



# **Lancaster City School District, Ohio**

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



**— Thomas Ewing Junior High School —**  
**Opened January of 2020**

## **Comprehensive Annual Financial Report (CAFR)**

**For the Fiscal Year Ended June 30, 2020**

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Lancaster City School District, Ohio

Comprehensive Annual Financial Report  
(CAFR)



For the Fiscal Year Ended June 30, 2020  
Issued By: Treasurer's Office

Julie Taylor, Treasurer

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**LANCASTER CITY SCHOOL DISTRICT, OHIO**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**  
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# **Introductory Section**



**Lancaster  
Gales**

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## TREASURER'S OFFICE

Julie Taylor, Treasurer  
Jennifer Smith, Assistant Treasurer

December 14, 2020

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

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of Lancaster City School District (School District) for the fiscal year ended June 30, 2020. This CAFR 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 a CAFR. 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 2020, the School District was composed of a high school (serving 1,812 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, 2020, the citizens of Lancaster have an investment of \$130,600,601 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 314 non-certified employees, 435 certificated personnel, and 45 administrative employees who provide services to 6,406 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, State Support Team Region 11, 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 as of July 1, 2019, to be 40,505 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. With the completion of 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 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 new \$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, Marie’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 is currently under construction with Phase I units (one and two bedroom flats within the refurbished elementary school) available by the end of 2020. Phase II includes 18 townhomes with attached garages and 20 garden-style units. 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. It is uncertain when OFCC will have the funding available for its portion of the project; however, the School District received approval in July of 2020 to enter the Expedited Local Partnership Program which allows the School District to start the high school project using of the School District’s share of proceeds.

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 2,253 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 new \$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 dollar 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. In the fall of 2019, enrollment was roughly 1,500 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 held a groundbreaking ceremony in July of 2019 to kick off construction of the 153,000 square foot facility with an initial investment of \$60 million. 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 is benefiting 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.

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. For fiscal year 2021, an additional 4.2 percent was cut from State funding received by the School District. 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 few 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, 2020. Some of those were as follows:

### **Human Resources**

- Achieved 100 percent passage of all Year 4 Resident Educators on the final Resident Educator Summative Assessment.
- Developed a process and guidelines to incorporate new leave procedures related to COVID-19 and the Family First Coronavirus Response Act.

### **Instructional Services Department**

- Grades 4 - 8 English language arts teachers were provided with Language Essentials for Teachers Reading and Spelling professional development to improve literacy instruction.
- Thomas Ewing Junior High School (Thomas Ewing) was selected as a statewide model school for adolescent literacy. The Ohio Department of Education worked with the Thomas Ewing and brought former national principal of the year, Dr. Mel Riddle, to the school for onsite reviews and coaching.

### **Custodial/Maintenance Department**

- New mulch was installed at Medill and Tallmadge Elementary playgrounds.

### **Transportation Department**

- Purchased two new special needs vans and one new wheel chair equipped bus.
- Created and implemented two new contracted floating sub bus driver positions.

### **Business Manager**

- Finished construction on Thomas Ewing opened in January of 2020. Continued construction on General Sherman Junior High School which opened in August of 2020.
- Redesigned a new press box for Fulton Field.

### **Technology Department**

- Replaced the data center server system that houses most of our important data including transportation, food service, and the library databases, user account management, and network data storage for staff and departments.
- Brought the new Thomas Ewing Junior network online, moved computers, and tech equipment to the new building and integrated new classroom technology.
- Supported "Distance Learning" and "Work from home" users due to COVID-19.



### **Treasurer's Department**

- Received an unmodified opinion on the fiscal year 2019 audit with no material citations or recommendations noted.
- Received notice that the Lancaster City Schools Comprehensive Annual Financial Report (CAFR) for Fiscal Year ending June 30, 2019, 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 a CAFR 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, 2019, 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**

- Served meals during COVID-19 operation restrictions and served our community during a time of need. The transportation and food service departments came together to get more meals out to the community for people without transportation.
- Opened up the New Thomas Ewing kitchen successfully.
- Implemented and sampled new food items like the new "Energy Bowl" at the high school which consists of two proteins with fruits and vegetables. Sampled lasagna rollups which will be on the menu at the high school next year. We also tried out new breakfast items.

### **Athletic Department**

- Lancaster sent three cross country runners to the State Championship meet (Sarah Craft, Orion Thress, and Meagan Ward).
- Lancaster sent three wrestlers and one swimmer to the State Championships (Jacob Reed, Logan Agin, Adain Agin, and Mia Hensley).
- Lancaster Athletic Department had 14 athletes commit to participate in NCAA Division I or Division II collegiate athletics.

### **Lancaster High School**

- Started a new career tech program, Early Childhood Education and provided hands-on experience in the preschool and elementary schools.
- Lancaster High School achieved status as a 2020 Best High School, based on rankings from the U.S. News & World Report by earning a national ranking in the top 40 percent.
- Lancaster High School's Pam Bosser was named Central Ohio Athletic Director of the Year by the Ohio Interscholastic Athletic Administrators Association.
- Senior Curtis Young won the very prestigious 2020 Dr. Sol Maggied/Larry Romanoff Award presented at the 59th Annual Scholar - Athlete Banquet of the Columbus Chapter of the National Football Foundation and College Football Hall Of Fame.
- Debra Bates was the Ohio 2020 Educator of Excellence recipient. Debra recognizes a need in the restaurant industry, more mentors, and does her part to help fill the need each day in her ProStart classroom.

### **General Sherman Junior High School**

- Implemented the full Positive Behavioral Interventions and Supports (PBIS) system and lowered student referrals.

### **Thomas Ewing Junior High School**

- Thomas Ewing made a seamless mid-year move in the new building.
- Student-led Veteran's Day assembly held with over 80 veterans in attendance.
- Trained over 720 students in Hands Only CPR.

### **Gorsuch West Elementary**

- Calm classroom strategies were successfully implemented every day in every classroom in order to assist students with stress and emotional trauma.
- Raised \$3,634 this year for the American Heart Association. Over \$21,000 has been raised in the last five years at Gorsuch West.
- The first gaga pit in the School District was installed on the playground for student exercise and fun.

### **Medill Elementary**

- Students from Mrs. Clark-Cupp's class had poems published in the Lancaster Living Magazine.
- Received a tower garden through a grant from the Fairfield Department of Health.

### **Mount Pleasant Elementary**

- Recognized by the Ohio PBIS Network and State Support Team and awarded the 2019 Bronze Award for the implementation of school-wide behavior intervention and supports.
- Student Leadership Teams continued with approximately 13 student leadership teams.
- Mt. Pleasant was proud to be the first elementary to provide our girls with ROX (Ruling our eXperiences). This program is committed to the empowerment of girls by focusing on topics that impact girls on a daily basis such as healthy friendships, confidence, self-esteem, stress, depression, academics, career goals, body image, social media, safety, and violence prevention.

### **Tallmadge Elementary**

- High school honor science students helped with COSI For STEM lessons.
- Bob Jumper, Safety Patrol Volunteer, received an award for Community Service from the Development of Disability

### **Tarhe Trails Elementary**

- Continued with Dads of Great Students Program. Fathers, grandfriends, and volunteers continued volunteering with our WatchDog program this year.
- Tarhe Trails Student Council's annual Coin War Challenge raised nearly \$1,000 for families in need during the holiday season.
- Tarhe Trails had nearly 100 participants in the annual Dirty Thirty Race sponsored by the Lancaster Public Education Foundation.

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 \$12,961,759 in fiscal year 2020. 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.

While the School District experienced a decline in enrollment after the reduction in 2005, it has rebounded. The School District has realized increases in enrollment from 6,134 in 2010 to 6,406 in fiscal year 2020; however, the School District continues to lose students through open enrollment to other school districts and community schools, which impacts the State funding revenue/deductions. The effects of the COVID-19 pandemic has further increased loss in these areas 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.

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. OFCC does not currently have its portion of the project available; however, the School District received approval in July of 2020 to enter the Expedited Local Partnership Program (ELPP) which allows the School District to start the high school project using the School District's share of proceeds first. The Board of Education had delayed the collection of taxes for tax year 2019, collection in 2020, due to the uncertainty in State funds, but tax collections will begin for tax year 2020, collection in 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 2020, the School District's Board of Education assigned general fund balances in the amount of \$16,872,445 to cover the gap between estimated resources and appropriations in fiscal year 2020'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, 2020, 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 Comprehensive Annual Financial Report for the fiscal year ended June 30, 2019. 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 Comprehensive Annual Financial Report, with contents conforming to program standards. Such CAFR 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-seven years out of the last twenty-eight years. The School District did not submit a CAFR 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, 2019. 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.

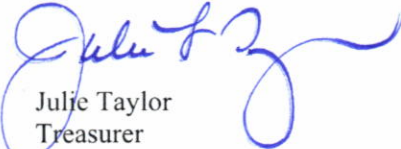
**Acknowledgments:** The publication of this report is a major step toward the commitment to professionalizing the financial reporting of the Lancaster City School District and significantly increases the accountability of the School District to the taxpayers.

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 CAFR would not have been possible.

Respectfully Submitted,



Julie 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, 2019

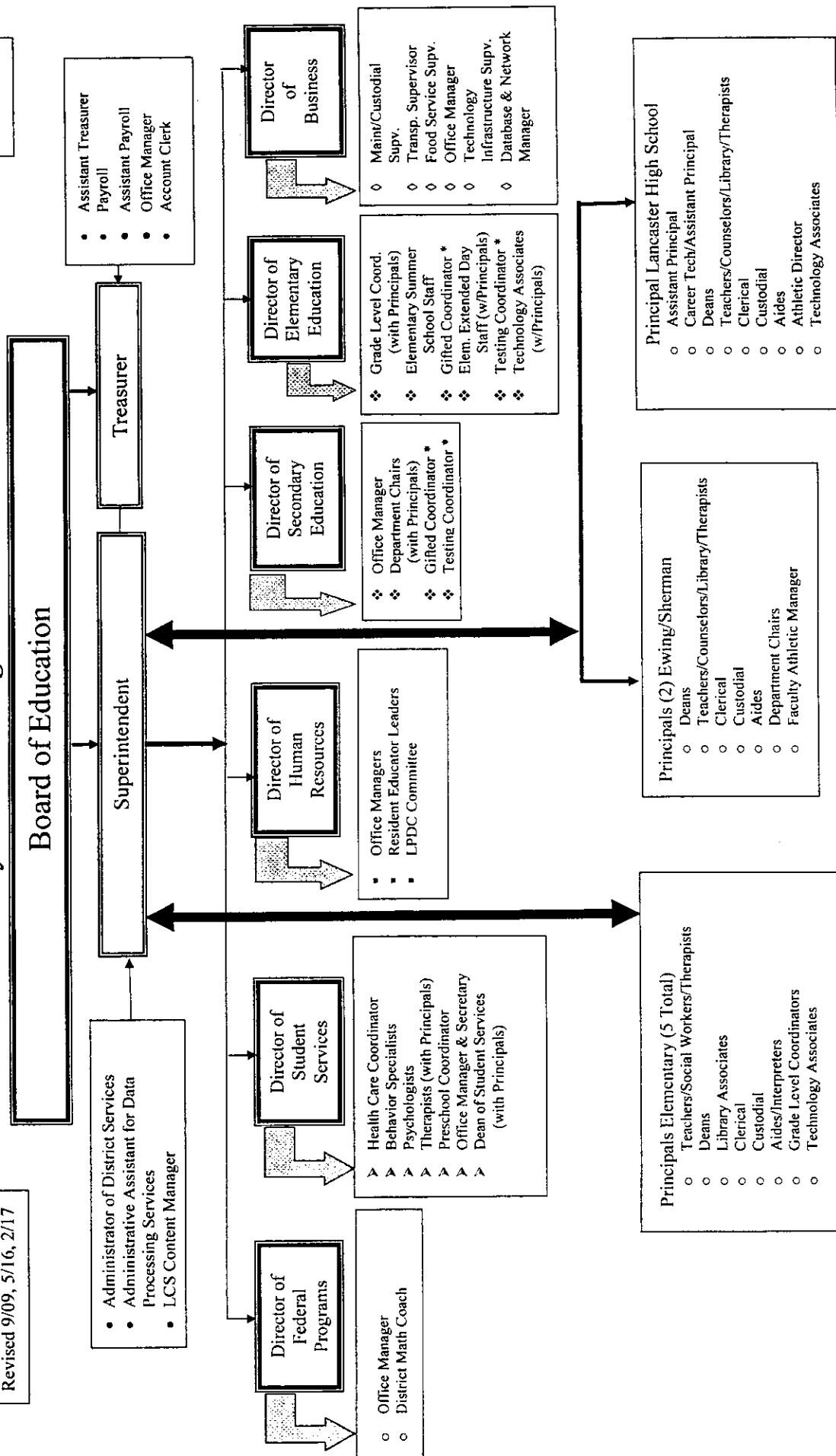
*Christopher P. Morill*

Executive Director/CEO

# Lancaster City Schools' Organizational Chart

File: CCA

Revised 9/09, 5/16, 2/17



**LANCASTER CITY SCHOOL DISTRICT, OHIO**

**ORGANIZATIONAL CHART**

*(Continued)*

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<u><b>SUPERINTENDENT</b></u>	<b>PRINCIPALS, ASSISTANT PRINCIPALS</b> <u><b>VOCATIONAL DIRECTOR</b></u>	<u><b>TREASURER</b></u>
-- Administrative Assistant For Data Processing Services	-- Teachers	-- Assist. Treasurer
-- Administrator of Director Services	-- Guidance Counselors	-- Payroll Clerk
	-- Deans	-- Assist. Payroll Clerk
	-- Media	-- Account Clerk
	-- Tutors	-- Office Manager
	-- Secretaries	
	-- Educational Assistants	
	-- Technology Technicians	
	-- Health Assistants	
	-- Graduation and Workforce Development Coordinator	
<u><b>SPECIAL EDUCATION</b></u>	<b>DIRECTORS, SUPERVISORS</b> <u><b>COORDINATORS</b></u>	<u><b>FOOD SERVICE</b></u> <u><b>SUPERVISOR</b></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		
<u><b>MAINTENANCE/CUSTODIAL SUPERVISOR</b></u>		<u><b>TRANSPORTATION SUPERVISOR</b></u>
-- Journeyman/Apprentice		-- Bus Driver
-- Secretary		-- Mechanic
-- Custodians		-- Secretary
-- Maintenance Staff		-- Bus Aide
-- Courier		



**LANCASTER CITY SCHOOL DISTRICT, OHIO**  
*PRINCIPAL OFFICIALS*  
*JUNE 30, 2020*

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**BOARD OF EDUCATION**

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

**Treasurer**

Julie Taylor, Treasurer

**Administration**

Steve Wigton . . . . . Superintendent  
Jerry Rainey . . . . . Director of Business  
Kevin Snyder . . . . . Director of Secondary Education  
Jenny O’Hare . . . . . Director of Federal Programs  
Donna McCance . . . . . Director of Student Services  
Nathan Hale . . . . . Director of Human Resources  
Dr. Jeromey Sheets . . . . . Director of Elementary Education

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# **Financial Section**



**Lancaster  
Gales**

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88 East Broad Street, 5<sup>th</sup> Floor  
Columbus, Ohio 43215-3506  
(614) 466-3402 or (800) 443-9275  
CentralRegion@ohioauditor.gov

## 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, 2020, 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, 2020, 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 from and relate 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 14, 2020, 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.

A handwritten signature in black ink, reading "Keith Faber". The signature is written in a cursive, flowing style.

Keith Faber  
Auditor of State

Columbus, Ohio

December 14, 2020

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**Lancaster City School District, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2020*  
*Unaudited*

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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, 2020. 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 2020 are as follows:

- Net position of governmental activities decreased \$8,662,625.
- General revenues accounted for \$68,989,002 in revenue or 79 percent of all revenues. Program specific revenues in the form of charges for services, grants, contributions, and interest accounted for \$18,579,945 or 21 percent of total revenues of \$87,568,947.
- Total assets of governmental activities increased \$63,383,700. Current and other assets increased in the amount of \$48,031,438 mainly in the areas of cash and cash equivalents and investments. The School District issued debt in the amount of \$66,125,000 for their local share of the new high school Ohio Facilities Construction Commission (OFCC) project in May of 2020. Capital assets increased in the amount of \$15,228,940 primarily due to the ongoing construction of the two new junior high school buildings. The capital assets additions in the amount of \$18,853,229 for fiscal year 2020 were offset by current year depreciation expenses in the amount of \$2,943,986.
- The Thomas Ewing Junior High School was finished and opened to students and staff in January of 2020.
- Total liabilities of governmental activities increased \$66,404,030. Long-term liabilities increased in the amount of \$68,078,026 mainly due to increases in the other amounts due in more than one year and due within one year due to the issuance of debt for the new high school building project in May of 2020. Current and other liabilities decreased in the amount of \$1,673,996 due primarily to decreases in contracts payable due to a decrease in the fiscal year end construction payables for the new junior high school buildings.
- The School District had \$96,231,572 in expenses related to governmental activities; only \$18,579,945 of these expenses were offset by program specific charges for services, grants, contributions, and interest. General revenues in the amount of \$68,989,002 and prior year net position were used to provide for these activities.
- The School District has three major funds, the general fund, school building construction, and the classroom facilities fund. The general fund had \$72,581,464 in revenues, \$70,270,896 in expenditures, and (\$2,668,243) in other financing sources (uses). The general fund's balance decreased \$357,675. The school building construction fund had \$166,680 in revenues, \$3,745,386 in expenditures, and \$66,125,000 in other financing sources. The school building construction fund's balance increased \$62,546,294 due to the issuance of debt for the new high school. The classroom facilities fund had \$5,110,487 in revenues and expenditures in the amount of \$17,512,409. The classroom facilities fund's balance decreased \$12,401,922 due to the progression of the two new junior high school buildings.

**Lancaster City School District, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2020*  
*Unaudited*

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**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 2020?" 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, school building construction fund, and the classroom facilities fund.

**Lancaster City School District, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2020*  
*Unaudited*

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***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 2020 compared to 2019.

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**Lancaster City School District, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2020*  
*Unaudited*

**Table 1 - Net Position**

	Governmental Activities		
	2020	2019 *	Change
<b>Assets</b>			
Current and Other Assets	\$184,764,668	\$136,733,230	\$48,031,438
Net OPEB Asset	4,426,789	4,303,467	123,322
Capital Assets	130,600,601	115,371,661	15,228,940
Total Assets	319,792,058	256,408,358	63,383,700
<b>Deferred Outflows of Resources</b>			
Deferred Charge on Refunding	2,209,224	296,472	1,912,752
Pension	16,084,492	22,439,611	(6,355,119)
OPEB	1,731,867	1,512,464	219,403
Total Deferred Outflows of Resources	20,025,583	24,248,547	(4,222,964)
<b>Liabilities</b>			
Current and Other Liabilities	14,555,627	16,229,623	(1,673,996)
Long-Term Liabilities:			
Due Within One Year	2,637,319	2,024,738	612,581
Pension	75,502,687	75,004,814	497,873
OPEB	7,070,318	7,902,453	(832,135)
Other Amounts Due In More Than One Year	159,227,274	91,427,567	67,799,707
Total Liabilities	258,993,225	192,589,195	66,404,030
<b>Deferred Inflows of Resources</b>			
Property Taxes/Payment in Lieu of Taxes	26,375,441	23,861,674	2,513,767
Pension	4,363,567	5,488,178	(1,124,611)
OPEB	7,659,251	7,629,076	30,175
Total Deferred Inflows of Resources	38,398,259	36,978,928	1,419,331
<b>Net Position</b>			
Net Investment in Capital Assets	46,706,563	44,963,445	1,743,118
Restricted	12,389,930	17,698,927	(5,308,997)
Unrestricted (Deficits)	(16,670,336)	(11,573,590)	(5,096,746)
<b>Total Net Position</b>	<b>\$42,426,157</b>	<b>\$51,088,782</b>	<b>(\$8,662,625)</b>

\*GASB Statement No. 84 was implemented during fiscal year 2020 which restated fiscal year 2019. See Note 3 for additional details on the restatement.

The net pension liability (NPL) is one of the largest liabilities reported by the School District at June 30, 2020. 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, 2020*  
*Unaudited*

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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 increased \$63,383,700. Current and other assets increased in the amount of \$48,031,438 mainly due to increases in cash and cash equivalents in the amount of \$12,903,801, increases in investments in the amount of \$38,424,188, and increases in property taxes receivables in the amount of \$2,255,369. These increases were offset by decreases in intergovernmental receivables in the amount of \$5,202,668. The increases in cash and cash equivalents and investments is due to the issuance of \$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 Ohio Facilities Construction Commission (OFCC). The OFCC portion of the project was not available during fiscal year 2020; therefore, the School District will begin to spend the local share portion of the project until the OFCC portion of the project is available to be drawn down. None of the bond proceeds were expensed by June 30, 2020. Construction continued during fiscal year 2020 on the two new junior high buildings. The Thomas Ewing Junior High School building was completed and opened to staff and students in January of 2020. The General Sherman Junior High School building was still a construction in progress as of June 30, 2020. During fiscal year 2017, the School District accepted the State share of the project and was awarded \$21,535,297. The School District also issued School Facilities Construction and Improvement General Obligation Bonds Series A and B in the amount of \$28,140,000 for the local share of the project and invested the bond proceeds. During fiscal years 2018, 2019, and 2020, the School District received monies from the OFCC to pay for construction and has also used matured investments to pay for construction expenses. Due to the continual drawdown of the OFCC monies, intergovernmental receivables decreased in fiscal year 2020 compared to fiscal year 2019. The increase in property taxes receivable is due to Fairfield County completing their reevaluation in 2019 which resulted in higher assessed values of which collections began in calendar year 2020 and due to collections beginning in calendar year 2021 for the new high school bond levy passed by voters in May of 2019. Capital assets increased in the amount of \$15,228,940 primarily due to the ongoing construction of the General Sherman Junior High School building and the completion of the Thomas Ewing Junior High School building through the OFCC project. The capital assets additions in the amount of \$18,853,229 for fiscal year 2020 were offset by current year depreciation expenses in the amount of \$2,943,986.

Total liabilities of governmental activities increased \$66,404,030. Current and other liabilities decreased in the amount of \$1,673,996 due primarily to decreases in contracts payable due to a decrease in the year end construction payables for the new junior high school buildings. Long-term liabilities increased in the amount of \$68,078,026 mainly due to increases in the other amounts due in more than one year and due within one year due to the issuance of debt in the amount of \$66,125,000 for the new high school building project in May of 2020. Fiscal year 2020 principal payments and bond premium amortization were \$2,000,108 on outstanding bonds and \$251,578 on capital leases payable. During fiscal year 2020, the School District partially advanced refunded School Facilities Construction and Improvement General Obligation Bonds, Series 2012 term bonds in the amount of \$47,460,000 and issued \$47,457,912 in School Facilities Construction and Improvement Refunding Bonds, Series 2019. The School District's taxpayers will benefit from the partial refunding due to a decrease in interest rates for the new refunding bonds. Interest expenses decreased \$521,743 from fiscal year 2019 to fiscal year 2020. Compensated absences increased in the amount of \$44,544 due to staff meeting the criteria as probable for retirement.

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Table 2 shows the changes in net position for the fiscal year ended June 30, 2020, and comparisons to fiscal year 2019.

**Table 2 - Changes in Net Position**

	Governmental Activities		
	2020	2019 *	Change
<b>Revenues</b>			
Program Revenues			
Charges for Services	\$2,442,953	\$2,803,300	(\$360,347)
Operating Grants, Contributions, and Interest	15,964,910	14,145,596	1,819,314
Capital Grants and Contributions	172,082	7,075	165,007
Total Program Revenues	18,579,945	16,955,971	1,623,974
General Revenues			
Property Taxes	26,443,230	23,300,125	3,143,105
Income Taxes	13,134,382	12,859,173	275,209
Grants and Entitlements	26,081,331	26,989,598	(908,267)
Gain on Sale of Capital Assets	0	5,841	(5,841)
Payment in Lieu of Taxes	344,430	329,324	15,106
Unrestricted Contributions	0	1,000	(1,000)
Unrestricted Interest	2,286,667	2,745,023	(458,356)
Miscellaneous	698,962	1,027,691	(328,729)
Total General Revenues	68,989,002	67,257,775	1,731,227
Total Revenues	87,568,947	84,213,746	3,355,201
<b>Program Expenses</b>			
Instruction:			
Regular	35,333,529	27,615,492	7,718,037
Special	15,271,683	11,434,335	3,837,348
Vocational	2,193,813	1,821,216	372,597
Student Intervention Services	259,874	281,920	(22,046)
Support Services:			
Pupils	6,283,001	4,653,583	1,629,418
Instructional Staff	4,255,350	3,024,346	1,231,004
Board of Education	88,861	99,806	(10,945)
Administration	6,584,329	4,786,808	1,797,521
Fiscal	1,768,133	1,608,601	159,532
Business	384,077	361,874	22,203
Operation and Maintenance of Plant	10,024,152	5,220,033	4,804,119
Pupil Transportation	3,593,687	3,044,950	548,737
Central	1,182,582	1,155,006	27,576
Operation of Non-Instructional Services:			
Food Service Operations	3,213,995	3,171,517	42,478
Other	1,079,677	4,078,884	(2,999,207)
Extracurricular Activities	1,717,313	2,109,839	(392,526)
Interest and Fiscal Charges	2,997,516	3,082,651	(85,135)
Total Program Expenses	96,231,572	77,550,861	18,680,711
<i>Change in Net Position</i>	<i>(8,662,625)</i>	<i>6,662,885</i>	<i>(15,325,510)</i>
Net Position Beginning of Year	51,088,782	44,425,897	6,662,885
<b>Net Position End of Year</b>	<b>\$42,426,157</b>	<b>\$51,088,782</b>	<b>(\$8,662,625)</b>

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\*GASB Statement No. 84 was implemented during fiscal year 2020 which restated fiscal year 2019. See Note 3 for additional details on the restatement.

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 30 percent of revenues for governmental activities for the School District in fiscal year 2020. 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 2020.

Program revenues increased by less than 10 percent and general revenues increased less than 3 percent from fiscal year 2019 as compared to fiscal year 2020. Operating grants, contributions, and interest increased during fiscal year 2020 in the amount of \$1,819,314. The increase is primarily due to an increase in title I funding in the amount of \$849,956, idea-b funding in the amount of \$339,403, an increase in school emergency relief in the amount of \$127,688, and an increase in early childhood funding in the amount of \$44,000. General revenues fluctuated in the different revenue sources from fiscal year 2019 to fiscal year 2020 but resulted in an increase of \$1,731,227 from the prior year. The largest area of change was seen in property taxes revenue. Property taxes reflected an increase in the amount of \$3,143,105 primarily due to an increase in assessed property valuations due to Fairfield County completing their revaluation which were reflected on calendar year 2020 collections. See Note 7 for more details on the increase in property tax valuations. Unrestricted interest earnings reflected a decrease in fiscal year 2020 due to lower cash balances available for investing throughout the year and lower rates of interest on investments compared to fiscal year 2019.

Program expenses increased during fiscal year 2020 compared to fiscal year 2019. Expenses increased due to the fluctuation in the pension/OPEB related expenses. Support services operation and maintenance of plant expenses increased partially due to purchases of furniture for the new junior high school buildings and School District repairs and improvements that were not capitalized as a capital asset because they did not meet the capital asset policy and threshold requirements.

Instruction comprises approximately 55 percent of governmental program expenses, support services make up approximately 36 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 3 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.

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**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
	2020	2020	2019 *	2019 *
<b>Program Expenses</b>				
Instruction:				
Regular	\$35,333,529	\$33,827,360	\$27,615,492	\$26,253,476
Special	15,271,683	7,080,643	11,434,335	3,012,158
Vocational	2,193,813	1,608,749	1,821,216	1,222,898
Student Intervention Services	259,874	181,569	281,920	199,097
Support Services:				
Pupils	6,283,001	4,521,683	4,653,583	4,258,435
Instructional Staff	4,255,350	3,289,111	3,024,346	2,559,980
Board of Education	88,861	88,861	99,806	99,806
Administration	6,584,329	6,314,515	4,786,808	4,548,633
Fiscal	1,768,133	1,443,277	1,608,601	1,283,937
Business	384,077	384,077	361,874	361,874
Operation and Maintenance				
of Plant	10,024,152	9,654,409	5,220,033	4,786,692
Pupil Transportation	3,593,687	3,306,963	3,044,950	2,882,226
Central	1,182,582	1,182,582	1,155,006	1,155,006
Operation of				
Non-Instructional Services:				
Food Service Operations	3,213,995	621,601	3,171,517	503,954
Other	1,079,677	(103,541)	4,078,884	2,668,387
Extracurricular Activities	1,717,313	1,252,252	2,109,839	1,715,680
Interest and Fiscal Charges	2,997,516	2,997,516	3,082,651	3,082,651
<b>Totals</b>	<b>\$96,231,572</b>	<b>\$77,651,627</b>	<b>\$77,550,861</b>	<b>\$60,594,890</b>

\*GASB Statement No. 84 was implemented during fiscal year 2020 which restated fiscal year 2019. See Note 3 for additional details on the restatement.

The prior schedule clearly shows the dependence upon tax revenues and state subsidies for governmental activities. For 2020, only 19 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 81 percent is provided through taxes and entitlements.

### **The School District's Major Funds**

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

**General Fund** - The general fund had total revenues of \$72,581,464, expenditures of \$70,270,896, and other financing sources (uses) of (\$2,668,243) which resulted in a decrease in fund balance of \$357,675. In November of 2006, the School District voters approved a 1.5 percent earned income tax levy for a five year period. On November 3, 2015, the electorate renewed the 1.5 percent earned income tax for a continuing period. The general fund's beginning fund balance for fiscal year 2020 was \$42,810,412. Revenues reflect



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an increase of \$2,139,234 due primarily to the increase in property taxes revenue in the amount of \$2,910,048 due to the increase in assessed values of property due to the Fairfield County Auditor completing the revaluation of property in which began with collections in calendar year 2020. Additional increases in revenues include income taxes in the amount of \$85,950, tuition and fees in the amount of \$66,586, and miscellaneous revenues in the amount of \$123,272. These increases in revenues was offset by a decrease in intergovernmental revenue in the amount of \$1,089,759. The increase in income taxes is due to an overall increase in income tax collections by the Ohio Department of Taxation. The decrease in intergovernmental revenue was due to decreases in the State foundation funding allocations received by the School District during fiscal year 2020 due to State budget cuts due to the COVID-19 pandemic. Expenditures increased by \$2,380,827 from fiscal year 2019 to 2020. The largest areas of increases were for expenditures in regular instruction by \$1,592,001, special instruction by \$1,226,367, and support services administration by \$540,511 due to an increase in staff and an increase in employee steps earned during fiscal year 2020. These increases were offset by a decrease in support services pupils by \$795,772. Other financing uses decreased during fiscal year 2020 primarily due to a decrease in transfers out in the amount of \$97,688.

**School Building Construction** – The school building construction fund had revenues of \$166,680, expenditures of \$3,745,386, and other financing sources of \$66,125,000. The ending fund balance was \$67,452,262. During fiscal year 2020, the School District issued bonds in the amount of \$66,125,000 for the local share of the new high school project under the OFCC expedited local partnership program. This fund also includes the local share construction costs associated with the two new junior high school buildings.

**Classroom Facilities Fund** – The classroom facilities fund had total revenues of \$5,110,487 and expenditures of \$17,512,409. The ending fund balance was \$5,362,122. During fiscal years 2018, 2019, and 2020, the School District received grant funding from the OFCC for the construction of the two new junior high school buildings. Thomas Ewing Junior High School was opened to staff and students in January of 2020. The General Sherman Junior High School was still in construction as of June 30, 2020.

### **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 the course of fiscal year 2020, the School District amended its general fund budget. The School District closely monitors its resources and uses and if necessary, modifies appropriations on a timely basis. The general fund had an original revenue budget estimate of \$70,667,591. The final revenue budget estimate including other financing sources was \$73,168,117. Budgeted revenues and other financing sources reflect an increase in the amount of \$2,500,526 due to increased estimates in the main areas of property taxes, income taxes, and intergovernmental revenues. The School District also reclassified budgeted revenue amounts throughout the fiscal year. Actual revenues including other financing sources were close to the final budgeted revenue. The final budgeted revenues exceeded final actual estimates by \$4,221. Original appropriations including outstanding prior year encumbrances and other financing uses were \$73,152,333. Total original appropriations compared to the final appropriations increased in the amount of \$3,109,289 partially as a result of increases in estimated revenues. Total final appropriations including other financing uses were \$76,261,622. The general fund transferred \$64,500 to the food service special revenue fund for inactive bad student accounts, \$8,765 to student managed activity fund to help pay off the prior year yearbook balance, \$1,942,088 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 \$670,000 building improvement capital projects funds for future repairs/improvements, and \$84,329 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. Actual expenditures

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including other financing uses were under final appropriations by \$1,089,589. The School District's ending unobligated fund balance was \$40,669,126.

**Debt Administration and Capital Assets**

**Debt** At June 30, 2020, the School District had \$157,634,521 in bonded debt and capital leases outstanding (including premiums), with \$2,285,540 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 2020 compared to 2019.

**Table 4 - Outstanding Debt at June 30 - Governmental Activities**

	2020	2019
School Facilities Construction and Improvement Bonds Series 2012	\$1,503,709	\$51,335,903
School Facilities Construction and Improvement Bonds Series 2016A	480,568	701,796
School Facilities Construction and Improvement Bonds Series 2016B	26,394,418	27,338,748
School Facilities Construction and Improvement Refunding Bonds, Series 2017	9,479,197	9,666,640
School Facilities Construction and Improvement Refunding Bonds, Series 2019	51,836,532	0
School Facilities Construction and Improvement Bonds Series 2020	67,711,933	0
Capital Leases	228,164	223,690
<b>Totals</b>	<b>\$157,634,521</b>	<b>\$89,266,777</b>

**Capital Assets** At the end of fiscal year 2020, the School District had \$130,600,601 invested in nondepreciable and depreciable capital assets. Table 5 shows fiscal year 2020 compared to 2019.

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

	2020	2019
Land	\$3,255,302	\$3,255,302
Construction in Progress	23,633,846	30,874,862
Land Improvements	6,127,399	2,882,289
Buildings and Improvements	92,677,815	74,455,206
Furniture and Equipment	2,987,197	1,731,808
Vehicles	1,919,042	2,172,194
<b>Totals</b>	<b>\$130,600,601</b>	<b>\$115,371,661</b>

The majority of the change in capital assets during fiscal year 2020 is reflected in construction in progress, land improvements, and buildings and improvements due to the construction of the two new junior high school buildings. The Thomas Ewing Junior High School was opened in January of 2020 and was moved from construction in progress to buildings and improvements and land improvements. As of June 30, 2020, General Sherman Junior High School was still 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 2020, the School District's net position decreased by \$8,662,625. The main reason for this decrease is due to the increase in expenses during fiscal year 2020 due to the fluctuations of the pension/OPEB related expenses. Expenses also increased due to the purchase of furniture for the new junior high school buildings and School District repairs and improvements that were not capitalized due to them not

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meeting the capital asset policy and threshold requirements. 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 continual construction of the General Sherman Junior High School building. 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 13th 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 Ohio Facilities Construction Commission 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](mailto:j_taylor@lcsschools.net).

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**Lancaster City School District, Ohio**  
*Statement of Net Position*  
June 30, 2020

	Governmental Activities
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$79,865,466
Cash and Cash Equivalents with Fiscal Agents	4,654,499
Income Taxes Receivable	4,434,484
Materials and Supplies Inventory	235,718
Inventory Held for Resale	48,548
Accrued Interest Receivable	170,946
Intergovernmental Receivable	3,335,143
Accounts Receivable	650,669
Prepays	265,542
Property Taxes Receivable	30,155,172
Payment in Lieu of Taxes Receivable	333,996
Investments	60,614,485
Net OPEB Asset	4,426,789
Nondepreciable Capital Assets	26,889,148
Depreciable Capital Assets, Net	103,711,453
<i>Total Assets</i>	<u>319,792,058</u>
<b>Deferred Outflows of Resources</b>	
Deferred Charge on Refunding	2,209,224
Pension	16,084,492
OPEB	1,731,867
<i>Total Deferred Outflows of Resources</i>	<u>20,025,583</u>
<b>Liabilities</b>	
Accounts Payable	756,092
Contracts Payable	2,500,386
Accrued Salaries and Benefits Payable	6,394,573
Matured Compensated Absences Payable	56,212
Accrued Interest Payable	1,146,970
Intergovernmental Payable	1,971,658
Retainage Payable	813,256
Unearned Revenue	48,480
Claims Payable	868,000
Long-Term Liabilities:	
Due Within One Year	2,637,319
Due In More Than One Year	
Net Pension Liability	75,502,687
Net OPEB Liability	7,070,318
Other Amounts Due in More Than One Year	159,227,274
<i>Total Liabilities</i>	<u>258,993,225</u>
<b>Deferred Inflows of Resources</b>	
Property Taxes	26,041,445
Payment in Lieu of Taxes	333,996
Pension	4,363,567
OPEB	7,659,251
<i>Total Deferred Inflows of Resources</i>	<u>38,398,259</u>
<b>Net Position</b>	
Net Investment in Capital Assets	46,706,563
Restricted for:	
School Building Construction	2,135,551
Classroom Facilities Construction	4,812,264
Classroom Facilities Maintenance	3,344,228
District and Student Managed Activities	404,795
Auxiliary Services	162,315
Food Service	653,365
Federal and State Grants	817,345
Community Grants and Contributions	60,067
Unrestricted (Deficit)	(16,670,336)
<i>Total Net Position</i>	<u>\$42,426,157</u>
See accompanying notes to the basic financial statements	

**Lancaster City School District, Ohio**  
*Statement of Activities*  
For the Fiscal Year Ended June 30, 2020

		Program Revenues		
	Expenses	Charges for Services	Operating Grants, Contributions, and Interest	Capital Grants and Contributions
<b>Governmental Activities</b>				
Instruction:				
Regular	\$35,333,529	\$1,103,530	\$402,639	\$0
Special	15,271,683	228,677	7,962,363	0
Vocational	2,193,813	25,124	559,940	0
Student Intervention Services	259,874	0	78,305	0
Support Services:				
Pupils	6,283,001	788	1,760,530	0
Instructional Staff	4,255,350	0	966,239	0
Board of Education	88,861	0	0	0
Administration	6,584,329	41,667	228,147	0
Fiscal	1,768,133	0	324,856	0
Business	384,077	0	0	0
Operation and Maintenance of Plant	10,024,152	230,349	139,394	0
Pupil Transportation	3,593,687	5,438	232,802	48,484
Central	1,182,582	0	0	0
Operation of Non-Instructional Services:				
Food Service Operations	3,213,995	310,020	2,282,374	0
Other	1,079,677	191,556	991,662	0
Extracurricular Activities	1,717,313	305,804	35,659	123,598
Interest and Fiscal Charges	2,997,516	0	0	0
Totals	\$96,231,572	\$2,442,953	\$15,964,910	\$172,082

**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 Interest

Miscellaneous

*Total General Revenues*

*Change in Net Position*

*Net Position Beginning of Year - (Restated - See Note 3)*

*Net Position End of Year*

See accompanying notes to the basic financial statements

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Net (Expense)  
Revenue and Changes  
in Net Position

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Governmental  
Activities

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(\$33,827,360)  
(7,080,643)  
(1,608,749)  
(181,569)

(4,521,683)  
(3,289,111)  
(88,861)  
(6,314,515)  
(1,443,277)  
(384,077)  
(9,654,409)  
(3,306,963)  
(1,182,582)

(621,601)  
103,541  
(1,252,252)  
(2,997,516)

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(77,651,627)

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23,306,355  
2,710,565  
426,310  
13,134,382  
26,081,331  
344,430  
2,286,667  
698,962

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68,989,002

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(8,662,625)

51,088,782

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\$42,426,157

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**Lancaster City School District, Ohio**

*Balance Sheet*

*Governmental Funds*

*June 30, 2020*

	General	School Building Construction	Classroom Facilities	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>					
Equity in Pooled Cash and Cash Equivalents	\$44,387,916	\$13,366,812	\$1,280,474	\$19,880,929	\$78,916,131
Investments	0	54,516,306	6,098,179	0	60,614,485
Restricted Cash and Cash Equivalents	0	146,367	664,435	0	810,802
Receivables:					
Property Taxes	25,101,758	0	0	5,053,414	30,155,172
Payment in Lieu of Taxes	333,996	0	0	0	333,996
Income Taxes	4,434,484	0	0	0	4,434,484
Accounts	156,549	0	0	27,103	183,652
Intergovernmental	155,499	0	1,557,950	1,621,694	3,335,143
Accrued Interest	145,681	21,275	2,096	1,894	170,946
Interfund	162,554	0	0	1,119	163,673
Prepays	248,530	0	0	17,012	265,542
Inventory Held for Resale	0	0	0	48,548	48,548
Materials and Supplies Inventory	211,789	0	0	23,929	235,718
<i>Total Assets</i>	<u>\$75,338,756</u>	<u>\$68,050,760</u>	<u>\$9,603,134</u>	<u>\$26,675,642</u>	<u>\$179,668,292</u>
<b>Liabilities</b>					
Accounts Payable	\$690,085	\$0	\$0	\$66,007	\$756,092
Contracts Payable	0	433,607	2,016,531	50,248	2,500,386
Retainage Payable	0	146,367	664,435	2,454	813,256
Accrued Salaries and Benefits Payable	5,730,578	0	0	663,995	6,394,573
Intergovernmental Payable	1,732,266	0	0	239,392	1,971,658
Matured Compensated Absences Payable	56,212	0	0	0	56,212
Interfund Payable	1,119	0	0	162,554	163,673
Unearned Revenue	0	0	0	48,480	48,480
<i>Total Liabilities</i>	<u>8,210,260</u>	<u>579,974</u>	<u>2,680,966</u>	<u>1,233,130</u>	<u>12,704,330</u>
<b>Deferred Inflows of Resources</b>					
Property Taxes	21,499,325	0	0	4,542,120	26,041,445
Payment in Lieu of Taxes	333,996	0	0	0	333,996
Unavailable Revenue	2,842,438	18,524	1,560,046	1,244,141	5,665,149
<i>Total Deferred Inflows of Resources</i>	<u>24,675,759</u>	<u>18,524</u>	<u>1,560,046</u>	<u>5,786,261</u>	<u>32,040,590</u>
<b>Fund Balances</b>					
Nonspendable	460,319	0	0	40,941	501,260
Restricted	0	67,452,262	5,362,122	7,729,084	80,543,468
Committed	1,566,406	0	0	7,575,697	9,142,103
Assigned	17,732,954	0	0	4,530,068	22,263,022
Unassigned (Deficit)	22,693,058	0	0	(219,539)	22,473,519
<i>Total Fund Balances</i>	<u>42,452,737</u>	<u>67,452,262</u>	<u>5,362,122</u>	<u>19,656,251</u>	<u>134,923,372</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$75,338,756</u>	<u>\$68,050,760</u>	<u>\$9,603,134</u>	<u>\$26,675,642</u>	<u>\$179,668,292</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, 2020*

<b>Total Governmental Fund Balances</b>		<b>\$134,923,372</b>
<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.		130,600,601
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	1,711,779	
Income Taxes	1,135,941	
Intergovernmental and Ohio School Facilities Revenue	2,570,793	
Interest	85,650	
Tuition and Fees	136,308	
Charges for Services	<u>24,678</u>	5,665,149
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.		4,392,049
Deferred outflows of resources represent deferred charges on refundings which are not reported in the funds.		2,209,224
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(1,146,970)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
General Obligation Bonds Payable	(91,765,000)	
Capital Appreciation Bonds	(860,000)	
Refunding Bonds Payable	(54,100,000)	
Refunding Capital Appreciation Bonds	(1,637,912)	
Accretion on Capital Appreciation Bonds	(318,088)	
Premium on Bonds Issued	(9,143,734)	
Discounts on Bonds Issued	418,377	
Capital Leases	(228,164)	
Compensated Absences Payable	<u>(4,230,072)</u>	(161,864,593)
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	4,426,789	
Deferred Outflows - Pension	16,084,492	
Deferred Outflows - OPEB	1,731,867	
Net Pension Liability	(75,502,687)	
Net OPEB Liability	(7,070,318)	
Deferred Inflows - Pension	(4,363,567)	
Deferred Inflows - OPEB	<u>(7,659,251)</u>	<u>(72,352,675)</u>
<b>Net Position of Governmental Activities</b>		<b><u>\$42,426,157</u></b>

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, 2020*

	General	School Building Construction	Classroom Facilities	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>					
Property Taxes	\$23,367,966	\$0	\$0	\$3,105,681	\$26,473,647
Payment in Lieu of Taxes	344,430	0	0	0	344,430
Income Taxes	12,961,759	0	0	0	12,961,759
Intergovernmental	31,509,776	0	4,851,184	10,393,883	46,754,843
Interest	1,802,978	166,680	259,303	20,539	2,249,500
Tuition and Fees	1,400,289	0	0	21,836	1,422,125
Charges for Services	0	0	0	344,253	344,253
Rent	160,609	0	0	0	160,609
Extracurricular Activities	135,627	0	0	400,950	536,577
Gifts and Donations	12,181	0	0	239,227	251,408
Miscellaneous	885,849	0	0	33,464	919,313
<i>Total Revenues</i>	<u>72,581,464</u>	<u>166,680</u>	<u>5,110,487</u>	<u>14,559,833</u>	<u>92,418,464</u>
<b>Expenditures</b>					
Current:					
Instruction:					
Regular	32,504,086	0	0	394,253	32,898,339
Special	10,547,696	0	0	3,321,552	13,869,248
Vocational	1,886,817	0	0	99,140	1,985,957
Student Intervention Services	161,480	0	0	86,673	248,153
Support Services:					
Pupils	3,923,117	0	0	1,776,446	5,699,563
Instructional Staff	3,025,821	0	0	908,676	3,934,497
Board of Education	87,803	0	0	0	87,803
Administration	5,690,381	0	0	239,638	5,930,019
Fiscal	1,607,149	0	0	60,138	1,667,287
Business	334,887	0	0	0	334,887
Operation and Maintenance of Plant	4,972,295	0	0	190,056	5,162,351
Pupil Transportation	2,809,212	0	0	73,128	2,882,340
Central	1,145,043	0	0	575	1,145,618
Operation of Non-Instructional Services:					
Food Service Operations	9,573	0	0	2,733,682	2,743,255
Other Non-Instructional Services	56,427	0	0	1,010,944	1,067,371
Extracurricular Activities	1,156,197	0	0	403,621	1,559,818
Capital Outlay	69,397	3,745,386	17,512,409	328,816	21,656,008
Debt Service:					
Principal Retirement	251,578	0	0	1,505,000	1,756,578
Interest and Fiscal Charges	31,937	0	0	2,767,314	2,799,251
Issuance Costs	0	0	0	1,024,964	1,024,964
<i>Total Expenditures</i>	<u>70,270,896</u>	<u>3,745,386</u>	<u>17,512,409</u>	<u>16,924,616</u>	<u>108,453,307</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>2,310,568</u>	<u>(3,578,706)</u>	<u>(12,401,922)</u>	<u>(2,364,783)</u>	<u>(16,034,843)</u>
<b>Other Financing Sources (Uses)</b>					
Inception of Capital Lease	256,052	0	0	0	256,052
Proceeds from Sale of Capital Assets	12,058	0	0	5,241	17,299
General Obligation Bonds Issued	0	66,125,000	0	0	66,125,000
Refunding Bonds Issued	0	0	0	47,457,912	47,457,912
Premium on Bonds Issued	0	0	0	1,965,748	1,965,748
Premium on Refunding Bonds Issued	0	0	0	4,401,111	4,401,111
Discount on Bonds Issued	0	0	0	(418,377)	(418,377)
Payment to Refunded Bond Escrow Agent	0	0	0	(51,428,682)	(51,428,682)
Transfers In	0	0	0	2,936,353	2,936,353
Transfers Out	(2,936,353)	0	0	0	(2,936,353)
<i>Total Other Financing Sources (Uses)</i>	<u>(2,668,243)</u>	<u>66,125,000</u>	<u>0</u>	<u>4,919,306</u>	<u>68,376,063</u>
<i>Net Change in Fund Balances</i>	<u>(357,675)</u>	<u>62,546,294</u>	<u>(12,401,922)</u>	<u>2,554,523</u>	<u>52,341,220</u>
<i>Fund Balances Beginning of Year -</i> <i>(Restated - See Note 3)</i>	<u>42,810,412</u>	<u>4,905,968</u>	<u>17,764,044</u>	<u>17,101,728</u>	<u>82,582,152</u>
<i>Fund Balances End of Year</i>	<u>\$42,452,737</u>	<u>\$67,452,262</u>	<u>\$5,362,122</u>	<u>\$19,656,251</u>	<u>\$134,923,372</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, 2020*

<b>Net Change in Fund Balances - Total Governmental Funds</b>		<b>\$52,341,220</b>
<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	18,853,229	
Depreciation Expense	<u>(2,943,986)</u>	15,909,243
Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the result of the disposal of assets.		
Loss on disposal of capital assets	(663,004)	
Proceeds from sale of capital assets	<u>(17,299)</u>	(680,303)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds:		
Miscellaneous	(220,351)	
Tuition and Fees	20,687	
Intergovernmental and Ohio School Facilities Revenue	(4,808,230)	
Delinquent Property Taxes	(30,417)	
Income Taxes	172,623	
Interest	(1,587)	
Charges for Services	<u>(41,298)</u>	(4,908,573)
Inception of capital leases are reported as other financing sources in the governmental funds, but the inception increases long-term liabilities on the statement of activities.		(256,052)
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:		
General Obligation Bonds Issued	(66,125,000)	
Refunding Bonds Issued	(47,457,912)	
Premium on Bonds Issued	(6,366,859)	
Discount on Bonds Issued	<u>418,377</u>	(119,531,394)
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		(44,544)
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	495,108	
Deferred Charges on Refunding Amortization	(42,304)	
Accretion of Capital Appreciation Refunding Bonds	(305,610)	
Accrued Interest Payable	<u>(345,459)</u>	(198,265)
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	1,505,000	
Capital Leases Payable	<u>251,578</u>	1,756,578
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.		51,428,682
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.		104,479
Contractually required contributions are reported as expenditures in the governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	6,149,411	
OPEB	<u>143,365</u>	6,292,776
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	(11,877,792)	
OPEB	<u>1,001,320</u>	(10,876,472)
<i>Change in Net Position of Governmental Activities</i>		<u><u>(\$8,662,625)</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, 2020*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Property Taxes	\$23,022,087	\$23,857,150	\$23,562,233	(\$294,917)
Payment in Lieu of Taxes	337,014	349,578	344,430	(5,148)
Income Taxes	13,130,723	13,598,045	13,419,668	(178,377)
Intergovernmental	31,001,394	31,758,255	31,683,588	(74,667)
Interest	1,299,187	1,272,749	1,327,776	55,027
Tuition and Fees	1,299,482	1,406,696	1,409,903	3,207
Rent	113,498	114,042	142,688	28,646
Extracurricular Activities	83,853	78,185	82,834	4,649
Miscellaneous	380,353	296,931	755,232	458,301
<i>Total Revenues</i>	<u>70,667,591</u>	<u>72,731,631</u>	<u>72,728,352</u>	<u>(3,279)</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	26,328,336	27,825,209	27,588,878	236,331
Special	10,169,654	10,691,102	10,539,890	151,212
Vocational	1,952,155	2,032,967	2,019,592	13,375
Student Intervention Services	154,537	178,781	174,413	4,368
Other	4,692,161	4,614,866	4,587,729	27,137
Support Services:				
Pupils	4,969,971	3,935,574	3,903,783	31,791
Instructional Staff	3,459,241	3,486,485	3,397,018	89,467
Board of Education	109,609	135,741	107,731	28,010
Administration	5,361,853	5,726,615	5,688,930	37,685
Fiscal	1,545,751	1,666,811	1,656,385	10,426
Business	423,513	414,065	370,766	43,299
Operation and Maintenance of Plant	5,834,472	5,802,660	5,621,295	181,365
Pupil Transportation	3,261,037	3,681,871	3,603,150	78,721
Central	1,294,548	1,209,341	1,162,513	46,828
Operation of Non-Instructional Services	3,370	9,715	9,307	408
Extracurricular Activities	1,125,049	1,244,386	1,183,680	60,706
Capital Outlay	167,076	119,930	110,805	9,125
Debt Service - Issuance Costs	0	426,486	426,486	0
<i>Total Expenditures</i>	<u>70,852,333</u>	<u>73,202,605</u>	<u>72,152,351</u>	<u>1,050,254</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(184,742)</u>	<u>(470,974)</u>	<u>576,001</u>	<u>1,046,975</u>
<b>Other Financing Sources (Use)</b>				
Proceeds from Sale of Capital Assets	0	10,000	9,058	(942)
Premium on Refunding Bonds Issued	0	426,486	426,486	0
Transfers Out	(2,300,000)	(3,059,017)	(3,019,682)	39,335
<i>Total Other Financing Sources (Use)</i>	<u>(2,300,000)</u>	<u>(2,622,531)</u>	<u>(2,584,138)</u>	<u>38,393</u>
<i>Net Change in Fund Balance</i>	<u>(2,484,742)</u>	<u>(3,093,505)</u>	<u>(2,008,137)</u>	<u>1,085,368</u>
<i>Fund Balance Beginning of Year</i>	<u>40,524,930</u>	<u>40,524,930</u>	<u>40,524,930</u>	<u>0</u>
<i>Prior Year Encumbrances Appropriated</i>	<u>2,152,333</u>	<u>2,152,333</u>	<u>2,152,333</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$40,192,521</u></u>	<u><u>\$39,583,758</u></u>	<u><u>\$40,669,126</u></u>	<u><u>\$1,085,368</u></u>

See accompanying notes to the basic financial statements

**Lancaster City School District, Ohio**

*Statement of Fund Net Position*

*Internal Service Fund*

*June 30, 2020*

	Employee Benefits Self Insurance
<b>Current Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$138,533
Cash and Cash Equivalents with Fiscal Agents	4,654,499
Accounts Receivable	467,017
<i>Total Assets</i>	5,260,049
<b>Current Liabilities</b>	
Claims Payable	868,000
<b>Net Position</b>	
Unrestricted	\$4,392,049
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, 2020*

	Employee Benefits Self Insurance
<b>Operating Revenues</b>	
Charges for Services	<u>\$14,327,512</u>
<b>Operating Expenses</b>	
Purchased Services	3,177,177
Claims	<u>11,104,912</u>
<i>Total Operating Expenses</i>	<u>14,282,089</u>
<i>Operating Income</i>	45,423
<b>Non-Operating Revenue</b>	
Interest	<u>59,056</u>
<i>Change in Net Position</i>	104,479
<i>Net Position Beginning of Year</i>	<u>4,287,570</u>
<i>Net Position End of Year</i>	<u><u>\$4,392,049</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, 2020*

	Employee Benefits Self Insurance
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	
<b>Cash Flows from Operating Activities:</b>	
Cash Received from Interfund Services Provided	\$14,327,512
Cash Payments to Vendors for Services	(3,177,177)
Cash Payments for Claims	(11,622,992)
<i>Net Cash Used for Operating Activities</i>	(472,657)
<b>Cash Flows from Investing Activities:</b>	
Interest	59,056
<i>Net Decrease in Cash and Cash Equivalents</i>	(413,601)
<i>Cash and Cash Equivalents Beginning of Year</i>	5,206,633
<i>Cash and Cash Equivalents End of Year</i>	\$4,793,032
<b>Reconciliation of Operating Income to</b>	
<b>Net Cash Used for Operating Activities:</b>	
Operating Income	\$45,423
<b>Adjustments to Reconcile Operating Income</b>	
<b>to Net Cash Used for Operating Activities</b>	
<b>Changes in Assets and Liabilities:</b>	
Increase in Accounts Receivable	(214,280)
Decrease in Claims Payable	(303,800)
<i>Net Cash Used for Operating Activities</i>	(\$472,657)

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, 2020*

	Tournament Account
<b>Additions</b>	
Charges Received for OHSAA	\$24,927
<b>Deductions</b>	
Distributions on Behalf of OHSAA	24,927
<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, 2020*

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**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 314 non-certificated employees, 435 certificated personnel, and 45 administrative employees who provide services to 6,406 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 five jointly governed organizations and three pools. These organizations are the Licking Area Computer Association, META Solutions, Coalition of Rural and Appalachian Schools, State Support Team Region 11, Fairfield County Multi-System Youth Committee, the Ohio SchoolComp 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, 2020*

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**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**  
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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.

**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.

**Classroom Facilities Fund** The classroom facilities fund is used to account for the receipts from the Ohio Facilities Construction Commission and School District's local share restricted for the construction of school buildings.

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.,

**Lancaster City School District, Ohio**  
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revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current 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.

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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 rentals.

***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, 2020, for fiscal year 2021 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, payment in lieu of taxes, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2020, but which were levied to finance fiscal year 2021 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.

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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 2020, investments were shown in the school building construction and classroom facilities major capital projects funds 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 2020, investments were limited to the State Treasury Asset Reserve of Ohio (STAR Ohio), money market mutual funds, municipal bonds, federal agency securities, treasury notes, bankers acceptances, 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 2020.

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 2020, 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 \$100 million per day, requiring the excess amount to be transacted the following business day(s), but only to the \$100 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 2020 amounted to \$1,802,978, which includes \$524,938 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 classroom facilities and the elementary and junior high building projects 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, 2020, are recorded as prepaid items 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*  
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***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**  
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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**  
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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 2021's appropriated budget. The Board of Education has assigned fund balance for public school support.

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*Notes to the Basic Financial Statements*  
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**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*  
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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 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 and Restatements of Fund Balances and Net Position**

The Governmental Accounting Standards Board (GASB) recently issued GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The School District evaluated implementing these certain GASB pronouncements based on the guidance in GASB 95.

For fiscal year 2020, the School District implemented the Governmental Accounting Standards Board's (GASB) *Implementation Guide No. 2018-1* and *Implementation Guide No. 2019-2, Fiduciary Activities*. These changes were incorporated in the School District's 2020 financial statements; however, there was no effect on beginning net position/fund balance.

For fiscal year 2020, the School District also implemented GASB Statement No. 84, *Fiduciary Activities* and related guidance from (GASB) *Implementation Guide No. 2019-2, Fiduciary Activities*. GASB Statement No. 84 established specific criteria for identifying activities that should be reported as fiduciary activities and clarifies whether and how business type activities should report their fiduciary activities. Due to the implementation of GASB Statement No. 84, the School District will no longer be reporting agency funds. The School District reviewed its private purpose trust fund and its agency funds. The private purpose trust fund will be reclassified as a governmental fund. Of the two agency funds, one fund will be reported in the new fiduciary fund classification as a custodial fund, while the other fund has been reclassified as a governmental fund. These fund reclassifications resulted in the restatement of the School District's financial statements.

***Restatement of Fund Balances and Net Position***

The implementation of GASB Statement No. 84 had the following effect on fund balance as of June 30, 2019:

	General	School Building Construction	Classroom Facilities	Other Governmental Funds	Total Governmental Funds
Fund Balances, June 30, 2019	\$42,810,412	\$4,905,968	\$17,764,044	\$16,972,632	\$82,453,056
Adjustments; GASB Statement 84	0	0	0	129,096	129,096
Restated Fund Balances, June 30, 2019	<u>\$42,810,412</u>	<u>\$4,905,968</u>	<u>\$17,764,044</u>	<u>\$17,101,728</u>	<u>\$82,582,152</u>

**Lancaster City School District, Ohio**  
*Notes to the Basic Financial Statements*  
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The implementation of GASB Statement No. 84 had the following effect on net position as of June 30, 2019:

	<u>Governmental Activities</u>
Net Position, June 30, 2019	\$50,959,686
Adjustments; GASB Statement 84	<u>129,096</u>
Restated Net Position, June 30, 2019	<u><u>\$51,088,782</u></u>

The implementation of GASB Statement No. 84 had the following effect on fiduciary net position as of June 30, 2019:

	<u>Private Purpose Trust Endowment</u>	<u>Agency</u>
Net Position, June 30, 2019	\$39,389	\$0
Adjustments;		
Assets	0	(89,707)
Liabilities	0	89,707
GASB Statement 84	<u>(39,389)</u>	<u>0</u>
Restated Net Position, June 30, 2019	<u><u>\$0</u></u>	<u><u>\$0</u></u>

#### **Note 4 - Accountability**

The following funds had deficit fund balances as of June 30, 2020:

	<u>Deficit Fund Balances</u>
<u>Special Revenue Funds:</u>	
School Emergency Relief	(\$12,693)
IDEA - B	(106,957)
Title I	(75,329)
Reducing Class Size	(4,966)
Title IV-A	(4,323)
Vocational Education	(193)

The deficits in the special revenue funds were a result of the application of 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.

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**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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*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2020*

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<b>Net Change in Fund Balance</b>	
GAAP Basis	(\$357,675)
Net Adjustment for Revenue Accruals	817,778
Net Adjustment for Expenditure Accruals	20,048
Beginning:	
Negative cash interfund advances	(70,520)
Unrecorded Cash	77
Fair Value of Investments	104,032
Prepays	359,462
Ending:	
Negative cash interfund advances	162,554
Unrecorded Cash	(46)
Fair Value of Investments	(632,729)
Prepays	(248,530)
To reclassify excess of revenues and other sources of financial resources under expenditures and other uses of financial resources into financial statement fund types	(27,383)
Adjustment for Encumbrances	<u>(2,135,205)</u>
Budget Basis	<u><u>(\$2,008,137)</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.

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;

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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, 2020, the School District's internal service fund had a balance of \$4,654,499 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.

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**Investments** As of June 30, 2020, the School District had the following investments:

Measurement/Investment	Measurement Amount	Maturity	Ratings	Percentage of Total Investment
Net Asset Value Per Share:				
STAR Ohio	<u>\$7,202,492</u>	Average 42 Days	AAAm	5.29%
Fair Value - Level One Inputs:				
Money Market Mutual Funds	<u>80,551</u>	under one year	n/a	0.06
Fair Value - Level Two Inputs:				
Municipal Bonds	2,785,777	under one year	Aa2	2.05
Federal Home Loan Mortgage Corporation Notes	24,511,823	under four years	Aaa	18.01
Federal Farm Credit Bank Notes	16,927,690	under five years	Aaa	12.44
Federal National Mortgage Association Notes	9,451,785	under five years	Aaa	6.95
Federal Home Loan Bank Discount Notes	4,399,368	under one year	P-1	3.23
Federal Home Loan Bank Notes	1,298,683	under four years	Aaa	0.96
United States Treasury Notes	4,880,421	under one year	Aaa	3.59
Bankers Acceptances	4,871,097	under one year	P-1	3.58
Commercial Paper	34,476,081	under one year	P-1	25.33
Negotiable Certificates of Deposit	<u>25,190,983</u>	under five years	n/a	18.51
Total Fair Value - Level Two Inputs	<u>128,793,708</u>			
Total	<u><u>\$136,076,751</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, 2020. 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 commercial paper 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 other investments ratings are Moody's ratings. The School District has no investment policy that addresses credit risk.



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***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 2020 represents collections of calendar year 2019 taxes. Real property taxes received in calendar year 2020 were levied after April 1, 2019, on the assessed value listed as of January 1, 2019, 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 2020 represents collections of calendar year 2019 taxes. Public utility real property taxes received in calendar year 2020 became a lien December 31, 2018, were levied after April 1, 2019, 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, 2020, are available to finance fiscal year 2021 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, 2020, 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.

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The amount available as an advance at June 30, 2020, was \$2,356,555. \$2,050,675 was available to 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. The amount available as an advance at June 30, 2019, was \$2,581,556 in the general fund, \$44,014 was available to the classroom facilities maintenance special revenue fund, and \$269,814 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 2020 taxes were collected are:

	2019 Second-Half Collections		2020 First-Half Collections		2020 Effective Tax Rates (per \$1,000 of assessed valuation)
	Amount	Percent	Amount	Percent	
Agricultural/ Residential	\$651,189,120	68%	\$765,493,610	70%	\$23.2137
Commerical/Industrial and Public Utility Real	249,606,860	26%	256,363,780	24%	29.4967
Public Utility Personal	62,774,980	6%	70,762,830	6%	67.9000
Total	<u>\$963,570,960</u>	<u>100%</u>	<u>\$1,092,620,220</u>	<u>100%</u>	
Tax rate per \$1,000 of assessed valuation	\$68.10		\$67.90		

The decrease in the tax rates was due to the decrease in millage required for debt service requirements.

### **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 \$275,795.

### **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**  
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**Note 9 - Receivables**

Receivables at June 30, 2020, 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, 2020 were \$1,711,779.

A summary of principal items of intergovernmental receivables follows:

	<u>Amounts</u>
<b><u>Governmental Activities</u></b>	
State Foundation Statement Adjustments	\$136,308
Motor Vehicle Fuel Tax	16,236
Medicaid Reimbursement	2,923
Early Childhood Grants	58,969
State Personnel Development Grant	4,969
Carl Perkins Secondary Grant	9,565
Delinquent Title I-D Grant	146,236
Title II-A Grant	64,928
School Emergency Relief Grant	127,688
School Quality Improvement Grant	276,441
Title I Grant	392,456
Idea, Part B Grant	483,475
Title IV	56,967
Classroom Facilities	1,557,950
Miscellaneous Reimbursements	32
Total	<u><u>\$3,335,143</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, 2020, \$1,557,950 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 2020, a payment in the amount of \$331,669 was received. As of June 30, 2020, a receivable for \$320,340 has been recorded which represents the payment anticipated for fiscal year 2021.

**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 2020, a payment in the amount of \$9,191 was received. As of June 30, 2020, a receivable for \$10,086 has been recorded which represents the payment anticipated for fiscal year 2021.

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**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 located. The lease term of the property began June 1, 2017, and ending on May 31, 2042. During fiscal year 2020, a payment in the amount of \$3,570 was received. As of June 30, 2020, a receivable for \$3,570 has been recorded which represents the payment anticipated for fiscal year 2021.

**Note 10 - Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2020, was as follows:

	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
<b>Nondepreciable Capital Assets</b>				
Land	\$3,255,302	\$0	\$0	\$3,255,302
Construction in Progress	30,874,862	17,058,877	(24,299,893)	23,633,846
Total Capital Assets not being depreciated	34,130,164	17,058,877	(24,299,893)	26,889,148
<b>Depreciable Capital Assets</b>				
Land Improvements	4,570,622	3,528,325	0	8,098,947
Buildings and Improvements	91,280,989	20,832,072	(2,094,874)	110,018,187
Furniture and Equipment	5,885,859	1,626,353	(458,816)	7,053,396
Vehicles	5,312,911	107,495	(383,256)	5,037,150
Total at Historical Cost	107,050,381	26,094,245	(2,936,946)	130,207,680
Less Accumulated Depreciation				
Land Improvements	(1,688,333)	(283,215)	0	(1,971,548)
Buildings and Improvements	(16,825,783)	(1,959,392)	1,444,803	(17,340,372)
Furniture and Equipment	(4,154,051)	(340,732)	428,584	(4,066,199)
Vehicles	(3,140,717)	(360,647)	383,256	(3,118,108)
Total Accumulated Depreciation	(25,808,884)	(2,943,986)	2,256,643	(26,496,227)
Depreciable Capital Assets, Net of Accumulated Depreciation	81,241,497	23,150,259	(680,303)	103,711,453
Governmental Activities Capital Assets, Net	\$115,371,661	\$40,209,136	(\$24,980,196)	\$130,600,601

Construction in progress as of June 30, 2020, consisted of the new General Sherman Junior High School building and various other improvement projects at other School District locations. The School District completed the Thomas Ewing Junior High School building in December of 2019 and opened to students in January of 2020.

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Depreciation expense was charged to governmental functions as follows:

Regular	\$767,870	Business	\$8,303
Special	462,186	Operation and Maintenance of Plant	223,092
Vocational	73,468	Pupil Transportation	491,697
Student Intervention Services	11,070	Central	31,852
Support Services:		Extracurricular Activities	184,814
Pupils	171,590	Operation of Non-Instructional Services:	
Instructional Staff	72,407	Food Service Operations	277,912
Administration	148,095	Other	3,025
Fiscal	16,605	Total Depreciation Expense	<u>\$2,943,986</u>

**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 2020, 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	\$211,601,693	\$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.

**Lancaster City School District, Ohio**  
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***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 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 Comp Management, Inc. 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 \$200,000 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 \$2,522 for certified and classified employees for family coverage and up to \$1,003 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 \$89 for family and single coverage for certified and classified employees.

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The claims liability of \$868,000 reported in the internal service fund at June 30, 2020, 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:

	Balance at Beginning of Year	Current Year Claims	Claims Payments	Balance at End of Year
2019	\$1,160,400	\$10,346,568	\$10,335,168	\$1,171,800
2020	1,171,800	11,319,192 (1)	11,622,992	868,000
(1) Claims Expense		\$11,104,912		
+ Stop Loss Receivable from current year		467,017		
- Stop Loss Receivable from prior year		(252,737)		
		<u>\$11,319,192</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.

**Lancaster City School District, Ohio**  
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***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, 2020, 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.



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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 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](http://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.

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, 2020, the allocation to pension, death benefits, and Medicare B was 14.0 percent. For fiscal year 2020, the Retirement Board did not allocate any employer contribution to the Health Care Fund.

The School District's contractually required contribution to SERS was \$1,381,841 for fiscal year 2020. Of this amount, \$158,680 is reported as an intergovernmental payable.

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***Plan Description - State Teachers Retirement System (STRS)***

Plan Description – The 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](http://www.strsoh.org).

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.

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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 2020 employer and employee contribution rate of 14 percent was equal to the statutory maximum rates. For fiscal year 2020, the full employer contribution was allocated to pension.

The School District's contractually required contribution to STRS was \$4,767,570 for fiscal year 2020. Of this amount, \$478,838 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, 2019, 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:

	<u>SERS</u>	<u>STRS</u>	
Proportion of the Net Pension Liability:			
Prior Measurement Date	0.281446500%	0.26781203%	
Current Measurement Date	<u>0.274025600%</u>	<u>0.26727949%</u>	
Change in Proportionate Share	<u>-0.00742090%</u>	<u>-0.00053254%</u>	
			<u>Total</u>
Proportionate Share of the Net			
Pension Liability	\$16,395,433	\$59,107,254	\$75,502,687
Pension Expense	\$2,674,932	\$9,202,860	\$11,877,792

At June 30, 2020, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Differences between expected and actual experience	\$415,752	\$481,232	\$896,984
Changes of assumptions	0	6,943,288	6,943,288
Changes in proportionate Share and difference between the School District contributions and proportionate share of contributions	147,661	1,947,148	2,094,809
School District contributions subsequent to the measurement date	<u>1,381,841</u>	<u>4,767,570</u>	<u>6,149,411</u>
Total Deferred Outflows of Resources	<u><u>\$1,945,254</u></u>	<u><u>\$14,139,238</u></u>	<u><u>\$16,084,492</u></u>

<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	\$0	\$255,863	\$255,863
Net difference between projected and actual earnings on pension plan investments	210,456	2,888,842	3,099,298
Changes in Proportionate Share and Difference between the School District contributions and proportionate share of contributions	<u>259,233</u>	<u>749,173</u>	<u>1,008,406</u>
Total Deferred Inflows of Resources	<u><u>\$469,689</u></u>	<u><u>\$3,893,878</u></u>	<u><u>\$4,363,567</u></u>

\$6,149,411 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, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2021	\$428,716	\$4,643,320	\$5,072,036
2022	(440,339)	1,172,324	731,985
2023	(14,006)	(648,590)	(662,596)
2024	<u>119,353</u>	<u>310,736</u>	<u>430,089</u>
Total	<u><u>\$93,724</u></u>	<u><u>\$5,477,790</u></u>	<u><u>\$5,571,514</u></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.

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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, 2019, 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 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.

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Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	1.00 %	0.50 %
US Stocks	22.50	4.75
Non-US Stocks	22.50	7.00
Fixed Income	19.00	1.50
Private Equity	10.00	8.00
Real Assets	15.00	5.00
Multi-Asset Strategies	10.00	3.00
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	\$22,975,862	\$16,395,433	\$10,876,918

**Actuarial Assumptions - STRS**

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the July 1, 2019, actuarial valuation are presented below:

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

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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, 2019, 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>	

\* Target weights will be phased in over a 24-month period concluding on July1, 2019.

\*\* 10 year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25 percent and 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, 2019. 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, 2019. 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, 2019.

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***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	\$86,378,665	\$59,107,254	\$36,020,605

**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 Annual Financial Report which can be obtained on SERS' website at [www.ohsers.org](http://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 2020, 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 2020, this amount was \$19,600. Statutes provide that no employer shall pay a health care surcharge 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.



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For fiscal year 2020, the School District's surcharge obligation was \$143,365.

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 \$143,365 for fiscal year 2020, 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](http://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, 2020, 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, 2019, 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	0.28484800%	0.26781203%	
Current Measurement Date	0.28114950%	0.26727949%	
Change in Proportionate Share	<u>-0.00369850%</u>	<u>-0.00053254%</u>	
			<u>Total</u>
Proportionate Share of the:			
Net OPEB Liability	\$7,070,318	\$0	\$7,070,318
Net OPEB (Asset)	\$0	(\$4,426,789)	(\$4,426,789)
OPEB Expense	\$291,712	(\$1,293,032)	(\$1,001,320)

At June 30, 2020, 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>
<b>Deferred Outflows of Resources</b>			
Differences between expected and actual experience	\$103,787	\$401,321	\$505,108
Changes of assumptions	516,406	93,051	609,457
Net difference between projected and actual earnings on OPEB plan investments	16,971	0	16,971
Changes in proportionate Share and difference between the School District contributions and proportionate share of contributions contributions subsequent	69,445	387,521	456,966
School District contributions subsequent to the measurement date	<u>143,365</u>	<u>0</u>	<u>143,365</u>
Total Deferred Outflows of Resources	<u><u>\$849,974</u></u>	<u><u>\$881,893</u></u>	<u><u>\$1,731,867</u></u>
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	\$1,553,301	\$225,218	\$1,778,519
Changes of assumptions	396,199	4,853,456	5,249,655
Net difference between projected and actual earnings on OPEB plan investments	0	278,034	278,034
Changes in Proportionate Share and Difference between the School District contributions and proportionate share of contributions	<u>207,647</u>	<u>145,396</u>	<u>353,043</u>
Total Deferred Inflows of Resources	<u><u>\$2,157,147</u></u>	<u><u>\$5,502,104</u></u>	<u><u>\$7,659,251</u></u>

\$143,365 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, 2021. 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:			
2021	(\$379,170)	(\$994,436)	(\$1,373,606)
2022	(251,453)	(994,439)	(1,245,892)
2023	(246,471)	(883,007)	(1,129,478)
2024	(247,281)	(843,918)	(1,091,199)
2025	(226,454)	(916,635)	(1,143,089)
Thereafter	<u>(99,709)</u>	<u>12,224</u>	<u>(87,485)</u>
Total	<u><u>(\$1,450,538)</u></u>	<u><u>(\$4,620,211)</u></u>	<u><u>(\$6,070,749)</u></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, 2019, 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	3.13 percent
Prior Measurement Date	3.62 percent
Single Equivalent Interest Rate, net of plan investment expense, including price inflation	
Measurement Date	3.22 percent
Prior Measurement Date	3.70 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.

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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 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, 2019 was 3.22 percent. The discount rate used to measure total OPEB liability prior to June 30, 2019, was 3.70 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 3.13 percent, as of June 30, 2019 (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 (2.22%) and higher (4.22%) than the current discount rate (3.22%). 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 (2.22%)	Current Discount Rate (3.22%)	1% Increase (4.22%)
School District's proportionate share of the net OPEB liability	\$8,582,026	\$7,070,318	\$5,868,334
	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	\$5,664,757	\$7,070,318	\$8,935,158

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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, 2019, 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	5.87 percent initial, 4 percent ultimate
Medicare	4.93 percent initial, 4 percent ultimate
Prescription Drug	
Pre-Medicare	7.73 percent initial, 4 percent ultimate
Medicare	9.62 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, 2019, 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 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.

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, 2019. 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, 2019. 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, 2019.

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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, 2019, 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	(\$3,777,384)	(\$4,426,789)	(\$4,972,788)

	1% Decrease	Current Trend Rate	1% Increase
School District's proportionate share of the net OPEB asset	(\$5,019,776)	(\$4,426,789)	(\$3,700,525)

**Note 15 - Capital Leases – Lessee Disclosure**

In prior fiscal years, the School District entered into capital leases for copiers and Chromebooks which were paid in full during fiscal year 2020. During fiscal year 2017, the School District entered into a capital lease for the purchase of Chromebooks for students. The Chromebooks were acquired by lease in the amount of \$806,844 and they were not been capitalized due to the Chromebooks individual values being under the capitalization threshold; however, a capital leases payable had been recorded in the government-wide statements. 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 \$28,450 for equipment. Principal payments toward all capital leases during 2020 totaled \$251,578.

The agreement provides for minimum annual lease payments as follows:

Year	Principal	Interest	Total
2021	\$40,540	\$33,410	\$73,950
2022	32,452	48,221	80,673
2023	57,999	22,674	80,673
2024	66,793	13,880	80,673
2025	30,380	3,234	33,614
Total	<u>\$228,164</u>	<u>\$121,419</u>	<u>\$349,583</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 6/30/2019	Additions	Deductions	Principal Outstanding 6/30/2020	Due in One Year
<b>Governmental Activities</b>					
School Facilities Construction and Improvement General Obligation Bonds Series 2012					
Serial Bonds 2.00% - 3.375%	\$8,900,000	\$0	\$7,420,000	\$1,480,000	\$460,000
Term Bonds 4.00%	40,360,000	0	40,360,000	0	0
Bond Premium	2,075,903	0	2,052,194	23,709	0
School Facilities Construction and Improvement General Obligation Bonds Series 2016A					
Serial Bonds 2.00%	680,000	0	215,000	465,000	165,000
Bond Premium	21,796	0	6,228	15,568	0
School Facilities Construction and Improvement General Obligation Bonds Series 2016B					
Serial Bonds 2.00% - 4.00%	18,990,000	0	850,000	18,140,000	870,000
Term Bonds 3.00%	6,415,000	0	0	6,415,000	0
Bond Premium	1,933,748	0	94,330	1,839,418	0
School Facilities Construction and Improvement Refunding Bonds, Series 2017					
Serial Bonds 2.00% - 2.50%	2,105,000	0	120,000	1,985,000	125,000
Term Bonds 3.25% - 3.50%	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	12,478	13,470	0	25,948	0
Bond Premium	1,254,162	0	80,913	1,173,249	0
School Facilities Construction Refunding Bonds Series 2019					
Serial Bonds	0	6,755,000	0	6,755,000	0
Term Bonds	0	39,095,000	0	39,095,000	0
Capital Appreciation Bonds	0	1,607,912	0	1,607,912	464,881
Capital Appreciation Bonds Accretion	0	252,578	0	252,578	160,119
Bond Premium	0	4,401,111	275,069	4,126,042	0
School Facilities Construction and Improvement Bonds Series 2020					
Serial Bonds	0	23,185,000	0	23,185,000	0
Term Bonds	0	42,080,000	0	42,080,000	0
Discount for Term Bonds	0	(418,377)	0	(418,377)	0
Capital Appreciation Bonds	0	860,000	0	860,000	0
Capital Appreciation Bonds Accretion	0	39,562	0	39,562	0
Premium for Capital Appreciation Bonds	0	1,965,748	0	1,965,748	0
<b>Total Bonds</b>	<b>89,043,087</b>	<b>119,837,004</b>	<b>51,473,734</b>	<b>157,406,357</b>	<b>2,245,000</b>
Net Pension Liability:					
SERS	16,118,962	276,471	0	16,395,433	0
STRS	58,885,852	221,402	0	59,107,254	0
<b>Total Net Pension Liability</b>	<b>75,004,814</b>	<b>497,873</b>	<b>0</b>	<b>75,502,687</b>	<b>0</b>
Net OPEB Liability - SERS	7,902,453	0	832,135	7,070,318	0
Capital Leases Payable	223,690	256,052	251,578	228,164	40,540
Compensated Absences Payable	4,185,528	361,518	316,974	4,230,072	351,779
<b>Total Governmental Activities Long-Term Obligations</b>	<b>\$176,359,572</b>	<b>\$120,952,447</b>	<b>\$52,874,421</b>	<b>\$244,437,598</b>	<b>\$2,637,319</b>

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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, 2020, are as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2021	\$460,000	\$47,700
2022	490,000	31,000
2023	530,000	10,600
Total	<u>\$1,480,000</u>	<u>\$89,300</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, 2020, are as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2021	\$165,000	\$7,650
2022	165,000	4,350
2023	135,000	1,350
Total	<u>\$465,000</u>	<u>\$13,350</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. 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, 2020, are as follows:

Fiscal Year Ending June 30,	Principal	Interest
2021	\$870,000	\$848,438
2022	885,000	830,888
2023	905,000	808,463
2024	930,000	776,288
2025	970,000	738,288
2026-2030	5,450,000	3,066,838
2031-2035	6,640,000	1,861,438
2036-2040	7,905,000	605,744
Total	<u>\$24,555,000</u>	<u>\$9,536,385</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, 2020, \$9,144,487 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 2020 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	\$ 6,265,000

Principal and interest requirements to retire the School Facilities Construction and Improvement General Refunding Bonds Series 2017 outstanding at June 30, 2020, 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
2021	\$125,000	\$258,638
2022	125,000	256,138
2023	130,000	253,588
2024	130,000	250,988
2025	135,000	248,000
2026-2030	720,000	1,185,313
2031-2035	1,020,000	3,557,750
2036-2040	4,975,000	406,781
2041-2045	0	161,000
2046-2050	920,000	144,900
Total	\$8,280,000	\$6,723,096

*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, 2020, \$50,683,159 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.

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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 2020 was \$32,584. 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. During fiscal year 2020, the School District paid \$320,000 toward the principal of the Series 2012 General Obligation Serial Bonds and amortized \$38,568 of the premium prior to the advance refunding on October 31, 2019.

The table presented below represents the fiscal year 2020 refunding transaction.

Series 2012 General Obligation Serial Bonds	\$8,580,000
Series 2012 General Obligation Term Bonds	40,360,000
Premium on Series 2012 General Obligation Bonds	<u>2,037,335</u>
Total Series 2012 General Obligation Bonds	50,977,335
Non-refunded Portion of the Series 2012 General Obligation Serial Bonds	(1,480,000)
Non-refunded Premium on Series 2012 General Obligation Bonds	(23,709)
Payment to Refunded Bond Escrow Agent - Other Financing Use	<u>(51,428,682)</u>
Fiscal Year 2018 Refunding Bonds Accounting Difference	<u><u>(\$1,955,056)</u></u>

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	Issue				
Year	\$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, 2020, are as follows (the interest column includes the capital appreciation bonds accretion in fiscal years 2021 through 2028):

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Fiscal Year Ending June 30,	Principal	Interest
2021	\$464,881	\$1,650,538
2022	218,896	1,686,523
2023	155,231	1,750,189
2024	258,619	2,206,801
2025	187,159	2,298,260
2026-2030	2,793,126	10,409,287
2031-2035	5,165,000	6,725,701
2036-2040	6,245,000	6,126,533
2041-2045	14,275,000	4,289,619
2046-2050	17,695,000	1,515,314
Total	<u>\$47,457,912</u>	<u>\$38,658,765</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	\$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	2,475,000	2,980,000	3,595,000
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, 2020, are as follows (the interest column includes the capital appreciation bonds accretion in fiscal years 2025 and 2026):

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2021	\$0	\$2,053,679
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
2026-2030	6,020,000	10,071,472
2031-2035	9,565,000	8,946,592
2036-2040	11,155,000	7,307,076
2041-2045	13,335,000	5,065,548
2046-2050	16,080,000	2,259,226
2051	3,595,000	68,376
Total	<u>\$66,125,000</u>	<u>\$44,255,144</u>

The School District's overall legal debt margin was (\$22,388,212), with an unvoted debt margin of \$1,092,620 at June 30, 2020. 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, 2020, \$69,417,657 of bond proceeds remained unspent (after debt related payables of \$1,683,090). These unspent bond proceeds are reflected as restricted on the balance sheet in the school building construction and classroom facilities major capital projects funds. 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, 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, 2020

**Note 17 - Interfund Balances and Activity**

Interfund balances at June 30, 2020, consist of the following individual interfund receivables and payables:

	Interfund Receivable	Interfund Payable
Major Funds:		
General	\$162,554	\$1,119
Other Governmental Funds:		
School Emergency Relief	0	124,734
IDEA - B	1,119	13,626
Title I	0	12,014
Title IV-A	0	1,082
Literacy Grant	0	2,969
Vocational Education	0	8,129
Total Other Governmental Funds	1,119	162,554
Total All Funds	\$163,673	\$163,673

The interfund receivables/payables are due to the general fund making advances to other non-major governmental funds to subsidize negative cash balances. The general fund owed money to the idea-b nonmajor special revenue fund for the reimbursement of services provided. The interfund payables are anticipated to be repaid within one year.

	Transfer To	Transfer From
Major Funds:		
General	\$0	\$2,936,353
Other Governmental Funds:		
Food Service	64,500	0
Student Managed Activity	9,765	0
Bond Retirement	1,942,088	0
Permanent Improvement	250,000	0
Building and Improvement	670,000	0
Total Other Governmental Funds	2,936,353	0
Total All Funds	\$2,936,353	\$2,936,353

Interfund transfers during 2020, consisted of the general fund transferring \$64,500 to the food service special revenue fund for the purpose of refunding unpaid student lunches, \$9,765 to the student managed activity special revenue fund for the purpose of paying off yearbook balances to the vendor, \$1,942,088 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 \$670,000 to the Building and Improvement capital projects fund for the purpose of future repairs and improvements.

**Lancaster City School District, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2020*

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**Note 18 - Jointly Governed Organizations**

***Licking Area Computer Association*** – The School District is a participant in the Licking Area Computer Association (LACA) which is a computer consortium. LACA is an association which services twenty-seven school districts, educational service centers, community schools, and nonpublic 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 consists of the superintendents from all participating school districts. The continued existence of LACA is not dependent on the 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 governing 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 2020 were \$204,975. Financial statements for LACA can be obtained from their fiscal agent the Career and Technology Education Centers of Licking County, 150 Price 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 \$4,415 to META Solutions during fiscal year 2020 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.

***State Support Team Region 11*** - The School District participates in the State Support Team Region 11 (SSTR11) a jointly governed organization operated by a Regional Advisory Council that is composed of entities within Delaware, Fairfield, Franklin, Licking, Madison, Pickaway, and Union counties and Chillicothe City Schools in Ross County. The purpose of SSTR11 is to provide professional development and technical assistance services to school districts, community schools, career centers, educational service centers, information technology centers, board of developmental disabilities, chartered nonpublic schools, and

**Lancaster City School District, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2020*

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colleges and universities within the region by supporting State and district initiatives. The SSTR11 is governed by an advisory council, which is the advisory body for the educational entities within the region, who identifies regional needs and priorities for educational services and develops recommendations to coordinate the delivery of services. They are also charged with the responsibility of monitoring the implementation of State and regional initiatives and school improvement efforts. The Advisory Council is made up of the director of the SSTR11, the superintendent of each educational service center within the region, the superintendent of the region's largest and smallest school district, the director and an employee from each education technology center, one representative of a four-year institution of higher education and appointed by the Ohio Board of Regents, one representative of a two-year institution of higher education and appointed by the Ohio Association of Community Colleges, three board of education members (one each from a city, exempted village, and local school district within the region), and one business representative. The Advisory Council exercises total control over the operations of SSTR11 including budgeting, appropriating, contracting, and designating management. The degree of control exercised by any participating educational entity is limited to its representation on the Advisory Council. Financial information can be obtained from the State Support Team – Region 11, 2080 Citygate Drive, Columbus, Ohio 43219. The School District made no payments to SSTR11 during fiscal year 2020.

***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 2020. 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.

#### **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), Comp Management, Inc., 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.



**Lancaster City School District, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2020*

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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, 2020, and \$163,089 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 21 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 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 from \$100,000 to \$200,000. 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 \$200,000 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.

**Lancaster City School District, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2020*

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**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, 2020, if applicable, cannot be determined at this time.

***Litigation***

The School District is currently not party to any litigation.

***School Foundation***

School District foundation funding is 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 2019 were finalized on November 27, 2020.

**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.

	<u>Capital Improvements</u>
Set-aside Balance as of June 30, 2019	\$0
Current Year Set-aside Requirement	1,124,298
Current Year Offsets	(3,363,628)
Qualifying Disbursements	<u>(1,396,767)</u>
Total	<u><u>(\$3,636,097)</u></u>
Set-aside Balance Carried Forward to Future Fiscal Years	<u><u>\$0</u></u>

The School District had qualifying disbursements 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.

**Lancaster City School District, Ohio**  
*Notes to the Basic Financial Statements*  
For the Fiscal Year Ended June 30, 2020

**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	\$2,135,205
School Building Construction	1,304,473
Classroom Facilities Fund	6,745,088
Nonmajor Governmental Funds	1,211,163
Total	<u><u>\$11,395,929</u></u>

***Contractual Commitments***

As of June 30, 2020, the School District had contractual purchase commitments for the following projects:

Project	Fund	Original Contract	Paid to Date	Amount Remaining
General Sherman Junior High School OFCC Building Project	School Building Construction and Classroom Facilities	\$27,939,576	\$23,069,754	\$4,869,822
Fulton Field Press Box	Permanent Improvement	344,000	76,873	267,127
Roofing Project	Permanent Improvement	293,405	243,135	50,270
Junior High School Ball Fields	Permanent Improvement	148,222	74,453	73,769
Site Improvements	Classroom Facilities	223,553	169,631	53,922
Buses	General	334,720	0	334,720
	Total	<u><u>\$29,283,476</u></u>	<u><u>\$23,633,846</u></u>	<u><u>\$5,649,630</u></u>

**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:

**Lancaster City School District, Ohio**  
*Notes to the Basic Financial Statements*  
For the Fiscal Year Ended June 30, 2020

Fund Balances	General	School Building Construction	Classroom Facilities	Other Governmental Funds	Total
<b><u>Nonspendable:</u></b>					
Prepays	\$248,530	\$0	\$0	\$17,012	\$265,542
Materials and Supplies Inventory	211,789	0	0	23,929	235,718
<i>Total Nonspendable</i>	<u>460,319</u>	<u>0</u>	<u>0</u>	<u>40,941</u>	<u>501,260</u>
<b><u>Restricted for:</u></b>					
School Building Construction	0	67,452,262	0	0	67,452,262
Classroom Facilities Construction	0	0	5,362,122	0	5,362,122
Classroom Facilities Maintenance	0	0	0	3,309,992	3,309,992
District and Student Managed Activities	0	0	0	404,795	404,795
Auxiliary Services	0	0	0	162,117	162,117
Food Service	0	0	0	708,233	708,233
Community Grants and Contributions	0	0	0	60,067	60,067
Bond Retirement	0	0	0	3,083,880	3,083,880
<i>Total Restricted</i>	<u>0</u>	<u>67,452,262</u>	<u>5,362,122</u>	<u>7,729,084</u>	<u>80,543,468</u>
<b><u>Committed to:</u></b>					
Scholarships	0	0	0	33,776	33,776
Preschool	0	0	0	71,666	71,666
Termination Benefits	944,709		0	0	944,709
Capital Improvements	0		0	7,470,255	7,470,255
<b><u>Purchases on Order for:</u></b>					
Professional Services	103,995	0	0	0	103,995
Medical Services	21,274	0	0	0	21,274
Equipment Services	401,147	0	0	0	401,147
Educational Services	95,281	0	0	0	95,281
<i>Total Committed</i>	<u>1,566,406</u>	<u>0</u>	<u>0</u>	<u>7,575,697</u>	<u>9,142,103</u>
<b><u>Assigned to:</u></b>					
Capital Improvements	0	0	0	4,530,068	4,530,068
Public School Support	113,546		0	0	113,546
<b><u>Assigned to Subsequent Year's</u></b>					
Appropriations	16,872,445		0	0	16,872,445
<b><u>Purchases on Order for:</u></b>					
Professional Services	91,101	0	0	0	91,101
Educational Services	32,299	0	0	0	32,299
Equipment and Supplies	371,195	0	0	0	371,195
Purchases on Order for Utilities	252,368	0	0	0	252,368
<i>Total Assigned</i>	<u>17,732,954</u>	<u>0</u>	<u>0</u>	<u>4,530,068</u>	<u>22,263,022</u>
Unassigned (Deficit)	22,693,058	0	0	(219,539)	22,473,519
<i>Total Fund Balances</i>	<u>\$42,452,737</u>	<u>\$67,452,262</u>	<u>\$5,362,122</u>	<u>\$19,656,251</u>	<u>\$134,923,372</u>

**Lancaster City School District, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2020*

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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, 2020 was \$8,746,390 which was based on actual fiscal year 2020 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 2020. 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. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the School District. 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 gains or losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on School District's future operating costs, revenues, and additional recovery from emergency funding, either federal or State, cannot be estimated.

**Note 25 - Subsequent Events**

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 will collect taxes for the debt retirement beginning 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.

The new General Sherman Junior High School building opened to students in August of 2020.

On August 18, 2020, the School District Board of Education approved a resolution to advance refund a portion of the School Facilities Construction and Improvement Bonds, Series 2016B not to exceed \$19,995,000.

**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 Seven Fiscal Years (1) \**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
School District's Proportion of the Net Pension Liability	0.2740256%	0.2814465%	0.2836311%	0.2703412%
School District's Proportionate Share of the Net Pension Liability	\$16,395,433	\$16,118,962	\$16,946,332	\$19,786,481
School District's Covered Payroll	\$9,516,541	\$9,090,481	\$8,878,121	\$8,439,803
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	172.28%	177.32%	190.88%	234.44%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.85%	71.36%	69.50%	62.98%

(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

2016	2015	2014
0.2588009%	0.2570550%	0.2570550%
\$14,767,430	\$13,009,408	\$15,286,236
\$8,112,207	\$7,603,214	\$6,771,366
182.04%	171.10%	225.75%
69.16%	71.70%	65.52%

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**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 Four Fiscal Years (1) \**

	2020	2019	2018	2017
School District's Proportion of the Net OPEB Liability	0.2811495%	0.2848480%	0.2870770%	0.2738443%
School District's Proportionate Share of the Net OPEB Liability	\$7,070,318	\$7,902,453	\$7,704,392	\$7,805,576
School District's Covered Payroll	\$9,516,541	\$9,090,481	\$8,878,121	\$8,439,803
School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	74.30%	86.93%	86.78%	92.49%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	15.57%	13.57%	12.46%	11.49%

(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

**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 Seven Fiscal Years (1) \**

	2020	2019	2018	2017
School District's Proportion of the Net Pension Liability	0.26727949%	0.26781203%	0.27260486%	0.25992422%
School District's Proportionate Share of the Net Pension Liability	\$59,107,254	\$58,885,852	\$64,757,868	\$87,004,471
School District's Covered Payroll	\$31,806,843	\$30,599,200	\$29,048,221	\$27,561,343
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	185.83%	192.44%	222.93%	315.68%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.40%	77.30%	75.30%	66.80%

(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

2016	2015	2014
0.25054074%	0.25484464%	0.25484464%
\$69,242,133	\$61,987,036	\$73,838,552
\$27,141,200	\$26,052,229	\$25,200,900
255.12%	237.93%	293.00%
72.10%	74.70%	69.30%

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**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 Four Fiscal Years (1) \**

	2020	2019	2018	2017
School District's Proportion of the Net OPEB Liability (Asset)	0.26727949%	0.26781203%	0.27260486%	0.25992422%
School District's Proportionate Share of the Net OPEB Liability (Asset)	(\$4,426,789)	(\$4,303,467)	\$10,636,036	\$13,900,815
School District's Covered Payroll	\$31,806,843	\$30,599,200	\$29,048,221	\$27,561,343
School District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	-13.92%	-14.06%	36.62%	50.44%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	174.70%	176.00%	47.10%	37.30%

(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

**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>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Net Pension Liability</b>				
Contractually Required Contribution	\$1,381,841	\$1,284,733	\$1,227,215	\$1,242,937
Contributions in Relation to the Contractually Required Contribution	<u>(1,381,841)</u>	<u>(1,284,733)</u>	<u>(1,227,215)</u>	<u>(1,242,937)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
School District Covered Payroll (2)	\$9,870,293	\$9,516,541	\$9,090,481	\$8,878,121
Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>13.50%</u>	<u>13.50%</u>	<u>14.00%</u>
<b>Net OPEB Liability</b>				
Contractually Required Contribution (3)	\$143,365	\$235,596	\$226,631	\$153,027
Contributions in Relation to the Contractually Required Contribution	<u>(143,365)</u>	<u>(235,596)</u>	<u>(226,631)</u>	<u>(153,027)</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>1.45%</u>	<u>2.48%</u>	<u>2.49%</u>	<u>1.72%</u>
Total Contributions as a Percentage of Covered Payroll (3)	<u>15.45%</u>	<u>15.98%</u>	<u>15.99%</u>	<u>15.72%</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

2016	2015	2014	(1) 2013	2012	2011
\$1,181,572	\$1,069,189	\$1,053,806	\$937,157	\$1,052,590	\$844,817
(1,181,572)	(1,069,189)	(1,053,806)	(937,157)	(1,052,590)	(844,817)
\$0	\$0	\$0	\$0	\$0	\$0
\$8,439,803	\$8,112,207	\$7,603,214	\$6,771,366	\$7,825,945	\$6,720,898
14.00%	13.18%	13.86%	13.84%	13.45%	12.57%
\$138,065	\$196,568	\$136,181	\$123,189	\$151,749	\$202,653
(138,065)	(196,568)	(136,181)	(123,189)	(151,749)	(202,653)
\$0	\$0	\$0	\$0	\$0	\$0
1.64%	2.42%	1.79%	1.82%	1.94%	3.02%
15.64%	15.60%	15.65%	15.66%	15.39%	15.59%

**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>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Net Pension Liability</b>				
Contractually Required Contribution	\$4,767,570	\$4,452,958	\$4,283,888	\$4,066,751
Contributions in Relation to the Contractually Required Contribution	<u>(4,767,570)</u>	<u>(4,452,958)</u>	<u>(4,283,888)</u>	<u>(4,066,751)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
School District Covered Payroll (2)	\$34,054,071	\$31,806,843	\$30,599,200	\$29,048,221
Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>
<b>Net OPEB Liability</b>				
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>2016</u>	<u>2015</u>	<u>2014</u>	<u>(1) 2013</u>	<u>2012</u>	<u>2011</u>
\$3,858,588	\$3,799,768	\$3,386,790	\$3,276,117	\$3,633,504	\$3,375,202
<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>(3,375,202)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$27,561,343	\$27,141,200	\$26,052,229	\$25,200,900	\$27,950,031	\$25,963,092
<u>14.00%</u>	<u>14.00%</u>	<u>13.00%</u>	<u>13.00%</u>	<u>13.00%</u>	<u>13.00%</u>
\$0	\$0	\$260,522	\$252,009	\$279,500	\$259,631
<u>0</u>	<u>0</u>	<u>(260,522)</u>	<u>(252,009)</u>	<u>(279,500)</u>	<u>(259,631)</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>1.00%</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, 2020*

**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:

	<u>Fiscal Year 2017</u>	<u>Fiscal Year 2016 and Prior</u>
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:

	<u>Fiscal Year 2018</u>	<u>Fiscal Year 2017 and Prior</u>
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, 2020*

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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 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 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, 2020*

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**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.

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**Lancaster City School District, Ohio**

*Combining and Individual Fund Financial Statements and Schedules*

## Lancaster City School District, Ohio

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### *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 2020, there was only one debt service fund, bond retirement, which is considered a nonmajor 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, 2020*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$5,008,629	\$2,819,275	\$12,053,025	\$19,880,929
Receivables:				
Property Taxes	452,236	4,601,178	0	5,053,414
Accounts	27,103	0	0	27,103
Intergovernmental	1,621,694	0	0	1,621,694
Accrued Interest	1,894	0	0	1,894
Interfund	1,119	0	0	1,119
Prepays	17,012	0	0	17,012
Inventory Held for Resale	48,548	0	0	48,548
Materials and Supplies Inventory	23,929	0	0	23,929
<i>Total Assets</i>	<u>\$7,202,164</u>	<u>\$7,420,453</u>	<u>\$12,053,025</u>	<u>\$26,675,642</u>
<b>Liabilities</b>				
Accounts Payable	\$66,007	\$0	\$0	\$66,007
Contracts Payable	0	0	50,248	50,248
Retainage Payable	0	0	2,454	2,454
Accrued Salaries and Benefits Payable	663,995	0	0	663,995
Intergovernmental Payable	239,392	0	0	239,392
Interfund Payable	162,554	0	0	162,554
Unearned Revenue	48,480	0	0	48,480
<i>Total Liabilities</i>	<u>1,180,428</u>	<u>0</u>	<u>52,702</u>	<u>1,233,130</u>
<b>Deferred Inflows of Resources</b>				
Property Taxes	376,725	4,165,395	0	4,542,120
Unavailable Revenue	1,072,963	171,178	0	1,244,141
<i>Total Deferred Inflows of Resources</i>	<u>1,449,688</u>	<u>4,336,573</u>	<u>0</u>	<u>5,786,261</u>
<b>Fund Balances</b>				
Nonspendable	40,941	0	0	40,941
Restricted	4,645,204	3,083,880	0	7,729,084
Committed	105,442	0	7,470,255	7,575,697
Assigned	0	0	4,530,068	4,530,068
Unassigned (Deficit)	(219,539)	0	0	(219,539)
<i>Total Fund Balances</i>	<u>4,572,048</u>	<u>3,083,880</u>	<u>12,000,323</u>	<u>19,656,251</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$7,202,164</u>	<u>\$7,420,453</u>	<u>\$12,053,025</u>	<u>\$26,675,642</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, 2020*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Property Taxes	\$426,918	\$2,678,763	\$0	\$3,105,681
Intergovernmental	10,074,381	319,502	0	10,393,883
Interest	20,539	0	0	20,539
Tuition and Fees	21,836	0	0	21,836
Charges for Services	344,253	0	0	344,253
Extracurricular Activities	400,950	0	0	400,950
Gifts and Donations	67,145	0	172,082	239,227
Miscellaneous	32,710	0	754	33,464
<i>Total Revenues</i>	<u>11,388,732</u>	<u>2,998,265</u>	<u>172,836</u>	<u>14,559,833</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	394,253	0	0	394,253
Special	3,321,552	0	0	3,321,552
Vocational	99,140	0	0	99,140
Student Intervention Services	86,673	0	0	86,673
Support Services:				
Pupils	1,776,446	0	0	1,776,446
Instructional Staff	908,676	0	0	908,676
Administration	239,638	0	0	239,638
Fiscal	8,322	51,816	0	60,138
Operation and Maintenance of Plant	190,056	0	0	190,056
Pupil Transportation	2,060	0	71,068	73,128
Central	575	0	0	575
Operation of Non-Instructional Services:				
Food Service Operations	2,733,682	0	0	2,733,682
Other Non-Instructional Services	1,010,944	0	0	1,010,944
Extracurricular Activities	222,449	0	181,172	403,621
Capital Outlay	0	0	328,816	328,816
Debt Service:				
Principal Retirement	0	1,505,000	0	1,505,000
Interest and Fiscal Charges	0	2,767,314	0	2,767,314
Issuance Costs	0	1,024,964	0	1,024,964
<i>Total Expenditures</i>	<u>10,994,466</u>	<u>5,349,094</u>	<u>581,056</u>	<u>16,924,616</u>
<i>Excess of Revenues Over (Under)</i>				
<i>Expenditures</i>	<u>394,266</u>	<u>(2,350,829)</u>	<u>(408,220)</u>	<u>(2,364,783)</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from Sale of Capital Assets	5,241	0	0	5,241
Refunding Bonds Issued	0	47,457,912	0	47,457,912
Premium on Bonds Issued	0	1,965,748	0	1,965,748
Premium on Refunding Bonds Issued	0	4,401,111	0	4,401,111
Discount on Bonds Issued	0	(418,377)	0	(418,377)
Payment to Refunded Bond Escrow Agent	0	(51,428,682)	0	(51,428,682)
Transfers In	74,265	1,942,088	920,000	2,936,353
<i>Total Other Financing Sources (Uses)</i>	<u>79,506</u>	<u>3,919,800</u>	<u>920,000</u>	<u>4,919,306</u>
<i>Net Change in Fund Balances</i>	<u>473,772</u>	<u>1,568,971</u>	<u>511,780</u>	<u>2,554,523</u>
<i>Fund Balances Beginning of Year</i>	<u>4,098,276</u>	<u>1,514,909</u>	<u>11,488,543</u>	<u>17,101,728</u>
<i>Fund Balances End of Year</i>	<u><u>\$4,572,048</u></u>	<u><u>\$3,083,880</u></u>	<u><u>\$12,000,323</u></u>	<u><u>\$19,656,251</u></u>

## **Lancaster City School District, Ohio**

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### *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 District's 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 grants received from a private foundation and monies from local businesses which provide restricted funds for the development of teaching staff and extracurricular activities for students.

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.

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.

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.

(Continued)

## **Lancaster City School District, Ohio**

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### *Nonmajor Special Revenue Funds (Continued)*

Miscellaneous State Grants Fund - To account for miscellaneous State grants which are considered restricted. The current grant was awarded for the purpose of providing financial assistance to implement positive behavioral intervention and supports frameworks and evidence or research based social and emotional learning initiatives to help reduce discipline incidents.

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.

Security 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.

Striving Readers 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.

Literacy Grant Fund - To account for and report restricted Federal grant monies used to help support literacy efforts in combination with Universal Design for Learning and Positive Behavior Intervention Supports.

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. For fiscal year 2020, the preschool fund only had a committed fund balance.

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, 2020*

	Food Service	Scholarship Memorial	Restricted Scholarship	Community Grants	Classroom Facilities Maintenance	Student Managed Activity	District Managed Student Activity
<b>Assets</b>							
Equity in Pooled Cash and Cash Equivalents	\$954,820	\$33,760	\$39,452	\$20,554	\$3,275,500	\$95,321	\$322,446
Receivables:							
Property Taxes	0	0	0	0	452,236	0	0
Accounts	24,678	0	0	0	0	0	1,925
Intergovernmental	0	0	0	0	0	0	0
Accrued Interest	1,486	46	61	0	0	0	0
Interfund	0	0	0	0	0	0	0
Prepays	1,934	0	0	0	0	0	0
Inventory Held for Resale	48,548	0	0	0	0	0	0
Materials and Supplies Inventory	23,929	0	0	0	0	0	0
<i>Total Assets</i>	<u>\$1,055,395</u>	<u>\$33,806</u>	<u>\$39,513</u>	<u>\$20,554</u>	<u>\$3,727,736</u>	<u>\$95,321</u>	<u>\$324,371</u>
<b>Liabilities</b>							
Accounts Payable	\$3,591	\$0	\$0	\$0	\$6,176	\$95	\$12,752
Accrued Salaries and Benefits Payable	167,720	0	0	0	0	0	0
Intergovernmental Payable	75,852	0	0	0	607	0	2,050
Interfund Payable	0	0	0	0	0	0	0
Unearned Revenue	48,480	0	0	0	0	0	0
<i>Total Liabilities</i>	<u>295,643</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,783</u>	<u>95</u>	<u>14,802</u>
<b>Deferred Inflows of Resources</b>							
Property Taxes	0	0	0	0	376,725	0	0
Unavailable Revenue	25,656	30	0	0	34,236	0	0
<i>Total Deferred Inflows of Resources</i>	<u>25,656</u>	<u>30</u>	<u>0</u>	<u>0</u>	<u>410,961</u>	<u>0</u>	<u>0</u>
<b>Fund Balances:</b>							
Nonspendable	25,863	0	0	0	0	0	0
Restricted	708,233	0	39,513	20,554	3,309,992	95,226	309,569
Committed	0	33,776	0	0	0	0	0
Unassigned (Deficits)	0	0	0	0	0	0	0
<i>Total Fund Balances (Deficits)</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>	<u>309,569</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$1,055,395</u>	<u>\$33,806</u>	<u>\$39,513</u>	<u>\$20,554</u>	<u>\$3,727,736</u>	<u>\$95,321</u>	<u>\$324,371</u>

Auxiliary Services	School Emergency Relief	IDEA - B	Title I	Reducing Class Size	Title IV-A	Literacy Grant	Vocational Education	Preschool	Total Nonmajor Special Revenue Funds
\$194,170	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$72,606	\$5,008,629
0	0	0	0	0	0	0	0	0	452,236
0	0	0	0	0	0	0	500	0	27,103
0	127,688	483,475	815,133	64,928	56,967	4,969	9,565	58,969	1,621,694
301	0	0	0	0	0	0	0	0	1,894
0	0	1,119	0	0	0	0	0	0	1,119
0	0	0	15,078	0	0	0	0	0	17,012
0	0	0	0	0	0	0	0	0	48,548
0	0	0	0	0	0	0	0	0	23,929
<u>\$194,471</u>	<u>\$127,688</u>	<u>\$484,594</u>	<u>\$830,211</u>	<u>\$64,928</u>	<u>\$56,967</u>	<u>\$4,969</u>	<u>\$10,065</u>	<u>\$131,575</u>	<u>\$7,202,164</u>
\$17,801	\$2,954	\$17,250	\$0	\$0	\$4,531	\$0	\$693	\$164	\$66,007
12,520	8,634	226,915	224,300	11,679	0	0	0	12,227	663,995
1,835	1,105	36,521	111,721	2,163	3,698	0	0	3,840	239,392
0	124,734	13,626	12,014	0	1,082	2,969	8,129	0	162,554
0	0	0	0	0	0	0	0	0	48,480
<u>32,156</u>	<u>137,427</u>	<u>294,312</u>	<u>348,035</u>	<u>13,842</u>	<u>9,311</u>	<u>2,969</u>	<u>8,822</u>	<u>16,231</u>	<u>1,180,428</u>
0	0	0	0	0	0	0	0	0	376,725
198	2,954	297,239	557,505	56,052	51,979	2,000	1,436	43,678	1,072,963
<u>198</u>	<u>2,954</u>	<u>297,239</u>	<u>557,505</u>	<u>56,052</u>	<u>51,979</u>	<u>2,000</u>	<u>1,436</u>	<u>43,678</u>	<u>1,449,688</u>
0	0	0	15,078	0	0	0	0	0	40,941
162,117	0	0	0	0	0	0	0	0	4,645,204
0	0	0	0	0	0	0	0	71,666	105,442
0	(12,693)	(106,957)	(90,407)	(4,966)	(4,323)	0	(193)	0	(219,539)
<u>162,117</u>	<u>(12,693)</u>	<u>(106,957)</u>	<u>(75,329)</u>	<u>(4,966)</u>	<u>(4,323)</u>	<u>0</u>	<u>(193)</u>	<u>71,666</u>	<u>4,572,048</u>
<u>\$194,471</u>	<u>\$127,688</u>	<u>\$484,594</u>	<u>\$830,211</u>	<u>\$64,928</u>	<u>\$56,967</u>	<u>\$4,969</u>	<u>\$10,065</u>	<u>\$131,575</u>	<u>\$7,202,164</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, 2020*

	Food Service	Scholarship Memorial	Restricted Scholarship	Community Grants	Classroom Facilities Maintenance	Student Managed Activity
<b>Revenues</b>						
Property Taxes	\$0	\$0	\$0	\$0	\$426,918	\$0
Intergovernmental	2,246,199	0	0	0	82,783	0
Interest	14,743	1,120	724	0	0	0
Tuition and Fees	0	0	0	0	0	0
Charges for Services	344,253	0	0	0	0	0
Extracurricular Activities	0	0	0	19,953	0	50,179
Gifts and Donations	21,661	3,450	0	0	0	7,193
Miscellaneous	31,057	0	0	0	0	900
<i>Total Revenues</i>	<u>2,657,913</u>	<u>4,570</u>	<u>724</u>	<u>19,953</u>	<u>509,701</u>	<u>58,272</u>
<b>Expenditures</b>						
Current:						
Instruction:						
Regular	0	0	0	11,241	0	0
Special	0	0	0	7,379	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	8,322	0
Operation and Maintenance of Plant	0	0	0	0	120,359	0
Pupil Transportation	0	0	0	0	0	0
Central	575	0	0	0	0	0
Operation of Non-Instructional Services:						
Food Service Operations	2,733,682	0	0	0	0	0
Other Non-Instructional Services	0	241	600	0	0	61,870
Extracurricular Activities	0	0	0	0	0	648
<i>Total Expenditures</i>	<u>2,734,257</u>	<u>241</u>	<u>600</u>	<u>18,620</u>	<u>128,681</u>	<u>62,518</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(76,344)</u>	<u>4,329</u>	<u>124</u>	<u>1,333</u>	<u>381,020</u>	<u>(4,246)</u>
<b>Other Financing Sources</b>						
Proceeds from Sale of Capital Assets	5,241	0	0	0	0	0
Transfer In	64,500	0	0	0	0	9,765
<i>Total Other Financing Sources</i>	<u>69,741</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>9,765</u>
<i>Net Change in Fund Balance</i>	<u>(6,603)</u>	<u>4,329</u>	<u>124</u>	<u>1,333</u>	<u>381,020</u>	<u>5,519</u>
<i>Fund Balances (Deficits) at Beginning of Year</i>	<u>740,699</u>	<u>29,447</u>	<u>39,389</u>	<u>19,221</u>	<u>2,928,972</u>	<u>89,707</u>
<i>Fund Balances (Deficits) at End 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>

District Managed Student Activity	Auxiliary Services	Data Communications	School Emergency Relief	IDEA - B	Title I	Reducing Class Size	Miscellaneous State Grants	Title IV-A
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	819,447	18,000	212,066	2,030,978	2,102,163	231,103	5,000	74,345
0	3,952	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
330,818	0	0	0	0	0	0	0	0
34,841	0	0	0	0	0	0	0	0
753	0	0	0	0	0	0	0	0
366,412	823,399	18,000	212,066	2,030,978	2,102,163	231,103	5,000	74,345
0	0	0	153,052	0	222,766	0	0	7,194
10,584	0	0	0	1,402,780	1,336,480	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	68,496	18,177	0	0	0
0	0	0	61,968	293,321	14,097	0	5,000	16,400
0	0	18,000	9,739	39,924	517,363	208,114	0	0
0	0	0	0	211,629	2,823	0	0	0
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	45,402
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	0	0	0	0	0	0
81,345	721,603	0	0	63,824	43,887	27,902	0	9,672
221,801	0	0	0	0	0	0	0	0
313,730	721,603	18,000	224,759	2,079,974	2,155,593	236,016	5,000	78,668
52,682	101,796	0	(12,693)	(48,996)	(53,430)	(4,913)	0	(4,323)
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
52,682	101,796	0	(12,693)	(48,996)	(53,430)	(4,913)	0	(4,323)
256,887	60,321	0	0	(57,961)	(21,899)	(53)	0	0
\$309,569	\$162,117	\$0	(\$12,693)	(\$106,957)	(\$75,329)	(\$4,966)	\$0	(\$4,323)

(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, 2020*

	Security Grant	Student Wellness and Success	Striving Readers	Literacy Grant	Vocational Education	Preschool	Total Nonmajor Special Revenue Funds
<b>Revenues</b>							
Property Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$426,918
Intergovernmental	0	1,330,639	119,844	2,969	100,175	698,670	10,074,381
Interest	0	0	0	0	0	0	20,539
Tuition and Fees	0	0	0	0	0	21,836	21,836
Charges for Services	0	0	0	0	0	0	344,253
Extracurricular Activities	0	0	0	0	0	0	400,950
Gifts and Donations	0	0	0	0	0	0	67,145
Miscellaneous	0	0	0	0	0	0	32,710
<i>Total Revenues</i>	<u>0</u>	<u>1,330,639</u>	<u>119,844</u>	<u>2,969</u>	<u>100,175</u>	<u>720,506</u>	<u>11,388,732</u>
<b>Expenditures</b>							
Current:							
Instruction:							
Regular	0	0	0	0	0	0	394,253
Special	0	0	0	0	0	564,329	3,321,552
Vocational	0	0	0	0	99,140	0	99,140
Student Intervention Services	0	0	0	0	0	0	86,673
Support Services:							
Pupils	0	1,330,639	0	0	0	55,021	1,776,446
Instructional Staff	0	0	111,014	2,969	1,553	0	908,676
Administration	0	0	8,830	0	0	16,356	239,638
Fiscal	0	0	0	0	0	0	8,322
Operation and Maintenance of Plant	24,295	0	0	0	0	0	190,056
Pupil Transportation	0	0	0	0	0	2,060	2,060
Central	0	0	0	0	0	0	575
Operation of Non-Instructional Services:							
Food Service Operations	0	0	0	0	0	0	2,733,682
Other Non-Instructional Services	0	0	0	0	0	0	1,010,944
Extracurricular Activities	0	0	0	0	0	0	222,449
<i>Total Expenditures</i>	<u>24,295</u>	<u>1,330,639</u>	<u>119,844</u>	<u>2,969</u>	<u>100,693</u>	<u>637,766</u>	<u>10,994,466</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(24,295)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(518)</u>	<u>82,740</u>	<u>394,266</u>
<b>Other Financing Sources</b>							
Proceeds from Sale of Capital Assets	0	0	0	0	0	0	5,241
Transfer In	0	0	0	0	0	0	74,265
<i>Total Other Financing Sources</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>79,506</u>
<i>Net Change in Fund Balance</i>	<u>(24,295)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(518)</u>	<u>82,740</u>	<u>473,772</u>
<i>Fund Balances (Deficits) at Beginning of Year</i>	<u>24,295</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>325</u>	<u>(11,074)</u>	<u>4,098,276</u>
<i>Fund Balances (Deficits) at End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$193)</u>	<u>\$71,666</u>	<u>\$4,572,048</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, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$2,138,250	\$2,027,599	(\$110,651)
Interest	16,037	15,448	(589)
Charges for Services	595,235	360,548	(234,687)
Gifts and Donations	5,346	21,661	16,315
Miscellaneous	21,382	32,563	11,181
<i>Total Revenues</i>	<u>2,776,250</u>	<u>2,457,819</u>	<u>(318,431)</u>
<b>Expenditures</b>			
Current:			
Support Services:			
Central	575	575	0
Non-Instructional Services:			
Food Service Operations	<u>3,001,142</u>	<u>2,633,774</u>	<u>367,368</u>
<i>Total Expenditures</i>	<u>3,001,717</u>	<u>2,634,349</u>	<u>367,368</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(225,467)</u>	<u>(176,530)</u>	<u>48,937</u>
<b>Other Financing Sources</b>			
Proceeds from Sale of Capital Assets	5,500	5,241	(259)
Operating Transfers In	<u>65,000</u>	<u>64,500</u>	<u>(500)</u>
<i>Total Other Financing Sources</i>	<u>70,500</u>	<u>69,741</u>	<u>(759)</u>
<i>Net Change in Fund Balance</i>	<u>(154,967)</u>	<u>(106,789)</u>	<u>48,178</u>
<i>Fund Balance Beginning of Year</i>	<u>898,033</u>	<u>898,033</u>	<u>0</u>
<i>Prior Year Encumbrances Appropriated</i>	<u>67,399</u>	<u>67,399</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$810,465</u></u>	<u><u>\$858,643</u></u>	<u><u>\$48,178</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, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Interest	\$530	\$1,141	\$611
Gifts and Donations	3,900	3,450	(450)
<i>Total Revenues</i>	4,430	4,591	161
<b>Expenditures</b>			
Current:			
Non-Instructional Services:			
Community Services	4,330	966	3,364
<i>Net Change in Fund Balance</i>	100	3,625	3,525
<i>Fund Balance Beginning of Year</i>	29,160	29,160	0
<i>Prior Year Encumbrances Appropriated</i>	250	250	0
<i>Fund Balance at End of Year</i>	<u>\$29,510</u>	<u>\$33,035</u>	<u>\$3,525</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, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Interest	\$710	\$762	\$52
<b>Expenses</b>			
Current:			
Non-Instructional Services:			
Community Services	4,050	925	3,125
<i>Net Change in Fund Balance</i>	(3,340)	(163)	3,177
<i>Fund Equity Beginning of Year</i>	37,740	37,740	0
<i>Prior Year Encumbrances Appropriated</i>	1,550	1,550	0
<i>Fund Equity at End of Year</i>	<u>\$35,950</u>	<u>\$39,127</u>	<u>\$3,177</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, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Extracurricular Activities	\$30,000	\$19,953	(\$10,047)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	26,528	11,863	14,665
Special	8,862	7,379	1,483
<i>Total Expenditures</i>	<u>35,390</u>	<u>19,242</u>	<u>16,148</u>
<i>Net Change in Fund Balance</i>	(5,390)	711	6,101
<i>Fund Balance Beginning of Year</i>	18,831	18,831	0
<i>Prior Year Encumbrances Appropriated</i>	<u>390</u>	<u>390</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$13,831</u></u>	<u><u>\$19,932</u></u>	<u><u>\$6,101</u></u>

**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, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$419,500	\$429,657	\$10,157
Intergovernmental	85,500	82,783	(2,717)
<i>Total Revenues</i>	<u>505,000</u>	<u>512,440</u>	<u>7,440</u>
<b>Expenditures</b>			
Current:			
Support Services:			
Fiscal	10,000	8,322	1,678
Operation and Maintenance of Plant	502,953	148,016	354,937
<i>Total Expenditures</i>	<u>512,953</u>	<u>156,338</u>	<u>356,615</u>
<i>Net Change in Fund Balance</i>	<u>(7,953)</u>	<u>356,102</u>	<u>364,055</u>
<i>Fund Balance Beginning of Year</i>	<u>2,872,870</u>	<u>2,872,870</u>	<u>0</u>
<i>Prior Year Encumbrances Appropriated</i>	<u>12,953</u>	<u>12,953</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$2,877,870</u>	<u>\$3,241,925</u>	<u>\$364,055</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, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Extracurricular Activities	\$77,428	\$50,179	(\$27,249)
Gifts and Donations	9,865	7,193	(2,672)
Miscellaneous	1,600	900	(700)
<i>Total Revenues</i>	<u>88,893</u>	<u>58,272</u>	<u>(30,621)</u>
<b>Expenditures</b>			
Current:			
Non-Instructional Services:			
Other	103,649	65,928	37,721
Extracurricular Activities	1,216	648	568
<i>Total Expenditures</i>	<u>104,865</u>	<u>66,576</u>	<u>38,289</u>
<i>Excess of Revenues Under Expenditures</i>	(15,972)	(8,304)	7,668
<b>Other Financing Source</b>			
Operating Transfers In	7,140	9,765	2,625
<i>Net Change in Fund Balance</i>	(8,832)	1,461	10,293
<i>Fund Balance Beginning of Year</i>	86,223	86,223	0
<i>Prior Year Encumbrances Appropriated</i>	3,484	3,484	0
<i>Fund Balance at End of Year</i>	<u>\$80,875</u>	<u>\$91,168</u>	<u>\$10,293</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, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Extracurricular Activities	\$381,902	\$330,818	(\$51,084)
Gifts and Donations	10,940	34,841	23,901
Miscellaneous	308	753	445
<i>Total Revenues</i>	<u>393,150</u>	<u>366,412</u>	<u>(26,738)</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Special	14,300	10,584	3,716
Support Services:			
Central	3,500	0	3,500
Non-Instructional Services:			
Other	150,487	86,265	64,222
Extracurricular Activities	322,431	276,293	46,138
<i>Total Expenditures</i>	<u>490,718</u>	<u>373,142</u>	<u>117,576</u>
<i>Net Change in Fund Balance</i>	<u>(97,568)</u>	<u>(6,730)</u>	<u>90,838</u>
<i>Fund Balance Beginning of Year</i>	245,555	245,555	0
<i>Prior Year Encumbrances Appropriated</i>	24,466	24,466	0
<i>Fund Balance at End of Year</i>	<u>\$172,453</u>	<u>\$263,291</u>	<u>\$90,838</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, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$819,447	\$819,447	\$0
Interest	254	4,049	3,795
<i>Total Revenues</i>	819,701	823,496	3,795
<b>Expenditures</b>			
Current:			
Non-Instructional Services:			
Community Services	977,610	839,840	137,770
<i>Net Change in Fund Balance</i>	(157,909)	(16,344)	141,565
<i>Fund Balance Beginning of Year</i>	17,165	17,165	0
<i>Prior Year Encumbrances Appropriated</i>	141,249	141,249	0
<i>Fund Balance at End of Year</i>	<u>\$505</u>	<u>\$142,070</u>	<u>\$141,565</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, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$18,000	\$18,000	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Instructional Staff	18,000	18,000	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)*  
*School Emergency Relief Fund*  
*For the Fiscal Year Ended June 30, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$1,286,113	\$87,332	(\$1,198,781)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	995,435	435,887	559,548
Support Services:			
Pupils	61,968	61,968	0
Instructional Staff	104,000	0	104,000
Non-Instructional Services:			
Community Services	124,710	0	124,710
<i>Total Expenditures</i>	1,286,113	497,855	788,258
<i>Net Change in Fund Balance</i>	0	(410,523)	(410,523)
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance at End of Year</i>	\$0	(\$410,523)	(\$410,523)

**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, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$2,523,205	\$2,039,728	(\$483,477)
<b>Expenditures</b>			
Current:			
Instruction:			
Special	1,629,506	1,378,538	250,968
Student Intervention Services	77,431	68,802	8,629
Support Services:			
Pupils	351,296	295,867	55,429
Instructional Staff	65,856	52,587	13,269
Administration	290,895	213,709	77,186
Non-Instructional Services:			
Community Services	92,129	77,721	14,408
<i>Total Expenditures</i>	<u>2,507,113</u>	<u>2,087,224</u>	<u>419,889</u>
<i>Net Change in Fund Balance</i>	16,092	(47,496)	(63,588)
<i>Fund Balance (Deficit) Beginning of Year</i>	(54,223)	(54,223)	0
<i>Prior Year Encumbrances Appropriated</i>	<u>43,325</u>	<u>43,325</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u><u>\$5,194</u></u>	<u><u>(\$58,394)</u></u>	<u><u>(\$63,588)</u></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, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$2,890,588	\$2,067,882	(\$822,706)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	333,784	242,977	90,807
Special	1,702,445	1,334,919	367,526
Support Services:			
Pupils	180,929	14,699	166,230
Instructional Staff	572,734	476,435	96,299
Administration	20,000	20,000	0
Pupil Transportation	1,000	0	1,000
Non-Instructional Services:			
Community Services	51,457	44,331	7,126
<i>Total Expenditures</i>	<u>2,862,349</u>	<u>2,133,361</u>	<u>728,988</u>
<i>Net Change in Fund Balance</i>	28,239	(65,479)	(93,718)
<i>Fund Balance (Deficit) Beginning of Year</i>	(65,842)	(65,842)	0
<i>Prior Year Encumbrances Appropriated</i>	<u>45,294</u>	<u>45,294</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u><u>\$7,691</u></u>	<u><u>(\$86,027)</u></u>	<u><u>(\$93,718)</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, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$340,390	\$267,586	(\$72,804)
<b>Expenditures</b>			
Current:			
Support Services:			
Instructional Staff	281,038	218,276	62,762
Non-Instructional Services:			
Community Services	36,188	31,499	4,689
<i>Total Expenditures</i>	<u>317,226</u>	<u>249,775</u>	<u>67,451</u>
<i>Net Change in Fund Balance</i>	23,164	17,811	(5,353)
<i>Fund Balance (Deficit) Beginning of Year</i>	(61,363)	(61,363)	0
<i>Prior Year Encumbrances Appropriated</i>	<u>38,845</u>	<u>38,845</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u><u>\$646</u></u>	<u><u>(\$4,707)</u></u>	<u><u>(\$5,353)</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, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$5,000	\$5,000	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Pupils	5,000	5,000	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)*  
*Title IV-A Fund*  
*For the Fiscal Year Ended June 30, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$125,125	\$80,708	(\$44,417)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	2,860	2,860	0
Other	19,572	4,962	14,610
Support Services:			
Pupils	16,500	16,400	100
Instructional Staff	9,753	1,033	8,720
Operation and Maintenance of Plant	49,100	49,100	0
Pupil Transportation	3,000	0	3,000
Operation of Non-Instructional Services:			
Community Services	13,349	13,349	0
<i>Total Expenditures</i>	<u>114,134</u>	<u>87,704</u>	<u>26,430</u>
<i>Net Change in Fund Balance</i>	10,991	(6,996)	(17,987)
<i>Fund Balance (Deficit) Beginning of Year</i>	(14,557)	(14,557)	0
<i>Prior Year Encumbrances Appropriated</i>	<u>3,566</u>	<u>3,566</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$0</u>	<u>(\$17,987)</u>	<u>(\$17,987)</u>

**Lancaster City School District, Ohio**  
*Schedule of Revenues, Expenditures, and Changes*  
*in Fund Balance - Budget and Actual (Budget Basis)*  
*Security Grant Fund*  
*For the Fiscal Year Ended June 30, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$55,312	\$0	(\$55,312)
<b>Expenditures</b>			
Current:			
Support Services:			
Operation and Maintenance of Plant	27,578	27,577	1
<i>Net Change in Fund Balance</i>	27,734	(27,577)	(55,311)
<i>Fund Balance Beginning of Year</i>	21,265	21,265	0
<i>Prior Year Encumbrances Appropriated</i>	6,312	6,312	0
<i>Fund Balance at End of Year</i>	<u>\$55,311</u>	<u>\$0</u>	<u>(\$55,311)</u>



**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, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$1,330,639	\$1,330,639	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Pupils	1,330,639	1,330,639	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, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$126,558	\$119,844	(\$6,714)
<b>Expenditures</b>			
Current:			
Instructional Staff	117,728	111,014	6,714
Administration	8,830	8,830	0
<i>Total Expenditures</i>	<u>126,558</u>	<u>119,844</u>	<u>6,714</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>\$0</u>	<u>\$0</u>	<u>\$0</u>

**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, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$8,615	\$0	(\$8,615)
<b>Expenditures</b>			
Current:			
Support Services:			
Pupils	2,000	0	2,000
Instructional Staff	6,615	2,969	3,646
<i>Total Expenditures</i>	<u>8,615</u>	<u>2,969</u>	<u>5,646</u>
<i>Net Change in Fund Balance</i>	0	(2,969)	(2,969)
<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>(\$2,969)</u></u>	<u><u>(\$2,969)</u></u>

**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, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$129,435	\$103,561	(\$25,874)
<b>Expenditures</b>			
Current:			
Instruction:			
Vocational	120,610	117,590	3,020
Support Services:			
Instructional Staff	3,260	2,560	700
<i>Total Expenditures</i>	<u>123,870</u>	<u>120,150</u>	<u>3,720</u>
<i>Net Change in Fund Balance</i>	5,565	(16,589)	(22,154)
<i>Fund Balance (Deficit) Beginning of Year</i>	(27,285)	(27,285)	0
<i>Prior Year Encumbrances Appropriated</i>	<u>21,720</u>	<u>21,720</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u><u>\$0</u></u>	<u><u>(\$22,154)</u></u>	<u><u>(\$22,154)</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, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Tuition and Fees	\$20,000	\$21,836	\$1,836
<b>Expenditures</b>			
Current:			
Instruction:			
Special	75,478	14,181	61,297
Support Services:			
Pupils	377	377	0
Instructional Staff	5,000	0	5,000
<i>Total Expenditures</i>	80,855	14,558	66,297
<i>Net Change in Fund Balance</i>	(60,855)	7,278	68,133
<i>Fund Balance Beginning of Year</i>	59,990	59,990	0
<i>Prior Year Encumbrances Appropriated</i>	4,755	4,755	0
<i>Fund Balance at End of Year</i>	\$3,890	\$72,023	\$68,133

**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, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$638,931	\$638,931	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Special	590,496	596,397	(5,901)
Support Services:			
Pupils	25,260	25,311	(51)
Administration	20,942	18,719	2,223
Pupil Transportation	2,000	2,060	(60)
<i>Total Expenditures</i>	<u>638,698</u>	<u>642,487</u>	<u>(3,789)</u>
<i>Net Change in Fund Balance</i>	233	(3,556)	(3,789)
<i>Fund Balance (Deficit) Beginning of Year</i>	(3,294)	(3,294)	0
<i>Prior Year Encumbrances Appropriated</i>	<u>3,061</u>	<u>3,061</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$0</u>	<u>(\$3,789)</u>	<u>(\$3,789)</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, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$112,927	\$53,958	(\$58,969)
<b>Expenditures</b>			
Current:			
Instruction:			
Special	62,781	25,633	37,148
Support Services:			
Pupils	49,530	27,709	21,821
<i>Total Expenditures</i>	<u>112,311</u>	<u>53,342</u>	<u>58,969</u>
<i>Net Change in Fund Balance</i>	616	616	0
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>(616)</u>	<u>(616)</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)*  
*Public School Support Fund*  
*For the Fiscal Year Ended June 30, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Rent	\$1,081	\$1,147	\$66
Extracurricular Activities	64,045	52,746	(11,299)
Gifts and Donations	14,419	12,181	(2,238)
<i>Total Revenues</i>	<u>79,545</u>	<u>66,074</u>	<u>(13,471)</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	15,824	7,529	8,295
Special	2,000	0	2,000
Vocational	300	0	300
Support Services:			
Instructional Staff	2,446	0	2,446
Non-Instructional Services:			
Other	100,979	65,678	35,301
Extracurricular Activities	794	779	15
<i>Total Expenditures</i>	<u>122,343</u>	<u>73,986</u>	<u>48,357</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(42,798)</u>	<u>(7,912)</u>	<u>34,886</u>
<b>Other Financing Use</b>			
Operating Transfers Out	<u>(1,000)</u>	<u>(1,000)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(43,798)</u>	<u>(8,912)</u>	<u>34,886</u>
<i>Fund Balance Beginning of Year</i>	<u>106,372</u>	<u>106,372</u>	<u>0</u>
<i>Prior Year Encumbrances Appropriated</i>	<u>7,189</u>	<u>7,189</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$69,763</u></u>	<u><u>\$104,649</u></u>	<u><u>\$34,886</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, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
<i>Total Revenues</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	99,580	84,063	15,517
Operation of Non-Instructional Services:			
Food Service Operations	<u>420</u>	<u>266</u>	<u>154</u>
<i>Total Expenditures</i>	<u>100,000</u>	<u>84,329</u>	<u>15,671</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(100,000)</u>	<u>(84,329)</u>	<u>15,671</u>
<b>Other Financing Source</b>			
Transfers In	<u>250,000</u>	<u>84,329</u>	<u>(165,671)</u>
<i>Net Change in Fund Balance</i>	<u>150,000</u>	<u>0</u>	<u>(150,000)</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>\$1,150,921</u></u>	<u><u>\$1,000,921</u></u>	<u><u>(\$150,000)</u></u>

## **Lancaster City School District, Ohio**

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### *Nonmajor 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, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$2,742,082	\$2,683,972	(\$58,110)
Intergovernmental	325,168	319,502	(5,666)
<i>Total Revenues</i>	<u>3,067,250</u>	<u>3,003,474</u>	<u>(63,776)</u>
<b>Expenditures</b>			
Current:			
Support Services:			
Fiscal	51,819	51,816	3
Debt Service:			
Principal Retirement	1,508,181	1,505,000	3,181
Interest and Fiscal Charges	2,843,861	2,767,314	76,547
<i>Total Expenditures</i>	<u>4,403,861</u>	<u>4,324,130</u>	<u>79,731</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,336,611)</u>	<u>(1,320,656)</u>	<u>15,955</u>
<b>Other Financing Sources (Uses)</b>			
Refunding Bonds Issued	47,457,912	47,457,912	0
Premium on Bonds Issued	948,895	1,367,270	418,375
Premium on Refunding Bonds Issued	3,974,625	3,974,625	0
Discount on Bonds Issued	(418,377)	(418,377)	0
Payment to Refunded Bond Escrow Agent	(51,428,682)	(51,428,682)	0
Transfer In	1,942,088	1,942,088	0
<i>Total Other Financing Sources (Uses)</i>	<u>2,476,461</u>	<u>2,894,836</u>	<u>418,375</u>
<i>Net Change in Fund Balance</i>	<u>1,139,850</u>	<u>1,574,180</u>	<u>434,330</u>
<i>Fund Balance Beginning of Year</i>	<u>1,245,095</u>	<u>1,245,095</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$2,384,945</u></u>	<u><u>\$2,819,275</u></u>	<u><u>\$434,330</u></u>

## **Lancaster City School District, Ohio**

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### *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 Funds*

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.

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.

#### *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.

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).

**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, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Interest	\$150,000	\$125,447	(\$24,553)
<b>Expenditures</b>			
Capital Outlay	5,744,550	5,433,338	311,212
Debt Service:			
Issuance Costs	598,478	598,478	0
<i>Total Expenditures</i>	<u>6,343,028</u>	<u>6,031,816</u>	<u>311,212</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(6,193,028)</u>	<u>(5,906,369)</u>	<u>286,659</u>
<b>Other Financing Sources</b>			
General Obligation Bonds Issued	66,125,000	66,125,000	0
Premium on Bonds Issued	598,478	598,478	0
<i>Total Other Financing Sources</i>	<u>66,723,478</u>	<u>66,723,478</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	60,530,450	60,817,109	286,659
<i>Fund Balance Beginning of Year</i>	544,496	544,496	0
<i>Prior Year Encumbrances Appropriated</i>	<u>5,294,550</u>	<u>5,294,550</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$66,369,496</u></u>	<u><u>\$66,656,155</u></u>	<u><u>\$286,659</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, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$5,979,255	\$5,007,536	(\$971,719)
Interest	489,447	330,002	(159,445)
<i>Total Revenues</i>	6,468,702	5,337,538	(1,131,164)
<b>Expenditures</b>			
Capital Outlay	27,319,661	25,989,297	1,330,364
<i>Net Change in Fund Balance</i>	(20,850,959)	(20,651,759)	199,200
<i>Fund Balance (Deficit) Beginning of Year</i>	(3,407,056)	(3,407,056)	0
<i>Prior Year Encumbrances Appropriated</i>	25,319,661	25,319,661	0
<i>Fund Balance at End of Year</i>	<u>\$1,061,646</u>	<u>\$1,260,846</u>	<u>\$199,200</u>

**Lancaster City School District, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*June 30, 2020*

	Permanent Improvement	Building and Improvement	Total Nonmajor Capital Projects Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$5,033,025	\$7,020,000	\$12,053,025
<b>Liabilities</b>			
Contracts Payable	\$50,248	\$0	\$50,248
Retainage Payable	2,454	0	2,454
<i>Total Liabilities</i>	52,702	0	52,702
<b>Fund Balances</b>			
Committed	450,255	7,020,000	7,470,255
Assigned	4,530,068	0	4,530,068
<i>Total Fund Balances</i>	4,980,323	7,020,000	12,000,323
<i>Total Liabilities and Fund Balances</i>	\$5,033,025	\$7,020,000	\$12,053,025

**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, 2020*

	Permanent Improvement	Building and Improvement	Total Nonmajor Capital Projects Funds
<b>Revenues</b>			
Gifts and Donations	\$172,082	\$0	\$172,082
Miscellaneous	754	0	754
<i>Total Revenues</i>	<u>172,836</u>	<u>0</u>	<u>172,836</u>
<b>Expenditures</b>			
Current:			
Support Services:			
Pupil Transportation	71,068	0	71,068
Extracurricular Activities	181,172	0	181,172
Capital Outlay	328,816	0	328,816
<i>Total Expenditures</i>	<u>581,056</u>	<u>0</u>	<u>581,056</u>
<i>Excess of Revenues Under Expenditures</i>	(408,220)	0	(408,220)
<b>Other Financing Source</b>			
Transfers In	250,000	670,000	920,000
<i>Net Change in Fund Balances</i>	(158,220)	670,000	511,780
<i>Fund Balances Beginning of Year</i>	<u>5,138,543</u>	<u>6,350,000</u>	<u>11,488,543</u>
<i>Fund Balances End of Year</i>	<u><u>\$4,980,323</u></u>	<u><u>\$7,020,000</u></u>	<u><u>\$12,000,323</u></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, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Gifts and Donations	\$152,500	\$172,082	\$19,582
Miscellaneous	500	754	254
<i>Total Revenues</i>	<u>153,000</u>	<u>172,836</u>	<u>19,836</u>
<b>Expenditures</b>			
Current:			
Support Services:			
Pupil Transportation	80,000	71,068	8,932
Extracurricular Activities	612,222	522,069	90,153
Capital Outlay	1,674,272	447,175	1,227,097
<i>Total Expenditures</i>	<u>2,366,494</u>	<u>1,040,312</u>	<u>1,326,182</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(2,213,494)</u>	<u>(867,476)</u>	<u>1,346,018</u>
<b>Other Financing Source</b>			
Transfers In	250,000	250,000	0
<i>Net Change in Fund Balance</i>	<u>(1,963,494)</u>	<u>(617,476)</u>	<u>1,346,018</u>
<i>Fund Balance Beginning of Year</i>	<u>4,772,049</u>	<u>4,772,049</u>	<u>0</u>
<i>Prior Year Encumbrances Appropriated</i>	<u>366,494</u>	<u>366,494</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u><u>\$3,175,049</u></u>	<u><u>\$4,521,067</u></u>	<u><u>\$1,346,018</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, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
<i>Total Revenues</i>	\$0	\$0	\$0
<b>Expenditures</b>			
<i>Total Expenditures</i>	0	0	0
<i>Excess of Revenues Over Expenditures</i>	0	0	0
<b>Other Financing Sources</b>			
Transfers In	670,000	670,000	0
<i>Net Change in Fund Balance</i>	670,000	670,000	0
<i>Fund Balance Beginning of Year</i>	6,350,000	6,350,000	0
<i>Fund Balance at End of Year</i>	<u>\$7,020,000</u>	<u>\$7,020,000</u>	<u>\$0</u>

## **Lancaster City School District, Ohio**

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### *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, 2020*

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$14,380,000	\$14,327,512	(\$52,488)
<b>Expenses</b>			
Current:			
Support Services:			
Central:			
Purchased Services	3,900	3,876	24
Claims	14,376,100	14,345,839	30,261
<i>Total Expenses</i>	14,380,000	14,349,715	30,285
<i>Net Change in Fund Balance</i>	0	(22,203)	(22,203)
<i>Fund Equity Beginning of Year</i>	160,736	160,736	0
<i>Fund Equity at End of Year</i>	\$160,736	\$138,533	(\$22,203)

## **Lancaster City School District, Ohio**

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### *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 2020, there was no Statement of Fiduciary Net Position. The Statement of Changes in Fiduciary Net Position is located on page 28.

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# **Statistical Section**



**Lancaster  
Gales**

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# Statistical Section

This part of the School District's comprehensive annual 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.

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the School District's financial position has changed over time.	<b>S2-S13</b>
<b>Revenue Capacity</b> 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.	<b>S14-S23</b>
<b>Debt Capacity</b> 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.	<b>S24-S29</b>
<b>Economic and Demographic Information</b> 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.	<b>S30-S31</b>
<b>Operating Information</b> 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.	<b>S32-S50</b>

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

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

	2011	2012	2013	2014 (1)
Net Investment in Capital Assets	\$10,143,839	\$10,124,925	\$11,590,278	\$16,476,059
Restricted for:				
School Building Construction (4)	0	0	0	0
Classroom Facilities Construction	0	0	25,597,562	22,362,386
Capital Projects	0	0	0	9,781
Debt Service	0	0	1,326,932	716,983
Classroom Facilities Maintenance	0	0	286,129	752,867
Public School Support	0	0	0	0
District and Student Managed Activities	139,017	154,599	170,742	153,612
Auxiliary Services	90,185	177,517	68,165	76,104
IDEA - B (6)	516,083	829,513	732,038	317,303
Title I (7)	218,108	145,829	458,680	216,280
Education Jobs	453,316	0	0	0
Food Service	634,988	832,212	1,046,964	1,214,943
Other Purposes	247,945	274,036	211,330	150,853
Federal and State Grants (2)	0	0	0	0
Community Grants and Contributions (2)	0	0	0	0
Unrestricted (Deficits)	40,162,876	42,864,021	43,400,056	(39,619,703)
<b>Total Net Position</b>	<b>\$52,606,357</b>	<b>\$55,402,652</b>	<b>\$84,888,876</b>	<b>\$2,827,468</b>

- (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.

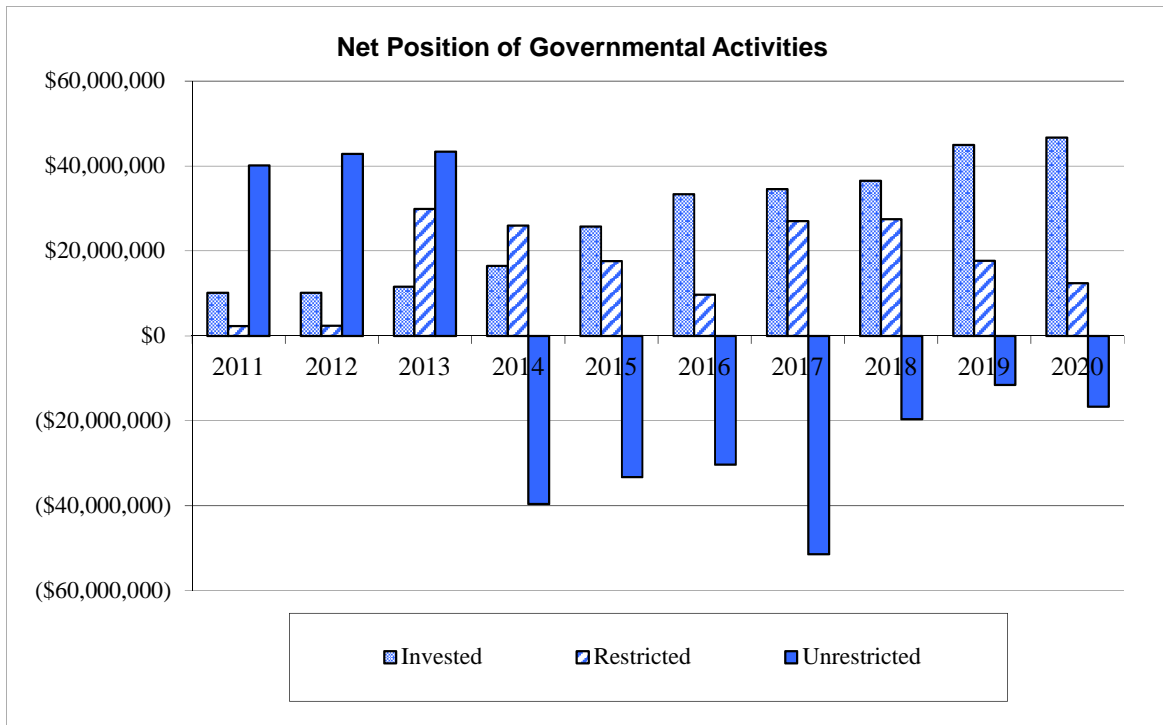


TABLE 1

2015	2016	2017 (3)	2018	2019 (5)	2020
\$25,740,188	\$33,343,775	\$34,593,562	\$36,559,735	\$44,963,445	\$46,706,563
0	0	0	0	0	2,135,551
12,273,013	3,825,043	22,111,463	21,949,481	11,165,596	4,812,264
1,168,539	1,586,307	1,309,785	1,449,778	1,531,970	0
851,463	993,593	0	0	0	0
1,232,636	1,683,588	2,098,304	2,524,724	2,963,816	3,344,228
0	0	0	0	0	0
175,593	179,302	190,573	211,020	346,594	404,795
47,067	63,567	25,650	120,871	60,943	162,315
145,107	62,892	0	0	0	0
172,927	0	0	0	0	0
0	0	0	0	0	0
1,212,855	1,191,674	1,051,082	894,019	715,373	653,365
326,308	92,365	0	0	0	0
0	0	216,427	302,172	856,025	817,345
0	0	15,969	18,164	58,610	60,067
(33,238,007)	(30,303,481)	(51,439,305)	(19,604,067)	(11,573,590)	(16,670,336)
\$10,107,689	\$12,718,625	\$10,173,510	\$44,425,897	\$51,088,782	\$42,426,157

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

	2011	2012	2013	2014
<b>Expenses</b>				
Regular Instruction	\$25,267,226	\$27,582,357	\$27,890,107	\$29,848,634
Special Instruction	6,774,046	6,734,872	7,794,149	10,217,253
Vocational Instruction	1,988,929	1,861,495	1,758,521	1,974,580
Student Intervention Services	387,025	89,895	3,174	174,512
Pupils Support Services	3,803,695	3,816,291	3,282,144	3,597,290
Instructional Staff Support Services	4,536,035	4,143,502	4,068,497	2,279,993
Board of Education Support Services	138,662	159,360	192,292	67,899
Administration Support Services	3,989,703	4,363,280	4,466,574	4,315,917
Fiscal Support Services	1,225,020	1,223,058	1,338,643	1,518,643
Business Support Services	301,490	276,541	297,066	302,839
Operation and Maintenance of				
Plant Support Services	4,732,028	4,858,140	6,118,563	6,567,218
Pupil Transportation Support Services	1,814,524	1,898,371	1,888,965	1,982,221
Central Support Services	1,028,761	897,022	930,175	1,147,639
Food Service Operations	2,442,927	2,604,226	2,595,416	2,579,805
Other Operation of Non-				
Instructional Services	1,053,992	1,051,937	1,205,901	1,004,579
Extracurricular Activities	1,198,641	1,236,389	1,260,333	1,280,481
Interest and Fiscal Charges	48,045	37,373	2,222,824	2,557,104
<i>Total Expenses</i>	<u>60,730,749</u>	<u>62,834,109</u>	<u>67,313,344</u>	<u>71,416,607</u>
<b>Program Revenues</b>				
Charges for Services				
Regular Instruction	859,936	938,378	749,921	867,120
Special Instruction	125,123	108,523	258,463	300,429
Vocational Instruction	30,488	48,254	52,492	78,097
Pupils Support Services	16,692	28,577	24,898	6,302
Instructional Staff Support Services	0	46	0	0
Administration Support Services	6,426	1,767	115,824	120,294
Business Support Services	0	0	0	0
Operation and Maintenance of				
Plant Support Services	125,290	129,251	131,918	110,416
Pupil Transportation Support Services	29,448	17,179	19,743	20,545
Food Service Operations	759,368	737,163	652,895	573,579
Other Operation of Non-				
Instructional Services	182,492	170,080	195,446	146,532
Extracurricular Activities	334,411	338,384	329,327	317,986
Operating Grants, Contributions, and Interest				
Regular Instruction	333,142	942,726	639,781	530,186
Special Instruction	2,353,432	3,426,182	4,041,995	5,700,993
Vocational Instruction	504,251	532,314	492,743	366,636
Student Intervention Services	74,459	0	0	106,224
Pupils Support Services	1,277,950	570,319	209,826	220,381
Instructional Staff Support Services	1,687,199	1,498,589	1,050,092	246,445

TABLE 2

2015 (1)	2016	2017	2018 (2)	2019 (3)	2020
\$29,708,171	\$29,700,108	\$31,674,609	\$14,186,565	\$27,615,492	\$35,333,529
9,651,160	11,020,872	11,806,914	6,443,215	11,434,335	15,271,683
1,923,408	2,024,594	2,122,086	912,083	1,821,216	2,193,813
260,881	180,818	211,613	206,719	281,920	259,874
3,865,507	4,208,387	5,175,261	2,671,564	4,653,583	6,283,001
2,816,972	2,618,263	2,695,038	2,045,335	3,024,346	4,255,350
92,128	102,519	155,000	88,258	99,806	88,861
4,297,909	4,711,867	5,384,707	2,251,147	4,786,808	6,584,329
1,502,900	1,523,603	1,620,955	1,543,008	1,608,601	1,768,133
290,761	331,799	364,667	342,391	361,874	384,077
4,938,089	5,891,773	7,354,044	5,130,324	5,220,033	10,024,152
2,016,563	2,227,854	2,526,574	2,524,533	3,044,950	3,593,687
1,011,934	1,190,186	1,175,341	850,855	1,155,006	1,182,582
2,709,448	3,123,926	3,254,245	3,045,637	3,171,517	3,213,995
991,078	1,038,093	1,134,373	992,211	4,078,884	1,079,677
1,293,274	1,857,024	1,852,100	1,866,475	2,109,839	1,717,313
2,528,146	2,532,837	3,217,408	3,123,744	3,082,651	2,997,516
69,898,329	74,284,523	81,724,935	48,224,064	77,550,861	96,231,572
988,590	1,075,346	1,131,977	1,172,302	1,162,511	1,103,530
209,001	98,405	282,708	160,790	170,750	228,677
103,288	81,305	78,237	86,030	27,143	25,124
6,387	0	0	0	0	788
238	1,313	2,095	7,527	0	0
17,276	7,084	0	0	43,036	41,667
0	0	0	0	0	0
103,105	88,412	73,525	116,273	199,546	230,349
20,560	23,742	15,922	9,524	6,904	5,438
533,732	527,806	499,615	496,726	480,008	310,020
115,456	199,658	124,204	133,319	326,318	191,556
345,615	318,142	345,516	398,522	387,084	305,804
1,723,429	533,751	299,445	157,096	199,505	402,639
5,945,696	6,792,284	6,898,413	7,096,388	8,251,427	7,962,363
496,989	444,602	549,130	612,295	571,175	559,940
147,149	133,416	174,189	186,997	82,823	78,305
258,411	335,598	305,443	326,856	395,148	1,760,530
763,570	158,207	343,999	321,093	464,366	966,239

(Continued)

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

	2011	2012	2013	2014
Operating Grants, Contributions, and Interest				
Administration Support Services	\$261,143	\$308,105	\$338,369	\$415,640
Fiscal Support Services	0	0	214,574	408,539
Operation and Maintenance of				
Plant Support Services	0	0	26,989	0
Pupil Transportation Support Services	130,493	112,226	153,141	152,160
Central Support Services	35,523	24,737	21,600	0
Food Service Operations	1,881,023	2,015,424	2,096,846	2,088,784
Other Operation of Non-				
Instructional Services	933,483	991,955	910,871	806,292
Extracurricular Activities	0	0	1,896	1,038
Capital Grants and Contributions				
Regular Instruction	5,695	0	157,417	0
Special Instruction	0	0	48,280	0
Vocational Instruction	0	0	11,943	0
Pupils Support Services	0	0	23,248	0
Instructional Staff Support Services	0	0	55,420	0
Administration Support Services	0	0	30,403	0
Fiscal Support Services	0	0	3,570	0
Business Support Services	0	0	1,785	0
Operation and Maintenance of				
Plant Support Services	0	0	31,578	0
Pupil Transportation Support Services	0	0	31,112	3,700
Central Support Services	0	0	2,975	0
Food Service Operations	0	0	31,578	0
Other Operation of Non-				
Instructional Services	0	0	1,785	0
Extracurricular Activities	672	1,056	6,887	3
<b>Total Program Revenues</b>	<b>11,948,139</b>	<b>12,941,235</b>	<b>13,167,631</b>	<b>13,588,321</b>
Net Expense	(48,782,610)	(49,892,874)	(54,145,713)	(57,828,286)
<b>General Revenues</b>				
Property Taxes Levied for:				
General Purposes	20,337,720	19,355,151	20,265,836	21,853,496
Debt Service	0	0	1,798,935	3,081,621
Classroom Facilities Maintenance	0	0	264,526	423,255
Income Taxes Levied for General Purposes	10,074,785	10,297,991	10,447,432	10,977,817
Grants and Entitlements not				
Restricted to Specific Programs	25,647,701	22,571,044	50,183,166	23,270,370
Gain on Sale of Capital Assets	11,898	6,324	23,138	24,884
Payment in Lieu of Taxes	53,200	99,473	168,385	119,261
Unrestricted Contributions	2,747	15,130	6,403	5,358
Investment Earnings	355,164	279,429	188,017	575,118
Miscellaneous	157,225	64,627	286,099	119,890
<b>Total General Revenues</b>	<b>56,640,440</b>	<b>52,689,169</b>	<b>83,631,937</b>	<b>60,451,070</b>
<b>Change in Net Position</b>	<b>\$7,857,830</b>	<b>\$2,796,295</b>	<b>\$29,486,224</b>	<b>\$2,622,784</b>

(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

2015 (1)	2016	2017	2018 (2)	2019 (3)	2020
\$482,832	\$218,156	\$408,448	\$106,571	\$195,139	\$228,147
384,257	369,117	328,783	318,048	324,664	324,856
70,378	11,169	41,497	44,383	233,795	139,394
168,817	131,988	166,917	174,666	155,820	232,802
0	0	0	0	0	0
2,074,633	2,297,069	2,316,336	2,178,953	2,187,555	2,282,374
871,401	840,735	964,782	1,022,700	1,084,179	991,662
244	1,124	0	0	0	35,659
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
912	41	186	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	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	0	0	0
16,224	1,711	4,825	1,077	7,075	123,598
15,848,190	14,690,181	15,356,192	15,128,136	16,955,971	18,579,945
(54,050,139)	(59,594,342)	(66,368,743)	(33,095,928)	(60,594,890)	(77,651,627)
20,985,094	21,108,780	21,725,046	23,033,869	20,614,576	23,306,355
2,612,314	2,639,222	2,562,761	2,726,800	2,303,339	2,710,565
436,839	411,175	412,558	443,747	382,210	426,310
11,076,920	11,639,038	12,205,606	12,257,559	12,859,173	13,134,382
25,245,049	25,422,660	47,590,946	26,733,830	26,989,598	26,081,331
1,715	0	0	69,075	5,841	0
130,635	90,674	104,193	244,740	329,324	344,430
1,148	3,350	2,432	1,000	1,000	0
523,283	777,493	564,600	1,170,281	2,745,023	2,286,667
317,363	112,886	208,850	667,414	1,027,691	698,962
61,330,360	62,205,278	85,376,992	67,348,315	67,257,775	68,989,002
\$7,280,221	\$2,610,936	\$19,008,249	\$34,252,387	\$6,662,885	(\$8,662,625)

**Lancaster City School District, Ohio**

*Program Revenues by Function*

*Last Ten Fiscal Years*

*(accrual basis of accounting)*

<i>Function</i>	2011	2012	2013	2014
Regular Instruction	\$1,198,773	\$1,881,104	\$1,547,119	\$1,397,306
Special Instruction	2,478,555	3,534,705	4,348,738	6,001,422
Vocational Instruction	534,739	580,568	557,178	444,733
Student Intervention Services	74,459	0	0	106,224
Pupils Support Services	1,294,642	598,896	257,972	226,683
Instructional Staff Support Services	1,687,199	1,498,635	1,105,512	246,445
Administration Support Services	267,569	309,872	484,596	535,934
Fiscal Support Services	0	0	218,144	408,539
Business Support Services	0	0	1,785	0
Operation and Maintenance of Plant Support Services	125,290	129,251	190,485	110,416
Pupil Transportation Support Services	159,941	129,405	203,996	176,405
Central Support Services	35,523	24,737	24,575	0
Food Service Operations	2,640,391	2,752,587	2,781,319	2,662,363
Other Operation of Non-Instructional Services	1,115,975	1,162,035	1,108,102	952,824
Extracurricular Activities	335,083	339,440	338,110	319,027
<b>Total Program Revenues</b>	<b>\$11,948,139</b>	<b>\$12,941,235</b>	<b>\$13,167,631</b>	<b>\$13,588,321</b>

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

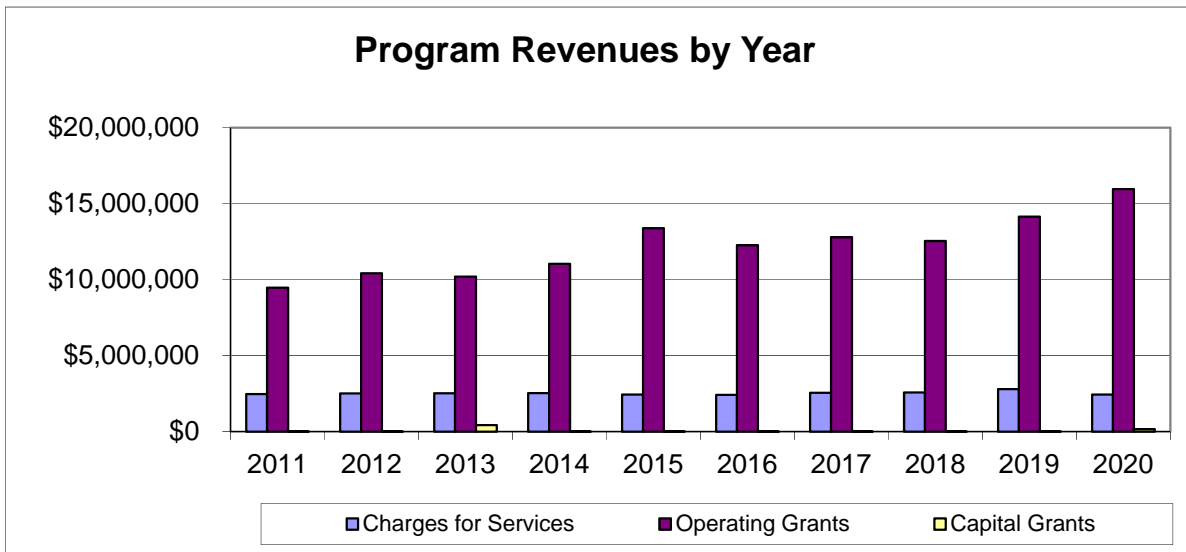




TABLE 3

2015	2016	2017	2018	2019 (1)	2020
\$2,712,019	\$1,609,097	\$1,431,422	\$1,329,398	\$1,362,016	\$1,506,169
6,154,697	6,890,689	7,181,121	7,257,178	8,422,177	8,191,040
600,277	525,907	627,367	698,325	598,318	585,064
147,149	133,416	174,189	186,997	82,823	78,305
264,798	335,598	305,443	326,856	395,148	1,761,318
763,808	159,520	346,094	328,620	464,366	966,239
501,020	225,281	408,634	106,571	238,175	269,814
384,257	369,117	328,783	318,048	324,664	324,856
0	0	0	0	0	0
173,483	99,581	115,022	160,656	433,341	369,743
189,377	155,730	182,839	184,190	162,724	286,724
0	0	0	0	0	0
2,608,365	2,824,875	2,815,951	2,675,679	2,667,563	2,592,394
986,857	1,040,393	1,088,986	1,156,019	1,410,497	1,183,218
362,083	320,977	350,341	399,599	394,159	465,061
<u>\$15,848,190</u>	<u>\$14,690,181</u>	<u>\$15,356,192</u>	<u>\$15,128,136</u>	<u>\$16,955,971</u>	<u>\$18,579,945</u>

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

	2011	2012	2013	2014
<b>General Fund</b>				
Nondisposable	\$149,498	\$192,201	\$233,871	\$272,265
Committed	1,084,681	1,487,757	1,537,138	959,770
Assigned	2,055,469	2,663,482	1,574,861	791,069
Unassigned	22,375,936	23,888,980	27,454,346	33,724,581
<b>Total General Fund</b>	<b>25,665,584</b>	<b>28,232,420</b>	<b>30,800,216</b>	<b>35,747,685</b>
<b>School Building Construction</b>				
Restricted	0	0	0	0
<b>Classroom Facilities</b>				
Nondisposable	0	0	0	6,553
Restricted	0	0	56,238,658	60,020,664
<b>Total Classroom Facilities</b>	<b>0</b>	<b>0</b>	<b>56,238,658</b>	<b>60,027,217</b>
<b>All Other Governmental Funds</b>				
Nondisposable	125,512	19,740	134,727	139,998
Restricted	904,870	1,274,814	14,010,684	11,595,365
Committed	133,335	129,304	141,911	124,935
Assigned	7,972,317	7,437,921	6,585,818	4,797,228
Unassigned (Deficits)	(153,074)	(165,668)	(53,785)	(127,249)
<b>Total All Other Governmental Funds</b>	<b>8,982,960</b>	<b>8,696,111</b>	<b>20,819,355</b>	<b>16,530,277</b>
<b>Total Governmental Funds</b>	<b>\$34,648,544</b>	<b>\$36,928,531</b>	<b>\$107,858,229</b>	<b>\$112,305,179</b>

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

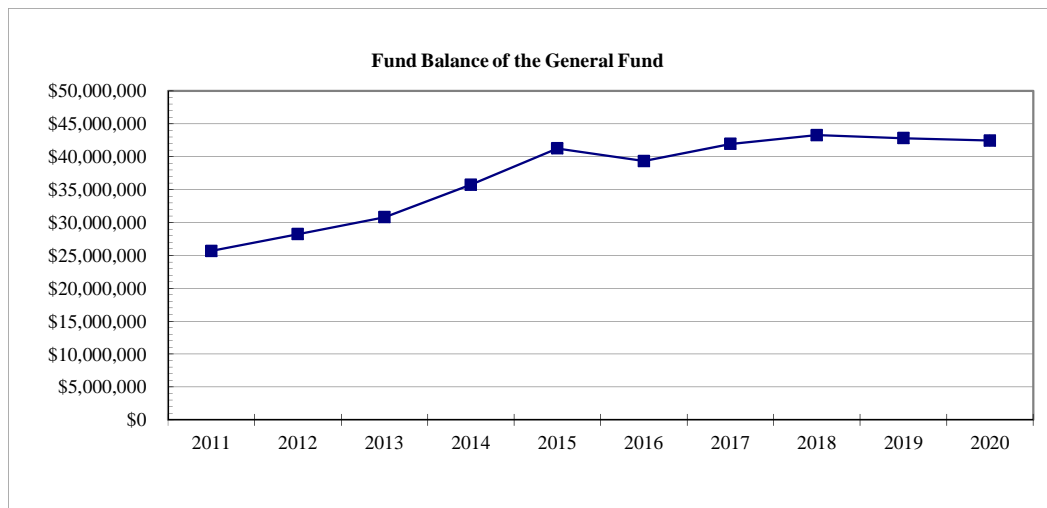


TABLE 4

2015	2016	2017	2018	2019 (1)	2020
\$285,634	\$417,286	\$471,733	\$628,459	\$459,616	\$460,319
873,019	1,638,158	1,296,633	1,061,934	1,293,851	1,566,406
1,676,847	2,829,153	2,264,369	6,544,528	4,956,692	17,732,954
38,430,356	34,463,767	37,902,931	35,051,530	36,100,253	22,693,058
41,265,856	39,348,364	41,935,666	43,286,451	42,810,412	42,452,737
0	0	0	0	0	67,452,262
0	0	0	0	0	0
38,957,959	15,982,647	34,654,860	40,090,999	17,764,044	5,362,122
38,957,959	15,982,647	34,654,860	40,090,999	17,764,044	5,362,122
58,698	16,451	20,468	19,533	19,251	40,941
8,731,470	8,541,256	11,244,410	9,981,689	10,561,442	7,729,084
671,378	6,838,140	6,567,132	7,061,513	6,438,536	7,575,697
4,641,314	4,591,434	4,380,495	2,933,063	5,079,454	4,530,068
(106,934)	(176,250)	(33,376)	(104,345)	(90,987)	(219,539)
13,995,926	19,811,031	22,179,129	19,891,453	22,007,696	19,656,251
\$94,219,741	\$75,142,042	\$98,769,655	\$103,268,903	\$82,582,152	\$134,923,372

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

	2011	2012	2013	2014
<b>Revenues</b>				
Property Taxes	\$19,451,956	\$18,670,963	\$22,154,415	\$25,820,261
Payment in Lieu of Taxes	104,608	90,883	122,423	156,129
Income Taxes	9,992,256	10,274,903	10,468,860	10,919,272
Intergovernmental	34,494,059	32,914,732	37,282,526	44,252,133
Interest	195,117	201,627	162,021	578,441
Tuition and Fees	1,046,528	1,082,139	1,168,376	1,334,027
Charges for Services	759,368	737,163	652,895	573,579
Rent	126,770	130,816	133,272	111,739
Extracurricular Activities	537,008	567,484	576,384	521,955
Gifts and Donations	47,028	88,646	77,331	67,971
Miscellaneous	157,225	64,627	281,799	124,190
<i>Total Revenues</i>	<u>66,911,923</u>	<u>64,823,983</u>	<u>73,080,302</u>	<u>84,459,697</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	25,053,553	27,325,710	27,812,378	29,012,986
Special	6,727,679	6,782,966	7,772,205	9,826,230
Vocational	2,017,770	1,796,053	1,780,656	1,845,123
Student Intervention Services	385,243	88,813	2,058	173,296
Support Services:				
Pupils	3,775,301	3,777,464	3,289,153	3,508,400
Instructional Staff	4,475,848	4,072,815	3,994,307	2,309,927
Board of Education	138,662	159,360	192,292	67,899
Administration	3,961,818	4,153,291	4,368,763	4,328,975
Fiscal	1,220,695	1,211,820	1,327,490	1,500,199
Business	297,106	272,601	294,612	293,807
Operation and Maintenance of Plant	4,656,043	4,679,532	4,882,727	4,778,122
Pupil Transportation	1,809,713	2,030,856	1,971,460	2,112,092
Central	1,044,765	883,231	935,544	1,060,086
Food Service Operations	2,392,623	2,560,151	2,535,560	2,499,862
Other Operation of Non-Instructional Services	1,105,593	1,057,043	1,224,423	977,668
Extracurricular Activities	1,146,649	1,177,767	1,192,661	1,213,735
Capital Outlay	500,396	350,693	3,016,136	9,384,545
Debt Service:				
Principal Retirement	136,219	147,514	159,762	2,479,580
Interest and Fiscal Charges	48,045	36,725	1,618,796	2,665,099
Issuance Costs	0	0	833,000	0
<i>Total Expenditures</i>	<u>60,893,721</u>	<u>62,564,405</u>	<u>69,203,983</u>	<u>80,037,631</u>
<i>Excess of Revenues Over</i>				
<i>    (Under) Expenditures</i>	<u>6,018,202</u>	<u>2,259,578</u>	<u>3,876,319</u>	<u>4,422,066</u>
<b>Other Financing Sources (Uses)</b>				
Inception of Capital Lease	11,898	20,409	1,036,010	0
Proceeds from Sale of Capital Assets	0	0	39,418	24,884
General Obligation Bonds Issued	0	0	60,410,000	0
Refunding Bonds Issued	0	0	0	0
Energy Conservation Notes Issued	0	0	2,000,000	0
Premium on Bonds Issued	0	0	3,567,951	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	14,427	14,081	52,683,081	470,230
Transfers Out	(14,427)	(14,081)	(52,683,081)	(470,230)
<i>Total Other Financing Sources (Uses)</i>	<u>11,898</u>	<u>20,409</u>	<u>67,053,379</u>	<u>24,884</u>
<i>Net Change in Fund Balances</i>	<u>\$6,030,100</u>	<u>\$2,279,987</u>	<u>\$70,929,698</u>	<u>\$4,446,950</u>
Debt Service as a Percentage of				
Noncapital Expenditures	0.3%	0.3%	2.7%	7.2%

(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

2015	2016	2017	2018	2019 (2)	2020
\$24,259,446	\$24,387,927	\$24,995,939	\$26,384,969	\$23,161,699	\$26,473,647
133,404	112,676	104,193	244,740	329,324	344,430
11,159,854	11,556,995	12,010,139	12,275,780	12,875,809	12,961,759
49,667,754	40,022,330	38,864,180	49,561,830	45,165,000	46,754,843
489,546	839,384	522,123	1,155,738	2,695,253	2,249,500
1,254,670	1,217,727	1,440,336	1,357,045	1,357,308	1,422,125
533,732	527,806	499,615	452,739	458,019	344,253
104,292	89,528	74,768	117,560	102,312	160,609
550,554	586,152	539,080	609,682	748,051	536,577
49,892	25,111	49,215	54,255	84,312	251,408
317,363	112,886	306,372	667,414	792,701	919,313
88,520,507	79,478,522	79,405,960	92,881,752	87,769,788	92,418,464
28,985,611	28,562,820	30,469,333	31,149,690	31,096,705	32,898,339
9,705,078	10,427,791	11,331,374	12,162,829	12,393,983	13,869,248
1,905,290	1,880,951	2,064,939	1,970,455	1,979,141	1,985,957
248,690	180,350	213,017	198,936	275,080	248,153
3,698,365	4,123,499	4,988,102	4,827,880	5,055,924	5,699,563
2,729,325	2,531,615	2,653,941	2,668,894	3,118,822	3,934,497
92,245	102,650	154,526	88,977	99,589	87,803
4,299,622	4,530,195	4,966,852	5,075,321	5,306,860	5,930,019
1,497,487	1,500,733	1,572,146	1,560,935	1,552,528	1,667,287
282,327	316,733	352,117	332,696	343,207	334,887
4,795,097	4,939,195	5,305,641	5,184,229	5,421,180	5,162,351
2,128,818	1,906,594	2,575,124	2,979,098	3,056,146	2,882,340
1,011,765	1,148,153	1,105,881	1,133,153	1,166,652	1,145,618
2,655,450	2,876,309	2,997,138	2,914,242	2,877,405	2,743,255
1,021,118	1,045,713	1,125,761	1,051,931	3,506,001	1,067,371
1,231,059	1,743,523	1,734,749	2,017,571	1,990,043	1,559,818
37,040,070	27,283,038	9,140,382	7,975,512	24,085,164	21,656,008
896,641	898,606	885,278	1,930,149	1,816,956	1,756,578
2,627,982	2,633,196	3,138,787	3,388,949	3,320,994	2,799,251
0	0	366,824	151,681	0	1,024,964
106,852,040	98,631,664	87,141,912	88,763,128	108,462,380	108,453,307
(18,331,533)	(19,153,142)	(7,735,952)	4,118,624	(20,692,592)	(16,034,843)
221,211	48,357	806,844	0	0	256,052
24,884	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
0	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)
2,310,590	8,803,904	27,759,985	2,688,687	8,775,719	2,936,353
(2,310,590)	(8,803,904)	(27,759,985)	(2,688,687)	(8,775,719)	(2,936,353)
246,095	75,443	31,363,565	380,624	5,841	68,376,063
(\$18,085,438)	(\$19,077,699)	\$23,627,613	\$4,499,248	(\$20,686,751)	\$52,341,220
5.1%	4.9%	5.1%	6.7%	6.2%	5.1%

**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
2011	\$615,749,980	\$240,753,390	\$2,447,152,486	\$44,246,800	\$176,987,200
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

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

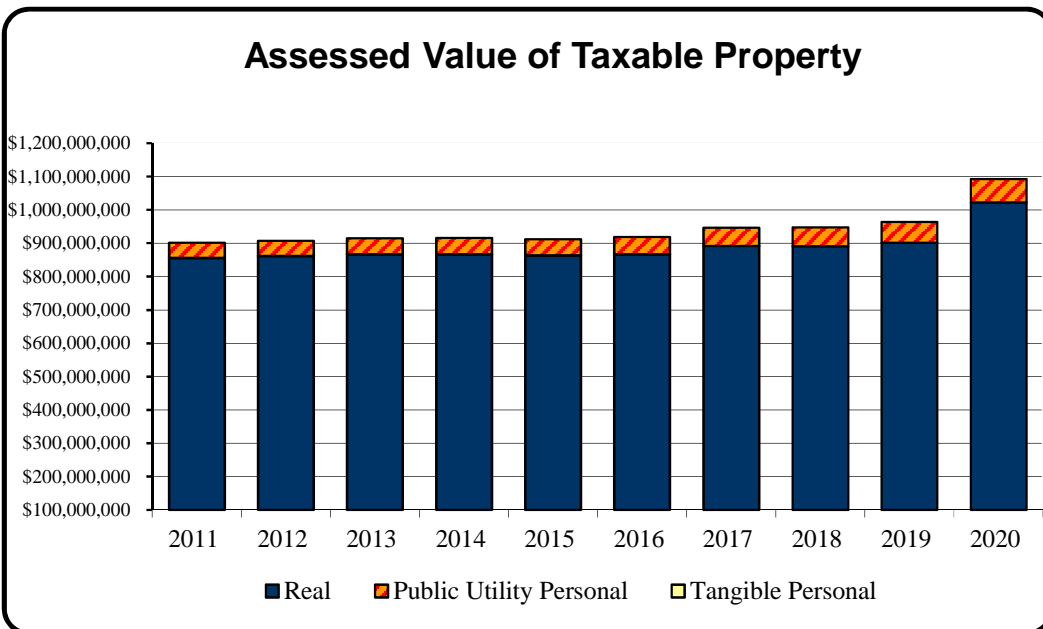
The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property.

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
\$900,750,170	\$2,624,139,686	34%	\$64.6000	\$24.7674
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



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

	Collection Year			
	2011	2012	2013	2014
<b>Unvoted Millage</b>				
Operating	\$4.0000	\$4.0000	\$4.0000	\$4.0000
<b>Voted Millage - by levy</b>				
1976 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	5.8620	5.8670	5.8675	5.9082
Commercial/Industrial and Public Utility Real	7.9446	7.7974	7.6915	7.8340
General Business and Public Utility Personal	32.7000	32.7000	32.7000	32.7000
1977 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	1.7926	1.7942	1.7946	1.8068
Commercial/Industrial and Public Utility Real	2.4295	2.3845	2.3522	2.3957
General Business and Public Utility Personal	10.0000	10.0000	10.0000	10.0000
1990 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	4.7840	4.7881	4.7892	4.8218
Commercial/Industrial and Public Utility Real	5.5497	5.4469	5.3730	5.4725
General Business and Public Utility Personal	10.0000	10.0000	10.0000	10.0000
1997 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	5.3253	5.3299	5.3310	5.3674
Commercial/Industrial and Public Utility Real	5.2047	5.1083	5.0390	5.1323
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	0.0000	0.5000	0.5000
Commercial/Industrial and Public Utility Real	0.0000	0.0000	0.4932	0.5000
General Business and Public Utility Personal	0.0000	0.0000	0.5000	0.5000
2012 Bond Retirement - 37 years (\$61,550,000)				
Effective Millage Rates				
Residential/Agricultural Real	0.0000	0.0000	3.6000	3.2000
Commercial/Industrial and Public Utility Real	0.0000	0.0000	3.6000	3.2000
General Business and Public Utility Personal	0.0000	0.0000	3.6000	3.2000
<b>Total voted millage by type of property</b>				
Residential/Agricultural Real	17.7639	17.7792	21.8823	21.6042
Commercial/Industrial and Public Utility Real	21.1285	20.7371	24.5489	24.5345
General Business and Public Utility Personal	60.6000	60.6000	64.7000	64.3000
<b>Total millage by type of property</b>				
Residential/Agricultural Real	21.7639	21.7792	25.8823	25.6042
Commercial/Industrial and Public Utility Real	25.1285	24.7371	28.5489	28.5345
General Business and Public Utility Personal	64.6000	64.6000	68.7000	68.3000
Total Direct Rate for the School District	64.6000	64.6000	68.7000	68.3000
Total Weighted Average Tax Rate	\$24.7674	\$24.6920	\$28.8821	\$28.6960



TABLE 7

Collection Year					
2015	2016	2017	2018	2019	2020
\$4.0000	\$4.0000	\$4.0000	\$4.0000	\$4.0000	\$4.0000
5.9171	5.8985	5.7223	5.7219	5.7180	5.6037
8.1095	8.1763	8.1047	8.3080	8.3801	8.3470
32.7000	32.7000	32.7000	32.7000	32.7000	32.7000
1.8095	1.8038	1.7499	1.7498	1.7486	1.7137
2.4800	2.5004	2.4785	2.5407	2.5627	2.5526
10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
4.8291	4.8138	4.6700	4.6697	4.6665	4.1479
5.6650	5.7116	5.6615	5.8036	5.8539	5.8308
10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
5.3755	5.3585	5.1984	5.1981	5.1945	4.5348
5.3128	5.3566	5.3096	5.4428	5.4900	5.4683
7.9000	7.9000	7.9000	7.9000	7.9000	7.9000
0.5000	0.4984	0.4835	0.4835	0.4832	0.4136
0.5000	0.5000	0.4956	0.5000	0.5000	0.4980
0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
3.2000	3.2000	3.0000	3.0000	3.0000	2.8000
3.2000	3.2000	3.0000	3.0000	3.0000	2.8000
3.2000	3.2000	3.0000	3.0000	3.0000	2.8000
21.6312	21.5731	20.8242	20.8230	20.8107	19.2137
25.2673	25.4449	25.0499	25.5951	25.7867	25.4967
64.3000	64.3000	64.1000	64.1000	64.1000	63.9000
25.6312	25.5731	24.8242	24.8230	24.8107	23.2137
29.2673	29.4449	29.0499	29.5951	29.7867	29.4967
68.3000	68.3000	68.1000	68.1000	68.1000	67.9000
68.3000	68.3000	68.1000	68.1000	68.1000	67.9000
\$28.8818	\$29.0139	\$28.4427	\$28.6292	\$28.9199	\$27.5820

(Continued)

**Lancaster City School District, Ohio**

*Property Tax Rates*

(per \$1,000 of assessed value)

*Last Ten Years (Continued)*

	Collection Year			
	2011	2012	2013	2014
<b>Overlapping Rates by Taxing District</b>				
Berne Township Millage				
Effective Millage Rates				
Residential/Agricultural Real	4.9746	4.9748	4.9726	6.2286
Commercial/Industrial and Public Utility Real	4.8881	4.7892	4.7893	6.3343
General Business and Public Utility Personal	7.7000	7.7000	7.7000	9.1000
Greenfield Township Millage				
Effective Millage Rates				
Residential/Agricultural Real	8.9684	8.9731	8.9624	8.6591
Commercial/Industrial and Public Utility Real	8.0367	8.1221	8.1129	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	4.1922	4.1902	4.1891	4.0665
Commercial/Industrial and Public Utility Real	3.6483	3.6478	3.8439	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	8.1202	8.1227	8.1278	7.8841
Commercial/Industrial and Public Utility Real	8.3185	8.3185	8.2385	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	3.4000	6.4000
Commercial/Industrial and Public Utility Real	3.4000	3.4000	3.4000	6.4000
General Business and Public Utility Personal	3.4000	3.4000	3.4000	6.4000
Fairfield County Library Millage				
Effective Millage Rates				
Residential/Agricultural Real	0.4264	0.4265	0.4267	0.4079
Commercial/Industrial and Public Utility Real	0.4411	0.4364	0.4317	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	0.0000	0.4000	0.4000	0.3938
Commercial/Industrial and Public Utility Real	0.0000	0.4000	0.3971	0.3950
General Business and Public Utility Personal	0.0000	0.4000	0.4000	0.4000
Fairfield County Millage				
Effective Millage Rates				
Residential/Agricultural Real	7.9332	7.9357	7.9407	7.8574
Commercial/Industrial and Public Utility Real	7.8328	7.8343	7.7965	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					
2015	2016	2017	2018	2019	2020
6.2286	6.2342	6.0521	5.9475	10.8390	9.1425
6.3343	6.3601	6.2440	6.2630	11.1362	10.9364
9.1000	9.1000	9.0000	8.9000	13.8000	13.3000
8.6591	9.3632	8.9572	9.4911	9.4857	8.5727
7.7885	8.8244	8.7666	9.1092	9.3123	9.0346
11.1000	11.8000	11.8000	12.3000	12.3000	12.3000
4.0665	4.0645	6.3716	6.3585	6.3455	5.7420
3.8051	3.6831	6.1475	6.1331	6.1285	6.1914
4.7000	4.7000	7.2000	7.2000	7.2000	7.2000
7.8841	7.9011	7.7287	9.7182	9.7087	8.9078
8.1975	8.1815	8.4238	10.4453	10.4513	10.4536
9.1000	9.1000	9.1000	11.1000	11.1000	11.1000
6.4000	6.3882	6.3007	6.3019	6.3005	5.8750
6.4000	6.4000	6.3714	6.4000	6.4000	6.3921
6.4000	6.4000	6.4000	6.4000	6.4000	6.4000
0.4079	0.4995	0.4787	0.4776	0.4767	0.4098
0.4343	0.5000	0.4969	0.5000	0.5000	0.4989
0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
0.3938	0.3935	0.3729	0.3718	0.3709	0.3145
0.3950	0.4000	0.3984	0.4000	0.4000	0.4000
0.4000	0.4000	0.4000	0.4000	0.4000	0.4000
7.8574	9.7023	9.3305	10.3066	10.2875	10.2217
7.7684	9.7806	9.7514	10.7870	10.8382	12.1778
8.5500	10.4000	10.4000	11.4000	11.4000	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
2010	\$20,615,080	\$19,811,679	96.10%	\$607,392	\$20,419,071	99.05%
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

**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 2020 information cannot be presented because all collections have not been made by June 30, 2020.

(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*  
*2020 and 2011 (1)*

Name of Taxpayer	2020	
	Assessed Value	Percent of Real Property Assessed Value
Zane Properties Corporation	\$5,124,780	0.50%
River Valley Plaza LP	4,393,670	0.43
G & I IX Anchor Hocking LLC	4,333,680	0.42
SUSO 4 Hocking LP	4,167,900	0.41
DOC-2405 North Columbus Street	4,035,260	0.40
Lancaster Phase One Group, PLL	3,997,540	0.39
DFG Lancaster LLC	3,840,420	0.38
Lancaster Ridge Holding LLC	3,520,480	0.34
Cole GE Lancaster Ohio LLC	2,617,140	0.26
Legacy Colonial LLC	2,582,400	0.25
Totals	<u>\$38,613,270</u>	<u>3.78%</u>
Total Assessed Valuation	<u>\$1,021,857,390</u>	

Name of Taxpayer	2011	
	Assessed Value	Percent of Real Property Assessed Value
Glimcher River Valley Mall LLC	\$19,285,010	2.25%
Echo Continental Lancaster	5,174,400	0.60
Lancaster Phase One Group PLL	4,269,580	0.50
Huntington National Bank Trust	4,239,480	0.49
NL Ventures VI West Fair LLC	4,174,860	0.49
Plaza SC Investors LLC	3,659,420	0.43
RP River Valley LLC	2,859,850	0.33
Riverview Medical Office	2,732,630	0.32
The Shops at Ety Village LLC	2,555,000	0.30
Fairfield Medical Center	2,468,830	0.29
Totals	<u>\$51,419,060</u>	<u>6.00%</u>
Total Assessed Valuation	<u>\$856,503,370</u>	

(1) The amounts presented represent the assessed values upon which 2020 and 2011 collections were based.

Source: Fairfield County Auditor's Office

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TABLE 10

**Lancaster City School District, Ohio**  
*Principal Taxpayers*  
*Public Utilities Tax*  
*2020 and 2011 (1)*

Name of Taxpayer	2020	
	Assessed Value	Percent of Public Utility Assessed Value
Ohio Power Company	\$26,130,640	36.93%
Rockies Express Pipeline, LLC	16,326,160	23.07
Total	<u>\$42,456,800</u>	<u>60.00%</u>
Total Assessed Valuation	<u>\$70,762,830</u>	

Name of Taxpayer	2011	
	Assessed Value	Percent of Public Utility Assessed Value
Rockies Express Pipeline	\$17,260,510	39.01%
Ohio Power Company	18,713,860	42.29
Total	<u>\$35,974,370</u>	<u>81.30%</u>
Total Assessed Valuation	<u>\$44,246,800</u>	

(1) The amounts presented represent the assessed values upon which 2020 and 2011 collections were based.

**Source:** Fairfield County Auditor's Office

**Lancaster City School District, Ohio**

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

Fiscal Year	Estimated Population (1)	Per Capita Income (2)	Personal Income (3)	School Facilities Construction Bonds (4)	Capital Leases
2011	37,243	\$32,609	\$1,214,456,987	\$0	\$525,754
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	46,113	1,867,807,065	157,406,357	228,164

Source:

- (1) Lancaster City Community Development Department estimates as reported in the City of Lancaster Comprehensive Annual Financial Report presented on a calendar year.
- (2) U.S. Census Bureau presented on a calendar year. The 2020 figure is not available at this time so the 2019 figure was used for 2020.
- (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.



TABLE 11

Energy Conservation Notes	Total Debt Outstanding	Ratio of Total Debt to Personal Income	Total Debt Per Capita
\$0	\$525,754	0.04%	\$14
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	8.44	3,892

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
2011	37,243	\$2,624,139,686	\$0	0.00%	\$0
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

**Sources:** (1) Lancaster City Community Development Department estimates as reported in the City of Lancaster Comprehensive Annual Financial Report presented on a calendar year.

(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, 2020

	Debt Attributable to Governmental Activities	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
<b>Direct Debt</b>			
Lancaster City School District as of June 30, 2020			
General Obligation and Refunding Bonds	\$157,406,357	100.00%	\$157,406,357
Capital Leases	228,164	100.00%	228,164
Total Direct Debt	157,634,521		157,634,521
<b>Overlapping Debt:</b>			
Payable from Property Taxes as of December 31, 2019:			
Berne Township Firehouse Note	655,000	0.74%	4,847
Greenfield Township General Obligation Bonds	1,075,000	20.20%	217,150
Hocking Township Firehouse Note	323,589	74.45%	240,896
Fairfield County General Obligation Bonds	33,735,115	24.45%	8,248,236
Fairfield County Long Term Loans	375,000	24.45%	91,688
Fairfield County Capital Leases	103,395	24.45%	25,280
City of Lancaster General Obligation Bond Anticipation Notes	2,590,716	100.00%	2,590,716
City of Lancaster General Obligation Bonds	9,382,008	100.00%	9,382,008
City of Lancaster OPWC Loan	96,343	100.00%	96,343
City of Lancaster Installment Loans	206,487	100.00%	206,487
City of Lancaster Capital Leases	1,348,195	100.00%	1,348,195
Payable from Other Sources as of December 31, 2019:			
Fairfield County Special Assessment Bonds	518,152	24.45%	126,688
Fairfield County General Obligation Bonds	210,290	24.45%	51,416
Fairfield County Capital Leases	1,846	24.45%	451
City of Lancaster Ohio Water Development Authority Loan	259,884	100.00%	259,884
City of Lancaster State Infrastructure Bank Loan	217,587	100.00%	217,587
Total Overlapping Debt	51,098,607		23,107,871
Total Direct and Overlapping Debt	\$208,733,128		\$180,742,392

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, 2019.

- (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 2020 collection year.

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

	2011	2012	2013	2014
Assessed Valuation (1)	<u>\$900,696,670</u>	<u>\$907,052,120</u>	<u>\$914,878,770</u>	<u>\$915,307,510</u>
Debt Limit - 9% of Assessed Value (2)	<u>\$81,062,700</u>	<u>\$81,634,691</u>	<u>\$82,339,089</u>	<u>\$82,377,676</u>
Amount of Debt Applicable to Debt Limit				
General Obligation Bonds for School Facilities				
Construction	0	0	60,410,000	59,010,000
Refunding Bonds, Series 2017 for School Facilities				
Construction	0	0	0	0
Construction Bonds Income Tax Backed	0	0	0	0
Energy Conservation Notes	0	0	2,000,000	1,610,000
Less Amount Available in Debt Service	0	0	(1,752,329)	(1,044,110)
Totals	<u>0</u>	<u>0</u>	<u>60,657,671</u>	<u>59,575,890</u>
Exemptions:				
Income Tax Backed	0	0	0	0
Energy Conservation Notes	0	0	(2,000,000)	(1,610,000)
Totals	<u>0</u>	<u>0</u>	<u>(2,000,000)</u>	<u>(1,610,000)</u>
Amount of Debt Subject to Limit	<u>0</u>	<u>0</u>	<u>58,657,671</u>	<u>57,965,890</u>
Legal Debt Margin	<u>\$81,062,700</u>	<u>\$81,634,691</u>	<u>\$23,681,418</u>	<u>\$24,411,786</u>
Legal Debt Margin as a Percentage of the Debt Limit	100.00%	100.00%	28.76%	29.63%
Unvoted Debt Limit - .10% of Assessed Value (1)	\$900,697	\$907,052	\$914,879	\$915,308
Amount of Debt Subject to Limit	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Legal Debt Margin	<u>\$900,697</u>	<u>\$907,052</u>	<u>\$914,879</u>	<u>\$915,308</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)	\$8,106,270	\$8,163,469	\$8,233,909	\$8,237,768
Amount of Debt Subject to Limit				
Energy Conservation Long-Term Notes	<u>0</u>	<u>0</u>	<u>(2,000,000)</u>	<u>(1,610,000)</u>
Unvoted Legal Debt Margin	<u>\$8,106,270</u>	<u>\$8,163,469</u>	<u>\$6,233,909</u>	<u>\$6,627,768</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	100.00%	75.71%	80.46%

**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

2015	2016	2017	2018	2019	2020 (3)
\$912,119,900	\$918,310,630	\$946,317,460	\$947,382,430	\$963,570,960	\$1,092,620,220
\$82,090,791	\$82,647,957	\$85,168,571	\$85,264,419	\$86,721,386	\$98,335,820
58,835,000	58,640,000	59,565,000	50,455,000	49,940,000	115,527,912
0	0	0	8,595,000	8,400,000	8,280,000
0	0	27,000,000	26,240,000	25,405,000	24,555,000
1,215,000	815,000	410,000	0	0	0
(1,227,845)	(1,393,707)	(2,812,844)	(2,212,818)	(1,514,909)	(3,083,880)
58,822,155	58,061,293	84,162,156	83,077,182	82,230,091	145,279,032
0	0	(27,000,000)	(26,240,000)	(25,405,000)	(24,555,000)
(1,215,000)	(815,000)	(410,000)	0	0	0
(1,215,000)	(815,000)	(27,410,000)	(26,240,000)	(25,405,000)	(24,555,000)
57,607,155	57,246,293	56,752,156	56,837,182	56,825,091	120,724,032
\$24,483,636	\$25,401,664	\$28,416,415	\$28,427,237	\$29,896,295	(\$22,388,212)
29.83%	30.73%	33.36%	33.34%	34.47%	-22.77%
\$912,120	\$918,311	\$946,317	\$947,382	\$963,571	\$1,092,620
0	0	0	0	0	0
\$912,120	\$918,311	\$946,317	\$947,382	\$963,571	\$1,092,620
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
\$8,209,079	\$8,264,796	\$8,516,857	\$8,526,442	\$8,672,139	\$9,833,582
(1,215,000)	(815,000)	(410,000)	0	0	0
\$6,994,079	\$7,449,796	\$8,106,857	\$8,526,442	\$8,672,139	\$9,833,582
85.20%	90.14%	95.19%	100.00%	100.00%	100.00%

TABLE 15

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

Calendar Year	Population Lancaster City (1)	Personal Income (2)	Per Capita Personal Income (2)	Unemployment Rate Fairfield County
2010	37,243	\$1,214,456,987	\$32,609	8.80%
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 (3)	40,505	1,867,807,065	46,113	3.70

**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 (2010-2013) and the Ohio Department of Taxation Census Population estimates (2014-2019) as reported in the City of Lancaster Comprehensive Annual Financial Report and on the Fairfield County Economic Development website, respectively.
- (2) Per Capita Income is available by County only (Fairfield County), Personal Income is a calculation.
- (3) Calendar year 2019 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 2019		
		Number of Employees	Rank	Percentage of Total Employment
Fairfield Medical Center	Medical Services	2,253	1	12.54%
Fairfield County	County Government	853	2	4.75%
Lancaster City Schools	Education	794	3	4.42%
Anchor Hocking Corporation	Manufacturing	526	4	2.93%
Kroger - Lancaster Locations	Grocer	500	5	2.78%
City of Lancaster	City Government	443	6	2.47%
Diamond Power	Manufacturing	190	7	1.06%
Crown Cork & Seal	Manufacturing	157	8	0.87%
WestRock	Manufacturing	114	9	0.63%
Retriev Technologies	Manufacturing	60	10	0.33%
Total		5,890		32.78%
Total Employment within the School District		17,969		

Employer	Nature of Activity	Calendar Year 2010		
		Number of Employees	Rank	Percentage of Total Employment
Fairfield Medical Center	Medical Services	1,714	1	10.20%
Anchor Hocking Corporation	Manufacturing	1,201	2	7.15%
Fairfield County	County Government	803	3	4.78%
Lancaster City School District	Education	713	4	4.25%
City of Lancaster	City Government	438	5	2.61%
Walmart	Grocer	396	6	2.36%
Ralston Foods, Incorporated	Manufacturing	391	7	2.33%
Diamond Power	Metal Fabrication	366	8	2.18%
Kroger Company	Grocer	315	9	1.88%
Crestview Manor Nursing Home	Nursing Care	240	10	1.43%
Total		6,577		39.15%
Total Employment within the School District		16,800		

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 2020 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	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Regular Instruction										
Certified Employees	262	266	263	262	267	261	263	264	263	263
Special Instruction										
Classified Employees (1)	0	0	0	66	62	61	68	63	67	77
Certified Employees	81	82	90	91	91	91	96	100	100	103
Vocational Instruction										
Classified Employees	0	1	1	1	1	1	1	1	0	0
Certified Employees	20	17	17	17	17	17	16	16	16	16
Student Intervention Services										
Certified Employees	2	0	0	3	3	3	3	3	4	3
Pupil Support Services										
Classified Employees	18	15	14	15	27	27	24	25	26	25
Certified Employees	21	22	22	22	26	30	34	34	36	40
Instructional Staff										
Classified Employees (1)	87	63	59	16	16	17	17	17	18	17
Certified Employees	5	5	5	3	4	4	4	6	7	9
Administrators	1	1	1	1	1	1	1	1	1	5
Administration										
Classified Employees	23	21	23	20	19	20	22	23	23	23
Administrators	21	21	23	24	24	26	27	28	29	32
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	2	1	1	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	52	50	50	47	47	46	45	47	48	43
Administrators	1	1	1	1	1	1	1	1	1	1
Pupil Transportation										
Classified Employees	45	38	42	41	39	42	45	50	57	60
Administrators	1	1	1	1	1	1	1	1	1	1
Central										
Classified Employees	3	4	4	6	6	6	6	6	6	6
Administrators	2	1	1	2	2	2	2	2	2	1
Food Service Program										
Classified Employees	52	52	52	51	51	58	56	56	56	56
Administrators	1	1	1	1	1	1	1	1	1	1
Non-Instructional Services										
Classified Employees	1	1	1	0	0	0	0	0	0	0
Certified Employees	2	2	2	2	3	2	1	1	1	1
Extracurricular Activities										
Classified Employees	2	2	2	1	1	1	1	1	1	1
Administrators	1	1	1	1	1	1	1	1	1	1
Totals	713	676	684	704	720	729	745	757	774	794

(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*

Fiscal Year	General Fund Expenditures	Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio
2011	\$49,985,256	6,028	\$8,292	N/A	398	15.1
2012	53,239,374	6,083	8,752	5.55%	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

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

**Lancaster City School District, Ohio**  
*Building Statistics*  
*Last Ten Fiscal Years*

	2011	2012	2013
<b>Cedar Heights Elementary School</b>			
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	383	374	381
Student Capacity	460	460	460
Instruction Classrooms	22	22	22
Teaching Stations	31	31	31
Administrators	1	1	2
Certified Staff	26	24	24
Classified Staff	16	10	9
<b>East Elementary School</b>			
Constructed in 1939			
Total Building Square Footage	37,518	37,518	37,518
Enrollment Grades K-5 for 2011-2016, building closed during 2017	412	381	378
Student Capacity	314	314	314
Instruction Classrooms	20	20	20
Teaching Stations	24	24	24
Administrators	1	1	2
Certified Staff	21	21	21
Classified Staff	14	12	10
<b>Medill Elementary School</b>			
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	368	353
Student Capacity	337	337	337
Instruction Classrooms	25	25	25
Teaching Stations	30	30	30
Administrators	1	1	1
Certified Staff	22	24	25
Classified Staff	14	11	10
<b>Sanderson Elementary School</b>			
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	300	306	323
Student Capacity	308	308	308
Instruction Classrooms	20	20	20
Teaching Stations	24	24	24
Administrators	1	1	1
Certified Staff	16	19	20
Classified Staff	10	9	9

TABLE 19

2014	2015	2016	2017	2018	2019	2020
31,100	31,100	N/A	N/A	N/A	N/A	N/A
389	380	N/A	N/A	N/A	N/A	N/A
460	460	N/A	N/A	N/A	N/A	N/A
22	22	N/A	N/A	N/A	N/A	N/A
31	31	N/A	N/A	N/A	N/A	N/A
2	2	N/A	N/A	N/A	N/A	N/A
26	27	N/A	N/A	N/A	N/A	N/A
13	13	N/A	N/A	N/A	N/A	N/A
37,518	37,518	37,518	N/A	N/A	N/A	N/A
385	363	264	N/A	N/A	N/A	N/A
314	314	314	N/A	N/A	N/A	N/A
20	20	20	N/A	N/A	N/A	N/A
24	24	24	N/A	N/A	N/A	N/A
1	1	2	N/A	N/A	N/A	N/A
22	23	22	N/A	N/A	N/A	N/A
11	13	12	N/A	N/A	N/A	N/A
31,500	31,500	N/A	N/A	N/A	N/A	N/A
353	413	N/A	N/A	N/A	N/A	N/A
337	337	N/A	N/A	N/A	N/A	N/A
25	25	N/A	N/A	N/A	N/A	N/A
30	30	N/A	N/A	N/A	N/A	N/A
1	1	N/A	N/A	N/A	N/A	N/A
25	25	N/A	N/A	N/A	N/A	N/A
15	15	N/A	N/A	N/A	N/A	N/A
31,233	31,233	31,233	N/A	N/A	N/A	N/A
324	295	289	N/A	N/A	N/A	N/A
308	308	308	N/A	N/A	N/A	N/A
20	20	20	N/A	N/A	N/A	N/A
24	24	24	N/A	N/A	N/A	N/A
1	1	1	N/A	N/A	N/A	N/A
19	20	19	N/A	N/A	N/A	N/A
12	13	8	N/A	N/A	N/A	N/A

(Continued)

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

	2011	2012	2013
<b>South Elementary School</b>			
Constructed in 1931			
Total Building Square Footage	29,055	29,055	29,055
Enrollment Grades K-5 for 2011-2015, building closed in 2016	284	296	282
Student Capacity	149	149	149
Instruction Classrooms	17	17	17
Teaching Stations	21	21	21
Administrators	1	1	1
Certified Staff	21	22	22
Classified Staff	14	11	11
<b>Tallmadge Elementary School</b>			
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	445	466	432
Student Capacity	345	345	345
Instruction Classrooms	20	20	20
Teaching Stations	29	29	29
Administrators	1	1	2
Certified Staff	22	26	28
Classified Staff	12	13	15
<b>Tarhe Elementary School</b>			
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 2011-2015, Preschool only in 2016-2020	433	447	435
Student Capacity	445	445	445
Instruction Classrooms	20	20	20
Teaching Stations	17	17	17
Administrators	1	1	1
Certified Staff	23	25	26
Classified Staff	11	9	8
<b>West Elementary School</b>			
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	436	441	434
Student Capacity	428	428	428
Instruction Classrooms	24	24	24
Teaching Stations	28	28	28
Administrators	1	1	2
Certified Staff	32	32	32
Classified Staff	19	18	16

TABLE 19

2014	2015	2016	2017	2018	2019	2020
29,055	29,055	N/A	N/A	N/A	N/A	N/A
304	330	N/A	N/A	N/A	N/A	N/A
149	149	N/A	N/A	N/A	N/A	N/A
17	17	N/A	N/A	N/A	N/A	N/A
21	21	N/A	N/A	N/A	N/A	N/A
2	2	N/A	N/A	N/A	N/A	N/A
24	21	N/A	N/A	N/A	N/A	N/A
13	11	N/A	N/A	N/A	N/A	N/A
37,000	37,000	N/A	N/A	N/A	N/A	N/A
409	449	N/A	N/A	N/A	N/A	N/A
345	345	N/A	N/A	N/A	N/A	N/A
20	20	N/A	N/A	N/A	N/A	N/A
29	29	N/A	N/A	N/A	N/A	N/A
3	3	N/A	N/A	N/A	N/A	N/A
28	25	N/A	N/A	N/A	N/A	N/A
14	16	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
433	418	184	196	200	192	204
445	445	445	445	445	445	445
20	20	20	20	20	20	20
17	17	17	17	17	17	17
2	2	0	1	1	1	1
24	26	10	10	12	12	17
11	9	10	13	11	14	17
46,404	46,404	46,404	N/A	N/A	N/A	N/A
478	459	553	N/A	N/A	N/A	N/A
428	428	428	N/A	N/A	N/A	N/A
24	24	24	N/A	N/A	N/A	N/A
28	28	28	N/A	N/A	N/A	N/A
2	2	2	N/A	N/A	N/A	N/A
33	32	37	N/A	N/A	N/A	N/A
18	18	18	N/A	N/A	N/A	N/A

(Continued)

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

	2011	2012	2013
<b>Mount Pleasant Elementary</b>			
Constructed in 2015			
Total Building Square Footage	N/A	N/A	N/A
Enrollment Grades K-5 for 2016 - 2020	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
<b>Gorsuch West Elementary</b>			
Constructed in 2015			
Total Building Square Footage	N/A	N/A	N/A
Enrollment Grades K-5 for 2016 - 2020	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
<b>Tarhe Trails Elementary</b>			
Constructed in 2015			
Total Building Square Footage	N/A	N/A	N/A
Enrollment Grades K-5 for 2016 - 2020	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
<b>Tallmadge Elementary</b>			
Constructed in 2016			
Total Building Square Footage	N/A	N/A	N/A
Enrollment Grades K-5 for 2017 - 2020	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

2014	2015	2016	2017	2018	2019	2020
N/A	N/A	73,913	73,913	73,913	73,913	73,913
N/A	N/A	586	593	542	542	549
N/A	N/A	578	578	578	578	578
N/A	N/A	29	29	29	29	29
N/A	N/A	35	35	35	35	35
N/A	N/A	2	2	2	2	3
N/A	N/A	35	36	35	37	39
N/A	N/A	20	26	18	21	21
N/A	N/A	78,632	78,632	78,632	78,632	78,632
N/A	N/A	613	615	581	590	573
N/A	N/A	623	623	623	623	623
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	3
N/A	N/A	41	37	36	42	42
N/A	N/A	25	23	22	25	26
N/A	N/A	75,573	75,573	75,573	75,573	75,573
N/A	N/A	665	697	608	596	583
N/A	N/A	625	625	625	625	625
N/A	N/A	31	31	31	31	31
N/A	N/A	37	37	37	37	37
N/A	N/A	2	2	2	2	2
N/A	N/A	39	40	36	35	34
N/A	N/A	19	19	16	15	17
N/A	N/A	N/A	69,276	69,276	69,276	69,276
N/A	N/A	N/A	559	558	572	560
N/A	N/A	N/A	578	578	578	578
N/A	N/A	N/A	27	27	27	27
N/A	N/A	N/A	33	33	33	33
N/A	N/A	N/A	2	2	2	2
N/A	N/A	N/A	33	34	34	37
N/A	N/A	N/A	17	16	16	18

(Continued)

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

	2011	2012	2013
<b>Medill Elementary</b>			
Constructed in 2017			
Total Building Square Footage	N/A	N/A	N/A
Enrollment Grades K-5 for 2017 - 2020	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
<b>General Sherman Junior High School</b>			
Constructed in 1957, addition in 1973			
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	653	676	707
Student Capacity	484	484	484
Instruction Classrooms	23	23	23
Teaching Stations	29	29	29
Administrators	1	2	2
Certified Staff	41	42	40
Classified Staff	21	17	16
<b>Thomas Ewing Junior High School</b>			
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	9,000	18,000	18,000
Enrollment Grades 6-8 for 2011-2018, closed in January of 2019	707	709	700
Student Capacity	493	493	493
Instruction Classrooms	27	27	27
Teaching Stations	34	34	34
Administrators	1	2	2
Certified Staff	42	39	41
Classified Staff	14	16	16
<b>Thomas Ewing Junior High School</b>			
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

2014	2015	2016	2017	2018	2019	2020
N/A	N/A	N/A	87,764	87,764	87,764	87,764
N/A	N/A	N/A	539	630	681	682
N/A	N/A	N/A	750	750	750	750
N/A	N/A	N/A	33	33	33	33
N/A	N/A	N/A	39	39	39	39
N/A	N/A	N/A	2	2	2	2
N/A	N/A	N/A	37	41	45	43
N/A	N/A	N/A	25	27	25	27
64,394	64,394	64,394	64,394	64,394	64,394	64,394
9,000	9,000	9,000	9,000	9,000	9,000	9,000
729	695	682	669	686	702	717
484	484	484	484	484	484	484
23	23	23	23	23	23	23
29	29	29	29	29	29	29
2	2	2	2	2	2	2
40	40	41	41	42	43	46
18	18	23	22	22	21	21
63,308	63,308	63,308	63,308	63,308	63,308	N/A
18,000	18,000	18,000	18,000	18,000	18,000	N/A
709	686	681	693	694	728	N/A
493	493	493	493	493	493	N/A
27	27	27	27	27	27	N/A
34	34	34	34	34	34	N/A
2	2	2	2	2	2	N/A
39	43	39	42	41	41	N/A
16	19	18	16	19	19	N/A
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	726
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	3
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	17

(Continued)

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

	2011	2012	2013
<b>Stanbery School and Administration Center</b>			
Constructed in 1929, addition in 1965			
Total Building Square Footage	77,767	77,767	77,767
Enrollment for Career Based Intervention Technology Students	250	203	205
Student Capacity	509	509	509
Instruction Classrooms	28	28	28
Teaching Stations	32	32	32
Administrators	9	10	7
Certified Staff	26	16	14
Classified Staff	33	22	18
<b>Lancaster High School</b>			
Constructed in 1963, Vocational classrooms constructed in 1965			
Total Building Square Footage	192,500	192,500	192,500
Enrollment Grades 9-12	1,357	1,416	1,395
Student Capacity	1,302	1,302	1,302
Instruction Classrooms	65	65	65
Teaching Stations	102	102	102
Administrators	5	6	6
Certified Staff	106	104	106
Classified Staff	51	50	53
<b>Maintenance and Transportation Building</b>			
Constructed in 1997			
Total Building Square Footage	25,000	25,000	25,000
Administrators	2	2	3
Classified Staff	60	54	62

**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 2011 through 2014 while student enrollment for fiscal years 2015-2020 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.

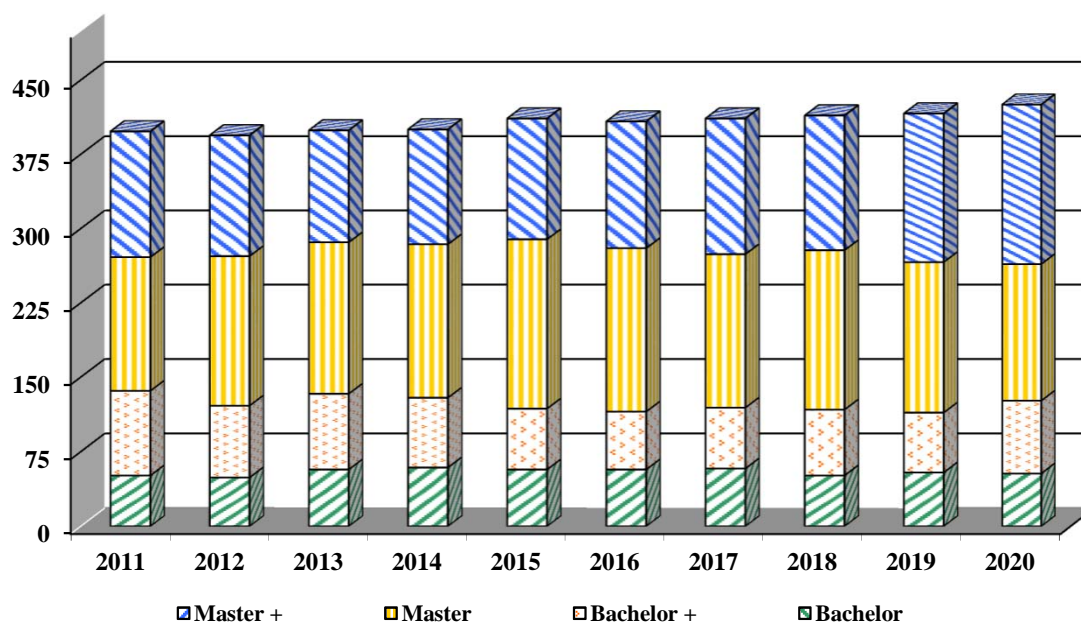
TABLE 19

2014	2015	2016	2017	2018	2019	2020
77,767	77,767	77,767	77,767	77,767	77,767	77,767
194	241	228	226	265	260	258
509	509	509	509	509	509	509
28	28	28	28	28	28	28
32	32	32	32	32	32	32
7	7	12	12	14	15	18
22	27	22	40	44	41	38
20	21	27	24	24	25	25
192,500	192,500	192,500	192,500	192,500	192,500	192,500
1,511	1,516	1,554	1,567	1,538	1,540	1,554
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	6
98	102	103	102	103	97	97
52	49	44	45	53	53	51
25,000	25,000	25,000	25,000	25,000	25,000	25,000
3	3	3	3	3	3	3
57	60	61	61	67	74	74

TABLE 20

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

Degree	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Bachelor's Degree	51	49	57	59	57	57	58	51	54	53
Bachelor + 15	6	10	14	15	12	10	11	17	9	15
Bachelor + 30 (150 hours)	79	62	62	55	49	48	50	49	51	58
Master's Degree	135	151	153	155	171	165	155	161	152	138
Master's + 15	34	31	35	40	40	45	44	34	41	46
Master's + 30	63	60	52	55	56	58	66	76	79	82
Master's + 45	30	31	26	21	26	25	27	26	30	33
Total	398	394	399	400	411	408	411	414	416	425



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)
2011	\$35,609	\$78,099	\$55,716	\$60,783	\$56,715
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	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.

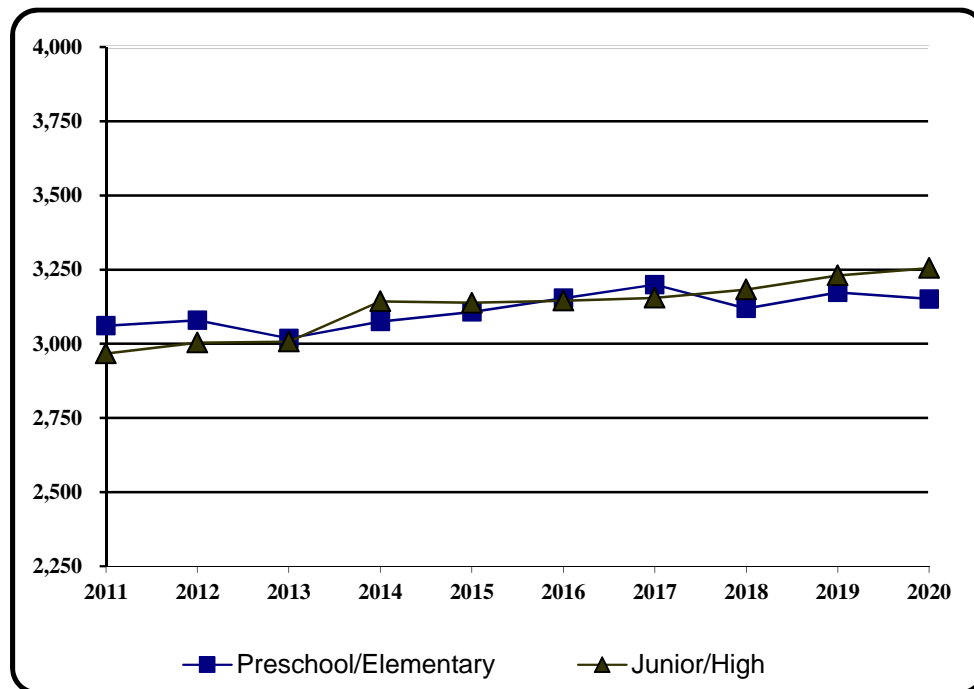
(3) Provided by the Ohio Department of Education.

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
2011	3,061	2,967	6,028
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



Source: School District Records - October counts that was submitted to the Educational Management Information System for fiscal years 2011 through 2014 while fiscal years 2015 through 2020 was based on the year-end count.

TABLE 23

**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
2011	94.90%	94.50%	87.60%	84.30%
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	N/A	N/A

Source: Ohio Department of Education Local Report Cards

N/A means not available at the time this report was prepared

TABLE 24

**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)					
2011	21.1	21.9	22.7	22.2	22.1
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
A.C.T. - Ohio (Graduating Class)					
2011	21.1	21.5	22.1	21.8	21.8
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	N/A
A.C.T. - U.S.A. (Graduating Class)					
2011	20.6	21.1	21.3	20.9	21.1
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

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



**Lancaster City School District, Ohio**  
*Average S.A.T. Scores*  
*Last Ten Fiscal Years (1)*

<u>Fiscal Year</u>	<u>Critical Reading</u>	<u>Math Mean</u>	<u>Writing Mean</u>
S.A.T. - Lancaster High School			
2011	536	534	522
S.A.T. - Ohio			
2011	539	545	522
S.A.T. - U.S.A.			
2011	497	514	489

Note: The S.A.T. Scores Range from 200-800

(1) The information for 2012 through 2019 is not available because the School District didn't have enough students test so The College Board will not process a report.

S.A.T. scores were provided by The College Board

TABLE 26

**Lancaster City School District, Ohio**  
*Students in Free or Reduced Price Lunch Program*  
*June 30, 2020*

School	Students Receiving Free Lunch	Percentage of Students Receiving Free Lunch	Students Receiving Reduced Lunch	Percentage of Students Receiving Reduced Lunch
Lancaster Preschool	83	40.69%	10	4.90%
Gorsuch West Elementary School	383	66.84%	37	6.46%
Medill Elementary School	293	42.96%	34	4.99%
Mount Pleasant Elementary School	296	53.92%	28	5.10%
Tallmadge Elementary School	364	65.00%	42	7.50%
Tarhe Trails Elementary School	192	32.93%	36	6.17%
General Sherman Junior High School	355	49.51%	43	6.00%
Thomas Ewing Junior High School	310	42.70%	44	6.06%
Lancaster High School	678	37.42%	102	5.63%

Source: School District Food Service Records at June 30, 2020