



*"Achieving Excellence, Honoring Tradition"*

74 West William Street, Delaware OH 43015  
Phone: (740) 833-1100 Fax: (740) 833-1799

Heidi Kegley, *Superintendent*  
Jill E. Corwin, *Treasurer/CFO*

December 19, 2023

Government Finance Officers Association  
Attn: Popular Annual Financial Report  
203 North LaSalle Street, Suite 2700  
Chicago, IL 60601-1210

To Whom It May Concern:

Delaware City Schools is pleased to present its 2023 Popular Annual Financial Report (PAFR) for your review. We are excited to have this report available for our staff, parents and other community stakeholders.

We are formally requesting that our PAFR for the fiscal year ended June 30, 2023 be reviewed and considered for award.

Thank you for your consideration,

Jill E. Corwin  
Treasurer/CFO



# Delaware City School District

## Popular Annual Financial Report



Delaware, Ohio  
For the Year Ended June 30, 2023



## DELAWARE CITY SCHOOLS BY THE NUMBERS - 2023

**5,666** Students

**2,709** Students Transported Daily

**979,802** District Square Footage

**3,057** Average Daily Bus Mileage

**49** Buses in Fleet

**393,415** Lunches Served

**85,536** Breakfasts Served



**4 Year Graduation Rate**

**94.8%**

**Student Attendance Rate**

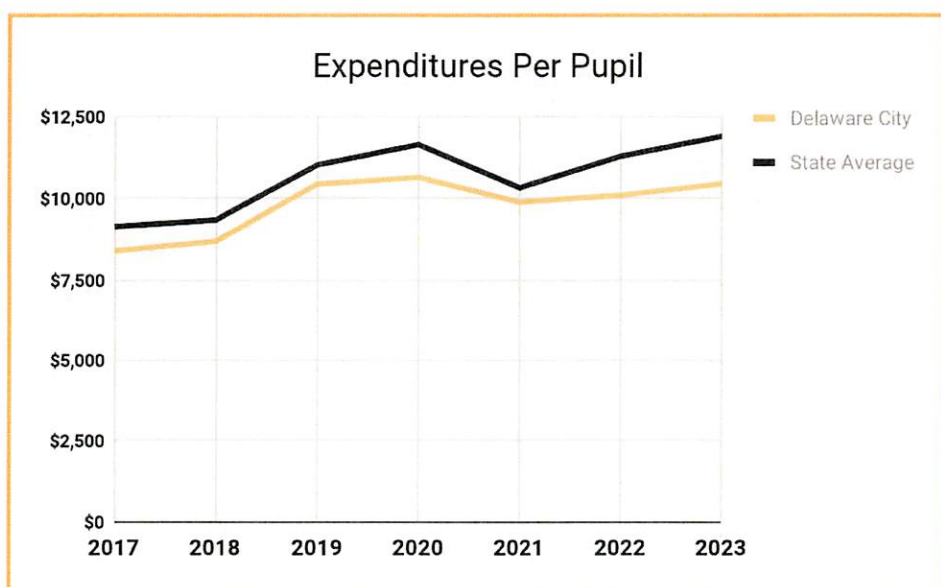
**93.6%**

**Students on Free/Reduced Lunch**

**37.2%**

**Students with Disabilities**

**19.0%**



Source: Ohio Department of Education

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December 19, 2023

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e are pleased to present the Delaware City School District's Popular Annual Financial Report (PAFR) for the fiscal year ended June 30, 2023. This report makes our district's finances easier to understand, and is intended to communicate our financial situation in an open and accountable manner.

The PAFR is intended to summarize the financial activities and operating results reported in the Delaware City School District's audited Annual Comprehensive Financial Report (ACFR). The PAFR is unaudited and presented on a non-GAAP (Generally Accepted Accounting Principles) basis, which primarily deals with full disclosure and segregated funds. The statements presented on pages 3 and 8 consist of the General Fund of the District. The General Fund is the general operating fund of the District. It is used to account for all financial resources except those that are required to be accounted for in another fund. The most significant items not reported in the General Fund include debt issuance and retirement, building and permanent improvements and food service. For more detailed financial information, a copy of the Annual Comprehensive Financial Report can be viewed on the District's website at <https://www.dcs.k12.oh.us/Page/130>.

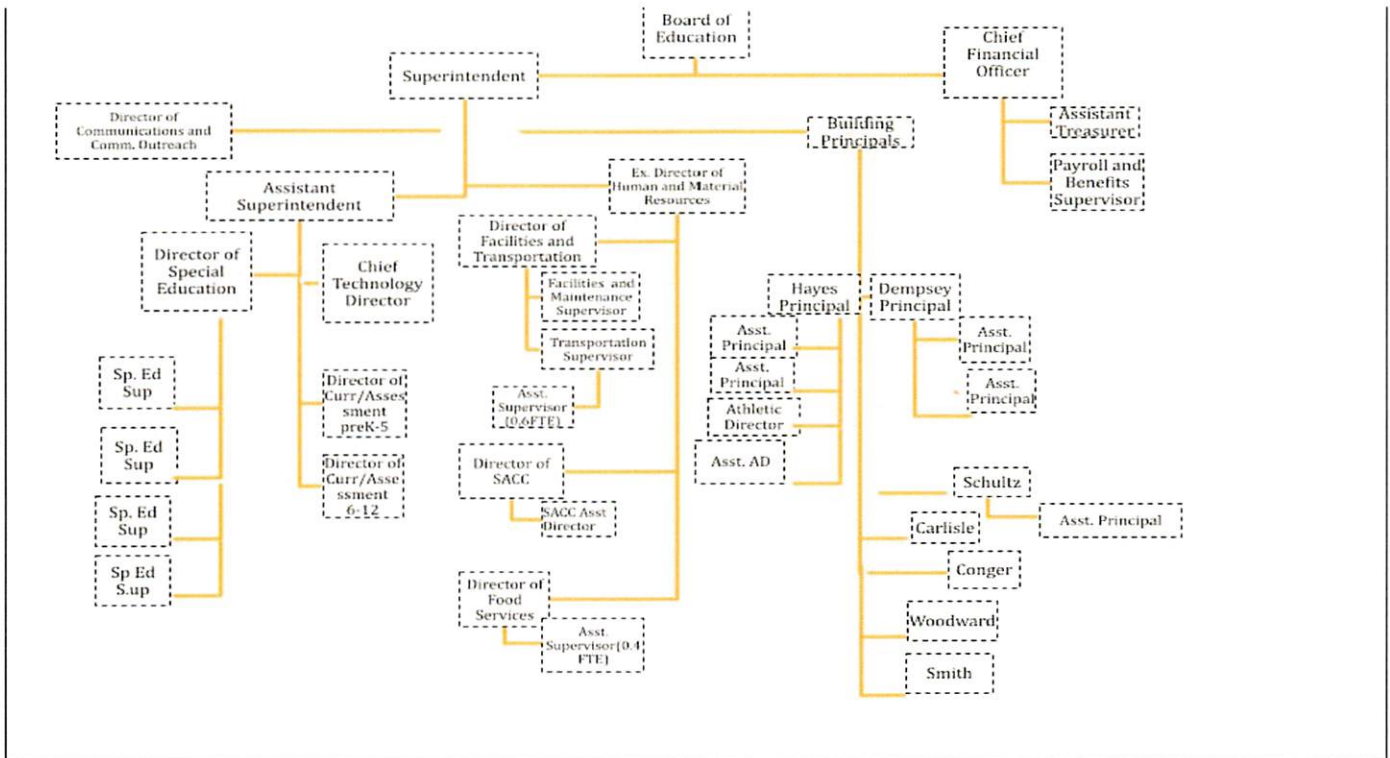
The Delaware City School District is proud of the creation of this report. Ultimately, we would like to thank our citizens for their encouragement in creating a report designed to more adequately address their needs as taxpayers, as well as for the opportunity to serve them. Questions, comments and feedback regarding this report are encouraged, so please do not hesitate to contact the Treasurer's office at (740) 833-1100 or at [corwinji@delawarecityschools.net](mailto:corwinji@delawarecityschools.net).

Respectfully submitted,

Jill E. Corwin  
Treasurer/CFO

## Administrative Structure

**Delaware City Schools Organizational Chart (effective 08/01/2021)**



## Award for Outstanding Achievement in Popular Annual Financial Reporting

Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the Delaware City School District for its PAFR for the fiscal year ended June 30, 2022. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award-recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government must publish a PAFR, whose contents conform to program standards of creativity, presentation, understandability and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only. Delaware City School District has received a Popular Award for the last eight consecutive years (fiscal years 2015-2022). We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to the GFOA.



Government Finance Officers Association

Award for  
Outstanding  
Achievement in  
Popular Annual  
Financial Reporting

Presented to

**Delaware City School District  
Ohio**

For its Annual Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morrell*  
Executive Director/CEO



## General Fund

### Revenues & Resources Over Expenditures & Services

Readers of the Financial Activity Statement (below) and Financial Position Statement (page eight) should keep in mind that the numbers in both reports represent only the General Fund and are taken from the district's Annual Comprehensive Financial Report (ACFR), but are presented in a non-GAAP format. The ACFR can be obtained at <https://www.dcs.k12.oh.us/Page/130> on the Treasurer's Office page.

The Financial Activity Statement, known in accounting terms as the income statement, provides a summary of the resources (revenues) and services (expenditures) of the district.

Income statement data for fiscal years 2020 through 2023 is presented below. In FY 2023, revenues increased by 8.35% from FY 2022 and expenditures increased by 4.90%. The extended property tax payment dates in FY20 increased the amount of property tax receipts received in FY 2021. FY22 represents a return to "normal" payment dates and a leveling out of collections. The District also received a BWC dividend in FY2021, which was coded as Miscellaneous Revenue and increased the revenue in that category. In addition, the School-Aged Childcare program received federal OCCRRA grant funds to offset expenses for FY23 and FY22, which led to a 54.54% and 32.49% decrease, respectively in Non-Instructional Service expenditures.

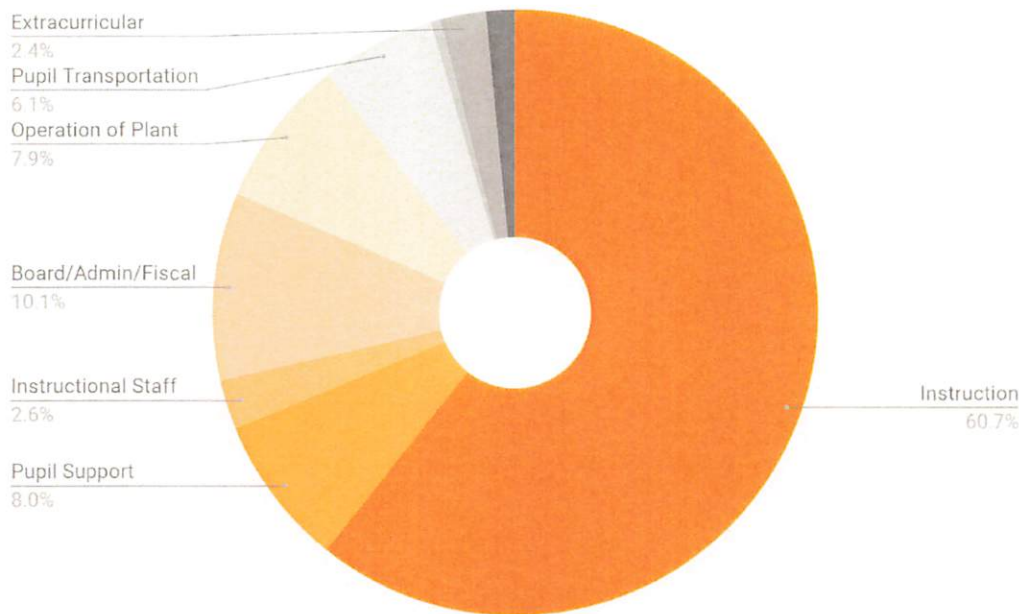
RESOURCES TAKEN IN (in thousands of \$)	FY23	FY22	FY21	FY20
Local Taxes	\$45,685,687	\$43,162,707	\$49,321,642	\$29,877,087
State and Federal Revenue	23,955,238	22,221,371	22,544,597	21,795,098
Investment Income	1,161,605	(107,667)	606,809	944,729
Tuition & Fees	1,768,308	1,456,722	1,589,723	1,971,497
Miscellaneous	1,452,774	1,583,716	2,150,385	1,319,661
<b>Total Revenues &amp; Resources</b>	<b>\$74,023,612</b>	<b>\$68,316,849</b>	<b>\$76,213,156</b>	<b>\$55,918,072</b>

SERVICES PROVIDED (in thousands of \$)	FY23	FY22	FY21	FY20
Instruction	\$42,045,968	\$40,485,493	\$41,476,838	\$39,531,571
Pupil Support	5,563,911	5,015,507	4,272,776	4,117,639
Instructional Staff	1,821,041	1,795,122	1,636,310	1,720,993
Board/Admin/Fiscal	6,964,716	6,572,019	5,983,376	5,946,253
Business Support	406,451	398,708	382,950	375,186
Plant Operations	5,487,077	5,209,754	4,661,161	4,774,982
Transportation	4,249,133	3,652,029	3,154,727	3,311,389
Central	442,224	410,840	397,608	367,597
Extracurricular	1,669,061	1,429,596	1,260,177	1,305,810
Non-Instructional Services	370,201	814,466	1,206,494	1,186,583
Debt Service	227,740	227,811	227,883	227,952
<b>Total Expenditures &amp; Services</b>	<b>\$69,247,523</b>	<b>\$66,011,345</b>	<b>\$64,660,300</b>	<b>\$62,865,955</b>

<b>Revenues &amp; Resources Over Expenditures &amp; Services</b>	<b>\$ 4,776,089</b>	<b>\$ 2,305,504</b>	<b>\$ 11,552,856</b>	<b>\$ 5,039,427</b>
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## Our Expenditures & Services: Where the Money Goes

General Fund Total Expenditures & Services = \$69,247,523



Note: Other Categories represent 1.55% in total and include classifications with less than .65% of expenditures each (Business Support, Non-Instructional Services, Central, & Debt Service).

### Definitions

**INSTRUCTION** is the largest expenditure category. Students are directly impacted by expenditures from this category, which relate to the direct instruction of our students.

**PUPIL SUPPORT** areas comprise all guidance services, nurses, speech, hearing, occupational therapy, physical therapy, and psychological services.

**STAFF SUPPORT** costs include library services, technology integration support, and literacy collaborative support.

**BOARD/ADMINISTRATION/FISCAL** costs represent those of the administration and Board of Education's operation of the District. Also included in this category is school building secretarial support and financial services, such as payroll, accounts payable and receivable, auditing, budgeting and reporting, and fringe benefits administration.

**BUSINESS SUPPORT** costs include business services such as risk management, safety/security, inventory management and courier services.

**PLANT OPERATION** expenditures relate to the safe and efficient environment of the school including building maintenance, grounds and custodial services.

**TRANSPORTATION** expenditures relate to providing transportation (mostly by bus) to all students who live in the Delaware City School District, consistent with Board of

Education policies and the laws of the State of Ohio. In FY2023 the bus fleet transported 2492 regular and 217 special education students to Delaware City Schools, non-public and community schools daily. The increase from FY2022 is due to the district growth and utilization of the transportation options through the school.

**CENTRAL SUPPORT** expenditures include community relations and technology maintenance staff, computer network maintenance contracts, district wide postage costs, and strategic planning type activities.

**EXTRACURRICULAR** expenditures account for the salaries and benefits of club advisors and athletic coaches.

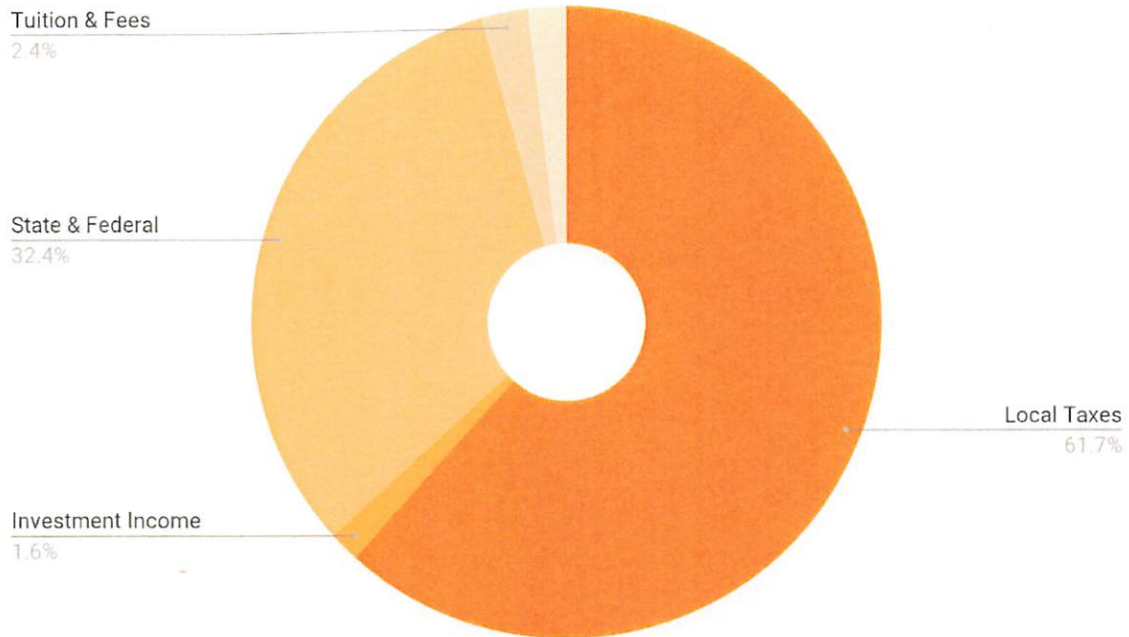
**NON-INSTRUCTIONAL** expenditures relate to various expenditures that are required to be reported under Generally Accepted Accounting Principles (GAAP). These are School-Aged Childcare expenses for our before/after school program, which are actually accounted for in an Agency fund on a cash basis. The program is self-supporting and no general fund dollars are used in its operations, even though we are required to report it in this manner

**DEBT SERVICE** expenditures relate to payments on the District's energy conservation bonds.



## Our Revenues & Resources: Where the Money Comes From

Total General Fund Revenues \$74,023,612



Note: Other includes categories with less than 2% of revenues (Donations, Rentals, Extracurricular), and Miscellaneous Revenue Sources.

[Delawarecityschools.ohiocheckbook.com](http://Delawarecityschools.ohiocheckbook.com)



Delaware City Schools believes in transparency and that its community should have access to the district's financial information. In October 2017, the district launched its participation in OhioCheckbook.com, hosted by the Ohio Treasurer's Office. The site provides an overview of district expenditures, using charts, graphs and reports to demonstrate the amounts and percentages of district expenses by category. Data for the 2023 fiscal year is now available on the site.

[OhioCheckbook Delaware City Schools](http://OhioCheckbook Delaware City Schools)

## LOCAL PROPERTY TAXES

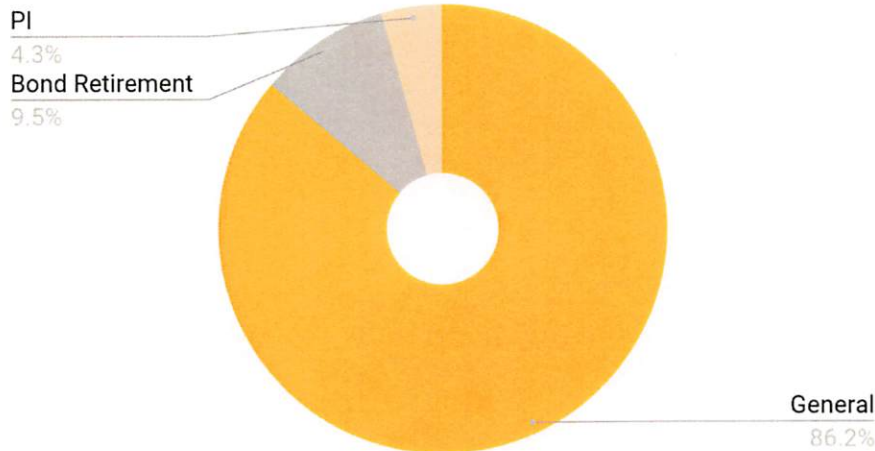
The graph below depicts the amount of cash collections received by the District from real and personal property taxes. Property taxes provide a majority of the local revenue to operate and maintain our schools. Taxes paid on homes and businesses (both property and public utilities) represent 61.7% of all general fund revenues for FY2023.

**GENERAL FUND** – Tax dollars are received by the District and are utilized to conduct day-to-day operations, which primarily include employee salaries and benefits.

**PERMANENT IMPROVEMENT (PI)** – Tax dollars are received by the District and can only be used for repairs, improvements to facilities and grounds, and capital assets with a useful life of five years or more. These funds cannot be used for salaries or benefits.

**BOND RETIREMENT** – Tax dollars are received for the payment of principal and interest on voter approved bond issues related to the construction of buildings. The County Auditor reviews information provided by the District to set the bond issue millage rate. The District must generate sufficient revenue to pay the principal and interest on the bonds issued.

Tax Dollars Collected



## Unbundling the Tax Rate

In accordance with House Bill 920, as property values increase, voted millage rates are decreased so that school districts do not collect any additional money on voted millage due to inflationary increases in property values. Over time, millage rates could be reduced to near zero. To prevent this from happening, Ohio law also establishes a minimum millage level, or floor, whereby millage rates cannot fall below 20 mills. Once a district's total millage is reduced to 20 mills, it cannot be reduced any further, hence the 20 mill floor.

The chart on the right shows the difference in the District's "Gross" or voted tax rates, as compared to the "Effective" rates, which are what is being collected for Residential/Agricultural class properties.

\*Rates are for the 2022 tax year collected in calendar year 2023

Tax Burden on Owner of a \$100,000 Home

TYPE	GROSS RATE	EFFECTIVE RATE	YEAR APPROVED	LENGTH APPROVED
Inside – Operating	4.40	4.40	N/A	Permanent
Voted – Operating	42.10	15.60	Various	Various
Current Expense				
Voted - Operating	21.02	21.02	Various	Various
Emergency/ Substitute				
Bond Retirement	4.57	4.57	Various	Various
Permanent Improvement	3.00	2.02	2019	Continuing
<b>Total Rates</b>	<b>75.09</b>	<b>47.61</b>		



## Assessed Values Of Property for Real Estate Taxes

COLLECTION YEAR	RESIDENTIAL/ AGRICULTURAL	COMMERCIAL/ INDUSTRIAL	PUBLIC UTILITY REAL	PUBLIC UTILITY PERSONAL PROPERTY	TOTAL
<b>*2023</b>	845,315,940	224,594,660	300,360	49,107,600	1,119,318,560
<b>2022</b>	807,195,260	214,708,690	275,270	46,773,190	1,068,952,410
<b>**2021</b>	784,701,340	198,070,640	273,780	44,263,800	1,027,309,560
<b>2020</b>	640,847,720	190,028,020	264,020	40,766,180	871,905,940
<b>2019</b>	621,048,220	180,142,620	249,330	31,634,190	833,074,360

\* 2023 was a reappraisal year for Delaware County; \*\* 2021 was a triennial update year.

## State & Federal Sources – General Fund

State and Federal sources of revenue generated \$23.9 million or 33.7% of all general fund revenue. Due to a relatively higher property valuation per pupil, and other demographic factors, the District receives less State foundation funding (29.21%) than the State average of (35.54%) (FY2023). State support comes mostly from State Aid, which is a formula calculation. During FY2023, the State Fair School Funding Plan (FSFP) adopted in the State Budget beginning in FY2022 allowed for the base cost calculations to be updated and funded at the 2022 base cost amounts. In addition, the phase-in formula will continue and be 100% phased in for Delaware City Schools by FY2027. For fiscal years 2021 and 2022, HB 166 was in place, which suspended the previous funding formula, without creating a new one. We received a slight increase in funds for FY2021, but those increases were earmarked as "Student Wellness and Success" funds and were required to be received and expended through a State grant fund. After fiscal year 2022, these funds will become restricted within the General fund.

In the Spring of 2020, the School District was impacted by the global pandemic and in May 2020, the State reduced our State Aid 4.7% or \$773,391 for FY2020. This reduction was to be in place again for FY2021 State Aid, however half of the reduction was restored and the remaining half was restored in FY2022 as part of the Fair School Funding Plan in HB110. Our recalculated base of unrestricted funding for FY2021, which adjusts for the funding methodologies of HB110 is \$17,181,557. The

phased-in changes in this amount resulted in the receipt of \$17,019,460 for FY2022, which represents a 0.9% decrease from the prior year. The Fair School Funding Plan is in place through FY2023 and the increased funding dictated by the formula is being phased in at 16.67% for FY2022, 33% for FY2023, 50% for FY2024, 66.67% for FY2025, and 83.33% in FY2026.

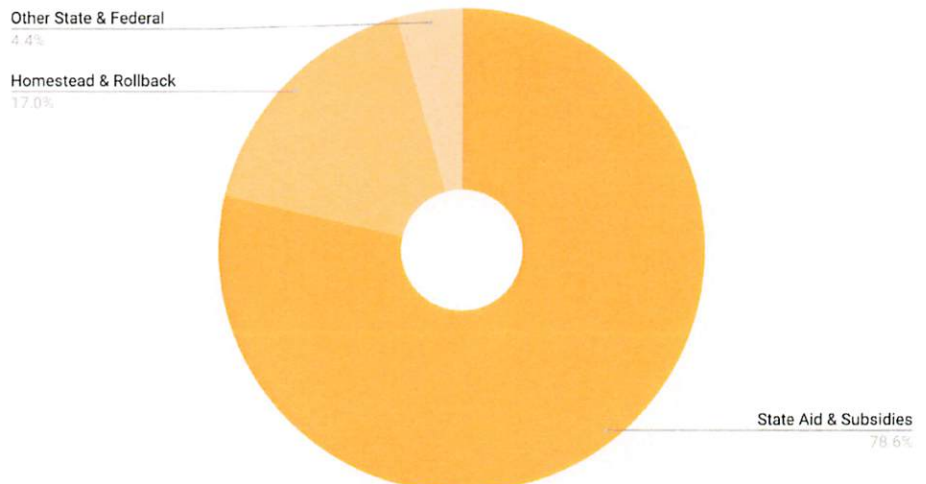
A significant portion of State revenue also comes from Rollback and Homestead payments, which represents the portion of the local tax bill paid by the State instead of the local taxpayer. Currently, the State pays 10% of the taxes due on all property and an additional 2.5% on residential and agricultural owner-occupied property. An additional exemption is provided to senior and disabled citizens, regardless of income. The prior State budget, however, eliminated the property tax rollback on any new levy passed after August of 2013.

Current Emergency levies need to be passed as renewals, rather than replacements in order to maintain their eligibility for Homestead and Rollback exemptions. The newest Emergency Levy passed in November 2017 (and renewed in November 2022) is not eligible for the State homestead/rollback exemptions.

Other State/Federal revenue includes the public utility reimbursement, tangible personal property tax loss reimbursement, threshold cost reimbursement, and casino revenue. Federal sources in this category include Medicaid reimbursement and E-rate reimbursements for telecommunications services, internet access, and internal connections. The District receives these reimbursements based on its percentage of students qualifying for free and reduced-price lunches and other socio-economic factors.

The chart below depicts the District's state and federal revenue in actual cash receipts for the General Fund for fiscal year 2023.

**State & Federal Revenue - General Fund**





## General Fund Assets Over Liabilities

The Financial Position Statement, known in accounting terms as the balance sheet, reports the assets available to provide services. Liabilities are the amounts for which the district is obligated to pay in the future. The amount below represents the difference between the assets of the district and the liabilities, which it must pay. This amount provides the "net worth" of the district. Information is provided for the district's General Fund.

### ASSETS:

**CASH** is the amount of physical cash held by the District in checking accounts and on hand for purposes of paying expenses.

**INVESTMENTS** are made up of the funds not needed to pay expenses. The Treasurer invests these funds in a variety of accounts. This allows the District to earn interest on its cash.

**RECEIVABLES** represent the amounts that are owed to the District as of June 30, 2023.

### LIABILITIES & DEFERRED INFLOWS/OUTFLOWS:

**LIABILITIES** are those amounts the District owes to employees, other governments or vendors for items or services that have been provided to the District, for which payment is expected to be made within twelve months.

**DEFERRED INFLOWS OF RESOURCES AND DEFERRED OUTFLOWS OF RESOURCES** are neither assets nor liabilities as they relate to the current fiscal year. Unlike current assets and liabilities, amounts classified as "deferred inflows" or "deferred outflows" are amounts which will not be recognized as a revenue or an expense until the future period to which the inflows or outflows are related. For FY23, the District's General Fund reported deferred inflows related to tax revenue received but not available for use until a future period, and no deferred outflows.

ASSETS (in thousands of \$)	FY23	FY22	FY21	FY20
Cash and Investments	\$24,683	\$ 21,071	\$ 18,398	\$ 16,117
Receivables	43,975	43,296	42,721	38,689
Other Assets	1	1	352	277
<b>Total Assets</b>	<b>\$68,659</b>	<b>\$ 64,368</b>	<b>\$ 61,471</b>	<b>\$ 55,083</b>

LIABILITIES (in thousands of \$)	FY23	FY22	FY21	FY20
Accounts Payable	\$ 522	\$ 130	\$ 94	\$ 148
Due to Other Govt's/Employees	7,782	7,677	7,544	7,456
<b>Total Liabilities</b>	<b>\$ 8,304</b>	<b>\$ 7,807</b>	<b>\$ 7,638</b>	<b>\$ 7,604</b>

DEFERRED INFLOWS (in thousands of \$)	FY23	FY22	FY21	FY20
Property Taxes	\$ 29,932	\$ 31,024	\$ 30,489	\$ 35,476
Other Revenues	298	188	300	514
<b>Total Deferred Inflows</b>	<b>\$ 30,230</b>	<b>\$ 31,212</b>	<b>\$ 30,789</b>	<b>\$ 35,990</b>

<b>Total Liabilities and Deferred Inflows</b>	<b>\$ 38,534</b>	<b>\$ 39,019</b>	<b>\$ 38,427</b>	<b>\$ 43,594</b>
<b>Assets over Liabilities &amp; Deferred Inflows</b>	<b>\$ 30,125</b>	<b>\$ 25,349</b>	<b>\$ 23,044</b>	<b>\$ 11,489</b>



# BUILDING OUR FUTURE



In May 2019, our voters approved a \$36.5 million bond levy for improvements and additions at all of our buildings, with no additional bond millage to be collected. As of the date of this report, all projects have been substantially completed and have only minor finishing work remaining. Photos included on this page include building additions at Dempsey Middle School and Woodward Elementary, as well as playground equipment at Conger Elementary.



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## Vision

The Delaware City Schools will promote a culture of excellence that engages and empowers students and staff to embrace the challenges of our global society. We will build on our traditions, respect our diversity and partner for a strong community.