22
Classified Staff	12	10	11
Medill Elementary School			
Constructed in 1960, addition in 1965, 1966, and 1973			
Total Building Square Footage	31,500	31,500	31,500
Enrollment Grades K-5 for 2011-2015, building closed in 2016	368	353	353
Student Capacity	337	337	337
Instruction Classrooms	25	25	25
Teaching Stations	30	30	30
Administrators	1	1	1
Certified Staff	24	25	25
Classified Staff	11	10	15
Sanderson Elementary School			
Constructed in 1968, addition in 1973 and 1996			
Total Building Square Footage	31,233	31,233	31,233
Enrollment Grades K-5 2011-2016, building closed during 2017	306	323	324
Student Capacity	308	308	308
Instruction Classrooms	20	20	20
Teaching Stations	24	24	24
Administrators	1	1	1
Certified Staff	19	20	19
Classified Staff	9	9	12

TABLE 19

2015	2016	2017	2018	2019	2020	2021
31,100	N/A	N/A	N/A	N/A	N/A	N/A
380	N/A	N/A	N/A	N/A	N/A	N/A
460	N/A	N/A	N/A	N/A	N/A	N/A
22	N/A	N/A	N/A	N/A	N/A	N/A
31	N/A	N/A	N/A	N/A	N/A	N/A
2	N/A	N/A	N/A	N/A	N/A	N/A
27	N/A	N/A	N/A	N/A	N/A	N/A
13	N/A	N/A	N/A	N/A	N/A	N/A
37,518	37,518	N/A	N/A	N/A	N/A	N/A
363	264	N/A	N/A	N/A	N/A	N/A
314	314	N/A	N/A	N/A	N/A	N/A
20	20	N/A	N/A	N/A	N/A	N/A
24	24	N/A	N/A	N/A	N/A	N/A
1	2	N/A	N/A	N/A	N/A	N/A
23	22	N/A	N/A	N/A	N/A	N/A
13	12	N/A	N/A	N/A	N/A	N/A
31,500	N/A	N/A	N/A	N/A	N/A	N/A
413	N/A	N/A	N/A	N/A	N/A	N/A
337	N/A	N/A	N/A	N/A	N/A	N/A
25	N/A	N/A	N/A	N/A	N/A	N/A
30	N/A	N/A	N/A	N/A	N/A	N/A
1	N/A	N/A	N/A	N/A	N/A	N/A
25	N/A	N/A	N/A	N/A	N/A	N/A
15	N/A	N/A	N/A	N/A	N/A	N/A
31,233	31,233	N/A	N/A	N/A	N/A	N/A
295	289	N/A	N/A	N/A	N/A	N/A
308	308	N/A	N/A	N/A	N/A	N/A
20	20	N/A	N/A	N/A	N/A	N/A
24	24	N/A	N/A	N/A	N/A	N/A
1	1	N/A	N/A	N/A	N/A	N/A
20	19	N/A	N/A	N/A	N/A	N/A
13	8	N/A	N/A	N/A	N/A	N/A

(Continued)

Lancaster City School District, Ohio
Building Statistics
Last Ten Fiscal Years (Continued)

	2012	2013	2014
South Elementary School			
Constructed in 1931			
Total Building Square Footage	29,055	29,055	29,055
Enrollment Grades K-5 for 2011-2015, building closed in 2016	296	282	304
Student Capacity	149	149	149
Instruction Classrooms	17	17	17
Teaching Stations	21	21	21
Administrators	1	1	2
Certified Staff	22	22	24
Classified Staff	11	11	13
Tallmadge Elementary School			
Constructed in 1956, addition in 1959, 1966, and 1973			
Total Building Square Footage	37,000	37,000	37,000
Enrollment Grades K-5 for 2011-2015, building closed in 2016	466	432	409
Student Capacity	345	345	345
Instruction Classrooms	20	20	20
Teaching Stations	29	29	29
Administrators	1	2	3
Certified Staff	26	28	28
Classified Staff	13	15	14
Tarhe Elementary School			
Constructed in 1968, addition in 1973			
Modular Classrooms - Constructed in 2004			
Total Building Square Footage	25,200	25,200	25,200
Total Modular Square Footage	9,000	9,000	9,000
Enrollment Grades K-5 for 2012-2015, Preschool only in 2016-2021	447	435	433
Student Capacity	445	445	445
Instruction Classrooms	20	20	20
Teaching Stations	17	17	17
Administrators	1	1	2
Certified Staff	25	26	24
Classified Staff	9	8	11
West Elementary School			
Constructed in 1928, addition in 1960			
Total Building Square Footage	46,404	46,404	46,404
Enrollment Grades K-5 2011-2016, building closed in 2017	441	434	478
Student Capacity	428	428	428
Instruction Classrooms	24	24	24
Teaching Stations	28	28	28
Administrators	1	2	2
Certified Staff	32	32	33
Classified Staff	18	16	18

TABLE 19

2015	2016	2017	2018	2019	2020	2021
29,055	N/A	N/A	N/A	N/A	N/A	N/A
330	N/A	N/A	N/A	N/A	N/A	N/A
149	N/A	N/A	N/A	N/A	N/A	N/A
17	N/A	N/A	N/A	N/A	N/A	N/A
21	N/A	N/A	N/A	N/A	N/A	N/A
2	N/A	N/A	N/A	N/A	N/A	N/A
21	N/A	N/A	N/A	N/A	N/A	N/A
11	N/A	N/A	N/A	N/A	N/A	N/A
37,000	N/A	N/A	N/A	N/A	N/A	N/A
449	N/A	N/A	N/A	N/A	N/A	N/A
345	N/A	N/A	N/A	N/A	N/A	N/A
20	N/A	N/A	N/A	N/A	N/A	N/A
29	N/A	N/A	N/A	N/A	N/A	N/A
3	N/A	N/A	N/A	N/A	N/A	N/A
25	N/A	N/A	N/A	N/A	N/A	N/A
16	N/A	N/A	N/A	N/A	N/A	N/A
25,200	25,200	25,200	25,200	25,200	25,200	25,200
9,000	9,000	9,000	9,000	9,000	9,000	9,000
418	184	196	200	192	204	146
445	445	445	445	445	445	445
20	20	20	20	20	20	20
17	17	17	17	17	17	17
2	0	1	1	1	1	1
26	10	10	12	12	17	16
9	10	13	11	14	17	17
46,404	46,404	N/A	N/A	N/A	N/A	N/A
459	553	N/A	N/A	N/A	N/A	N/A
428	428	N/A	N/A	N/A	N/A	N/A
24	24	N/A	N/A	N/A	N/A	N/A
28	28	N/A	N/A	N/A	N/A	N/A
2	2	N/A	N/A	N/A	N/A	N/A
32	37	N/A	N/A	N/A	N/A	N/A
18	18	N/A	N/A	N/A	N/A	N/A

(Continued)

Lancaster City School District, Ohio
Building Statistics
Last Ten Fiscal Years (Continued)

	2012	2013	2014
Mount Pleasant Elementary			
Constructed in 2015			
Total Building Square Footage	N/A	N/A	N/A
Enrollment Grades K-5 for 2016 - 2021	N/A	N/A	N/A
Student Capacity	N/A	N/A	N/A
Instruction Classrooms	N/A	N/A	N/A
Teaching Stations	N/A	N/A	N/A
Administrators	N/A	N/A	N/A
Certified Staff	N/A	N/A	N/A
Classified Staff	N/A	N/A	N/A
Gorsuch West Elementary			
Constructed in 2015			
Total Building Square Footage	N/A	N/A	N/A
Enrollment Grades K-5 for 2016 - 2021	N/A	N/A	N/A
Student Capacity	N/A	N/A	N/A
Instruction Classrooms	N/A	N/A	N/A
Teaching Stations	N/A	N/A	N/A
Administrators	N/A	N/A	N/A
Certified Staff	N/A	N/A	N/A
Classified Staff	N/A	N/A	N/A
Tarhe Trails Elementary			
Constructed in 2015			
Total Building Square Footage	N/A	N/A	N/A
Enrollment Grades K-5 for 2016 - 2021	N/A	N/A	N/A
Student Capacity	N/A	N/A	N/A
Instruction Classrooms	N/A	N/A	N/A
Teaching Stations	N/A	N/A	N/A
Administrators	N/A	N/A	N/A
Certified Staff	N/A	N/A	N/A
Classified Staff	N/A	N/A	N/A
Tallmadge Elementary			
Constructed in 2016			
Total Building Square Footage	N/A	N/A	N/A
Enrollment Grades K-5 for 2017 - 2021	N/A	N/A	N/A
Student Capacity	N/A	N/A	N/A
Instruction Classrooms	N/A	N/A	N/A
Teaching Stations	N/A	N/A	N/A
Administrators	N/A	N/A	N/A
Certified Staff	N/A	N/A	N/A
Classified Staff	N/A	N/A	N/A

TABLE 19

2015	2016	2017	2018	2019	2020	2021
N/A	73,913	73,913	73,913	73,913	73,913	73,913
N/A	586	593	542	542	549	538
N/A	578	578	578	578	578	578
N/A	29	29	29	29	29	29
N/A	35	35	35	35	35	35
N/A	2	2	2	2	3	3
N/A	35	36	35	37	39	38
N/A	20	26	18	21	21	21
N/A	78,632	78,632	78,632	78,632	78,632	78,632
N/A	613	615	581	590	573	530
N/A	623	623	623	623	623	623
N/A	33	33	33	33	33	33
N/A	39	39	39	39	39	39
N/A	2	2	2	2	3	3
N/A	41	37	36	42	42	41
N/A	25	23	22	25	26	25
N/A	75,573	75,573	75,573	75,573	75,573	75,573
N/A	665	697	608	596	583	562
N/A	625	625	625	625	625	625
N/A	31	31	31	31	31	31
N/A	37	37	37	37	37	37
N/A	2	2	2	2	2	2
N/A	39	40	36	35	34	34
N/A	19	19	16	15	17	17
N/A	N/A	69,276	69,276	69,276	69,276	69,276
N/A	N/A	559	558	572	560	523
N/A	N/A	578	578	578	578	578
N/A	N/A	27	27	27	27	27
N/A	N/A	33	33	33	33	33
N/A	N/A	2	2	2	2	2
N/A	N/A	33	34	34	37	36
N/A	N/A	17	16	16	18	16

(Continued)

Lancaster City School District, Ohio
Building Statistics
Last Ten Fiscal Years (Continued)

	2012	2013	2014
Medill Elementary			
Constructed in 2017			
Total Building Square Footage	N/A	N/A	N/A
Enrollment Grades K-5 for 2017 - 2021	N/A	N/A	N/A
Student Capacity	N/A	N/A	N/A
Instruction Classrooms	N/A	N/A	N/A
Teaching Stations	N/A	N/A	N/A
Administrators	N/A	N/A	N/A
Certified Staff	N/A	N/A	N/A
Classified Staff	N/A	N/A	N/A
General Sherman Junior High School			
Constructed in 1957, addition in 1973 - closed in June of 2020			
Modular Classrooms - Constructed in 2010			
Total Building Square Footage	64,394	64,394	64,394
Total Modular Square Footage	9,000	9,000	9,000
Enrollment Grades 6-8	676	707	729
Student Capacity	484	484	484
Instruction Classrooms	23	23	23
Teaching Stations	29	29	29
Administrators	2	2	2
Certified Staff	42	40	40
Classified Staff	17	16	18
Thomas Ewing Junior High School			
Constructed in 1957 and Demolished in June of 2020			
Modular Classrooms - Constructed in 2010 and 2012			
Total Building Square Footage	63,308	63,308	63,308
Total Modular Square Footage	18,000	18,000	18,000
Enrollment Grades 6-8 for 2011-2018, closed in January of 2019	709	700	709
Student Capacity	493	493	493
Instruction Classrooms	27	27	27
Teaching Stations	34	34	34
Administrators	2	2	2
Certified Staff	39	41	39
Classified Staff	16	16	16
Thomas Ewing Junior High School			
Constructed in 2019			
Total Building Square Footage	N/A	N/A	N/A
Enrollment Grades 6-8 for	N/A	N/A	N/A
Student Capacity	N/A	N/A	N/A
Instruction Classrooms	N/A	N/A	N/A
Teaching Stations	N/A	N/A	N/A
Administrators	N/A	N/A	N/A
Certified Staff	N/A	N/A	N/A
Classified Staff	N/A	N/A	N/A

TABLE 19

2015	2016	2017	2018	2019	2020	2021
N/A	N/A	87,764	87,764	87,764	87,764	87,764
N/A	N/A	539	630	681	682	617
N/A	N/A	750	750	750	750	750
N/A	N/A	33	33	33	33	33
N/A	N/A	39	39	39	39	39
N/A	N/A	2	2	2	2	2
N/A	N/A	37	41	45	43	44
N/A	N/A	25	27	25	27	28
64,394	64,394	64,394	64,394	64,394	64,394	N/A
9,000	9,000	9,000	9,000	9,000	9,000	N/A
695	682	669	686	702	717	N/A
484	484	484	484	484	484	N/A
23	23	23	23	23	23	N/A
29	29	29	29	29	29	N/A
2	2	2	2	2	2	N/A
40	41	41	42	43	46	N/A
18	23	22	22	21	21	N/A
63,308	63,308	63,308	63,308	63,308	N/A	N/A
18,000	18,000	18,000	18,000	18,000	N/A	N/A
686	681	693	694	728	N/A	N/A
493	493	493	493	493	N/A	N/A
27	27	27	27	27	N/A	N/A
34	34	34	34	34	N/A	N/A
2	2	2	2	2	N/A	N/A
43	39	42	41	41	N/A	N/A
19	18	16	19	19	N/A	N/A
N/A	N/A	N/A	N/A	N/A	105,863	105,863
N/A	N/A	N/A	N/A	N/A	726	728
N/A	N/A	N/A	N/A	N/A	750	750
N/A	N/A	N/A	N/A	N/A	42	42
N/A	N/A	N/A	N/A	N/A	13	13
N/A	N/A	N/A	N/A	N/A	3	3
N/A	N/A	N/A	N/A	N/A	42	45
N/A	N/A	N/A	N/A	N/A	17	22

(Continued)

Lancaster City School District, Ohio
Building Statistics
Last Ten Fiscal Years (Continued)

	2012	2013	2014
General Sherman Junior High School			
Constructed in 2020			
Total Building Square Footage	N/A	N/A	N/A
Enrollment Grades 6-8 for	N/A	N/A	N/A
Student Capacity	N/A	N/A	N/A
Instruction Classrooms	N/A	N/A	N/A
Teaching Stations	N/A	N/A	N/A
Administrators	N/A	N/A	N/A
Certified Staff	N/A	N/A	N/A
Classified Staff	N/A	N/A	N/A
Stanbery School and Administration Center			
Constructed in 1929, addition in 1965			
Total Building Square Footage	77,767	77,767	77,767
Enrollment for Career Based Intervention Technology Students	203	205	194
Student Capacity	509	509	509
Instruction Classrooms	28	28	28
Teaching Stations	32	32	32
Administrators	10	7	7
Certified Staff	16	14	22
Classified Staff	22	18	20
Lancaster High School			
Constructed in 1963, Vocational classrooms constructed in 1965			
Total Building Square Footage	192,500	192,500	192,500
Enrollment Grades 9-12	1,416	1,395	1,511
Student Capacity	1,302	1,302	1,302
Instruction Classrooms	65	65	65
Teaching Stations	102	102	102
Administrators	6	6	6
Certified Staff	104	106	98
Classified Staff	50	53	52
Maintenance and Transportation Building			
Constructed in 1997			
Total Building Square Footage	25,000	25,000	25,000
Administrators	2	3	3
Classified Staff	54	62	57

Source: Building square footage, instructional classrooms, and teaching stations were determined from architectural drawings.

Source: Student enrollment is based on the October count for Educational Management Information System for fiscal years 2012 through 2014 while student enrollment for fiscal years 2015-2021 are based on the final year-end count.

Source: Student Capacity is based upon State standards of required square footage per child.

Source: Staffing was provided from payroll records maintained by the Lancaster City Schools Treasurer's Office.

N/A was used in the columns to show when a building was not in use.

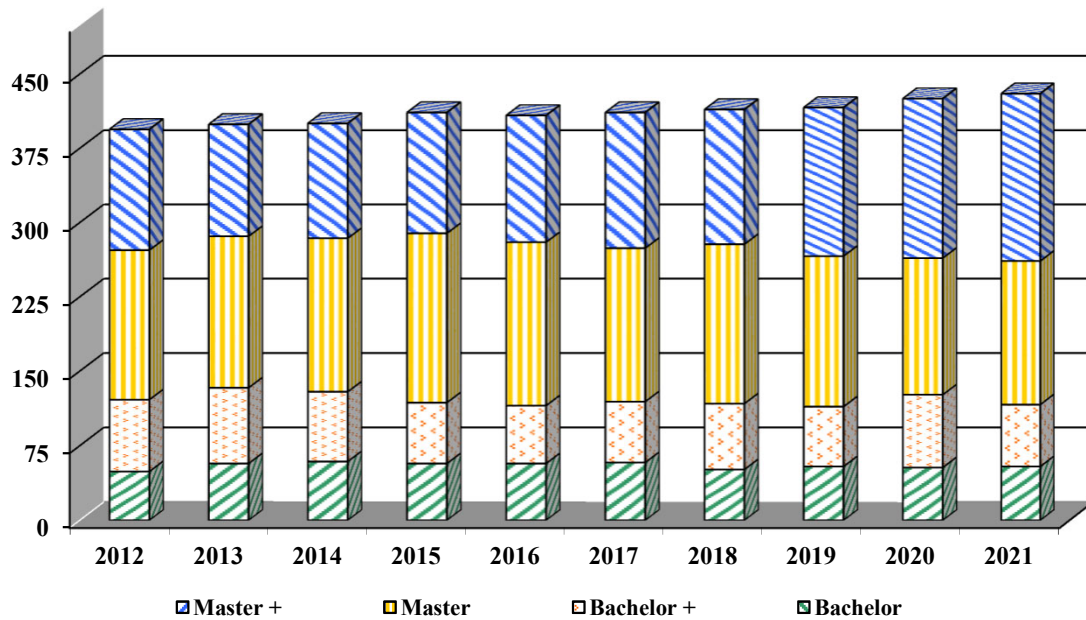
TABLE 19

2015	2016	2017	2018	2019	2020	2021
N/A	N/A	N/A	N/A	N/A	N/A	105,863
N/A	N/A	N/A	N/A	N/A	N/A	716
N/A	N/A	N/A	N/A	N/A	N/A	750
N/A	N/A	N/A	N/A	N/A	N/A	42
N/A	N/A	N/A	N/A	N/A	N/A	13
N/A	N/A	N/A	N/A	N/A	N/A	2
N/A	N/A	N/A	N/A	N/A	N/A	47
N/A	N/A	N/A	N/A	N/A	N/A	19
77,767	77,767	77,767	77,767	77,767	77,767	77,767
241	228	226	265	260	258	255
509	509	509	509	509	509	509
28	28	28	28	28	28	28
32	32	32	32	32	32	32
7	12	12	14	20	25	22
27	22	40	44	36	31	33
21	27	24	24	25	25	24
192,500	192,500	192,500	192,500	192,500	192,500	192,500
1,516	1,554	1,567	1,538	1,540	1,554	1,518
1,302	1,302	1,302	1,302	1,302	1,302	1,302
65	65	65	65	65	65	65
102	102	102	102	102	102	102
6	6	6	6	6	6	7
102	103	102	103	97	97	99
49	44	45	53	53	51	43
25,000	25,000	25,000	25,000	25,000	25,000	25,000
3	3	3	3	3	3	3
60	61	61	67	74	74	78

TABLE 20

Lancaster City School District, Ohio
Full-Time Equivalent Teachers by Education
Last Ten Fiscal Years

Degree	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Bachelor's Degree	49	57	59	57	57	58	51	54	53	54
Bachelor + 15	10	14	15	12	10	11	17	9	15	9
Bachelor + 30 (150 hours)	62	62	55	49	48	50	49	51	58	53
Master's Degree	151	153	155	171	165	155	161	152	138	145
Master's + 15	31	35	40	40	45	44	34	41	46	40
Master's + 30	60	52	55	56	58	66	76	79	82	94
Master's + 45	31	26	21	26	25	27	26	30	33	35
Total	394	399	400	411	408	411	414	416	425	430



Source: Lancaster City School District Personnel Records.

TABLE 21

Lancaster City School District, Ohio
Teachers' Salaries
Last Ten Fiscal Years

Fiscal Year	Minimum Salary (1)	Maximum Salary (2)	Average Salary for the School Districts (3)	Average Salary Comparable Districts (3)	Statewide Average Salary (3)
2012	\$35,609	\$78,099	\$55,920	\$56,026	\$58,120
2013	35,609	78,099	55,703	59,539	56,307
2014	36,499	80,052	56,657	59,253	55,916
2015	37,137	81,452	57,770	59,522	55,913
2016	37,509	82,267	58,223	60,510	57,154
2017	38,258	83,911	59,866	60,899	58,849
2018	39,024	85,590	61,082	63,067	62,353
2019	39,804	87,301	63,007	60,624	63,916
2020	40,998	89,919	64,789	62,577	65,754
2021	42,228	92,171	68,539	N/A	N/A

Sources: School District Financial Records and the Ohio Department of Education.

(1) Starting teacher with no experience - per negotiated agreement.

(2) Teacher with a Masters degree plus more than 45 hours of additional education - per negotiated agreement.

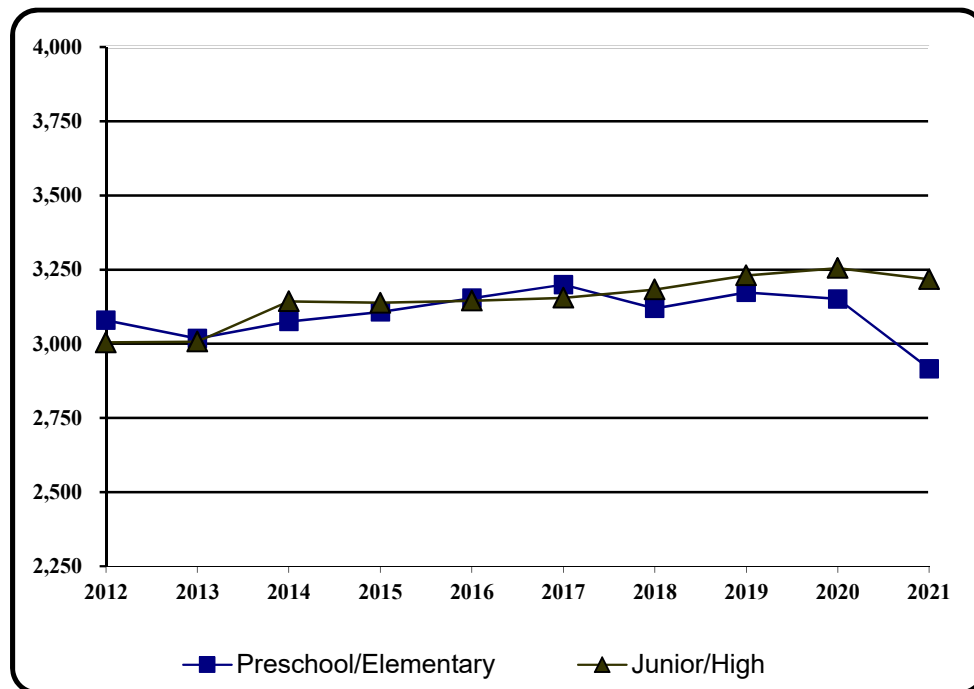
(3) Provided by the Ohio Department of Education.

N/A means not available at the time this report was prepared

TABLE 22

Lancaster City School District, Ohio
Enrollment Statistics
Last Ten Fiscal Years

Fiscal Year	Preschool/ Elementary Schools	Junior/High School	Total
2012	3,079	3,004	6,083
2013	3,018	3,007	6,025
2014	3,075	3,143	6,218
2015	3,107	3,138	6,245
2016	3,154	3,145	6,299
2017	3,199	3,155	6,354
2018	3,119	3,183	6,302
2019	3,173	3,230	6,403
2020	3,151	3,255	6,406
2021	2,916	3,217	6,133



Source: School District Records - October counts that was submitted to the Educational Management Information System for fiscal years 2012 through 2014 while fiscal years 2015 through 2021 was based on the year-end count.

Lancaster City School District, Ohio
Attendance and Graduation Rates
Last Ten Fiscal Years

Fiscal Year	Lancaster City Attendance Rate	State Average	Lancaster City Graduation Rate	State Average
2012	95.10%	94.50%	88.50%	84.40%
2013	94.70	94.20	91.60	82.20
2014	95.90	94.30	92.50	82.30
2015	94.70	94.10	92.50	83.00
2016	>95.0	94.10	91.40	83.50
2017	94.20	93.90	91.40	84.20
2018	93.80	93.70	90.20	85.30
2019	93.40	N/A	91.30	85.90
2020	95.00	N/A	92.60	87.20
2021	92.00	N/A	N/A	N/A

Source: Ohio Department of Education Local Report Cards

N/A means not available at the time this report was prepared

Lancaster City School District, Ohio*Average A.C.T. Scores**Last Ten Fiscal Years*

Year	English	Math	Reading	Science	Composite
A.C.T. - Lancaster High School (Juniors and Seniors)					
2012	21.8	21.9	22.5	22.2	22.2
2013	20.6	21.5	22.2	22.0	21.7
2014	21.1	21.3	22.4	22.3	21.9
2015	21.6	22.2	22.7	22.8	22.4
2016	21.1	21.8	22.6	22.4	22.1
2017	20.8	21.7	22.9	22.6	22.1
2018	17.2	18.7	19.5	19.0	18.7
2019	17.3	18.9	19.6	19.4	19.0
2020	16.4	17.7	18.5	18.6	17.9
2021	17.0	18.4	19.5	19.6	18.8
A.C.T. - Ohio (Graduating Class)					
2012	21.1	21.5	22.1	21.8	21.8
2013	21.2	21.5	22.2	21.8	21.8
2014	21.4	21.7	22.4	22.0	22.0
2015	21.4	21.7	22.5	22.1	22.0
2016	21.2	21.6	22.5	22.0	22.0
2017	21.2	21.6	22.5	22.2	22.0
2018	19.3	20.3	20.8	20.4	20.3
2019	19.0	19.9	20.5	20.1	19.0
2020	N/A	N/A	N/A	N/A	19.9
2021	N/A	N/A	N/A	N/A	20.0
A.C.T. - U.S.A. (Graduating Class)					
2012	20.5	21.1	21.3	20.9	21.1
2013	20.2	20.9	21.1	20.7	20.9
2014	20.3	20.9	21.3	20.8	21.0
2015	20.4	20.8	21.4	20.9	21.0
2016	20.1	20.6	21.3	20.8	20.8
2017	20.3	20.7	21.4	21.0	21.0
2018	20.2	20.5	21.3	20.7	20.8
2019	20.3	20.8	21.3	20.8	20.8
2020	20.1	20.4	21.2	20.6	20.7
2021	20.1	20.4	21.2	20.6	20.7

Note: The A.C.T. Standard Score Scale Range from 1 to 36.

Source: A.C.T. scores were provided by ACT, Inc.

N/A means not available at the time this report was prepared

TABLE 25

Lancaster City School District, Ohio
Students in Free or Reduced Price Lunch Program
June 30, 2021

School	Students Receiving Free Lunch	Percentage of Students Receiving Free Lunch	Students Receiving Reduced Lunch	Percentage of Students Receiving Reduced Lunch
Lancaster Preschool	62	42.47%	5	3.42%
Gorsuch West Elementary School	354	66.79%	28	5.28%
Medill Elementary School	292	47.48%	45	7.32%
Mount Pleasant Elementary School	285	53.07%	33	6.14%
Tallmadge Elementary School	341	65.20%	39	7.46%
Tarhe Trails Elementary School	174	30.96%	47	8.36%
General Sherman Junior High School	361	50.42%	45	6.28%
Thomas Ewing Junior High School	333	45.93%	48	6.62%
Lancaster High School	710	40.07%	108	6.09%

Source: School District Food Service Records at June 30, 2021

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