



Delaware City School District Delaware, Ohio

Comprehensive Annual Financial Report

For Fiscal Year Ended June 30, 2020

Delaware City School District

Delaware, Ohio



BACKSIDE OF FRONT COVER

Delaware City School District

Delaware, Ohio



Comprehensive Annual Financial Report

For Fiscal Year Ended June 30, 2020

Issued by:
Office of the Treasurer

Melissa N. Swearingen
Treasurer/C.F.O

Delaware City School District

Delaware, Ohio



Introductory Section

Introductory Section



Delaware City School District

Delaware, Ohio



BACKSIDE OF INTRODUCTORY SECTION DIVIDER

DELAWARE CITY SCHOOL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
JUNE 30, 2020

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Government Finance Officers Association

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

Presented to

**Delaware City School District
Ohio**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO



**Delaware City School District
Elected Officials and Administrative Staff
as of June 30, 2020**

BOARD OF EDUCATION MEMBERS

President	Mr. Matt Weller
Vice President	Mrs. Frances O’Flaherty
Member	Mr. Ted Backus
Member	Ms. Jayna McDaniel-Browning
Member	Mr. Michael Wiener

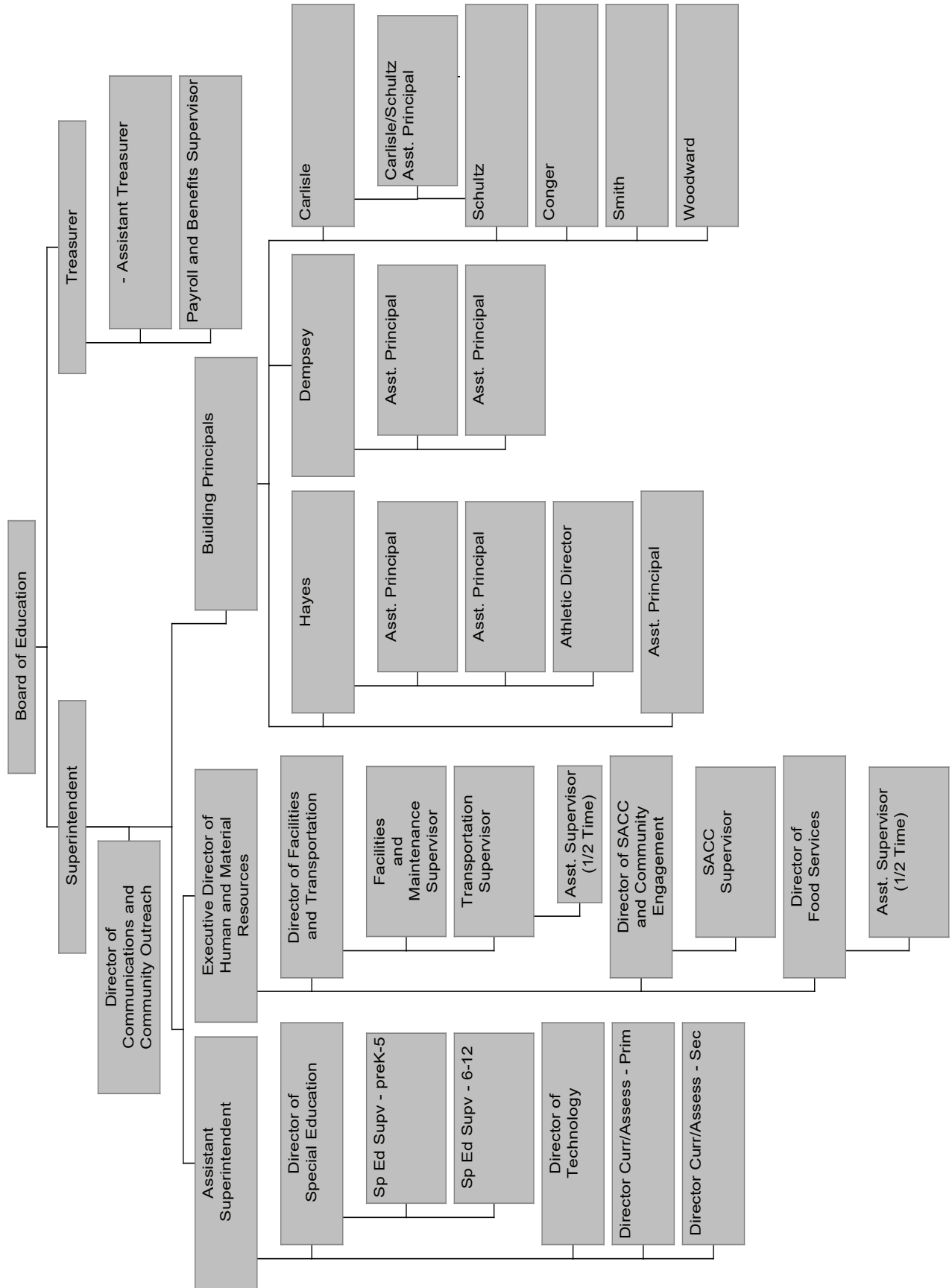
APPOINTED OFFICIALS

Superintendent	Heidi Kegley
Treasurer/CFO	Melissa N. Swearingen

ADMINISTRATIVE STAFF

Assistant Superintendent	Craig Heath
Assistant Treasurer	Monika Ray
Executive Director, Communications	Jen Ruhe
Executive Director, Facilities & Transportation	Jason Sherman
Executive Director, Human and Material Resources	Jerry Stewart
Executive Director, Technology	Jennifer Fry
Director, Elementary Curriculum & Assessment	Joseph Uher
Director, Secondary Curriculum & Assessment	Aaron Cook
Director, Food Service	Sally Rathje
Director, School Age Child Care	Pamela Steurer
Director, Special Education	Angela Macwhinney
Supervisor, Custodial and Maintenance	George Harmon
Supervisor, Payroll	Laura Hallett
Supervisor, PreK-5 Special Education	Leanna Ford
Supervisor, Secondary Special Education	Krista Keipper
Supervisor, Elementary Special Education	Laura Shaw
Supervisor, Transportation	Butch Rice
Principal, Delaware Hayes High School	Richard Stranges
Principal, Dempsey Middle School	Daniel Bartha
Principal, Carlisle Elementary School	Paula Vertikoff
Principal, Conger Elementary School	Joshua Page
Principal, Schultz Elementary School	Travis Woodworth
Principal, Smith Elementary School	Rochelle Thompson
Principal, Woodward Elementary School	Ryan Malany

DCS Administrative Organizational Chart





December 18, 2020

To the Citizens and Board of Education of the Delaware City School District:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Delaware City School District (the "District"). This CAFR, which includes an unmodified opinion from the Auditor of the State of Ohio, conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental entities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rest with the District's management. To the best of our knowledge and belief, this CAFR and the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the independent auditor's report.

This report includes all funds of the District. The District provides a full range of traditional and nontraditional educational programs, services and facilities. These include elementary and secondary curriculum at the general, college preparatory and vocational levels, as well as a broad range of co-curricular and extracurricular activities, special education programs and facilities.

In addition to providing these general activities the District has administrative responsibility for State funds distributed to St. Mary's School, Delaware Christian School and Grace Community School, private schools located within the School District boundaries. In accordance with GASB Statement 24, this responsibility is included in the reporting entity as a special revenue fund. While these organizations share operational and service similarity with the District, all are separate and distinct entities. Because of their independent nature, these organizations' financial statements are not included in this report.

PROFILE OF THE SCHOOL DISTRICT

The District was organized in the late 1800's and is a fiscally independent political subdivision of the State of Ohio. The District is a public school system located in Delaware County. The District's area is approximately 36 square miles in and around the City of Delaware. Also included are portions of Troy, Delaware, and Brown Townships. Located approximately 25 miles north of the downtown area of the City of Columbus, the District is largely suburban in character and has experienced significant growth over the past several years.

The Board of Education (the “Board”) of the District is composed of five members elected at large by the citizens of the District. The Board serves as the taxing authority, contracting body, and policy initiator for the operation of the District. The Board is responsible for the adoption of the annual operating budget and the approval of all expenditures of the District. The Board is a body politic and corporate, as defined by Section 3313.02 of the Ohio Revised Code, and has only those powers and authority conferred upon it by the Code.

The District had an enrollment of 5,707 students for the fiscal year end June 30, 2020 compared to 5,799 students for the fiscal year ended June 30, 2019. This makes the District the second largest public school district in Delaware County. These students are housed in 5 elementary schools (grades pre-k to 5), 1 middle school (grades 6 to 8), and 1 comprehensive high school (grades 9 to 12). The age of buildings varies with the oldest built in 1869 and the latest which opened in the fall of 2000. Of the District’s 8 instructional buildings, 2 have been built since 1994. Additionally, the District operates an administration building and a transportation compound. The District estimates enrollment to be 5,966; 6,048; and 6,130 for the fiscal years ended June 30, 2021, 2022, and 2023 respectively. The District’s enrollment figures do not include students living within the District’s attendance area who attend charter schools. In the 2020 fiscal year, the District had 140 students attending 19 different charter schools.

Economic Condition and Outlook

Local Economy - The School District is in the Columbus, Ohio Metropolitan Statistical Area (MSA), which is comprised of the counties of Delaware, Fairfield, Franklin, Licking, Madison, Morrow, Pickaway and Union, and is the thirty-second largest MSA of 362 in the United States at the time of the 2010 census.

The unemployment rate in Delaware County increased in fiscal year 2020, from 3.3% in June 2019 to 7.5% in June 2020. Employment in the District is diversified with a majority in the service sector. One of the largest employers in the District with approximately 1,170 employees is Delaware County, located within the City of Delaware. Another employer within the City is Grady Memorial Hospital with approximately 1,008 employees. Additionally, the District is home to many small manufacturing companies as a result of State Routes 23, 42, 36 and 37 intersecting the District.

The City of Delaware is aggressive in recruiting new businesses and will make use of all economic incentives to increase the tax base. The city has made use of tax abatements and Tax Increment Financing (TIF) to attract businesses. Through negotiations with the city the District has been reimbursed for property taxes it would have otherwise collected ranging from complete reimbursements to the minimums required by law.

Long-term Financial Planning – The financial forecast of General Fund operations for the next five years demonstrates that the District’s fiscal year 2021 ending General Fund cash balance is projected to be approximately at \$2.8 million. Voters approved a 5-year, \$6.2 million Emergency Operating Levy in November 2017, and that combined with the Substitute Operating Levy renewal in November 2020, alleviated that projected deficit until fiscal year 2024.

The need to ask local taxpayers for additional funding frequently is a reflection of the challenge posed by the manner in which Ohio funds its school districts. The District had been essentially flat-funded (no increase in state funding) since 2009. The State of Ohio implemented an Evidence Base Funding Model (EBM) in fiscal year 2010 called PASS (Pathway to Student Success) which

resulted in a 2% drop in the fiscal year 2011 foundation revenue. In fiscal year 2012 the Bridge formula replaced the PASS model until a new funding mechanism could be formulated. Under the Bridge formula, the District's fiscal year 2013 total state funding is divided by a per pupil costs formula from the ADM count the first full week of October 2012. The Statewide per pupil adjustment amount must be determined by the Department of Education such that the State's total education aid obligation does not exceed the aggregate appropriated amount. A supplemental funding provision for fiscal year 2013 guaranteed to each school district operating funding in an amount equal to at least the amount of State operating funding (excluding any State Fiscal Stabilization Fund money) the district received for fiscal year 2011 under the Evidence Based Model. In addition, the Department of Education is required to pay an additional amount for high performing schools equivalent to \$17 per student to each school district that is rated as "Excellent with Distinction" or "Excellent" on the annual district and school academic performance report cards. For the 2012-2013 school year, the District was rated as "Excellent with Distinction" and would have maintained this rating for the 2013-14 school year had those designations had been used. A new funding formula was introduced for fiscal years 2014 and 2015, which allowed the District to see an increase in State foundation revenue. The increases were capped at 6.25% and 10.5% for fiscal years 2014 and 2015, respectively, and at 7.50% for fiscal years 2016 and 2017. This formula remained in place through fiscal year 2019, with increases capped at 3% each year of the two-year period. For fiscal year 2018, the District was nearly \$8.1 million into the cap, which means we did not receive 33% of the funds in which the formula says we are entitled. Fiscal year 2019 foundation revenue increased by 2.4% over those received in fiscal year 2018. For fiscal years 2020 and 2021, HB 166 is in place, which suspends the current funding formula, without creating a new one. We received a slight increase in funds for FY2020, but those increases were earmarked as "Student Wellness and Success" funds and were required to be received and expended through a State grant fund. It is unclear as to whether these funds will continue beyond fiscal year 2021. In the Spring of 2021 the District was impacted by the global pandemic and in May 2020, the State announced that it would be reducing our State Aid 4.7% or \$773,391 for FY2020 and this reduction will be in place again for FY2021 State Aid.

In addition, there is no permanent reimbursement plan to replace tangible tax revenues eliminated through Amended Substitute House Bill 66 passed in June 2005, and possible further eroding of the District's tax base through future legislation. The budget passed in 2009 modified the reimbursement plan for school districts for lost tangible taxes. These reimbursements were to begin to be phased out in 2011, but the reimbursement was extended at 100% for two years to 2014. In fiscal year 2012, the District received approximately \$2.6 million through this reimbursement. The reimbursement dropped to \$1.7 million in fiscal years 2013 and 2014 and was eliminated by fiscal year 2017.

MAJOR INITIATIVES AND ACCOMPLISHMENTS

Accomplishments for 2020

Financial: The District applied for and received the Certificate of Excellence in Financial Reporting from the Government Finance Officers Association for the seventh time. In addition, the District applied for and received the Certificate of Excellence in Popular Reporting for the fifth time.

Instruction:

- Updated our Balanced/Comprehensive Literacy Framework Document
- Sheltered Instruction Observation Protocol (SIOP) Job Embedded Professional Development for grade and content level teachers around best practices for working with English Learners.
- Professional learning for building administrators around culturally and linguistically responsive instruction and accompanying instructional rounds.
- Continued Highly qualified professional development provided to all teachers with cluster groupings and serviced learners identified as being gifted
- Updated our PBIS framework and all buildings completed the PBIS Tiered Fidelity Inventory for Tier 1.
- Worked with a consortium of districts known as the Ohio Blended Learning Collaborative (OBC) to develop shared online curriculum resources
- Professional development in literacy at the middle school and implementation of ThinkCerca for reading and writing improvement.
- Screen for gifted in creative thinking and service according to state laws
- Continued work in blended learning, including the personalization of learning, via our Canvas Learning Management System and job embedded coaching
- Continued implementation of a credit recovery program to minimize high school dropouts and increase on time graduation
- Partnered with AmeriCorp for early literacy student engagement
- Held our second annual Black History Month Program
- Trained staff in Restorative Practices

Facilities:

- Continued the replacement of older diesel buses with new propane autogas-powered buses which are cheaper to operate and more environmentally friendly.
- Additional safety and security upgrades were completed including glass reinforcement, door hardware upgrades and camera system repair and upgrades.
- Began construction of new rooms and renovations to selected areas at Carlisle Elementary School, Schultz Elementary School and Dempsey Middle School.

Initiatives for 2021

Financial: The District will be migrating to the web-based State Software Redesign for budgetary and payroll, as well as a web-based version of forecasting software through Forecast5.

Instruction:

- Continued refinement of our Balanced/Comprehensive Literacy Framework Document, specifically multi-sensory approach to phonics based lessons.
- Continued Implementation of Vertical Instruction Rounds with building and district level administrators
- Continued Implementation Restorative Practices as a part of our PBIS framework
- Utilize Teaching and Learning meetings to inform leadership about culturally and linguistically responsive practices
- Create an Online Academy

Facilities:

- Complete planning and begin construction on upgrades to Smith Elementary School, Conger Elementary School and Woodward Elementary School..
- Work with other district stakeholders to update the district's strategic plan.
- Continue selected safety and security upgrades and camera repair/replacement in all buildings.

FINANCIAL INFORMATION**Internal Controls**

The management of the District is responsible for establishing and maintaining internal controls designed to ensure that the assets of the 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 controls are 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 cost and benefits requires estimates and judgments by management.

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 alternative tax budget document, 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 agency 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 District (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level for all funds. Any budgetary modifications at these levels may only be made by resolution of the Board of Education. The 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.

Cash Management

Cash temporarily idle during the year was invested in demand deposits, certificates of deposit, commercial papers, agency securities, and the State Treasury Asset Reserve of Ohio (STAR Ohio). At June 30, 2020, the District had \$27.8 million of pooled investments which produced approximately \$945,000 in interest revenues for the year, an increase of 59% over those reported for the prior year. In addition, the District maintains a separate investment portfolio of \$33.3 million related to unspent bond proceeds, issued for school construction and renovations, which produced \$505,000 of interest revenue for the Building Fund for the year ended June 30, 2020.

Independent Audit

Ohio Revised Code Section 117 requires an annual audit by independent auditors. The Ohio Auditor of State conducted the District's 2020 fiscal year audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance"). The auditor's report on the basic financial statements is included in the financial section of this report.

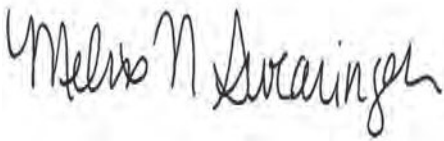
Awards

GFOA Certificate of Achievement - The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting for Comprehensive Annual Financial Reports. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report conforms to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA for their review.

Acknowledgements

Preparation of this report could not have been accomplished without the support and hard work of the staff of the Treasurer's office, Superintendent's office, and the Communication's office. Credit must also be given to the Board of Education. Without their leadership and commitment to excellence this report would not be possible.

Respectfully submitted,



Melissa N. Swearingen
Treasurer/CFO



Heidi Kegley
Superintendent

Financial Section



Financial Section

Delaware City School District

Delaware, Ohio



BACKSIDE OF FINANCIAL SECTION DIVIDER



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CentralRegion@ohioauditor.gov

INDEPENDENT AUDITOR'S REPORT

Delaware City School District
Delaware County
74 West William Street
Delaware, Ohio 43015

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 Delaware City School District, Delaware 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 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 3 to the financial statements, during 2020, the School District adopted new accounting guidance in Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*. We did not modify our opinion regarding the matter.

As discussed in Note 17 to the financial statements, the financial impact of COVID-19 and the ensuing emergency measures will 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 16, 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 16, 2020



DELAWARE CITY SCHOOL DISTRICT

Delaware County

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2020

(Unaudited)

The discussion and analysis of the Delaware City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2020. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the financial statements and notes to the basic financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2020 are as follows:

- Total net position decreased by 75.0 percent during fiscal year 2020 due to the increase in total liabilities and deferred inflows of resources being larger than the overall increase in total assets and deferred outflows of resources reported at year-end.
- Total assets of governmental activities increased by \$44.7 million (28.9 percent) from one year prior. The increase in current and other assets relate to the \$39.9 million increase in cash and investments reported for fiscal year 2020, primarily due to the \$36.5 million bonds issued during the year, the majority of which remained unspent at year-end. The previously mentioned bond issue during the current fiscal year addresses the majority of the \$41.3 million increase in noncurrent liabilities.
- General revenues accounted for \$60.0 million or 86.7 percent of total revenue. Program specific revenues in the form of charges for services, as well as operating grants and contributions account for \$9.2 million or 13.3 percent of total revenues of \$69.2 million. Total revenue reported for fiscal year 2020 decreased 13.4 percent from the amount reported for the prior year as the extended property tax payment dates decreased the amount of property tax receipts available for advance at year end, and therefore revenue, by \$9.7 million. The County Auditor's office expects the amounts to return to normal in subsequent fiscal years.
- The \$14.1 million increase in program expenses for the current year resulted primarily from the swing in pension and OPEB expense recorded. In the prior year, the School District recorded a negative \$1.1 million in pension and OPEB expense while recording a positive \$9.7 million of expense adjustments related to those items for the current year; a swing of \$10.8 million from the prior year. In addition, during the current year the School District reported an additional \$2.8 million of interest expense associated with accreted interest on capital appreciation bonds issued during the fiscal year.
- The General Fund, the School District's general operating fund, had an ending fund balance of \$11.5 million or 21.2 percent of the total ending fund balance for governmental funds. The \$10.6 million of unassigned fund balance reported for the General Fund at June 30, 2020 represents 16.9 percent of the disbursements reported for the General Fund for the year.

Using the Basic Financial Statements

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

DELAWARE CITY SCHOOL DISTRICT

Delaware County

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2020 (Unaudited)

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregated view of the School District's finances and a longer-term view of those statements. 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 also look at the School District's most significant funds with all other nonmajor funds presented in total in one column. While the General Fund is the general operating fund of the Delaware City School District, individual fund statements are also presented for the Debt Service, Permanent Improvement and Building Funds since the School District considers those to be major governmental funds.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains a large number of funds used by the School District to provide programs and activities, 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 answers this question. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting. 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 the change in that net 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, the School District reports governmental activities. Governmental activities are the activities where most of the School District's programs and services are including, but not limited to, instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities. The School District does not have any business-type activities.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's funds begins after the Statement of Activities. The School District uses many funds to account for a multitude of financial transactions. All the funds of the School District can be divided into three categories: governmental, proprietary and fiduciary funds. Some funds are required to be established by State Statute, while many other funds are established by the School District to help manage resources for particular purposes as well as for compliance with various grant provisions. Fund financial statements use different accounting approaches, which are further described in the notes to the financial statements.

DELAWARE CITY SCHOOL DISTRICT

Delaware County

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2020

(Unaudited)

Governmental Funds

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 year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual, 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 government 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 Fund

The School District has one proprietary fund which is an internal service fund established to account for the resources used to pay claims and other expenses associated with the self-insured medical benefits program. This fund is reported using the accrual basis of accounting, just as the district-wide statements and focus on the determination of operating income, the change in net position, financial position, and cash flows. On the district-wide financial statements, the assets and liabilities are included with governmental activities and the net revenue or expense of the internal service fund for the year is allocated amount the participating functions within the governmental activities.

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 in the district-wide financial statements because the resources of those funds are not available to support programs of the School District. The accounting used for fiduciary funds is much like that in the district-wide financial statements.

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:

TABLE 1
NET POSITION

	2020	Restated 2019
<i>Assets:</i>		
Current and other Assets	\$ 110,488,299	\$ 69,435,144
Net OPEB Asset	3,933,621	3,827,046
Capital Assets	84,799,756	81,258,102
Total Assets	<u>199,221,676</u>	<u>154,520,292</u>
<i>Deferred Outflows of Resources:</i>		
Deferred Charge on Refunding	2,290,426	365,486
Pension and OPEB	15,783,357	20,627,051
Total Deferred Outflows of Resources	<u>18,073,783</u>	<u>20,992,537</u>

(Continued)

DELAWARE CITY SCHOOL DISTRICT

Delaware County

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2020
(Unaudited)

TABLE 1
NET POSITION
(Continued)

	2020	Restated 2019
<i>Liabilities:</i>		
Current Liabilities	10,594,834	8,842,778
Noncurrent Liabilities:		
Due Within One Year	3,869,420	2,887,483
Due in More than One Year:		
Net Pension Liability	67,180,342	66,326,298
Net OPEB Liability	6,310,017	6,839,526
Other Obligations	103,900,690	63,860,051
Total Liabilities	<u>191,855,303</u>	<u>148,756,136</u>
<i>Deferred Inflows of Resources:</i>		
Property Taxes	42,370,802	31,353,812
Pension and OPEB	<u>9,638,397</u>	<u>10,588,492</u>
Total Deferred Inflows of Resources	<u>52,009,199</u>	<u>41,942,304</u>
<i>Net Position:</i>		
Net Investment in Capital Assets	15,836,193	16,855,272
Restricted	8,286,073	9,431,876
Unrestricted	<u>(50,691,309)</u>	<u>(41,472,759)</u>
Total Net Position	<u>\$ (26,569,043)</u>	<u>\$ (15,185,611)</u>

(Concluded)

The net pension liability (NPL) is reported pursuant to GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27*, and the net OPEB asset/liability is reported pursuant to GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the School District's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting net OPEB asset and deferred outflows related to pension and OPEB.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's net pension liability or OPEB asset/liability. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 required the net pension liability and the net OPEB asset/liability to equal the School District's proportionate share of each plan's collective:

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service
 - 2 Minus plan assets available to pay these benefits
- GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment

DELAWARE CITY SCHOOL DISTRICT

Delaware County

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2020 (Unaudited)

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.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement systems. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan as against the public employer. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

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 pension liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these assets/liabilities but are outside the control of the local government. In the event the 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.

In accordance with GASB 68 and GASB 75, the School District's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability and net OPEB asset/liability, respectively, not accounted for as deferred inflows/outflows.

The amount by which the School District's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources is called net position. As of June 30, 2020, the School District's total net position was a \$26.6 million deficit. With approximately \$15.8 million of net position invested in capital assets, net of related debt, and another \$8.3 million of net position subject to external restrictions upon its use, the remaining, unrestricted net deficit of the School District was \$50.7 million. The increase in the reported unrestricted deficit for the year resulted primarily from the significant increase in the proportion of property taxes receivables reported within deferred inflows of resources for the current year instead of being reported as property tax revenue. The amount of property taxes reported within deferred inflows of resources increased due to the extension of the payment date due to the pandemic and State of Emergency in effect during the later portion of the current fiscal year. If the amounts related to the net pension and OPEB assets/liabilities calculations are excluded, the unrestricted net position reported by the School District would be a positive \$12.7 million instead of the \$50.7 million deficit currently report. As the operation of the state-wide pension plans is outside the control of the School District and varies significantly from year to year based on performance of investments, it is important to know how significant the recognition of these amounts has on the School District's reported net position.

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Delaware County

Management's Discussion and Analysis

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(Unaudited)

Total assets of governmental activities increased by \$44.7 million (28.9 percent) from the amount reported one year prior. Cash and investments increased during fiscal year 2020 as a majority of the cash generated through the current year debt issuance remained unspent at year end. Net capital assets increased due the start of the school renovation projects in the current year which is reported as construction in progress. Total liabilities of the School District increased by \$43.1 million over those reported one year prior. The increase in liabilities resulted primarily from the new construction bonds issued during the year, the related unamortized premiums on bonds issued, and the increase in the School District's proportionate share of the net pension liabilities reported by the State-wide retirement systems.

Table 2 shows the changes in net position for fiscal year 2020 as compared to those for fiscal year 2019.

TABLE 2
CHANGES IN NET POSITION

	2020	Restated 2019
Revenues		
Program Revenues:		
Charges for Services	\$ 3,334,867	\$ 4,171,891
Operating Grants and Contributions	5,893,242	5,282,773
General Revenues:		
Property Taxes	35,369,149	45,636,220
Grants and Entitlements	21,880,176	22,856,864
Other	2,713,739	1,947,820
Total Revenues	<u>69,191,173</u>	<u>79,895,568</u>
Program Expenses		
Instruction	43,027,368	35,384,909
Support Services:		
Pupil and Instructional Staff	6,607,197	4,736,236
Board of Education, Administration, Fiscal and Business	7,455,139	5,871,372
Plant Operation and Maintenance	5,509,601	5,710,783
Pupil Transportation	3,733,112	3,524,033
Central	636,749	804,863
Operation of Non-Instructional Services	3,956,752	3,900,801
Extracurricular Activities	1,844,913	2,111,632
Unallocated Depreciation	1,773,599	1,771,028
Interest and Fiscal Charges	6,030,175	2,673,952
Total Expenses	<u>80,574,605</u>	<u>66,489,609</u>
Change in Net Position	(11,383,432)	13,405,959
Net Position, Beginning of Year	<u>(15,185,611)</u>	<u>(28,591,570)</u>
Net Position, End of Year	<u>\$ (26,569,043)</u>	<u>\$ (15,185,611)</u>

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by a voted levy does not increase solely as a result of inflation. Property taxes made up 51.1 percent of the total revenue for governmental activities for the Delaware City School District for fiscal year 2020 compared with 57.1 percent for fiscal year 2019. Property tax revenue decreased by 22.5 percent in fiscal year 2020 due to the delay in recognizing property tax revenues as amounts available for advance at year-end decreased as previously mentioned. Unrestricted grants and entitlements revenue, or state foundation revenue, decreased by 4.3 percent over the state funding received in fiscal year 2019 due to cuts in State funding as a result of the pandemic.

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Delaware County

Management's Discussion and Analysis

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(Unaudited)

Program revenues decreased \$226,555, or 2.4 percent, over the restated amount of the prior year. The decrease in total program revenue resulted from a significant decrease in student sales and extracurricular revenue (charges for services) being greater than the increase in intergovernmental grants (operating grants) aimed at assisting all school districts address the difficult conditions caused by the pandemic and resulting state of emergency procedures put in place.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services for each function for fiscal year 2020 as compared with fiscal year 2019.

TABLE 3
TOTAL AND COST OF PROGRAM SERVICES
GOVERNMENTAL ACTIVITIES (in 000's)

	2020		2019 - Restated	
	Total Cost of Service	Net Cost of Service	Total Cost of Service	Net Cost of Service
Instruction	\$ 43,027	\$ 39,204	\$ 35,385	\$ 31,453
Support Services:				
Pupil and Instructional Staff	6,607	5,821	4,736	4,509
Board of Education, Administration, Fiscal and Business	7,455	7,204	5,871	5,619
Plant Operation and Maintenance	5,510	5,374	5,711	5,523
Pupil Transportation	3,733	3,466	3,524	3,247
Central	637	624	805	792
Operation of Non-Instructional Services	3,957	329	3,901	258
Extracurricular Activities	1,845	1,520	2,112	1,189
Unallocated Depreciation	1,774	1,774	1,771	1,771
Interest and Fiscal Charges	6,030	6,030	2,674	2,674
Total Expenses	<u>\$ 80,575</u>	<u>\$ 71,346</u>	<u>\$ 66,490</u>	<u>\$ 57,035</u>

Total expenses reported by the School District for fiscal year 2020 increased by \$14.1 million, or 21.2 percent, compared to those reported for the prior period. To properly analyze the change in expenses, the reader should remove the effects of recognizing the School District's proportionate share of the pension and OPEB plans from the reported expenses. In the prior year, the School District allocated negative \$6.3 million (total pension/OPEB expense and deferral of pension contributions) of expenses to the functional categories based on the pension plans activity for the measurement period. For the current fiscal year, the amount allocated to the functional expense categories based on the current measurement period was a positive \$4.1 million, or a \$10.4 million swing in total expenses reported. Also, in the current year, the School District issued refunding bonds which included capital appreciation bond. Current year interest accretion of \$2.8 million was reported within interest and fiscal charges expense. Excluded these two items, total expenses increased by approximately \$900,000, or 1.3 percent.

As shown in Table 3 above, the total net cost of service increased by \$14.3 million compared with those reported for the prior fiscal year, which is virtually the same as the overall change in total expenses reported for the fiscal year.

Unallocated depreciation represents depreciation expense associated with capital assets that are commonly utilized by multiple functional areas, typically school buildings and related improvements. Depreciation expense on specific assets of a functional area is included in the expense reported for those functions.

DELAWARE CITY SCHOOL DISTRICT

Delaware County

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2020

(Unaudited)

The School District's Funds

Governmental funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$69.5 million and expenditures of \$82.0 million. The net change in fund balance was most significant in the Building Fund, an increase of \$32.0 million due to the general obligation bonds issued during the year. The General Fund, the School District's operating fund, reported a decrease of \$6.9 million for the current year as the decrease in property tax revenue previously discussed had the most significant impact on this fund. Expenditures of the General Fund increased in fiscal year 2020 by approximately \$2.4 million, or 3.9 percent, over those reported for the prior year due to increases in cost of personnel (wages and benefits) for the year. The ending fund balance of the General Fund was \$11.5 million at June 30, 2020, of which approximately \$10.6 million was reported as unassigned. The ending unassigned fund balance of the general fund at June 30, 2020 represents 16.9 percent of the total general fund expenditures reported for the fiscal year, down from the 28.8 percent at the end of the previous fiscal year.

The remaining major funds are restricted for particular purposes. The Debt Service Fund reported an increase in fund balance of \$822,708 which is consistent with that reported during the prior year. The Permanent Improvement Fund reported a slight decrease in fund balance for fiscal year 2020 as management limits capital expenditures to anticipated revenues for the year. The final major fund, the Building Fund, is used to account for construction and/or renovation projects within the School District typically funded through debt proceeds. As previously mentioned, the School District issued \$36.5 million of general obligation bonds during fiscal year 2020 to finance the construction and renovation of school facilities. Due to limited construction activity occurring during the current year, the majority of the monies raised through the sale of these bonds remained unspent at June 30, 2020 resulting in an increase of fund balance for the Building Fund of \$32.0 million.

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.

For the General Fund, budget basis revenue was \$62.4 million (excluding other sources) as compared to the original budget estimates of \$68.2 million or an 8.6 percent negative variance. In the original budget, the School District anticipated an increase in State Foundation revenue, however in the later part of the fiscal year, State Foundation revenue was reduced as the State dealt with the economic situation caused by the COVID-19 pandemic. As a result, the School District amended its original revenue budget during the year by \$6.1 million. Total actual expenditures on the budget basis (cash outlays plus encumbrances) were \$61.6 million, or 3.9 percent less than what was anticipated in the original budget adopted for the year. Budgeted expenditure amounts decreased by 1.7 percent for the General Fund during the fiscal year primarily to adjusted planned expenditures to reflect the decrease in anticipate revenues from the State of Ohio.

Actual budgetary fund balance at year end was \$1.6 million more than the ending balance projected in the final budget adopted for the year.

DELAWARE CITY SCHOOL DISTRICT

Delaware County

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2020

(Unaudited)

Capital Assets

At the end of fiscal year 2020, the School District had \$84.8 million invested in land, buildings, furniture and equipment, and vehicles in governmental activities. Table 4 shows fiscal year 2020 balances compared to 2019, however for greater detail readers should review Note 10 to the basic financial statements.

TABLE 4
CAPITAL ASSETS AT JUNE 30

	2020	2019
Land	\$ 4,014,912	\$ 3,269,434
Construction in Progress	3,958,412	-
Buildings and Improvements	108,821,262	108,016,329
Furniture & Equipment	3,201,215	3,129,770
Vehicles	4,921,732	4,652,055
Less: Accumulated Depreciation	(40,117,777)	(37,809,486)
Total Net Capital Assets	<u>\$ 84,799,756</u>	<u>\$ 81,258,102</u>

Overall, net capital assets increased \$3.5 million from the fiscal year 2019 total net capital assets. The increase in net capital assets resulted from the acquisition of capital assets reported for the year being a greater amount than current year depreciation expense.

Significant capital asset acquisitions by the School District during the fiscal year included; nearly \$4.0 million of construction in progress activity related to the school facilities construction and renovation project being funded by the 2019 general obligation bonds started during the current fiscal year. In addition, the School District acquired land for the construction project for \$745,478, replaced roofs and HVAC systems amounting to \$804,933, and purchased seven new buses costing \$644,585 as well as various other pieces of equipment and vehicles. Total capital asset additions for the year were valued at \$6.3 million with depreciation expense for the year reported at \$2.8 million.

Cost associated with repair and maintenance of the School District's facilities and other assets that do not extend the useful life of the capitalized item, is included within the plant operation and maintenance function.

Debt Administration

At June 30, 2020, the School District had seven general obligation bond issues outstanding with a combined outstanding principal of \$98.2 million, of which \$3.5 million is due within one year. Three of the outstanding bond issues were used to advance refund portions of previously issued bond issues to achieve savings on reduced debt service payments in the future, while the remaining four bond issues provided financing for various school construction and renovation projects over the years. During the current year, the School District issued two bond issues; one for school construction and improvement projects and the other to provide for the advance refunding of existing general obligation bonds. The School District undertook the advance refunding of the 2013 general obligation bonds to reduce debt service payments over the next 29 years by \$5.0 million and achieve an economic gain of \$2.8 million.

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Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2020

(Unaudited)

The School District has \$1.5 million in energy conservation notes outstanding at year-end which were used to finance various building improvements throughout the School District. These notes mature in fiscal year 2027 with \$191,720 being due within one year.

As permitted by Ohio Revised Code Section 133.06(E), the State of Ohio was declared to be a "special needs" district as it relates to issuing debt for purposes of constructing and renovating classroom facilities. This classification allows the School District to exceed the established voted debt limit, if needed, in an amount not to exceed 12 percent of its taxable values plus an amount by which the State projects the tax valuation to increase during the next ten years.

For more detailed disclosures regarding the School District's debt obligations the reader should refer to Note 15 to the basic financial statements.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, 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 questions about this report or need additional financial information contact the Treasurer's Office at Delaware City School District, 74 West William Street, Delaware, OH 43015 or call (740) 833-1100.

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

STATEMENT OF NET POSITION
JUNE 30, 2020

	Governmental Activities
<u>Assets:</u>	
Equity in pooled cash and cash equivalents	\$ 33,109,484
Investments	30,337,056
Materials and supplies inventory	82,035
Accounts receivable	79,638
Intergovernmental receivable	775,201
Prepaid items	201,585
Property and other local taxes receivables	45,903,300
Net OPEB asset	3,933,621
Capital assets:	
Non-depreciable	7,973,324
Depreciable, net of accumulated depreciation	76,826,432
Total Assets	199,221,676
<u>Deferred Outflows of Resources:</u>	
Deferred charge on refunding	2,290,426
Pension and OPEB	15,783,357
Total Deferred Outflows of Resources	18,073,783
<u>Liabilities:</u>	
Accounts payable	1,931,798
Accrued wages and benefits payable	6,615,501
Intergovernmental payable	1,224,485
Accrued interest payable	288,697
Matured compensated absences payable	36,353
Claims payable	498,000
Long Term Liabilities:	
Due within one year	3,869,420
Due in more than one year:	
Net pension liability	67,180,342
Net OPEB liability	6,310,017
Other amounts due in more than one year	103,900,690
Total Liabilities	191,855,303
<u>Deferred Inflows of Resources:</u>	
Property taxes levied for subsequent year	42,370,802
Pension and OPEB	9,638,397
Total Deferred Inflows of Resources	52,009,199
<u>Net Position:</u>	
Net investment in capital assets	15,836,193
Restricted for:	
Debt service	3,563,665
Capital projects	3,556,340
Other purposes	1,166,068
Unrestricted	(50,691,309)
Total Net Position	\$ (26,569,043)

See accompanying notes to the basic financial statements.



**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

		Program Revenues		Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for services & sales	Operating grants and contributions	Total Governmental Activities
Governmental Activities:				
Instruction:				
Regular	\$ 29,849,030	\$ 1,119,623	\$ 67,830	\$ (28,661,577)
Special	11,622,565	-	1,698,237	(9,924,328)
Vocational	163,856	-	36,636	(127,220)
Student intervention services	1,143,187	-	900,309	(242,878)
Other	248,730	-	-	(248,730)
Support Services:				
Pupils	4,628,371	-	88,809	(4,539,562)
Instructional staff	1,978,826	22,729	674,615	(1,281,482)
Board of education	234,842	-	-	(234,842)
Administration	4,677,811	55,004	195,823	(4,426,984)
Fiscal	2,016,884	-	-	(2,016,884)
Business	525,602	-	-	(525,602)
Operation and maintenance of plant	5,509,601	135,835	-	(5,373,766)
Pupil transportation	3,733,112	-	266,985	(3,466,127)
Central	636,749	-	12,600	(624,149)
Operation of non-instructional services	3,956,752	1,777,711	1,849,984	(329,057)
Extracurricular activities	1,844,913	223,965	101,414	(1,519,534)
Interest and fiscal charges	6,030,175	-	-	(6,030,175)
Unallocated depreciation *	1,773,599	-	-	(1,773,599)
Total Governmental Activities	<u>\$ 80,574,605</u>	<u>\$ 3,334,867</u>	<u>\$ 5,893,242</u>	<u>(71,346,496)</u>
General Revenues:				
Property taxes and other local taxes:				
Levied for general purposes				29,680,293
Levied for debt service				4,146,513
Levied for capital improvements				1,542,343
Payments in Lieu of Property Taxes				25,669
Grants and entitlements not restricted to specific programs				21,880,176
Investment earnings				1,450,051
Miscellaneous				1,238,019
Total General Revenues				<u>59,963,064</u>
Change in net position				(11,383,432)
Net position at beginning of year - restated				<u>(15,185,611)</u>
Net position at end of year				<u>\$ (26,569,043)</u>

* - This amount excludes the depreciation that is included in the direct expense of the various functions.

See accompanying notes to the basic financial statements.

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

	General Fund	Debt Service Fund	Permanent Improvement Fund	Building Fund	Other Governmental Funds	Total Governmental Funds
<u>Assets:</u>						
Equity in pooled cash and cash equivalents	\$ 16,116,777	\$ 6,218,741	\$ 2,777,165	\$ 3,446,675	\$ 1,090,861	\$ 29,650,219
Investments	-	-	-	30,335,056	2,000	30,337,056
Materials and supplies inventory	75,562	-	-	-	6,473	82,035
Accounts receivable	33,386	-	-	-	36,701	70,087
Interfund receivable	173,265	-	-	-	-	173,265
Intergovernmental receivable	21,036	-	-	-	754,165	775,201
Prepaid items	201,585	-	-	-	-	201,585
Property and other local taxes receivable	38,461,875	5,440,762	2,000,663	-	-	45,903,300
Total Assets	<u>\$ 55,083,486</u>	<u>\$ 11,659,503</u>	<u>\$ 4,777,828</u>	<u>\$ 33,781,731</u>	<u>\$ 1,890,200</u>	<u>\$ 107,192,748</u>
<u>Liabilities, Deferred Inflows of Resources and Fund Balances:</u>						
<u>Liabilities:</u>						
Accounts payable	\$ 148,164	\$ -	\$ 173,568	\$ 1,522,733	\$ 87,333	\$ 1,931,798
Accrued wages and benefits payable	6,219,433	-	-	-	396,068	6,615,501
Interfund payable	-	-	-	-	173,265	173,265
Intergovernmental payable	1,199,641	-	-	-	24,844	1,224,485
Matured compensated absences payable	36,353	-	-	-	-	36,353
Total Liabilities	<u>7,603,591</u>	<u>-</u>	<u>173,568</u>	<u>1,522,733</u>	<u>681,510</u>	<u>9,981,402</u>
<u>Deferred Inflows of Resources:</u>						
Property taxes levied for subsequent year	35,475,738	5,041,247	1,853,817	-	-	42,370,802
Unavailable revenue	513,961	74,994	27,533	-	260,250	876,738
Total Deferred Inflows of Resources	<u>35,989,699</u>	<u>5,116,241</u>	<u>1,881,350</u>	<u>-</u>	<u>260,250</u>	<u>43,247,540</u>
<u>Fund Balances:</u>						
Nonspendable	277,147	-	-	-	4,200	281,347
Restricted	-	6,543,262	2,722,910	32,258,998	973,742	42,498,912
Assigned	610,686	-	-	-	-	610,686
Unassigned (Deficit)	10,602,363	-	-	-	(29,502)	10,572,861
Total Fund Balances	<u>11,490,196</u>	<u>6,543,262</u>	<u>2,722,910</u>	<u>32,258,998</u>	<u>948,440</u>	<u>53,963,806</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 55,083,486</u>	<u>\$ 11,659,503</u>	<u>\$ 4,777,828</u>	<u>\$ 33,781,731</u>	<u>\$ 1,890,200</u>	<u>\$ 107,192,748</u>

See accompanying notes to the basic financial statements.

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2020

Total Governmental Fund Balances:	\$ 53,963,806
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	84,799,756
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Other long-term assets are not available to pay for current-period expenditures and therefore are reported as "unavailable" in the funds.	876,738
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Deferred charge on refunding is not recognized as an expenditure in the period the transaction occurs, therefore it is reported as deferred outflows of resources in the funds. On the full accrual statements, this amount is amortized over a period of time and the unamortized amount is reported on the statement of net position.	2,290,426
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Long-term liabilities which are not due and payable in the current period and therefore not reported in the funds.	
Refunding bonds payable	(31,685,866)
General obligations bonds payable	(66,465,000)
Accrued interest payable	(288,697)
Unamortized bond premiums	(5,868,008)
Compensated absences	(2,297,126)
Long-term notes payable	(1,454,110)
Total	(108,058,807)

The net pension and OPEB liabilities are not due and payable in the current period and the OPEB asset is not available to the School District; therefore, the asset, liabilities and related deferred outflows/inflows of resources associated with the pension and OPEB plans are not reported in governmental funds.	
Net OPEB asset	3,933,621
Deferred outflows of resources - pension and OPEB	15,783,357
Deferred inflows of resources - pension and OPEB	(9,638,397)
Net pension liability	(67,180,342)
Net OPEB liability	(6,310,017)
Total	(63,411,778)

Internal service funds are used by management to accumulate sufficient resources to pay health care medical claims as they come due through payroll charges to the individual funds. The assets and liabilities of the internal service fund are included in the governmental activities in the statement of net position.	2,970,816
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Net Position of Governmental Activities	\$ (26,569,043)
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**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	General Fund	Debt Service Fund	Permanent Improvement Fund	Building Fund	Other Governmental Funds	Total Governmental Funds
Revenues:						
Property and other local taxes	\$ 29,877,087	\$ 4,161,928	\$ 1,549,049	\$ -	\$ -	\$ 35,588,064
Intergovernmental	21,795,098	703,275	220,649	-	4,949,015	27,668,037
Interest	944,729	-	-	505,232	90	1,450,051
Tuition and fees	1,971,497	-	-	-	-	1,971,497
Rentals	135,835	-	-	-	-	135,835
Extracurricular activities	94,604	-	-	-	434,527	529,131
Gifts and donations	90,766	-	-	-	87,131	177,897
Customer sales and services	35,482	-	-	-	662,922	698,404
Payments in lieu of property taxes	25,669	-	-	-	-	25,669
Miscellaneous	947,305	-	63,095	-	227,619	1,238,019
Total Revenues	55,918,072	4,865,203	1,832,793	505,232	6,361,304	69,482,604
Expenditures:						
Current:						
Instruction:						
Regular	28,356,252	-	415,886	-	43,236	28,815,374
Special	10,368,444	-	-	-	1,091,831	11,460,275
Vocational	154,247	-	-	-	-	154,247
Student intervention services	520,319	-	-	-	694,576	1,214,895
Other instruction	132,309	-	-	-	-	132,309
Support Services:						
Pupils	4,117,639	-	-	-	414,651	4,532,290
Instructional staff	1,720,993	-	-	-	193,642	1,914,635
Board of education	227,454	-	-	-	-	227,454
Administration	4,268,788	-	696	-	202,142	4,471,626
Fiscal	1,450,011	72,269	26,595	-	1,996	1,550,871
Business	375,186	-	94,672	-	-	469,858
Operation and maintenance of plant	4,774,982	-	98,063	-	26,296	4,899,341
Pupil transportation	3,311,389	-	654,793	-	7,000	3,973,182
Central	367,597	-	224,460	-	12,600	604,657
Non-instructional services	1,186,583	-	-	-	2,572,235	3,758,818
Extracurricular activities	1,305,810	-	-	-	510,052	1,815,862
Capital outlay	-	-	491,802	5,064,387	-	5,556,189
Debt Service:						
Principal retirement	186,750	2,495,000	-	-	-	2,681,750
Interest and fiscal charges	41,202	3,313,310	-	-	-	3,354,512
Issuance costs	-	127,851	-	300,491	-	428,342
Total Expenditures	62,865,955	6,008,430	2,006,967	5,364,878	5,770,257	82,016,487
Excess of Revenues Over(Under) Expenditures	(6,947,883)	(1,143,227)	(174,174)	(4,859,646)	591,047	(12,533,883)
Other Financing Sources (Uses):						
General obligation bonds issued	-	-	-	36,530,000	-	36,530,000
Refunding bonds issued	-	19,794,972	-	-	-	19,794,972
Premium on debt issued	-	4,455,136	-	300,666	-	4,755,802
Payment to refunded bond escrow agent	-	(22,284,173)	-	-	-	(22,284,173)
Total Other Financing Sources (Uses)	-	1,965,935	-	36,830,666	-	38,796,601
Net Change in Fund Balance	(6,947,883)	822,708	(174,174)	31,971,020	591,047	26,262,718
Fund Balance at Beginning of Year - restated	18,438,079	5,720,554	2,897,084	287,978	357,393	27,701,088
Fund Balance at End of Year	\$ 11,490,196	\$ 6,543,262	\$ 2,722,910	\$ 32,258,998	\$ 948,440	\$ 53,963,806

See accompanying notes to the basic financial statements.

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, 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**

Net Change in Fund Balances - Total Governmental Funds \$ 26,262,718

Amounts reported for governmental activities in the statement of activities are different because:

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. The following represents the capital asset activity for the year.

Capital asset acquisition cost	6,324,265	
Current year depreciation	(2,775,193)	
Total		3,549,072

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 carrying value of disposed capital assets. (7,418)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Taxes	(218,915)	
Intergovernmental	(72,516)	
Total		(291,431)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of long-term debt principal consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effects of premiums, discounts, deferred charges on refunding when the debt is issued, whereas these amounts are amortized in the statement of activities.

Repayment of long-term debt	2,681,750	
Current year amortization of bond premium	322,856	
Current year amortization of deferred charge on refunding	(172,033)	
Accreted interest on capital appreciation bonds	(2,765,894)	
Long-term debt issued	(56,324,972)	
Premium on bonds issued	(4,755,802)	
Payment to escrow agent for advance bond refunding	22,284,173	
Total		(38,729,922)

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.

Accrued interest payable on long-term debt	(60,592)	
Compensated absences	(367,714)	
Total		(428,306)

Contractually required contributions are reported as expenditures in the governmental funds, however, the statement of net position reports these amounts as deferred outflows.

Pension	5,446,412	
OPEB	155,213	
Total		5,601,625

Except for amounts reported as deferred outflows or inflows, changes in the net pension and OPEB liabilities are reported as pension and OPEB expenses which are allocated to the functions in the statement of activities.

Pension expense	(10,646,196)	
Negative OPEB expense	933,012	
Total		(9,713,184)

Internal service funds are used by management to accumulate sufficient resources to pay health care medical claims as they come due through payroll charges to the individual funds.

The net revenue or expense of this fund is allocated among the governmental activities on the statement of activities. 2,373,414

Change in Net Position of Governmental Activities	<u>\$ (11,383,432)</u>
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See accompanying notes to the basic financial statements.

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GENERAL FUND - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts			Variance with
	Original	Final Revised	Actual	Final Budget
Revenues:				
Taxes	\$ 36,780,057	\$ 37,932,171	\$ 37,935,160	\$ 2,989
Intergovernmental	28,432,982	21,774,598	21,778,276	3,678
Interest	1,060,902	840,000	937,151	97,151
Tuition and Fees	1,278,488	1,117,353	1,129,356	12,003
Rentals	161,878	145,000	142,995	(2,005)
Extracurricular Activities	43,814	37,800	38,703	903
Payment in Lieu of Taxes	29,059	25,000	25,669	669
Miscellaneous	421,970	266,016	372,748	106,732
Total Revenues	<u>68,209,150</u>	<u>62,137,938</u>	<u>62,360,058</u>	<u>222,120</u>
Expenditures:				
Current:				
Instruction:				
Regular	29,528,350	28,856,140	28,263,643	592,497
Special	10,780,570	10,549,301	10,318,836	230,465
Vocational	159,766	158,293	152,923	5,370
Student Intervention Services	535,025	513,751	512,110	1,641
Other Instruction	138,290	135,412	132,367	3,045
Support Services:				
Pupils	4,218,877	4,106,812	4,038,181	68,631
Instructional Staff	1,745,097	1,761,391	1,670,355	91,036
Board of Education	252,546	245,880	241,729	4,151
Administration	4,375,599	4,293,722	4,188,191	105,531
Fiscal	1,512,333	1,477,731	1,447,559	30,172
Business	391,005	388,608	374,258	14,350
Operation and Maintenance of Plant	5,098,838	5,174,453	5,098,642	75,811
Pupil Transportation	3,430,236	3,410,790	3,283,318	127,472
Central	411,842	444,321	394,203	50,118
Extracurricular Activities	1,339,796	1,298,259	1,282,412	15,847
Debt Service:				
Principal Retirement	186,750	186,750	186,750	-
Interest and Fiscal Charges	41,202	41,202	41,202	-
Total Expenditures	<u>64,146,122</u>	<u>63,042,816</u>	<u>61,626,679</u>	<u>1,416,137</u>
Excess of Revenues Over Expenditures	4,063,028	(904,878)	733,379	1,638,257
Other Financing Sources:				
Refund of Prior Year Expenditures	150,000	357,835	358,015	180
Total Other Financing Sources	<u>150,000</u>	<u>357,835</u>	<u>358,015</u>	<u>180</u>
Net Change in Fund Balances	4,213,028	(547,043)	1,091,394	1,638,437
Fund Balance at Beginning of Year	12,539,307	12,539,307	12,539,307	-
Prior Year Encumbrances Appropriated	754,431	754,431	754,431	-
Fund Balance at End of Year	<u>\$ 17,506,766</u>	<u>\$ 12,746,695</u>	<u>\$ 14,385,132</u>	<u>\$ 1,638,437</u>

See accompanying notes to the basic financial statements.

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

STATEMENT OF FUND NET POSITION
INTERNAL SERVICE FUND
JUNE 30, 2020

	<u>Governmental Activities</u>
	<u>Self-Insurance Fund</u>
<u>Assets:</u>	
Equity in pooled cash and cash equivalents	\$ 3,459,265
Accounts receivable	<u>9,551</u>
Total Assets	<u>3,468,816</u>
<u>Liabilities:</u>	
Claims Payable	<u>498,000</u>
Total Liabilities	<u>498,000</u>
<u>Net Position:</u>	
Unrestricted	<u>\$ 2,970,816</u>

See accompanying notes to the basic financial statements.

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Governmental Activities
	Self-Insurance Fund
<u>Operating Revenues:</u>	
Charges for Services	\$ 8,965,937
Other	<u>76,101</u>
Total Operating Revenues	<u>9,042,038</u>
<u>Operating Expenses:</u>	
Purchased Services	1,662,161
Insurance Claims	<u>5,006,463</u>
Total Operating Expenses	<u>6,668,624</u>
Change in Net Position	2,373,414
Net Position Beginning of Year	<u>597,402</u>
Net Position End of Year	<u><u>\$ 2,970,816</u></u>

See accompanying notes to the basic financial statements.

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Governmental Activities
	Self-Insurance Fund
<i>Increase(Decrease) in Cash and Cash Equivalents:</i>	
<u>Cash Flows from Operating Activities:</u>	
Receipts from Interfund Services Provided	\$ 9,101,498
Receipts from Other Sources	70,488
Cash Payments to Suppliers for Goods and Services	(1,662,211)
Cash Payments for Insurance Claims	(5,418,974)
Net Cash Provided by Operating Activities	<u>2,090,801</u>
Net Increase in Cash and Cash Equivalents	2,090,801
Cash and Cash Equivalents at Beginning of Year	<u>1,368,464</u>
Cash and Cash Equivalents at End of Year	<u>\$ 3,459,265</u>
<i>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</i>	
Operating Income	\$ 2,373,414
<u>Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:</u>	
Changes in Assets and Liabilities:	
Increase in Accounts Receivable	(5,613)
Increase in Claims Payable	<u>(277,000)</u>
Net Cash Provided by Operating Activities	<u>\$ 2,090,801</u>

See accompanying notes to the basic financial statements.

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

**STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2020**

	<u>Private Purpose Trust Funds</u>	<u>Custodial Fund</u>
<u>Assets:</u>		
Equity in pooled cash and cash equivalents	\$ 119,930	\$ 2,748
Accounts receivable	<u>29</u>	<u>-</u>
Total Assets	<u>119,959</u>	<u>2,748</u>
<u>Net Position:</u>		
Restricted for scholarships	119,959	-
Restricted for individuals, organizations, and other governments	<u>-</u>	<u>2,748</u>
Total Net Position	<u>\$ 119,959</u>	<u>\$ 2,748</u>

See accompanying notes to the basic financial statements.

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Private Purpose Trust Funds</u>	<u>Custodial Fund</u>
<u>Additions:</u>		
Gifts and Donations	\$ 2,138	\$ -
Investment Earnings	1,735	-
Extracurricular amounts collected for other organizations	<u>-</u>	<u>2,373</u>
Total Additions	<u>3,873</u>	<u>2,373</u>
<u>Deductions:</u>		
Scholarship payments in accordance with trust agreements	3,201	-
Extracurricular distributions to other organizations	<u>-</u>	<u>1,961</u>
Total Deductions	<u>3,201</u>	<u>1,961</u>
Change in Net Position	672	412
Net Position Beginning of Year - Restated	<u>119,287</u>	<u>2,336</u>
Net Position End of Year	<u>\$ 119,959</u>	<u>\$ 2,748</u>

See accompanying notes to the basic financial statements.



DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

The Delaware City School District (School District) operates under a locally-elected five member board form of government and provides educational services mandated by state and, or federal agencies. This Board controls the School District's eight instructional/support facilities staffed by 244 non-certificated employees and 388 certificated employees, including 33 administrative employees, to provide services to a student enrollment of 5,707 students.

The School District was established in 1871 through the consolidation of existing land areas and school districts and is organized under Section 2 and 3, Article VI of the Constitution of the State of Ohio. Under such laws, there is no authority for a school district to have a charter or adopt local laws. The legislative power of the School District is vested in the Board of Education, consisting of five members elected at large for staggered four-year terms.

The School District serves an area of approximately 41 square miles within Delaware County, including all of the City of Delaware, Ohio and portions of surrounding townships. The School District is the second largest in Delaware County in terms of enrollment. It currently operates five elementary schools, one middle school and one comprehensive high school.

Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the School District are not misleading.

The primary government consists of all funds and departments, not legally separate from the School District, which provide various services including instruction, student guidance, extracurricular activities, educational media and care and upkeep of grounds and buildings. The operation of each of these activities is directly controlled by the Board of Education.

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 body 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 for which the School District approves the budget, the issuance of debt or the levying of taxes.

The School District does not have any component units.

The District is associated with two organizations, which are defined as jointly governed. These organizations include META Solutions and the Delaware Area Career Center. These organizations are presented in Note 18 to the basic financial statements.

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Delaware City 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.

A. 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 statement of net position presents the financial condition of the governmental activities of the School District at year-end. The government-wide 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. Revenues not classified as program revenues are presented as general revenues of the School District, with certain limited exceptions. 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 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 fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Internal service and fiduciary funds are reported by fund type.

B. Fund Accounting

The School District uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain School District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the School District are grouped into the categories governmental, proprietary and fiduciary.

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Funds

Governmental funds focus 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 less liabilities and deferred inflows of resources is reported as fund balance. The General, Debt Service, Permanent Improvement, and Building Funds are the School District's major funds:

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

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the repayment of, the School District's general obligation debt, including the three school improvement bonds previously approved by voters within the School District's boundaries.

Permanent Improvement Fund – The Permanent Improvement Fund is used to account for financial resources, specifically property and other local taxes generated by the School District's permanent improvement levy, to be used to maintain the School District's facilities, as well as provide for major equipment and instructional material purchases.

Building Fund – The Building Fund is used to account for the resources, received through the issuance of general obligation bonds, which are restricted to significant construction and renovation projects to existing and new school buildings within the School District.

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

Proprietary Fund

The proprietary fund focuses on the determination of operating income, the change 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. For the School District, the internal service fund is used to account for the self-insured, employee medical benefits program.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and custodial funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. Custodial funds are used to account for fiduciary activity not accounted for within a trust fund. The School District's fiduciary funds include private-purpose trust funds, which account for college scholarships for graduating students, and a custodial fund used to account for State tournament games.

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the School District are included on the Statement of 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 along with current liabilities and deferred inflows of resources are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current 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 provide a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Proprietary and fiduciary funds are reported using the economic resources measurement focus.

D. 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 are prepared using the accrual basis of accounting; as are the internal service and private purpose trust funds. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual bases of accounting arise in the recognition of revenue, 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. “Measurable” means the amount of the transaction can be determined, and “available” means collectible within the current fiscal year or 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.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is 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

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

or the fiscal 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. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed to be both measurable and available: property taxes available as an advance, grants, investment earnings, tuition, and student fees.

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 charges on refunding, pension, and OPEB. 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 and OPEB plans are explained further in Notes 12 and 13.

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 as an inflow of resources until that time. For the School District, deferred inflows of resources include property taxes, unavailable revenue, pension, and OPEB. 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 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, intergovernmental grants, and student fees. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position (see Notes 12 and 13).

Expenditures/Expenses

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are recorded when the related liability is incurred, if measurable. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year. The costs of accumulated unpaid vacation and sick leave are reported as fund liabilities in the period in which they will be liquidated with available financial resources rather than in the period earned by the employee. Allocation of costs, such as depreciation and amortization, are not recognized in governmental funds.

The accrual basis of accounting utilized on the government-wide financial statements and by internal service and private purpose trust funds recognizes revenues when they are earned, and expenses are recognized at the time they are incurred.

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budget Data

All governmental funds, other than Student Managed Activities Fund, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of 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 amount the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The Board has established the legal level of control at the individual fund level.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue, are identified by the School District. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2020.

The appropriation resolution is subject to amendment by the Board throughout the school 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 year.

F. Cash and Cash Equivalents

To improve cash management, cash received by the School District is pooled in a central bank account. Monies for all funds are pooled in this account or temporarily used to purchase short-term investments. Individual fund integrity is maintained through the School District's records. Each fund's interest in the pool is presented on the balance sheet as "Equity in Pooled Cash and Cash Equivalents".

During fiscal year 2020, investments were limited to U.S. Treasury securities, federal agency securities, negotiable certificates of deposit, mutual funds, commercial paper and STAR Ohio.

Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Nonparticipating investment contracts, such as repurchase agreements and nonnegotiable certificates of deposit, are reported at cost.

The School District has invested funds in the State Treasury Assets Reserves of Ohio (STAR Ohio) during fiscal year 2020. STAR 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 a NAV per share that approximates fair value.

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$100 million, 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.

The School District has allocated interest according to Ohio statutes. Interest revenue credited to the General Fund during fiscal year 2020 amounted to \$944,729, which includes \$466,267 assigned from other funds.

G. Inventory

On government-wide financial statements, inventories are presented at cost on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as an expenditure in the governmental fund types when consumed rather than when purchased.

H. 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 and recording a current asset for the prepaid amount and reflecting the expenditure in the year in which services are consumed.

I. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.

J. Capital Assets and Depreciation

General capital assets generally result from expenditures in the governmental funds. These assets are reported within the governmental activities on the government-wide statement of net position but are not reported in the fund statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements throughout the year. Donated capital assets are recorded at the acquisition value 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 cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

All reported capital assets except for 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>
Buildings and Improvements	20 to 50 years
Furniture and Equipment	8 to 20 years
Vehicles	10 years

K. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures or 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 and uses in governmental funds. Repayments from funds responsible for particular expenditures or expenses to the funds that initially paid for them are not presented on the financial statements.

L. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned when both of these conditions are met:

1. The employees' rights to receive compensation are attributable to services already rendered.
2. It is probable that the employer will compensate the employees for the benefits through paid time off or some other means, such as cash payments at termination or retirement.

A liability for sick leave is accrued using the vesting method which states that the School District will estimate its liability based on sick leave accumulated at the balance sheet date by those employees who currently are eligible to receive termination payments as specified by the retirement system as well as other employees who are expected to become eligible in the future to receive such payments. The amount is based on accumulated sick 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 sick leave for all employees after fifteen years of current service with the School District.

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "matured compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported.

M. Pensions/Other Postemployment Benefit (OPEB) Plans

For purposes of measuring the net pension and OPEB assets or liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the fiduciary net position of the pension and 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 and 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 and OPEB plans report investments at fair value.

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements and in the proprietary fund statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and from current financial resources, are reported as obligations of the funds. However, claims and judgments, 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. Net pension and OPEB liabilities should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension and OPEB plans' fiduciary net position is not sufficient for payment of those benefits.

O. Net Position

Net position is the residual amount when comparing assets and deferred outflows of resources to liabilities and deferred inflows of resources. 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 the use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws, or regulations of other governments.

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

P. 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 the governmental funds. The classifications are as follows:

Nonspendable – The nonspendable fund balance category includes amounts that cannot be spent because they are in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

Restricted – 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 imposed by a formal action (resolution) of the School District's governing board. Those committed amounts cannot be used for any other purpose unless the governing board 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 use in satisfying those contractual requirements.

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 governing board.

In the general fund, assigned amounts represent intended uses established by the governing board or an official delegated that authority by resolution or by State statute. State statute authorizes the Treasurer to assign fund balance via purchase orders, provided such amounts have been lawfully appropriated.

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 a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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 amounts in any of the unrestricted fund balance classifications could be used.

NOTE 3 – CHANGE IN ACCOUNTING PRINCIPLE

For fiscal year 2020, the School District implemented the Governmental Accounting Standards Board (GASB) Statements No. 84, *Fiduciary Activities* and No. 90, *Majority Equity Interests – an amendment of GASB Statement No. 14 and No. 61*.

GASB Statement No. 84 establishes 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 the funds previously reported as agency funds and has reclassified one of those funds as a governmental fund, which resulted in the following restatements as of June 30, 2019:

	Governmental Activities	Other Governmental Funds	Total Governmental Funds	Custodial Fund
Net Position/Fund Balance at 6/30/2019, as previously reported.	\$ (15,457,184)	\$ 85,820	\$ 27,429,515	\$ -
Adjustments:				
Implementation of GASB 84:				
Fund Reclassifications	271,573	271,573	271,573	-
Creation of New Fund Type	-	-	-	2,336
Net Position/Fund Balance at 6/30/2019, as previously restated.	<u>\$ (15,185,611)</u>	<u>\$ 357,393</u>	<u>\$ 27,701,088</u>	<u>\$ 2,336</u>

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 3 – CHANGE IN ACCOUNTING PRINCIPLE (Continued)

GASB Statement No. 90 improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and improves the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of equity interest meets the definition of an investment. The implementation of GASB Statement No. 90 did not have an effect on the financial statements of the School District.

NOTE 4 – NET POSITION AND FUND BALANCES**Net Position**

On the Statement of Net Position, the restricted net position reported for "other purposes" includes the following constraints placed on the net position of the governmental activities: Student Activities \$564,090, Federal and State Grants \$573,068, Local and Other \$23,669, Perpetual Care – Expendable \$1,041, and Perpetual Care – Nonexpendable \$4,200.

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 the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General	Debt Service	Permanent Improvement	Building	Nonmajor Governmental Funds	Total
Nonspendable for:						
Inventory and Prepaids	\$ 277,147	\$ -	\$ -	\$ -	\$ -	\$ 277,147
Library and Land Trust	-	-	-	-	4,200	4,200
Total Nonspendable	<u>277,147</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,200</u>	<u>281,347</u>
Restricted for:						
Debt Service	-	6,543,262	-	-	-	6,543,262
Capital Improvements	-	-	2,722,910	32,258,998	-	34,981,908
Library and Land Trust	-	-	-	-	1,041	1,041
Student Activities	-	-	-	-	564,090	564,090
Other Purpose	-	-	-	-	25,988	25,988
State Educational Grants	-	-	-	-	378,088	378,088
Federal Educational Grants	-	-	-	-	4,535	4,535
Total Restricted	<u>-</u>	<u>6,543,262</u>	<u>2,722,910</u>	<u>32,258,998</u>	<u>973,742</u>	<u>42,498,912</u>
Assigned for:						
School Programs	168,379	-	-	-	-	168,379
Subsequent Expenditures	442,307	-	-	-	-	442,307
Total Assigned	<u>610,686</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>610,686</u>
Unassigned (Deficit)	<u>10,602,363</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(29,502)</u>	<u>10,572,861</u>
Total Fund Balances	<u>\$ 11,490,196</u>	<u>\$ 6,543,262</u>	<u>\$ 2,722,910</u>	<u>\$ 32,258,998</u>	<u>\$ 948,440</u>	<u>\$ 53,963,806</u>

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 4 – NET POSITION AND FUND BALANCES (Continued)

Fund balance restricted for state and federal educational grants represent fund balance that must be spent in accordance within specific grant requirements on educational programs targeted to enhance student learning. Nonspendable fund balance is not reported in the nonmajor governmental funds for materials and supplies inventory as the inventory will ultimately be utilized by the food service fund for sales which are restricted to meet the ongoing food service operations.

NOTE 5 – ACCOUNTABILITY AND COMPLIANCE

Deficit Fund Balances

At June 30, 2020, the following nonmajor special revenue funds reported fund deficits: Elementary & Secondary School Emergency Relief Grant (\$28,829), Title III Grant (\$2), Preschool Special Education Grant (\$28), Improving Teacher Quality Grant (\$140), and Miscellaneous Federal Grants (\$503).

These deficits resulted from adjustments for accrued liabilities. Management expects the deficits, in the funds mentioned above, to be corrected early in the next fiscal year. The General Fund is liable for any deficit in other funds and provides operating transfers when cash is required, not when accruals occur.

NOTE 6 – BUDGETARY BASIS OF ACCOUNTING

While the School District is reporting financial position, results of operations, and changes in fund balances 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 Balance - Budget (Non-GAAP Basis) and Actual – 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 basis for the general fund 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 fund liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as an assignment of fund balance (GAAP basis).
4. For GAAP reporting purposes, certain funds which are budgeted separately from the general fund, are reported as part of the general fund.

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 6 – BUDGETARY BASIS OF ACCOUNTING (Continued)

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund.

	<u>Net Change in Fund Balance</u> <u>General Fund</u>
GAAP Basis	\$ (6,947,883)
Revenue Accruals	7,742,031
Expenditure Accruals	382,665
Encumbrances	(521,198)
Other Financing Sources	358,015
Change in Fund Balance of Funds Combined with General Fund for Reporting Purposes	<u>77,764</u>
Budget Basis	<u>\$ 1,091,394</u>

NOTE 7 – DEPOSITS AND INVESTMENTS

State statutes require the classification of monies held by the School District into three categories.

Active Monies – Those monies required to be kept in a “cash” or “near-cash” status for the immediate use of the district. Such monies must be maintained either as cash in the treasury, in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive Monies – Those monies not required for use within the current five-year period of designation of depositories. Inactive monies may be deposited or invested as certificate of deposit maturing no later than the end of the current period of designation of depositories, or as savings or deposit accounts including, but not limited to, passbook accounts.

Interim Monies – 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. Ohio law permits interim monies to be invested in legal securities (see Note 2F).

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3, “Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements” and amended by GASB Statement No. 40, “Deposit and Investment Risk Disclosure”.

Deposits

Custodial credit risk is the risk that in the event of bank failure, the School District’s deposits may not be returned to it. The School District does not have a custodial credit risk policy. At fiscal year-end, \$1,040,328 was exposed to custodial credit risk since it was uninsured and collateralized with securities under the Ohio Treasurer’s Ohio Pooled Collateral System, but not in the School District’s name.

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 7 - DEPOSITS AND INVESTMENTS (Continued)**Investments**

As of June 30, 2020, the School District's investments consisted of the following:

Investment Type	Measurement Value	Matures in		% of Portfolio
		less than One Year	One to Four Years	
Commercial Paper	\$ 6,913,505	\$ 6,913,505	\$ -	11.3%
Negotiable CDs	10,469,535	6,496,117	3,973,418	17.1%
U.S. Treasury Note	21,256,302	10,237,720	11,018,582	34.7%
Federal Agency	7,942,815	6,411,283	1,531,532	13.0%
Mutual Fund	1,141,449	1,141,449	-	1.9%
STAR Ohio	13,452,195	13,452,195	-	22.0%
Total	<u>\$ 61,175,801</u>	<u>\$ 44,652,269</u>	<u>\$ 16,523,532</u>	

The School District's investment policy permits the purchase of any security specifically authorized by the Ohio Revised Code (the ORC) and includes the following:

Interest Rate Risk – As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the School District's investment policy limits investment maturities to five years or less.

Credit Risk – The School District has no policy limiting investments based on credit risk other than those established in the ORC. The School District's investments had the following credit risk ratings:

Investment Type	Credit Rating	Rating Agency
Mutual Fund	AAAm	Standard Poor's
Federal Agency	AA+	Standard Poor's
Commercial Paper	P-1	Moody's
STAROhio	AAAm	Standard Poor's

Custodial Credit Risk – All investments shall be issued in the name of the School District.

Concentration of Credit Risk – Diversification shall ensure potential losses on individual securities do not exceed the income generated from the remainder of the initial investment.

Fair Value Measurement

The School District's investments measured and reported at fair value are classified according to the following hierarchy:

- Level 1 – Investments reflect prices quoted in active markets.
- Level 2 – Investments reflect prices that are based on a similar observable asset either directly, or indirectly, which may include inputs in markets that are not considered to be active.
- Level 3 – Investments reflect prices based upon unobservable sources.

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 7 - DEPOSITS AND INVESTMENTS (Continued)

The categorization of investments within the hierarchy is based upon the transparency of the instrument and should not be perceived as the particular investment's risk. The School District had the following reoccurring fair value measurements as of June 30, 2020:

Investment Type	Measurement Value	Identical Assets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Commercial Paper	\$ 6,913,505	\$ -	\$ 6,913,505	\$ -
Negotiable CDs	10,469,535	-	10,469,535	-
U.S. Treasury Note	21,256,302	-	21,256,302	-
Federal Agency	7,942,815	-	7,942,815	-
Mutual Fund (amortized cost)	1,141,449	-	-	-
STAR Ohio (NAV)	13,452,195	-	-	-
Total	<u>\$61,175,801</u>	<u>\$ -</u>	<u>\$46,582,157</u>	<u>\$ -</u>

Investments classified in Level 2 of the fair value hierarchy are valued using pricing sources as provided by the investment managers. The School District's investments in Mutual Funds and STAR Ohio are not reported by category as they are reported at amortized cost and net asset value, respectively, instead of at fair value.

NOTE 8 - PROPERTY TAXES

Property taxes are levied and assessed on a calendar year basis. Second half distributions occur in a new fiscal year. Property taxes include amounts levied against all real and public utility tangible personal property located in the School District. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31 of the prior year were levied April 1 and are collected with real property taxes. Assessed values for real property taxes are established by State Law at 35 percent of appraised market value. All property is required to be reevaluated every six years. Public utility property taxes are assessed on tangible personal property at 88 percent of true value (with certain exceptions) and on real property at 35 percent of true value and are levied after April 1 on the value listed as of December 31 of the current year.

Real property taxes are payable annually or semi-annually. The first payment is due February 10, with the remainder payable by July 10. The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the Delaware City School District. The County Auditor periodically remits to the School District its portion of the taxes collected. The full tax rate for all School District operations for the year ended June 30, 2020 was \$82.47 per \$1,000 of assessed value. The assessed values upon which the fiscal year 2020 taxes were collected are as follows:

	<u>2020 First Half Collections</u>	<u>2019 Second Half Collections</u>
Agricultural/residential and other real estate property	\$ 831,139,760	\$ 801,440,170
Public utility personal property	<u>40,766,180</u>	<u>31,634,190</u>
Total	<u>\$ 871,905,940</u>	<u>\$ 833,074,360</u>

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 8 - PROPERTY TAXES (Continued)

Property taxes receivables represent real and tangible personal property taxes, public utility taxes and outstanding delinquencies that are measurable as of June 30, 2020. Although total property tax collections for the next year are measurable, only the amount available as an advance at June 30 is intended to finance current year operations. For the governmental fund financial statements, the receivable is therefore offset by a credit to deferred inflows of resources for that portion not intended to finance current year operations. The amount available as an advance at June 30, 2020 was recognized as revenue.

On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis this amount is reported as deferred inflows of resources – unavailable revenue.

NOTE 9 - RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts, thefts-of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. During fiscal year 2020, the School District contracted with Liberty Mutual Insurance Company for general liability insurance with a \$1 million single occurrence and a \$3 million aggregate limit and property insurance which holds a \$1,000 deductible per occurrence. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage for any part of the last three years.

On January 1, 2019, the School District began providing employee medical benefits through a self-insured program in which claims are processed by United Health Care, the third-party administrator. The School District purchases stop loss insurance coverage to cover catastrophic medical claims which exceed \$100,000 for individual claims and \$2.0 million in the aggregate. The Board picks up 80% of the monthly medical premiums established. The following table summarizes the actuarially determined claims payable for the past two fiscal years.

<u>Fiscal Year</u>	<u>Beginning Claims Payable</u>	<u>Claims Incurred</u>	<u>Claims Paid</u>	<u>Ending Claims Payable</u>
2020	\$ 775,000	\$ 5,006,463	\$ 5,283,463	\$ 498,000
2019	-	3,148,935	2,373,935	775,000

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2020

NOTE 10 - CAPITAL ASSETS

A summary of the School District's general capital assets for fiscal year 2020 is as follows:

	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
<i><u>Capital Assets, not being depreciated</u></i>				
Land	\$ 3,269,434	\$ 745,478	\$ -	\$ 4,014,912
Construction in Progress	-	3,958,412	-	3,958,412
	<u>3,269,434</u>	<u>4,703,890</u>	<u>-</u>	<u>7,973,324</u>
<i><u>Capital Assets, being depreciated</u></i>				
Buildings and Improvements	108,016,329	804,933	-	108,821,262
Furniture and Equipment	3,129,770	138,988	(67,543)	3,201,215
Vehicles	4,652,055	676,454	(406,777)	4,921,732
Total Depreciable Capital Assets	<u>115,798,154</u>	<u>1,620,375</u>	<u>(474,320)</u>	<u>116,944,209</u>
<i><u>Less: Accumulated Depreciation</u></i>				
Buildings and Improvements	(32,105,411)	(2,292,545)	-	(34,397,956)
Furniture and Equipment	(2,265,139)	(131,869)	67,543	(2,329,465)
Vehicles	(3,438,936)	(350,779)	399,359	(3,390,356)
Total Accumulated Depreciation	<u>(37,809,486)</u>	<u>(2,775,193) *</u>	<u>466,902</u>	<u>(40,117,777)</u>
Depreciable Capital Assets, Net	<u>77,988,668</u>	<u>(1,154,818)</u>	<u>(7,418)</u>	<u>76,826,432</u>
Total Capital Assets, Net	<u>\$ 81,258,102</u>	<u>\$ 3,549,072</u>	<u>\$ (7,418)</u>	<u>\$ 84,799,756</u>

* - Depreciation expense was charged to governmental functions as follows:

Instruction:

Regular	\$ 29,498
Special	1,310

Support Services:

Instructional support	2,855
Administration	1,273
Operation and maintenance of plant	540,747
Pupil transportation	352,265
Central	4,000
Operation of non-instructional services	26,565
Extracurricular activities	43,081
Unallocated depreciation	<u>1,773,599</u>
Total Depreciation Expense	<u>\$ 2,775,193</u>

Unallocated depreciation is depreciation of the individual school buildings throughout the School District, which essentially serve all functions/programs, and therefore is not included as a direct expense of any function or program but disclosed as a separate expense.

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 11 - RECEIVABLES

Receivables at June 30, 2020, consisted of current and delinquent property taxes, accounts (rent and student fees), and intergovernmental grants. 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 fiscal year guarantee of federal funds. A summary of the principal items of intergovernmental receivables follows:

General Fund:

Miscellaneous amounts due from other governments	\$ 21,036
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Non-major Governmental Funds:

Food Service	29,504
ESSE Relief Grant	76,422
Title VI-B Grant	254,856
Title III Grant	25,927
Title I Grant	255,908
Special Education - Preschool	29,986
Twenty-First Century Grant	69,168
Other non-major funds	<u>12,394</u>
Non-major Governmental Funds	<u>754,165</u>
Total Intergovernmental Receivables	<u><u>\$ 775,201</u></u>

NOTE 12 - DEFINED BENEFIT PENSION PLANS

Net Pension Liability

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions 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 liability represents the School District's proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension liability 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 this estimate 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 way pensions are financed; however, the School District does receive the benefit of employees' services in exchange for compensation including pension.

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 12 - DEFINED BENEFIT PENSION PLANS (Continued)

GASB Statement No. 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan's unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for contractually-required pension contributions outstanding at the end of the fiscal year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting.

Plan Description - School Employees Retirement System (SERS)

Plan Description – 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, annual cost-of-living adjustments, 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 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 or age 65 with 5 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; or 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 year of service; 2.2% for the first 30 years of service and 2.5% for years of service credit over 30. Final average salary is the average of the highest three years of salary.

One year after an effective benefit date, a benefit recipient is entitled to a three percent cost-of-living adjustment (COLA). This same COLA is added each year to the base benefit amount on the anniversary date of the benefit.

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 12 - DEFINED BENEFIT PENSION PLANS (Continued)

Funding Policy – Plan members are required to contribute 10% of their annual covered salary and the School District is required to contribute 14% 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% for plan members and 14% 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, and Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2020, the 14% was allocated to only three of the funds (Pension Trust Fund, Death Benefit Fund and Medicare B Fund).

The School District's contractually required contribution to SERS was \$1,267,259 for fiscal year 2020. Of this amount, \$330,083 is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

Plan Description – School District licensed teachers and other faculty members participate in STRS Ohio, a cost-sharing multiple-employer public employee retirement 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.

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 will be 2.2% of final average salary for the five highest years of earnings multiplied by all years of service. Members are eligible to retire at age 60 with five years of qualifying service credit, or at age 55 with 26 years of service, or 30 years of service regardless of age. Eligibility changes will be phased in until August 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60.

The DC Plan allows members to place all their member contributions and 9.53% of the 14% employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.47% of the 14% 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% of the 14%-member rate goes to the DC Plan and 2% goes 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 services. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50 or later.

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 12 - DEFINED BENEFIT PENSION PLANS (Continued)

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 Ohio 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 Ohio bearing the risk of investment gain or loss on the account. STRS Ohio therefore has included all three plan options as one defined benefit plan for GASB Statement No. 68 reporting purposes.

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. Eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, 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. 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. For the fiscal year ended June 30, 2020, plan members were required to contribute 14% of their annual covered salary. The School District was required to contribute 14%; the entire 14% was the portion used to fund pension obligations. The fiscal year 2020 contribution rates were equal to the statutory maximum rates.

The School District's contractually required contribution to STRS was approximately \$4,179,153 for fiscal year 2020. Of this amount, \$720,000 is reported as an intergovernmental payable.

Pension Liabilities, Pension Expense, and Deferred Outflows and Inflows of Resources for 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 the School District's share of contributions to the pension plan relative to the projected contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	SERS	STRS	Total
Proportionate share of the net pension liability	\$ 14,657,968	\$ 52,522,374	\$ 67,180,342
Proportion of the net pension liability	0.2449864%	0.2375031%	
Change in proportionate share	0.0012460%	0.0006605%	
Pension expense	\$ 2,396,800	\$ 8,249,396	\$ 10,646,196

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

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 12 - DEFINED BENEFIT PENSION PLANS (Continued)

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<u>Deferred Outflows of Resources:</u>			
Differences between expected and actual experience	\$ 371,694	\$ 427,619	\$ 799,313
Change in assumptions	-	6,169,766	6,169,766
Change in School District's proportionate share and difference in employer contributions	110,894	1,464,191	1,575,085
School District contributions subsequent to the measurement date	<u>1,267,259</u>	<u>4,179,153</u>	<u>5,446,412</u>
Total	<u>\$ 1,749,847</u>	<u>\$ 12,240,729</u>	<u>\$ 13,990,576</u>
<u>Deferred Inflows of Resources:</u>			
Differences between expected and actual experience	\$ -	\$ 227,359	\$ 227,359
Net difference between projected and actual earnings on pension plan investments	188,153	2,567,010	2,755,163
Change in School District's proportionate share and difference in employer contributions	<u>35,072</u>	<u>100,726</u>	<u>135,798</u>
Total	<u>\$ 223,225</u>	<u>\$ 2,895,095</u>	<u>\$ 3,118,320</u>

\$5,446,412 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the year ending June 30, 2021. Other amounts reported as deferred outflows and 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	\$ 484,727	\$ 3,960,316	\$ 4,445,043
2022	(319,549)	1,090,105	770,556
2023	(12,521)	(170,071)	(182,592)
2024	<u>106,706</u>	<u>286,131</u>	<u>392,837</u>
	<u>\$ 259,363</u>	<u>\$ 5,166,481</u>	<u>\$ 5,425,844</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.

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 12 - DEFINED BENEFIT PENSION PLANS (Continued)

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 consider the employee's entire career with the employer and 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:

Wage inflation	3.00 percent
Future salary increases, including inflation	3.50 percent to 18.20 percent
COLA or Ad Hoc COLA	2.50 percent
Investment rate of return	7.50 percent of net investments expense, including inflation
Actuarial cost method	Entry Age Normal

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 for active members. 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% of male rates, and 110% of female rates. Mortality among disabled members were based upon the RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

The actuarial assumptions used were based on the results of an actuarial experience study for the period ending July 1, 2010 to June 30, 2015 adopted by the Board on April 21, 2016.

The long-term return expectation for the Pension Plan Investments has been determined 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 a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 12 - DEFINED BENEFIT PENSION PLANS (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
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	<u>10.00%</u>	3.00%
Total	<u>100.00%</u>	

Discount Rate – Total pension liability was calculated using the discount rate of 7.5%. 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 (7.5%). 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 7.5%, 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 (6.5%), or one percentage point higher (8.5%) than the current rate.

	<u>1% Decrease (6.50%)</u>	<u>Current Discount Rate (7.50%)</u>	<u>1% Increase (8.50%)</u>
School District's proportionate share of the net pension liability	\$ 20,541,054	\$ 14,657,968	\$ 9,724,265

Actuarial Assumptions - STRS

The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	12.50 percent at age 20 to 2.50 percent at age 65
Payroll increases	3.00 percent
Investment rate of return	7.45 percent, net of investment expenses, including inflation
Discount rate of return	7.45 percent
Cost-of-living adjustments (COLA)	0.00 percent

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 12 - DEFINED BENEFIT PENSION PLANS (Continued)

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

The actuarial assumptions were based on the results of an actual 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:

Asset Class	Target Allocation *	Long-Term Expected Real Rate of Return **
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	100.00%	

* - Target weights will be phased in over a 24-month period concluding on July 1, 2019.

** 10-year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25% 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% as of June 30, 2019. The projection of cash flows used to determine the discount rate assumes 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% was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2019.

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 12 - DEFINED BENEFIT PENSION PLANS (Continued)

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%, 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%) or one-percentage-point higher (8.45%) 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	\$ 76,755,597	\$ 52,522,374	\$ 32,007,708

NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS

Net OPEB Liability (Asset)

The net OPEB liability (asset) reported on the statement of net position represents a liability to (or assets for) employees for OPEB. OPEB is a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. 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 OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net OPEB liability (asset) represents the School District's proportionate share of each OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan's fiduciary net position. The net OPEB liability (asset) calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments, health care cost trend rates 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 OPEB are financed; however, the School District does receive the benefit of employees' services in exchange for compensation including OPEB.

GASB Statement No. 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability (asset). Resulting adjustments to the net OPEB liability (asset) would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The proportionate share of each plan's unfunded benefits is presented as a long-term *net OPEB liability* or fully-funded benefits as a long-term *net OPEB asset* on the accrual basis of accounting. Any liability for contractually-required OPEB contributions outstanding at the end of the fiscal year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting.

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS (Continued)

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 Statement No. 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 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% of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2020, there was no portion allocated 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, the minimum compensation amount was \$19,600. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2020, the School District's surcharge obligation was \$155,213.

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, 2020. The Plan is included in the report of STRS which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS (Continued)

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. Nearly all health care plan enrollees, for the most recent year, 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% of covered payroll. For the fiscal year ended June 30, 2020, STRS did not allocate any employer contributions to post-employment health care.

OPEB Liability (Asset), 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	Total
Proportionate share of the net OPEB asset	\$ -	\$ 3,933,621	\$ 3,933,621
Proportionate share of the net OPEB liability	6,310,017	-	6,310,017
Proportion of the net OPEB asset/liability	0.2509162%	0.2375031%	
Change in proportionate share	0.0043820%	0.0006605%	
OPEB (negative) expense	\$ 205,908	\$ (1,138,920)	\$ (933,012)

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

	SERS	STRS	Total
<u>Deferred Outflows of Resources:</u>			
Differences between expected and actual experience	\$ 92,627	\$ 356,612	\$ 449,239
Net difference between projected and actual earnings on OPEB plan investments	15,147	-	15,147
Change in assumptions	460,874	82,686	543,560
Difference between employer contributions and proportionate share of contributions	310,169	319,453	629,622
School District contributions subsequent to the measurement date	155,213	-	155,213
Total	<u>\$ 1,034,030</u>	<u>\$ 758,751</u>	<u>\$ 1,792,781</u>

(Continued)

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS (Continued)

	SERS	STRS	Total
<u>Deferred Inflows of Resources:</u>			
Differences between expected and actual experience	\$ 1,386,270	\$ 200,127	\$ 1,586,397
Net difference between projected and actual earnings on OPEB plan investments	-	247,057	247,057
Change in assumptions	353,596	4,312,757	4,666,353
Difference between employer contributions and proportionate share of contributions	16,464	3,806	20,270
Total	<u>\$ 1,756,330</u>	<u>\$ 4,763,747</u>	<u>\$ 6,520,077</u>

\$155,213 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 (asset) in the year ending June 30, 2021. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2021	\$ (314,478)	\$ (873,582)	\$ (1,188,060)
2022	(122,053)	(873,582)	(995,635)
2023	(117,608)	(774,564)	(892,172)
2024	(118,331)	(739,826)	(858,157)
2025	(135,832)	(754,115)	(889,947)
2026	(69,211)	10,673	(58,538)
	<u>\$ (877,513)</u>	<u>\$ (4,004,996)</u>	<u>\$ (4,882,509)</u>

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 consider the employee's entire career with the employer and 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.

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS (Continued)

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation, prepared as of June 30, 2019, are presented below:

Investment rate of return, including inflation	7.50% net of investment expense
Wage inflation	3.00%
Future salary increases, including inflation	3.50% to 18.20%
Municipal bond index rate:	
Prior measurement date	3.62%
Measurement date	3.13%
Single equivalent interest rate, net of plan investment expense, including price inflation:	
Prior measurement date	3.70%
Measurement date	3.22%
Municipal bond index rate:	
Pre-Medicare	7.00% - 4.75%
Medicare	5.25% - 4.75%

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

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%, 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 target allocation and best estimates of arithmetic real rates of return for each major asset class, as used in the June 30, 2015 five-year experience study, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
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	<u>10.00%</u>	3.00%
Total	<u>100.00%</u>	

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS (Continued)

Discount Rate – The discount rate used to measure the total OPEB liability at June 30, 2019 was 3.22%. The discount rate used to measure total OPEB liability at June 30, 2018 was 3.70%. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and SERS at the state statute contribution rate of 2.00% of projected covered employee payroll each year, which includes a 1.50% payroll surcharge and 0.50% of contributions from 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% 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 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 calculated using the discount rate of 3.22%, as well as what the School District's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.22%) and one percentage point higher (4.22%) 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	\$ 7,659,163	\$ 6,310,017	\$ 5,237,286

The following table presents the net OPEB liability calculated using current health care cost trend rates, as well as what the School District's net OPEB liability would be if it were calculated using health care cost trend rates that are one percentage point lower (6.00% decreasing to 3.75%) and one percentage point higher (8.00% decreasing to 5.75%) than the current rates.

	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	\$ 5,055,601	\$ 6,310,017	\$ 7,974,321

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS (Continued)***Actuarial Assumptions - STRS***

The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following assumptions, applied to all periods included in the measurement:

Salary increases	12.50% at age 20 to 2.50% at age 65	
Payroll increases	3.00%	
Investment rate of return	7.45%, net of investment expenses, including inflation	
Discount rate of return	7.45%	
Health care cost trends	<u>Initial</u>	<u>Ultimate</u>
Medical		
Pre-Medicare	6.00%	4.00%
Medicare	5.00%	4.00%
Prescription Drug		
Pre-Medicare	8.00%	4.00%
Medicare	-5.23%	4.00%

For healthy retirees the mortality rates are based on the RP-2014 Annuitant Mortality Table with 50% of rates through age 69, 70% of rates between ages 70 and 79, 90% of rates between ages 80 and 84, and 100% 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% of rates for males and 100% 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, 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% to 1.984% 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% for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.

STRS Ohio's 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:

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS (Continued)

Asset Class	Target Allocation *	Long-Term Expected Real Rate of Return **
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	100.00%	

* Target weights will be phased in over 24-month period concluding on July 1, 2019.

** 10-year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25% 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 OPEB liability was 7.45% as of June 30, 2019. The projection of cash flows used to determine the discount rate assumes STRS Ohio 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 of current plan members as of June 30, 2019. Therefore, the long-term expected rate of return on OPEB plan assets of 7.45% was used to measure the total OPEB liability as of June 30, 2019.

Sensitivity of the School District's Proportionate Share of the Net OPEB (Asset) to Changes in the Discount Rate and the Health Care Cost Trend Rates – The following table presents the School District's proportionate share of the net OPEB (asset) calculated using the current period discount rate assumption of 7.45%, as well as what the School District's proportionate share of the net OPEB (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.45%) and one percentage point higher (8.45%) than the current rate. Also shown is the net OPEB (asset) as if it were calculated using health care cost trend rates that are one percentage point lower and 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	\$ 3,356,562	\$ 3,933,621	\$ 4,418,792
	1% Decrease In Trend Rates	Current Trend Rates	1% Increase In Trend Rates
School District's proportionate share of the net OPEB asset	\$ 4,460,545	\$ 3,933,621	\$ 3,288,265

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 14 – OTHER EMPLOYEE BENEFITS***A. Accumulated Unpaid Vacation***

School District classified employees earn vacation leave at varying rates based upon negotiated agreements and State laws. In the case of death or retirement, an employee (or his estate) is paid for his unused vacation leave.

B. Accumulated Unpaid Sick Leave

School District employees may accumulate sick leave. Upon retirement, payment is made for one-fourth of the total unused sick leave balance up to a maximum of sixty days for certified and classified employees. As of June 30, 2020, the School District's total obligation for sick leave accrual as a whole was \$2,333,479.

NOTE 15 - LONG-TERM OBLIGATIONS

The activity of the School District's long-term obligations during fiscal year 2020 was as follows:

	Balance June 30, 2019	Increase	Decrease	Balance June 30, 2020	Due within One Year
General Obligation Bonds:					
2013 Refunding					
Current Interest Serial 2.0-5.0%	\$ 2,750,000	\$ -	\$ 1,350,000	\$ 1,400,000	\$ 1,400,000
2013 School Construction & Improvement					
Current Interest Serial 2.0-5.25%	19,860,000	-	19,805,000	55,000	10,000
2014 School Construction & Improvement					
Current Interest Serial 2.5-4.0%	2,715,000	-	5,000	2,710,000	5,000
Current Interest Term 2.25%-4.0%	7,265,000	-	-	7,265,000	-
2015A School Construction & Improvement					
Current Interest Serial 2.0-5.0%	7,095,000	-	25,000	7,070,000	25,000
Current Interest Term 3.75%-5.0%	12,835,000	-	-	12,835,000	-
2015B Refunding					
Current Interest Serial 0.75-4.0%	8,830,000	-	1,105,000	7,725,000	1,140,000
2019 School Construction & Improvement					
Current Interest Serial 3.0-5.0%	-	11,340,000	-	11,340,000	455,000
Current Interest Term 3.0%	-	25,190,000	-	25,190,000	-
2019 Refunding					
Current Interest Serial Bonds 2.808-3.098%	-	3,455,000	-	3,455,000	-
Capital Appreciation Bonds 1.981-3.108%	-	1,669,972	-	1,669,972	358,109
Accretion on Capital Appreciation Bonds	-	2,765,894	-	2,765,894	86,891
Current Interest Term Bonds 3.421-3.641%	-	14,670,000	-	14,670,000	-
Deferred Amounts:					
Add: Bond Premium	1,827,262	4,755,802	715,056	5,868,008	-
Total General Obligation Bonds	63,177,262	63,846,668	23,005,056	104,018,874	3,480,000
Long-Term Notes Payable	1,640,860	-	186,750	1,454,110	191,720
Compensated Absences	1,929,412	573,447	205,733	2,297,126	197,700
Net Pension Liability:					
SERS	13,959,465	698,503	-	14,657,968	-
STRS	52,366,833	155,541	-	52,522,374	-
Net OPEB Liability:					
SERS	6,839,526	-	529,509	6,310,017	-
Total Long-Term Obligations	<u>\$ 139,913,358</u>	<u>\$ 65,274,159</u>	<u>\$ 23,927,048</u>	<u>\$ 181,260,469</u>	<u>\$ 3,869,420</u>

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 15 - LONG-TERM OBLIGATIONS (Continued)

General Obligation Bonds

The general obligation bond issues will be paid through the debt service fund from property taxes collected by the County Auditor. The School District issued general obligation debt for the following purposes:

- \$8,720,000, issued in fiscal year 2013 and maturing in fiscal year 2021, for the partial advance refunding of \$8,790,000 of refunding general obligation bonds issued in 2004. These bonds are current interest serial bonds.
- \$19,910,000, issued in fiscal year 2014 and maturing in fiscal year 2050, to provide financing for the construction and improvement of certain school facilities of the School District. These bonds are current interest serial bonds. During fiscal year 2020, \$19.8 million of bonds were refunded through the issuance of the 2019 general obligation refunding bonds.
- \$30,000,000, issued in fiscal year 2015 (two different series) and maturing in fiscal year 2046, to provide financing for the construction and improvement of certain school facilities of the School District. These bonds are current interest serial and term bonds.
- \$11,580,000 (series 2015B), issued in fiscal year 2015 and maturing in fiscal year 2026, for the advance refunding of \$8,730,000 and \$2,995,000 in general obligation refunding bonds issued in 2005 and 2006, respectively. These bonds are current interest serial bonds.
- \$36,530,000, issued in fiscal year 2019 and maturing in fiscal year 2054, to provide financing for the construction and improvement of certain school facilities of the School District. These bonds are current interest serial and term bonds.
- \$19,794,972 of taxable bonds issued in fiscal year 2019 and maturing in fiscal year 2050, for the advance refunding of \$19,795,000 of general obligation school improvement and construction bonds issued in 2013. These refunding bonds include current interest, term, and capital appreciation bonds. The capital appreciation bonds have a total maturity value of \$5,150,000 and are scheduled to mature in fiscal year 2021 through 2030. For fiscal year 2020, \$2,765,894 was accreted and total bond value outstanding at the end of the year was \$4,435,866.

The 2019 refunding bonds were issued to provide resources to purchase U.S. Government securities which were placed, along with premium proceeds received from the sale of the bonds, in an irrevocable trust for the purpose of generating sufficient resources to satisfy the debt services requirements for the \$19,795,000 in 2013 general obligation bonds that have a final call date of June 1, 2023. As a result, the refunded bonds are considered to be defeased and the liability associated with these bonds has been removed from the statement of net position. The reacquisition price exceeded the net carrying value of the old debt by \$2.1 million. This amount is being reported as deferred charge on refunding within the deferred outflow of resources section of the statement of net position and is being amortized over the remaining life of the new debt issue, which is the same as the debt defeased. This advance refunding was undertaken to reduce net debt service payments over the next 29 years by \$5,034,509 and achieved an economic gain of \$2,808,254.

DELAWARE CITY SCHOOL DISTRICT

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Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 15 - LONG-TERM OBLIGATIONS (Continued)

Principal and interest requirements to retire the District's long-term general obligation bonds outstanding at June 30, 2020 are shown in the table below.

Fiscal Year Ended June 30,	Serial and Term Bonds		Capital Appreciation Bonds		Total
	Principal	Interest	Principal	Accretion	
2021	\$ 3,035,000	\$ 3,378,062	\$ 358,109	\$ 86,891	\$ 6,858,062
2022	2,240,000	3,287,846	270,144	149,856	5,947,846
2023	2,010,000	3,194,514	215,914	204,086	5,624,514
2024	2,090,000	3,115,740	172,570	247,430	5,625,740
2025	2,305,000	3,032,053	137,928	282,072	5,757,053
2026-2030	7,875,000	14,014,494	515,307	2,509,693	24,914,494
2031-2035	11,795,000	12,065,335	-	-	23,860,335
2036-2040	10,150,000	9,552,748	-	-	19,702,748
2041-2045	8,610,000	6,614,238	-	-	15,224,238
2046-2050	32,555,000	3,463,160	-	-	36,018,160
2051-2055	11,050,000	712,350	-	-	11,762,350
Total	<u>\$ 93,715,000</u>	<u>\$ 62,430,540</u>	<u>\$ 1,669,972</u>	<u>\$ 3,480,028</u>	<u>\$ 161,295,540</u>

Long-Term Notes Payable

In December 2012, the School District issued \$2,819,270 of energy conservation notes payable to finance various building improvements throughout the District. These notes carry an interest rate of 2.6625 percent and mature in fiscal year 2027. Debt service payments will be made from the General Fund using savings in utility costs realized as a result of the projects. Principal and interest requirements to retire the long-term notes payable are shown in the table below.

Fiscal Year Ended June 30,	Principal	Interest	Total
2021	\$ 191,720	\$ 36,163	\$ 227,883
2022	196,820	30,991	227,811
2023	202,060	25,681	227,741
2024	207,440	20,229	227,669
2025	212,970	14,632	227,602
2026-2027	443,100	11,875	454,975
Total	<u>\$ 1,454,110</u>	<u>\$ 139,571</u>	<u>\$ 1,593,681</u>

Outstanding Defeased Obligations

At June 30, 2020, \$19,795,000 of the refunded 2013 general obligation bonds, which were refunded during the current fiscal year, remain outstanding pending the call date of June 1, 2023.

Other Long-Term Obligations

The School District pays obligations related to employee compensation (compensated absences and required pension and OPEB plan contributions) from the fund benefitting from their service. If no funds are available within those funds, the general fund will assume responsibility for payment.

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 15 - LONG-TERM OBLIGATIONS (Continued)

Legal Debt Margins

At June 30, 2020, the School District's voted debt limit (9% of assessed valuation) was \$78.5 million while the net outstanding general obligation debt of the School was \$91.8 million. The School District has been classified by the State of Ohio as a "special needs" district as it relates to issuing debt for purposes of constructing and renovating classroom facilities. This classification allows the School District to exceed the established voted debt limit, if necessary. At the end of the current fiscal year, the School District's unvoted and energy conservation debt margins were \$871,906 and \$6.4 million, respectively.

NOTE 16 – INTER-FUND TRANSACTIONS

At year end, the following non-major special revenue funds owed the General Fund for deficit positions within the School District's pooled cash and cash equivalents at year end that was covered by the General Fund; Elementary & Secondary School Emergency Relief Grant (\$63,451), Title VI(B) Grant (\$2,859), Title III Grant (\$74), Title I Grant (\$81,701), and Preschool Special Education Grant (\$25,180). These amounts are reported as interfund payables in the non-major governmental funds with a corresponding interfund receivable in the General Fund. The negative position within the cash pool corrected itself shortly into the subsequent fiscal year when grant funding was received.

NOTE 17 - CONTINGENCIES

A. Grants

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and 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, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2020.

B. Full-Time Equivalency Review

The School District 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 end of the fiscal year. In December 2020, ODE completed the final enrollment reconciliation process for fiscal year 2020 which indicated no significant adjustments were necessary to the State funding received by the School District during fiscal year 2020.

C. Litigation

The School District is not currently party to any legal proceedings.

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 17 – CONTINGENCIES (Continued)

D. COVID-19

The United States and the State of Ohio declared a state of emergency in March 2020 due to the COVID-19 pandemic. The financial impact of COVID-19 and the ensuing emergency measures impacted the second half of fiscal year 2020 and will impact subsequent fiscal periods of the School District. The impact on the School District's future operating costs, revenues and any recovery from emergency funding, either federal or state, cannot be estimated.

NOTE 18 – JOINTLY GOVERNED ORGANIZATIONS

META Solutions

The School District is a member of META Solutions which is an association of public entities throughout Ohio. 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 districts while providing an open marketplace where customer choice is not limited by geography.

The governing board of META Solutions consists of an eight person Board of Directors, with each of the directors elected by a majority vote of all members within each county in META Solutions membership. Financial information can be obtained from Wade Lucas, who serves as Chief Executive Officer, at 100 Executive Drive, Marion, Ohio 43302. The School District paid \$434,432 to META Solutions during fiscal year 2020.

Delaware Area Career Center

The Delaware Area Career Center (Career Center) is a distinct political subdivision of the State of Ohio, which provides vocational education. The Career Center operates under the direction of a Board consisting of one representative from each of the five participating school district's Board of Education. The degree of control exercised by the School District is limited to its representation on the Board. The Board possesses its own budgeting and taxing authority. Financial information can be obtained from the Treasurer's Office at 4565 Columbus Pike Road, Delaware, Ohio 43015.

NOTE 19 – COMMITMENTS - ENCUMBRANCES

At year end the School District had the following amounts encumbered for future purchase obligations:

<u>Fund</u>	<u>Year-End Encumbrances</u>
General Fund	\$ 568,354
Permanent Improvement Fund	538,399
Building Fund	17,359,077
Non-major Governmental Funds	<u>165,109</u>
	<u>\$ 18,630,939</u>

DELAWARE CITY SCHOOL DISTRICT

Delaware County, Ohio

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2020

NOTE 20 - SET-ASIDE CALCULATION

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 amount for capital acquisition. Disclosure of this information is required by State statute.

	<u>Capital Improvements</u>
Set-aside Reserve Balance as of June 30, 2019	\$ -
Current Year Set-aside Requirement	989,410
Current Year Offsets	<u>(2,196,116)</u>
Total	<u>\$ (1,206,706)</u>
Balance Carried forward to FY 2021	<u>\$ -</u>
Set-aside Reserve Balance June 30, 2020	<u>\$ -</u>

Although the School District had qualifying disbursements during the year that reduced the set-aside below zero due to current year offsets, the extra amounts may not be used to reduce the set-aside requirements of future years.

NOTE 21 – TAX ABATEMENTS

Pursuant to GASB Statement No. 77, Tax Abatement Disclosures, the School District is required to disclose certain information on its use of tax abatement incentives. A tax abatement incentive, under this Statement, is an agreement between the local government and an individual or entity in which the local government promises to forgo tax revenue, while the individual or entity promises to take a specific action after the agreement has been entered into that contributes to the economic development or otherwise benefits the local government or the citizens of the local government.

During fiscal year 2020, the School District's property tax revenues were reduced by \$702,469 and \$0 under Community Reinvestment Area (CRA) and Enterprise Zone (EZ) agreements, respectively, entered into by the City of Delaware. Under Ohio Revised Code Sections 3735 and 5709, the City of Delaware may offer a property tax incentive to an individual or entity for improvements within certain targeted areas of the City. The CRA program abates 100 percent of the additional property tax resulting from the increase in assessed value as a result of the improvements, which are administered as a reduction in the property tax bill, and last for 7 years after the improvements are completed. The EZ program enables property tax abatements to encourage improvements and reinvestment to buildings and unimproved or redeveloped land in the EZ zones following a specific return on investment formula and guidelines. Retail or restaurant project abatements are limited to the Downtown Historic Districts. Commercial and industrial project abatements may not exceed 15 years for CRAs or 10 years for EZs. During fiscal year 2020, the School District received \$25,669 from the City related to property tax revenues lost under these abatement agreements.



REQUIRED SUPPLEMENTARY INFORMATION

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO
LAST SEVEN FISCAL YEARS (1) (2)

	School District's Proportion of the Net Pension Liability	School District's Proportionate Share of the Net Pension Liability	School District's Covered Payroll	School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2014	0.244813%	\$ 14,558,243	\$ 7,450,470	195.40%	65.52%
2015	0.244813%	12,389,847	7,185,642	172.43%	71.70%
2016	0.243347%	13,885,586	7,781,791	178.44%	69.16%
2017	0.237491%	17,382,145	7,375,586	235.67%	62.98%
2018	0.234908%	14,035,213	7,767,186	180.70%	69.50%
2019	0.243740%	13,959,465	7,952,822	175.53%	71.36%
2020	0.244986%	14,657,968	8,404,422	174.41%	70.85%

(1) Information prior to 2014 is not available. The School District will continue to present information for years available until a full ten-year trend is compiled.

(2) Amounts presented for each year were determined as of the School District's measurement date, which is the prior fiscal year-end.

Notes to Schedule:

Change in assumptions. In measurement year 2017, changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended June 30, 2015. Significant changes included a reduction of the discount rate from 7.75% to 7.50%, a reduction in the wage inflation rate from 3.25% to 3.00%, a reduction in the payroll growth assumption used from 4.00% to 3.50%, reduction in the assumed real wage growth rate from 0.75% to 0.50%, update of the rates of withdrawal, retirement and disability to reflect recent experience, and transition from the RP-2000 mortality tables to the RP-2014 mortality tables for active members and service retired members and beneficiaries.

Changes of benefit and funding terms. In measurement year 2018, post-retirement increases in benefits included the following changes:

1. Members, or their survivors, retiring prior to January 1, 2018, receive a COLA increase of 3% of their base benefit on the anniversary of their initial date of retirement.
2. Members, or their survivors, retiring on and after January 1, 2018, receive a COLA increase on each anniversary of their initial date of retirement equal to the annual rate of increase in the CPI-W measured as of the June preceding the beginning of the applicable calendar year. The annual rate of increase shall not be less than 0%, nor greater than 2.5%. COLAs are suspended for calendar years 2018, 2019, and 2020.
3. Members, or their survivors, retiring on and after April 1, 2018, will have their COLA delayed for three years following their initial date of retirement.

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

**SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
STATE TEACHERS RETIREMENT SYSTEM OF OHIO
LAST SEVEN FISCAL YEARS (1) (2)**

	School District's Proportion of the Net Pension Liability	School District's Proportionate Share of the Net Pension Liability	School District's Covered Payroll	School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2014	0.218413%	\$ 63,282,865	23,879,077	265.01%	69.30%
2015	0.218413%	53,125,597	24,032,369	221.06%	74.70%
2016	0.222874%	61,595,805	23,253,150	264.89%	72.10%
2017	0.227542%	76,165,310	23,941,836	318.13%	66.80%
2018	0.232221%	55,164,626	25,529,864	216.08%	75.30%
2019	0.238164%	52,366,833	27,075,186	193.41%	77.30%
2020	0.237503%	52,522,374	27,883,779	188.36%	77.40%

(1) Information prior to 2014 is not available. The School District will continue to present information for years available until a full ten-year trend is compiled.

(2) Amounts presented for each year were determined as of the School District's measurement date, which is the prior fiscal year-end.

Notes to Schedule:

Change in assumptions. In measurement year 2017, changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended June 30, 2016. Significant changes included a reduction of the discount rate from 7.75% to 7.45%, the inflation assumption was lowered from 2.75% to 2.50%, the payroll growth assumption was lowered to 3.00%, and total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0/25% due to lower inflation. The healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016. Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

Change in benefit terms. Effective July 1, 2017, the COLA was reduced to zero.

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

SCHEDULE OF THE SCHOOL DISTRICT'S PENSION CONTRIBUTION
SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO
LAST TEN FISCAL YEARS

	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	School District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2011	\$ 918,181	\$ (918,181)	\$ -	\$ 7,304,543	12.57%
2012	911,702	(911,702)	-	6,778,454	13.45%
2013	1,031,145	(1,031,145)	-	7,450,470	13.84%
2014	995,930	(995,930)	-	7,185,642	13.86%
2015	1,025,640	(1,025,640)	-	7,781,791	13.18%
2016	1,032,582	(1,032,582)	-	7,375,586	14.00%
2017	1,087,406	(1,087,406)	-	7,767,186	14.00%
2018	1,073,631	(1,073,631)	-	7,952,822	13.50%
2019	1,134,597	(1,134,597)	-	8,404,422	13.50%
2020	1,267,259	(1,267,259)	-	9,051,850	14.00%

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

SCHEDULE OF THE SCHOOL DISTRICT'S PENSION CONTRIBUTION
STATE TEACHERS RETIREMENT SYSTEM OF OHIO
LAST TEN FISCAL YEARS

	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	School District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2011	\$ 3,176,904	\$ (3,176,904)	\$ -	\$ 24,437,723	13.00%
2012	3,043,008	(3,043,008)	-	23,407,754	13.00%
2013	3,104,280	(3,104,280)	-	23,879,077	13.00%
2014	3,124,208	(3,124,208)	-	24,032,369	13.00%
2015	3,255,441	(3,255,441)	-	23,253,150	14.00%
2016	3,351,857	(3,351,857)	-	23,941,836	14.00%
2017	3,574,181	(3,574,181)	-	25,529,864	14.00%
2018	3,790,526	(3,790,526)	-	27,075,186	14.00%
2019	3,903,729	(3,903,729)	-	27,883,779	14.00%
2020	4,179,153	(4,179,153)	-	29,851,093	14.00%

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

**SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO
LAST FOUR FISCAL YEARS (1) (2)**

	School District's Proportion of the Net OPEB Liability	School District's Proportionate Share of the Net OPEB Liability	School District's Covered Payroll	School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2017	0.240472%	\$ 6,854,348	\$ 7,375,586	92.93%	11.49%
2018	0.238345%	6,396,555	7,767,186	82.35%	12.46%
2019	0.246534%	6,839,526	7,952,822	86.00%	13.57%
2020	0.250916%	6,310,017	8,404,422	75.08%	15.57%

(1) Information prior to 2017 is not available. The School District will continue to present information for years available until a full ten-year trend is compiled.

(2) Amounts presented for each year were determined as of the School District's measurement date, which is the prior fiscal year-end.

Notes to Schedule:

Change in assumptions. In measurement year 2017, changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended June 30, 2015. Significant changes included a reduction in the rate of inflation from 3.25% to 3.00%, a reduction in the payroll growth assumption from 4.00% to 3.50%, a reduction in assumed real wage growth from 0.75% to 0.50%, an update in rates of withdrawal, retirement and disability, and transitioning to the following mortality tables: RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set back for both active male and female members; RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB (120% of male rates, and 110% of female rates) for service retired members and beneficiaries; and RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement among disabled members.

In measurement year 2018, medical trend rates have been adjusted to reflect premium decreases.

Change in benefit and funding terms. In measurement year 2018, SERS' funding policy allowed a 2.0% health care contribution rate to be allocated to the Health Care fund. The 2.0% is a combination of 0.5% employer contributions and 1.5% surcharge.

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

**SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
STATE TEACHERS RETIREMENT SYSTEM OF OHIO
LAST FOUR FISCAL YEARS (1) (2)**

	School District's Proportion of the Net OPEB Liability (Asset)	School District's Proportionate Share of the Net OPEB Liability (Asset)	School District's Covered Payroll	School District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
2017	0.227542%	\$ 12,169,028	\$ 23,941,836	50.83%	37.3%
2018	0.232221%	9,060,411	25,529,864	35.49%	47.1%
2019	0.238164%	(3,827,046)	27,075,186	(14.13%)	176.0%
2020	0.237503%	(3,933,621)	27,883,779	(14.11%)	174.7%

(1) Information prior to 2017 is not available. The School District will continue to present information for years available until a full ten-year trend is compiled.

(2) Amounts presented for each year were determined as of the School District's measurement date, which is the prior fiscal year-end.

Notes to Schedule:

Change in assumption. For measurement year 2017, the discount rate was increased from 3.26% to 4.13% 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% to 7.45%. 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 measurement year 2018, the discount rate was increased from the blended rate of 4.13% to the long-term expected rate of return of 7.45% based on the methodology defined under GASB Statement No. 74. Valuation year per capital health care costs were updated.

Change in benefit terms. For measurement year 2017, the subsidy multiplier for non-Medicare benefit recipient was reduced from 2.1% to 1.9% 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 2019.

For measurement year 2018, the subsidy multiplier for non-Medicare benefit recipients was increased from 1.9% to 1.944% 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 measurement year 2019, 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% to 1.984% 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% for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

SCHEDULE OF THE SCHOOL DISTRICT'S OPEB CONTRIBUTION
SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO
LAST FIVE FISCAL YEARS (1)

	Contractually Required Contributions (2)	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	School District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 120,823	\$ (120,823)	\$ -	\$ 7,375,586	1.64%
2017	134,133	(134,133)	-	7,767,186	1.73%
2018	169,664	(169,664)	-	7,952,822	2.13%
2019	194,486	(194,486)	-	8,404,422	2.31%
2020	155,213	(155,213)	-	9,051,850	1.71%

(1) The School District elected not to present information prior to 2016. The School District will continue to present information for years available until a full ten-year trend is compiled.

(2) Includes Surcharge

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

**SCHEDULE OF THE SCHOOL DISTRICT'S OPEB CONTRIBUTION
STATE TEACHERS RETIREMENT SYSTEM OF OHIO
LAST FIVE FISCAL YEARS (1)**

	Contractually Required Contributions (2)	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	School District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ -	\$ -	\$ -	\$ 23,941,836	0.00%
2017	-	-	-	25,529,864	0.00%
2018	-	-	-	27,075,186	0.00%
2019	-	-	-	27,883,779	0.00%
2020	-	-	-	29,851,093	0.00%

(1) The School District elected not to present information prior to 2016. The School District will continue to present information for years available until a full ten-year trend is compiled.

(2) STRS allocated the entire 14% employer contribution rate toward pension benefits.



Governmental Fund Types

Combining and Individual Fund Financial Statements and Schedules

General Fund

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

Since the Board of Education adopts the annual appropriations for the General Fund at the fund level and the Statement of Revenues, Expenditures, and Changes in Fund Balance – General Fund – Budget (Non-GAAP) and Actual presented in the basic financial statements reports at the functional level within the fund, a separate schedule to demonstrate budgetary compliance with the legal level of control is not necessary.

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes other than debt service or capital projects. The School District has several special revenue funds, none of which are deemed to be major funds.

Food Service

To account for and report the financial transactions related to the restricted food service operation of the School District.

Local and Other Grants

To account for and report the proceeds of specific revenue sources, except for state and federal grants, that are legally restricted to expenditures for a specific purpose.

Student Managed Activities

To account for and report local funds raised by various student groups under the supervision of a District appointed. This fund includes the various student activities financed through sales and fundraising activities by the students, including Student Council, Individual Classes, National Honor Society, and other similar types of activities.

District Managed Student Activities

To account for and report local funds generated to assist student activities, which are managed by District personnel. This fund includes athletic programs and other similar types of activities.

Auxiliary Services

To account for and report monies which provide services and materials to pupils attending non-public schools within the School District.

Data Communications

To account for and report restricted monies for the purpose of accessing the Ohio Education Computer Network.

Student Wellness and Success Grant

To account for and report restricted monies associated with State grant funding passed through to school districts to support student academic achievement through mental health counseling, wraparound services, mentoring and after-school programs.

Governmental Fund Types

Combining and Individual Fund Financial Statements and Schedules

Special Revenue Funds (continued)

Miscellaneous State Grants

To account for and report restricted revenues received from state agencies which are not classified elsewhere.

Elementary and Secondary School Emergency Relief Grant

To account for and report federal CARES Act monies passed through to local educational agencies from the State to be used to address the impact that COVID-19 has had, and continues to have, on elementary and secondary schools across the Nation.

Title VI(B) Grant

To account for and report restricted monies received under a federal grant to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provision of full education opportunities to handicapped children at the elementary and secondary levels.

Title III Grant

To account for and report federal monies restricted for elementary and secondary school programs designed to assist students to meet grade promotion and graduation standards.

Title I Grant

To account for and report monies received under a federal grant to assist schools in meeting the special needs of educationally deprived children.

Preschool Special Education Grant

To account for and report restricted federal monies received under a federal grant program to improve and expand the services for handicapped children ages three to five years.

Improving Teacher Quality Grant

To account for and report restricted monies received under a federal grant to help improve the quality of educational services delivered to students by district teachers.

Miscellaneous Federal Grants

To account for and report restricted monies received under federal grants which are not classified elsewhere.

Delaware Foundation

A fund used to account for and report gifts, donations and other resources provided to the School District without condition or limitations. Funds are to be used for operating or capital costs for programs designed to enhance or promote education within the School District. This fund is budgeted as a special revenue fund, but is included with the General Fund for GAAP reporting as it does not have restricted or committed revenue source.

Governmental Fund Types

Combining and Individual Fund Financial Statements and Schedules

Special Revenue Funds (continued)

Public School Support

A fund used to account for and report local revenue sources (other than taxes) generated by the individual school buildings (i.e. sale of pictures, profits from vending machines, etc.). Expenditures include field trips, materials, equipment and other items to supplement co-curricular and extra-curricular programs. This fund is budgeted as a special revenue fund, but is included with the General Fund for GAAP reporting as it does not have restricted or committed revenue source.

After School Childcare

A fund used to account for and report the tuition and fees, and other revenue, generated by the School District's "latch-key" program which provides childcare to students during the hours following the end of the school day. This fund is budgeted as a special revenue fund, but is included with the General Fund for GAAP reporting as it does not have restricted or committed revenue source.

Debt Service Fund

Debt service funds are used to account for and report the accumulation of restricted local property taxes received and the payment of general long-term obligations, specifically the refunding general obligations bonds issued. The School District has one debt service fund which is reported as a major fund.

Capital Project Funds

Capital projects funds are used to account for and report financial resources that are restricted for the financing and acquisition or construction of major capital facilities, such as new school buildings and additions to existing buildings, or for major renovation projects. The School District has two capital projects funds, both of which are reported as major funds.

Permanent Improvement

To account for and report restricted resources, including a local property tax levy, to be used for the acquisition or maintenance of general capital assets.

Building

To account for and report restricted local resources, including proceeds from long-term obligations, related to school construction, additions and renovation projects.

Permanent Fund

Permanent funds are used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the School District's programs. The School District has one permanent fund, the Land Grant Fund which accounts for and reports the endowments established to support the School District's library and land lab programs. The original principal of these endowments must be maintained, however the School District may spend the interest earnings as long as those expenditures benefit the operations and maintenance of the land lab or libraries within the School District.



**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020

	Special Revenue Funds	Permanent Fund	Total Nonmajor Governmental Funds
<u>Assets:</u>			
Equity in pooled cash and cash equivalents	\$ 1,087,620	\$ 3,241	\$ 1,090,861
Investments	-	2,000	2,000
Materials and supplies inventory	6,473	-	6,473
Accounts receivable	36,701	-	36,701
Intergovernmental receivable	754,165	-	754,165
Total Assets	<u>\$ 1,884,959</u>	<u>\$ 5,241</u>	<u>\$ 1,890,200</u>
<u>Liabilities, Deferred Inflows of Resources and Fund Balances:</u>			
<u>Liabilities:</u>			
Accounts payable	\$ 87,333	\$ -	\$ 87,333
Accrued wages and benefits	396,068	-	396,068
Interfund payable	173,265	-	173,265
Intergovernmental payable	24,844	-	24,844
Total Liabilities	<u>681,510</u>	<u>-</u>	<u>681,510</u>
<u>Deferred Inflows of Resources:</u>			
Unavailable revenue	<u>260,250</u>	<u>-</u>	<u>260,250</u>
<u>Fund Balances:</u>			
Nonspendable	-	4,200	4,200
Restricted	972,701	1,041	973,742
Unassigned (Deficit)	<u>(29,502)</u>	<u>-</u>	<u>(29,502)</u>
Total Fund Balances	<u>943,199</u>	<u>5,241</u>	<u>948,440</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,884,959</u>	<u>\$ 5,241</u>	<u>\$ 1,890,200</u>

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2020

	Food Service	Local and Other Grants	Student Managed Activities	District Managed Student Activities
<u>Assets:</u>				
Equity in pooled cash and cash equivalents	\$ 92,163	\$ 18,021	\$ 323,115	\$ 214,922
Materials and supplies inventory	6,473	-	-	-
Accounts receivable	704	9,939	25,506	552
Intergovernmental receivable	29,504	-	-	-
Total Assets	<u>\$ 128,844</u>	<u>\$ 27,960</u>	<u>\$ 348,621</u>	<u>\$ 215,474</u>
<u>Liabilities, Deferred Inflows of Resources and Fund Balances:</u>				
<u>Liabilities:</u>				
Accounts payable	\$ 2,934	\$ 1,760	\$ -	\$ 5
Accrued wages and benefits	104,416	1,286	-	-
Interfund payable	-	-	-	-
Intergovernmental payable	19,175	1,245	-	-
Total Liabilities	<u>126,525</u>	<u>4,291</u>	<u>-</u>	<u>5</u>
Deferred Inflows of Resources:				
Unavailable revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Restricted	2,319	23,669	348,621	215,469
Unassigned (Deficit)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>2,319</u>	<u>23,669</u>	<u>348,621</u>	<u>215,469</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 128,844</u>	<u>\$ 27,960</u>	<u>\$ 348,621</u>	<u>\$ 215,474</u>

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2020
(Continued)

	Auxiliary Services	Data Communications	Student Wellness and Success Grant	Miscellaneous State Grants
<u>Assets:</u>				
Equity in pooled cash and cash equivalents	\$ 121,726	\$ -	\$ 310,428	\$ 2,239
Materials and supplies inventory	-	-	-	-
Accounts receivable	-	-	-	-
Intergovernmental receivable	-	-	-	8,383
Total Assets	<u>\$ 121,726</u>	<u>\$ -</u>	<u>\$ 310,428</u>	<u>\$ 10,622</u>
<u>Liabilities, Deferred Inflows of Resources and Fund Balances:</u>				
<u>Liabilities:</u>				
Accounts payable	\$ 7,263	\$ -	\$ 21,660	\$ 61
Accrued wages and benefits	27,003	-	-	3,650
Interfund payable	-	-	-	-
Intergovernmental payable	318	-	-	53
Total Liabilities	<u>34,584</u>	<u>-</u>	<u>21,660</u>	<u>3,764</u>
<u>Deferred Inflows of Resources:</u>				
Unavailable revenue	-	-	-	4,680
<u>Fund Balances:</u>				
Restricted	87,142	-	288,768	2,178
Unassigned (Deficit)	-	-	-	-
Total Fund Balances	<u>87,142</u>	<u>-</u>	<u>288,768</u>	<u>2,178</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 121,726</u>	<u>\$ -</u>	<u>\$ 310,428</u>	<u>\$ 10,622</u>

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2020
(Continued)

	Elementary and Secondary School Emergency Relief Grant	Title VI(B) Grant	Title III Grant	Title I Grant
<u>Assets:</u>				
Equity in pooled cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Materials and supplies inventory	-	-	-	-
Accounts receivable	-	-	-	-
Intergovernmental receivable	<u>76,422</u>	<u>254,856</u>	<u>25,927</u>	<u>255,908</u>
Total Assets	<u>\$ 76,422</u>	<u>\$ 254,856</u>	<u>\$ 25,927</u>	<u>\$ 255,908</u>
<u>Liabilities, Deferred Inflows of Resources and Fund Balances:</u>				
<u>Liabilities:</u>				
Accounts payable	\$ 41,800	\$ 8,232	\$ 92	\$ 2,713
Accrued wages and benefits	-	169,796	-	67,478
Interfund payable	63,451	2,859	74	81,701
Intergovernmental payable	<u>-</u>	<u>3,151</u>	<u>-</u>	<u>720</u>
Total Liabilities	<u>105,251</u>	<u>184,038</u>	<u>166</u>	<u>152,612</u>
Deferred Inflows of Resources:				
Unavailable revenue	<u>-</u>	<u>66,426</u>	<u>25,763</u>	<u>103,153</u>
Fund Balances:				
Restricted	-	4,392	-	143
Unassigned (Deficit)	<u>(28,829)</u>	<u>-</u>	<u>(2)</u>	<u>-</u>
Total Fund Balances	<u>(28,829)</u>	<u>4,392</u>	<u>(2)</u>	<u>143</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 76,422</u>	<u>\$ 254,856</u>	<u>\$ 25,927</u>	<u>\$ 255,908</u>

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2020
(Continued)

	Preschool Special Education Grant	Improving Teacher Quality Grant	Miscellaneous Federal Grants	Total
<u>Assets:</u>				
Equity in pooled cash and cash equivalents	\$ -	\$ -	\$ 5,006	\$ 1,087,620
Materials and supplies inventory	-	-	-	6,473
Accounts receivable	-	-	-	36,701
Intergovernmental receivable	<u>29,986</u>	<u>69,168</u>	<u>4,011</u>	<u>754,165</u>
Total Assets	<u>\$ 29,986</u>	<u>\$ 69,168</u>	<u>\$ 9,017</u>	<u>\$ 1,884,959</u>
<u>Liabilities, Deferred Inflows of Resources and Fund Balances:</u>				
<u>Liabilities:</u>				
Accounts payable	\$ 95	\$ 379	\$ 339	\$ 87,333
Accrued wages and benefits	3,882	12,112	6,445	396,068
Interfund payable	25,180	-	-	173,265
Intergovernmental payable	<u>56</u>	<u>126</u>	<u>-</u>	<u>24,844</u>
Total Liabilities	<u>29,213</u>	<u>12,617</u>	<u>6,784</u>	<u>681,510</u>
<u>Deferred Inflows of Resources:</u>				
Unavailable revenue	<u>801</u>	<u>56,691</u>	<u>2,736</u>	<u>260,250</u>
<u>Fund Balances:</u>				
Restricted	-	-	-	972,701
Unassigned (Deficit)	<u>(28)</u>	<u>(140)</u>	<u>(503)</u>	<u>(29,502)</u>
Total Fund Balances	<u>(28)</u>	<u>(140)</u>	<u>(503)</u>	<u>943,199</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 29,986</u>	<u>\$ 69,168</u>	<u>\$ 9,017</u>	<u>\$ 1,884,959</u>

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Special Revenue Funds	Permanent Fund	Total Nonmajor Governmental Funds
Revenues:			
Intergovernmental	\$ 4,949,015	\$ -	\$ 4,949,015
Interest	39	51	90
Extracurricular activities	434,527	-	434,527
Gifts and donations	87,131	-	87,131
Customer sales and services	662,922	-	662,922
Miscellaneous	227,619	-	227,619
Total Revenues	<u>6,361,253</u>	<u>51</u>	<u>6,361,304</u>
Expenditures:			
Current:			
Instruction:			
Regular	43,236	-	43,236
Special	1,091,831	-	1,091,831
Student intervention services	694,576	-	694,576
Support Services:			
Pupils	414,651	-	414,651
Instructional staff	193,642	-	193,642
Administration	202,142	-	202,142
Fiscal	1,996	-	1,996
Operation and maintenance of plant	26,296	-	26,296
Pupil transportation	7,000	-	7,000
Central	12,600	-	12,600
Non-instructional services	2,572,235	-	2,572,235
Extracurricular activities	510,052	-	510,052
Total Expenditures	<u>5,770,257</u>	<u>-</u>	<u>5,770,257</u>
Net Change in Fund Balance	590,996	51	591,047
Fund Balance at Beginning of Year - Restated	<u>352,203</u>	<u>5,190</u>	<u>357,393</u>
Fund Balance at End of Year	<u>\$ 943,199</u>	<u>\$ 5,241</u>	<u>\$ 948,440</u>

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, 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	Local and Other Grants	Student Managed Activities	District Managed Student Activities
Revenues:				
Intergovernmental	\$ 1,104,054	\$ -	\$ -	\$ -
Interest	-	-	-	-
Extracurricular activities	-	-	248,995	185,532
Gifts and Donations	-	-	59,031	28,100
Customer sales and services	646,792	-	16,130	-
Miscellaneous	<u>7,376</u>	<u>124,534</u>	<u>33,037</u>	<u>30,433</u>
Total Revenues	<u>1,758,222</u>	<u>124,534</u>	<u>357,193</u>	<u>244,065</u>
Expenditures:				
Current:				
Instruction:				
Regular	-	-	-	-
Special	-	-	-	-
Student intervention services	-	-	-	-
Support Services:				
Pupils	-	-	-	-
Instructional staff	-	-	-	-
Administration	-	-	802	-
Fiscal	-	-	-	-
Operation and maintenance of plant	-	-	-	-
Pupil transportation	-	-	-	-
Central	-	-	-	-
Non-instructional services	1,741,540	112,432	-	-
Extracurricular activities	<u>-</u>	<u>-</u>	<u>279,343</u>	<u>230,709</u>
Total Expenditures	<u>1,741,540</u>	<u>112,432</u>	<u>280,145</u>	<u>230,709</u>
Net Change in Fund Balance	16,682	12,102	77,048	13,356
Fund Balance at Beginning of Year - Restated	<u>(14,363)</u>	<u>11,567</u>	<u>271,573</u>	<u>202,113</u>
Fund Balance at End of Year	<u>\$ 2,319</u>	<u>\$ 23,669</u>	<u>\$ 348,621</u>	<u>\$ 215,469</u>

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

	Auxiliary Services	Data Communications	Student Wellness and Success Grant	Miscellaneous State Grants
Revenues:				
Intergovernmental	\$ 663,317	\$ 12,600	\$ 565,301	\$ 52,521
Interest	39	-	-	-
Extracurricular activities	-	-	-	-
Gifts and Donations	-	-	-	-
Customer sales and services	-	-	-	-
Miscellaneous	-	-	-	414
Total Revenues	<u>663,356</u>	<u>12,600</u>	<u>565,301</u>	<u>52,935</u>
Expenditures:				
Current:				
Instruction:				
Regular	-	-	-	-
Special	-	-	-	-
Student intervention services	-	-	-	-
Support Services:				
Pupils	-	-	254,873	25,579
Instructional staff	-	-	21,660	61
Administration	-	-	-	-
Fiscal	-	-	-	-
Operation and maintenance of plant	-	-	-	26,296
Pupil transportation	-	-	-	-
Central	-	12,600	-	-
Non-instructional services	597,450	-	-	-
Extracurricular activities	-	-	-	-
Total Expenditures	<u>597,450</u>	<u>12,600</u>	<u>276,533</u>	<u>51,936</u>
Net Change in Fund Balance	65,906	-	288,768	999
Fund Balance at Beginning of Year - Restated	<u>21,236</u>	<u>-</u>	<u>-</u>	<u>1,179</u>
Fund Balance at End of Year	<u>\$ 87,142</u>	<u>\$ -</u>	<u>\$ 288,768</u>	<u>\$ 2,178</u>

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

	Elementary and Secondary School Emergency Relief Grant	Title VI(B) Grant	Title III Grant	Title I Grant
Revenues:				
Intergovernmental	\$ 76,422	\$ 1,400,546	\$ 11,681	\$ 663,928
Interest	-	-	-	-
Extracurricular activities	-	-	-	-
Gifts and Donations	-	-	-	-
Customer sales and services	-	-	-	-
Miscellaneous	-	16,854	162	9,322
Total Revenues	<u>76,422</u>	<u>1,417,400</u>	<u>11,843</u>	<u>673,250</u>
Expenditures:				
Current:				
Instruction:				
Regular	43,236	-	-	-
Special	-	1,070,574	-	-
Student intervention services	-	-	2,620	585,630
Support Services:				
Pupils	5,117	46,663	5,864	-
Instructional staff	-	11,287	1,794	30,936
Administration	-	189,024	-	-
Fiscal	1,996	-	-	-
Operation and maintenance of plant	-	-	-	-
Pupil transportation	-	-	-	-
Central	-	-	-	-
Non-instructional services	54,902	25,746	-	11,751
Extracurricular activities	-	-	-	-
Total Expenditures	<u>105,251</u>	<u>1,343,294</u>	<u>10,278</u>	<u>628,317</u>
Net Change in Fund Balance	(28,829)	74,106	1,565	44,933
Fund Balance at Beginning of Year - Restated	-	(69,714)	(1,567)	(44,790)
Fund Balance at End of Year	<u>\$ (28,829)</u>	<u>\$ 4,392</u>	<u>\$ (2)</u>	<u>\$ 143</u>

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
(Continued)

	Preschool Special Education Grant	Improving Teacher Quality Grant	Miscellaneous Federal Grants	Total
Revenues:				
Intergovernmental	\$ 83,235	\$ 114,989	\$ 200,421	\$ 4,949,015
Interest	-	-	-	39
Extracurricular activities	-	-	-	434,527
Gifts and Donations	-	-	-	87,131
Customer sales and services	-	-	-	662,922
Miscellaneous	371	1,720	3,396	227,619
Total Revenues	83,606	116,709	203,817	6,361,253
Expenditures:				
Current:				
Instruction:				
Regular	-	-	-	43,236
Special	21,257	-	-	1,091,831
Student intervention services	-	101,486	4,840	694,576
Support Services:				
Pupils	37,224	-	39,331	414,651
Instructional staff	323	-	127,581	193,642
Administration	-	-	12,316	202,142
Fiscal	-	-	-	1,996
Operation and maintenance of plant	-	-	-	26,296
Pupil transportation	-	-	7,000	7,000
Central	-	-	-	12,600
Non-instructional services	-	3,696	24,718	2,572,235
Extracurricular activities	-	-	-	510,052
Total Expenditures	58,804	105,182	215,786	5,770,257
Net Change in Fund Balance	24,802	11,527	(11,969)	590,996
Fund Balance at Beginning of Year - Restated	(24,830)	(11,667)	11,466	352,203
Fund Balance at End of Year	\$ (28)	\$ (140)	\$ (503)	\$ 943,199

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2020

	Final Budget	Actual	Variance with Final Budget
Food Service Fund			
Total Revenues and Other Sources	\$ 1,560,000	\$ 1,561,293	\$ 1,293
Total Expenditures and Other Uses	<u>1,661,437</u>	<u>1,571,024</u>	<u>90,413</u>
Net Change in Fund Balances	(101,437)	(9,731)	91,706
Fund Balance, July 1	100,325	100,325	-
Prior Year Encumbrances	<u>1,112</u>	<u>1,112</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ -</u></u>	<u><u>\$ 91,706</u></u>	<u><u>\$ 91,706</u></u>
Local and Other Grants Fund			
Total Revenues and Other Sources	\$ 124,534	\$ 114,595	\$ (9,939)
Total Expenditures and Other Uses	<u>136,529</u>	<u>135,997</u>	<u>532</u>
Net Change in Fund Balances	(11,995)	(21,402)	(9,407)
Fund Balance, July 1	20,499	20,499	-
Prior Year Encumbrances Appropriated	<u>6,975</u>	<u>6,975</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ 15,479</u></u>	<u><u>\$ 6,072</u></u>	<u><u>\$ (9,407)</u></u>
District Managed Student Activities Fund			
Total Revenues and Other Sources	\$ 245,000	\$ 243,513	\$ (1,487)
Total Expenditures and Other Uses	<u>354,792</u>	<u>245,172</u>	<u>109,620</u>
Net Change in Fund Balances	(109,792)	(1,659)	108,133
Fund Balance, July 1	205,298	205,298	-
Prior Year Encumbrances	<u>10,654</u>	<u>10,654</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ 106,160</u></u>	<u><u>\$ 214,293</u></u>	<u><u>\$ 108,133</u></u>

(Continued)

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2020
(Continued)

	Final Budget	Actual	Variance with Final Budget
Auxiliary Services Fund			
Total Revenues and Other Sources	\$ 666,472	\$ 666,472	\$ -
Total Expenditures and Other Uses	<u>736,071</u>	<u>730,440</u>	<u>5,631</u>
Net Change in Fund Balances	(69,599)	(63,968)	5,631
Fund Balance, July 1	45,555	45,555	-
Prior Year Encumbrances	<u>70,958</u>	<u>70,958</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 46,914</u>	<u>\$ 52,545</u>	<u>\$ 5,631</u>
Data Communication Fund			
Total Revenues and Other Sources	\$ 12,600	\$ 12,600	\$ -
Total Expenditures and Other Uses	<u>12,600</u>	<u>12,600</u>	<u>-</u>
Net Change in Fund Balances	-	-	-
Fund Balance, July 1	-	-	-
Prior Year Encumbrances	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Student Wellness and Success Fund			
Total Revenues and Other Sources	\$ 564,326	\$ 565,301	\$ 975
Total Expenditures and Other Uses	<u>284,326</u>	<u>276,533</u>	<u>7,793</u>
Net Change in Fund Balances	280,000	288,768	8,768
Fund Balance, July 1	-	-	-
Prior Year Encumbrances	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 280,000</u>	<u>\$ 288,768</u>	<u>\$ 8,768</u>

(Continued)

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2020
(Continued)

	Final Budget	Actual	Variance with Final Budget
Miscellaneous State Grants Fund			
Total Revenues and Other Sources	\$ 50,001	\$ 50,488	\$ 487
Total Expenditures and Other Uses	<u>52,564</u>	<u>52,560</u>	<u>4</u>
Net Change in Fund Balances	(2,563)	(2,072)	491
Fund Balance, July 1	821	821	-
Prior Year Encumbrances	<u>3,439</u>	<u>3,439</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 1,697</u>	<u>\$ 2,188</u>	<u>\$ 491</u>
Elementary & Secondary School Emergency Relief (ESSER) Fund			
Total Revenues and Other Sources	\$ 76,422	\$ -	\$ (76,422)
Total Expenditures and Other Uses	<u>76,422</u>	<u>76,397</u>	<u>25</u>
Net Change in Fund Balances	-	(76,397)	(76,397)
Fund Balance, July 1	-	-	-
Prior Year Encumbrances Appropriated	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ (76,397)</u>	<u>\$ (76,397)</u>
Title VI(B) Grant Fund			
Total Revenues and Other Sources	\$ 1,301,615	\$ 1,287,545	\$ (14,070)
Total Expenditures and Other Uses	<u>1,346,386</u>	<u>1,346,384</u>	<u>2</u>
Net Change in Fund Balances	(44,771)	(58,839)	(14,068)
Fund Balance, July 1	101	101	-
Prior Year Encumbrances Appropriated	<u>44,670</u>	<u>44,670</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ (14,068)</u>	<u>\$ (14,068)</u>

(Continued)

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2020
(Continued)

	Final Budget	Actual	Variance with Final Budget
Title III Grant Fund			
Total Revenues and Other Sources	\$ 17,559	\$ 11,779	\$ (5,780)
Total Expenditures and Other Uses	<u>19,467</u>	<u>19,467</u>	<u>-</u>
Net Change in Fund Balances	(1,908)	(7,688)	(5,780)
Fund Balance, July 1	(5,779)	(5,779)	-
Prior Year Encumbrances	<u>8,656</u>	<u>8,656</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 969</u>	<u>\$ (4,811)</u>	<u>\$ (5,780)</u>
Title I Grant Fund			
Total Revenues and Other Sources	\$ 643,806	\$ 546,697	\$ (97,109)
Total Expenditures and Other Uses	<u>661,426</u>	<u>660,767</u>	<u>659</u>
Net Change in Fund Balances	(17,620)	(114,070)	(96,450)
Fund Balance, July 1	12,598	12,598	-
Prior Year Encumbrances Appropriated	<u>5,026</u>	<u>5,026</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 4</u>	<u>\$ (96,446)</u>	<u>\$ (96,450)</u>
Preschool Special Education Grant Fund			
Total Revenues and Other Sources	\$ 81,803	\$ 56,112	\$ (25,691)
Total Expenditures and Other Uses	<u>83,671</u>	<u>83,671</u>	<u>-</u>
Net Change in Fund Balances	(1,868)	(27,559)	(25,691)
Fund Balance, July 1	(19,453)	(19,453)	-
Prior Year Encumbrances	<u>21,323</u>	<u>21,323</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 2</u>	<u>\$ (25,689)</u>	<u>\$ (25,691)</u>

(Continued)

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2020
(Continued)

	Final Budget	Actual	Variance with Final Budget
Improving Teacher Quality Grant Fund			
Total Revenues and Other Sources	\$ 112,030	\$ 111,648	\$ (382)
Total Expenditures and Other Uses	<u>115,567</u>	<u>115,567</u>	<u>-</u>
Net Change in Fund Balances	(3,537)	(3,919)	(382)
Fund Balance, July 1	3,451	3,451	-
Prior Year Encumbrances	<u>89</u>	<u>89</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 3</u>	<u>\$ (379)</u>	<u>\$ (382)</u>
Miscellaneous Federal Grants Fund			
Total Revenues and Other Sources	\$ 280,675	\$ 233,625	\$ (47,050)
Total Expenditures and Other Uses	<u>256,354</u>	<u>256,355</u>	<u>(1)</u>
Net Change in Fund Balances	24,321	(22,730)	(47,051)
Fund Balance, July 1	(47,045)	(47,045)	-
Prior Year Encumbrances Appropriated	<u>47,324</u>	<u>47,324</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 24,600</u>	<u>\$ (22,451)</u>	<u>\$ (47,051)</u>
Delaware Foundation Fund			
Total Revenues and Other Sources	\$ 285,998	\$ 292,855	\$ 6,857
Total Expenditures and Other Uses	<u>121,598</u>	<u>118,509</u>	<u>3,089</u>
Net Change in Fund Balances	164,400	174,346	9,946
Fund Balance, July 1	177,762	177,762	-
Prior Year Encumbrances	<u>20,999</u>	<u>20,999</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 363,161</u>	<u>\$ 373,107</u>	<u>\$ 9,946</u>

(Continued)

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2020
(Continued)

	Final Budget	Actual	Variance with Final Budget
Public School Support Fund			
Total Revenues and Other Sources	\$ 134,000	\$ 138,930	\$ 4,930
Total Expenditures and Other Uses	<u>258,724</u>	<u>151,078</u>	<u>107,646</u>
Net Change in Fund Balances	(124,724)	(12,148)	112,576
Fund Balance, July 1	153,887	153,887	-
Prior Year Encumbrances	<u>23,430</u>	<u>23,430</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 52,593</u>	<u>\$ 165,169</u>	<u>\$ 112,576</u>
After School Childcare Fund			
Total Revenues and Other Sources	\$ 900,000	\$ 894,214	\$ (5,786)
Total Expenditures and Other Uses	<u>1,380,932</u>	<u>1,160,082</u>	<u>220,850</u>
Net Change in Fund Balances	(480,932)	(265,868)	215,064
Fund Balance, July 1	960,834	960,834	-
Prior Year Encumbrances	<u>10,933</u>	<u>10,933</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 490,835</u>	<u>\$ 705,899</u>	<u>\$ 215,064</u>

(Concluded)

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Debt Service Fund
For the Fiscal Year Ended June 30, 2020

	Final Budget	Actual	Variance with Final Budget
Debt Service Fund			
Total Revenues and Other Sources	\$ 30,397,001	\$ 30,397,591	\$ 590
Total Expenditures and Other Uses	<u>28,389,165</u>	<u>28,388,540</u>	<u>625</u>
Net Change in Fund Balances	2,007,836	2,009,051	1,215
Fund Balance, July 1	4,209,686	4,209,686	-
Prior Year Encumbrances	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ 6,217,522</u></u>	<u><u>\$ 6,218,737</u></u>	<u><u>\$ 1,215</u></u>

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Capital Projects Funds
For the Fiscal Year Ended June 30, 2020

	Final Budget	Actual	Variance with Final Budget
Permanent Improvement Fund			
Total Revenues and Other Sources	\$ 2,265,001	\$ 2,266,305	\$ 1,304
Total Expenditures and Other Uses	<u>3,023,426</u>	<u>2,639,050</u>	<u>384,376</u>
Net Change in Fund Balances	(758,425)	(372,745)	385,680
Fund Balance, July 1	2,213,090	2,213,090	-
Prior Year Encumbrances	<u>398,426</u>	<u>398,426</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ 1,853,091</u></u>	<u><u>\$ 2,238,771</u></u>	<u><u>\$ 385,680</u></u>
Building Fund			
Total Revenues and Other Sources	\$ 36,830,000	\$ 36,830,666	\$ 666
Total Expenditures and Other Uses	<u>22,148,378</u>	<u>21,201,221</u>	<u>947,157</u>
Net Change in Fund Balances	14,681,622	15,629,445	947,823
Fund Balance, July 1	139,599	139,599	-
Prior Year Encumbrances Appropriated	<u>148,379</u>	<u>148,379</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ 14,969,600</u></u>	<u><u>\$ 15,917,423</u></u>	<u><u>\$ 947,823</u></u>

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Permanent Fund
For the Fiscal Year Ended June 30, 2020

	Final Budget	Actual	Variance with Final Budget
Land Grant Fund			
Total Revenues and Other Sources	\$ 110	\$ 112	\$ 2
Total Expenditures and Other Uses	-	-	-
Net Change in Fund Balances	110	112	2
Fund Balance, July 1	5,129	5,129	-
Prior Year Encumbrances	-	-	-
Fund Balance, June 30	<u>\$ 5,239</u>	<u>\$ 5,241</u>	<u>\$ 2</u>



Fiduciary Fund Types

Combining and Individual Fund Financial Statements and Schedules

Private-Purpose Trust Funds

Private-purpose trust funds are used to account for assets held by the School District, which have been restricted so that the principal and income of the fund benefit individuals, private organizations, or other governments and are not available to support the operations of the School District. The School District reports two individual private-purpose trust funds.

Scholarship Trust

To account for restricted donations, where the donations themselves may be used, to provide scholarships to selected students graduating from the School District.

Memorial Scholarship Trust

To account for the restricted donations, where the corpus of the donations may not be used, which were provided in memory of individuals to provide scholarship to selected School District students.

Custodial Fund

Custodial funds are used to account for fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. The School District reports one custodial fund. As there is only one fund, no combining statements are provided in this section.

OHSAA Tournament Games

To account for revenue received for hosting tournament games operated by the Ohio High School Athletic Association which are used in facilitating future tournament events for which the School District acts as the fiscal agent.

**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

COMBINING STATEMENT OF NET POSITION
PRIVATE-PURPOSE TRUST FUNDS
JUNE 30, 2020

	<u>Scholarship Trust Fund</u>	<u>Memorial Scholarship Trust Fund</u>	<u>Total</u>
Assets:			
Equity in pooled cash and cash equivalents	\$ 52,781	\$ 67,149	\$ 119,930
Accounts receivable	<u>29</u>	<u>-</u>	<u>29</u>
Total Assets	<u>52,810</u>	<u>67,149</u>	<u>119,959</u>
Net Position:			
Held in trust for scholarships	<u>52,810</u>	<u>67,149</u>	<u>119,959</u>
Total Net Position	<u><u>\$ 52,810</u></u>	<u><u>\$ 67,149</u></u>	<u><u>\$ 119,959</u></u>

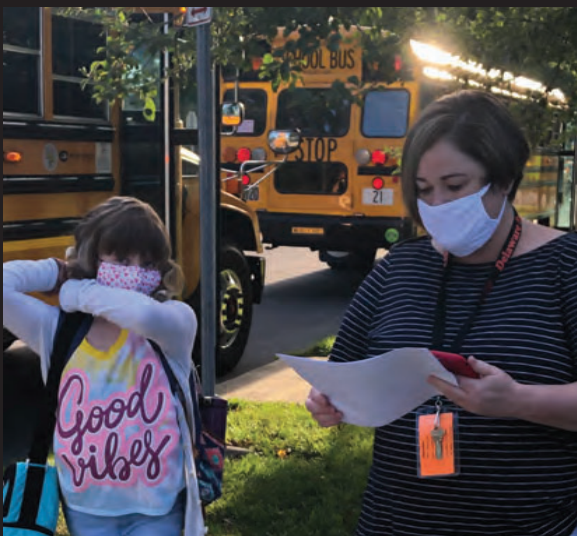
**DELAWARE CITY SCHOOL DISTRICT
DELAWARE COUNTY, OHIO**

COMBINING STATEMENT OF CHANGES IN
FIDUCIARY NET POSITION
PRIVATE-PURPOSE TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Scholarship Trust Fund	Memorial Scholarship Trust Fund	Total
Additions:			
Gifts and donations	\$ 1,825	\$ 313	\$ 2,138
Investment earnings	<u>334</u>	<u>1,401</u>	<u>1,735</u>
Total Additions	2,159	1,714	3,873
Deductions:			
Payments in accordance with trust agreements	<u>2,500</u>	<u>701</u>	<u>3,201</u>
Total Deductions	<u>2,500</u>	<u>701</u>	<u>3,201</u>
Change in Net Position	(341)	1,013	672
Net Position, Beginning of Year	<u>53,151</u>	<u>66,136</u>	<u>119,287</u>
Net Position, End of Year	<u>\$ 52,810</u>	<u>\$ 67,149</u>	<u>\$ 119,959</u>



Statistical Section



Delaware City School District

Delaware, Ohio



BACKSIDE OF STATISTICAL SECTION DIVIDER

STATISTICAL SECTION

This part of the Delaware City 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 District's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	109
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	
Revenue Capacity	114
These schedules contain information to help the reader assess the affordability of the District's most significant local revenue source, the property tax.	
Debt Capacity	123
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	
Demographic and Economic Information	127
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	
Operating Information	130
These schedules contain service data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	

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



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

	2020	2019 (3)	2018	2017 (2)	2016	2015	2014 (1)	2013	2012	2011
Governmental Activities										
Net Investment in										
Capital Assets	\$ 15,836,193	\$ 16,855,272	\$ 16,153,794	\$ 14,834,201	\$ 13,548,590	\$ 13,135,136	\$ 11,096,878	\$ 9,770,962	\$ 9,102,298	\$ 8,255,663
Restricted	8,286,073	9,431,876	8,104,512	7,474,969	6,923,338	5,239,203	5,593,311	4,672,508	3,669,938	3,193,505
Unrestricted	(50,691,309)	(41,472,759)	(53,118,810)	(83,950,357)	(59,967,924)	(61,172,695)	(63,049,565)	8,848,140	5,062,383	1,572,829
Total Governmental Activities	\$ (26,569,043)	\$ (15,185,611)	\$ (28,860,504)	\$ (61,641,187)	\$ (39,495,996)	\$ (42,798,356)	\$ (46,359,376)	\$ 23,291,610	\$ 17,834,619	\$ 13,021,997
Net Position										

(1) - Restated for implementation of GASB 68 during fiscal year 2015. The District has elected to not restate prior fund balance amounts for fiscal years prior to implementation.

(2) - Restated for implementation of GASB 75 during fiscal year 2018. The District has elected to not restate prior fund balance amounts for fiscal years prior to implementation.

(3) - Restated for implementation of GASB 84 during fiscal year 2020. The District has elected to not restate prior fund balance amounts for fiscal years prior to implementation.

Delaware City School District
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2020	2019	2018 (1)	2017	2016	2015	2014	2013	2012	2011
Expenses:										
Governmental Activities:										
Instruction										
Regular	\$ 29,849,030	\$ 24,293,323	\$ 10,382,778	\$ 27,871,427	\$ 24,777,810	\$ 23,802,440	\$ 24,021,141	\$ 24,083,445	\$ 21,730,895	\$ 22,539,999
Special	11,622,565	9,841,412	5,621,522	9,700,013	8,804,863	8,208,897	8,153,629	6,669,914	5,731,574	6,254,257
Vocational	163,856	117,224	123,794	218,526	209,063	186,286	191,199	156,843	175,938	307,590
Student Intervention Services	1,143,187	1,131,699	1,038,810	1,119,597	1,132,341	1,028,329	896,541	43,894	87,694	108,645
Other	248,730	1,251	(162,031)	329,076	53,412	-	196,803	186,635	2,300,758	2,138,369
Support Services										
Pupils	4,628,371	3,113,469	1,188,719	3,482,764	3,076,941	2,962,830	2,879,114	2,631,496	2,519,897	2,468,366
Instructional Staff	1,978,826	1,622,767	986,286	1,710,439	1,714,957	1,284,377	1,176,256	2,854,028	2,589,706	3,153,118
Board of Education	234,842	179,151	188,644	186,893	148,854	188,355	179,140	176,816	173,989	163,664
General Administrative	4,677,811	3,810,767	2,038,594	4,237,249	3,763,992	3,361,037	3,329,166	3,080,098	2,942,025	2,930,373
Fiscal Services	2,016,884	1,457,341	1,312,276	1,420,869	1,371,514	1,207,386	1,250,327	1,154,372	1,105,356	1,135,862
Business	525,602	424,113	289,173	427,406	439,882	387,910	397,547	406,366	331,725	372,744
Operation & Maintenance of Plant	5,509,601	5,710,783	4,980,465	5,829,134	5,218,451	4,783,456	4,637,195	4,487,853	4,339,248	4,547,833
Pupil Transportation	3,733,112	3,524,033	3,411,789	3,492,357	3,409,485	2,749,739	3,618,131	3,164,713	3,222,859	3,374,544
Central	636,749	804,863	511,744	747,366	698,167	1,511,065	290,933	136,137	264,800	152,308
Operation of Non-Instructional Services	3,956,752	3,900,801	3,500,496	3,656,700	3,690,012	3,442,372	3,327,646	3,266,319	2,002,275	1,781,285
Extra Curricular Activities	1,844,913	1,536,197	1,434,272	1,486,499	1,483,181	1,362,236	1,563,002	1,265,322	1,173,635	1,166,815
Interest and Fiscal Charges	6,030,175	2,673,952	2,744,325	2,813,989	2,906,250	2,469,601	2,092,170	1,158,713	1,293,359	1,378,204
Unallocated Depreciation	1,773,599	1,771,028	1,682,895	949,989	894,345	918,393	861,035	989,183	947,128	949,603
Total Governmental Activities										
Expenses	80,574,605	65,914,174	41,274,551	69,660,293	63,793,520	59,854,709	59,060,975	55,912,147	52,932,861	54,923,579

Delaware City School District
Changes in Net Position (continued)
Last Ten Fiscal Years

(accrual basis of accounting)

	2020	2019	2018 (1)	2017	2016	2015	2014	2013	2012	2011
Program Revenues										
Governmental Activities:										
Charges for Services										
Instruction										
Regular	\$ 1,119,623	\$ 1,243,057	\$ 1,284,822	\$ 655,281	\$ 746,128	\$ 1,439,531	\$ 1,560,282	\$ 1,521,079	\$ 1,536,768	\$ 1,361,358
Support Services										
Instructional Staff	22,729	17,605	-	-	-	-	-	-	-	-
General Administrative	55,004	54,767	74,610	94,936	135,796	74,072	69,699	91,204	79,856	95,836
Operation & Maintenance of Plant	135,835	154,696	124,176	104,306	120,045	33,739	72,002	90,891	81,507	18,971
Pupil Transportation	-	-	-	-	-	1,017	5,226	2,683	10,449	1,595
Operation of Non-Instructional Services	1,777,711	1,840,465	1,932,290	1,897,179	1,940,927	855,383	915,838	919,965	1,009,024	976,268
Extra Curricular Activities	223,965	309,388	326,743	303,535	291,370	258,280	322,152	297,105	388,271	297,351
Operating Grants and Contributions	5,893,242	5,259,887	4,915,057	4,999,228	5,034,606	4,503,129	4,735,840	4,864,556	4,705,078	5,288,347
Total Governmental Activities										
Program Revenues	9,228,109	8,879,865	8,657,698	8,054,465	8,268,872	7,165,151	7,681,039	7,787,483	7,810,954	8,039,726
Net (Expense)/Revenue										
Governmental Activities	\$ (71,346,496)	\$ (57,034,309)	\$ (32,616,853)	\$ (61,605,828)	\$ (55,524,648)	\$ (52,689,558)	\$ (51,379,936)	\$ (48,124,664)	\$ (45,121,907)	\$ (46,883,853)
General Revenues and Other										
Changes in Net Position										
Governmental Activities										
Property Taxes Levied for:										
General Purposes (2)	\$ 29,680,293	\$ 38,257,709	\$ 35,139,687	\$ 29,379,701	\$ 29,960,282	\$ 28,236,313	\$ 29,222,750	\$ 29,753,957	\$ 27,391,062	\$ 22,881,148
Debt Service	4,146,513	5,385,132	5,055,287	4,801,469	4,892,178	4,478,533	4,087,819	3,364,962	3,120,099	3,013,956
Permanent Improvement	1,542,343	1,993,379	1,882,610	1,860,836	1,880,614	1,784,464	1,827,705	1,878,323	1,822,135	1,769,698
Payments in Lieu of Property Taxes	25,669	42,477	46,856	35,616	14,554	43,581	27,857	-	-	-
Grants and Entitlements not										
Restricted to Specific Programs	21,880,176	22,856,864	21,963,185	21,264,771	20,961,724	20,572,119	18,949,100	17,700,452	17,179,605	18,094,408
Investment Earnings	1,450,051	560,234	271,197	271,846	296,388	217,474	152,459	112,157	4,576	18,970
Miscellaneous	1,238,019	1,341,834	1,038,714	735,641	821,268	918,094	1,182,230	771,804	724,782	450,492
Total Governmental Activities	59,963,064	70,437,629	65,397,536	58,349,880	58,827,008	56,250,578	55,449,920	53,581,655	50,242,259	46,228,672
Change in Net Position										
Governmental Activities	\$ (11,383,432)	\$ 13,403,320	\$ 32,780,683	\$ (3,255,948)	\$ 3,302,360	\$ 3,561,020	\$ 4,069,984	\$ 5,456,991	\$ 5,120,352	\$ (655,181)

(1) - Significant decreases in expenses for 2018 resulted from negative pension and OPEB expense recorded for fiscal year.

(2) - In November 2017, the District passed a five-year, \$6.2 million emergency operating levy, which began collections in calendar year 2018. Decrease in fiscal year 2020 resulted from amounts available for advance at end of fiscal year being significantly less than prior years due to extension of deadline for property tax payments.

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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Fund										
Nonspendable	\$ 277,147	\$ 263,095	\$ 250,697	\$ 237,643	\$ 241,488	\$ 256,692	\$ 266,032	\$ 214,383	\$ 221,327	\$ 224,542
Reserved	-	-	-	-	-	-	-	-	-	-
Unreserved	-	-	-	-	-	-	-	-	-	-
Assigned	610,686	752,564	455,692	1,948,998	4,242,346	202,011	489,327	90,959	329,579	2,703,072
Unassigned	10,602,363	17,422,420	12,686,868	9,116,724	8,217,526	11,046,402	10,488,446	9,255,756	4,853,390	-
Total General Fund	<u>\$ 11,490,196</u>	<u>\$ 18,438,079</u>	<u>\$ 13,393,257</u>	<u>\$ 11,303,365</u>	<u>\$ 12,701,360</u>	<u>\$ 11,505,105</u>	<u>\$ 11,223,805</u>	<u>\$ 9,561,098</u>	<u>\$ 5,404,296</u>	<u>\$ 2,927,614</u>
All Other Governmental Funds										
Nonspendable	\$ 4,200	\$ 4,200	\$ 4,200	\$ 4,200	\$ 39,200	\$ 30,952	\$ 33,323	\$ 35,408	\$ 26,052	\$ 22,025
Restricted	42,498,912	9,154,167	8,617,508	11,549,867	29,424,840	48,298,429	25,475,598	5,174,017	5,361,893	4,857,178
Unassigned	(29,502)	(166,931)	(165,326)	(123,871)	(180,209)	(122,931)	(94,535)	(86,413)	(55,070)	(10,207)
Total All Other Governmental Funds	<u>\$ 42,473,610</u>	<u>\$ 8,991,436</u>	<u>\$ 8,456,382</u>	<u>\$ 11,430,196</u>	<u>\$ 29,283,831</u>	<u>\$ 48,206,450</u>	<u>\$ 25,414,386</u>	<u>\$ 5,123,012</u>	<u>\$ 5,332,875</u>	<u>\$ 4,868,996</u>

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

	2020 (1)	2019	2018	2017	2016	2015	2014	2013	2012	2011
Revenues:										
Property and Other Local Taxes	\$ 35,588,064	\$ 45,714,093	\$ 42,019,348	\$ 36,311,526	\$ 36,697,189	\$ 34,303,596	\$ 34,696,452	\$ 35,491,288	\$ 31,839,905	\$ 28,155,939
Intergovernmental	27,668,037	27,970,388	26,804,606	26,157,152	25,786,372	25,155,914	23,706,698	22,252,327	21,591,349	23,477,846
Interest	1,450,051	560,234	288,560	255,921	306,541	222,495	135,547	112,157	4,576	18,970
Tuition and Fees	1,971,497	2,210,520	2,324,552	1,644,544	1,744,258	1,439,531	1,560,282	1,521,079	1,536,768	1,360,505
Rentals	135,835	154,696	124,176	104,306	120,045	33,739	72,002	90,891	81,507	18,971
Extracurricular Activities	529,131	356,054	428,787	389,567	413,981	322,053	418,822	370,972	450,404	375,297
Gifts and Donations	177,897	115,985	114,967	118,475	105,472	97,651	230,750	137,710	126,850	100,147
Customer Sales and Services	698,404	898,708	865,126	975,851	955,982	866,689	894,093	939,985	1,037,196	996,606
Payment in Lieu of Property Taxes	25,669	42,477	46,856	35,616	14,554	-	27,857	-	-	-
Miscellaneous	1,238,019	1,329,346	1,038,714	735,641	821,268	918,094	1,193,823	584,146	724,782	450,492
Total Revenues	69,482,604	79,352,501	74,055,692	66,669,568	66,965,962	63,403,353	62,936,326	61,500,555	57,393,337	54,954,773
Expenditures										
Current:										
Instruction										
Regular	28,815,374	28,137,362	27,364,990	25,864,821	24,364,282	24,500,853	23,793,783	23,644,328	21,874,431	22,440,012
Special	11,460,275	10,959,167	10,080,110	9,160,554	8,730,695	8,403,417	8,210,721	6,631,601	5,782,525	6,223,816
Vocational	154,247	150,366	200,283	201,880	194,430	189,790	178,911	156,218	216,310	310,320
Student Intervention	1,214,895	1,294,262	1,039,312	1,119,597	1,160,091	1,032,622	896,083	43,894	87,694	108,645
Other Instruction	132,309	96,402	666,683	204,184	53,412	3,779	152,642	186,635	2,300,758	2,138,369
Support Services										
Pupils	4,532,290	3,611,334	3,196,120	3,264,970	3,051,046	3,040,376	2,863,936	2,618,690	2,585,628	2,488,683
Instructional Staff	1,914,635	1,776,033	1,592,479	1,604,171	1,714,547	1,343,293	1,196,884	2,845,909	2,591,311	3,131,086
Board of Education	227,454	179,348	194,562	164,984	144,773	191,129	179,140	176,816	173,989	163,664
Administration	4,471,626	4,379,997	4,122,524	3,989,378	3,747,771	3,507,893	3,298,393	3,064,169	2,946,144	2,917,671
Fiscal Services	1,550,871	1,463,171	1,399,270	1,402,883	1,346,056	1,225,486	1,250,327	1,169,027	1,086,479	1,093,959
Business	469,868	446,759	437,159	404,057	440,405	397,924	400,554	398,364	329,307	372,441
Operation & Maintenance of Plant	4,899,341	4,999,245	4,936,181	4,847,773	4,848,526	4,714,751	4,403,107	4,016,730	3,988,792	4,496,769
Pupil Transportation	3,973,182	3,463,869	3,738,447	3,306,471	3,315,130	2,994,124	3,326,771	2,865,062	2,929,899	3,122,007
Central	604,657	838,282	730,642	683,359	708,072	1,576,372	290,702	136,137	264,800	148,832
Non-Instructional Services	3,758,818	3,920,291	3,863,027	3,540,750	3,635,699	3,470,873	3,335,134	3,241,302	2,003,170	1,776,700
Extra Curricular Activities	1,815,862	1,519,084	1,538,218	1,437,579	1,424,513	1,345,343	1,530,591	1,226,922	1,155,900	1,155,900
Capital Outlay	5,556,189	1,179,362	4,483,748	19,363,193	20,060,670	8,047,884	1,392,554	1,722,954	3,331,643	997,972
Debt Service										
Principal Retirement	2,681,750	2,596,900	2,512,180	2,442,590	2,763,110	2,768,750	2,749,510	2,565,327	2,427,197	2,328,452
Interest and Fiscal Charges	3,354,512	2,773,879	2,843,679	2,914,004	2,988,898	1,929,826	1,804,956	1,122,901	1,207,468	1,220,525
Issuance Costs	428,342	-	-	-	-	478,789	200,263	-	-	-
Total Expenditures	\$ 82,016,487	\$ 73,785,113	\$ 74,939,614	\$ 85,921,198	\$ 84,692,326	\$ 71,163,274	\$ 61,454,962	\$ 57,832,886	\$ 57,272,046	\$ 56,635,923
Excess (deficiency) of revenue over (under) expenditures	\$ (12,533,883)	\$ 5,567,388	\$ (883,922)	\$ (19,251,630)	\$ (17,726,364)	\$ (7,759,921)	\$ 1,481,364	\$ 3,667,669	\$ 121,291	\$ (1,681,150)
Other Financing (Sources) Uses										
Miscellaneous Sources	-	12,488	-	-	-	-	-	187,658	-	-
Transfers In	-	-	-	-	-	-	30,000	-	-	20,000
Transfers (out)	-	-	-	-	-	-	(30,000)	-	-	(20,000)
Premium on Bonds Issued	-	-	-	-	-	-	562,717	-	-	-
Premium and Interest on Bonds Sold	-	-	-	-	-	1,519,061	-	-	-	-
General Obligation Bonds Issued	36,530,000	-	-	-	-	30,000,000	19,910,000	1,011,208	-	-
Refunding Bonds Issued	19,794,972	-	-	-	-	11,580,000	-	8,720,000	-	-
Notes Issued	-	-	-	-	-	-	-	-	2,819,270	-
Payments to Refunded Bond Escrow	(22,284,173)	-	-	-	-	(12,265,776)	-	(9,639,596)	-	-
Total Other Financing Sources (Uses)	38,796,601	12,488	-	-	-	30,833,285	20,472,717	279,270	2,819,270	-
Net Change in Fund Balance	\$ 26,262,718	\$ 5,579,876	\$ (883,922)	\$ (19,251,630)	\$ (17,726,364)	\$ 23,073,364	\$ 21,954,081	\$ 3,946,939	\$ 2,940,561	\$ (1,681,150)
Debt Service as a Percentage of Noncapital Expenditures	8.54%	7.40%	7.65%	8.01%	8.86%	7.43%	7.58%	7.04%	7.23%	6.81%

(1) - Decrease in fiscal year 2020 resulted from amounts available for advance at end of fiscal year being significantly less than prior years due to extension of deadline for property tax payments.

Delaware City School District
Assessed Valuation and Estimated Actual Value of Taxable Property
Last Ten Collection Years

Collection Year	Real Property (a)		Public Utility (c)		Total		Tax Rate (d)
	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	
2020	\$ 831,139,760	\$ 2,374,685,029	\$ 40,766,180	\$ 116,474,800	\$ 871,905,940	\$ 2,491,159,829	52.94
2019	801,440,170	2,289,829,057	31,634,190	90,383,400	833,074,360	2,380,212,457	52.94
2018	793,376,590	2,266,790,257	29,333,820	83,810,914	822,710,410	2,350,601,171	52.94
2017	715,549,460	2,044,427,029	27,806,060	79,445,886	743,355,520	2,123,872,915	52.94
2016	696,740,830	1,990,688,086	27,342,750	78,122,143	724,083,580	2,068,810,229	52.95
2015	685,495,130	1,958,557,514	25,425,030	72,642,943	710,920,160	2,031,200,457	52.93
2014	670,008,010	1,914,308,600	25,111,470	71,747,057	695,119,480	1,986,055,657	52.93
2013	668,802,840	1,910,865,257	24,059,460	68,741,314	692,862,300	1,979,606,571	51.43
2012	670,334,220	1,915,240,629	24,044,560	68,698,743	694,378,780	1,983,939,372	51.04
2011	703,647,190	2,010,420,543	22,653,280	64,723,657	726,300,470	2,075,144,200	40.45

Source: Office of the County Auditor, Delaware County, Ohio

(a) The assessed value of real property is fixed at 35% of true value and is determined pursuant to the rules of the State Tax Commissioner.

(b) The rate at which tangible personal property used in business is assessed for purposes of ad valorem property taxation decreased one percent each year from 35% in 1983 until it reached 25% in 1993. The rate decreased by 6.25% to 18.75% in 2006 and by an additional 6.25% to 12.5% in 2007. The rate continued to decrease by 6.25% in 2008 and will reach 0 in 2009. Personal property assessed for collection year 2010 is for delinquent taxes outstanding.

(c) Assumes public utilities are assessed at true value which is 35%.

(d) Tax rates are per \$1,000 of assessed value. The rate represents the weighted average of all the effective (assessed) rates applied by property type.

Delaware City School District
Real Property Tax Rates - Direct and Overlapping Governments
Last Ten Years
Delaware Township
(Per \$1000 Assessed Value)

Collection Year	Delaware City		Delaware County		Delaware Area Career Center		Delaware Health Dept		Tri-Twp Fire District		Township		Other		Total Rate		Residential/ Agriculture Effective Rate		Commercial/ Industrial Effective Rate	
	School District	County	District Library	County	Area Career Center	Health Dept	Fire District	Township	Other	Total Rate	Residential/ Agriculture Effective Rate	Commercial/ Industrial Effective Rate								
2020	82.47	6.37	1.00	3.20	0.70	6.40	2.40	2.53	105.07	74.608559	79.439126									
2019	83.35	6.37	1.00	3.20	0.70	6.40	2.40	2.53	105.95	75.571600	81.237100									
2018	83.55	5.86	1.00	3.20	0.70	6.40	2.40	2.23	105.34	75.016364	80.762779									
2017	77.94	5.88	1.00	1.50	0.70	6.40	2.40	2.23	98.05	70.926764	75.344835									
2016	78.24	5.90	1.00	3.20	0.70	6.40	2.40	1.30	99.14	71.371094	75.780621									
2015	78.51	5.91	1.00	3.20	0.70	6.40	2.40	2.05	100.17	72.427258	77.406301									
2014	78.20	5.91	1.00	3.20	0.70	5.40	2.40	2.05	98.86	72.453970	76.293884									
2013	76.73	5.05	1.00	3.20	0.70	5.40	2.40	2.05	96.53	70.101180	73.416746									
2012	76.38	5.05	1.00	3.20	0.70	5.40	2.40	2.05	96.18	69.700060	72.869693									
2011	66.91	5.05	1.00	3.20	0.70	5.40	2.40	2.05	86.71	58.838259	62.716264									

Note: The Delaware City School District currently consists of six taxing Districts:

- Delaware Township
- Delaware City
- Troy Township
- Delaware Township-Delaware City
- Brown Township-Delaware City
- Troy Township-Delaware City

"Other" column includes Del-Morrow Mental Health, 9-1-1 and Preservation Parks

Source: Office of the County Auditor, Delaware County, Ohio

Delaware City School District
Real Property Tax Rates - Direct and Overlapping Governments
Last Ten Years
City of Delaware
(Per \$1000 Assessed Value)

Collection Year	Delaware City		Delaware County		Delaware		Delaware		Total Rate	Residential/ Agriculture Effective Rate	Commercial/ Industrial Effective Rate
	School District	Delaware County	City of Delaware	County Library	Area Career Center	Delaware Health Dept	Other				
2020	82.47	6.37	2.70	1.00	3.20	0.70	2.53	98.97	69.893879	74.055799	
2019	83.35	6.37	2.70	1.00	3.20	0.70	2.53	99.85	70.835200	75.725400	
2018	83.55	5.86	2.70	1.00	3.20	0.70	2.23	99.24	70.248672	75.224294	
2017	77.94	5.88	2.70	1.00	1.50	0.70	2.23	91.95	65.706846	69.442996	
2016	78.24	5.90	2.70	1.00	3.20	0.70	1.30	93.04	66.101076	69.853772	
2015	78.51	5.91	2.70	1.00	3.20	0.70	2.05	94.07	67.154417	71.515893	
2014	78.20	5.91	2.70	1.00	3.20	0.70	2.05	93.76	67.524934	71.316492	
2013	76.73	5.05	2.70	1.00	3.20	0.70	2.05	91.43	65.176442	68.453865	
2012	76.38	5.05	2.70	1.00	3.20	0.70	2.05	91.08	64.784738	67.915646	
2011	66.91	5.05	2.70	1.00	3.20	0.70	2.05	81.61	54.025243	57.806992	

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"Other" column includes Del-Morrow Mental Health, 9-1-1 and Preservation Parks

Source: Office of the County Auditor, Delaware County, Ohio

Delaware City School District
Real Property Tax Rates - Direct and Overlapping Governments
Last Ten Years
Troy Township
(Per \$1000 Assessed Value)

Collection Year	Delaware City		Delaware County		Delaware Area Career Center		Delaware Health Dept		Tri-Twp Fire District		Township		Other		Total Rate		Residential/ Agriculture Effective Rate		Commercial/ Industrial Effective Rate	
	School District	County	District Library	County	Area Career Center	Health Dept	Fire District	Township	Other	Total Rate	Residential/ Agriculture Effective Rate	Commercial/ Industrial Effective Rate								
2020	82.47	6.37	1.00	3.20	0.70	6.40	2.20	2.53	104.87	74.596313	79.416796									
2019	83.35	6.37	1.00	3.20	0.70	6.40	2.20	2.53	105.75	75.543800	81.206600									
2018	83.55	5.86	1.00	3.20	0.70	6.40	2.20	2.23	105.14	74.980239	80.735378									
2017	77.94	5.88	1.00	1.50	0.70	6.40	2.20	2.23	97.85	70.826932	75.279142									
2016	78.24	5.90	1.00	3.20	0.70	6.40	2.20	1.30	98.94	71.258437	75.712632									
2015	78.51	5.91	1.00	3.20	0.70	6.40	2.20	2.05	99.97	72.312984	77.337537									
2014	78.20	5.91	1.00	3.20	0.70	5.40	2.20	2.05	98.66	72.303960	76.216492									
2013	76.73	5.05	1.00	3.20	0.70	5.40	2.20	2.05	96.33	69.953248	73.335953									
2012	76.38	5.05	1.00	3.20	0.70	5.40	2.20	2.05	95.98	69.553149	72.793777									
2011	66.91	5.05	1.00	3.20	0.70	5.40	2.20	2.05	86.51	58.717605	62.639412									

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Source: Office of the County Auditor, Delaware County, Ohio

Delaware City School District
Real Property Tax Rates - Direct and Overlapping Governments
Last Ten Years
Delaware Township-Delaware City
(Per \$1000 Assessed Value)

Collection Year	Delaware City		Delaware County		Delaware City of Delaware		Delaware County		Delaware Area Career Center		Delaware Health Dept		Township		Other		Total Rate		Residential/ Agriculture Effective Rate		Commercial/ Industrial Effective Rate	
	School District	County	City of Delaware	District Library	District Library	Center	Dept	Township	Other	Rate	Effective Rate	Effective Rate	Effective Rate	Effective Rate	Effective Rate	Effective Rate	Effective Rate	Effective Rate	Effective Rate	Effective Rate	Effective Rate	
2020	82.47	6.37	1.35	1.00	3.20	0.70	2.15	2.53	99.77	70.506125	74.678129											
2019	83.35	6.37	1.35	1.00	3.20	0.70	2.15	2.53	100.65	71.463000	76.355900											
2018	83.55	5.86	1.35	1.00	3.20	0.70	2.15	2.23	100.04	70.884797	75.851695											
2017	77.94	5.88	1.35	1.00	1.50	0.70	2.15	2.23	92.75	66.406678	70.108689											
2016	78.24	5.90	1.35	1.00	3.20	0.70	2.15	1.30	93.84	66.813733	70.521761											
2015	78.51	5.91	1.35	1.00	3.20	0.70	2.15	2.05	94.87	67.868691	72.184657											
2014	78.20	5.91	1.35	1.00	3.20	0.70	2.15	2.05	94.56	68.274944	71.993884											
2013	76.73	5.05	1.35	1.00	3.20	0.70	2.15	2.05	92.23	65.924374	69.134658											
2012	76.38	5.05	1.35	1.00	3.20	0.70	2.15	2.05	91.88	65.531649	68.591562											
2011	66.91	5.05	1.35	1.00	3.20	0.70	2.15	2.05	82.41	54.745897	58.483844											

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Source: Office of the County Auditor, Delaware County, Ohio

Delaware City School District
Real Property Tax Rates - Direct and Overlapping Governments
Last Ten Years
Brown Township-Delaware City
(Per \$1000 Assessed Value)

Collection Year	Delaware City		Delaware County		Delaware City of Delaware		Delaware County		Delaware Area Career Center		Delaware Health Dept		Township		Other		Total Rate		Residential/ Agriculture Effective Rate		Commercial/ Industrial Effective Rate	
	School District	County	City of Delaware	District Library	County	City of Delaware	District Library	County	Area Career Center	Health Dept	Township	Other	Rate	Effective Rate	Effective Rate	Effective Rate						
2020	82.47	6.37	1.35	1.00	3.20	0.70	3.85	2.53	101.47	71.383581	76.192136											
2019	83.35	6.37	1.35	1.00	3.20	0.70	3.85	2.53	102.35	72.327300	77.850000											
2018	83.55	5.86	1.35	1.00	3.20	0.70	3.85	2.23	101.74	71.741254	77.348951											
2017	77.94	5.88	1.35	1.00	1.50	0.70	3.85	2.23	94.45	67.265868	71.713806											
2016	78.24	5.90	1.35	1.00	3.20	0.70	3.85	1.30	95.54	67.662738	72.124582											
2015	78.51	5.91	1.35	1.00	3.20	0.70	3.85	2.05	96.57	68.718827	73.786703											
2014	78.20	5.91	1.35	1.00	3.20	0.70	3.85	2.05	96.26	69.361856	73.630829											
2013	76.73	5.05	1.35	1.00	3.20	0.70	3.85	2.05	93.93	67.015807	70.768202											
2012	76.38	5.05	1.35	1.00	3.20	0.70	3.85	2.05	93.58	66.621620	70.229633											
2011	66.91	5.05	1.35	1.00	3.20	0.70	3.85	2.05	84.11	55.916303	60.044849											

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Source: Office of the County Auditor, Delaware County, Ohio

Delaware City School District
Real Property Tax Rates - Direct and Overlapping Governments
Last Ten Years
Troy Township-Delaware City
(Per \$1000 Assessed Value)

Collection Year	Delaware City		Delaware			Delaware			Delaware			Residential/ Agriculture Effective Rate	Commercial/ Industrial Effective Rate
	School District	Delaware County	City of Delaware	County		District		Health Dept	Township	Other	Total Rate		
				School District	County	Area Career Center	District Library						
2020		82.47	6.37	1.35	1.00	3.20	0.70	1.35	2.53	98.97	69.893879	74.055799	
2019		83.35	6.37	1.35	1.00	3.20	0.70	1.35	2.53	99.85	70.835200	75.725400	
2018		83.55	5.86	1.35	1.00	3.20	0.70	1.35	2.23	99.24	70.248672	75.224294	
2017		77.94	5.88	1.35	1.00	1.50	0.70	1.35	2.23	91.95	65.706846	69.442996	
2016		78.24	5.90	1.35	1.00	3.20	0.70	1.35	1.30	93.04	66.101076	69.853772	
2015		78.51	5.91	1.35	1.00	3.20	0.70	1.35	2.05	94.07	67.154417	71.515893	
2014		78.20	5.91	1.35	1.00	3.20	0.70	1.35	2.05	93.76	67.524934	71.316492	
2013		76.73	5.05	1.35	1.00	3.20	0.70	1.35	2.05	91.43	65.176442	68.453865	
2012		76.38	5.05	1.35	1.00	3.20	0.70	1.35	2.05	91.08	64.784738	67.915646	
2011		66.91	5.05	1.35	1.00	3.20	0.70	1.35	2.05	81.61	54.025243	57.806999	

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Source: Office of the County Auditor, Delaware County, Ohio

Delaware City School District
Principal Property Taxpayers
June 30, 2020 and June 30, 2011

June 30, 2020		
	Total Assessed Valuation	% of Total Assessed Valuation
Public Utilities		
1 . Ohio Power Company	\$ 20,500,000	2.49%
2 . Columbia Gas of Ohio	4,682,430	0.57%
3 . Consolidated Electric Cooperative	1,419,180	0.17%
4 . AEP Ohio Transmission Company Inc	1,371,160	0.17%
Real Estate		
1 . HPI Troy Farms LLC	8,353,450	1.02%
2 . Carson Farms Investments LLC	5,428,500	0.66%
3 . The Crown Group Limited	4,906,740	0.60%
4 . Willow Brook Christian Communities Inc.	4,465,480	0.54%
5 . Delaware Preserve LLC	4,221,600	0.51%
6 . Bowtown Apartments Inc.	4,056,220	0.49%
7 . USPG Portfolio Two LLC	3,951,030	0.48%
8 . Delaware Preserve Two LLC	3,896,100	0.47%
9 . S A R B G Delaware Ltd	3,754,420	0.46%
10 . Delaware Development Plan Ltd	3,524,610	0.43%
ALL OTHERS	748,179,490	90.94%
TOTAL ASSESSED VALUATION	<u>\$ 822,710,410</u>	<u>100.00%</u>
June 30, 2011		
	Total Assessed Valuation	% of Total Assessed Valuation
Public Utilities		
1 . Columbus Southern Power Company	\$ 16,977,730	2.34%
2 . Columbia Gas of Ohio	3,272,980	0.45%
3 . Consolidated Electric Cooperative	1,511,910	0.21%
Real Estate		
1 . Willow Brook Christian Communities Inc.	7,795,110	1.07%
2 . HPI Troy Farms LLC	6,398,140	0.88%
3 . The Crown Group Limited	4,790,930	0.66%
4 . Bowtown Apartments Inc.	4,235,000	0.58%
5 . S A R B G Delaware Ltd	3,871,670	0.53%
6 . Long Real Estate Inc.	3,404,140	0.47%
7 . USPG Portfolio Two LLC	2,885,130	0.40%
8 . Byers Realty LLC	2,731,970	0.38%
9 . Western Auto Supply	2,584,440	0.36%
10 . Machom IV LLC	2,545,830	0.35%
ALL OTHERS	663,295,490	91.32%
TOTAL ASSESSED VALUATION	<u>\$ 726,300,470</u>	<u>100.00%</u>

Source: Office of the County Auditor, Delaware County, Ohio

Assessed Values are for the tax year of 2019 and 2010 respectively

Delaware City School District
Property Tax Levies and Collections
Last Ten Years

Collection Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes	Percent of Delinquent Taxes to Tax Levy
2020	\$ 50,184,421	\$ 48,801,481	97.24	\$ 845,533	\$ 49,647,014	98.93	\$ 1,374,701	2.74
2019	48,520,094	47,857,361	98.63	978,955	48,836,316	100.65	1,351,638	2.79
2018	48,086,018	46,722,088	97.16	886,905	47,608,993	99.01	1,080,911	2.25
2017	40,047,720	38,929,901	97.21	738,061	39,667,962	99.05	1,121,207	2.80
2016	39,332,628	38,744,353	98.50	1,144,905	39,889,258	101.42	1,484,240	3.77
2015	38,851,962	37,929,532	97.63	857,208	38,786,740	99.83	1,581,867	4.07
2014	37,933,774	37,423,452	98.65	1,015,516	38,438,968	101.33	1,529,565	4.03
2013	36,659,443	35,349,835	96.43	1,133,087	36,482,922	99.52	760,721	2.08
2012	36,500,780	34,746,751	95.19	930,110	35,676,861	97.74	926,639	2.54
2011	30,525,403	29,313,120	96.03	1,274,355	30,587,475	100.20	1,508,954	4.94

Note: The information above is for real estate, public utilities and tangible personal property collections and levies; the County currently cannot identify delinquent collections by year for which tax is levied and reports in year collected.

Source: Office of the County Auditor, Delaware County, Ohio

Delaware City School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Governmental Activities							
Year	(a) Gross		(b)		Total Primary Government	(c)	
	Bonded Debt	Energy Conservation Notes Payable	Capital Leases	Percentage of Personal Income		(c) Per Capita	(c) Per Enrollment
2020	\$ 104,018,874	\$ 1,454,110	\$ -	\$ 105,472,984	8.30%	\$ 2,577	\$ 18,481
2019	63,177,262	1,640,860	-	64,818,122	5.38%	1,623	11,177
2018	65,823,072	1,822,760	-	67,645,832	6.05%	1,723	11,726
2017	68,388,882	1,999,940	-	70,388,822	6.64%	1,822	12,911
2016	70,889,692	2,172,530	-	73,062,222	7.20%	1,975	13,749
2015	73,698,035	2,340,640	-	76,038,675	7.73%	2,086	13,945
2014	45,563,414	2,504,390	-	48,067,804	5.20%	1,338	8,652
2013	27,803,895	2,663,900	-	30,467,795	3.30%	848	5,574
2012	30,109,237	2,819,270	14,957	32,943,464	3.61%	929	6,259
2011	32,490,263	-	72,154	32,562,417	3.61%	930	6,260

Sources :

- (a) See schedule "Ratios of Net General Bonded Debt Outstanding" for net bonded debt information
- (b) See notes to the financial statements regarding the District's long-term notes and capital leases payable
- (c) See Schedule "Demographic and Economic Statistics, Last Ten Years" for personal income, population and enrollment information

**Delaware City School District
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years**

Year	(a) Assessed Value	(b) Gross Bonded Debt	(c) Less Debt Service	Net Bonded Debt	% of Net Bonded Debt to Assessed Valuation	(d) Net Bonded Debt Per Capita	(d) Net Bonded Debt Per Enrollment
2020	\$ 871,905,940	\$ 104,018,874	\$ 3,563,665	\$ 100,455,209	11.52%	\$ 2,455	\$ 17,602
2019	833,074,360	63,177,262	5,582,858	57,594,404	6.91%	1,442	9,932
2018	822,710,410	65,823,072	4,628,510	61,194,562	7.44%	1,558	10,607
2017	743,355,520	68,388,882	4,090,524	64,298,358	8.65%	1,664	11,794
2016	724,083,580	70,889,692	3,821,895	67,067,797	9.26%	1,813	12,621
2015	710,920,160	73,698,035	3,166,805	70,531,230	9.92%	1,935	12,935
2014	695,119,840	45,563,414	1,851,359	43,712,055	6.29%	1,217	7,868
2013	692,862,300	27,803,895	1,450,094	26,353,801	3.80%	734	4,821
2012	694,378,780	30,109,237	221,031	29,888,206	4.30%	843	5,679
2011	726,300,470	32,490,263	-	32,490,263	4.47%	928	6,246

Sources :

- (a) Office of the County Auditor, Delaware County, Ohio
- (b) General Obligation debt outstanding end of fiscal year. School District Records
- (c) Net position restricted for debt service at end of fiscal year
- (d) See Schedule "Demographic and Economic Statistics, Last Ten Years" for population and enrollment information

Delaware City School District
Computation of Direct and Overlapping General Obligation Bonded Debt
as of June 30, 2020

Governmental Unit	Gross Debt Outstanding	Percent Applicable to School District	Amount Applicable to Delaware City School District
Delaware City School District	\$ 105,472,984	100.00%	\$105,472,984
Delaware City	28,680,000	86.15%	24,707,820
Delaware County	<u>43,056,800</u>	10.51%	<u>4,525,270</u>
Total Direct	105,472,984		105,472,984
Total Overlapping	<u>71,736,800</u>		<u>29,233,090</u>
Total Direct and Overlapping	<u>\$ 177,209,784</u>		<u>\$134,706,074</u>

Note: Percent applicable to Delaware City School District calculated using assessed valuation of the School District area value contained within the noted governmental unit divided by assessed valuation of the governmental unit.

Overlapping governments with no outstanding debt are not reflected.

Source: School District Records and Ohio Municipal Advisory Council

**Delaware City School District
Legal Debt Margin Information
Last Ten Years**

	2020*	2019	2018	2017	2016	2015*	2014	2013	2012	2011
Assessed Valuation	\$ 871,905,940	\$ 833,074,360	\$ 822,710,410	\$ 743,355,520	\$ 724,083,580	\$ 710,920,160	\$ 695,119,840	\$ 692,862,300	\$ 694,378,780	\$ 726,300,470
Voted Debt Limit - 9% of Assessed Valuation	78,471,535	74,976,692	74,043,937	66,901,997	65,167,522	63,982,814	62,560,786	62,357,607	62,494,090	65,367,042
Net Indebtedness (a)	97,475,612	57,456,708	61,062,058	64,161,639	66,968,059	69,726,622	42,474,761	25,224,353	28,083,176	30,512,054
Less Exempted Debt (b)	-	-	-	-	-	-	-	-	-	-
Net Voted Indebtedness	97,475,612	57,456,708	61,062,058	64,161,639	66,968,059	69,726,622	42,474,761	25,224,353	28,083,176	30,512,054
Legal Debt Margin*	(19,004,077)	17,519,984	12,981,879	2,740,358	(1,800,537)	(5,743,808)	20,086,025	37,133,254	34,410,914	34,854,988
Total Net Debt Applicable to the Limit as a percentage of the Debt Limit	124%	77%	82%	96%	103%	109%	68%	40%	45%	47%
Unvoted Debt Limit - 0.1% of Assessed Valuation (General Limitation)	\$ 871,906	\$ 833,074	\$ 822,710	\$ 743,356	\$ 724,084	\$ 710,920	\$ 695,120	\$ 692,862	\$ 694,379	\$ 726,300
Unvoted Net Indebtedness	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	871,906	833,074	822,710	743,356	724,084	710,920	695,120	692,862	694,379	726,300
Total Net Debt Applicable to the Limit as a percentage of the Debt Limit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Unvoted Debt Limit - 9/10 of 1% of Assessed Valuation (energy conservation limit)	\$ 7,847,153	\$ 7,497,669	\$ 7,404,394	\$ 6,690,200	\$ 6,516,752	\$ 6,398,281	\$ 6,256,079	\$ 6,235,761	\$ 6,249,409	\$ 6,536,704
Energy Conservation Net Indebtedness	1,454,110	1,640,860	1,822,760	1,999,940	2,172,530	2,340,640	2,504,390	2,663,900	2,819,270	-
Legal Debt Margin	6,393,043	5,856,809	5,581,634	4,690,260	4,344,222	4,057,641	3,751,689	3,571,861	3,430,139	6,536,704
Total Net Debt Applicable to the Limit as a percentage of the Debt Limit	19%	22%	25%	30%	33%	37%	40%	43%	45%	0%

Note: Ohio Bond Law sets a limit of 9% for voted debt and 1/10 of 1% for unvoted debt exclusive of certain exemptions and exceptions.

(a) - For debt margin calculation, net indebtedness is gross bonded debt of District less balance of General Obligation Bond Retirement fund at end of fiscal year.

(b) - Exempt debt of District would be for tax anticipation notes issued under 133.04(B)(1). The District has not issued any TANs.

* - The District exceeded the bonded debt limit imposed by State statute; however, the School District has been classified by the State of Ohio as a "special needs" district as it relates to issuing debt for purposes of constructing and renovating classroom facilities. See Note 15 to the basic financial statements for further detail.

Source: Office of the County Auditor, Delaware County, Ohio & Bond Council

**Delaware City School District
Demographic and Economic Statistics
Last Ten Years**

Year	(a) Estimated Population	(b) Per Capita Income	Personal Income	(c) Unemployment Rate *	(b) % of Population 25 Years and Older with Bachelor's Degree or Higher	(d) Enrollment Membership
2020	40,926	\$ 31,051	\$ 1,270,810,006	7.50%	35.35%	5,707
2019	39,930	30,147	1,203,769,710	3.30%	35.80%	5,799
2018	39,267	28,481	1,118,347,225	4.00%	37.87%	5,769
2017	38,643	27,426	1,059,823,000	3.60%	33.50%	5,452
2016	37,002	27,421	1,014,632,000	3.70%	34.20%	5,314
2015	36,459	26,992	984,101,328	3.60%	34.20%	5,453
2014	35,925	25,743	924,817,275	4.10%	31.90%	5,556
2013	35,925	25,728	924,278,400	5.00%	32.10%	5,466
2012	35,450	25,728	912,057,600	5.00%	32.10%	5,263
2011	35,011	25,728	900,763,008	6.10%	32.10%	5,202

Sources :

(a) Population for the District is estimated based on estimates from Census data & the City of Delaware

(b) US Census Bureau: US Census Bureau Fact Finder - 2020 numbers estimated

(c) June Data from Bureau of Labor Statistics

* Specific employment figures for the Delaware City School District area are not available.
Unemployment figures presented are for Delaware County.

(d) District Power School Enrollment Reports

**Delaware City School District
Principal Employers
Current Year and Nine Years Ago**

2020		
Employer	Employees	Type of Business
Delaware County	1,170	County Government
Ohio Health (Grady Memorial Hospital)	1,008	Healthcare
Delaware City School District	632	Education
American Showa, Inc.	<u>600</u>	Manufacturing
	<u><u>3,410</u></u>	

2011		
Employer	Employees	Type of Business
Delaware County	1,130	Government
American Showa, Inc.	738	Manufacturing
Delaware City Schools	738	Healthcare
Ohio Wesleyan University	558	Education
Grady Memorial Hospital	<u>509</u>	Education
	<u><u>3,673</u></u>	

Note: Percentage of total employment is not available, as total employment figures for the District were not available. Information presented on calendar year as that is manner available.

Source: Delaware County; Delaware, Ohio

Delaware City School District
Staffing Statistics - Full Time Equivalents (FTE) by Type and Function
Last Ten Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Professional Staff:										
Teaching Staff:										
Regular Education Teaching	260.00	255.00	250.00	250.60	247.67	241.72	240.07	229.00	225.35	233.71
Special Education Teaching*	63.00	62.00	66.00	62.00	61.00	59.00	60.00	57.13	57.34	56.71
Vocational Education Teaching	2.00	2.00	2.00	2.00	2.00	3.00	3.00	2.57	2.57	2.57
Tutors/Small Group Instruction	3.00	2.00	4.00	-	-	-	-	-	0.19	0.19
Administrators										
District/Building	31.00	30.00	30.00	34.00	34.00	28.00	27.00	20.00	21.00	22.00
Auxiliary Positions										
Psychologists	9.00	7.00	7.00	7.00	6.00	4.00	4.00	4.00	4.00	4.00
Counseling	14.00	16.00	14.00	13.00	14.00	13.00	11.00	10.00	11.00	11.00
Nurses	5.00	5.00	5.00	4.00	4.64	3.40	2.00	2.00	2.00	2.00
Speech and Language Therapist	6.00	6.00	5.00	6.00	5.00	5.00	5.00	5.00	4.00	3.00
Adapted Phys Ed/Occupational Therapist	4.00	-	-	-	-	-	-	-	-	-
Social Work	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00	2.00
Librarian/Media	1.00	1.00	1.00	1.00	1.90	1.90	2.00	2.00	2.00	1.00
Remedial Specialist	12.00	11.00	11.00	12.00	9.54	9.00	8.00	10.00	10.00	12.00
Other Professional	19.00	13.00	16.00	18.00	15.80	17.00	11.22	8.00	9.00	11.00
Support Staff										
Clerical	34.00	31.00	31.00	33.00	32.00	31.00	29.00	30.00	30.00	30.00
Instructional Paraprofessional	77.00	69.00	63.00	57.00	39.00	43.00	39.00	37.00	31.00	38.00
Teaching Aides	-	-	-	3.00	17.00	4.00	1.00	1.00	1.00	3.00
Library Aide	8.00	9.00	10.00	9.00	9.00	10.00	9.00	8.00	8.00	9.00
Other Technical/Service	-	-	-	-	1.00	3.00	-	-	-	-
Accounting, Bookkeeping	7.00	6.00	6.00	6.00	6.00	5.00	4.00	4.00	4.00	4.00
Food Service	38.00	42.00	44.00	43.00	47.00	45.00	39.00	40.00	37.00	37.00
Dispatching	2.00	2.00	3.00	3.00	3.00	3.00	2.00	1.00	1.00	1.00
Vehicle Operator (non-bus)	-	-	-	-	-	-	-	1.00	1.00	1.00
Custodial	33.00	35.00	38.00	32.00	32.00	34.00	29.00	31.00	30.00	31.00
Maintenance	5.00	6.00	7.00	6.00	7.00	5.00	5.00	3.00	3.00	4.00
Electrician	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00
Bus Drivers	58.00	57.00	55.00	52.00	52.00	51.00	44.00	42.00	37.00	36.00
Mechanics	3.00	4.00	5.00	3.00	3.00	4.00	3.00	3.00	3.00	3.00
Total	696.00	673.00	675.00	658.60	651.55	625.02	580.29	554.70	538.45	560.18
Function	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental Activities										
Instruction										
Regular and Special	340.00	332.00	333.00	326.60	320.21	312.72	311.07	298.70	295.45	305.18
Support Services										
Pupils	58.00	48.00	48.00	49.00	46.44	43.40	35.22	31.00	32.00	33.00
Instructional Staff	86.00	79.00	74.00	70.00	66.90	58.90	51.00	48.00	42.00	51.00
School Administration	59.00	55.00	48.00	54.00	53.00	46.00	43.00	37.00	38.00	39.00
Fiscal	8.00	7.00	7.00	7.00	7.00	6.00	5.00	5.00	5.00	5.00
Business	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Maintenance	39.00	42.00	48.00	41.00	42.00	42.00	37.00	39.00	38.00	40.00
Transportation	61.00	61.00	65.00	60.00	60.00	60.00	51.00	48.00	43.00	42.00
Central	3.00	3.00	3.00	3.00	4.00	6.00	3.00	3.00	3.00	3.00
Community Service	38.00	42.00	45.00	44.00	48.00	46.00	40.00	41.00	38.00	38.00
Extra Curricular Activities	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Total Governmental Activities	696.00	673.00	675.00	658.60	651.55	625.02	580.29	554.70	538.45	560.18
Total Primary Government	696.00	673.00	675.00	658.60	651.55	625.02	580.29	554.70	538.45	560.18

* Includes Preschool and Gifted

Source - School District EMIS (Education Management Information System) Records

**Delaware City School District
Operating Indicators by Function
Last Ten Fiscal Years**

Function	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental Activities										
Instruction										
Regular and Special										
Support Services - Pupil										
Enrollment (Students)	5,707	5,799	5,769	5,452	5,314	5,453	5,556	5,466	5,263	5,202
Graduation Rate*	94.3%	94.5%	90.2%	92.6%	93.8%	90.9%	93.2%	90.4%	90.4%	90.2%
% of Students with Disabilities	15.9%	15.4%	15.2%	14.3%	14.7%	14.4%	14.3%	14.5%	14.1%	14.8%
% of Limited English Proficient Students	2.6%	2.6%	2.6%	1.3%	0.7%	1.4%	1.1%	1.1%	1.0%	1.4%
Support Services										
Instructional Staff										
Information Technology Services										
Work Orders Completed	2,787	2,659	2,273	2,262	2,778	3,014	2,885	2,596	2,278	2,636
School Administration										
Student Attendance Rate	95.6%	94.6%	94.7%	94.9%	95.2%	95.2%	95.7%	95.0%	94.8%	95.1%
Fiscal										
Purchase Orders Processed	3,058	3,469	2,488	3,384	3,406	3,919	4,023	4,290	4,100	4,492
Nonpayroll Checks Issued	3,837	3,761	3,847	4,365	4,361	4,724	5,665	5,703	5,312	4,862
Maintenance										
District Square Footage Maintained by										
Custodians and Maintenance Staff	929,376	929,376	928,049	928,049	755,801	736,968	736,968	736,968	736,968	736,968
District Acreage Maintained by										
Grounds Staff	187.47	187.47	187.47	187.47	163.42	162.52	161.43	161.43	161.43	161.43
Transportation										
Avg. Public and Parochial Students										
Transported Daily (includes special education)	2,765	2,699	2,353	2,841	3,025	2,932	3,104	2,933	3,120	3,097
Avg. Daily Bus Fleet Mileage	2,821	2,616	2,515	2,618	2,675	2,433	2,504	2,450	2,474	2,508
Number of Buses in District Fleet	58	49	51	47	51	50	49	48	48	47
Community Services										
Number of Students Enrolled in District										
School-Aged Childcare Program	577	468	466	529	559	535	514	830	512	481
Food Service Operations										
Meals Served to Students										
Lunch	286,258	402,056	435,871	446,498	465,941	440,868	475,455	503,834	535,678	498,114
Breakfast	72,202	95,153	104,656	116,261	112,054	92,616	93,969	98,740	107,528	98,333

Note -Indicators were not available for the following functions: Business, Central, Extra Curricular

* - Beginning with FY2011, graduation rate is presented as a four-year rate.

Source - School District Records and Ohio Department of Education Report Card Data



Delaware City School District
Capital Assets by Function/Program
Last Ten Fiscal Years

	2020	2019	2018	2017
Governmental Activities				
Regular Instruction				
Land	\$ 2,440,887	\$ 2,440,887	\$ 2,440,887	\$ 2,440,887
Land Improvements	2,396,957	2,396,957	2,396,957	2,396,957
Buildings and Improvements	91,235,390	91,081,877	89,693,675	51,397,911
Furniture Fixtures and Equip.	1,352,281	1,353,077	1,375,566	1,386,409
Books (1)	-	-	-	341,357
Special Instruction				
Furniture Fixtures and Equip.	12,884	5,995	5,995	5,995
Vocational Instruction				
Furniture Fixtures and Equip.	-	-	-	-
Instructional Staff Support				
Furniture Fixtures and Equip.	101,354	95,976	95,976	118,616
Books (1)	-	-	-	925,054
General and School Administration				
Land Improvements	20,962	20,962	20,962	20,962
Buildings and Improvements	31,552	31,552	31,552	31,552
Furniture Fixtures and Equip.	68,875	68,875	68,875	68,875
Operations and Maintenance				
Land	116,379	116,379	116,379	116,379
Land Improvements	2,810,977	2,729,078	2,729,078	2,729,078
Buildings and Improvements	10,270,886	9,701,366	5,905,628	5,564,608
Furniture Fixtures and Equip.	648,468	641,945	619,391	629,340
Buses, autos and trucks	248,962	217,094	178,060	161,627
Pupil Transportation				
Land	225,000	225,000	225,000	225,000
Land Improvements	69,706	69,706	69,706	69,706
Buildings and Improvements	817,000	817,000	817,000	817,000
Furniture Fixtures and Equip.	16,094	16,094	7,695	7,695
Buses, autos and trucks	4,672,770	4,434,961	4,373,616	4,177,502
Community Relations				
Furniture Fixtures and Equip.	44,122	44,122	55,487	55,487
Food Service Operations				
Furniture Fixtures and Equip.	694,046	669,328	701,784	606,063
Extracurricular Activities				
Land Improvements	283,318	283,318	518,318	283,318
Buildings and Improvements	884,512	884,512	884,512	884,512
Furniture Fixtures and Equip.	263,091	234,358	210,342	48,242
Other Facilities Acquisition & Construction				
Land	1,232,648	487,169	487,169	487,169
Total Governmental Activities				
Capital Assets	<u>\$ 120,959,121</u>	<u>\$ 119,067,588</u>	<u>\$ 114,029,610</u>	<u>\$ 75,997,301</u>

Source: School District capital asset records

Note: Amounts do not include construction in progress.

(1) - Textbooks and library books were removed from capital assets in FY2018.

2016	2015	2014	2013	2012	2011
\$ 2,440,887	\$ 2,440,887	\$ 2,440,887	\$ 2,440,887	\$ 2,440,887	\$ 2,440,887
2,396,957	2,399,191	2,399,191	2,399,191	2,399,191	2,399,191
51,548,976	50,044,500	50,044,500	50,044,500	47,272,379	47,272,380
1,364,397	1,405,332	1,392,240	1,470,257	1,454,621	1,460,511
341,357	341,357	341,357	341,357	341,357	341,356
5,995	5,995	5,995	5,995	5,995	-
-	28,509	28,509	28,509	28,509	28,509
138,084	138,084	138,084	138,084	138,084	138,084
925,054	925,054	925,054	925,054	925,054	925,054
20,962	20,962	20,962	20,962	20,962	20,962
31,552	31,552	31,552	31,552	31,552	31,552
86,717	91,745	97,945	97,945	87,774	87,774
116,379	116,379	116,379	116,379	116,379	116,379
63,463	39,567	39,567	39,567	91	91
5,307,061	2,295,985	2,084,280	1,966,413	1,674,758	1,317,624
602,121	562,984	877,470	737,744	697,268	670,994
145,627	145,627	102,417	102,417	102,417	102,417
225,000	225,000	225,000	225,000	225,000	225,000
69,706	69,706	69,706	69,706	69,706	69,706
817,000	817,000	817,000	817,000	817,000	817,000
7,695	7,695	7,695	7,695	7,695	7,695
4,059,918	4,040,379	3,872,605	3,765,039	3,797,547	3,458,666
36,269	29,664	6,934			
606,063	614,055	389,367	389,367	375,159	375,159
259,853	259,853	259,853	259,853	259,853	259,853
884,512	1,119,512	1,119,512	1,119,512	1,119,512	1,067,610
42,766	28,378	28,378	17,520	17,520	17,520
487,169	335,224	-	-	-	-
<u>\$ 73,031,540</u>	<u>\$ 68,580,174</u>	<u>\$ 67,882,438</u>	<u>\$ 67,577,505</u>	<u>\$ 64,426,270</u>	<u>\$ 63,651,974</u>

**Delaware City School District
School Building Information
Last Ten Fiscal Years**

	2020	2019	2018	2017
Ervin Carlisle Elementary (1955, 1979, 2017)				
Square Feet	69,786	69,786	69,786	69,786
Capacity (Students)	766	766	766	766
Enrollment	567	584	584	576
James Conger Elementary (1966, 1995, 2017)				
Square Feet	64,624	64,624	64,624	64,624
Capacity (Students)	632	632	632	632
Enrollment	395	398	423	476
John C. Dempsey Middle School (2000, 2017)				
Square Feet	173,347	173,347	173,347	173,347
Capacity (Students)	1,366	1,366	1,366	1,366
Enrollment	1,324	1,290	1,273	1,195
Rutherford B. Hayes High School (1962, 1996, 2017)				
Square Feet	267,521	267,521	291,105	291,105
Capacity (Students)	1,932	1,932	1,932	1,932
Enrollment	1,720	1,712	1,720	1,524
Robert F. Schultz Elementary (1994, 2016)				
Square Feet	74,442	74,442	74,442	74,442
Capacity (Students)	766	766	766	766
Enrollment	704	697	701	740
David Smith Elementary (1950, 1982, 2017)				
Square Feet	52,360	52,360	52,360	52,360
Capacity (Students)	541	541	541	541
Enrollment	420	456	464	478
Frank B. Willis Intermediate School (1883, 1933)				
Square Feet	118,353	118,353	118,353	118,353
Capacity (Students)	729	729	729	729
Enrollment	-	-	-	-
Laura Woodward Elementary (1950, 1975, 1980, 2017)				
Square Feet	58,765	58,765	58,765	58,765
Capacity (Students)	658	658	658	658
Enrollment	653	662	604	462
Administration Building (1869)				
Square Feet	7,840	7,840	7,840	7,840
District Technology Center (1955)				
Square Feet	12,400	12,400	12,400	12,400
Transportation (1997, 2019)				
Square Feet	6,354	6,354	5,027	5,027

Source : School District Records

Note: Year of original construction and major renovation/addition(s) in parentheses

Capacity is the "program " capacity and can increase/decrease as a result of changes in federal, state, or local standards.

Enrollment numbers presented in schedule may not agree with other enrollment numbers based on how non full-time students are accounted for.

2016	2015	2014	2013	2012	2011
45,269	45,269	45,269	45,269	45,269	45,269
491	491	491	491	491	491
478	505	549	549	540	524
52,780	52,780	52,780	52,780	52,780	52,780
524	524	524	524	524	524
342	379	399	399	423	431
132,144	132,144	132,144	132,144	132,144	132,144
816	816	816	816	816	816
834	858	824	824	753	720
233,380	233,380	233,380	233,380	233,380	233,380
1,366	1,366	1,366	1,366	1,366	1,366
1,489	1,460	1,444	1,444	1,397	1,423
74,442	55,609	55,609	55,609	55,609	55,609
532	532	532	532	532	532
600	555	539	539	528	516
34,628	34,628	34,628	34,628	34,628	34,628
425	425	425	425	425	425
413	401	411	411	403	384
118,353	118,353	118,353	118,353	118,353	118,353
729	729	729	729	729	729
828	807	877	877	841	815
39,565	39,565	39,565	39,565	39,565	39,565
500	500	500	500	500	500
330	435	423	423	378	389
7,840	7,840	7,840	7,840	7,840	7,840
12,400	12,400	12,400	12,400	12,400	12,400
5,000	5,000	5,000	5,000	5,000	5,000

**Delaware City School District
Educational and Operating Statistics
Last Ten School Years**

	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
ACT Scores (Averages)										
Delaware	19.7	19.9	19.4	20.4	22.8	22.3	21.8	22.4	22.9	22.5
Ohio	19.9	20.0	19.4	19.8	22.0	22.0	22.0	21.8	21.8	21.8
National	20.6	20.7	19.4	19.8	20.8	21.0	21.0	20.9	21.1	21.1
SAT Scores (Averages)										
Delaware	N/A	N/A	N/A	N/A	N/A	541	552	536	573	545
Verbal/Critical Reading	597	591	540	N/A	N/A	539	556	529	569	544
Mathematics	N/A	N/A	N/A	N/A	N/A	508	521	507	537	527
Writing	623	610	558	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Evidenced Based Reading and Writing										
Ohio	N/A	N/A	N/A	N/A	N/A	557	555	548	543	539
Verbal/Critical Reading	710	570	547	570	563	563	562	556	552	545
Mathematics	N/A	N/A	N/A	N/A	N/A	537	535	531	525	522
Writing	645	578	552	578	N/A	N/A	N/A	N/A	N/A	N/A
Evidenced Based Reading and Writing										
National	N/A	N/A	N/A	N/A	482	495	497	496	496	497
Verbal/Critical Reading	528	528	531	527	508	511	513	514	514	514
Mathematics	N/A	N/A	N/A	494	484	484	487	488	488	489
Writing	531	531	536	533	N/A	N/A	N/A	N/A	N/A	N/A
Evidenced Based Reading and Writing										
National Merit Scholars										
Finalist	1	0	0	0	2	0	0	0	0	1
Semi-Finalist	1	0	0	0	0	2	4	3	0	1
Commended Scholars	2	0	1	2	0	0	2	0	4	0
State Testing Indicators										
Total Number of Indicators	24	24	24	23	29	33	24	24	26	26
Delaware Met	9	9	9	5	11	26	23	23	26	26
State Average Met	N/A	N/A	N/A	N/A	N/A	N/A	N/A	20	21	18
Performance Index Score *	76.9	76.9	76.9	76.9	73.5	76.5	101.4	100.0	100.3	100.3
ODE Per Pupil Costs										
Delaware	\$ 10,654	\$ 10,442	\$ 10,442	\$ 8,402	\$ 9,733	\$ 9,823	\$ 9,597	\$ 9,142	\$ 9,661	\$ 10,008
State Avg.	\$ 11,660	\$ 11,035	\$ 11,035	\$ 9,149	\$ 11,163	\$ 10,965	\$ 10,913	\$ 10,446	\$ 10,597	\$ 10,697
Average Teacher Salary										
Delaware	\$ 66,177	\$ 63,375	\$ 63,375	\$ 62,012	\$ 59,635	\$ 57,720	\$ 57,305	\$ 57,700	\$ 56,543	\$ 57,373
State Avg.	\$ 63,916	\$ 62,353	\$ 62,353	N/A	\$ 58,690	\$ 56,748	\$ 57,636	\$ 57,966	\$ 58,120	\$ 57,904
Teacher Years' Experience										
% Teachers 0-4 Years Experience**	38.4%	51.1%	51.1%	28.2%	27.4%	26.5%	26.9%	21.3%	26.1%	23.8%
% Teachers 4-10 Years Experience**	31.3%	16.5%	16.5%	21.5%	20.3%	22.1%	20.1%	21.0%	15.7%	20.1%
% Teachers 10+ Years Experience**	30.3%	32.4%	32.4%	50.3%	52.3%	51.4%	53.0%	57.6%	58.2%	56.1%
Percentage of Teachers with a Master's Degree or Higher	68.6%	68.1%	67.2%	68.7%	68.9%	69.9%	71.1%	72.8%	71.9%	58.4%
ODE Teacher/Pupil Ratio										
Delaware	39.7%	39.3%	40.4%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
State Avg.	45.7%	45.7%	46.0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Percentage of Students on Free/Reduced Lunch	29.0%	29.0%	33.0%	33.0%	36.8%	35.1%	36.2%	38.2%	37.0%	35.5%

N/A - Information not available at the time of this document's preparation

* - The Performance Index Score reflects the achievement of every tested student
The score is a weighted average of all tested subjects in grades 3-8 and 10
The most weight is given to advanced students (1,2) and the weights decrease for each performance level. This creates a scale of 0 to 120 points, with 100 being the goal

** - Obtained from the CUPP report for 2018, latest available information from ODE and Ohio State Report Card for 2019

Source : School District Student Records and Ohio Department of Education

Delaware City School District

Delaware, Ohio



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