

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY**

**SINGLE AUDIT**

**FOR THE YEAR ENDED JUNE 30, 2020**



**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY  
JUNE 30, 2020**

**TABLE OF CONTENTS**

<b>TITLE</b>	<b>PAGE</b>
Prepared by Management:	
Schedule of Expenditures of Federal Awards.....	1
Notes to the Schedule of Expenditures of Federal Awards .....	2
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	3
Independent Auditor's Report on Compliance with Requirements Applicable to the Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance.....	5
Schedule of Findings.....	9
Attachment: Comprehensive Annual Financial Report (CAFR)	

**THIS PAGE INTENTIONALLY LEFT BLANK**

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

<b>FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title</b>	<b>Federal CFDA Number</b>	<b>Pass Through Entity Identifying Number</b>	<b>Total Federal Expenditures</b>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
<i>Passed Through Ohio Department of Education:</i>			
Nutrition Cluster:			
Cash Assistance:			
School Breakfast Program	10.553	N/A	\$ 114,376
National School Lunch Program	10.555	N/A	403,645
COVID-19 School Breakfast Program	10.553	N/A	132,749
COVID-19 National School Lunch Program	10.555	N/A	228,755
Non-Cash Assistance:			
National School Lunch Program	10.555	N/A	<u>146,149</u>
Total U.S. Department of Agriculture and Nutrition Cluster			<u>1,025,674</u>
<b>U.S. DEPARTMENT OF EDUCATION</b>			
<i>Passed Through Ohio Department of Education:</i>			
Title I Grants to Local Educational Agencies	84.010	N/A	796,463
Title I Grants to Local Educational Agencies	84.010A	N/A	223,841
Total Title I Grants to Local Educational Agencies			<u>1,020,304</u>
Special Education Cluster:			
Special Education Grants to States	84.027	N/A	775,351
Special Education Grants to States	84.027A	N/A	295,012
Total Special Education Grants to States			<u>1,070,363</u>
Special Education Preschool Grants	84.173	N/A	18,408
Special Education Preschool Grants	84.173A	N/A	28,239
Total Special Education Preschool Grants			<u>46,647</u>
Total Special Education Cluster			<u>1,117,010</u>
English Language Acquisition State Grants	84.365	N/A	18,076
Supporting Effective Instruction State Grants	84.367	N/A	106,616
Supporting Effective Instruction State Grants	84.367A	N/A	37,325
Total Supporting Effective Instruction State Grants			<u>143,941</u>
Student Support and Academic Enrichment Program	84.424A	N/A	<u>57,139</u>
Total U.S. Department of Education			<u>2,356,470</u>
<b>Total Expenditures of Federal Awards</b>			<u><u>\$ 3,382,144</u></u>

*The accompanying notes are an integral part of this schedule.*

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
2 CFR 200.510(b)(6)  
FOR THE YEAR ENDED JUNE 30, 2020**

**NOTE A - BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Canal Winchester Local School District (the District) under programs of the federal government for the year ended June 30, 2020. The information on this Schedule is prepared in accordance with 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). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

**NOTE C - INDIRECT COST RATE**

The District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE D - CHILD NUTRITION CLUSTER**

The District commingles cash receipts from the U.S. Department of Agriculture with similar State grants. When reporting expenditures on this Schedule, the District assumes it expends federal monies first.

**NOTE E - FOOD DONATION PROGRAM**

The District reports commodities consumed on the Schedule at fair value. The District allocated donated food commodities to the respective program that benefitted from the use of those donated food commodities. The District used the services of EPC/MEC to hold, process, and deliver its federal commodities at a nominal rate.

# OHIO AUDITOR OF STATE KEITH FABER



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

## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

Canal Winchester Local School District  
Franklin County  
100 Washington Street  
Canal Winchester, Ohio 43110

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Canal Winchester Local School District, Franklin County, (the District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 15, 2020, wherein we noted the District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. We further noted the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District.

### ***Internal Control over Financial Reporting***

As part of our financial statement audit, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the District's internal control. Accordingly, we have not opined on it.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the District's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

***Compliance and Other Matters***

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the financial statements. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Keith Faber  
Auditor of State  
Columbus, Ohio

December 15, 2020



# OHIO AUDITOR OF STATE KEITH FABER



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

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Canal Winchester Local School District  
Franklin County  
100 Washington Street  
Canal Winchester, Ohio 43110

To the Board of Education:

### ***Report on Compliance for the Major Federal Program***

We have audited the Canal Winchester Local School District's (the District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the Canal Winchester Local School District's major federal program for the year ended June 30, 2020. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the District's major federal program.

### ***Management's Responsibility***

The District's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

### ***Auditor's Responsibility***

Our responsibility is to opine on the District's compliance for the District's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit 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). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the District's major program. However, our audit does not provide a legal determination of the District's compliance.

***Opinion on the Major Federal Program***

In our opinion, the Canal Winchester Local School District complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended June 30, 2020.

***Report on Internal Control Over Compliance***

The District's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the District's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the District's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

***Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance***

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Canal Winchester Local School District (the District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated December 15, 2020, wherein we noted the District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. We further noted the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. We conducted our audit to opine on the District's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Keith Faber  
Auditor of State  
Columbus, Ohio

December 15, 2020

**THIS PAGE INTENTIONALLY LEFT BLANK**

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
June 30, 2020**

**1. SUMMARY OF AUDITOR'S RESULTS**

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material weaknesses in internal control reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under 2 CFR § 200.516(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Special Education Cluster
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee under 2 CFR § 200.520?	Yes

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None

**THIS PAGE INTENTIONALLY LEFT BLANK**



# Canal Winchester

LOCAL SCHOOLS

Canal Winchester, Ohio



## COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**Prepared by  
Nick Roberts, Treasurer**





**COMPREHENSIVE  
ANNUAL FINANCIAL REPORT**

**OF THE**

**CANAL WINCHESTER LOCAL  
SCHOOL DISTRICT**

**FOR THE**

**FISCAL YEAR ENDED JUNE 30, 2020**

**PREPARED BY  
NICK ROBERTS, TREASURER**

THIS PAGE IS INTENTIONALLY LEFT BLANK



## INTRODUCTORY SECTION

THIS PAGE IS INTENTIONALLY LEFT BLANK

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**TABLE OF CONTENTS**

**I. INTRODUCTORY SECTION**

Table of Contents.....	i-iii
Letter of Transmittal.....	1-7
Principal Officials.....	8
Organizational Chart.....	9
Certificate of Achievement for Excellence in Financial Reporting.....	10

**II. FINANCIAL SECTION**

INDEPENDENT AUDITOR’S REPORT.....	11-13
MANAGEMENT’S DISCUSSION AND ANALYSIS.....	15-27

**BASIC FINANCIAL STATEMENTS:**

Government-Wide Financial Statements:

Statement of Net Position.....	30
Statement of Activities.....	31

Fund Financial Statements:

Balance Sheet - Governmental Funds.....	32-33
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities.....	34
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.....	35
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	36
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) - General Fund.....	37
Statement of Net Position - Proprietary Fund.....	38
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Fund.....	39
Statement of Cash Flows - Proprietary Fund.....	40
Statement of Fiduciary Net Position - Fiduciary Fund.....	41
Statement of Changes in Fiduciary Net Position - Fiduciary Funds.....	42
Notes to the Basic Financial Statements.....	43-93

Required Supplementary Information:

Schedule of the District’s Proportionate Share of the Net Pension Liability:	
School Employees Retirement System (SERS) of Ohio.....	96-97
State Teachers Retirement System (STRS) of Ohio.....	98-99

BASIC FINANCIAL STATEMENTS (CONTINUED):

Schedule of District Pension Contributions:	
School Employees Retirement System (SERS) of Ohio.....	100-101
State Teachers Retirement System (STRS) of Ohio .....	102-103
Schedule of the District’s Proportionate Share of the Net OPEB Liability/Asset:	
School Employees Retirement System (SERS) of Ohio.....	104
State Teachers Retirement System (STRS) of Ohio .....	105
Schedule of District OPEB Contributions:	
School Employees Retirement System (SERS) of Ohio.....	106-107
State Teachers Retirement System (STRS) of Ohio .....	108-109
Notes to Required Supplementary Information .....	110-111

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES:

Fund Descriptions - Major Funds.....	114
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) -	
Debt Service .....	115
Classroom Facilities .....	115
Fund Descriptions - Nonmajor Governmental Funds.....	116-117
Combining Balance Sheet - Nonmajor Governmental Funds .....	118
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds .....	119
Combining Balance Sheet - Nonmajor Special Revenue Funds.....	120-122
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds .....	124-127
Combining Balance Sheet - Nonmajor Capital Projects Funds.....	128
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds.....	129
Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)	
Nonmajor Special Revenue Funds:	
Food Service .....	130
Scholarships .....	130
Other Grants .....	130
Classroom Facilities Maintenance.....	130
Student Managed Activities.....	131
District Managed Student Activities.....	131
Auxiliary Services .....	131
Student Wellness & Success.....	131
Miscellaneous State Grants .....	132
IDEA, Part B .....	132
Limited English Proficiency .....	132
Title I Disadvantaged Children.....	132
IDEA Preschool - Handicapped .....	133
Improving Teacher Quality .....	133
Miscellaneous Federal Grants .....	133

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES (CONTINUED):

Nonmajor Governmental Funds included in the General Fund on GAAP basis:

Public School Support .....	133
-----------------------------	-----

Nonmajor Capital Projects Funds:

Permanent Improvement .....	134
Building .....	134

Fund Description - Internal Service Fund.....	135
---	-----

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) - Internal Service Fund:

Employee Benefits Self-Insurance.....	136
---------------------------------------	-----

Fund Description - Fiduciary Funds .....	137
--	-----

Schedule of Revenues, Expenses and Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis) - Private Purpose Trust Fund:

Bareis Scholarship Trust.....	138
-------------------------------	-----

**III. STATISTICAL SECTION**

Table of Contents.....	139
Net Position by Component - Last Ten Fiscal Years .....	140-141
Changes in Net Position - Last Ten Fiscal Years .....	142-147
Fund Balances, Governmental Funds - Last Ten Fiscal Years .....	148-149
Changes in Fund Balances, Governmental Funds - Last Ten Fiscal Years .....	150-153
Assessed Valuation and Estimated Actual Value of Taxable Property - Last Ten Years.....	154-155
Property Tax Rates - Direct and Overlapping Governments - Last Ten Calendar Years .....	156
Principal Property Taxpayers - December 31, 2019 and December 31, 2010 .....	157
Property Tax Levies and Collections - Last Ten Fiscal Years.....	158-159
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years .....	160-161
Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years.....	162
Direct and Overlapping Governmental Activities Debt - As of June 30, 2020.....	163
Legal Debt Margin Information - Last Ten Fiscal Years .....	164
Demographic and Economic Statistics - Last Ten Fiscal Years .....	165
Principal Employers - Current Fiscal Year and Nine Calendar Years Ago .....	166
Staffing Statistics, Full Time Equivalents (FTE) by Type and Function - Last Ten Fiscal Years .....	168-169
Operating Indicators by Function - Last Ten Fiscal Years .....	170-171
Capital Asset Statistics - Last Ten Fiscal Years .....	172-173
School Building Information - Last Ten Fiscal Years .....	174-175
Operating Statistics - Last Ten Fiscal Years.....	176
Teachers Statistics - Last Ten Fiscal Years .....	178-179

**THIS PAGE IS INTENTIONALLY LEFT BLANK**





December 15, 2020

*To the Board of Education and the Citizens of the Canal Winchester Local School District:*

As the Treasurer of the Canal Winchester Local School District (the "District"), I am pleased to submit to you this Comprehensive Annual Financial Report (CAFR) issued by the District. The CAFR for the fiscal year ended June 30, 2020 is prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) and in conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB) using guidelines recommended by the Government Finance Officers Association (GFOA).

The Office of the Treasurer is responsible for the accuracy of the data presented and the completeness and fairness of this presentation. We believe the data presented is accurate in all material aspects and that all disclosures necessary to enable the reader to acquire the maximum understanding of the District's financial activity are included herein.

The basic financial statements of the District for the fiscal year ended June 30, 2020, were audited by Ohio Auditor of State whose opinion thereon is included at the beginning of the Financial Section of this report.

In addition to the financial audit a single audit was performed as required by the Office of Management and Budget's (OMB) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (commonly called "Uniform Guidance"). The single audit report is not included in the CAFR.

This transmittal letter is designed to provide historical information about the District, as well as complement the required Management's Discussion and Analysis (discussed below) and the required supplementary information concerning schedules of net pension and OPEB liabilities and pension and OPEB contributions. Unless noted otherwise, the financial data in this transmittal letter is presented on the modified accrual basis of accounting. 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).

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

## PROFILE OF THE DISTRICT

The District originated in the early 1800's, built its first building in 1862, and is a fiscally independent political subdivision in the State of Ohio. By statute the District operates under standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 and Section 119.01 of the Ohio Revised Code to provide education services authorized by charter and further mandated by state and/or federal agencies. The District is in a suburb of Columbus, the state capital, and operates one high school, one middle school, and two elementary schools as of June 30, 2020. The District enrolled approximately 3,912 students during the 2019-20 school year.

The District provides a wide variety of educational and support services as mandated by State statute or public desires. These include general education programs which focus on college and career readiness, specific vocational/career instruction, special instructional programs for students with disabilities, special instructional programs for gifted students, special instructional programs for English Language Learners, student guidance and health services, as well as extracurricular activities. The District has a reputation of academic excellence as measured by student academic results on state-mandated assessments.

An elected five-member Board of Education serves as the taxing authority and policy maker for the District. The Board adopts the annual operating budget, tax budget, and approves all expenditures of District tax monies.

The Superintendent is the chief executive officer of the District, responsible to the Board for total educational and support operations. The Treasurer is the chief financial officer of the District, responsible to the Board for maintaining all financial records, issuing warrants in payment of liabilities incurred by the District, acting as custodian of all District funds, and investing idle funds as permitted by Ohio law. Other officials, reporting to the Superintendent, include the Assistant Superintendent, Curriculum Director, Coordinator of Student Activities, Director of Special Education, Technology Coordinator, Director of Assessment and Data, and the building principals.

#### Internal Control:

In developing and revising the District's accounting and internal control system, consideration is given to the adequacy of internal controls to provide reasonable but not absolute assurance regarding:

1. Safeguarding of assets against loss from unauthorized use or disposition; and
2. Keeping reliable financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that:

1. The cost of a control should not exceed the benefits likely to be derived; and
2. The evaluation of costs and benefits required estimates and judgments by management.

Management believes that the internal controls adequately meet the above objectives.

#### Budgetary Controls:

In addition to the internal controls mentioned above, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Activities of all funds (except custodial) are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the individual fund. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Unencumbered amounts lapse at fiscal year-end. A complete description of the District's budgetary process can be found in Note 2.E. to the basic financial statements.

#### Instructional Organization:

The District provides a wide variety of educational and support services as mandated by State statute or public desires. These include general education programs which focus on college and career readiness, specific vocational/career instruction, special instructional programs for students with disabilities, special instructional programs for gifted students, special instructional programs for English Language Learners, student guidance and health services, as well as extracurricular activities. The District has a reputation of academic excellence as measured by student academic results on state-mandated assessments.

While rapid growth in student population over the past decade presented many challenges such as providing student housing, maintaining appropriate class sizes, and assuring the horizontal and vertical articulation of instruction, this growth provided the District with opportunities to build new facilities for our learners, to hire additional staff to support student needs and to work closely with our community to define services appropriate for our taxpayer wallet and student and family desires.

Over the years, our community has supported the District's need for new school facilities. November 1990 marked the beginning of our new construction projects which produced new schools for our students. This successful bond issue built phase II of the high school which included an academic wing, library/media center, office and cafeteria. Together with the first phase of the high school, the capacity for students equaled 750.

Again in November 1997, District residents approved a bond issue which built Indian Trail Elementary School, a district K-2 building with the capacity to serve 825 students. This building featured a state-of-the art library/media center which is predominantly placed in the building, two gymnasiums, a cafetorium and 42 classrooms.

In March 2000, District residents approved a bond issue that funded a significant renovation to the District's then historic Middle School, phase III of the high school, a stand-alone gymnasium, and another elementary school – Winchester Trail Elementary. These construction projects increased our high school capacity to 1,025 and created a mirror image school of Indian Trail in Winchester Trail to house up to 525 students in grades 3-4. Additionally, this bond allowed new residents to immediately pay at the same bond millage as current residents. This no new tax approach was available to only fewer than 10% of the highest growing districts in Ohio.

In November 2004, the District passed another bond issue. This issue qualified the District for \$30 million in state matching future funds from the Ohio School Facilities Commission and its passage built a new Middle School which houses grades 6, 7 and 8 and added a new wing to Winchester Trail Elementary School which serves students grades 3-5. Because of the passage of the levy, the District was able to reconfigure grade levels and close the 5-6 Intermediate School. Unique to this bond issue was the fact that the District and then Village of Canal Winchester, shared costs because the school was built next to a village recreational park.

In May 2017, the Ohio Facilities Construction Commission officially approved funding for a renovation and addition project at the high school. The project added about 48,000 square feet to the high school and renovated the 1976 and 1993 sections of the building, providing the District a long-term solution for the high school. Thanks to the strong fiscal management of the District, we are able to complete this project without asking taxpayers for additional funds. The project was completed during the summer of 2020 and is being occupied for the 2020-2021 school year.

Our District facilities support wireless communication, broadband internet, a strong arts program, solid “core” academic programs, vital latchkey partnerships with area churches and a very strong partnership with the Canal Winchester Joint Recreational District.

While our District enjoys a reputation of being a caring and academically sound district, we continue to expand our efforts to identify more ways to meet the needs of students. Included in these efforts have been the Success after school program in grades 3-5 and a strengthened standards-based gifted program.

## STUDENT ACHIEVEMENT

Scholastic Performance: The 2019-2020 report card did not have grades or ratings due to the coronavirus pandemic and ordered school-building closure. For the 2018-19 school year, Ohio administered its State accountability assessment in various subject areas from grade 3 through high school. The District's overall performance provided a variety of outcomes that will serve as our benchmark in which future progress under Ohio's accountability system will be judged. Overall, Canal Winchester Local Schools received a C as its grade with the following component grades: one A (Graduation Rate), one B (Gap Closing), one C (K-3 Literacy) and three D's (Achievement, Progress, and Prepared for Success).

In addition, Canal Winchester Local Schools utilized the Northwest Evaluation Association (NWEA) Measures of Academic Progress (MAP) educational resource in reading and math for grades K-8. This locally provided resource allows us another way to view the impact of our instructional practices beyond Ohio's every changing assessment landscape. Overall, according to NWEA's Insights Report, our achievement and growth are slightly above the national average for the 2019-20 school year and our three-year national growth trend for grades K-3 indicates reading is consistently above average while math is average.

## MAJOR INITIATIVES AND PROGRAM ACCOMPLISHMENTS

Data Analysis: Together the District Leadership Team (DLT), Building Leadership Team's (BLT) and Teacher Based Team's (TBT) analyze, act, and refine practices in response to annual data analysis to ensure the success of all students. At each level the Education Value-Added Assessment System (EVAAS), the Ohio Computer Based Assessment (OCBA), as well as the Northwest Evaluation Association (NWEA) Measures of Academic Progress (MAP) results are reviewed. Data from all OCBA (administered to grade levels 3-8 & high school) and MAP (reading & math K-8) exams are analyzed by grade level, content area, and subgroups including standard. During this process, all staff work together to determine the details of our next instructional steps to ensure the growth of all students. Additionally, intervention, substantive practice and enrichment are planned for students based on data analysis. Teachers are also analyzing pre-assessment and trend data to develop Student Learning Objectives (SLO) to use as part of Ohio's Teacher Evaluation System (OTES).

Professional Development: Job-embedded professional development is provided to all teaching staff throughout the year and on three designated professional development days. Professional development revolves around identified teacher needs which are surveyed and prioritized annually. Our professional learning continues to emphasize improving instructional strategies to meet the needs of all students by delivering instruction that is high in rigor and relevant to their needs, providing learning opportunities in the area of technology integration across all disciplines, and our major focus of project-based learning (PBL) in all content areas.

Gifted & Talented Programs: In-house programs for gifted and talented students are provided at Winchester Trail Elementary School (grades 4-5) using inclusion, differentiation, and/or compacted in mathematics and English language arts curriculum in grades four and five. Two gifted intervention specialist staff the elementary building, providing an opportunity for these teachers to act as a gifted resource to all classroom teachers. Acceleration/enrichment courses for advanced students are provided for students at the middle school and high school.

ELL Program: Students in grades K-12 with Limited English Proficiency are provided intervention programs through the Districts' ELL (English Language Learners) teachers. The proficiency of English language is assessed annually through state mandated testing.

Foreign Languages: Seventh (7<sup>th</sup>) and Eighth (8<sup>th</sup>) grade students are able to enroll in an elective study of Spanish to complete either Spanish I or in some cases Spanish I and II. The inclusion of high school credit foreign language courses in seventh and eighth grade permits students an opportunity to enroll in College Credit Plus Spanish courses while still in high school if they begin their foreign language studies at the middle school level.

High School Credit as an Option for Eighth Grade Students: Seventh and Eighth grade students have the option of earning High School credits for Algebra 1, Spanish 1 & 2 and Art Foundations if they meet the qualifications to enroll in those courses.

Middle school and high school courses: The high school added an engineering course to our STEM pathway, along with a Risk Management program to our Business pathway. Our focus has been on developing pathways for students to help give them a head start on a career pathway or provide them with a certificate after the successful completion of courses to give them an advantage when applying for jobs. We have 5 pathways for high school students: Pre-Engineering, Medical, Pharmacy Technician, Business, Insurance & Risk Management, and CISCO Networking. Each course is designed to give our students a realistic experience in each area to make a better-informed decision on their next step after high school. In addition, many of these courses are dual credit, meaning your student could receive both high school AND college credit for most of these courses. The pathways start at the middle school with classes in the medical pathway, Robotics/Engineering, and Computer Sciences. Other college courses include English 1100 and English 2367. Canal Winchester High School teachers teach these courses.

Arts Instruction: Visual and performing arts are a source of pride in the Canal Winchester Schools. Music and visual arts teachers provide instruction to students K-12. Every building in the District provides art, music, physical education teachers, and media and technology integration specialists. In grades K-6, the visual and performing arts are rotated into the weekly schedule, while middle school students in grades 7 and 8 receive art instruction on a nine week rotation. Library/media and technology integration are integrated into the student's courses. Beginning in grades 7 and 8, students have the opportunity to enroll in instrumental music and vocal music as an elective. Students enroll in visual, vocal and instrumental music and performing arts programs at the high school level based on their interests and graduation requirement needs.

Integrated Technology Instruction: The District recognizes that technology has become an integral part of education. In addition, technology is a tool to facilitate the 21<sup>st</sup> Century skills for college and career readiness for all students. A comprehensive district plan embeds technology use into communication, instruction, intervention, data reporting and data analysis. Likewise, the District created a Help Desk making technical services and request for and from teachers more efficient. The District continues to improve communications with parents by providing to students and parents' on-line access to student's grades. Because of the web-based nature of this tool, teachers are also able to post class assignments, recorded lessons and class notes as well. Parents are invited to sign up for the district level and building level email blasts which communicate important district or building level news or event reminders.

#### Summer Intervention

Summer intervention is provided to students who are not considered 'proficient' in reading during elementary school as determined by teacher recommendations for early learners and by the Ohio Achievement Assessment for students in grade 2. Summer intervention is also provided to students who are not considered 'proficient' in math during elementary school as determined by teacher recommendations for early learners and by the Ohio Achievement Assessment for students in grades 3-5. Summer intervention is available for high school students in all content areas in preparation for re-taking the Ohio Graduation Test. Intervention is provided for students in grades 1-5 during the regular school day through content specific and tiered instruction as well as an after school reading program.

#### Comprehensive Continuous Improvement Plan:

The District annually completes a needs assessment and develops a CCIP (Comprehensive Continuous Improvement Plan) as required by the Ohio Department of Education, Office of Federal Programs in order to receive federal funds, commonly known as "Title" monies. There are two major goals established in this plan for our District including: Improving Student Achievement and providing high quality professional development to our teaching staff. Strategies and action steps that support this goal are developed to provide a structure for expending funds for the following programs - Title I (Disadvantaged), Title I (School Improvement), Title II-A (Improving Teacher Quality), Title III (Limited English Proficient), and Part B-IDEA (Special Education). The District's current CCIP was approved by the Ohio Department of Education, Office of Federal Programs in July 2018.

Special Education: The District's Special Education Program provides a full continuum of services from Preschool through 12th grade based on the individual needs of its approximate 550 students on Individualized Education Programs (IEPs). Services are provided in all four buildings as well as in programs outside of the District. These services range from inclusion support to homebound/hospitalization services. Specialized, low-incidence classrooms include those for students with multiple disabilities, emotional disturbance, and autism, although categories of eligibility do not dictate placement in these classrooms. The District supports students in these rooms through smaller class sizes (based on state requirements), intensive related services support, individualized programming, and paraprofessionals. Canal Winchester currently has 8 low-incidence classrooms. In addition, some of our buildings also have cross-categorical classrooms that serve as resource rooms for students. Students in these classrooms receive a range of services from content area instruction to behavioral support. The District also offers inclusion support in all buildings, where Intervention Specialists work alongside General Education teachers to provide instruction in the general education curriculum without pulling students from the classroom. Canal Winchester has 38 teachers providing preschool, cross-categorical resource room, and inclusion support in the general education setting.

Canal Winchester's Special Education program is supported by a well-experienced related services staff consisting of 3.4 school psychologists, 4.5 speech therapists, .5 adaptive physical education teacher, 2 physical therapist, 2 occupational therapists, 2 behavior specialist, 1 social services, and 1 transition coordinator. Some of these services and additional services are contracted with other agencies as well. Canal Winchester partners with Nationwide Children's Hospital, through funding from the Franklin County ADAMH Board, to receive the services of 2 fulltime School Based Clinicians to help support students' mental health needs. All of these classrooms, programs, and personnel are supervised and coordinated on a day-to-day basis by one special education administrator who oversees all the programs at the district level. Three district representatives also help cover meetings and oversee caseloads and department compliance. One special education secretary maintains special education records and enters critical information into the Education Management Information System (EMIS).

## ECONOMIC CONDITION AND OUTLOOK

The majority of the District is located in Franklin County, with the remainder situated in Fairfield County. The District covers approximately 32 square miles in and around the City of Canal Winchester. Located approximately 15 miles southeast of downtown Columbus, Ohio, the District is largely rural/suburban in character and is considered a growing, middle-class suburb of Columbus. The Columbus area has maintained a strong economic climate, even during periods of recession. This is due to the fact that Columbus is the State capitol, and is national headquarters for many corporations and insurance companies. There are also a number of universities in the area which contribute to a stable local economy. This stability has contributed to the growth of the District. The coronavirus pandemic of 2020 will have a short-term impact on district operations.

In 1990, the community approved a school district income tax. It is anticipated that the income tax will continue to provide a better source of funding than the traditional property tax, because of its ability to grow as the District grows. The coronavirus pandemic of 2020 will have a short-term impact on income tax collections.

As can be seen in the financial statements, voters have routinely supported the District in its efforts to keep pace with increased student population. The District has received increased state funding during the last several years which has allowed the District to not request new local taxes since 2009. The District renewed the \$5.83 million emergency levy in May 2019 that was originally passed in 2009 and renewed in 2014 to help sustain financial stability.

In February 2018, the Board reached a three-year agreement with the Canal Winchester Education Association, which enabled the District to operate for the 2018-19, 2019-20 and 2020-21 school year with a 2.5% increase in the salary schedule each year. In May 2018, the Board reached a three-year agreement with the Ohio Association of Public School Employees to operate for the 2018-19, 2019-20 and 2020-21 school year with a 2.5% increase in the salary schedule each year. The Board will begin negotiations with the Canal Winchester Education Association and Ohio Association of Public School Employees for the 2021-22 school year and beyond in 2021.

Ohio House Bill 412 requires school districts to spend a certain portion of their revenues on specific categories of expenditures as specified in the law. In the event that the District does not meet the required expenditure level, the shortfall would be reserved and carried forward to the next fiscal year and would be expected to be spent in addition to any requirement for that fiscal year. This category of "set-asides" or reserve is pertinent to the District: the capital acquisition set-aside. The set-asides for the capital acquisition are required by State statute. For fiscal year 2020, the District had offsets and qualifying disbursements, which well exceeded the required set-asides. Given the District's current and anticipated expenditure patterns and levels, the board expects to exceed these requirements for the foreseeable future.

## AWARDS AND ACKNOWLEDGEMENTS

### Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal years ended June 30, 2012 through June 30, 2019. The Certificate of Achievement is a prestigious national award that recognizes conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. As such, the CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

### Acknowledgments

The preparation of the CAFR was made possible by the diligence of the Treasurer's staff and the support of the Board of Education. Special thanks go to the Superintendent of the District for his input and assistance in this project. In the financial area, as in the instructional area, the goal of excellence is always with us.

Respectfully submitted,

***Nick Roberts***

Nick Roberts  
Treasurer

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

PRINCIPAL OFFICIALS  
JUNE 30, 2020

**BOARD OF EDUCATION**

Kevin Butler	President
Matthew Krueger	Vice-President
Jonathan Metzler	Member
Brian Niceswanger	Member
Michael Yonnotti	Member

**SUPERINTENDENT**

James Sotlar

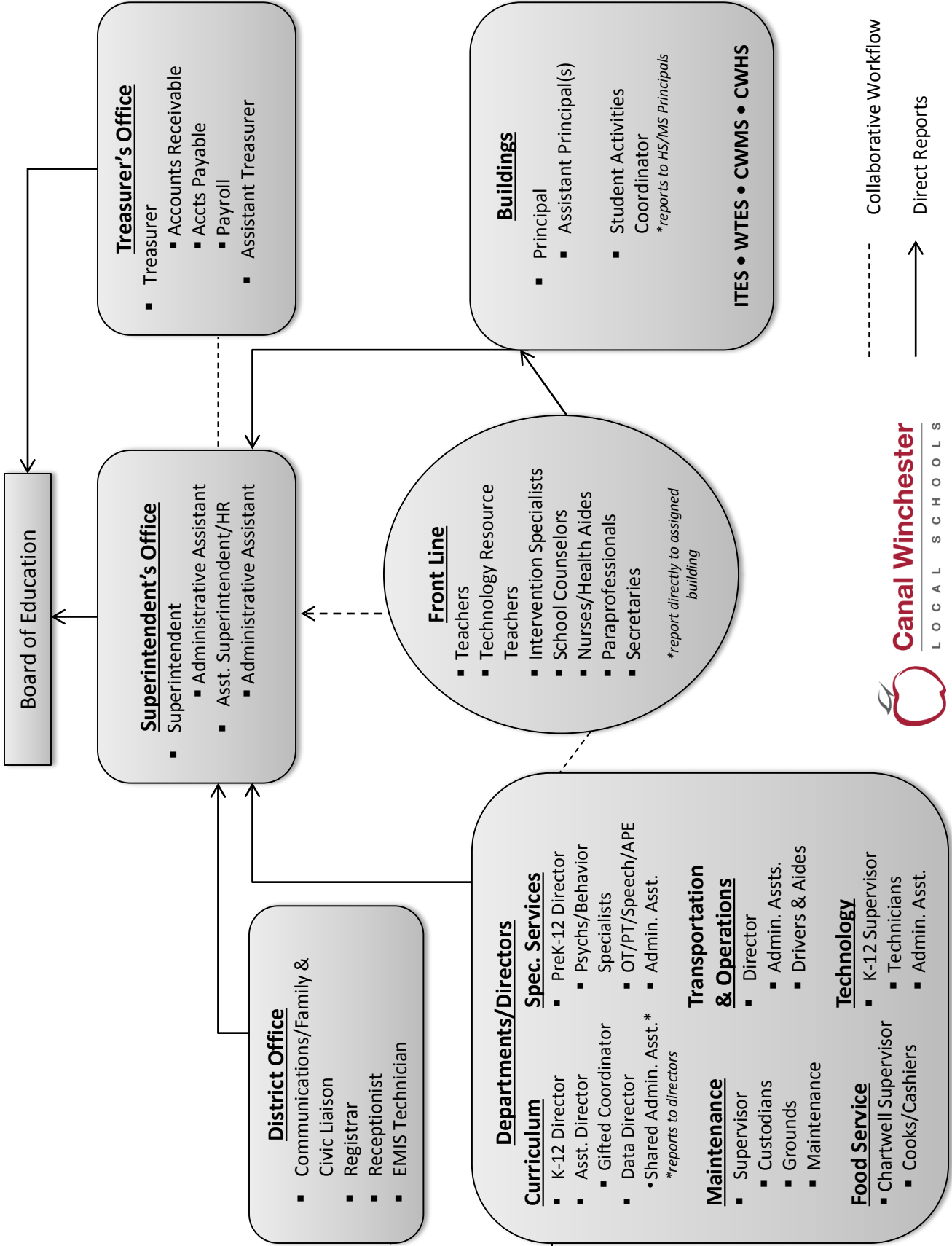
**TREASURER**

Nick Roberts

**ADMINISTRATIVE STAFF**

Kiya Hunt	Assistant Superintendent
Kevin Watson	Assistant Treasurer
Kirk Henderson	High School Principal
Laurie Buchieri	Assistant High School Principal
Greg Lahr	Assistant High School Principal
Kelly Zwyczyk	Middle School Principal
Daniel Senu-Oke	Assistant Middle School Principal
Max Lallathin	Winchester Trail Elementary Principal
Corey Fries	Assistant Principal at Winchester Trail Elementary
Eric Riddle	Indian Trail Elementary Principal
Lea Cobb	Assistant Principal at Indian Trail Elementary
Cyndi Toledo	Curriculum Director
Deb Finch	Assistant Director of Curriculum & Instruction
Brooke Hippler	Director of Special Education
William Whitlatch	Director of Assessment & Data
John-Paul Hoffman	Technology Coordinator
Pat Durbin	Coordinator of Student Activities
Roger McLoney	Facility Supervisor
Mike Britch	Assistant Maintenance Supervisor
Mike Bruning	Director of Operations and Transportation Coordinator







Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Canal Winchester Local School District  
Ohio**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

*Christopher P. Morill*

Executive Director/CEO



## FINANCIAL SECTION

THIS PAGE IS INTENTIONALLY LEFT BLANK

# OHIO AUDITOR OF STATE KEITH FABER



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

## INDEPENDENT AUDITOR'S REPORT

Canal Winchester Local School District  
Franklin County  
100 Washington Street  
Canal Winchester, Ohio 43110

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 Canal Winchester Local School District, Franklin County, Ohio (the District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the 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 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 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.

---

Efficient • Effective • Transparent

### **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 District, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

### **Emphasis of Matter**

As discussed in Note 3 to the financial statements, during 2020, the District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. We did not modify our opinion regarding this matter.

As discussed in Note 23 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the 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 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 15, 2020, on our consideration of the 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 District's internal control over financial reporting and compliance.



Keith Faber  
Auditor of State

Columbus, Ohio

December 15, 2020

**THIS PAGE INTENTIONALLY LEFT BLANK**



**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020  
UNAUDITED**

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

**Financial Highlights**

Key financial highlights for 2020 are as follows:

- Net position of governmental activities increased \$701,011, which represents a 1.77% increase from 2019's restated net position. See Note 3.B in the notes to the financial statements for detail on the restatement due to the implementation of GASB Statement No. 84.
- General revenues accounted for \$44,475,586 in revenue or 81.26% of all governmental activities revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$10,255,829 or 18.74% of total governmental activities revenues of \$54,731,415.
- The District had \$54,030,404 in expenses related to governmental activities, \$10,255,829 of these expenses were offset by program specific charges for services and sales, grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$44,475,586 were adequate to provide for these programs.
- The District's major governmental funds are the general fund, debt service fund and classroom facilities fund. The general fund had \$43,723,042 in revenues and other financing sources and \$44,042,749 in expenditures and other financing uses. The fund balance of the general fund decreased \$319,707 from a balance of \$33,344,130 to \$33,024,423.
- The debt service fund had \$5,550,471 in revenues and other financing sources and \$5,668,968 in expenditures. The fund balance of the debt service fund decreased \$118,497 from \$5,358,197 to \$5,239,700.
- The District entered into an agreement with the Ohio Facilities Construction Commission (OFCC) during fiscal year 2017 to participate in the Classroom Facilities Assistance Program (CFAP). The classroom facilities fund is used to account for the construction project. The fund balance in the classroom facilities fund is \$2,331,907 at fiscal year-end.

**Using the Financial Report**

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

The statement of net position and statement of activities provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other nonmajor funds presented in total in one column. The District has three major governmental funds: the general fund, debt service fund and classroom facilities fund. The general fund is by far the most significant fund.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020  
UNAUDITED**

**Reporting the District as a Whole**

***Statement of Net position and the Statement of Activities***

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2020?" The statement of net position and statement of activities answer this question. These statements include all non-fiduciary assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's net position and changes in that position. This change in net position is important because it tells the reader that, for the District as a whole, the financial position of the 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 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 statement of activities, the governmental activities include the District's programs and services, including instruction, support services, operation and maintenance of plant, pupil transportation, food service operations and extracurricular activities.

The District's statement of net position and statement of activities can be found on pages 30 - 31 of this report.

**Reporting the District's Most Significant Funds**

***Fund Financial Statements***

The analysis of the District's major governmental funds begins on page 24. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds.

***Governmental Funds***

Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at fiscal year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the 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 statement of activities) and governmental funds is reconciled in the financial statements. The basic governmental fund financial statements can be found on pages 32 - 37 of this report.

***Proprietary Fund***

The District maintains one proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District's internal service fund activity accounts for self-insurance of the District's medical, dental and pharmacy benefits. The basic proprietary fund financial statements can be found on pages 38 - 40 of this report.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020  
UNAUDITED**

**Reporting the District's Fiduciary Responsibilities**

The District is the trustee, or fiduciary, for its scholarship programs. This activity is presented as a private-purpose trust fund. The District also acts in a trustee capacity as an agent for organizations. These activities are reported as a custodial fund. All of the District's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position on pages 41 and 42. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

***Notes to the Basic Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 43 - 93 of this report.

***Required Supplementary Information***

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the net pension liability, net OPEB liability/asset and contributions in this report on pages 96 - 111.

THIS SPACE IS INTENTIONALLY LEFT BLANK

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020  
UNAUDITED**

**The District as a Whole**

The statement of net position provides the perspective of the District as a whole. The table below provides a summary of the District's net position for June 30, 2020 and June 30, 2019. The District restated net position as described in Note 3.B.

**Net Position**

	Governmental Activities	
	2020	Restated 2019
<b><u>Assets</u></b>		
Current assets	\$ 80,813,410	\$ 87,073,441
Net OPEB asset	2,680,537	2,597,685
Capital assets, net	87,681,368	74,837,593
Total assets	171,175,315	164,508,719
<b><u>Deferred outflows of resources</u></b>	11,945,684	14,875,869
<b><u>Liabilities</u></b>		
Current liabilities	6,447,289	6,851,027
Long-term liabilities:		
Due within one year	4,953,237	5,199,053
Due in more than one year:		
Net pension liability	46,458,804	45,047,632
Net OPEB liability	4,599,543	4,685,365
Other amounts	51,531,528	54,437,614
Total liabilities	113,990,401	116,220,691
<b><u>Deferred inflows of resources</u></b>	28,883,995	23,618,305
<b><u>Net Position</u></b>		
Net investment in capital assets	41,693,017	24,595,824
Restricted	7,241,755	19,493,787
Unrestricted (deficit)	(8,688,169)	(4,544,019)
Total net position	\$ 40,246,603	\$ 39,545,592

The net pension liability is reported pursuant to Governmental Accounting Standards Board (GASB) Statement 68, "Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement 27." The net other postemployment benefits (OPEB) liability/asset is reported pursuant to GASB Statement 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 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 deferred outflows related to pension and OPEB and the net OPEB asset.

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 *net OPEB 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.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020  
UNAUDITED**

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability/asset to equal the 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 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 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 system. 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 retirement system is responsible for the administration of the pension and OPEB plans.

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

In accordance with GASB 68 and GASB 75, the 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 liability/asset, respectively, not accounted for as deferred inflows/outflows.

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2020, the District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$40,246,603. The net investment in capital assets at June 30, 2020 was \$41,693,017. A portion of the District's net position, \$7,241,755, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position is a deficit of \$8,688,169.

Total assets at fiscal year-end include a net OPEB asset reported by the State Teachers Retirement System (STRS). See Note 18 for more detail.

At fiscal year-end, capital assets represented 51.22% of total asset, and increased from the prior year with additions to construction in progress related to the OFCC project. Capital assets include land, construction in progress, land improvements, buildings and improvements, and furniture, equipment and vehicles. Capital assets are used to provide services to the students and are not available for future spending.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

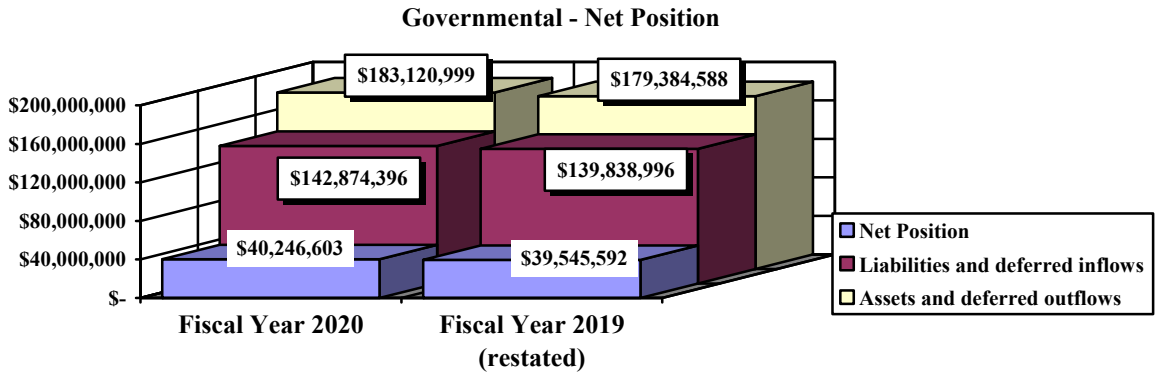
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020  
UNAUDITED

Deferred outflows related to pension decreased primarily due to changes in assumptions by STRS. See Note 17 for more detail.

Current liabilities decreased from contracts payable and retainage payable related to the OFCC project. No new debt was issued during fiscal year 2020, which contributed to the decrease in long-term liabilities (excluding net pension and net OPEB).

Deferred inflows increased as the District recognized substantially less tax revenue related to advances collected by Franklin County and available for advance at June 30, 2020. As such, these collections as reflected as a deferred inflow of resources rather than revenue due to the timing of collections.

The chart below shows the District's governmental activities assets and deferred outflows, liabilities and deferred inflows and net position at June 30, 2020 and 2019.



THIS SPACE IS INTENTIONALLY LEFT BLANK

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020  
UNAUDITED**

The table on the following page shows the change in net position for fiscal years 2020 and 2019. Due to practicality, 2019 revenues and expenses in the table have not been adjusted to reflect the implementation of GASB No. 84 (see Note 3.B), rather, the cumulative impact of applying GASB Statement No. 84 is reflected in the beginning net position for 2019.

**Change in Net Position**

	Governmental Activities	
	2020	2019
<b><u>Revenues</u></b>		
Program revenues:		
Charges for services and sales	\$ 2,267,769	\$ 2,578,436
Operating grants and contributions	7,857,589	8,109,047
Capital grants and contributions	130,471	273,484
General revenues:		
Property taxes	17,463,253	21,302,716
Income taxes	4,902,197	5,070,959
Payments in lieu of taxes	870,301	750,197
Grants and entitlements - not restricted	19,485,303	18,705,658
Investment earnings	789,457	723,666
Change in fair value of investments	666,011	352,846
Miscellaneous	299,064	236,073
Total revenues	54,731,415	58,103,082
<b><u>Expenses</u></b>		
Program expenses:		
Instruction:		
Regular	20,028,181	15,809,056
Special	9,184,807	6,828,398
Vocational	1,047,822	899,017
Support services:		
Pupil	3,107,641	2,375,375
Instructional staff	851,557	664,202
Board of education	81,171	100,763
Administration	4,437,329	3,589,014
Fiscal	1,441,749	1,420,516
Operations and maintenance	3,862,649	3,833,032
Pupil transportation	3,418,856	3,394,242
Central	883,373	854,161
Operation of non-instructional services		
Other non-instructional services	-	233
Food service	1,726,238	1,649,686
Extracurricular activities	1,287,394	1,060,949
Interest and fiscal charges	2,671,637	3,012,312
Total expenses	54,030,404	45,490,956
Changes in net position	701,011	12,612,126
Net position at beginning of year (restated)	39,545,592	26,933,466
Net position at end of year	\$ 40,246,603	\$ 39,545,592

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020  
UNAUDITED**

**Governmental Activities**

Net position of the District's governmental activities increased \$701,011. This increase is primarily attributable to the reduction in the net pension and net OPEB liability and capital grants received by the OFCC and capitalized in construction in progress in capital assets.

In the area of program revenues, operating grants and contributions decreased, which is primarily attributable to a decrease in special education funding received during fiscal year 2020. Charges for services and sales decreased primarily from less school lunch sales caused by building closures for COVID-19 during the last quarter of the school year. Capital grants and contributions decreased during fiscal year 2020, which represents investment earnings and contributions and donations restricted for capital improvements.

The primary sources of revenue for governmental activities are derived from property taxes, income taxes and unrestricted grants and entitlements. These revenue sources represent 76.47% of total governmental revenue. Real estate property is reappraised every six years. Property taxes collected and available to the District are reported as revenue. On May 4, 2020 and in response to the COVID-19 pandemic, Franklin County, Ohio received approval from the Ohio Tax Commissioner to extend the due date of the second half 2019 real estate tax payments for 45 days making the new due date August 5, 2020. As a result of the extension, the amount of property taxes collected by Franklin County and available as advance to the District at June 30, 2020 decreased significantly. This is a timing issue as these taxes will be collected and reported as revenue in fiscal year 2021. Unrestricted grants and entitlements decreased due to cuts in state foundation during the last quarter of fiscal year 2020 from the COVID-19 pandemic.

Overall, expenses of the governmental activities increased \$8,539,448 or 18.77%. The primary reason for the increase is from fluctuations in the benefit changes by the retirement systems, the State Teachers Retirement System (STRS) and the School Employees Retirement System (SERS). Fluctuations in the pension and OPEB expense makes it difficult to compare financial information between years.

Total governmental expenses of \$54,030,404 were offset by program revenues of \$10,255,829 and general revenues of \$44,475,586. Program revenues supported 18.98% of the total governmental expenses.

The largest expense of the District is for instructional programs. Instruction expenses totaled \$30,260,810 or 56.01% of total governmental expenses for fiscal year 2020.

THIS SPACE IS INTENTIONALLY LEFT BLANK



**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020  
UNAUDITED**

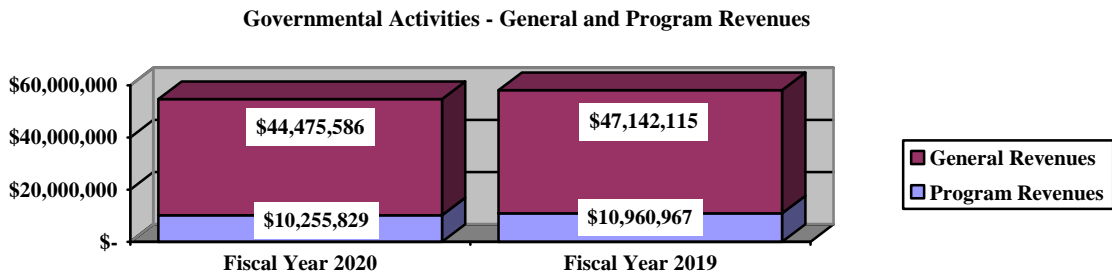
The statement of activities shows the cost of program services and the charges for services and sales and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2020 and 2019. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

**Governmental Activities**

	Total Cost of Services <u>2020</u>	Net Cost of Services <u>2020</u>	Total Cost of Services <u>2019</u>	Net Cost of Services <u>2019</u>
Program expenses:				
Instruction:				
Regular	\$ 20,028,181	\$ 18,516,655	\$ 15,809,056	\$ 14,281,388
Special	9,184,807	4,425,609	6,828,398	2,061,536
Vocational	1,047,822	694,467	899,017	543,448
Support services:				
Pupil	3,107,641	2,267,462	2,375,375	2,099,639
Instructional staff	851,557	657,847	664,202	458,936
Board of Education	81,171	81,171	100,763	100,763
Administration	4,437,329	4,230,726	3,589,014	3,424,080
Fiscal	1,441,749	1,441,749	1,420,516	1,383,743
Operations and maintenance	3,862,649	3,818,765	3,833,032	3,766,301
Pupil transportation	3,418,856	3,155,600	3,394,242	2,140,350
Central	883,373	883,373	854,161	854,161
Operation of non-instructional services				
Other non-instructional services	-	-	233	233
Food service operations	1,726,238	119,833	1,649,686	6,657
Extracurricular activities	1,287,394	809,681	1,060,949	396,442
Interest and fiscal charges	<u>2,671,637</u>	<u>2,671,637</u>	<u>3,012,312</u>	<u>3,012,312</u>
<b>Total expenses</b>	<b><u>\$ 54,030,404</u></b>	<b><u>\$ 43,774,575</u></b>	<b><u>\$ 45,490,956</u></b>	<b><u>\$ 34,529,989</u></b>

The dependence upon tax revenues during fiscal year 2020 for governmental activities is apparent, as 78.11% of fiscal year 2020 instructional activities are supported through taxes and other general revenues. The District's taxpayers and unrestricted grants and entitlements from the State, are by far the primary support for District's students.

The graph below presents the District's governmental activities revenue for fiscal years 2020 and 2019.



**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020  
UNAUDITED**

**The District's Governmental Funds**

The District's governmental funds (as presented on the balance sheet on pages 32 - 33) reported a combined fund balance of \$46,425,564, which is below last fiscal year's total of \$51,852,691. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2020 and 2019. The District restated fund balance as described in Note 3.B.

	Fund Balance <u>June 30, 2020</u>	Restated Fund Balance <u>June 30, 2019</u>	<u>Change</u>
General	\$ 33,024,423	\$ 33,344,130	\$ (319,707)
Debt Service	5,239,700	5,358,197	(118,497)
Classroom Facilities	2,331,907	7,611,677	(5,279,770)
Other Governmental	<u>5,829,534</u>	<u>5,538,687</u>	<u>290,847</u>
Total	<u>\$ 46,425,564</u>	<u>\$ 51,852,691</u>	<u>\$ (5,427,127)</u>

**General Fund**

The District's general fund balance decreased \$319,707 during fiscal year 2020. The following table assists in illustrating the revenues of the general fund.

	2020 <u>Amount</u>	2019 <u>Amount</u>	Percentage <u>Change</u>
<b><u>Revenues</u></b>			
Taxes	\$ 17,680,089	\$ 21,406,008	(17.41) %
Intergovernmental	21,970,520	22,675,457	(3.11) %
Other revenues	<u>3,994,933</u>	<u>3,531,387</u>	13.13 %
Total	<u>\$ 43,645,542</u>	<u>\$ 47,612,852</u>	(8.33) %

Taxes decreased 17.41% due to decreased property tax collections as a result of the COVID-19 pandemic and fluctuations in the amount available for advance at June 30, 2020 from Franklin County. The amount available for advance at June 30, 2020 and June 30, 2019 was \$1,127,831 and \$5,384,131. The District received less in State foundation funding, due to budget cuts caused by the COVID-19 pandemic, which resulted in a decrease in intergovernmental revenue of 3.11%. Other revenues increased in investment earnings, the change in fair value of investments, and payments in lieu of taxes.

The table that follows assists in illustrating the expenditures of the general fund.

	2020 <u>Amount</u>	2019 <u>Amount</u>	Percentage <u>Change</u>
<b><u>Expenditures</u></b>			
Instruction	\$ 25,043,068	\$ 23,318,061	7.40 %
Support services	15,022,713	15,511,756	(3.15) %
Operation of non-instructional	-	233	(100.00) %
Extracurricular activities	875,164	830,646	5.36 %
Debt service	<u>649,356</u>	<u>111,652</u>	481.59 %
Total	<u>\$ 41,590,301</u>	<u>\$ 39,772,348</u>	4.57 %

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020  
UNAUDITED**

Instruction expenditures and extracurricular activities expenditures increased in fiscal year 2020, primarily from increased salaries and wages due to higher insurance premiums and new employees. Support services expenditures decreased as a result of paying certain support staff salaries from student wellness and success funds rather than the general fund. Operation of non-instructional expenditures related to services provided to other school districts decreased from the prior year, though the amount was not significant. Debt service expenditures increased as the District paid off the lease purchase agreement for the construction of a transportation center from the general fund during fiscal year 2020 in the amount of \$633,713.

***Debt Service Fund***

The debt service fund had \$5,550,471 in revenues and other financing sources and \$5,668,968 in expenditures. The fund balance of the debt service fund decreased \$118,497 from \$5,358,197 to \$5,239,700. The debt service fund received transfers in of \$277,075 during fiscal year 2020 from the general fund to retire debt obligations.

***Classroom Facilities Fund***

The classroom facilities fund was established during fiscal year 2017 to account for the District's CFAP construction project with the OFCC. The District drew down as revenue \$6,584,549 in state funds during fiscal year 2020, and the remaining state share of the project has been reported as a receivable at June 30, 2020. The District will draw down on the state funds over the duration of the project as the money is spent on the construction project.

***General Fund Budgeting Highlights***

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

During the course of fiscal year 2020, the District amended its general fund budget several times. The District uses site-based budgeting and the budgeting systems are designed to tightly control total site budgets but provide flexibility for site management. For the general fund, original budgeted revenues and other financing sources were \$47,720,505. Actual revenues and other financing sources of \$47,581,575 were \$174,271 lower than final budgeted revenues of \$47,755,846. The primary reason for actual revenues coming in less than original and final budgeted revenues is due to the reduction in State foundation funding, due to budget cuts, caused by the COVID-19 pandemic.

General fund original appropriations (appropriated expenditures plus other financing uses) were \$50,206,374 and final appropriations were \$50,206,374. The actual budget basis expenditures and other financing uses for fiscal year 2020 totaled \$44,286,723, which was \$5,919,651 less than the final budget appropriations. This positive variance is due to a tight control over expenditures and the District's salaries and fringe benefits proving to be lower than anticipated.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020  
UNAUDITED

**Capital Assets and Debt Administration**

***Capital Assets***

The District had \$87,681,368 invested in land, construction in progress, land improvements, buildings and improvements, and furniture, equipment and vehicles. The following table shows fiscal year 2020 balances compared to 2019:

**Capital Assets at June 30  
(Net of Depreciation)**

	Governmental Activities	
	2020	2019
Land	\$ 3,943,623	\$ 3,985,623
Land improvements	223,176	247,198
Buildings and improvements	59,834,158	60,591,228
Furniture, equipment and vehicles	1,888,725	1,918,831
Construction in progress	21,791,686	8,094,713
Total	\$ 87,681,368	\$ 74,837,593

The District had additions of \$14,019,143 and depreciation expense of \$1,133,368 in fiscal year 2020.

See Note 11 to the basic financial statements for detail on the District's capital assets.

***Debt Administration***

At June 30, 2020 the District had \$50,452,252 in general obligation bonds, \$1,155,000 in energy conservation notes, \$31,132 in capital lease obligations, and \$435,000 in school bus notes outstanding. Of the total outstanding debt, \$4,671,452 is due within one year and \$47,401,932 is due in greater than one year. The following table summarizes the bonds, notes and lease obligations outstanding.

**Outstanding Debt, at Year End**

	Governmental Activities	
	2020	2019
General obligation bonds	\$ 50,452,252	\$ 52,966,126
Energy conservation notes	1,155,000	1,300,000
School bus notes	435,000	515,000
Capital lease obligation	31,132	41,909
Lease-purchase agreement	-	633,713
Total	\$ 52,073,384	\$ 55,456,748

See Note 14 to the basic financial statements for detail on the District's debt administration.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020  
UNAUDITED**

**Current Financial Related Activities**

“Empowering All Students for Success” is the mission statement for the District. Maintaining current educational opportunities for our students in a financially reasonable manner for taxpayers is always at the forefront as we plan for the future.

The two-year state budget has allowed for additional funding for the District. However, the funding formula capped the amount of money that the District is eligible to receive. This keeps the District from receiving additional state funding for student growth until the state formula calculation reaches and exceeds the capped amount. The economic downturn resulting from the COVID-19 pandemic has resulted in funding reductions from the House Bill 166 state budget. The District’s funding was cut approximately 3% during the second half of fiscal year 2020 and as of the date of these financial statements, has been cut 3% in fiscal year 2021. The ultimate impact of the COVID-19 pandemic on state and local revenues is yet to be fully determined.

Adding to our revenue challenges is the fact that over 1/3<sup>rd</sup> of our local tax funding must be renewed by the voters on a constant basis. That means our District runs the risk of losing millions in current operating funds if voters do not approve renewal levies every few years.

Canal Winchester Local Schools weathered through tough financial times in the past. We continue to work on a path of financial stability along with our community, and we keep them informed through newsletters, including an annual Financial Report. In order to continue down a path of financial stability, it is critical that the District and community continue working together for not just our students, but for the quality of life in our community as well.

**Contacting the District’s Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District’s finances and to show the District’s accountability for the money it receives. If you have questions about this report or need additional financial information contact: Mr. Nick Roberts, Treasurer, Canal Winchester Local School District, 100 Washington Street, Canal Winchester, Ohio 43110.

**THIS PAGE IS INTENTIONALLY LEFT BLANK**

**BASIC  
FINANCIAL STATEMENTS**

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

STATEMENT OF NET POSITION  
JUNE 30, 2020

	<b>Governmental Activities</b>
<b>Assets:</b>	
Equity in pooled cash and cash equivalents . . . . .	\$ 50,535,599
Investments . . . . .	531,403
Receivables:	
Property taxes. . . . .	22,804,029
Income taxes . . . . .	1,918,813
Payment in lieu of taxes. . . . .	1,350,000
Intergovernmental. . . . .	3,478,181
Accrued interest. . . . .	101,374
Prepayments . . . . .	48,623
Materials and supplies inventory. . . . .	7,472
Inventory held for resale . . . . .	37,916
Net OPEB asset . . . . .	2,680,537
Capital assets:	
Nondepreciable capital assets . . . . .	25,735,309
Depreciable capital assets, net. . . . .	61,946,059
Capital assets, net . . . . .	87,681,368
Total assets. . . . .	171,175,315
<b>Deferred outflows of resources:</b>	
Unamortized deferred charges on debt refunding . . . . .	819,300
Pension. . . . .	9,791,574
OPEB . . . . .	1,334,810
Total deferred outflows of resources . . . . .	11,945,684
<b>Liabilities:</b>	
Accounts payable. . . . .	260,118
Contracts payable. . . . .	726,175
Retainage payable . . . . .	336,286
Accrued wages and benefits payable . . . . .	3,664,580
Intergovernmental payable . . . . .	136,039
Pension and postemployment benefits payable. . . . .	690,742
Accrued interest payable . . . . .	97,274
Claims payable. . . . .	535,900
Matured interest payable. . . . .	175
Long-term liabilities:	
Due within one year. . . . .	4,953,237
Due in more than one year:	
Net pension liability (See Note 17). . . . .	46,458,804
Net OPEB liability (See Note 18) . . . . .	4,599,543
Other amounts due in more than one year . . . . .	51,531,528
Total liabilities . . . . .	113,990,401
<b>Deferred inflows of resources:</b>	
Property taxes levied for the next fiscal year . . . . .	20,797,052
Payment in lieu of taxes levied for the next fiscal year . . . . .	1,350,000
Pension. . . . .	2,156,189
OPEB . . . . .	4,580,754
Total deferred inflows of resources . . . . .	28,883,995
<b>Net position:</b>	
Net investment in capital assets . . . . .	41,693,017
Restricted for:	
Capital projects . . . . .	5,455,241
Classroom facilities maintenance . . . . .	838,216
Locally funded programs . . . . .	116,277
State funded programs. . . . .	104,700
Federally funded programs . . . . .	3,594
Food service operations . . . . .	417,875
Student activities . . . . .	305,852
Unrestricted (deficit) . . . . .	(8,688,169)
Total net position. . . . .	\$ 40,246,603

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

	Expenses	Program Revenues			Net (Expense)
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Governmental Activities
<b>Governmental activities:</b>					
Instruction:					
Regular . . . . .	\$ 20,028,181	\$ 865,856	\$ 520,199	\$ 125,471	\$ (18,516,655)
Special . . . . .	9,184,807	295,244	4,463,954	-	(4,425,609)
Vocational . . . . .	1,047,822	-	353,355	-	(694,467)
Support services:					
Pupil. . . . .	3,107,641	-	840,179	-	(2,267,462)
Instructional staff . . . . .	851,557	39,838	153,872	-	(657,847)
Board of education . . . . .	81,171	-	-	-	(81,171)
Administration. . . . .	4,437,329	38,789	167,814	-	(4,230,726)
Fiscal. . . . .	1,441,749	-	-	-	(1,441,749)
Operations and maintenance . . . . .	3,862,649	40,923	2,961	-	(3,818,765)
Pupil transportation . . . . .	3,418,856	-	263,256	-	(3,155,600)
Central . . . . .	883,373	-	-	-	(883,373)
Operation of non-instructional services:					
Food service operations. . . . .	1,726,238	556,454	1,049,951	-	(119,833)
Extracurricular activities . . . . .	1,287,394	430,665	42,048	5,000	(809,681)
Interest and fiscal charges . . . . .	2,671,637	-	-	-	(2,671,637)
<b>Total governmental activities . . . . .</b>	<b>\$ 54,030,404</b>	<b>\$ 2,267,769</b>	<b>\$ 7,857,589</b>	<b>\$ 130,471</b>	<b>(43,774,575)</b>
<b>General revenues:</b>					
Property taxes levied for:					
General purposes . . . . .					12,752,939
Classroom facilities. . . . .					150,339
Debt service . . . . .					4,539,735
Permanent improvement . . . . .					20,240
Payments in lieu of taxes. . . . .					870,301
Income taxes levied for:					
General purposes . . . . .					4,902,197
Grants and entitlements not restricted to specific programs . . . . .					
Investment earnings . . . . .					19,485,303
Change in fair value of investments . . . . .					789,457
Miscellaneous . . . . .					666,011
					299,064
<b>Total general revenues. . . . .</b>					<b>44,475,586</b>
Change in net position. . . . .					701,011
<b>Net position at beginning of fiscal year (restated).</b>					<b>39,545,592</b>
<b>Net position at end of fiscal year. . . . .</b>					<b>\$ 40,246,603</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2020

	<u>General</u>	<u>Debt Service</u>	<u>Classroom Facilities</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets:</b>					
Equity in pooled cash and cash equivalents. . . . .	\$ 34,343,355	\$ 4,870,260	\$ 2,133,833	\$ 6,452,443	\$ 47,799,891
Investments. . . . .	-	-	324,581	206,822	531,403
Receivables:					
Property taxes. . . . .	17,642,145	4,931,899	-	229,985	22,804,029
Income taxes. . . . .	1,918,813	-	-	-	1,918,813
Payment in lieu of taxes. . . . .	1,350,000	-	-	-	1,350,000
Accrued interest. . . . .	99,809	-	952	613	101,374
Interfund loans. . . . .	94,826	-	-	-	94,826
Intergovernmental. . . . .	26,568	-	2,995,875	455,738	3,478,181
Prepayments. . . . .	48,623	-	-	-	48,623
Materials and supplies inventory. . . . .	-	-	-	7,472	7,472
Inventory held for resale. . . . .	-	-	-	37,916	37,916
Total assets. . . . .	<u>\$ 55,524,139</u>	<u>\$ 9,802,159</u>	<u>\$ 5,455,241</u>	<u>\$ 7,390,989</u>	<u>\$ 78,172,528</u>
<b>Liabilities:</b>					
Accounts payable. . . . .	\$ 55,459	\$ -	\$ -	\$ 204,659	\$ 260,118
Contracts payable. . . . .	-	-	650,811	75,364	726,175
Retainage payable. . . . .	-	-	298,622	37,664	336,286
Accrued wages and benefits payable. . . . .	3,281,987	-	-	382,593	3,664,580
Compensated absences payable. . . . .	4,612	-	-	-	4,612
Pension and postemployment benefits payable. . . . .	599,682	-	-	91,060	690,742
Intergovernmental payable. . . . .	131,831	-	-	4,208	136,039
Interfund loans payable. . . . .	-	-	-	94,826	94,826
Matured interest payable. . . . .	-	175	-	-	175
Total liabilities. . . . .	<u>4,073,571</u>	<u>175</u>	<u>949,433</u>	<u>890,374</u>	<u>5,913,553</u>
<b>Deferred inflows of resources:</b>					
Property taxes levied for the next fiscal year. . . . .	16,131,922	4,455,385	-	209,745	20,797,052
Delinquent property tax revenue not available. . . . .	382,392	106,899	-	4,985	494,276
Income tax revenue not available. . . . .	510,765	-	-	-	510,765
Payment in lieu of taxes levied for the next fiscal year. . . . .	1,350,000	-	-	-	1,350,000
Intergovernmental revenue not available. . . . .	-	-	2,172,949	455,738	2,628,687
Accrued interest not available. . . . .	51,066	-	952	613	52,631
Total deferred inflows of resources. . . . .	<u>18,426,145</u>	<u>4,562,284</u>	<u>2,173,901</u>	<u>671,081</u>	<u>25,833,411</u>

- - Continued

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

BALANCE SHEET  
GOVERNMENTAL FUNDS (CONTINUED)  
JUNE 30, 2020

	<u>General</u>	<u>Debt Service</u>	<u>Classroom Facilities</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Fund balances:</b>					
Nonspendable:					
Materials and supplies inventory . . . . .	\$ -	\$ -	\$ -	\$ 7,472	\$ 7,472
Prepays . . . . .	48,623	-	-	-	48,623
Restricted:					
Debt service . . . . .	-	5,239,700	-	-	5,239,700
Capital improvements . . . . .	-	-	2,331,907	-	2,331,907
Classroom facilities maintenance . . . . .	-	-	-	838,216	838,216
Food service operations . . . . .	-	-	-	414,604	414,604
Non-public schools . . . . .	-	-	-	101,497	101,497
Other purposes . . . . .	-	-	-	116,978	116,978
Student activities . . . . .	-	-	-	331,867	331,867
Committed:					
Capital improvements . . . . .	-	-	-	4,491,944	4,491,944
Assigned:					
Student instruction . . . . .	128,322	-	-	-	128,322
Student and staff support . . . . .	177,689	-	-	-	177,689
Extracurricular activities . . . . .	2,049	-	-	-	2,049
Subsequent year appropriations . . . . .	32,283,009	-	-	-	32,283,009
Unassigned (deficit) . . . . .	384,731	-	-	(473,044)	(88,313)
Total fund balances . . . . .	<u>33,024,423</u>	<u>5,239,700</u>	<u>2,331,907</u>	<u>5,829,534</u>	<u>46,425,564</u>
Total liabilities, deferred inflows of resources and fund balances . . . . .	<u>\$ 55,524,139</u>	<u>\$ 9,802,159</u>	<u>\$ 5,455,241</u>	<u>\$ 7,390,989</u>	<u>\$ 78,172,528</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

<b>Total governmental fund balances</b>		\$ 46,425,564
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		87,681,368
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.		
Property taxes receivable	\$ 494,276	
Income taxes receivable	510,765	
Accrued interest receivable	52,631	
Intergovernmental receivable	2,628,687	
Total	3,686,359	3,686,359
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities on the statement of net position.		2,199,808
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows of resources are not reported in governmental funds.		
Deferred outflows of resources - pension	9,791,574	
Deferred inflows of resources - pension	(2,156,189)	
Net pension liability	(46,458,804)	
Total	(38,823,419)	(38,823,419)
The net OPEB liability/asset is not due and payable in the current period, therefore, the liability/asset and related deferred inflows/outflows of resources are not reported in governmental funds.		
Deferred outflows of resources - OPEB	1,334,810	
Deferred inflows of resources - OPEB	(4,580,754)	
Net OPEB asset	2,680,537	
Net OPEB liability	(4,599,543)	
Total	(5,164,950)	(5,164,950)
Unamortized premiums on bonds issued are not recognized in the funds.		(2,273,378)
Unamortized amounts on refundings are not recognized in the funds.		819,300
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.		(97,274)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
Compensated absences	(2,133,391)	
General obligation bonds	(38,170,000)	
Capital appreciation bonds	(3,680,680)	
Accretion of interest - capital appreciation bonds	(8,601,572)	
Energy conservation notes	(1,155,000)	
Bus purchase notes	(435,000)	
Capital lease obligations	(31,132)	
Total	(54,206,775)	(54,206,775)
<b>Net position of governmental activities</b>		<b>\$ 40,246,603</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

	<u>General</u>	<u>Debt Service</u>	<u>Classroom Facilities</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>					
From local sources:					
Property taxes . . . . .	\$ 12,880,642	\$ 4,583,800	\$ -	\$ 172,304	\$ 17,636,746
Income taxes . . . . .	4,799,447	-	-	-	4,799,447
Payment in lieu of taxes . . . . .	870,301	-	-	-	870,301
Tuition . . . . .	1,014,644	-	-	-	1,014,644
Earnings on investments . . . . .	792,153	-	93,451	47,077	932,681
Charges for services . . . . .	-	-	-	556,454	556,454
Extracurricular . . . . .	232,905	-	-	307,936	540,841
Classroom materials and fees . . . . .	114,432	-	-	-	114,432
Rental income . . . . .	40,923	-	-	475	41,398
Contributions and donations . . . . .	596	-	-	39,776	40,372
Other local revenues . . . . .	262,968	-	-	44,357	307,325
Intergovernmental - intermediate . . . . .	-	-	-	86,180	86,180
Intergovernmental - state . . . . .	21,669,140	689,596	6,584,549	1,040,993	29,984,278
Intergovernmental - federal . . . . .	301,380	-	-	3,390,640	3,692,020
Change in fair value of investments . . . . .	666,011	-	(1,267)	(794)	663,950
Total revenues . . . . .	<u>43,645,542</u>	<u>5,273,396</u>	<u>6,676,733</u>	<u>5,685,398</u>	<u>61,281,069</u>
<b>Expenditures:</b>					
Current:					
Instruction:					
Regular . . . . .	17,607,598	-	-	418,583	18,026,181
Special . . . . .	6,508,089	-	-	1,863,455	8,371,544
Vocational . . . . .	927,381	-	-	-	927,381
Support services:					
Pupil . . . . .	2,034,730	-	-	843,163	2,877,893
Instructional staff . . . . .	593,238	-	-	180,882	774,120
Board of education . . . . .	79,624	-	-	-	79,624
Administration . . . . .	3,789,988	-	-	167,390	3,957,378
Fiscal . . . . .	1,287,705	86,965	1,340	4,246	1,380,256
Operations and maintenance . . . . .	3,503,488	-	-	62,204	3,565,692
Pupil transportation . . . . .	2,930,510	-	-	181,924	3,112,434
Central . . . . .	803,430	-	-	79,744	883,174
Operation of non-instructional services:					
Food service operations . . . . .	-	-	-	1,718,470	1,718,470
Extracurricular activities . . . . .	875,164	-	-	270,486	1,145,650
Facilities acquisition and construction . . . . .	-	-	11,955,163	1,779,004	13,734,167
Debt service:					
Principal retirement . . . . .	644,490	2,715,000	-	-	3,359,490
Interest and fiscal charges . . . . .	4,866	1,262,003	-	-	1,266,869
Accretion on capital appreciation bonds . . . . .	-	1,605,000	-	-	1,605,000
Total expenditures . . . . .	<u>41,590,301</u>	<u>5,668,968</u>	<u>11,956,503</u>	<u>7,569,551</u>	<u>66,785,323</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>2,055,241</u>	<u>(395,572)</u>	<u>(5,279,770)</u>	<u>(1,884,153)</u>	<u>(5,504,254)</u>
<b>Other financing sources (uses):</b>					
Sale of assets . . . . .	77,500	-	-	-	77,500
Transfers in . . . . .	-	277,075	-	2,175,000	2,452,075
Transfers (out) . . . . .	(2,452,448)	-	-	-	(2,452,448)
Total other financing sources (uses) . . . . .	<u>(2,374,948)</u>	<u>277,075</u>	<u>-</u>	<u>2,175,000</u>	<u>77,127</u>
Net change in fund balances . . . . .	(319,707)	(118,497)	(5,279,770)	290,847	(5,427,127)
<b>Fund balances at beginning of fiscal year (restated) . . . . .</b>					
	<u>33,344,130</u>	<u>5,358,197</u>	<u>7,611,677</u>	<u>5,538,687</u>	<u>51,852,691</u>
<b>Fund balances at end of fiscal year . . . . .</b>	<u>\$ 33,024,423</u>	<u>\$ 5,239,700</u>	<u>\$ 2,331,907</u>	<u>\$ 5,829,534</u>	<u>\$ 46,425,564</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN 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

<b>Net change in fund balances - total governmental funds</b>		\$ (5,427,127)
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital asset additions	\$ 14,019,143	
Current year depreciation	<u>(1,133,368)</u>	
Total		12,885,775
Governmental funds only report the gain from the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		
		(42,000)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	(173,493)	
Income taxes	102,750	
Earnings on investments	(12,250)	
Intergovernmental	<u>(6,502,161)</u>	
Total		(6,585,154)
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position.		
General obligation bonds	1,295,000	
Capital appreciation bonds	1,195,000	
Accreted interest on capital appreciation bonds	1,605,000	
Energy conservation notes	145,000	
Bus purchase notes	80,000	
Lease purchase agreement	633,713	
Capital leases	<u>10,777</u>	
Total		4,964,490
Governmental funds report expenditures for interest when it is due. In the statement of activities, interest expense is recognized as the interest accrues, regardless of when it is due. The following items resulted in more interest being reported in the statement of activities:		
Decrease in accrued interest payable	4,389	
Accretion of interest on capital appreciation bonds	(1,581,126)	
Amortization of bond premiums	288,414	
Amortization of deferred charges	<u>(116,445)</u>	
Total		(1,404,768)
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
		(524,610)
Contractually required pension contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
		3,697,186
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.		
		(7,857,386)
Contractually required OPEB contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows of resources.		
		103,412
Except for amounts reported as deferred inflows/outflows of resources, changes in the net OPEB asset/liability are reported as OPEB expense in the statement of activities.		
		524,002
An internal service fund used by management to charge the costs of insurance to individual funds is not reported in the statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.		
		<u>367,191</u>
<b>Change in net position of governmental activities</b>		<u>\$ 701,011</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
From local sources:				
Property taxes . . . . .	\$ 17,030,238	\$ 17,030,238	\$ 17,136,942	\$ 106,704
Income taxes . . . . .	5,043,068	5,043,068	5,174,492	131,424
Payment in lieu of taxes . . . . .	750,000	750,000	870,301	120,301
Tuition . . . . .	935,000	935,000	1,014,644	79,644
Earnings on investments . . . . .	606,451	606,451	805,503	199,052
Extracurricular . . . . .	180,000	180,000	158,641	(21,359)
Classroom materials and fees . . . . .	112,000	120,590	114,432	(6,158)
Rental income . . . . .	45,000	45,000	40,923	(4,077)
Contributions and donations . . . . .	1,000	1,000	-	(1,000)
Other local revenues . . . . .	150,000	150,000	191,057	41,057
Intergovernmental - state . . . . .	22,462,748	22,489,499	21,683,130	(806,369)
Intergovernmental - federal . . . . .	325,000	325,000	314,010	(10,990)
Total revenues . . . . .	<u>47,640,505</u>	<u>47,675,846</u>	<u>47,504,075</u>	<u>(171,771)</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	20,047,641	20,047,485	17,562,368	2,485,117
Special . . . . .	7,363,844	7,363,787	6,450,960	912,827
Vocational . . . . .	1,060,667	1,060,659	929,178	131,481
Support services:				
Pupil . . . . .	2,354,585	2,354,567	2,062,691	291,876
Instructional staff . . . . .	663,905	663,900	581,602	82,298
Board of education . . . . .	101,310	101,309	88,751	12,558
Administration . . . . .	4,294,691	4,294,658	3,762,285	532,373
Fiscal . . . . .	2,205,817	2,205,799	1,932,365	273,434
Operations and maintenance . . . . .	4,072,298	4,072,267	3,567,462	504,805
Pupil transportation . . . . .	3,671,131	3,671,103	3,216,027	455,076
Central . . . . .	927,803	927,796	812,785	115,011
Extracurricular activities . . . . .	990,605	990,597	867,801	122,796
Total expenditures . . . . .	<u>47,754,299</u>	<u>47,753,926</u>	<u>41,834,275</u>	<u>5,919,651</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>(113,794)</u>	<u>(78,080)</u>	<u>5,669,800</u>	<u>5,747,880</u>
<b>Other financing sources (uses):</b>				
Sale of assets . . . . .	80,000	80,000	77,500	(2,500)
Transfers (out) . . . . .	<u>(2,452,075)</u>	<u>(2,452,448)</u>	<u>(2,452,448)</u>	<u>-</u>
Total other financing sources (uses) . . . . .	<u>(2,372,075)</u>	<u>(2,372,448)</u>	<u>(2,374,948)</u>	<u>(2,500)</u>
Net change in fund balance . . . . .	(2,485,869)	(2,450,528)	3,294,852	5,745,380
<b>Fund balance at beginning of fiscal year . .</b>	29,320,148	29,320,148	29,320,148	-
<b>Prior fiscal year encumbrances appropriated</b>	206,374	206,374	206,374	-
<b>Fund balance at end of fiscal year . . . . .</b>	<u>\$ 27,040,653</u>	<u>\$ 27,075,994</u>	<u>\$ 32,821,374</u>	<u>\$ 5,745,380</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

STATEMENT OF NET POSITION  
PROPRIETARY FUND  
JUNE 30, 2020

	<b>Governmental Activities - Internal Service Fund</b>
<b>Assets:</b>	
Current assets:	
Equity in pooled cash and cash equivalents. . . . .	<u>\$ 2,735,708</u>
<b>Liabilities:</b>	
Current liabilities:	
Claims payable . . . . .	<u>535,900</u>
<b>Net position:</b>	
Unrestricted . . . . .	<u><u>\$ 2,199,808</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

	<b>Governmental Activities - Internal Service Fund</b>
<b>Operating revenues:</b>	
Charges for services. . . . .	\$ 6,595,841
Total operating revenues . . . . .	<u>6,595,841</u>
 <b>Operating expenses:</b>	
Purchased services. . . . .	807,819
Materials and supplies . . . . .	11,485
Claims . . . . .	5,408,414
Other. . . . .	1,305
Total operating expenses. . . . .	<u>6,229,023</u>
 Operating income before transfers . . . . .	366,818
Transfer in . . . . .	<u>373</u>
 Change in net position . . . . .	367,191
 <b>Net position at beginning of fiscal year. . .</b>	<u>1,832,617</u>
 <b>Net position at end of fiscal year . . . . .</b>	<u>\$ 2,199,808</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

	<b>Governmental Activities - Internal Service Fund</b>
<b>Cash flows from operating activities:</b>	
Cash received from charges for services. . . . .	\$ 6,595,841
Cash payments for purchased services. . . . .	(807,819)
Cash payments for materials and supplies . . . . .	(11,485)
Cash payments for claims . . . . .	(5,404,114)
Cash payments for other operating expenses. . . . .	(1,305)
	371,118
<b>Cash flows from noncapital financing activities:</b>	
Cash received from transfers in . . . . .	373
	373
Net increase in cash and cash equivalents. . . . .	371,491
<b>Cash and cash equivalents at beginning of fiscal year . . . . .</b>	
	2,364,217
<b>Cash and cash equivalents at end of fiscal year . . .</b>	<b>\$ 2,735,708</b>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>	
Operating income . . . . .	\$ 366,818
Changes in assets and liabilities:	
Increase in claims payable . . . . .	4,300
	4,300
Net cash provided by operating activities . . . . .	<b>\$ 371,118</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUND  
JUNE 30, 2020

	<b>Private-Purpose Trust</b>
	<b>Scholarship</b>
<b>Assets:</b>	
Equity in pooled cash and cash equivalents . . . . .	\$ 5,425
<b>Net position:</b>	
Restricted for scholarships held in trust . . . . .	\$ 5,425

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

	<b>Private-Purpose Trust</b>	
	<b>Scholarship</b>	<b>Custodial</b>
<b>Additions:</b>		
Earnings on investments . . . . .	\$ 99	\$ -
Extracurricular. . . . .	-	9,193
Total additions. . . . .	99	9,193
<b>Deductions:</b>		
Extracurricular distributions to OHSAA . . . . .	-	9,193
Total deductions . . . . .	-	9,193
Change in net position . . . . .	99	-
<b>Net position at beginning of year (restated) . . . . .</b>	<b>5,326</b>	<b>-</b>
<b>Net position at end of year . . . . .</b>	<b>\$ 5,425</b>	<b>\$ -</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT**

The Canal Winchester Local School District (the “District”) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The District is a local District as defined by Section 3311.03 of the Ohio Revised code. The District operates under an elected Board of Education (5 members) and is responsible for the provision of public education to residents of the District.

Average daily membership (ADM) was 3,912. The District employed 22 full-time administrators and coordinators, 270 full-time certified employees, and 160 full-time classified employees.

The District provides regular, vocational and special instruction. The District also provides support services for the pupils, instructional staff, general and school administration, business and fiscal services, facilities acquisition and construction services, operation and maintenance of plant, student transportation, food services, extracurricular activities and non-programmed services.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (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 District's significant accounting policies are described below.

**A. Reporting Entity**

The reporting entity has been defined in accordance with GASB Statement No. 14, “The Financial Reporting Entity” as amended by GASB Statement No. 39, “Determining Whether Certain Organizations Are Component Units” and GASB Statement No. 61, “The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34”. The reporting entity is composed of the primary government and component units. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization’s Governing Board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization’s resources; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government’s financial statements incomplete or misleading. Based upon the application of these criteria, the District has no component units. The basic financial statements of the reporting entity include only those of the District (the primary government).

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

The following organizations are described due to their relationship to the District:

*JOINTLY GOVERNED ORGANIZATIONS*

Metropolitan Educational Technology Association (META) Solutions

The District is a participant in META Solutions which is a computer association that develops, implements and supports the technology and instructional needs of schools in a cost-effective manner. META Solutions provides instructional, core technology and purchasing services for its member districts. The Board of Directors consists of the Superintendents from eleven of the member districts. Financial information can be obtained from Ashley Widby, who serves as Chief Financial Officer, 2100 Citygate Drive, Columbus, Ohio 43219.

Canal Winchester Joint Recreation District

The District has joined with the City of Canal Winchester in the creation of a joint recreation district known as the Canal Winchester Joint Recreation District (Recreation District). The Recreation District is established under Ohio Revised Code Chapter 755.14(C). The District appoints two members to act as the School Board representatives on the Recreation District Board. The Recreation District Board shall consist of five voting members: two members of the Canal Winchester City Council, two members of the Canal Winchester Local School District Board of Education, and one representative appointed by the Canal Winchester City Council. To obtain financial information for the Recreation District, write to the Fiscal Officer, at P.O. Box 753 Canal Winchester, Ohio, 43110.

**B. Fund Accounting**

The District uses funds to report its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain school district activities or functions. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category is divided into separate fund types.

*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 and deferred outflows of resources and liabilities and deferred inflows of resources is reported as fund balance. The following are the District's major governmental funds:

General fund -The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available 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 and payment of general obligation bond and principal and interest from governmental resources when the government is obligated in some manner for payment. It is also used to account for the accumulation or resources and payment of general obligation bonds and notes payable.

Classroom facilities fund - The classroom facilities capital projects fund is used to account for and report financial resources that are restricted to expenditures related to the District's construction project with the Ohio Facilities Construction Commission.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

Other governmental funds of the District are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets and (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects.

*PROPRIETARY FUNDS*

Proprietary funds are used to account for the District's ongoing activities which are similar to those often found in the private sector where the determination of net income is necessary or useful to sound financial administration. The following is a description of the District's proprietary fund:

Internal Service Fund - The internal service fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District, or to other governments, on a cost-reimbursement basis. The District's internal service fund accounts for the health, medical, prescription drug and dental self-insurance program.

*FIDUCIARY FUNDS*

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 District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. The District's trust fund is a private purpose trust which accounts for a scholarship program for students. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund. The District's custodial fund accounts for funds collected and distributed to the Ohio High School Athletic Association.

**C. Basis of Presentation and Measurement Focus**

Government-Wide Financial Statements - The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Internal service fund activity is eliminated to avoid "doubling up" revenues and expenses. Interfund services provided and used are not eliminated in the process of consolidation.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are 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 which are not classified as program revenues are presented as general revenues of the District.

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows and all liabilities and deferred inflows associated with the operation of the District are included on the statement of net position.

Fund Financial Statements - Fund financial statements report detailed information about the District. 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, and all nonmajor funds are aggregated into one column. The internal service fund is presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN 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 governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets/deferred outflows of resources and current liabilities/deferred inflows of resources generally are included on the governmental funds 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 include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, the internal service fund is accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of this fund are included on the statement of fund net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the District finances and meets the cash flow needs of its proprietary activity.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the District's internal service fund are charges for services. Operating expenses for the internal service fund include claims and purchased services expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The fiduciary funds are reported using the economic resources measurement focus. All assets and liabilities associated with the operation of fiduciary funds are included on the statement of net fiduciary position. Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from private purpose and custodial funds. In fiduciary funds, a liability to the beneficiaries of fiduciary activity is recognized when an event has occurred that compels the government to disburse fiduciary resources. Fiduciary fund liabilities other than those to beneficiaries are recognized using the economic resources measurement focus.

**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. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting.

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



**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, income 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 (See Note 6). Revenue from income taxes is recognized in the period in which the income is earned (See Note 9). 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 or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes available as an advance, school district income taxes, interest, tuition, grants and student fees.

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will 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 District, see Notes 17 and 18 for deferred outflows of resources related the District's net pension liability and net OPEB liability/asset, respectively. In addition, deferred outflows of resources include a deferred charge on debt refunding. 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.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements 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 (revenue) until that time.

For the District, deferred inflows of resources include property taxes, payments in lieu of taxes and unavailable revenue. Property taxes and payments in lieu of 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 of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the District unavailable revenue includes, but is not limited to, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. In addition, see Notes 17 and 18 for deferred inflows of resources related to the District's net pension liability and net OPEB liability/asset, respectively. This deferred inflow of resources is only reported on the government-wide statement of net position.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the fiscal year is reported in the statement of revenues, expenditures and changes in fund balances as an expenditure with a like amount reported as intergovernmental revenue. Unused donated commodities are reported as intergovernmental revenue.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

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

**E. Budgets**

The District is required by State statute to adopt an annual appropriated cash basis budget for all funds (except custodial). The specific timetable for fiscal year 2020 is as follows.

1. Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The purpose of this budget document is to reflect the need for existing (or increased) tax rates.
2. By no later than January 20, the Board-adopted budget is filed with the Franklin County Budget Commission for tax rate determination.
3. Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's certificate of estimated resources which states the projected revenue of each fund. Prior to July 1, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as a basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered balances from the preceding year as reported by the District Treasurer.

The certificate of estimated resources may be further amended during the fiscal year if projected increases or decreases in revenues are identified by the District Treasurer. The amounts reported as the final budgeted amount in the budgetary statement reflect the amounts set forth in the original and final amended certificate of estimated resources issued for fiscal year 2020.

4. By July 1, the annual appropriation resolution is legally enacted by the Board of Education at the fund level of expenditures for all funds, which is the legal level of budgetary control. (State statute permits a temporary appropriation to be effective until no later than October 1 of each year.) Although the legal level of budgetary control was established at the fund level of expenditures, the District has elected to present budgetary statement comparisons at the fund and function level of expenditures. Resolution appropriations by fund must be within the estimated resources as certified by the County Budget Commission and the total of expenditures and encumbrances may not exceed appropriations totals.
5. All funds, other than custodial funds, are legally required to be budgeted and appropriated. Short-term inter-fund loans are not required to be budgeted since they represent a temporary cash flow resource, and are not intended to be repaid.
6. Any revisions that alter the total of any fund appropriation must be approved by the Board of Education.
7. Formal budgetary integration is employed as a management control device during the fiscal year for all funds consistent with statutory provisions.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

8. Appropriation amounts are as originally adopted, or as amended by the Board of Education throughout the fiscal year by supplemental appropriations, which either re-allocated or increased the original, appropriated amounts. The final budget figures, which appear in the statements of budgetary comparisons, represent the permanent appropriation amounts plus all supplemental appropriations legally enacted during the year.
9. At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the succeeding fiscal year and need not be re-appropriated.

**F. Cash and Investments**

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

During fiscal year 2020, the District's investments included commercial paper, negotiable certificates of deposit (CDs), Federal Home Loan Mortgage Corporation securities (FHLMC), Federal Home Loan Bank securities (FHLB), Fannie Mae securities (FNMA), Federal Farm Credit Bank securities (FFCB), U.S. Treasury notes, U.S. government money markets, and STAR Ohio. Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices.

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

For fiscal year 2020, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, 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.

Under existing Ohio statutes all investment earnings are assigned to the general fund except for those specifically related to the auxiliary services fund, food service, and scholarship funds authorized by Board resolution. Interest revenue credited to the general fund during fiscal year 2020 amounted to \$792,153, which includes \$211,093 assigned from other District funds.

For presentation on the financial statements, investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the District are considered to be cash equivalents. Investments with an initial maturity of more than three months that are not purchased from the pool are reported as investments.

An analysis of the District's investments at fiscal year end is provided in Note 4.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**G. Inventory**

On government-wide and fund financial statements, purchased inventories are presented at cost and donated commodities are presented at the lower of cost or market. Inventories are recorded on a first-in, first-out basis and are expensed when used. Inventories are accounted for using the consumption method.

Inventory consists of supplies, donated food and purchased food.

**H. Capital Assets**

General capital assets are those assets specifically related to governmental activities. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The District maintains a capitalization threshold of \$5,000. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset life are not.

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>
Land improvements	20-100 years
Buildings and improvements	15 - 100 years
Furniture and equipment	5 - 20 years
Vehicles	10 years

**I. Interfund Balances**

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund loans receivable/payable.” These amounts are eliminated in the governmental type activities columns of the statement of net position.

**J. Compensated Absences**

Compensated absences of the District consist of vacation leave and sick leave to the extent that payments to the employee for these absences are attributable to services already rendered and are not contingent on a specific event that is outside the control of the District and the employee.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

In accordance with the provisions of GASB Statement No. 16, “Accounting for Compensated Absences”, a liability for vacation leave is accrued if a) the employees’ rights to payment are attributable to services already rendered; and b) it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as cash payment at termination or retirement. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination (severance) benefits. A liability for sick leave is accrued using the vesting method; i.e., the liability is based on the sick leave accumulated at June 30, 2020, by those employees who are currently eligible to receive termination (severance) payments, as well as those employees expected to become eligible in the future. For purposes of establishing a liability for sick leave on employees expected to become eligible to retire in the future, all employees with at least fifteen years of service were considered expected to become eligible to retire in accordance with GASB Statement No. 16.

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at June 30, 2020, and reduced to the maximum payment allowed by labor contract and/or statute, plus any applicable additional salary related payments.

The entire compensated absence liability is reported on the government-wide financial statements.

Compensated absences are only reported in the governmental fund financial statements if they have matured. These amounts are recorded in the account “compensated absences payable” in the fund from which the employees who have accumulated unpaid leave are paid, which is primarily the general fund. The noncurrent portion of the liability is not reported.

**K. Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables and accrued liabilities payable from the internal service fund are reported on the proprietary fund financial statements.

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

**L. Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the 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 classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

*Restricted* - Fund balance is reported as restricted when constraints are placed on the use of resources that are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

*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 District Board of Education (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless the District Board of Education removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

*Assigned* - Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes, but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the District Board of Education, which includes giving the Treasurer the authority to constrain monies for intended purposes.

*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 only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The District applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is 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.

**M. Estimates**

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

**N. Net Position**

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. The net position component "net investment in capital assets," consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The amount restricted for other purposes represents amounts restricted for trusts and other grants.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

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

**O. Interfund Activity**

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

**P. Issuance Costs, Bond Premium and Discount and Accounting Gain or Loss on Debt Refunding**

On the governmental fund financial statements, issuance costs, bond premiums, bond discounts, and deferred charges from debt refunding are recognized in the current period.

On the government-wide financial statements, issuance costs are recognized in the current period and are not amortized. Bond premiums and discounts are amortized over the term of the bonds using the straight-line method. Unamortized bond premiums are presented as an addition to the face amount of the bonds reported on the statement of net position. Unamortized bond discounts are presented as a reduction to the face amount of the bonds reported on the statement of net position. The reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 14.A.

For advance refunding resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a deferred outflow of resources.

**Q. Pensions/Other Postemployment Benefits (OPEB)**

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

**R. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during fiscal year 2020.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)**

**S. Parochial Schools**

World Harvest Church is within the District boundaries. Current State legislation provides funding to this parochial school. These monies are received and disbursed on behalf of the parochial school by the Treasurer of the District, as directed by the parochial school. The receipt and expenditure of these state monies by the District is reflected in a nonmajor governmental fund for financial reporting purposes.

**T. Fair Value**

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE**

**A. Change in Accounting Principles**

For fiscal year 2020, the District has implemented GASB Statement No. 84, "*Fiduciary Activities*" and GASB Statement No. 90, "*Majority Equity Interests - an amendment to GASB Statements 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 District will no longer be reporting agency funds. The District reviewed its fiduciary funds and certain funds will be reported in the new fiduciary classification of custodial funds, while other funds have been reclassified as governmental funds. These fund reclassifications resulted in the restatement of the District's financial statements, see Note 3.B for detail.

GASB Statement No. 90 improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the 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 District.

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

The implementation of the GASB 84 pronouncement had the following effect on the net position of governmental activities as reported at June 30, 2019:

	Governmental Activities
Net position as previously reported	\$ 39,484,523
GASB Statement No. 84	61,069
Restated net position, June 30, 2019	\$ 39,545,592



**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)**

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

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Classroom Facilities Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund balance as previously reported	\$ 33,344,130	\$ 5,358,197	\$ 7,611,677	\$ 5,477,618	\$ 51,791,622
GASB Statement No. 84	-	-	-	61,069	61,069
Restated fund balance, June 30, 2019	<u>\$ 33,344,130</u>	<u>\$ 5,358,197</u>	<u>\$ 7,611,677</u>	<u>\$ 5,538,687</u>	<u>\$ 51,852,691</u>

Due to the implementation of GASB Statement No.84, the new classification of custodial funds is reporting a beginning net position of \$0 and private purpose trust funds are reporting a restated beginning net position of \$5,326. The District will no longer be reporting agency funds. Agency funds reported assets and liabilities of \$38,138 at June 30, 2019.

**C. Deficit Fund Balances**

Fund balances at June 30, 2020 included the following individual fund deficits:

<u>Nonmajor special revenue funds</u>	<u>Deficit</u>
Student Wellness and Success	\$ 32,853
IDEA, Part B	202,004
Title I Disadvantaged Children	210,258
IDEA Preschool Grant for the Handicapped	4,591
Improving Teacher Quality	16,390
Miscellaneous Federal Grants	6,948

The general fund is liable for any deficit in these funds and provides transfers when cash is required, not when accruals occur. The deficit fund balances resulted from adjustments for accrued liabilities.

**NOTE 4 - DEPOSITS AND INVESTMENTS**

State statutes classify monies held by the District into three categories.

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

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

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

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

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the fair value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described items in (1) and (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool, the State Treasury Asset Reserve of Ohio (STAR Ohio);
7. Certain banker's acceptance and commercial paper notes for a period not to exceed one-hundred-eighty days and two-hundred-seventy days, respectively, from the purchase date in an amount not to exceed forty percent of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

Protection of the District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

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

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

**A. Deposits with Financial Institutions**

At June 30, 2020, the carrying amount of all District deposits was \$3,866,629. Based on the criteria described in GASB Statement No. 40, “*Deposits and Investment Risk Disclosures*”, as of June 30, 2020, \$3,812,627 of the District’s bank balance of \$4,164,529 was covered by the Ohio Pooled Collateral System (OPCS) as discussed below, while \$351,902 was covered by the FDIC.

Custodial credit risk is the risk that, in the event of bank failure, the District will not be able to recover deposits or collateral securities that are in the possession of an outside party. The District has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the District’s and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2020, the District’s financial institution was approved for a collateral rate of 102 percent through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the District to a successful claim by the FDIC.

**B. Investments**

As of June 30, 2020, the District had the following investments and maturity:

<u>Investment type</u>	<u>Measurement Value</u>	<u>Investment Maturity</u>				
		<u>6 months or less</u>	<u>7 to 12 months</u>	<u>13 to 18 months</u>	<u>19 to 24 months</u>	<u>Greater than 24 months</u>
<i>Fair value:</i>						
FHLMC	\$ 2,090,626	\$ -	\$ -	\$ -	\$ -	\$ 2,090,626
FHLB	1,001,450	-	-	-	1,001,450	-
FNMA	1,501,368	280,874	-	-	-	1,220,494
FFCB	8,549,615	-	-	-	2,102,189	6,447,426
U.S. Treasury notes	1,110,772	591,457	-	-	-	519,315
Negotiable CDs	11,137,537	1,240,384	247,477	252,471	1,943,874	7,453,331
Commercial paper	6,202,437	6,202,437	-	-	-	-
US Government money market	141,417	141,417	-	-	-	-
<i>Amortized cost:</i>						
STAR Ohio	<u>15,470,576</u>	<u>15,470,576</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<b>\$ <u>47,205,798</u></b>	<b>\$ <u>23,927,145</u></b>	<b>\$ <u>247,477</u></b>	<b>\$ <u>252,471</u></b>	<b>\$ <u>5,047,513</u></b>	<b>\$ <u>17,731,192</u></b>

The weighted average maturity of investments is 0.78 years.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

The District's investments in U.S. Government money markets are valued using quoted market prices in active markets (Level 1 inputs). The District's investments in federal agency securities (FHLMC, FHLB, FNMA and FFCB), U.S. Treasury notes, negotiable CDs and commercial paper are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

*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 District's investment policy limits investment portfolio maturities to five years or less.

*Credit Risk:* Standard & Poor's has assigned STAR Ohio an AAAm money market rating. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The investments in FHLMC, FHLB, FNMA, FFCB and U.S. Treasury notes carry ratings of Aaa by Moodys and AA+ by Standard & Poor's. The commercial paper was rated P-1 by Moodys and A-1+ and A-1 by Standard & Poor's. The U.S. government money market and negotiable CDs were not rated. The negotiable CDs are covered by FDIC. The District's investment policy does not specifically address credit risk beyond requiring the District to only invest in securities authorized by State Statute.

*Custodial Credit Risk:* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The District's investment policy does not specifically address custodial credit risk beyond the adherence to all relevant sections of the Ohio Revised Code.

*Concentration of Credit Risk:* The District places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the District at June 30, 2020:

<u>Investment type</u>	<u>Measurement</u>	<u>% to Total</u>
	<u>Value</u>	
<i>Fair value:</i>		
FHLMC	\$ 2,090,626	4.43
FHLB	1,001,450	2.12
FNMA	8,549,615	18.11
FFCB	1,501,368	3.18
U.S. Treasury notes	1,110,772	2.35
Negotiable CDs	11,137,537	23.60
Commercial paper	6,202,437	13.14
U.S. Government money market	141,417	0.30
<i>Amortized cost:</i>		
STAR Ohio	<u>15,470,576</u>	<u>32.77</u>
Total	<u>\$ 47,205,798</u>	<u>100.00</u>

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

**C. Reconciliation of Cash and Investments to the Statement of Net Position**

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of June 30, 2020:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 3,866,629
Investments	<u>47,205,798</u>
Total	<u>\$ 51,072,427</u>
 <u>Cash and investments per statement of net position</u>	
Governmental activities	\$ 51,067,002
Fiduciary funds	<u>5,425</u>
Total	<u>\$ 51,072,427</u>

**NOTE 5 - INTERFUND TRANSACTIONS**

- A. Interfund balances at June 30, 2020, as reported on the fund financial statements, consist of the following interfund loans receivable/payable:

<u>Receivable fund</u>	<u>Payable funds</u>	<u>Amount</u>
General fund	Nonmajor special revenue funds:	
	IDEA, Part B	\$ 46,231
	Title I Disadvantaged Children	44,374
	IDEA Preschool for the Handicapped	921
	Improving Teacher Quality	<u>3,300</u>
Total interfund loans receivable/payable		<u>\$ 94,826</u>

The primary purpose of the interfund loans is to cover the negative cash balances at fiscal year-end in the nonmajor governmental funds. The interfund balances will be repaid once the anticipated revenues are received. All interfund balances are expected to be repaid within one year. Interfund balances between governmental funds have been eliminated on the statement of net position.

- B. Interfund transfers for the fiscal year 2020 consisted of the following, as reported on the fund statements:

	<u>Amount</u>
<u>Transfers from general fund to:</u>	
Debt Service fund	\$ 277,075
Nonmajor capital projects fund:	
Permanent Improvement	2,175,000
Internal service fund	<u>373</u>
Total transfers	<u>\$ 2,452,448</u>

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 5 - INTERFUND TRANSACTIONS - (Continued)**

Transfers are used to move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Interfund transfers between governmental funds are eliminated for reporting in the statement of activities. All transfers were made in compliance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

**NOTE 6 - PROPERTY TAXES**

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

Property taxes include amounts levied against all real property and public utility property. Real property tax revenues received in calendar year 2020 represent the collection of calendar year 2019 taxes. Real property taxes received in calendar year 2020 were levied after April 1, 2019, on the assessed values as of January 1, 2019, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised fair value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Public utility property tax revenues received in calendar year 2020 represent the collection of calendar year 2019 taxes. Public utility real and personal property taxes received in calendar year 2020 became a lien on December 31, 2018, were levied after April 1, 2019, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The District receives property taxes from Franklin and Fairfield Counties. The County Auditors periodically advance to the District its portion of the taxes collected. Second-half real property tax payments collected by the Counties by June 30, 2020, are available to finance fiscal year 2020 operations. The amount available as an advance at June 30, 2020 was \$1,127,831 in the general fund, \$369,615 in the debt service fund and \$15,255 in the permanent improvement nonmajor capital projects fund. This amount is recorded as revenue. The amount available for advance at June 30, 2019 was \$5,384,131 in the general fund, \$1,597,247 in the bond retirement fund and \$70,989 in the classroom facilities nonmajor special revenue fund. The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2020 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows.

On the accrual basis of accounting, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis of accounting the revenue has been reported as a deferred inflow.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 6 - PROPERTY TAXES - (Continued)**

The assessed values upon which the fiscal year 2020 taxes were collected are:

	2019 Second Half Collections		2020 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 465,739,610	94.09	\$ 495,849,140	93.84
Public utility personal	<u>29,266,330</u>	<u>5.91</u>	<u>32,557,880</u>	<u>6.16</u>
Total	<u>\$ 495,005,940</u>	<u>100.00</u>	<u>\$ 528,407,020</u>	<u>100.00</u>
Tax rate per \$1,000 of assessed valuation		\$ 77.19		\$ 79.68

**NOTE 7 - PAYMENT IN LIEU OF TAXES**

According to State law, Fairfield County has entered into agreements with property owners under which Fairfield County has granted property tax abatements to those property owners and agreed to construct certain infrastructure improvements. The property owners have agreed to make payments to Fairfield County to help pay the costs of the infrastructure improvements. The amount of those payments generally reflects all or a portion of the property taxes which the property owners would have paid if their taxes had not been abated. The property owners' contractual promise to make these payments in lieu of taxes generally continues until the costs of the improvement have been paid or the agreement expires, whichever occurs first. Future development by those owners or others may result in subsequent agreements to make payments in lieu of taxes and may therefore spread the costs of the improvements to a larger number of property owners. The District received \$870,301 in payments in lieu of taxes as a result of these agreements and a receivable of \$1,350,000 has been reported on the financial statements.

**NOTE 8 - TAX ABATEMENTS ENTERED INTO BY OTHER GOVERNMENTS**

**Community Reinvestment Areas**

The City of Canal Winchester provides real estate tax abatements through Community Reinvestment Areas (CRAs) for any industrial or commercial property project improvements made to parcel(s) following specific return-on-investment formulas and guidelines approved by City Council.

Under the authority of Ohio Revised Code (ORC) Section 3735.67, the CRA programs are an economic development tool administered by municipal and county governments that provides real property tax exemptions for property owners who renovate existing or construct new buildings. CRA's are areas of land in which property owners can receive tax incentives for investing in real property improvements. Under the CRA program, local governments petition to the Ohio Development Services Agency (ODSA) for confirmation of a geographical area in which investment in housing is desired. Once an area is confirmed by the ODSA, local governments may offer real property tax exemptions to taxpayers that invest in that area. Property owners in the CRA can receive temporary tax abatements for renovation of existing structures and new construction in these areas. Property owners apply to the local legislative authority for approval to renovate or construct in the CRA. Upon approval and certification of completion, the amount of the abatement is deducted from the individual or entity's property tax bill.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 8 - TAX ABATEMENTS ENTERED INTO BY OTHER GOVERNMENTS - (Continued)**

The CRA agreements entered into by the City of Canal Winchester affect the property tax receipts collected and distributed to the District. Under these agreements, the District property taxes were reduced by \$603,203 during fiscal year 2020.

**Environmental Protection Agency Program**

Franklin County provides real estate tax abatements through the Environmental Protection Agency (EPA) Program.

The air and noise pollution control program was originally established by legislation in 1963. The program allows property tax owners to receive tax exemptions for the installation of air or noise pollution control property and is administered by the Ohio Department of Taxation. As part of the tax exemption application process, the Ohio EPA is required to provide a technical evaluation and review of any property sought for tax exemption status.

The EPA program tax abatements entered into by Franklin County affects the property tax receipts collected and distributed to the District. Under the agreements, the District property taxes were reduced by \$79,568 during fiscal year 2020.

**NOTE 9 - INCOME TAX**

The District levies a voted tax of .75 percent for general operations on the income of residents and of estates. The tax was effective on January 1, 1991, and is a continuing tax. Employers of residents are required to withhold income tax on compensation and remit the tax to the state. Taxpayers are required to file an annual return. The state makes quarterly distributions to the District after withholding amounts for administrative fees and estimated refunds. Income tax revenue credited to the general fund and as reported on the statement of activities totaled \$4,799,447 and \$4,902,197, respectively, in fiscal year 2020.

THIS SPACE INTENTIONALLY LEFT BLANK



**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 10 - RECEIVABLES**

Receivables at June 30, 2020 consisted of taxes, payments in lieu of taxes, intergovernmental grants and entitlements and accrued interest. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs and the current year guarantee of federal funds.

A summary of the principal items of receivables reported on the statement of net position follows:

**Governmental activities:**

Property taxes	\$ 22,804,029
Income taxes	1,918,813
Payment in lieu of taxes	1,350,000
Accrued interest	101,374
Intergovernmental:	
Medicaid school program receivable	3,637
State foundation - prior year excess costs	22,931
Miscellaneous state grants	
IDEA, Part B	218,443
Limited english proficiency	228
Title I disadvantaged children	208,342
IDEA preschool - handicapped	2,751
Improving teacher quality	16,361
Miscellaneous federal grants	9,613
OFCC receivable	<u>2,995,875</u>
Total intergovernmental receivables	<u>\$ 3,478,181</u>

Receivables have been disaggregated on the face of the financial statements. All receivables, except property taxes and the OFCC intergovernmental receivable, are expected to be collected within one year. Property taxes and payment in lieu of taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year. The OFCC intergovernmental receivable of \$2,995,875 will be collected over the duration of the construction project.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 11 - CAPITAL ASSETS**

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

	<u>Balance</u> <u>07/01/19</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> <u>06/30/20</u>
<b>Governmental activities:</b>				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 3,985,623	\$ -	\$ (42,000)	\$ 3,943,623
Construction in progress	<u>8,094,713</u>	<u>13,696,973</u>	<u>-</u>	<u>21,791,686</u>
Total capital assets, not being depreciated	<u>12,080,336</u>	<u>13,696,973</u>	<u>(42,000)</u>	<u>25,735,309</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	279,847	-	-	279,847
Buildings and improvements	74,922,237	-	-	74,922,237
Furniture, equipment and vehicles	<u>5,197,000</u>	<u>322,170</u>	<u>(123,274)</u>	<u>5,395,896</u>
Total capital assets, being depreciated	<u>80,399,084</u>	<u>322,170</u>	<u>(123,274)</u>	<u>80,597,980</u>
<i>Less: accumulated depreciation:</i>				
Land improvements	(32,649)	(24,022)	-	(56,671)
Buildings	(14,331,009)	(757,070)	-	(15,088,079)
Furniture, equipment and vehicles	<u>(3,278,169)</u>	<u>(352,276)</u>	<u>123,274</u>	<u>(3,507,171)</u>
Total accumulated depreciation	<u>(17,641,827)</u>	<u>(1,133,368)</u>	<u>123,274</u>	<u>(18,651,921)</u>
Governmental activities capital assets, net	<u>\$ 74,837,593</u>	<u>\$ 12,885,775</u>	<u>\$ (42,000)</u>	<u>\$ 87,681,368</u>

Depreciation expense was charged to governmental functions as follows:

<u>Instruction:</u>	
Regular	\$ 331,659
Special	141,008
Vocational	18,300
<u>Support services:</u>	
Pupil	43,776
Instructional staff	13,815
Board of education	273
Administration	75,660
Fiscal	13,931
Operations and maintenance	131,020
Pupil transportation	269,660
Central	35,550
Food service operations	8,688
Extracurricular activities	<u>50,028</u>
Total depreciation expense	<u>\$ 1,133,368</u>

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 12 - CAPITALIZED LEASES - LESSEE DISCLOSURE**

During a prior fiscal year, the District entered into a capitalized lease for copier equipment. The lease agreement meets the criteria of a capital lease as defined by GASB, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments are reflected as debt service expenditures in the financial statements for the governmental funds.

Capital lease payments are reflected as debt service expenditures in the financial statements for the governmental funds and as functional expenditures in the budgetary statements. At June 30, 2020, the capital assets acquired by the capital lease obligation outstanding at fiscal year-end have been capitalized in the amount of \$57,207, which represents the present value of the future minimum lease payments at the time of acquisition. Accumulated depreciation as of June 30, 2020 was \$30,510, leaving a current book value of \$26,697.

A corresponding liability was recorded in the statement of net position. The principal and interest payments on the capital lease were made during fiscal year 2020, which totaled \$10,777 and \$2,255, respectively, in the general fund.

The following is a schedule of the future long-term minimum lease payments required under the capital lease obligation and the present value of the minimum lease payments as of June 30, 2020:

<u>Fiscal Year Ending June 30,</u>	<u>Copiers</u>
2021	\$ 13,032
2022	13,032
2023	<u>7,631</u>
Total minimum lease payments	33,695
Less: amount representing interest	<u>(2,563)</u>
Total	<u>\$ 31,132</u>

**NOTE 13 - LEASE-PURCHASE AGREEMENT - LESSEE DISCLOSURE**

During fiscal year 2007, the District entered into a lease-purchase agreement with All Points Public Funding, LLC (the "Lessor"). The lease meets the criteria of a lease-purchase as defined by GASB, which defines a lease-purchase generally as one which transfers benefits and risks of ownership to the lessee. This lease was used to purchase land and construct a transportation center. Capital assets acquired by lease purchase have been capitalized under land and buildings and improvements in the amount of \$244,200 and \$850,460, respectively. Accumulated depreciation as of June 30, 2020 was \$135,855, leaving a current book value of \$958,805. Lease-purchase payments have been reflected as debt service expenditures in the general fund. On July 25, 2019, the District paid off the lease-purchase agreement in full. Principal and interest payments in fiscal year 2020 totaled \$633,713 and \$2,611, respectively, in the general fund.

The lease-purchase was considered a direct borrowing. Direct borrowings have terms negotiated directly between the District and the lender and are not offered for public sale. In conjunction with the lease-purchase agreement, the District and the Lessor entered into a Ground Lease agreement whereby the District leased to the Lessor, under a Ground Lease, the Project Site and the Lessor has subleased the Project Site, and the facilities already located and/or to be constructed thereon (the "Project Facilities") back to the District under the terms of the lease-purchase agreement. The Project Site and Project Facilities were collateral for the debt as, in the event of default or "Nonappropriation of Funds", the Lessor shall have had all legal and equitable rights to take possession of the Project Site and Project Facilities and/or assign the Ground Lease. The lease-purchase agreement had significant finance-related terms related to events of default, termination events, or subjective acceleration clauses.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 14 - LONG-TERM OBLIGATIONS**

A. The District's long-term obligations activity during fiscal year 2020 consisted of the following.

	Balance 06/30/19	Additions	Reductions	Balance 06/30/20	Amounts Due in One Year
<b>Governmental activities:</b>					
General obligation bonds	\$ 52,966,126	\$ 1,581,126	\$ (4,095,000)	\$ 50,452,252	\$ 4,425,000
Energy conservation notes	1,300,000	-	(145,000)	1,155,000	150,000
School bus notes	515,000	-	(80,000)	435,000	85,000
Lease purchase agreement from direct borrowing	633,713	-	(633,713)	-	-
Capital lease obligation	41,909	-	(10,777)	31,132	11,452
Compensated absences	1,618,127	756,430	(236,554)	2,138,003	281,785
Net pension liability:					
STRS	35,545,046	245,954	-	35,791,000	-
SERS	9,502,586	1,165,218	-	10,667,804	-
Total net pension liability	<u>45,047,632</u>	<u>1,411,172</u>	<u>-</u>	<u>46,458,804</u>	<u>-</u>
Net OPEB liability:					
SERS	<u>4,685,365</u>	<u>-</u>	<u>(85,822)</u>	<u>4,599,543</u>	<u>-</u>
Total long-term obligations, governmental activities	<u>\$ 106,807,872</u>	<u>\$ 3,748,728</u>	<u>\$ (5,286,866)</u>	<u>105,269,734</u>	<u>\$ 4,953,237</u>
Add: Unamortized premium on refunding				<u>2,273,378</u>	
Total on the statement of net position				<u>\$ 107,543,112</u>	

**B. General Obligation Bonds**

The District has six outstanding general obligation bond issues at June 30, 2020. These bonds were issued for general governmental activities, specifically; construction, and/or renovation of school buildings, and the advance refunding of previous issues. These general obligation bonds are direct obligations of the district for which its full faith, credit, and resources are pledged and payable from taxes levied on all taxable property in the school district. Accordingly, such unmatured obligations of the District are accounted for in the statement of net position. Payments of principal and interest relating to these bonds are recorded as expenditures in the District's debt service fund.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)**

The following is a summary of the District's general obligation bonds outstanding at June 30, 2020:

<b>General obligation bonds:</b>	Balance <u>06/30/19</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>06/30/20</u>
Series 2000 - current interest bonds	\$ 810,000	\$ -	\$ (5,000)	\$ 805,000
Series 2005-B - refunding capital appreciation bonds	3,600,000	-	-	3,600,000
Series 2005-B - accreted interest	<u>6,168,001</u>	<u>726,045</u>	<u>-</u>	<u>6,894,046</u>
	<u>9,768,001</u>	<u>726,045</u>	<u>-</u>	<u>10,494,046</u>
Series 2007 - refunding current interest bonds	4,345,000	-	-	4,345,000
Series 2007 - refunding capital appreciation bonds	4,983	-	-	4,983
Series 2007 - accreted interest	<u>769,200</u>	<u>397,336</u>	<u>-</u>	<u>1,166,536</u>
	<u>5,119,183</u>	<u>397,336</u>	<u>-</u>	<u>5,516,519</u>
Series 2011 - current interest serial and term bonds	<u>2,255,000</u>	<u>-</u>	<u>(80,000)</u>	<u>2,175,000</u>
	<u>2,255,000</u>	<u>-</u>	<u>(80,000)</u>	<u>2,175,000</u>
Series 2013 - refunding current interest bonds	1,835,000	-	(1,210,000)	625,000
Series 2013 - refunding capital appreciation bonds	75,697	-	-	75,697
Series 2013 - accreted interest	<u>383,059</u>	<u>157,931</u>	<u>-</u>	<u>540,990</u>
	<u>2,293,756</u>	<u>157,931</u>	<u>(1,210,000)</u>	<u>1,241,687</u>
Series 2016 - refunding current interest bonds	30,220,000	-	-	30,220,000
Series 2016 - refunding capital appreciation bonds	1,195,000	-	(1,195,000)	-
Series 2016 - accreted interest	<u>1,305,186</u>	<u>299,814</u>	<u>(1,605,000)</u>	<u>-</u>
	<u>32,720,186</u>	<u>299,814</u>	<u>(2,800,000)</u>	<u>30,220,000</u>
Total general obligation bonds payable	<u>\$ 52,966,126</u>	<u>\$ 1,581,126</u>	<u>\$ (4,095,000)</u>	<u>\$ 50,452,252</u>

Series 2000 General Obligation Bonds

On May 9, 2000, the District issued current interest general obligation bonds to finance the construction of a new intermediate building, an addition to the high school and renovations to the current intermediate building. The issue is made up of current interest bonds, bears an interest rate of 6.375 percent and matures on June 1, 2028. The bonds have an outstanding balance of \$805,000 at June 30, 2020.

Series 2005-B School Facilities Construction and Advance Refunding Bonds

On May 1, 2005, the District issued general obligation bonds to advance refund the callable portion of the current interest Series 2001 General Obligation Bonds (principal \$5,710,000; interest rate 5.010 percent) and to finance the construction and equipping of new school facilities, constructing additions and renovations of existing school facilities, and acquiring land with the \$32,500,000 new money issue. The issuance proceeds of \$5,710,000 was used to purchase securities which were placed in an irrevocable trust to provide resources for all future debt service payments on the refunded debt. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)**

On March 27, 2007, the District advance refunded \$28,675,000 (Series 2007 Refunding Bonds) of the callable portion of the bonds. The balance of the refunded bonds at June 30, 2020 is \$25,335,000. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position.

On May 1, 2013, the District advance refunded (Series 2013 Refunding Bonds) \$4,495,000 of the Series 2005-B current interest serial bonds maturing on December 1, 2016 through December 1, 2020. The balance of the refunded bonds at June 30, 2020, is \$1,325,000. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position.

At June 30, 2020, the non-refunded portion of the debt issue is comprised of capital appreciation bonds, par value \$3,600,000. The capital appreciation bonds mature December 1, 2021 (stated interest 11.049 percent), December 1, 2029 (stated interest 6.942 percent), December 1, 2030 (stated interest 6.946 percent), December 1, 2031 (stated interest 6.939 percent), December 1, 2032 (stated interest 6.950 percent), December 1, 2033 (stated interest 6.915 percent) at a redemption price equal to 100 percent of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bonds is \$21,250,000. Total accreted interest of \$6,894,046 has been included in the statement of net position.

The reacquisition price exceeded the net carrying amount of the old debt by \$604,734. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued.

Series 2007 Advance Refunding Bonds

On March 27, 2007, the District issued general obligation bonds to advance refund the callable portion of the current interest Series 1998-B General Obligation Bonds (principal \$7,150,000), Series 2001 General Obligation Bonds (principal \$7,310,000), and Series 2005-B School Facilities Construction and Advance Refunding (\$28,675,000). The issuance proceeds of \$43,099,983 were used to purchase securities which were placed in an irrevocable trust to provide resources for all future debt service payments on the refunded debt. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position.

On March 1, 2016, the District advance refunded (Series 2016 Taxable Refunding Bonds) \$35,540,000 of the 2007 current interest serial and term bonds that were due December 1, 2017 through December 1, 2027. This refunded debt was considered defeased (in-substance) and accordingly, was removed from the statement of net position.

At June 30, 2020, the non-refunding portion of the debt issue is comprised of both current interest bonds, par value \$4,345,000, and a capital appreciation bond, par value \$4,983. The interest rate on the current interest bonds ranges from 5.00-5.25 percent. The capital appreciation bond matures December 1, 2022 (approximate initial offering yield at maturity of 4.30 percent), at a redemption price equal to 100 percent of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bond is \$3,300,000. Total accreted interest of \$1,166,536 has been included in the statement of net position.

The reacquisition price of the original Series 2007 issue exceeded the net carrying amount of the old debt by \$1,445,025. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)**

*Series 2011 School Facilities Construction and Improvement General Obligation Bonds*

On November 9, 2011, the District issued \$2,670,000 in general obligation bonds to finance the School Facilities Construction and Improvement Notes that matured on November 17, 2011, on a long-term basis. At June 30, 2020, the debt issue is comprised of current interest serial bonds (par value \$80,000) and current interest term bonds (par value \$2,095,000). The interest rate on the current interest serial bonds is 2.00 percent and the interest rate on the current interest term bonds ranges from 3.50-4.20 percent.

Interest payments on the bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue for the current interest serial bonds and current interest term bonds is December 1, 2021 and December 1, 2038, respectively.

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

Current interest term bonds (\$355,000) maturing on December 1, 2024:

<u>Fiscal Year</u>	Principal Amount <u>to be Redeemed</u>
2022	\$ 85,000
2023	85,000
2024	90,000
2025	95,000

Current interest term bonds (\$300,000) maturing on December 1, 2027:

<u>Fiscal Year</u>	Principal Amount <u>to be Redeemed</u>
2026	\$ 95,000
2027	100,000
2028	105,000

Current interest term bonds (\$450,000) maturing on December 1, 2031:

<u>Fiscal Year</u>	Principal Amount <u>to be Redeemed</u>
2029	\$ 105,000
2030	110,000
2031	115,000
2032	120,000

Current interest term bonds (\$390,000) maturing on December 1, 2034:

<u>Fiscal Year</u>	Principal Amount <u>to be Redeemed</u>
2033	\$ 125,000
2034	130,000
2035	135,000

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)**

Current interest term bonds (\$600,000) maturing on December 1, 2038:

<u>Fiscal Year</u>	<u>Principal Amount to be Redeemed</u>
2036	\$ 140,000
2037	145,000
2038	155,000
2039	160,000

Series 2013 Advance Refunding Bonds

On May 1, 2013, the District issued general obligation bonds to advance refund the callable portion of the current interest Series 2005-A General Obligation Refunding Bonds (principal \$1,000,000 and Series 2005-B School Facilities Construction and Advance Refunding Bonds (principal \$4,495,000). The issuance proceeds of \$5,494,997 were used to purchase securities which were placed in an irrevocable trust to provide resources for all future debt service payments on the refunded debt. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position.

At June 30, 2020, the debt issue is comprised of both current interest bonds, par value \$625,000, and capital appreciation bonds, par value \$75,697. The interest rate on the current interest bonds ranges from 0.35-2.10 percent. The capital appreciation bonds mature December 1, 2020 (stated interest 2.65 percent) at a redemption price equal to 100 percent of the principal, plus accrued interest to the redemption date. Total accreted interest of \$540,990 has been included in the statement of net position.

The reacquisition price exceeded the net carrying amount of the old debt by \$92,259. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued.

Series 2016 Taxable Advance Refunding Bonds

On March 1, 2016, the District issued general obligation bonds to advance refund the callable portion of the current interest Series 2007 Advance Refunding Bonds (principal \$35,540,000). The issuance proceeds of \$35,540,000 were used to purchase securities which were placed in an irrevocable trust to provide resources for all future debt service payments on the refunded debt. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position.

At June 30, 2020, the debt issue is comprised of current interest serial bonds, par value \$30,220,000. The interest rate on the current interest bonds ranges from 0.888-3.23 percent. The \$1,195,000 capital appreciation bond matured December 1, 2019 (stated interest 2.126 percent) at a redemption price equal to 100 percent of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bond was \$1,605,000.

The reacquisition price exceeded the net carrying amount of the old debt by \$1,237,833. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued. The net present value savings of the refunding was \$2,245,344.



**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)**

The following is a summary of the future debt service requirements to maturity for the general obligation bonds.

<u>Year Ended</u>	<u>Current Interest Serial/Term Bonds</u>			<u>Capital Appreciation Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 3,710,000	\$ 1,161,861	\$ 4,871,861	\$ 75,697	\$ 639,303	\$ 715,000
2022	3,255,000	1,088,169	4,343,169	260,000	1,215,000	1,475,000
2023	1,495,000	1,033,555	2,528,555	-	-	-
2024	4,840,000	948,905	5,788,905	4,983	3,295,017	3,300,000
2025	4,970,000	811,545	5,781,545	-	-	-
2026 - 2030	18,675,000	1,779,443	20,454,443	760,000	3,195,000	3,955,000
2031 - 2035	625,000	191,520	816,520	2,580,000	13,240,000	15,820,000
2036 - 2040	600,000	51,870	651,870	-	-	-
<b>Total</b>	<b>\$ 38,170,000</b>	<b>\$ 7,066,868</b>	<b>\$ 45,236,868</b>	<b>\$ 3,680,680</b>	<b>\$ 21,584,320</b>	<b>\$ 25,265,000</b>

**C. Energy Conservation Notes**

The following is a summary of the District's energy conservation notes outstanding at June 30, 2020:

	<u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u>
	<u>06/30/19</u>			<u>06/30/20</u>
<b>Energy Conservation Notes:</b>				
Current interest serial notes	\$ 450,000	\$ -	\$ (145,000)	\$ 305,000
Current interest term notes	850,000	-	-	850,000
<b>Total</b>	<b>\$ 1,300,000</b>	<b>\$ -</b>	<b>\$ (145,000)</b>	<b>\$ 1,155,000</b>

On November 9, 2011, the District issued \$2,180,000 in energy conservation notes for the purpose of purchasing and installing energy conservation measures. The original debt issue was comprised of current interest serial notes (par value \$1,250,000), current interest term notes (par value \$850,000) and capital appreciation notes (par value \$80,000). The interest rate on the current interest serial notes is 2.00 percent and the interest rate on the current interest term notes ranges from 3.50-3.35 percent. The capital appreciation notes matured December 1, 2017.

Interest payments on the notes are due on June 1 and December 1 of each year. The final maturity stated in the issue for the current interest serial notes and the current interest term notes is December 1, 2021, and December 1, 2026, respectively. Payments of principal and interest related to these notes are recorded as expenditures in the District's debt service fund.

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

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)**

Current interest term notes (\$325,000) maturing on December 1, 2023:

<u>Fiscal Year</u>	<u>Principal Amount to be Redeemed</u>
2023	\$ 160,000
2024	165,000

Current interest term bonds (\$525,000) maturing on December 1, 2026:

<u>Fiscal Year</u>	<u>Principal Amount to be Redeemed</u>
2025	\$ 170,000
2026	175,000
2027	180,000

The following is a summary of the future debt service requirements to maturity for the energy conservation notes.

<u>Year Ended</u>	<u>Current Interest Serial/Term Notes</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 150,000	\$ 36,250	\$ 186,250
2022	155,000	31,481	186,481
2023	160,000	26,162	186,162
2024	165,000	20,475	185,475
2025	170,000	14,740	184,740
2026 - 2027	<u>355,000</u>	<u>11,976</u>	<u>366,976</u>
Total	<u>\$ 1,155,000</u>	<u>\$ 141,084</u>	<u>\$ 1,296,084</u>

**D. School Bus Notes**

The following is a summary of the District's school bus notes outstanding at June 30, 2020:

	<u>Balance 06/30/19</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 06/30/20</u>
School bus notes - 2014B	\$ 515,000	\$ -	\$ (80,000)	\$ 435,000

On October 23, 2014, the District issued \$835,000 in long-term general obligation school bus notes for the purpose of acquiring school buses. The debt issue is comprised of current interest notes with an interest rate of 2.40 percent. Interest payments on the notes are due on June 1 and December 1 of each year. The final maturity stated in the issue for the notes is December 1, 2024. Payments of principal and interest related to these notes are recorded as expenditures in the District's debt service fund.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)**

The following is a summary of the future debt service requirements to maturity for the school bus notes.

Year Ended	Current Interest Notes		
	Principal	Interest	Total
2021	\$ 85,000	\$ 9,420	\$ 94,420
2022	85,000	7,380	92,380
2023	85,000	5,340	90,340
2024	90,000	3,240	93,240
2025	90,000	1,080	91,080
Total	\$ 435,000	\$ 26,460	\$ 461,460

**E. Other Long-Term Obligations**

Compensated Absences

Compensated absences will be paid from the fund from which the person is paid, which, for governmental activities, is primarily the general fund and the food service fund (nonmajor special revenue fund).

Net Pension Liability

The District pays obligations related to employee compensation from the fund benefitting their service, which is primarily the general fund. See Note 17 to the notes to the basic financial statements for details.

Net OPEB Liability

The District pays obligations related to employee compensation from the fund benefitting their service, which is primarily the general fund. See Note 18 to the notes to the basic financial statements for details.

Capital Lease Obligations

Refer to Note 12 to the notes to the basic financial statements for detail on the capital lease obligations.

Lease Purchase Agreement

Refer to Note 13 to the notes to the basic financial statements for detail on the lease purchase agreement.

**F. Legal Debt Margin**

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9 percent of the total assessed valuation of the District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1 percent of the property valuation of the District. The code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1 percent of the property valuation of the District. The assessed valuation used in determining the District's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in the District's legal debt margin calculation excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The effects of these debt limitations at June 30, 2020, are a voted debt margin of \$10,945,652 (including available funds of \$5,239,700) and an unvoted debt margin of \$528,407.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 15 - COMPENSATED ABSENCES**

The criteria for determining vested vacation and sick leave components are derived from negotiated agreements and State laws. Only administrative and support personnel who are under a full year contract (11 and 12 months) are eligible for vacation time. The administrators accumulate vacation based upon the following schedule:

<u>Eleven Month Administrators</u>		<u>Twelve Month Administrators</u>	
Years Service	Vacation Days	Years Service	Vacation Days
0 - 15	15	0 - 15	20
16 - beyond	20	16 - beyond	25

Up to a total of thirty-five days may be carried over per year without Board approval. Additional days carried over require Board approval.

Classified employees earn ten to twenty days of vacation per year, depending upon length of service. Up to a total of twenty days may be carried over per year without Board approval. Additional days carried over require Board approval.

The classified personnel accumulate vacation based on the following schedule:

<u>Eleven Month Classified</u>		<u>Twelve Month Classified</u>	
Years Service	Vacation Days Per Month	Years Service	Vacation Days Per Month
1 - 5	.834	1 - 5	1
6 - 10	1	6 - 10	1.167
11 - 15	1.25	11 - 15	1.417
16 - 20	1.667	16 - 20	1.834

Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment.

Each employee earns sick leave at the rate of one and one-fourth days per month. Sick leave shall accumulate during active employment on a continuous year-to-year basis. Maximum sick leave accumulation for all employees is 250 days.

For all employees, retirement severance is paid to each employee retiring from the District at a per diem rate of the annual salary at the time of retirement if the employee has been employed by the District for a minimum of ten consecutive years at the time of retirement. Any employee receiving retirement severance pay shall be entitled to a dollar amount equivalent to one-fourth of all accumulated sick leave credited to that employee up to fifty days. Compensated absences are primarily paid from the general fund.

For certified and classified employees, separation severance is paid to each employee upon resignation from the District at a per diem rate of the annual salary at the time of resignation if the employee has been employed by the District for a minimum of fifteen consecutive years at the time of resignation.

**NOTE 16 - RISK MANAGEMENT**

**A. Property and Liability**

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to the employees and natural disasters. During fiscal year 2020, the District has contracted with commercial carriers for property and general liability insurance.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 16 - RISK MANAGEMENT - (Continued)**

The District maintains replacement cost insurance on buildings and contents of \$110,501,124. General liability insurance is maintained in the amount of \$6,000,000 for each occurrence and \$6,000,000 in the aggregate. The District maintains fleet insurance in the amount of \$6,000,000 for any one accident or loss and \$6,000,000 in the aggregate.

Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There has not been a significant reduction in insurance coverage from the prior fiscal year.

**B. Workers' Compensation**

For calendar years 2014 through 2020, the District is participating in a Workers' Compensation Group Rating Plan (GRP). The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating districts is calculated as one experience and a common premium rate is applied to all districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. Participation in the GRP is limited to districts that can meet the GRP's selection criteria. The firm of CompManagement, Inc. provides administrative, cost control and actuarial services to the GRP.

**C. Health Insurance**

The District provides employees with medical, dental and pharmacy coverage through a self-funded plan administered by Medical Mutual and Delta Dental. The claims liability of \$535,900 reported in the internal service fund at June 30, 2020, is based on an estimate provided by the third party administrator and the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", as amended by GASB Statement No. 30, "Risk Financing Omnibus", which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred, but not reported claims, be accrued at the estimated ultimate cost of settling the claims.

A summary of changes in self-insurance claims for the fiscal years ended June 30, 2020 and June 30, 2019:

	2020	2019
Claim Liabilities at Beginning of Fiscal Year	\$ 531,600	\$ 433,400
Incurred Claims	5,408,414	5,192,950
Claims Paid	(5,404,114)	(5,094,750)
Claim Liabilities at End of Fiscal Year	\$ 535,900	\$ 531,600

Vision benefits are provided through Vision Service Plan for \$11.75 per employee per month.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 17 - 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 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.

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

GASB 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 the contractually-required pension contribution outstanding at the end of the year is included in pension and postemployment benefits payable on both the accrual and modified accrual bases of accounting.

***Plan Description - School Employees Retirement System (SERS)***

Plan Description - The 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](http://www.ohsers.org) under Employers/Audit Resources.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 17 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017 *	Eligible to Retire after August 1, 2017
Full benefits	Age 65 with 5 years of services credit; or Any age with 30 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially reduced benefits	Age 60 with 5 years of service credit; 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 years of service; 2.2% for the first thirty 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.

Effective January 1, 2018, SERS cost-of-living adjustment (COLA) changed from a fixed 3% annual increase to one based on the Consumer Price Index (CPI-W) with a cap of 2.5% and a floor of 0%. SERS also has the authority to award or suspend the COLA, or to adjust the COLA above or below CPI-W. SERS suspended the COLA increases for 2018, 2019 and 2020 for current retirees, and confirmed their intent to implement a four-year waiting period for the state of a COLA for future retirees.

Funding Policy - Plan members are required to contribute 10% of their annual covered salary and the 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, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2020, the allocation to pension, death benefits, and Medicare B was 14.0%.

The District's contractually required contribution to SERS was \$895,077 for fiscal year 2020. Of this amount, \$109,083 is reported as pension and postemployment benefits payable.

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

Plan Description - Licensed teachers 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 website at [www.strsoh.org](http://www.strsoh.org).

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307. The DB Plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2% of final average salary for the five highest years of earnings multiplied by all years of service. Effective July 1, 2017, the cost-of-living adjustment was reduced to zero. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 28 years of service, or 33 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.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 17 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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 the remaining 2% is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity after termination of employment at age 50 or later.

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

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. 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 to 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 fiscal year 2019, plan members were required to contribute 14% of their annual covered salary. The District was required to contribute 14%; the entire 14% was the portion used to fund pension obligations. The fiscal year 2019 contribution rates were equal to the statutory maximum rates.

The District's contractually required contribution to STRS was \$2,802,109 for fiscal year 2020. Of this amount, \$478,248 is reported as pension and postemployment benefits payable.

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

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the projected contributions of all participating entities.



**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 17 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Following is information related to the proportionate share and pension expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the net pension liability prior measurement date	0.16592070%	0.16165837%	
Proportion of the net pension liability current measurement date	<u>0.17829670%</u>	<u>0.16184478%</u>	
Change in proportionate share	<u>0.01237600%</u>	<u>0.00018641%</u>	
Proportionate share of the net pension liability	\$ 10,667,804	\$ 35,791,000	\$ 46,458,804
Pension expense	\$ 2,135,910	\$ 5,721,476	\$ 7,857,386

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<b>Deferred outflows of resources</b>			
Differences between expected and actual experience	\$ 270,512	\$ 291,399	\$ 561,911
Changes of assumptions	-	4,204,344	4,204,344
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	566,099	762,034	1,328,133
Contributions subsequent to the measurement date	<u>895,077</u>	<u>2,802,109</u>	<u>3,697,186</u>
Total deferred outflows of resources	<u>\$ 1,731,688</u>	<u>\$ 8,059,886</u>	<u>\$ 9,791,574</u>
<b>Deferred inflows of resources</b>			
Differences between expected and actual experience	\$ -	\$ 154,932	\$ 154,932
Net difference between projected and actual earnings on pension plan investments	136,929	1,749,269	1,886,198
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	<u>37,901</u>	<u>77,158</u>	<u>115,059</u>
Total deferred inflows of resources	<u>\$ 174,830</u>	<u>\$ 1,981,359</u>	<u>\$ 2,156,189</u>

\$3,697,186 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2021.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 17 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year Ending June 30:	SERS	STRS	Total
2021	\$ 684,717	\$ 2,712,944	\$ 3,397,661
2022	(91,485)	573,705	482,220
2023	(9,111)	(203,088)	(212,199)
2024	77,660	192,857	270,517
Total	<u>\$ 661,781</u>	<u>\$ 3,276,418</u>	<u>\$ 3,938,199</u>

**Actuarial Assumptions - SERS**

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

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

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

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

Wage inflation	3.00%
Future salary increases, including inflation	3.50% to 18.20%
COLA or ad hoc COLA	2.50%
Investment rate of return	7.50% net of investments expense, including inflation
Actuarial cost method	Entry age normal (level percent of payroll)

For 2019, the mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females. Mortality among service retired members, and beneficiaries were based upon the RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates. Mortality among disabled members was 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.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 17 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

The long-term return expectation for the Pension Plan Investments has been determined 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 average 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 assets class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	1.00 %	0.50 %
US Equity	22.50	4.75
International Equity	22.50	7.00
Fixed Income	19.00	1.50
Private Equity	10.00	8.00
Real Assets	15.00	5.00
Multi-Asset Strategies	10.00	3.00
Total	<u>100.00 %</u>	

**Discount Rate** - The total pension liability was calculated using the discount rate of 7.50%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.50%). 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 District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50%, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50%), or one percentage point higher (8.50%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net pension liability	\$ 14,949,408	\$ 10,667,804	\$ 7,077,144

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 17 - DEFINED BENEFIT PENSION PLANS - (Continued)**

***Actuarial Assumptions - STRS***

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

	July 1, 2019
Inflation	2.50%
Projected salary increases	12.50% at age 20 to 2.50% at age 65
Investment rate of return	7.45%, net of investment expenses, including inflation
Payroll increases	3.00%
Cost-of-living adjustments (COLA)	0.00%

For the July 1, 2019, actuarial valuation, 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. Post-retirement disabled 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. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the July 1, 2019 valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

STRS 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:

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 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.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 17 - DEFINED BENEFIT PENSION PLANS - (Continued)**

**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. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not 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.

**Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** - The following table presents the 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 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	Current Discount Rate	1% Increase
District's proportionate share of the net pension liability	\$ 52,304,560	\$ 35,791,000	\$ 21,811,426

**NOTE 18 - DEFINED BENEFIT OPEB PLANS**

***Net OPEB Liability/Asset***

The net OPEB liability/asset reported on the statement of net position represents a liability/asset to 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 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 and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

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

GASB 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.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 18 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

***Plan Description - School Employees Retirement System (SERS)***

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

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14% of covered payroll to the Health Care Fund in accordance with the funding policy. For the fiscal year ended June 30, 2020, SERS did not allocate any employer contributions to post-employment health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, prorated if less than a full year of service credit was earned. For fiscal year 2020, this amount was \$19,600. Statutes provide that no employer shall pay a health care surcharge greater than 2% 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 District's surcharge obligation was \$103,412.

The surcharge added to the allocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The District's contractually required contribution to SERS was \$103,412 for fiscal year 2020 and is reported as pension and postemployment benefits payable.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 18 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

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

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. 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 Liabilities/Assets, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

The net OPEB liability/asset was measured as of June 30, 2019, and the total OPEB liability/asset used to calculate the net OPEB liability/asset was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability/asset was based on the 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
Proportion of the net OPEB liability/asset prior measurement date	0.16888640%	0.16165837%	
Proportion of the net OPEB liability/asset current measurement date	<u>0.18289970%</u>	<u>0.16184478%</u>	
Change in proportionate share	<u>0.01401330%</u>	<u>0.00018641%</u>	
Proportionate share of the net OPEB liability	\$ 4,599,543	\$ -	\$ 4,599,543
Proportionate share of the net OPEB asset	\$ -	\$ (2,680,537)	\$ (2,680,537)
OPEB expense	\$ 275,749	\$ (799,751)	\$ (524,002)

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 18 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

	SERS	STRS	Total
<b>Deferred outflows of resources</b>			
Differences between expected and actual experience	\$ 67,518	\$ 243,011	\$ 310,529
Net difference between projected and actual earnings on OPEB plan investments	11,042	-	11,042
Changes of assumptions	335,944	56,344	392,288
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	409,896	107,643	517,539
Contributions subsequent to the measurement date	103,412	-	103,412
Total deferred outflows of resources	\$ 927,812	\$ 406,998	\$ 1,334,810
	SERS	STRS	Total
<b>Deferred inflows of resources</b>			
Differences between expected and actual experience	\$ 1,010,488	\$ 136,376	\$ 1,146,864
Net difference between projected and actual earnings on OPEB plan investments	-	168,356	168,356
Changes of assumptions	257,746	2,938,899	3,196,645
Difference between employer contributions and proportionate share of contributions/ change in proportionate share	68,889	-	68,889
Total deferred inflows of resources	\$ 1,337,123	\$ 3,243,631	\$ 4,580,754

\$103,412 reported as deferred outflows of resources related to OPEB resulting from 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 of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2021	\$ (155,754)	\$ (618,942)	\$ (774,696)
2022	(87,676)	(618,942)	(706,618)
2023	(84,437)	(551,467)	(635,904)
2024	(84,963)	(527,798)	(612,761)
2025	(71,442)	(527,363)	(598,805)
Thereafter	(28,451)	7,879	(20,572)
Total	\$ (512,723)	\$ (2,836,633)	\$ (3,349,356)



**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 18 - DEFINED BENEFIT OPEB PLANS - (Continued)**

***Actuarial Assumptions - SERS***

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

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

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

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

Wage inflation	3.00%
Future salary increases, including inflation	3.50% to 18.20%
Investment rate of return	7.50% net of investments expense, including inflation
Municipal bond index rate:	
Measurement date	3.13%
Prior measurement date	3.62%
Single equivalent interest rate, net of plan investment expense, including price inflation:	
Measurement date	3.22%
Prior measurement date	3.70%
Medical trend assumption:	
Measurement date	
Medicare	5.25 to 4.75%
Pre-Medicare	7.00 to 4.75%
Prior measurement date	
Medicare	5.375 to 4.75%
Pre-Medicare	7.25 to 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. RP-2000 Disabled Mortality Table with 90% for male rates and 100% for female rates set back five years.

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

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 18 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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 asset 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 as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	1.00 %	0.50 %
US Equity	22.50	4.75
International Equity	22.50	7.00
Fixed Income	19.00	1.50
Private Equity	10.00	8.00
Real Assets	15.00	5.00
Multi-Asset Strategies	10.00	3.00
Total	<u>100.00 %</u>	

**Discount Rate** - The 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 prior to June 30, 2019 was 3.70%. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the state statute contribution rate of 2.00% of projected covered employee payroll each year, which includes a 1.50% payroll surcharge and 0.50% of contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2025. Therefore, the long-term expected rate of return on OPEB plan assets was used to present value the projected benefit payments through the fiscal year ending June 30, 2024 and the Fidelity General Obligation 20-year Municipal Bond Index rate of 3.13%, 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. A municipal bond rate of 3.62% was used as of June 30, 2018. 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 District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates** - The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.22%) and higher (4.22%) than the current discount rate (3.22%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.00% decreasing to 3.75%) and higher (8.00% decreasing to 5.75%) than the current rate.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 18 - DEFINED BENEFIT OPEB PLANS - (Continued)**

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 5,582,973	\$ 4,599,543	\$ 3,817,601

	1% Decrease	Current Trend Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 3,685,165	\$ 4,599,543	\$ 5,812,700

***Actuarial Assumptions - STRS***

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the July 1, 2019, actuarial valuation, compared with July 1, 2018, are presented below:

	July 1, 2019		July 1, 2018	
Inflation	2.50%		2.50%	
Projected salary increases	12.50% at age 20 to 2.50% at age 65		12.50% at age 20 to 2.50% at age 65	
Investment rate of return	7.45%, net of investment expenses, including inflation		7.45%, net of investment expenses, including inflation	
Payroll increases	3.00%		3.00%	
Cost-of-living adjustments (COLA)	0.00%		0.00%	
Discounted rate of return	7.45%		7.45%	
Blended discount rate of return	N/A		N/A	
Health care cost trends				
	Initial	Ultimate	Initial	Ultimate
Medical				
Pre-Medicare	5.87%	4.00%	6.00%	4.00%
Medicare	4.93%	4.00%	5.00%	4.00%
Prescription Drug				
Pre-Medicare	7.73%	4.00%	8.00%	4.00%
Medicare	9.62%	4.00%	-5.23%	4.00%

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

For healthy retirees the mortality rates are based on the RP-2014 Annuitant Mortality Table with 50% 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.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 18 - DEFINED BENEFIT OPEB PLANS - (Continued)**

**Assumption Changes Since the Prior Measurement Date** - There were no changes in assumptions since the prior measurement date of June 30, 2018.

**Benefit Term Changes Since the Prior Measurement Date** - There was no change to the claims costs process. Claim curves were trended to the fiscal year ending June 30, 2020 to reflect the current price renewals. The non-Medicare subsidy percentage was increased effective January 1, 2020 from 1.944% 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' 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	<u>100.00 %</u>	

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

\*\*10-Year 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 asset 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 to current plan members. Therefore, the long-term expected rate of return on health care plan investments of 7.45% was used to measure the total OPEB asset as of June 30, 2019.

**Sensitivity of the District's Proportionate Share of the Net OPEB Asset to Changes in the Discount and Health Care Cost Trend Rate** - The following table represents the net OPEB asset as of June 30, 2019, calculated using the current period discount rate assumption of 7.45%, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.45%) or one percentage point higher (8.45%) than the current assumption. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the net OPEB asset	\$ 2,287,305	\$ 2,680,537	\$ 3,011,155

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 18 - DEFINED BENEFIT OPEB PLANS - (Continued)**

	1% Decrease	Current Trend Rate	1% Increase
District's proportionate share of the net OPEB asset	\$ 3,039,607	\$ 2,680,537	\$ 2,240,765

**NOTE 19 - BUDGETARY BASIS OF ACCOUNTING**

While reporting financial position, results of operations, and changes in fund balance on the basis of accounting principles generally accepted in the United States of America (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements.

The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis);
- (d) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis); and,
- (e) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis for the general fund is as follows:

**Net Change in Fund Balance**

	<u>General fund</u>
Budget basis	\$ 3,294,852
Net adjustment for revenue accruals	(4,005,304)
Net adjustment for expenditure accruals	(111,360)
Funds budgeted elsewhere *	219,564
Adjustment for encumbrances	<u>282,541</u>
GAAP basis	<u>\$ (319,707)</u>

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**NOTE 19 - BUDGETARY BASIS OF ACCOUNTING - (Continued)**

\*Certain funds that are legally budgeted in separate special revenue and agency funds are considered part of the general fund on a GAAP basis. This includes the public school support fund and district agency retirement fund.

**NOTE 20 - CONTINGENCIES**

**A. Grants**

The 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 are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. This also encompasses the Auditor of State's ongoing review of student attendance data; however, the effect of any such disallowed claims on the overall financial position of the District at June 30, 2020, if applicable, cannot be determined at this time.

**B. Litigation**

The District is involved in no pending litigation that would have a material effect on the financial condition of the District.

**C. Foundation Funding**

District Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. Traditional Districts must comply with minimum hours of instruction, instead of a minimum number of school days each year. The funding formula the Ohio Department of Education (ODE) is legislatively required to follow will continue to adjust as enrollment information is updated by the District, which can extend past the fiscal year-end. The District's August 7, 2021 foundation settlement included the first FTE adjustment for fiscal year 2020. For the District, this resulted in a decrease of \$5,552. This amount is reported as due to other governments in the financial statements as of June 30, 2020. As of the date of this report, ODE has not finalized the impact of enrollment adjustments to the June 30, 2020 foundation funding for the District; therefore, the financial statement impact is not determinable at this time. ODE and management believe this will result in either a receivable to or liability of the District.

**NOTE 21 - SET-ASIDES**

The District is required by State law to annually set-aside certain general fund revenue amounts, as defined by statutory formula, for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the fiscal year must be held in cash at fiscal year-end. This amount must be carried forward to be used for the same purpose in future fiscal years. Expenditures exceeding the set-aside requirement may not be carried forward to the next fiscal year.

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

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

**NOTE 21 - SET-ASIDES - (Continued)**

	<u>Capital Improvements</u>
Set-aside balance June 30, 2019	\$ -
Current fiscal year set-aside requirement	683,714
Current fiscal year offsets	<u>(2,445,255)</u>
Total	<u>\$ (1,761,541)</u>
Balance carried forward to fiscal year 2021	<u>\$ -</u>
Set-aside balance June 30, 2020	<u><u>\$ -</u></u>

**NOTE 22 - OTHER COMMITMENTS**

The District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at fiscal year-end may be reported as part of restricted, committed, or assigned classifications of fund balance. At fiscal year-end, the District's commitments for encumbrances in the governmental funds were as follows:

<u>Fund</u>	<u>Fiscal Year-End Encumbrances</u>
General	\$ 229,220
Classroom Facilities	4,128,711
Other governmental	<u>629,619</u>
Total	<u><u>\$ 4,987,550</u></u>

**NOTE 23 - 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 continuing emergency measures may impact subsequent periods of the District. The District's investment portfolio and investments of the pension and other employee benefit plan in which the District participates fluctuate with market conditions, and due to market volatility, the amount of gains or losses that will be recognized in subsequent periods, if any, cannot be determined. In addition, the impact on the District's future operating costs, revenues, and any recovery from emergency funding, either federal or state, cannot be estimated.

THIS PAGE IS INTENTIONALLY LEFT BLANK



REQUIRED SUPPLEMENTARY INFORMATION

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF  
THE NET PENSION LIABILITY  
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST SEVEN FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the net pension liability	0.17829670%	0.16592070%	0.16809750%	0.15775280%
District's proportionate share of the net pension liability	\$ 10,667,804	\$ 9,502,586	\$ 10,043,454	\$ 11,546,049
District's covered payroll	\$ 6,597,237	\$ 4,884,104	\$ 5,537,200	\$ 4,914,293
District's proportionate share of the net pension liability as a percentage of its covered payroll	161.70%	194.56%	181.38%	234.95%
Plan fiduciary net position as a percentage of the total pension liability	70.85%	71.36%	69.50%	62.98%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2016</u>	<u>2015</u>	<u>2014</u>
0.15041770%	0.14760200%	0.14760200%
\$ 8,582,980	\$ 7,470,053	\$ 8,777,417
\$ 4,528,354	\$ 4,289,033	\$ 3,943,353
189.54%	174.17%	222.59%
69.16%	71.70%	65.52%

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF  
THE NET PENSION LIABILITY  
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST SEVEN FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the net pension liability	0.16184478%	0.16165837%	0.15998091%	0.15812373%
District's proportionate share of the net pension liability	\$ 35,791,000	\$ 35,545,046	\$ 38,003,808	\$ 52,928,779
District's covered payroll	\$ 18,734,779	\$ 18,984,571	\$ 17,589,543	\$ 16,697,171
District's proportionate share of the net pension liability as a percentage of its covered payroll	191.04%	187.23%	216.06%	316.99%
Plan fiduciary net position as a percentage of the total pension liability	77.40%	77.31%	75.30%	66.80%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2016</u>	<u>2015</u>	<u>2014</u>
0.15190290%	0.15013248%	0.15013248%
\$ 41,981,518	\$ 36,517,415	\$ 43,499,306
\$ 16,140,071	\$ 15,339,392	\$ 15,241,146
260.11%	238.06%	285.41%
72.10%	74.70%	69.30%

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT PENSION CONTRIBUTIONS  
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST TEN FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 895,077	\$ 890,627	\$ 659,354	\$ 775,208
Contributions in relation to the contractually required contribution	<u>(895,077)</u>	<u>(890,627)</u>	<u>(659,354)</u>	<u>(775,208)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 6,393,407	\$ 6,597,237	\$ 4,884,104	\$ 5,537,200
Contributions as a percentage of covered payroll	14.00%	13.50%	13.50%	14.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 688,001	\$ 596,837	\$ 594,460	\$ 545,760	\$ 585,304	\$ 542,280
<u>(688,001)</u>	<u>(596,837)</u>	<u>(594,460)</u>	<u>(545,760)</u>	<u>(585,304)</u>	<u>(542,280)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 4,914,293	\$ 4,528,354	\$ 4,289,033	\$ 3,943,353	\$ 4,351,703	\$ 4,314,081
14.00%	13.18%	13.86%	13.84%	13.45%	12.57%

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT PENSION CONTRIBUTIONS  
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST TEN FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 2,802,109	\$ 2,622,869	\$ 2,657,840	\$ 2,462,536
Contributions in relation to the contractually required contribution	<u>(2,802,109)</u>	<u>(2,622,869)</u>	<u>(2,657,840)</u>	<u>(2,462,536)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 20,015,064	\$ 18,734,779	\$ 18,984,571	\$ 17,589,543
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION



<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 2,337,604	\$ 2,259,610	\$ 1,994,121	\$ 1,981,349	\$ 1,917,062	\$ 2,061,140
<u>(2,337,604)</u>	<u>(2,259,610)</u>	<u>(1,994,121)</u>	<u>(1,981,349)</u>	<u>(1,917,062)</u>	<u>(2,061,140)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 16,697,171	\$ 16,140,071	\$ 15,339,392	\$ 15,241,146	\$ 14,746,631	\$ 15,854,923
14.00%	14.00%	13.00%	13.00%	13.00%	13.00%

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF  
THE NET OPEB LIABILITY  
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST FOUR FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the net OPEB liability	0.18289970%	0.16888640%	0.17056000%	0.15948100%
District's proportionate share of the net OPEB liability	\$ 4,599,543	\$ 4,685,365	\$ 4,577,382	\$ 4,545,798
District's covered payroll	\$ 6,597,237	\$ 4,884,104	\$ 5,537,200	\$ 4,914,293
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	69.72%	95.93%	82.67%	92.50%
Plan fiduciary net position as a percentage of the total OPEB liability	15.57%	13.57%	12.46%	11.49%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF  
THE NET OPEB LIABILITY/ASSET  
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST FOUR FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the net OPEB liability/asset	0.16184478%	0.16165837%	0.15998091%	0.15812373%
District's proportionate share of the net OPEB liability/(asset)	\$ (2,680,537)	\$ (2,597,685)	\$ 6,241,865	\$ 8,456,498
District's covered payroll	\$ 18,734,779	\$ 18,984,571	\$ 17,589,543	\$ 16,697,171
District's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	14.31%	13.68%	35.49%	50.65%
Plan fiduciary net position as a percentage of the total OPEB liability/asset	174.70%	176.00%	47.10%	37.30%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT OPEB CONTRIBUTIONS  
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST TEN FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 103,412	\$ 145,468	\$ 118,147	\$ 92,866
Contributions in relation to the contractually required contribution	<u>(103,412)</u>	<u>(145,468)</u>	<u>(118,147)</u>	<u>(92,866)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 6,393,407	\$ 6,597,237	\$ 4,884,104	\$ 5,537,200
Contributions as a percentage of covered payroll	1.67%	2.20%	2.42%	1.68%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 79,050	\$ 109,756	\$ 76,126	\$ 68,745	\$ 89,408	\$ 94,332
<u>(79,050)</u>	<u>(109,756)</u>	<u>(76,126)</u>	<u>(68,745)</u>	<u>(89,408)</u>	<u>(94,332)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 4,914,293	\$ 4,528,354	\$ 4,289,033	\$ 3,943,353	\$ 4,351,703	\$ 4,314,081
1.61%	2.42%	1.77%	1.74%	2.05%	2.19%

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT OPEB CONTRIBUTIONS  
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST TEN FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 20,015,064	\$ 18,734,779	\$ 18,984,571	\$ 17,589,543
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ -	\$ -	\$ 155,275	\$ 152,411	\$ 147,466	\$ 149,234
-	-	(155,275)	(152,411)	(147,466)	(149,234)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 16,697,171	\$ 16,140,071	\$ 15,339,392	\$ 15,241,146	\$ 14,746,631	\$ 15,854,923
0.00%	0.00%	1.00%	1.00%	1.00%	1.00%

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

PENSION

---

*SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO*

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for fiscal years 2014-2017. For fiscal year 2018, SERS changed from a fixed 3% annual increase to a Cost of Living Adjustment (COLA) based on the changes in the Consumer Price Index (CPI-W), with a cap of 2.5% and a floor of 0%. There were no changes in benefit terms from the amounts previously reported for fiscal years 2019-2020.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2016. For fiscal year 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females, (f) mortality among service retired members, and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates, (g) mortality among disabled members was updated to 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 and (h) the discount rate was reduced from 7.75% to 7.50%. There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2018-2020.

*STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO*

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for fiscal years 2014-2017. For fiscal year 2018, STRS decreased the Cost of Living Adjustment (COLA) to zero. There were no changes in benefit terms from amounts previously reported for fiscal years 2019-2020.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2017. For fiscal year 2018, the following changes of assumption affected the total pension liability since the prior measurement date: (a) the long term expected rate of return was reduced from 7.75% to 7.45%, (b) the inflation assumption was lowered from 2.75% to 2.50%, (c) the payroll growth assumption was lowered to 3.00%, (d) 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 (e) the healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016 and (f) rates of retirement, termination and disability were modified to better reflect anticipated future experience. There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2020.

(Continued)



**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

---

*SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO*

Changes in benefit terms: There were no changes in benefit terms from the amounts previously reported for fiscal years 2017-2020.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017. For fiscal year 2018, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement, and disability were updated to reflect recent experience, (e) mortality among active members was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females, (f) mortality among service retired members, and beneficiaries was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates, (g) mortality among disabled members was updated to the following: 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, (h) the municipal bond index rate increased from 2.92% to 3.56% and (i) the single equivalent interest rate, net of plan investment expense, including price inflation increased from 2.98% to 3.63%. For fiscal year 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate increased from 3.63% to 3.70%, (b) the health care cost trend rates for Medicare were changed from a range of 5.50%-5.00% to a range of 5.375%-4.75% and Pre-Medicare were changed from a range of 7.50%-5.00% to a range of 7.25%-4.75%, (c) the municipal bond index rate increased from 3.56% to 3.62% and (d) the single equivalent interest rate, net of plan investment expense, including price inflation increased from 3.63% to 3.70%. For fiscal year 2020, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate decreased from 3.70% to 3.22%, (b) the health care cost trend rates for Medicare were changed from a range of 5.375%-4.75% to a range of 5.25%-4.75% and Pre-Medicare were changed from a range of 7.25%-4.75% to a range of 7.00%-4.75%, (c) the municipal bond index rate decreased from 3.62% to 3.13% and (d) the single equivalent interest rate, net of plan investment expense, including price inflation decreased from 3.70% to 3.22%.

*STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO*

Changes in benefit terms: There were no changes in benefit terms from the amounts previously reported for fiscal year 2017. For fiscal year 2018, STRS reduced the subsidy multiplier for non-Medicare benefit recipients 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 fiscal year 2019, STRS increased the subsidy multiplier for non-Medicare benefit recipients from 1.9% to 1.944% per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020. For fiscal year 2020, STRS increase the subsidy percentage from 1.944% to 1.984% 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.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017. For fiscal year 2018, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) 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), (b) the long term expected rate of return was reduced from 7.75% to 7.45%, (c) valuation year per capita health care costs were updated, and the salary scale was modified, (d) 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 and (e) the assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs. For fiscal year 2019, the following changes of assumptions affected the total OPEB liability/asset since the prior measurement date: (a) 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, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB) and (b) decrease in health care cost trend rates from 6.00%-11.00% initial; 4.50% ultimate down to Medical Pre-Medicare 6.00% and Medicare 5.00% initial; 4.00% ultimate and Prescription Drug Pre-Medicare 8.00% and Medicare (5.23%) initial; 4.00% ultimate. For fiscal year 2020, health care cost trend rates were changed to the following: medical pre-medicare from 6.00% initial - 4.00% ultimate down to 5.87% initial - 4.00% ultimate; medical medicare from 5.00% initial - 4.00% ultimate down to 4.93% initial - 4.00% ultimate; prescription drug pre-medicare from 8.00% initial - 4.00% ultimate down to 7.73% initial - 4.00% ultimate and (5.23%) initial - 4.00% ultimate up to 9.62% initial - 4.00% ultimate.

THIS PAGE IS INTENTIONALLY LEFT BLANK

COMBINING STATEMENTS  
AND INDIVIDUAL FUND SCHEDULES

SUPPLEMENTARY INFORMATION

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

FUND DESCRIPTIONS - MAJOR FUNDS

**General Fund**

The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio. The general funds's activities include, but are not limited to, general instruction, pupil services, operation and maintenance of facilities, student transportation and administration.

Since there is only one general fund and the legal level of budgetary control is not greater than that presented in the basic financial statements, no additional financial statements are presented here.

**Debt Service Fund**

A fund used to account for the accumulation of resources and payment of general obligation bond principal and interest and certain long-term obligations from governmental resources when the government is obligated in some manner for payment. It is also used to account for the accumulation of resources and payment of general obligation bonds and notes payable, as required by Ohio Law.

**Classroom Facilities Fund**

A fund used to account for and report financial resources that are restricted to expenditures related to the District's construction project with the Ohio Facilities Construction Commission.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Debt Service</b>				
Total revenues and other sources	\$ 5,677,075	\$ 6,778,103	\$ 6,778,103	\$ -
Total expenditures and other uses	<u>9,438,200</u>	<u>10,539,228</u>	<u>5,668,968</u>	<u>4,870,260</u>
Net change in fund balance	(3,761,125)	(3,761,125)	1,109,135	4,870,260
Fund balance at beginning of fiscal year	<u>3,761,125</u>	<u>3,761,125</u>	<u>3,761,125</u>	<u>-</u>
Fund balance at end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,870,260</u>	<u>\$ 4,870,260</u>
<b>Classroom Facilities</b>				
Total revenues and other sources	\$ 8,910,910	\$ 11,500,000	\$ 8,334,167	\$ (3,165,833)
Total expenditures and other uses	<u>15,626,940</u>	<u>18,216,030</u>	<u>17,348,493</u>	<u>867,537</u>
Net change in fund balance	(6,716,030)	(6,716,030)	(9,014,326)	(2,298,296)
Fund balance at beginning of fiscal year	6,152,077	6,152,077	6,152,077	-
Prior year encumbrances appropriated	<u>563,953</u>	<u>563,953</u>	<u>563,953</u>	<u>-</u>
Fund balance (deficit) at end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,298,296)</u>	<u>\$ (2,298,296)</u>

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

FUND DESCRIPTIONS - NONMAJOR GOVERNMENTAL FUNDS

**Nonmajor Special Revenue Funds**

The special revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes. The title of each special revenue fund is descriptive of the activities accounted for therein. The nonmajor special revenue funds are:

**Food Service Fund**

This fund is used to record financial transactions related to food service operations.

**Scholarships Fund**

A fund provided to account for monies set aside from scholarships for students in which the District has administrative involvement in selecting the recipients. The principal and income from such a fund may be expended.

**Other Grants Fund**

A fund provided to account for the proceeds of specific revenue sources, except for State and federal grants that are legally restricted to expenditures for specified purposes.

**Classroom Facilities Maintenance Fund**

A fund provided to account for proceeds for State Building Assistance repayment.

**Student Managed Activity Fund**

A fund provided to account for those student activity programs which have student participation in the activity and have students involved in the management of the program. This fund typically includes those student activities which consist of a student body, student president, student treasurer and faculty advisor.

**District Managed Student Activities Fund**

A fund provided to account for those student activity programs which have student participation in the activity, but do not have student management of the programs. This fund includes the athletic programs and the drama program.

**Auxiliary Services Fund**

A fund provided to account for monies which provided services and materials to pupils attending non-public schools within the District.

**Student Wellness and Success Fund**

A fund provided to account for state monies that are restricted for specific purposes related to student wellness including mental health services, services for homeless youth, community liasons, physical health care services, mentoring programs, family engagement and support services, city connects programming, and professional development regarding competence.

**Miscellaneous State Grants Fund**

A fund used to account for various monies received from State agencies not classified elsewhere.

**IDEA, Part B Fund**

A fund which accounts for federal funds used to assist states in providing an appropriate public education to all children with disabilities.

**Limited English Proficiency Fund**

This fund is used to account for Federal funds to provide educational services and to meet special education needs of non-English speaking children.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

FUND DESCRIPTIONS - NONMAJOR GOVERNMENTAL FUNDS

**Nonmajor Special Revenue Funds (Continued)**

**Title I Disadvantaged Children Fund**

To account for funds which are to provide financial assistance to State and Local educational agencies to meet the special needs of educationally deprived children. Included are the Even Start and Comprehensive School Reform programs.

**IDEA Preschool - Handicapped Fund**

A fund which accounts for Federal funds used to support the Preschool Grant Program, Section 619 of Public Law 99-457, that addresses the improvement and expansion of services for handicapped children ages three through five years.

**Improving Teacher Quality Fund**

A fund used to account for monies to hire additional classroom teachers in grades 1 through 3, so that the number of students per teacher will be reduced.

**Miscellaneous Federal Grants Fund**

A fund provided to account for monies received through state agencies from the federal government. Included is the Title IV-A federal student aid program.

The following fund is included in the general fund (GAAP basis), but has a separate legally adopted budget (budget basis). This fund is not included in the combining statements for the nonmajor special revenue funds since it is reported in the general fund (GAAP basis); however, the budgetary schedule for this fund is presented in this section.

**Public School Support Fund**

A fund provided to account for special local revenue sources, other than taxes or expendable trusts (i.e., profits from vending machines) that are assigned to expenditures for specified purposes. Such expenditures may include curricular and extra-curricular related purchases.

**Nonmajor Capital Projects Funds**

Capital project funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). The nonmajor capital projects funds are :

**Permanent Improvement Fund**

To account for the acquisition, construction, or improvement of capital facilities.

**Building Fund**

To account for the acquisition and construction of capital facilities including real property.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2020

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents . . . . .	\$ 2,002,075	\$ 4,450,368	\$ 6,452,443
Investments. . . . .	-	206,822	206,822
Receivables:			
Property taxes . . . . .	208,380	21,605	229,985
Accrued interest . . . . .	-	613	613
Intergovernmental. . . . .	455,738	-	455,738
Materials and supplies inventory . . . . .	7,472	-	7,472
Inventory held for resale. . . . .	37,916	-	37,916
	<u>\$ 2,711,581</u>	<u>\$ 4,679,408</u>	<u>\$ 7,390,989</u>
<b>Liabilities:</b>			
Accounts payable . . . . .	\$ 137,186	\$ 67,473	\$ 204,659
Contracts payable . . . . .	-	75,364	75,364
Retainage payable . . . . .	-	37,664	37,664
Accrued wages and benefits payable. . . . .	382,593	-	382,593
Pension and postemployment benefits payable . . . . .	91,060	-	91,060
Intergovernmental payable. . . . .	4,208	-	4,208
Interfund loans payable. . . . .	94,826	-	94,826
	<u>709,873</u>	<u>180,501</u>	<u>890,374</u>
<b>Deferred inflows of resources:</b>			
Property taxes levied for the next fiscal year . . . . .	208,380	1,365	209,745
Delinquent property tax revenue not available . . . . .	-	4,985	4,985
Intergovernmental revenue not available . . . . .	455,738	-	455,738
Accrued interest not available . . . . .	-	613	613
	<u>664,118</u>	<u>6,963</u>	<u>671,081</u>
<b>Fund balances:</b>			
Nonspendable:			
Materials and supplies inventory . . . . .	7,472	-	7,472
Restricted:			
Classroom facilities maintenance . . . . .	838,216	-	838,216
Food service operations. . . . .	414,604	-	414,604
Non-public schools . . . . .	101,497	-	101,497
Other purposes. . . . .	116,978	-	116,978
Student activities. . . . .	331,867	-	331,867
Committed:			
Capital improvements . . . . .	-	4,491,944	4,491,944
Unassigned (deficit) . . . . .	(473,044)	-	(473,044)
	<u>1,337,590</u>	<u>4,491,944</u>	<u>5,829,534</u>
Total fund balances . . . . .	<u>1,337,590</u>	<u>4,491,944</u>	<u>5,829,534</u>
Total liabilities, deferred inflows of resources and fund balances . . . . .	<u>\$ 2,711,581</u>	<u>\$ 4,679,408</u>	<u>\$ 7,390,989</u>



**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues:</b>			
From local sources:			
Property taxes . . . . .	\$ 157,049	\$ 15,255	\$ 172,304
Earnings on investments . . . . .	13,342	33,735	47,077
Charges for services . . . . .	556,454	-	556,454
Extracurricular . . . . .	307,936	-	307,936
Rental income . . . . .	475	-	475
Contributions and donations . . . . .	39,776	-	39,776
Other local revenues . . . . .	29,457	14,900	44,357
Intergovernmental - intermediate. . . . .	86,180	-	86,180
Intergovernmental - state. . . . .	1,040,993	-	1,040,993
Intergovernmental - federal . . . . .	3,390,640	-	3,390,640
Change in fair value of investments . . . . .	-	(794)	(794)
Total revenues . . . . .	5,622,302	63,096	5,685,398
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular . . . . .	418,583	-	418,583
Special. . . . .	1,863,455	-	1,863,455
Support services:			
Pupil. . . . .	843,163	-	843,163
Instructional staff . . . . .	180,882	-	180,882
Administration. . . . .	167,390	-	167,390
Fiscal . . . . .	3,392	854	4,246
Operations and maintenance. . . . .	3,000	59,204	62,204
Pupil transportation . . . . .	913	181,011	181,924
Central. . . . .	-	79,744	79,744
Operation of non-instructional services:			
Food service operations . . . . .	1,718,470	-	1,718,470
Extracurricular activities . . . . .	270,486	-	270,486
Facilities acquisition and construction. . . . .	-	1,779,004	1,779,004
Total expenditures . . . . .	5,469,734	2,099,817	7,569,551
Excess (deficiency) of revenues over (under) expenditures . . . . .	152,568	(2,036,721)	(1,884,153)
<b>Other financing sources:</b>			
Transfers in. . . . .	-	2,175,000	2,175,000
Total other financing sources . . . . .	-	2,175,000	2,175,000
Net change in fund balances . . . . .	152,568	138,279	290,847
<b>Fund balances at beginning of fiscal year (restated).</b>	1,185,022	4,353,665	5,538,687
<b>Fund balances at end of fiscal year. . . . .</b>	\$ 1,337,590	\$ 4,491,944	\$ 5,829,534

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2020

	<b>Food Service</b>	<b>Scholarships</b>	<b>Other Grants</b>	<b>Classroom Facilities Maintenance</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 489,846	\$ 43,874	\$ 72,403	\$ 838,216
Receivables:				
Property taxes . . . . .	-	-	-	208,380
Intergovernmental . . . . .	-	-	-	-
Materials and supplies inventory . . . . .	7,472	-	-	-
Inventory held for resale . . . . .	37,916	-	-	-
Total assets . . . . .	\$ 535,234	\$ 43,874	\$ 72,403	\$ 1,046,596
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 70,982	\$ -	\$ -	\$ -
Accrued wages and benefits payable . . . . .	-	-	-	-
Pension and postemployment benefits payable . . . . .	42,176	-	-	-
Intergovernmental payable . . . . .	-	-	-	-
Interfund loans payable . . . . .	-	-	-	-
Total liabilities . . . . .	113,158	-	-	-
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year . . . . .	-	-	-	208,380
Intergovernmental revenue not available . . . . .	-	-	-	-
Total deferred inflows of resources . . . . .	-	-	-	208,380
<b>Fund balances:</b>				
Nonspendable:				
Materials and supplies inventory . . . . .	7,472	-	-	-
Restricted:				
Classroom facilities maintenance . . . . .	-	-	-	838,216
Food service operations . . . . .	414,604	-	-	-
Non-public schools . . . . .	-	-	-	-
Other purposes . . . . .	-	43,874	72,403	-
Student activities . . . . .	-	-	-	-
Unassigned (deficits) . . . . .	-	-	-	-
Total fund balances (deficits) . . . . .	422,076	43,874	72,403	838,216
Total liabilities, deferred inflows of resources and fund balances . . . . .	\$ 535,234	\$ 43,874	\$ 72,403	\$ 1,046,596

<b>Student Managed Activities</b>	<b>District Managed Student Activities</b>	<b>Auxiliary Services</b>	<b>Student Wellness and Success</b>	<b>IDEA, Part B</b>	<b>Limited English Proficiency</b>	<b>Title I Disadvantaged Children</b>
\$ 26,065	\$ 308,554	\$ 193,667	\$ 26,068	\$ -	\$ 701	\$ -
-	-	-	-	-	-	-
-	-	-	-	218,443	228	208,342
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 26,065</u>	<u>\$ 308,554</u>	<u>\$ 193,667</u>	<u>\$ 26,068</u>	<u>\$ 218,443</u>	<u>\$ 929</u>	<u>\$ 208,342</u>
\$ 50	\$ 2,702	\$ 52,462	\$ -	\$ -	\$ -	\$ 10,990
-	-	35,863	53,073	133,374	-	137,341
-	-	3,496	5,332	20,843	-	16,095
-	-	349	516	1,556	-	1,458
-	-	-	-	46,231	-	44,374
<u>50</u>	<u>2,702</u>	<u>92,170</u>	<u>58,921</u>	<u>202,004</u>	<u>-</u>	<u>210,258</u>
-	-	-	-	-	-	-
-	-	-	-	218,443	228	208,342
-	-	-	-	218,443	228	208,342
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	101,497	-	-	-	-
-	-	-	-	-	701	-
26,015	305,852	-	-	-	-	-
-	-	-	(32,853)	(202,004)	-	(210,258)
<u>26,015</u>	<u>305,852</u>	<u>101,497</u>	<u>(32,853)</u>	<u>(202,004)</u>	<u>701</u>	<u>(210,258)</u>
<u>\$ 26,065</u>	<u>\$ 308,554</u>	<u>\$ 193,667</u>	<u>\$ 26,068</u>	<u>\$ 218,443</u>	<u>\$ 929</u>	<u>\$ 208,342</u>

-- (Continued)

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

	<b>IDEA Preschool - Handicapped</b>	<b>Improving Teacher Quality</b>	<b>Miscellaneous Federal Grants</b>	<b>Total Nonmajor Special Revenue Funds</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ -	\$ -	\$ 2,681	\$ 2,002,075
Receivables:				
Property taxes . . . . .	-	-	-	208,380
Intergovernmental. . . . .	2,751	16,361	9,613	455,738
Materials and supplies inventory . . . . .	-	-	-	7,472
Inventory held for resale. . . . .	-	-	-	37,916
Total assets. . . . .	<u>\$ 2,751</u>	<u>\$ 16,361</u>	<u>\$ 12,294</u>	<u>\$ 2,711,581</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ -	\$ -	\$ -	\$ 137,186
Accrued wages and benefits payable. . . . .	3,201	11,401	8,340	382,593
Pension and postemployment benefits payable . . . . .	426	1,524	1,168	91,060
Intergovernmental payable. . . . .	43	165	121	4,208
Interfund loans payable. . . . .	921	3,300	-	94,826
Total liabilities. . . . .	<u>4,591</u>	<u>16,390</u>	<u>9,629</u>	<u>709,873</u>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year . . . . .	-	-	-	208,380
Intergovernmental revenue not available . . . . .	2,751	16,361	9,613	455,738
Total deferred inflows of resources . . . . .	<u>2,751</u>	<u>16,361</u>	<u>9,613</u>	<u>664,118</u>
<b>Fund balances:</b>				
Nonspendable:				
Materials and supplies inventory . . . . .	-	-	-	7,472
Restricted:				
Classroom facilities maintenance . . . . .	-	-	-	838,216
Food service operations. . . . .	-	-	-	414,604
Non-public schools . . . . .	-	-	-	101,497
Other purposes . . . . .	-	-	-	116,978
Student activities. . . . .	-	-	-	331,867
Unassigned (deficits) . . . . .	<u>(4,591)</u>	<u>(16,390)</u>	<u>(6,948)</u>	<u>(473,044)</u>
Total fund balances (deficits) . . . . .	<u>(4,591)</u>	<u>(16,390)</u>	<u>(6,948)</u>	<u>1,337,590</u>
Total liabilities, deferred inflows of resources and fund balances . . . . .	<u>\$ 2,751</u>	<u>\$ 16,361</u>	<u>\$ 12,294</u>	<u>\$ 2,711,581</u>

THIS PAGE IS INTENTIONALLY LEFT BLANK

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

	<u>Food Service</u>	<u>Scholarships</u>	<u>Other Grants</u>	<u>Classroom Facilities Maintenance</u>
<b>Revenues:</b>				
From local sources:				
Property taxes . . . . .	\$ -	\$ -	\$ -	\$ 157,049
Earnings on investments . . . . .	9,585	193	-	-
Charges for services . . . . .	556,454	-	-	-
Extracurricular . . . . .	-	-	-	-
Rental income . . . . .	-	-	-	-
Contributions and donations . . . . .	-	20,750	-	-
Other local revenues . . . . .	-	-	-	-
Intergovernmental - intermediate . . . . .	-	-	86,180	-
Intergovernmental - state . . . . .	14,692	-	-	27,317
Intergovernmental - federal . . . . .	1,025,674	-	-	-
Total revenues . . . . .	<u>1,606,405</u>	<u>20,943</u>	<u>86,180</u>	<u>184,366</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	-	-	33,916	-
Special . . . . .	-	-	2,180	-
Support services:				
Pupil . . . . .	-	-	-	-
Instructional staff . . . . .	-	-	4,284	-
Administration . . . . .	-	-	-	-
Fiscal . . . . .	-	-	-	3,392
Operations and maintenance . . . . .	-	-	-	-
Pupil transportation . . . . .	-	-	-	-
Operation of non-instructional services:				
Food service operations . . . . .	1,718,470	-	-	-
Extracurricular activities . . . . .	-	-	-	-
Total expenditures . . . . .	<u>1,718,470</u>	<u>-</u>	<u>40,380</u>	<u>3,392</u>
Net change in fund balances . . . . .	(112,065)	20,943	45,800	180,974
<b>Fund balances (deficits) at beginning of fiscal year (restated) . . . . .</b>	<u>534,141</u>	<u>22,931</u>	<u>26,603</u>	<u>657,242</u>
<b>Fund balances (deficits) at end of fiscal year . . . . .</b>	<u>\$ 422,076</u>	<u>\$ 43,874</u>	<u>\$ 72,403</u>	<u>\$ 838,216</u>

<b>Student Managed Activities</b>	<b>District Managed Student Activities</b>	<b>Auxiliary Services</b>	<b>Student Wellness and Success</b>	<b>Miscellaneous State Grants</b>	<b>IDEA, Part B</b>	<b>Limited English Proficiency</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	3,564	-	-	-	-
-	-	-	-	-	-	-
8,245	299,691	-	-	-	-	-
-	475	-	-	-	-	-
-	19,026	-	-	-	-	-
-	29,457	-	-	-	-	-
-	-	-	-	-	-	-
-	-	599,016	382,762	92	-	-
-	-	-	-	-	1,067,216	18,777
<u>8,245</u>	<u>348,649</u>	<u>602,580</u>	<u>382,762</u>	<u>92</u>	<u>1,067,216</u>	<u>18,777</u>
-	-	266,296	-	-	-	-
-	-	71,725	-	-	780,527	18,076
-	-	176,416	415,615	-	187,367	-
-	38,276	-	-	-	-	-
-	-	-	-	-	167,390	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
20,368	250,118	-	-	-	-	-
<u>20,368</u>	<u>288,394</u>	<u>514,437</u>	<u>415,615</u>	<u>-</u>	<u>1,135,284</u>	<u>18,076</u>
(12,123)	60,255	88,143	(32,853)	92	(68,068)	701
38,138	245,597	13,354	-	(92)	(133,936)	-
<u>\$ 26,015</u>	<u>\$ 305,852</u>	<u>\$ 101,497</u>	<u>\$ (32,853)</u>	<u>\$ -</u>	<u>\$ (202,004)</u>	<u>\$ 701</u>

-- (Continued)

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

	<b>Title I Disadvantaged Children</b>	<b>IDEA Preschool - Handicapped</b>	<b>Improving Teacher Quality</b>	<b>Miscellaneous Federal Grants</b>
<b>Revenues:</b>				
From local sources:				
Property taxes . . . . .	\$ -	\$ -	\$ -	\$ -
Earnings on investments . . . . .	-	-	-	-
Charges for services . . . . .	-	-	-	-
Extracurricular . . . . .	-	-	-	-
Rental income . . . . .	-	-	-	-
Contributions and donations . . . . .	-	-	-	-
Other local revenues . . . . .	-	-	-	-
Intergovernmental - intermediate . . . . .	-	-	-	-
Intergovernmental - state . . . . .	-	-	-	17,114
Intergovernmental - federal . . . . .	1,018,577	46,484	156,958	56,954
Total revenues . . . . .	1,018,577	46,484	156,958	74,068
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	109,340	-	-	9,031
Special . . . . .	955,273	35,674	-	-
Support services:				
Pupil . . . . .	-	-	-	63,765
Instructional staff . . . . .	-	-	138,322	-
Administration . . . . .	-	-	-	-
Fiscal . . . . .	-	-	-	-
Operations and maintenance . . . . .	-	-	-	3,000
Pupil transportation . . . . .	913	-	-	-
Operation of non-instructional services:				
Food service operations . . . . .	-	-	-	-
Extracurricular activities . . . . .	-	-	-	-
Total expenditures . . . . .	1,065,526	35,674	138,322	75,796
Net change in fund balances . . . . .	(46,949)	10,810	18,636	(1,728)
<b>Fund balances (deficits) at beginning of fiscal year (restated) . . . . .</b>				
	(163,309)	(15,401)	(35,026)	(5,220)
<b>Fund balances (deficits) at end of fiscal year . . . . .</b>	<b>\$ (210,258)</b>	<b>\$ (4,591)</b>	<b>\$ (16,390)</b>	<b>\$ (6,948)</b>



**Total  
Nonmajor  
Special Revenue  
Funds**

---

\$ 157,049  
13,342  
556,454  
307,936  
475  
39,776  
29,457  
86,180  
1,040,993  
3,390,640  
5,622,302

418,583  
1,863,455

843,163  
180,882  
167,390  
3,392  
3,000  
913

1,718,470  
270,486  
5,469,734

152,568

1,185,022  
\$ 1,337,590

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS  
JUNE 30, 2020

	<b>Permanent Improvement</b>	<b>Building</b>	<b>Total Capital Projects Funds</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents . . . . .	\$ 3,883,826	\$ 566,542	\$ 4,450,368
Investments. . . . .	-	206,822	206,822
Receivables:			
Property taxes . . . . .	21,605	-	21,605
Accrued interest . . . . .	-	613	613
Total assets. . . . .	\$ 3,905,431	\$ 773,977	\$ 4,679,408
<b>Liabilities:</b>			
Accounts payable. . . . .	\$ 67,473	\$ -	\$ 67,473
Contracts payable. . . . .	-	75,364	75,364
Retainage payable. . . . .	-	37,664	37,664
Total liabilities . . . . .	67,473	113,028	180,501
<b>Deferred inflows of resources:</b>			
Property taxes levied for the next fiscal year . . . . .	1,365	-	1,365
Delinquent property tax revenue not available . . . . .	4,985	-	4,985
Accrued interest not available . . . . .	-	613	613
Total deferred inflows of resources. . . . .	6,350	613	6,963
<b>Fund balances:</b>			
Committed:			
Capital improvements . . . . .	3,831,608	660,336	4,491,944
Total fund balances . . . . .	3,831,608	660,336	4,491,944
Total liabilities and fund balances . . . . .	\$ 3,905,431	\$ 773,977	\$ 4,679,408

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

	<b>Permanent Improvement</b>	<b>Building</b>	<b>Total Nonmajor Capital Projects Funds</b>
<b>Revenues:</b>			
From local sources:			
Property taxes . . . . .	\$ 15,255	\$ -	\$ 15,255
Earnings on investments . . . . .	-	33,735	33,735
Other local revenues . . . . .	14,900	-	14,900
Change in fair value of investments . . . . .	-	(794)	(794)
Total revenues . . . . .	30,155	32,941	63,096
<b>Expenditures:</b>			
Current:			
Support services:			
Fiscal . . . . .	-	854	854
Operations and maintenance . . . . .	59,204	-	59,204
Pupil transportation . . . . .	181,011	-	181,011
Central . . . . .	79,744	-	79,744
Facilities acquisition and construction . . . . .	306,920	1,472,084	1,779,004
Total expenditures . . . . .	626,879	1,472,938	2,099,817
Excess of expenditures over revenues . . . . .	(596,724)	(1,439,997)	(2,036,721)
<b>Other financing sources:</b>			
Transfers in . . . . .	2,175,000	-	2,175,000
Total other financing sources . . . . .	2,175,000	-	2,175,000
Net change in fund balances . . . . .	1,578,276	(1,439,997)	138,279
<b>Fund balances at beginning of fiscal year . . .</b>	2,253,332	2,100,333	4,353,665
<b>Fund balances at end of fiscal year . . . . .</b>	\$ 3,831,608	\$ 660,336	\$ 4,491,944

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Food Service</b>				
Total revenues and other sources	\$ 1,484,600	\$ 1,500,000	\$ 1,460,256	\$ (39,744)
Total expenditures and other uses	<u>2,032,964</u>	<u>2,048,364</u>	<u>1,553,765</u>	<u>494,599</u>
Net change in fund balance	(548,364)	(548,364)	(93,509)	454,855
Fund balance at beginning of fiscal year	539,306	539,306	539,306	-
Prior year encumbrances appropriated	<u>9,058</u>	<u>9,058</u>	<u>9,058</u>	<u>-</u>
Fund balance at end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 454,855</u>	<u>\$ 454,855</u>
<b>Scholarships</b>				
Total revenues and other sources	\$ 15,126	\$ 20,926	\$ 20,943	\$ 17
Total expenditures and other uses	<u>38,057</u>	<u>43,857</u>	<u>-</u>	<u>43,857</u>
Net change in fund balance	(22,931)	(22,931)	20,943	43,874
Fund balance at beginning of fiscal year	<u>22,931</u>	<u>22,931</u>	<u>22,931</u>	<u>-</u>
Fund balance at end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,874</u>	<u>\$ 43,874</u>
<b>Other Grants</b>				
Total revenues and other sources	\$ 74,000	\$ 88,000	\$ 86,180	\$ (1,820)
Total expenditures and other uses	<u>100,603</u>	<u>114,603</u>	<u>40,380</u>	<u>74,223</u>
Net change in fund balance	(26,603)	(26,603)	45,800	72,403
Fund balance at beginning of fiscal year	23,787	23,787	23,787	-
Prior year encumbrances appropriated	<u>2,816</u>	<u>2,816</u>	<u>2,816</u>	<u>-</u>
Fund balance at end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 72,403</u>	<u>\$ 72,403</u>
<b>Classroom Facilities Maintenance</b>				
Total revenues and other sources	\$ 253,500	\$ 254,355	\$ 255,355	\$ 1,000
Total expenditures and other uses	<u>839,753</u>	<u>840,608</u>	<u>3,392</u>	<u>837,216</u>
Net change in fund balance	(586,253)	(586,253)	251,963	838,216
Fund balance at beginning of fiscal year	<u>586,253</u>	<u>586,253</u>	<u>586,253</u>	<u>-</u>
Fund balance at end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 838,216</u>	<u>\$ 838,216</u>

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Student Managed Activities</b>				
Total revenues and other sources	\$ 29,500	\$ 10,000	\$ 8,245	\$ (1,755)
Total expenditures and other uses	67,638	48,138	20,368	27,770
Net change in fund balance	(38,138)	(38,138)	(12,123)	26,015
Fund balance at beginning of fiscal year	37,108	37,108	37,108	-
Prior year encumbrances appropriated	1,030	1,030	1,030	-
Fund balance at end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,015</u>	<u>\$ 26,015</u>
<b>District Managed Student Activities</b>				
Total revenues and other sources	\$ 384,024	\$ 350,000	\$ 348,649	\$ (1,351)
Total expenditures and other uses	634,917	600,893	294,686	306,207
Net change in fund balance	(250,893)	(250,893)	53,963	304,856
Fund balance at beginning of fiscal year	239,615	239,615	239,615	-
Prior year encumbrances appropriated	11,278	11,278	11,278	-
Fund balance at end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 304,856</u>	<u>\$ 304,856</u>
<b>Auxiliary Services</b>				
Total revenues and other sources	\$ 538,500	\$ 700,000	\$ 602,580	\$ (97,420)
Total expenditures and other uses	665,883	827,383	665,609	161,774
Net change in fund balance	(127,383)	(127,383)	(63,029)	64,354
Fund balance at beginning of fiscal year	16,862	16,862	16,862	-
Prior year encumbrances appropriated	110,521	110,521	110,521	-
Fund balance at end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,354</u>	<u>\$ 64,354</u>
<b>Student Wellness and Success</b>				
Total revenues and other sources	\$ 383,294	\$ 383,294	\$ 382,762	\$ (532)
Total expenditures and other uses	383,294	383,294	356,694	26,600
Net change in fund balance	-	-	26,068	26,068
Fund balance at beginning of fiscal year	-	-	-	-
Fund balance at end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,068</u>	<u>\$ 26,068</u>

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Miscellaneous State Grants</b>				
Fund balance (deficit) at beginning of fiscal year	\$ (200)	\$ (200)	\$ (200)	\$ -
Prior year encumbrances appropriated	<u>200</u>	<u>200</u>	<u>200</u>	<u>-</u>
Fund balance at end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>IDEA, Part B</b>				
Total revenues and other sources	\$ 1,212,000	\$ 1,200,000	\$ 1,067,216	\$ (132,784)
Total expenditures and other uses	<u>1,168,916</u>	<u>1,156,916</u>	<u>1,070,363</u>	<u>86,553</u>
Net change in fund balance	43,084	43,084	(3,147)	(46,231)
Fund balance (deficit) at beginning of fiscal year	(44,831)	(44,831)	(44,831)	-
Prior year encumbrances appropriated	<u>1,747</u>	<u>1,747</u>	<u>1,747</u>	<u>-</u>
Fund balance (deficit) at end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (46,231)</u>	<u>\$ (46,231)</u>
<b>Limited English Proficiency</b>				
Total revenues and other sources	\$ 38,500	\$ 30,000	\$ 22,440	\$ (7,560)
Total expenditures and other uses	<u>34,837</u>	<u>26,337</u>	<u>18,121</u>	<u>8,216</u>
Net change in fund balance	3,663	3,663	4,319	656
Fund balance (deficit) at beginning of fiscal year	(3,914)	(3,914)	(3,914)	-
Prior year encumbrances appropriated	<u>251</u>	<u>251</u>	<u>251</u>	<u>-</u>
Fund balance at end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 656</u>	<u>\$ 656</u>
<b>Title I Disadvantaged Children</b>				
Total revenues and other sources	\$ 1,216,383	\$ 1,206,383	\$ 1,018,577	\$ (187,806)
Total expenditures and other uses	<u>1,183,714</u>	<u>1,173,714</u>	<u>1,041,321</u>	<u>132,393</u>
Net change in fund balance	32,669	32,669	(22,744)	(55,413)
Fund balance (deficit) at beginning of fiscal year	<u>(32,669)</u>	<u>(32,669)</u>	<u>(32,669)</u>	<u>-</u>
Fund balance (deficit) at end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (55,413)</u>	<u>\$ (55,413)</u>

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>IDEA Preschool - Handicapped</b>				
Total revenues and other sources	\$ 53,000	\$ 70,000	\$ 46,484	\$ (23,516)
Total expenditures and other uses	<u>52,242</u>	<u>69,242</u>	<u>46,647</u>	<u>22,595</u>
Net change in fund balance	758	758	(163)	(921)
Fund balance (deficit) at beginning of fiscal year	(12,573)	(12,573)	(12,573)	-
Prior year encumbrances appropriated	<u>11,815</u>	<u>11,815</u>	<u>11,815</u>	<u>-</u>
Fund balance (deficit) at end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (921)</u>	<u>\$ (921)</u>
<b>Improving Teacher Quality</b>				
Total revenues and other sources	\$ 224,617	\$ 218,617	\$ 156,958	\$ (61,659)
Total expenditures and other uses	<u>208,301</u>	<u>202,301</u>	<u>148,463</u>	<u>53,838</u>
Net change in fund balance	16,316	16,316	8,495	(7,821)
Fund balance (deficit) at beginning of fiscal year	(20,944)	(20,944)	(20,944)	-
Prior year encumbrances appropriated	<u>4,628</u>	<u>4,628</u>	<u>4,628</u>	<u>-</u>
Fund balance (deficit) at end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (7,821)</u>	<u>\$ (7,821)</u>
<b>Miscellaneous Federal Grants</b>				
Total revenues and other sources	\$ 64,000	\$ 80,000	\$ 74,068	\$ (5,932)
Total expenditures and other uses	<u>67,814</u>	<u>83,814</u>	<u>79,701</u>	<u>4,113</u>
Net change in fund balance	(3,814)	(3,814)	(5,633)	(1,819)
Fund balance at beginning of fiscal year	<u>3,814</u>	<u>3,814</u>	<u>3,814</u>	<u>-</u>
Fund balance (deficit) at end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,819)</u>	<u>\$ (1,819)</u>
<b>Public School Support</b>				
Total revenues and other sources	\$ 77,050	\$ 75,000	\$ 71,409	\$ (3,591)
Total expenditures and other uses	<u>170,739</u>	<u>168,689</u>	<u>86,160</u>	<u>82,529</u>
Net change in fund balance	(93,689)	(93,689)	(14,751)	78,938
Fund balance at beginning of fiscal year	76,742	76,742	76,742	-
Prior year encumbrances appropriated	<u>16,947</u>	<u>16,947</u>	<u>16,947</u>	<u>-</u>
Fund balance at end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 78,938</u>	<u>\$ 78,938</u>

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Permanent Improvement</b>				
Total revenues and other sources	\$ 2,190,000	\$ 2,189,900	\$ 2,189,900	\$ -
Total expenditures and other uses	<u>976,581</u>	<u>4,521,113</u>	<u>754,760</u>	<u>3,766,353</u>
Net change in fund balance	1,213,419	(2,331,213)	1,435,140	3,766,353
Fund balance at beginning of fiscal year	2,204,632	2,204,632	2,204,632	-
Prior year encumbrances appropriated	<u>126,581</u>	<u>126,581</u>	<u>126,581</u>	<u>-</u>
Fund balance at end of fiscal year	<u>\$ 3,544,632</u>	<u>\$ -</u>	<u>\$ 3,766,353</u>	<u>\$ 3,766,353</u>
<b>Building</b>				
Total revenues and other sources	\$ 50,000	\$ 45,000	\$ 34,270	\$ (10,730)
Total expenditures and other uses	<u>2,345,339</u>	<u>2,340,339</u>	<u>2,122,698</u>	<u>217,641</u>
Net change in fund balance	(2,295,339)	(2,295,339)	(2,088,428)	206,911
Fund balance at beginning of fiscal year	2,292,836	2,292,836	2,292,836	-
Prior year encumbrances appropriated	<u>2,503</u>	<u>2,503</u>	<u>2,503</u>	<u>-</u>
Fund balance at end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 206,911</u>	<u>\$ 206,911</u>



**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

FUND DESCRIPTION - INTERNAL SERVICE FUND

**Internal Service Fund**

The internal service fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District, or to other governments, on a cost-reimbursement basis.

**Employee Benefits Self-Insurance Fund**

The District's internal service fund accounts for the health, medical, prescription drug, and dental self-insurance program.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Employee Benefits Self-Insurance</b>				
Total revenues and nonoperating revenues	\$ 6,010,373	\$ 6,500,000	\$ 6,596,214	\$ 96,214
Total expenses and nonoperating expenses	<u>8,374,590</u>	<u>8,864,217</u>	<u>6,224,723</u>	<u>2,639,494</u>
Net change in fund balance	(2,364,217)	(2,364,217)	371,491	2,735,708
Fund balance at beginning of fiscal year	2,351,721	2,351,721	2,351,721	-
Prior year encumbrances appropriated	<u>12,496</u>	<u>12,496</u>	<u>12,496</u>	<u>-</u>
Fund balance at end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,735,708</u>	<u>\$ 2,735,708</u>

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

FUND DESCRIPTIONS - FIDUCIARY FUNDS

**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 and custodial funds. Private purpose trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. Custodial funds are used to report fiduciary activities that are not required to be reported in a trust fund.

**Private-Purpose Trust Fund**

**Bareis Scholarship Trust Fund**

A fund provided to account for monies set aside from endowments for scholarships under a trust agreement for which the District has no administrative involvement in selecting the scholarship recipients.

**Custodial Fund**

**Tournament Fund**

A fund provided to account for monies collected and distributed on behalf of the Ohio High School Athletic Association for tournaments held at the District. Custodial funds are not required to be budgeted.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Bareis Scholarship Trust</b>				
Total revenues and nonoperating revenues	\$ 99	\$ 99	\$ 99	\$ -
Total expenses and nonoperating expenses	<u>5,425</u>	<u>5,425</u>	<u>-</u>	<u>5,425</u>
Net change in fund balance	(5,326)	(5,326)	99	5,425
Fund balance at beginning of fiscal year	<u>5,326</u>	<u>5,326</u>	<u>5,326</u>	<u>-</u>
Fund balance at end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,425</u>	<u>\$ 5,425</u>



## STATISTICAL SECTION

THIS PAGE IS INTENTIONALLY LEFT BLANK

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

STATISTICAL SECTION

This part of the Canal Winchester Local 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.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	<b>140-153</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	<b>154-159</b>
<b>Debt Capacity</b> 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.	<b>160-164</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	<b>165-166</b>
<b>Operating Information</b> These schedules contain service and infrastructure 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.	<b>168-179</b>

**Sources:** Sources are noted on the individual schedules.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2020</u>	<u>2019 (D)</u>	<u>2018</u>	<u>2017 (C)</u>
<b>Governmental activities</b>				
Net investment in capital assets	\$ 41,693,017	\$ 24,595,824	\$ 16,977,899	\$ 13,151,099
Restricted	7,241,755	19,493,787	23,867,178	24,460,893
Unrestricted (deficit)	(8,688,169)	(4,544,019)	(13,972,680)	(38,772,388)
Total governmental activities net position	<u>\$ 40,246,603</u>	<u>\$ 39,545,592</u>	<u>\$ 26,872,397</u>	<u>\$ (1,160,396)</u>

**Source:** District financial records.

- (A) New terminology in accordance with GASB Statement No. 63 which was implemented in 2013.  
Amounts for 2012 have been restated to reflect the implementation of GASB Statement No. 65.
- (B) Net position of the governmental activities was restated at June 30, 2014.
- (C) Net position of the governmental activities was restated at June 30, 2017.
- (D) Net position of the governmental activities was restated at June 30, 2019 to reflect the implementation of GASB Statement No. 84.



<b>2016</b>	<b>2015</b>	<b>2014 (B)</b>	<b>2013 (A)</b>	<b>2012 (A)</b>	<b>2011</b>
\$ 12,167,675	\$ 10,574,258	\$ 9,103,144	\$ 7,861,374	\$ 6,648,924	\$ 6,298,927
1,097,050	1,501,423	2,081,603	1,999,758	4,488,963	4,511,058
(22,262,911)	(27,992,807)	(32,139,646)	14,165,040	9,724,105	8,843,170
<u>\$ (8,998,186)</u>	<u>\$ (15,917,126)</u>	<u>\$ (20,954,899)</u>	<u>\$ 24,026,172</u>	<u>\$ 20,861,992</u>	<u>\$ 19,653,155</u>

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Expenses</b>				
Governmental activities:				
Instruction:				
Regular	\$ 20,028,181	\$ 15,809,056	\$ 9,108,175	\$ 19,805,946
Special	9,184,807	6,828,398	4,005,762	6,281,130
Vocational	1,047,822	899,017	544,641	846,734
Other instructional	-	-	-	939,639
Support services:				
Pupil	3,107,641	2,375,375	1,383,677	2,459,053
Instructional staff	851,557	664,202	436,533	956,758
Board of education	81,171	100,763	70,566	48,200
Administration	4,437,329	3,589,014	1,697,216	3,663,989
Fiscal	1,441,749	1,420,516	1,164,540	1,451,171
Business	-	-	-	7,822
Operations and maintenance	3,862,649	3,833,032	2,466,491	4,049,666
Pupil transportation	3,418,856	3,394,242	1,656,752	2,913,993
Central	883,373	854,161	520,722	743,743
Operation of non-instructional services	-	233	233,510	132,353
Food service operations	1,726,238	1,649,686	1,532,940	1,556,061
Extracurricular activities	1,287,394	1,060,949	301,365	1,197,022
Interest and fiscal charges	2,671,637	3,012,312	2,974,377	2,615,759
Bond issuance costs	-	-	-	-
Note issuance costs	-	-	-	-
Total governmental activities expenses	<u>\$ 54,030,404</u>	<u>\$ 45,490,956</u>	<u>\$ 28,097,267</u>	<u>\$ 49,669,039</u>

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013 (A)</u>	<u>2012 (A)</u>	<u>2011</u>
\$	17,466,877	\$ 17,862,859	\$ 16,982,796	\$ 16,024,742	\$ 15,637,136	\$ 16,452,249
	4,994,345	4,784,323	4,587,635	3,801,713	3,710,163	4,023,824
	453,369	306,838	344,468	403,755	413,484	475,595
	889,569	813,046	645,060	401,132	312,101	410,222
	2,052,568	1,983,282	1,955,527	1,880,776	1,910,469	2,156,770
	525,728	766,756	464,750	1,135,974	1,280,192	1,766,319
	113,364	108,727	73,218	253,599	150,839	170,357
	3,284,110	3,080,519	2,987,841	2,887,717	2,768,846	2,902,533
	1,170,741	1,010,172	920,495	921,473	907,327	933,943
	7,931	7,888	8,704	9,244	-	-
	4,374,364	3,843,310	3,901,532	3,614,353	4,033,281	4,439,809
	2,821,177	2,800,410	2,664,158	2,499,073	2,593,268	2,643,485
	436,075	410,400	476,904	417,836	263,107	366,207
	53,157	202,238	217,759	366,315	216,305	18,912
	1,546,544	1,224,491	1,205,625	1,216,080	1,185,011	1,143,055
	999,173	917,441	1,000,673	895,645	895,730	1,009,434
	2,242,809	2,833,837	2,864,756	2,938,706	3,108,519	3,036,205
	-	-	-	123,891	-	-
	-	-	8,184	-	-	-
\$	<u>43,431,901</u>	<u>\$ 42,956,537</u>	<u>\$ 41,310,085</u>	<u>\$ 39,792,024</u>	<u>\$ 39,385,778</u>	<u>\$ 41,948,919</u>

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

CHANGES IN NET POSITION - (Continued)  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Program Revenues</b>				
Governmental activities:				
Charges for services and sales:				
Instruction:				
Regular	\$ 865,856	\$ 856,118	\$ 953,640	\$ 721,983
Special	295,244	274,454	239,988	45,642
Support services:				
Instructional staff	39,838	49,072	56,885	-
Administration	38,789	-	-	-
Operations and maintenance	40,923	48,396	65,183	140,490
Pupil transportation	-	294	60,369	66,872
Food service operations	556,454	725,520	712,137	709,480
Extracurricular activities	430,665	624,582	604,145	631,820
Operating grants and contributions:				
Instruction:				
Regular	520,199	398,066	179,242	828,078
Special	4,463,954	4,492,408	4,225,870	2,897,209
Vocational	353,355	355,569	334,107	289,210
Other instructional	-	-	-	618,647
Support services:				
Pupil	840,179	275,736	218,024	108,576
Instructional staff	153,872	156,194	147,597	376,226
Administration	167,814	164,934	155,466	21,199
Fiscal	-	36,773	-	30,870
Operations and maintenance	2,961	18,335	-	-
Pupil transportation	263,256	1,253,598	1,207,402	1,184,563
Central	-	-	-	7,200
Operation of non-instructional services	-	-	-	15,512
Food service operations	1,049,951	917,509	817,678	820,015
Extracurricular activities	42,048	39,925	11,570	1,015
Capital grants and contributions:				
Instruction:				
Regular	125,471	273,484	119,970	11,644
Support services:				
Pupil transportation	-	-	-	-
Extracurricular activities	5,000	-	10,400	9,800
Total governmental program revenues	<u>\$ 10,255,829</u>	<u>\$ 10,960,967</u>	<u>\$ 10,119,673</u>	<u>\$ 9,536,051</u>
<b>Net (Expense)/Revenue</b>				
Governmental activities	<u>\$ (43,774,575)</u>	<u>\$ (34,529,989)</u>	<u>\$ (17,977,594)</u>	<u>\$ (40,132,988)</u>

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013 (A)</u>	<u>2012 (A)</u>	<u>2011</u>
\$ 850,631	\$ 720,193	\$ 706,503	\$ 305,795	\$ 298,250	\$ 297,258
135,566	146,950	104,818	32,056	53,750	28,158
-	-	-	-	-	-
-	-	-	-	-	-
150,511	114,820	103,188	93,509	69,843	67,623
51,585	60,629	73,807	63,032	55,534	85,064
702,934	632,506	620,849	647,616	659,750	725,065
611,306	652,919	655,446	638,614	673,614	582,815
425,704	1,092,343	640,892	322,947	251,895	1,479,421
2,734,735	2,659,293	2,355,892	1,591,557	1,556,394	1,779,573
69,192	66,852	35,205	186,301	186,301	186,301
523,129	468,145	264,189	270,474	160,007	182,456
109,220	105,220	106,780	175,155	139,148	195,216
48,307	312,740	128,632	265,184	251,516	362,842
156,784	142,263	147,264	94,110	202,695	652,679
-	24,499	-	24,164	-	12,314
-	4,010	-	-	11,141	-
1,211,002	997,500	901,447	8,172	-	-
-	7,200	7,200	7,200	7,200	14,100
-	-	-	-	-	-
883,578	704,441	651,722	612,194	572,119	540,936
7,675	23,090	8,174	2,043	398	7,100
13,600	-	11,534	-	-	-
-	11,285	-	-	-	-
-	-	-	-	-	-
<u>\$ 8,685,459</u>	<u>\$ 8,946,898</u>	<u>\$ 7,523,542</u>	<u>\$ 5,340,123</u>	<u>\$ 5,149,555</u>	<u>\$ 7,198,921</u>
<u>\$ (34,746,442)</u>	<u>\$ (34,009,639)</u>	<u>\$ (33,786,543)</u>	<u>\$ (34,451,901)</u>	<u>\$ (34,236,223)</u>	<u>\$ (34,749,998)</u>

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

CHANGES IN NET POSITION - (Continued)  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental activities:				
Property taxes levied for:				
General purposes	\$ 12,752,939	\$ 16,303,751	\$ 17,230,194	\$ 16,002,272
Classroom facilities	150,339	213,109	220,435	175,931
Debt service	4,539,735	4,785,856	4,843,623	4,382,955
Permanent improvement	20,240	-	-	-
Income taxes levied for:				
General purposes	4,902,197	5,070,959	4,799,275	4,386,632
Payment in lieu of taxes	870,301	750,197	501,301	577,646
Grants and entitlements not restricted to specific programs	19,485,303	18,705,658	18,153,228	17,584,865
Grants and entitlements restricted for Ohio School Facilities Commission	-	-	-	18,803,806
Investment earnings	789,457	723,666	419,386	226,975
Win-win settlement	-	-	-	-
Miscellaneous	299,064	236,073	118,311	326,694
Change in fair value of investments	666,011	352,846	(275,366)	-
Total governmental activities	<u>\$ 44,475,586</u>	<u>\$ 47,142,115</u>	<u>\$ 46,010,387</u>	<u>\$ 62,467,776</u>
<b>Change in Net Position</b>				
Governmental activities	<u>\$ 701,011</u>	<u>\$ 12,612,126</u>	<u>\$ 28,032,793</u>	<u>\$ 22,334,788</u>

Source: District financial records.

(A) New terminology in accordance with GASB Statement No. 63 which was implemented in 2013.

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013 (A)</u>	<u>2012 (A)</u>	<u>2011</u>
\$ 15,718,560	\$ 14,678,810	\$ 15,523,145	\$ 14,512,634	\$ 14,635,011	\$ 15,252,942
-	17,263	156,454	147,404	147,824	147,371
4,092,826	4,027,129	3,877,108	3,740,086	3,608,044	3,350,737
-	-	-	-	-	-
4,248,513	3,993,177	3,668,255	3,636,920	3,179,827	3,911,298
498,231	501,246	258,647	248,668	244,242	454,264
16,561,092	15,471,785	14,538,736	14,452,698	14,332,282	14,318,122
-	-	-	-	-	-
323,317	126,405	25,098	37,645	34,728	28,396
-	-	320,585	641,170	-	-
222,843	231,597	125,586	198,856	103,394	93,762
-	-	-	-	-	-
<u>\$ 41,665,382</u>	<u>\$ 39,047,412</u>	<u>\$ 38,493,614</u>	<u>\$ 37,616,081</u>	<u>\$ 36,285,352</u>	<u>\$ 37,556,892</u>
<u>\$ 6,918,940</u>	<u>\$ 5,037,773</u>	<u>\$ 4,707,071</u>	<u>\$ 3,164,180</u>	<u>\$ 2,049,129</u>	<u>\$ 2,806,894</u>

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2020</u>	<u>2019 (B)</u>	<u>2018</u>	<u>2017</u>
General Fund:				
Nonspendable	\$ 48,623	\$ 46,388	\$ 38,583	\$ 32,277
Assigned	32,591,069	2,492,670	205,175	580,942
Unassigned	384,731	30,805,072	27,713,138	21,215,732
Reserved	-	-	-	-
Unreserved	-	-	-	-
Total general fund	<u>\$ 33,024,423</u>	<u>\$ 33,344,130</u>	<u>\$ 27,956,896</u>	<u>\$ 21,828,951</u>
All Other Governmental Funds:				
Nonspendable	\$ 7,472	\$ 6,866	\$ 6,020	\$ 3,163
Restricted	9,374,769	14,501,014	13,598,197	10,093,609
Committed	4,491,944	4,353,665	3,653,294	3,396,824
Unassigned, reported in:				
Special revenue funds	(473,044)	(352,984)	(294,459)	(232,147)
Total all other governmental funds	<u>13,401,141</u>	<u>18,508,561</u>	<u>16,963,052</u>	<u>13,261,449</u>
Total governmental funds	<u>\$ 46,425,564</u>	<u>\$ 51,852,691</u>	<u>\$ 44,919,948</u>	<u>\$ 35,090,400</u>

**Source:** District financial records.

**Note:** The District implemented GASB 54 in 2011.

**(A)** Fund balance of the governmental funds was restated at June 30, 2011.

**(B)** Fund balance was restated at June 30, 2019 to reflect the implementation of GASB Statement No. 84.



<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011 (A)</u>
\$ 34,036	\$ -	\$ -	\$ -	\$ -	\$ 499,198
3,962,100	629,682	3,199,315	2,076,944	1,166,397	455,384
20,676,353	19,508,215	13,223,605	10,019,984	8,625,167	6,274,407
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 24,672,489</u>	<u>\$ 20,137,897</u>	<u>\$ 16,422,920</u>	<u>\$ 12,096,928</u>	<u>\$ 9,791,564</u>	<u>\$ 7,228,989</u>
\$ 3,573	\$ 6,267	\$ 15,051	\$ 14,138	\$ 9,915	\$ -
5,402,223	4,805,743	4,998,883	4,666,817	5,303,390	4,028,982
271,795	158,195	69,682	58,148	58,148	58,148
(83,148)	-	(122,155)	(94,229)	-	-
<u>5,594,443</u>	<u>4,970,205</u>	<u>4,961,461</u>	<u>4,644,874</u>	<u>5,371,453</u>	<u>4,087,130</u>
<u>\$ 30,266,932</u>	<u>\$ 25,108,102</u>	<u>\$ 21,384,381</u>	<u>\$ 16,741,802</u>	<u>\$ 15,163,017</u>	<u>\$ 11,316,119</u>

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Revenues</b>				
From local sources:				
Property taxes	\$ 17,636,746	\$ 21,395,985	\$ 22,364,287	\$ 20,603,396
Income taxes	4,799,447	5,025,408	4,752,742	4,358,337
Payment in lieu of taxes	870,301	750,197	501,301	577,646
Tuition	1,014,644	1,012,854	1,065,745	671,360
Transportation fees	-	294	60,369	66,872
Earnings on investments	932,681	917,172	538,323	240,601
Charges for services	556,454	725,520	712,137	709,480
Classroom materials and fees	114,432	117,718	127,883	94,940
Extracurricular	540,841	668,095	659,655	631,820
Rental income	41,398	54,916	66,558	141,815
Contributions and donations	40,372	16,117	11,326	6,815
Other local revenues	307,325	285,341	131,251	388,659
Intergovernmental - intermediate	86,180	60,000	-	-
Intergovernmental - state	29,984,278	29,740,273	25,997,175	22,175,461
Intergovernmental - federal	3,692,020	3,470,568	3,034,547	2,407,534
Change in fair value of investments	663,950	398,807	(275,366)	-
Total revenues	<u>61,281,069</u>	<u>64,639,265</u>	<u>59,747,933</u>	<u>53,074,736</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	18,026,181	17,182,337	17,545,572	17,664,944
Special	8,371,544	7,285,853	7,156,470	5,726,552
Vocational	927,381	946,089	1,056,676	766,023
Other	-	-	-	849,526
Current:				
Pupil	2,877,893	2,525,274	2,323,994	2,248,668
Instructional staff	774,120	730,608	781,223	861,753
Board of education	79,624	101,833	77,517	108,341
Administration	3,957,378	3,928,520	3,497,232	3,331,438
Fiscal	1,380,256	1,448,239	1,408,186	1,391,483
Business	-	-	-	7,127
Operations and maintenance	3,565,692	3,425,781	3,595,278	3,847,788
Pupil transportation	3,112,434	3,585,979	2,749,727	2,682,117
Central	883,174	870,902	802,528	694,644
Operation of non-instructional services:				
Other non-instructional services	-	233	1,351	124,412
Food service operations	1,718,470	1,636,515	1,548,269	1,644,794
Extracurricular activities	1,145,650	1,107,325	1,012,845	1,085,364
Facilities acquisitions and construction	13,734,167	7,586,482	1,185,318	-
Capital outlay	-	-	57,207	-
Debt service:				
Principal retirement	3,359,490	2,825,625	3,282,994	3,100,665
Interest and fiscal charges	1,266,869	1,324,996	1,333,205	1,403,619
Bond issuance costs	-	-	-	-
Note issuance costs	-	-	-	-
Accretion on capital appreciation bonds	1,605,000	1,255,000	560,000	712,010
Total expenditures	<u>66,785,323</u>	<u>57,767,591</u>	<u>49,975,592</u>	<u>48,251,268</u>

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$	19,789,562	\$ 18,825,349	\$ 19,658,485	\$ 18,608,333	\$ 18,434,138	\$ 18,811,911
	4,244,871	4,005,479	3,804,665	3,611,985	3,450,748	3,232,606
	498,231	501,246	258,647	248,668	244,242	454,264
	790,625	689,374	619,206	158,671	181,788	146,122
	51,585	60,629	73,807	63,032	55,534	85,064
	321,127	117,660	20,269	39,423	33,868	27,631
	702,934	632,506	620,849	647,616	672,597	-
	194,648	174,015	190,030	175,084	168,530	167,652
	611,306	652,919	655,455	639,857	676,486	583,925
	152,486	117,868	106,384	94,944	58,866	72,479
	13,175	36,329	14,193	36,552	5,006	11,865
	332,232	229,520	145,366	112,364	116,977	98,319
	-	-	-	-	-	-
	20,210,245	20,213,804	17,467,547	16,077,255	15,901,369	15,978,937
	2,543,512	1,943,152	2,162,338	1,731,448	2,249,947	2,555,211
	-	-	-	-	-	-
	<u>50,456,539</u>	<u>48,199,850</u>	<u>45,797,241</u>	<u>42,245,232</u>	<u>42,250,096</u>	<u>42,225,986</u>
	17,674,893	17,453,593	16,287,125	15,614,347	15,131,664	16,140,601
	5,077,933	4,778,535	4,401,928	3,702,130	3,662,751	3,967,804
	445,883	312,013	318,588	370,045	399,043	485,680
	920,109	835,838	617,474	402,102	315,296	414,698
	2,041,883	1,970,564	1,880,442	1,843,854	1,853,681	2,150,215
	487,011	795,047	437,132	1,079,823	1,246,547	1,765,596
	114,888	106,163	70,579	251,219	148,401	167,590
	3,255,594	3,036,032	2,939,691	2,858,772	2,720,670	2,828,609
	1,180,136	970,589	922,214	929,199	896,941	928,939
	7,915	8,029	8,791	9,092	-	-
	3,995,026	3,902,879	3,770,644	3,592,703	3,973,373	4,407,317
	2,638,131	3,400,622	2,692,650	2,607,727	2,515,817	2,665,689
	438,158	396,220	468,149	417,559	263,352	363,972
	54,748	203,083	136,448	232,363	219,495	-
	1,551,154	1,193,630	1,172,206	1,198,279	1,149,568	-
	934,741	858,918	959,119	836,985	827,321	952,449
	396,942	617,747	213,120	1,026,015	1,318,446	1,985
	-	-	80,045	135,167	-	91,000
	2,507,073	2,231,346	2,090,289	1,798,207	3,988,978	3,998,337
	1,590,426	2,271,449	2,325,474	2,453,820	2,630,277	2,624,872
	412,160	-	-	123,891	143,215	-
	-	20,835	8,184	-	-	19,478
	-	-	-	-	-	-
	<u>45,724,804</u>	<u>45,363,132</u>	<u>41,800,292</u>	<u>41,483,299</u>	<u>43,404,836</u>	<u>43,974,831</u>

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS - (Continued)  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Excess (deficiency) of revenues over (under) expenditures	\$ (5,504,254)	\$ 6,871,674	\$ 9,772,341	\$ 4,823,468
<b>Other Financing Sources (Uses)</b>				
Premium on bond and notes sold	-	-	-	-
Premium on refunding bonds	-	-	-	-
Refunding bond issuance	-	-	-	-
Sale of capital assets	77,500	-	-	-
Bond issuance	-	-	-	-
Note issuance	-	-	-	-
Transfers in	2,452,075	2,453,270	707,290	12,792,570
Transfers (out)	(2,452,448)	(2,453,270)	(707,290)	(12,792,570)
Win-win settlement	-	-	-	-
Payment to refunding bond escrow agent	-	-	-	-
Capital lease transaction	-	-	57,207	-
Total other financing sources	<u>77,127</u>	<u>-</u>	<u>57,207</u>	<u>-</u>
Net change in fund balances	<u>\$ (5,427,127)</u>	<u>\$ 6,871,674</u>	<u>\$ 9,829,548</u>	<u>\$ 4,823,468</u>
Capital expenditures	\$ 14,019,143	\$ 7,392,097	\$ 1,826,177	\$ 453,499
Debt service as a percentage of noncapital expenditures	8.77%	8.24%	9.59%	9.42%

**Source:** District financial records.

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 4,731,735	\$ 2,836,718	\$ 3,996,949	\$ 761,933	\$ (1,154,740)	\$ (1,748,845)
-	-	-	626,659	151,638	22,455
2,465,024	-	-	-	-	-
35,540,000	-	-	-	-	-
-	52,003	-	49,501	-	36,690
-	-	-	5,494,997	2,670,000	-
-	835,000	245,000	-	2,180,000	2,670,000
472,663	122,015	187,958	189,061	34,200	-
(472,663)	(122,015)	(187,958)	(189,061)	(34,200)	-
-	-	320,585	641,170	-	-
(37,577,929)	-	-	(6,130,642)	-	-
-	-	80,045	135,167	-	91,000
<u>427,095</u>	<u>887,003</u>	<u>645,630</u>	<u>816,852</u>	<u>5,001,638</u>	<u>2,820,145</u>
\$ 5,158,830	\$ 3,723,721	\$ 4,642,579	\$ 1,578,785	\$ 3,846,898	\$ 1,071,300
\$ 1,087,239	\$ 1,716,604	\$ 854,263	\$ 1,526,562	\$ 1,542,274	\$ 504,707
9.18%	10.32%	10.78%	10.64%	15.81%	15.24%

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN YEARS

Collection Year	Real Property (A)		Tangible Personal Property (B)		Public Utility (C)	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2020	\$ 495,849,140	\$ 1,416,711,829	\$ -	\$ -	\$ 32,557,880	\$ 130,231,520
2019	465,739,610	1,330,684,600	-	-	29,266,330	117,065,320
2018	450,391,990	1,286,834,257	-	-	28,807,490	115,229,960
2017	406,459,840	1,161,313,829	-	-	24,074,510	96,298,040
2016	393,092,720	1,123,122,057	-	-	23,666,310	94,665,240
2015	387,849,930	1,108,142,657	-	-	19,056,710	76,226,840
2014	394,435,230	1,126,957,800	-	-	17,657,150	70,628,600
2013	391,837,560	1,119,535,886	-	-	17,340,430	69,361,720
2012	391,015,940	1,117,188,400	-	-	16,907,470	67,629,880
2011	418,815,410	1,196,615,457	39,570	158,280	17,015,400	68,061,600

**Source:** Franklin County Auditor's Office.

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

**(B)** The rate at which tangible personal property used in business is assessed for purposes ad valorem property taxation decreased one percent each year from 35% in 1983 until it reached 25% in 1993. Tangible personal property tax collections were phased out entirely effective for collection year 2012.

**(C)** Assumes public utilities are assessed at 25% for 2010 and after.

<b>Total Direct Tax Rate</b>	<b>Total</b>		
	<b>Assessed Value</b>	<b>Estimated Actual Value</b>	<b>%</b>
79.68	\$ 528,407,020	\$ 1,546,943,349	34.16%
77.19	495,005,940	1,447,749,920	34.19%
77.35	479,199,480	1,402,064,217	34.18%
79.00	430,534,350	1,257,611,869	34.23%
78.91	416,759,030	1,217,787,297	34.22%
78.90	406,906,640	1,184,369,497	34.36%
78.70	412,092,380	1,197,586,400	34.41%
79.45	409,177,990	1,188,897,606	34.42%
79.13	407,923,410	1,184,818,280	34.43%
78.16	435,870,380	1,264,835,337	34.46%

**CANAL WINCHESTER LOCAL SCHOOLDISTRICT  
FRANKLIN COUNTY, OHIO**

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN CALENDAR YEARS

	Tax Year									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Canal Winchester Local School District:</b>										
Unvoted (Inside Millage) - General Operating	4.50	5.00	4.50	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Voted - General Operating	60.78	60.94	61.40	62.05	62.96	63.10	62.90	63.15	63.23	63.73
Voted - Bond	13.90	11.25	10.95	11.45	10.95	10.80	10.30	10.80	10.40	8.93
Voted - Classroom Facilities	0.50	0.00	0.50	0.50	0.00	0.00	0.50	0.50	0.50	0.50
Total Voted	<u>75.18</u>	<u>72.19</u>	<u>72.85</u>	<u>74.00</u>	<u>73.91</u>	<u>73.90</u>	<u>73.70</u>	<u>74.45</u>	<u>74.13</u>	<u>73.16</u>
Total	<u>79.68</u>	<u>77.19</u>	<u>77.35</u>	<u>79.00</u>	<u>78.91</u>	<u>78.90</u>	<u>78.70</u>	<u>79.45</u>	<u>79.13</u>	<u>78.16</u>
<b>Joint Vocational School District:</b>										
Eastland-Fairfield	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
<b>Counties:</b>										
Fairfield County	12.70	11.40	10.40	10.40	10.40	8.55	8.55	8.55	8.55	8.55
Franklin County	19.12	18.92	17.72	18.47	18.47	18.47	17.72	18.47	17.32	17.32
<b>Cities/Villages:</b>										
Canal Winchester	2.00	2.00	2.00	2.00	2.00	1.90	2.00	2.00	2.00	2.00
Columbus	3.14	2.65	3.14	2.65	2.65	3.14	3.14	5.45	3.14	3.14
Lithopolis	1.90	1.90	1.90	1.90	1.90	5.90	5.90	5.90	5.90	5.90
Pickerington	7.80	7.80	7.80	7.80	7.80	7.80	7.80	7.80	7.80	7.80
<b>Townships:</b>										
Bloom	17.80	17.80	17.80	17.80	17.80	17.80	17.80	18.70	17.80	17.80
Madison	27.05	27.05	27.05	27.17	27.17	21.92	21.80	24.60	21.80	21.80
Violet	19.35	19.35	19.35	19.35	17.85	17.85	14.05	14.95	14.05	14.05

**Source:** Franklin County and Fairfield County Auditor's Offices.

**Note:** Rates are stated per \$1,000 of assessed value.

**Note:** Data is presented on a calendar year basis, which is consistent with the method by which the County Auditor's Offices maintain this information.



**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**PRINCIPAL PROPERTY TAX PAYERS  
DECEMBER 31, 2019 AND DECEMBER 31, 2010**

<b>December 31, 2019</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total District Taxable Assessed Value</b>
Dominion Energy Transmission, Inc.	\$ 16,824,550	1	3.18%
South Central Power Company	4,597,890	2	0.87%
Winchester Square, LLC.	4,039,710	3	0.76%
Walmart Real Estate Business Trust	3,500,000	4	0.66%
Properal Canal Winchester, LLC.	3,045,000	5	0.58%
CRI Ourparcels, LLC.	2,498,340	6	0.47%
Waterloo Crossing, LTD.	2,305,460	7	0.44%
Lehman Village, LTD.	2,190,760	8	0.41%
HD Development of Maryland, Inc.	2,023,010	9	0.38%
W Lakes, LLC.	1,995,010	10	0.38%
<b>Total</b>	<b>\$ 43,019,730</b>		<b>8.14%</b>
Total Assessed Valuation			<b>\$ 528,407,020</b>

<b>December 31, 2010</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total District Taxable Assessed Value</b>
Dominion Energy Transmission, Inc.	\$ 7,923,680	1	1.82%
Winchester Square, LLC.	5,492,240	2	1.26%
Walmart Real Estate Business Trust	4,326,000	3	0.99%
Waterloo Crossing, LTD.	4,142,040	4	0.95%
South Central Power Company	3,571,090	5	0.82%
TS Trim Industries, Inc.	2,512,870	6	0.58%
HD Development of Maryland, Inc.	2,197,310	7	0.50%
Lehman Village, LTD.	1,961,370	8	0.45%
Greenbridge Company, LTD.	1,960,010	9	0.45%
Schroer Properties	1,715,000	10	0.39%
<b>Total</b>	<b>\$ 35,801,610</b>		<b>8.21%</b>
Total Assessed Valuation			<b>\$ 435,870,380</b>

**Source:** Franklin County Auditor's Office.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS

<b>Tax Year/ Collection Year</b>	<b>Current Levy (A)</b>	<b>Current Collection (B)</b>	<b>Percent of Current Levy Collected</b>	<b>Delinquent Collection (C)</b>	<b>Total Collection (D)</b>	<b>Total Collection As a Percent of Total Levy (C)</b>
2018/2019	\$ 18,046,022	\$ 17,760,826	98.42%	\$ 289,129	\$ 18,049,955	100.02%
2017/2018	17,643,410	17,424,741	98.76%	280,629	17,705,370	100.35%
2016/2017	16,573,400	16,322,326	98.49%	411,220	16,733,546	100.97%
2015/2016	16,367,275	16,016,372	97.86%	307,314	16,323,686	99.73%
2014/2015	15,838,115	15,070,316	95.15%	293,916	15,364,232	97.01%
2013/2014	15,922,327	15,583,813	97.87%	337,472	15,921,285	99.99%
2012/2013	15,964,973	15,603,358	97.73%	478,789	16,082,147	100.73%
2011/2012	15,760,752	15,103,172	95.83%	450,072	15,553,244	98.68%
2010/2011	16,330,398	15,655,384	95.87%	361,818	16,017,202	98.08%
2009/2010	16,164,347	15,512,478	95.97%	436,686	15,949,164	98.67%

**Source:** Franklin County Auditor's Office.

**(A)** Levy before adjustment for exempt valuation.

**(B)** Current tax collections include State reimbursement for homestead and roll-back.

**(C)** Delinquent Tax Collections are only available by collection year; therefore the percentage of total tax collections to the current levy may exceed 100 percent in some years. The District will continue to work with the County to get this information in the future.

**(D)** Total tax collections include State reimbursement for homestead and roll-back.

	<b>Outstanding Delinquent Taxes</b>	<b>Outstanding Delinquent Taxes to Levy</b>
\$	329,325	1.82%
	497,899	2.82%
	509,568	3.07%
	637,904	3.90%
	655,136	4.14%
	618,229	3.88%
	679,221	4.25%
	841,420	5.34%
	719,444	4.41%
	963,641	5.96%

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

**Governmental Activities**

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Energy Conservation Bonds</b>	<b>School Bus Notes</b>	<b>School Facilities Construction and Improvement Notes</b>	<b>Lease Purchase Agreement</b>	<b>Capital Lease</b>
2020	\$ 52,725,630	\$ 1,155,000	\$ 435,000	\$ -	\$ -	\$ 31,132
2019	55,527,918	1,300,000	515,000	-	633,713	41,909
2018	57,757,321	1,440,000	595,000	-	699,196	52,051
2017	59,756,088	1,573,684	675,000	-	761,522	35,512
2016	62,142,840	1,701,894	840,000	-	820,844	83,865
2015	62,756,179	1,826,145	1,005,000	-	877,307	134,475
2014	64,241,444	1,946,343	245,000	-	935,409	197,719
2013	65,691,112	2,067,405	-	-	982,201	186,171
2012	67,032,067	2,184,257	-	-	1,030,887	115,525
2011	60,402,000	-	-	2,670,000	1,077,224	188,166

**Sources:**

(A) District financial records.

(B) See "Demographic and Economic Statistics, Last Ten Fiscal Years" table for personal income, population and student enrollment information.

N/A - Information is not available.

	<b>(A) Total Primary Government</b>	<b>(B) Per Capita</b>	<b>(B) Per ADM</b>	<b>(B) Total Debt as a Percentage of Personal Income</b>
\$	54,346,762	N/A	\$ 13,892	N/A
	58,018,540	\$ 6,580	15,196	N/A
	60,543,568	7,037	15,962	N/A
	62,801,806	7,572	16,601	10.51%
	65,589,443	8,297	17,533	11.46%
	66,599,106	8,519	18,103	12.31%
	67,565,915	9,213	18,577	13.12%
	68,926,889	9,752	19,115	13.83%
	70,362,736	10,147	19,698	14.50%
	64,337,390	9,510	17,867	14.11%

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>General Bonded Debt Outstanding</b>			<b>Percentage of Actual Taxable Value of Property</b>	<b>Per Capita</b>
	<b>General Obligation Bonds</b>	<b>Energy Conservation Bonds</b>	<b>Total</b>		
2020	\$ 52,725,630	\$ 1,155,000	\$ 53,880,630	3.48%	N/A
2019	55,527,918	1,300,000	56,827,918	3.93%	\$ 6,445
2018	57,757,321	1,440,000	59,197,321	4.22%	6,880
2017	59,756,088	1,573,684	61,329,772	4.88%	7,394
2016	62,142,840	1,701,894	63,844,734	5.24%	8,077
2015	62,756,179	1,826,145	64,582,324	5.45%	8,261
2014	64,241,444	1,946,343	66,187,787	5.53%	9,025
2013	65,691,112	2,067,405	67,758,517	5.70%	9,587
2012	67,032,067	2,184,257	69,216,324	5.84%	9,982
2011	60,402,000	-	60,402,000	4.78%	8,929

**Source:** District financial records.

N/A - Information is not available.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2020

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Canal Winchester Local School District	\$ 54,346,762	100.00%	\$ 54,346,762
	<u>54,346,762</u>		<u>54,346,762</u>
Overlapping debt:			
Fairfield County	4,832,579	3.60%	173,973
Franklin County	180,820,000	1.19%	2,151,758
City of Canal Winchester	5,450,000	95.57%	5,208,565
City of Columbus	1,644,665,000	0.65%	10,690,323
City of Pickerington	12,465,000	0.85%	105,953
Village of Lithopolis			-
Madison Township	1,840,000	31.94%	587,696
Violet Township	9,580,000	5.18%	496,244
Eastland-Fairfield Career & Technical JVS District	700,000	5.71%	39,970
Solid Waste Authority of Central Ohio Miscellaneous	63,005,000	1.23%	774,962
	<u>1,923,357,579</u>		<u>20,229,444</u>
Total direct and overlapping debt	<u>\$ 1,977,704,341</u>		<u>\$ 74,576,206</u>

**Source:** Ohio Municipal Advisory Council.

**Note:** Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the District by the total assessed valuation of the subdivision. The valuations used were for the 2020 collection year.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS

<b>Fiscal Year</b>	<b>Voted Debt Limit</b>	<b>Total Debt Applicable to Limit</b>	<b>Debt Service Available Balance</b>	<b>Net Debt Applicable to Limit</b>	<b>Voted Legal Debt Margin (A)</b>	<b>Unvoted Legal Debt Margin</b>	<b>Total Net Debt Applicable to Limit as a Percentage of Debt Limit</b>
2020	\$ 47,556,632	\$ 41,850,680	\$ 5,239,700	\$ 36,610,980	\$ 10,945,652	\$ 528,407	76.98%
2019	44,550,535	44,340,680	5,358,197	38,982,483	5,568,052	495,006	87.50%
2018	43,127,953	46,870,680	5,066,056	41,804,624	1,323,329	479,199	96.93%
2017	38,748,092	49,890,680	4,477,533	45,413,147	(6,665,056)	430,534	117.20%
2016	37,508,313	52,578,670	4,319,820	48,258,850	(10,750,537)	416,759	128.66%
2015	36,621,598	54,189,823	3,345,149	50,844,674	(14,223,076)	406,907	138.84%
2014	37,088,314	55,700,868	3,155,706	52,545,162	(15,456,848)	412,092	141.68%
2013	36,826,019	57,133,343	2,869,239	54,264,104	(17,438,085)	409,178	147.35%
2012	36,713,107	58,693,346	2,693,294	56,000,052	(19,286,945)	407,923	152.53%
2011	39,224,773	57,223,346	2,425,323	54,798,023	(15,573,250)	435,870	139.70%

**Source:** Franklin County Auditor's Office and School District financial records.

**Note:** Ohio Bond Law sets a limit of 9% for voted debt and 1/10 of 1% for unvoted debt. House Bill 530 became effective on March 30, 2006, which excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations.

**(A)** On March 28, 1996, the District was determined to be a "special needs" district, meaning the District was permitted to exceed the voted debt limitation. This status was confirmed on October 14, 2004.

Voted Debt Margins are determined without reference to applicable monies in the District's debt service fund.



**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS

Year	Population (A)	Total Federal Adjusted Gross Income (FAGI) (B)	Average FAGI per Income Tax Return (B)	School Enrollment (C)	Unemployment Rates (D)		
					Franklin County	Ohio	United States
2020	N/A	N/A	N/A	3,912	5.4%	5.6%	6.9%
2019	8,818	N/A	N/A	3,818	3.6%	4.3%	3.7%
2018	8,604	N/A	N/A	3,793	4.5%	4.5%	4.0%
2017	8,294	\$ 597,323,340	\$ 65,640	3,783	4.4%	4.5%	5.3%
2016	7,905	572,472,700	64,577	3,741	3.9%	4.6%	4.7%
2015	7,818	540,974,332	63,390	3,679	4.0%	5.0%	5.4%
2014	7,334	515,134,016	62,395	3,637	4.8%	5.7%	6.2%
2013	7,068	498,510,097	60,513	3,606	6.4%	7.5%	7.4%
2012	6,934	485,201,284	60,027	3,572	6.4%	7.4%	8.1%
2011	6,765	455,839,237	57,541	3,601	7.7%	8.8%	8.9%

(A) U. S. Census Bureau population estimates of the City of Canal Winchester; Village of Canal Winchester prior to 2012.

(B) Ohio Department of Taxation data for the Canal Winchester Local School District.

(C) Enrollment figures are taken from historical EMIS fall enrollment data, excluding preschool students.

These figures are not consistent with the actual head counts of students used to calculate State funding because those head counts include community school students.

(D) Ohio Department of Job and Family Services, Ohio Labor Market Information.

2020 data is a year to date average through October.

N/A - Information is not available.

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**PRINCIPAL EMPLOYERS  
CURRENT FISCAL YEAR AND NINE CALENDAR YEARS AGO**

<u>June 30, 2020</u>		
<u>Employer*</u>	<u>Employees</u>	<u>Rank</u>
NIFCO Inc.	701	1
Canal Winchester Local Schools	452	2
TS Trim Industries, Inc.	394	3
HFI, Inc.	190	4
Winchester Care and Rehabilitation	153	5
CAPSA Solutions	153	6
Diley Ridge Medical Center	151	7
BrewDog Brewing	135	8
Canal Winchester Rehabilitation & Assisted	126	9
Jeff Wyler Dealerships	119	10
<b>Total</b>	<u><u>2,574</u></u>	

\*Employers do not include retail or restaurant businesses.  
N/A - This number was unavailable at the time.

<u>December 31, 2011 (A)</u>			
<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
TS Trim Industries, Inc.	522	1	9.71%
Canal Winchester Schools	422	2	7.85%
WalMart Stores, Inc.	329	3	6.12%
NIFCO Inc.	220	4	4.09%
Meijer, Inc.	200	5	3.72%
First Healthcare Corporation	174	6	3.24%
The Kroger Co.	150	7	2.79%
Waste Management, Inc.	128	8	2.38%
Diley Ridge Medical Center	111	9	2.07%
Altercare	100	10	1.86%
<b>Total</b>	<u><u>2,356</u></u>		<u><u>43.84%</u></u>
<b>Total Employment within the City</b>	<u><u>5,374</u></u>		

**Source:** City of Canal Winchester.

**(A)** Calendar Year 2011 was the first year this information was available.

**Note:** The total number of people employed in the City of Canal Winchester is not available for June 30, 2020; therefore, the percentage of total City employment is not presented for June 30, 2020.

THIS PAGE IS INTENTIONALLY LEFT BLANK

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**STAFFING STATISTICS  
FULL TIME EQUIVALENTS (FTE) BY TYPE AND FUNCTION  
LAST TEN FISCAL YEARS**

<b>Type</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Certified Staff	267.00	270.00	258.00	251.00	244.00	235.00
Harvest Preparatory School	3.00	2.00	3.00	2.00	2.00	2.00
Coordinators	-	-	-	-	2.00	2.00
Administrators	22.00	22.00	21.00	19.00	14.00	13.00
Classified Staff	160.00	152.00	154.00	145.00	135.00	133.00
<b>Total</b>	<b>452.00</b>	<b>446.00</b>	<b>436.00</b>	<b>417.00</b>	<b>397.00</b>	<b>385.00</b>
<b>Function</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Instruction:						
Regular	190.00	187.00	198.00	187.00	177.00	174.90
Special	63.00	57.00	45.00	43.00	39.00	36.50
Vocational	4.00	16.00	3.00	3.00	3.00	3.00
Support Services:						
Pupil	60.00	53.00	55.00	46.00	45.00	44.60
Instructional staff	-	-	-	7.00	6.00	8.00
Administration	22.00	22.00	21.00	19.00	19.00	15.00
Clerical	19.00	25.00	24.00	25.00	25.00	22.00
Fiscal	4.00	4.00	4.00	5.00	5.00	5.00
Operations and maintenance	31.00	28.00	28.00	30.00	29.00	29.00
Pupil transportation	55.00	51.00	54.00	48.00	45.00	43.00
Food service operations	1.00	1.00	1.00	2.00	2.00	2.00
Harvest Preparatory School	3.00	2.00	3.00	2.00	2.00	2.00
<b>Total Governmental Activities</b>	<b>452.00</b>	<b>446.00</b>	<b>436.00</b>	<b>417.00</b>	<b>397.00</b>	<b>385.00</b>

**Source:** District records.

<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
225.00	224.00	221.00	249.75
2.00	3.00	2.00	4.00
2.00	2.00	2.00	2.00
13.00	13.00	12.00	12.00
129.00	128.00	129.00	151.00
<b>371.00</b>	<b>370.00</b>	<b>366.00</b>	<b>418.75</b>

<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
168.00	169.00	167.00	184.25
36.00	36.00	36.00	38.00
3.00	3.00	3.00	5.50
41.00	40.00	39.00	56.00
7.00	6.00	5.00	10.00
15.00	15.00	14.00	14.00
21.00	20.00	20.00	20.00
4.00	4.00	4.00	4.00
30.00	30.00	30.00	35.00
42.00	42.00	44.00	46.00
2.00	2.00	2.00	2.00
2.00	3.00	2.00	4.00
<b>371.00</b>	<b>370.00</b>	<b>366.00</b>	<b>418.75</b>

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS**

<b>Function</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Instruction:</b>						
Regular and Special						
Enrollment (students)	3,912	3,818	3,793	3,783	3,741	3,679
Graduates	307	288	317	251	280	258
<b>Support services:</b>						
<b>Board of education</b>						
Regular meetings per year	12	12	12	12	12	12
Special meetings per year	3	1	3	4	6	5
<b>Administration</b>						
Nonpayroll checks issued	3,397	3,637	3,604	4,013	3,977	4,808
<b>Pupil transportation</b>						
Avg. students transported daily	2,574	2,509	2,433	2,424	2,422	2,243
<b>Food service operations</b>						
Meals served to students	291,079	303,468	303,018	306,970	302,813	291,706
Breakfast served to students	136,609	94,334	87,216	87,384	104,297	75,458

**Source:** District records.

**Note:** Enrollment figures are taken from EMIS reports.

<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
3,637 251	3,606 245	3,572 221	3,601 224
12 6	12 5	12 19	12 11
3,762	3,845	4,141	4,455
2,268	2,223	2,271	2,313
279,933 68,271	278,536 65,859	294,182 63,379	308,516 58,344

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

CAPITAL ASSET STATISTICS  
LAST TEN FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017 (A)</u>
Governmental Activities:				
Land	\$ 3,943,623	\$ 3,985,623	\$ 3,943,348	\$ 3,943,348
Land improvements	223,176	247,198	271,221	-
Buildings and improvements	59,834,158	60,591,228	61,348,298	62,120,448
Furniture, equipment and vehicles	1,888,725	1,918,831	1,981,383	1,954,459
Furniture and equipment	-	-	-	-
Vehicles	-	-	-	-
Construction in progress	21,791,686	8,094,713	1,024,806	-
Total Governmental Activities	<u>87,681,368</u>	<u>74,837,593</u>	<u>68,569,056</u>	<u>68,018,255</u>
Capital Assets, net	<u>\$ 87,681,368</u>	<u>\$ 74,837,593</u>	<u>\$ 68,569,056</u>	<u>\$ 68,018,255</u>

**Source:** District financial records.

**(A)** Capital assets were restated at June 30, 2017.



<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
\$ 3,698,648	\$ 3,698,648	\$ 3,698,648	\$ 3,698,648	\$ 3,698,648	\$ 3,698,648
52,718	53,789	54,859	55,929	56,999	58,069
63,120,794	62,983,575	63,563,881	62,387,333	63,126,921	63,862,168
-	-	-	-	-	-
2,455,118	2,313,406	2,592,967	2,082,522	2,104,827	2,249,411
1,170,817	1,318,965	660,325	531,587	461,953	588,534
-	416,630	-	2,253,315	1,227,300	-
<u>\$ 70,498,095</u>	<u>\$ 70,785,013</u>	<u>\$ 70,570,680</u>	<u>\$ 71,009,334</u>	<u>\$ 70,676,648</u>	<u>\$ 70,456,830</u>

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Indian Trail Elementary (1999)						
Square feet	96,200	96,200	96,200	96,200	94,693	94,693
Capacity (students)	825	825	825	825	825	825
Enrollment	753	770	738	748	786	803
Number of Teachers (A)	45	47	50	47	45	41
Pupil to Teacher Ratio	16.7	16.4	14.8	15.9	17.5	19.6
Winchester Trail Elementary (2002, 2008)						
Square feet	118,299	118,299	118,299	118,299	118,299	118,299
Capacity (students)	1,125	1,125	1,125	1,125	1,125	1,125
Enrollment	996	935	924	993	877	956
Number of Teachers (A)	69	66	69	65	59	58
Pupil to Teacher Ratio	14.4	14.2	13.4	15.3	14.9	16.5
Middle School (2008)						
Square feet	130,085	130,085	130,058	130,058	130,958	130,958
Capacity (students)	921	921	921	921	921	921
Enrollment	968	947	927	898	905	877
Number of Teachers (A)	64	66	64	61	58	57
Pupil to Teacher Ratio	15.1	14.3	14.5	14.7	15.6	15.3
High School (1976, 1998, 2003)						
Square feet	149,413	149,413	149,413	149,413	136,148	136,148
Capacity (students)	1,025	1,025	1,025	1,025	1,025	1,025
Enrollment	1,195	1,166	1,204	1,144	1,173	1,043
Number of Teachers (A)	61	67	63	60	59	58
Pupil to Teacher Ratio	19.6	17.4	19.1	19.1	19.9	17.9
Total enrollment by year	3,912	3,818	3,793	3,783	3,741	3,679
Total teachers by year	239	246	246	233	221	214

**Source:** District records.

**Notes:** Year of original construction is in parentheses.

**(A)** Does not include guidance counselors, nurses, media, etc.

<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
94,693	94,693	94,693	94,693
825	825	825	825
812	780	776	755
41	41	39	44
20.0	18.9	22.1	18.9
118,299	118,299	118,299	118,299
1,125	1,125	1,125	1,125
884	882	882	961
53	55	55	63
16.7	16.0	14.8	14.2
130,958	130,958	130,958	130,958
921	921	921	921
919	901	896	866
58	56	56	60
15.9	16.1	16.1	14.5
136,148	136,148	136,148	136,148
1,025	1,025	1,025	1,025
1,022	1,043	1,018	1,019
56	56	57	61
19.5	19.9	18.8	17.3
3,637	3,606	3,572	3,601
207	208	206	228

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

OPERATING STATISTICS  
LAST TEN FISCAL YEARS

Fiscal Year	General Government		Governmental Activities		Enrollment	Percent Change	Teaching Staff	Pupil/Teacher Ratio
	Expenditures (A)	Cost per Pupil	Expenses (A)	Cost per Pupil				
2020	\$ 60,553,964	\$ 15,479	\$ 51,358,767	\$ 13,129	3,912	2.46%	239	16.37
2019	52,361,970	13,715	42,478,644	11,126	3,818	0.66%	246	15.52
2018	44,799,393	11,811	25,122,890	6,623	3,793	0.26%	246	15.42
2017	43,034,974	11,376	47,053,280	12,438	3,783	1.12%	233	16.24
2016	41,215,145	11,017	41,189,092	11,010	3,741	1.69%	221	16.93
2015	40,839,502	11,101	40,122,700	10,906	3,679	1.15%	214	17.19
2014	37,384,529	10,279	38,437,145	10,568	3,637	0.86%	207	17.54
2013	37,107,381	10,290	36,853,318	10,220	3,606	0.95%	208	17.38
2012	36,642,366	10,258	36,277,259	10,156	3,572	-0.81%	206	17.34
2011	37,351,622	10,373	38,912,714	10,806	3,601	-0.22%	228	15.81

**Source:** District financial records. The enrollment is located on the "Demographic and Economic Statistics, Last Ten Fiscal Years" table and the teaching staff was provided by District records.

(A) Debt Service totals have been excluded.

THIS PAGE IS INTENTIONALLY LEFT BLANK

**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY, OHIO**

**TEACHERS STATISTICS  
LAST TEN FISCAL YEARS**

	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Teachers' Salaries							
Average Salary	N/A	\$ 59,028	\$ 58,757	\$ 55,513	\$ 51,855	\$ 55,937	\$ 56,822
Teaching Experience							
0-4 Years	N/A	24.37%	20.09%	24.00%	28.09%	17.47%	16.97%
4-10 Years	N/A	19.33%	23.93%	20.80%	18.35%	18.78%	17.89%
10 or More Years	N/A	56.30%	55.98%	55.20%	53.56%	63.75%	65.14%

**Source:** Ohio Department of Education.

N/A - Information is not available.

<u>2013</u>	<u>2012</u>	<u>2011</u>
\$ 56,501	\$ 55,444	\$ 53,544
22.27%	18.55%	21.93%
16.59%	20.36%	25.44%
61.14%	61.09%	52.63%

THIS PAGE IS INTENTIONALLY LEFT BLANK



# OHIO AUDITOR OF STATE KEITH FABER



**CANAL WINCHESTER LOCAL SCHOOL DISTRICT  
FRANKLIN COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



**Certified for Release 1/14/2021**

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)