

Dave Yost • Auditor of State



WORTHINGTON CITY SCHOOL DISTRICT  
FRANKLIN COUNTY  
JUNE 30, 2018

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**WORTHINGTON CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2018**

Federal Grantor/ Pass Through Grantor Program / Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Total Federal Expenditures
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>			
<i>Passed Through Ohio Department of Education:</i>			
Child Nutrition Cluster:			
Non-Cash Assistance National School Lunch Program	10.555	N/A	\$ 248,900
National School Lunch Program	10.555	N/A	1,118,312
School Breakfast Program	10.553	N/A	256,433
Summer Food Service Program for Children	10.559	N/A	19,957
<b>Total Child Nutrition Cluster</b>			<b>1,643,602</b>
<b>Total U.S. Department of Agriculture</b>			<b>1,643,602</b>
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>			
<i>Passed Through Ohio Department of Education:</i>			
Special Education Cluster:			
Special Education - Grants to States	84.027	N/A	307,719
Special Education - Grants to States	84.027	N/A	1,562,280
Total Special Education - Grants to States			1,869,999
Special Education - Preschool Grant	84.173	N/A	5,624
Special Education - Preschool Grant	84.173	N/A	54,568
Total Special Education - Preschool Grant			60,192
<b>Total Special Education Cluster</b>			<b>1,930,191</b>
Title I Grants to Local Educational Agencies	84.010	N/A	137,094
Title I Grants to Local Educational Agencies	84.010	N/A	716,246
Total Title I Grants to Local Educational Agencies			853,340
English Language Acquisition State Grants	84.365	N/A	40,092
English Language Acquisition State Grants	84.365	N/A	73,860
Total English Language Acquisition Grants			113,952
Improving Teacher Quality State Grants	84.367	N/A	9,268
Improving Teacher Quality State Grants	84.367	N/A	174,357
Total Improving Teacher Quality State Grants			183,625
Student Support and Academic Enrichment Program	84.424	N/A	17,990
<b>Total U.S. Department of Education</b>			<b>3,099,098</b>
<b>Total</b>			<b>\$ 4,742,700</b>

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

**WORTHINGTON CITY 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, 2018**

**NOTE A – BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) reports the Worthington City School District's (the District's) federal award programs' disbursements. The Schedule has been prepared on the cash basis of accounting. 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. The District has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE B - 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 C – NON-CASH AWARDS - FOOD DONATION PROGRAM**

The District reports commodities consumed on the Schedule at the entitlement value. The District allocated donated food commodities to the respective program that benefitted from the use of those donated food commodities.

**NOTE D - TRANSFERS BETWEEN PROGRAM YEARS**

Federal regulations require schools to obligate certain federal awards by June 30. However, with ODE's consent, schools can transfer unobligated amounts to the subsequent fiscal year's program. The District transferred the following amounts from 2018 to 2019 programs:

<u>Program Title</u>	<u>CFDA Number</u>	<u>Amount Transferred</u>
English Language Acquisition State Grants	84.365	\$ 6,637
Improving Teacher Quality State Grants	84.367	13,288
Special Education Grants to States	84.027	54,727
Title I Grants to Local Educational Agencies	84.010	8,365



# Dave Yost • Auditor of State

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

Worthington City School District  
Franklin County  
200 East Wilson Bridge Road  
Worthington, Ohio 43085

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 Worthington City School District, Franklin County, Ohio (the District) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 8, 2018, wherein we noted the District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

### ***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the District's internal control over financial reporting (internal control) to determine the 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 determination of financial statement amounts. 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.



**Dave Yost**  
Auditor of State  
Columbus, Ohio

October 8, 2018



# Dave Yost • Auditor of State

## 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

Worthington City School District  
Franklin County  
200 East Wilson Bridge Road  
Worthington, Ohio 43085

To the Board of Education:

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

We have audited the Worthington City 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 Worthington City School District's major federal program for the year ended June 30, 2018. 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 programs.

### ***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 Worthington City 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, 2018.

***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 the 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 Worthington City School District (the District) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated October 8, 2018, wherein we noted the District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. 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

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State  
Columbus, Ohio

October 8, 2018

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**WORTHINGTON CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
JUNE 30, 2018**

**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 FOR FEDERAL AWARDS**

None.

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# WORTHINGTON SCHOOL

# CITY DISTRICT

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDING  
JUNE 30, 2018

WORTHINGTON, OHIO



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# **WORTHINGTON CITY SCHOOL DISTRICT**

**WORTHINGTON, OHIO**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT** *For Fiscal Year Ended June 30, 2018*

**Issued by:**  
**Office of the Treasurer**

**Jeffrey S. McCuen**  
*Treasurer*



# INTRODUCTORY SECTION





# WORTHINGTON CITY SCHOOL DISTRICT

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# **WORTHINGTON CITY SCHOOL DISTRICT**

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200 E. Wilson Bridge Rd.  
Worthington, Ohio 43085  
Phone: 614-883-3120  
Fax: 614-883-3125

# Worthington Schools

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October 8, 2018,

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

As the Superintendent and the Treasurer of the Worthington City School District (the District), we are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2018. This CAFR is prepared by the Treasurer and 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 of the United States and Canada (GFOA). Management is responsible for the contents of this report, and we believe the data presented is complete and accurate in all material respects.

In addition, this report is designed so that a reader can acquire the maximum understanding of the District's financial activity. This report is provided as a way for the District to communicate openly about the District's finances with its stakeholders. It is divided into three sections: Introductory, Financial, and Statistical. The Introductory section includes this letter of transmittal and organizational information. The Financial section includes the Auditor's report, the basic financial statements, which are prepared in accordance with GASB, and supplemental combining individual fund statements and budgetary comparison schedules. The Statistical section provides relevant financial and demographic data over the past ten years.

Management is also required to prepare a narrative introduction and overview of the financial statements in the form of Management's Discussion and Analysis, which can be found on page 5. This letter of transmittal is designed and should be read in conjunction with that analysis. Comments on the report are welcome and requests for additional financial information can be obtained by contacting the Office of the Treasurer.

## **Reporting Entity**

The District is an independent political subdivision of the State of Ohio and operates subject to the provisions of the Ohio Constitution and various sections of the Revised Code. Under such laws, there is no authority for the District to have a charter or adopt local laws. The District is not a part of, nor under the control of, the City of Worthington.

The District encompasses approximately twenty (20) square miles and has an enrollment of approximately 10,200 students in grades pre-K through 12. The District's boundaries include all of the City of Worthington and the Village of Riverlea, and portions of the City of Columbus, as well as unincorporated territory lying within Perry Township and Sharon Township. The District lies entirely within the boundaries of Franklin County.

The District provides a vast range of educational and support services as mandated by State statute and the desires of the community, which include but are not limited to, regular, special

# WORTHINGTON CITY SCHOOL DISTRICT

needs, and vocational educational programs, guidance and support services, co-curricular activities, food service activities, and various community programs.

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, and Statement No. 39, *Determining Whether Certain Organizations are Component Units*, in that the basic financial statements include all organizations, activities and functions for which the District is financially accountable. Financial accountability is defined as the appointment of a voting majority of a component unit's board and either (i) the District's ability to impose its will over a component unit, or (ii) the possibility that the component unit will provide a financial benefit or impose a financial burden on the District. On that basis, the reporting entity of the District includes the services of the District only (i.e. there are no component units).

## Organization of the District

An elected five-member Board of Education (the Board) serves as the taxing authority, contracting body, and policy maker for the District and ensures that all general laws of the State of Ohio are followed in the expenditure of the District's tax dollars. It approves the annual appropriation resolution and five-year forecast and also directly approves all personnel-related expenditures. As of June 30, 2018, board members were as follows:

<u>Board Member</u>	<u>Service Began</u>	<u>Term Expires</u>	<u>Position</u>
Julie Keegan	1/1/08	12/31/19	Member
Sam Shim	1/1/14	12/31/21	Vice President
Jennifer Best	1/1/02	12/31/21	Member
Nikki Hudson	1/1/18	12/31/21	Member
Charlie Wilson	2/14/07	12/31/19	Member

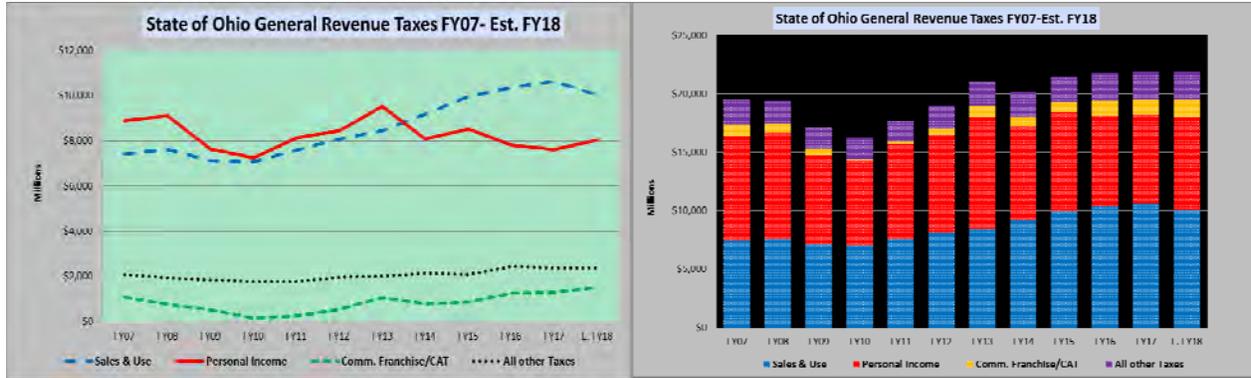
The Superintendent is the Chief Executive Officer of the District, responsible to the Board for total educational and support operations. Dr. Trent Bowers accepted that role on July 1, 2015. Dr. Bowers is a proud graduate from Worthington Schools. He has 20 years of experience in public education and has served students and families as a teacher, coach, dean of students, and the principal of three schools. In addition, he has worked as the Director of Human Resources and Assistant Superintendent for the district. He holds a doctorate in educational leadership from Ashland University, a Masters in school administration from Ohio State University, and a Bachelor's Degree from Taylor University.

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, preparing the District's 5-year forecast, and investing idle funds as permitted by Ohio law. Jeff McCuen accepted that role in August 2007. Prior to Worthington, he was the Assistant Treasurer in the Dublin City School District and has been in the government finance profession over 20 years. Mr. McCuen is a certified public accountant in the state of Ohio and an active member of the Worthington AM Rotary, the GFOA, and the Ohio Association of School Business Officials (OASBO). He was awarded the Ohio GFOA's Lifetime Achievement Award and OASBO's Distinguished Service Award in recognition of his many years of service to the betterment of the profession.

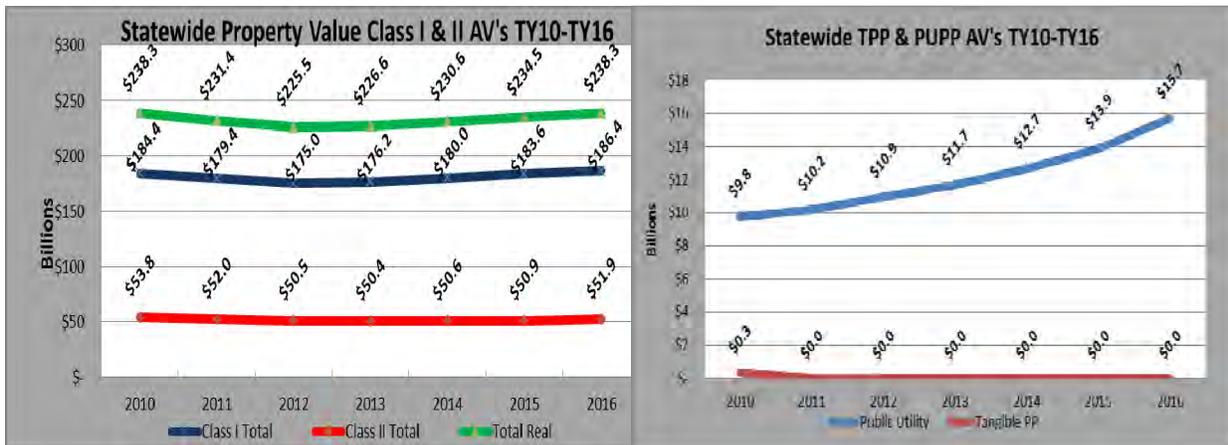
# WORTHINGTON CITY SCHOOL DISTRICT

## Economic Outlook

Statewide economic data suggests that the economy for the FY18-22 period is slowing substantially and will be relatively flat for FY18 and 19. It is important for our school district to consider this for two reasons. First, our state funding is directly affected by state revenue collections and the health of the state budget. State revenue has been flat in recent years, and is expected to remain flat, as illustrated in the graphs below. While our District only receives about a quarter of total operating revenue from state sources, we must assume our share of state revenue will correspondingly remain flat.



Second, and more importantly for our District, the same economic forces driving state tax revenues are also generally affecting the underlying economics of most communities across Ohio, which impacts the ability to collect local tax revenue. Real property values are an important piece of economic data. Property values in tax year 2016 have fully recovered back to pre-recession losses. Worthington in particular, being located in the greater Columbus area which is seeing substantial growth, received an 11% growth in residential values and 6% growth in commercial values during the reappraisal for tax year 2017.



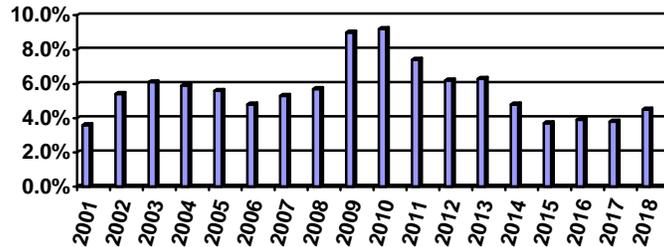
Source: Ohio Department of Taxation

Overall, we believe the economy of the state is stable and should continue to grow slightly during the next few years. The improved labor market is also providing for steady property tax collections by: 1) increasing and stabilizing property values; 2) increasing current property tax collections; and, 3) liquidating prior delinquent tax collections.

# WORTHINGTON CITY SCHOOL DISTRICT

The District resides in Franklin County which has remained a stable economic center throughout the recent recession. This is due to its sizable institutional component, with Columbus being Ohio's capital, as well home to The Ohio State University. The unemployment rate for June 2018, as shown below, was 4.5%, which is below the Ohio average rate of 5.3%.

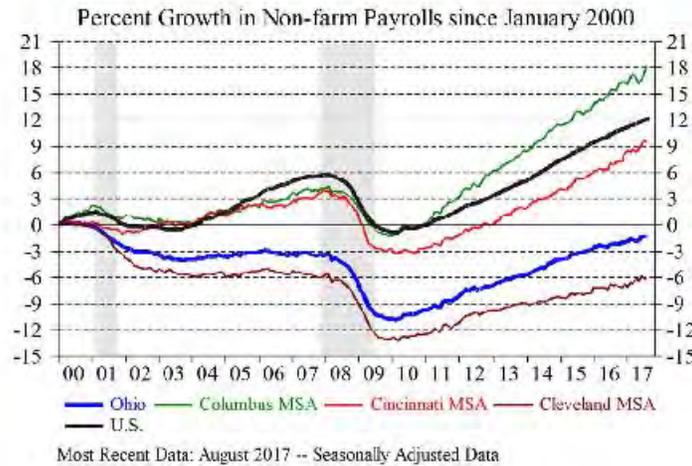
**Franklin County Unemployment Rates**



Source: Ohio Office of Workforce Development

Central Ohio has experienced a well above average growth in jobs compared to both the state and national average, and it is a leading contributor to our housing turnover and recent student enrollment growth, as outlined in the chart below.

## Columbus MSA Surpasses Ohio, Other Large Ohio MSAs and Nation in creating jobs in New Millennium



Region: Ohio, Michigan, Indiana, Pennsylvania, West Virginia, Kentucky, Illinois, Wisconsin

Historical Data Source: Haver Analytics, Inc.



Source: Huntington Bank

The City of Worthington in particular has experienced substantial private sector redevelopment of existing facilities and properties, and turnover of housing.

# WORTHINGTON CITY SCHOOL DISTRICT

While the short term financial picture of the District is strong, there are still long term concerns. Forecasted expenditures, at annual average increases of 3-5%, begin to exceed projected revenues in FY19, due to both the elimination of the tangible tax & reimbursements as well as property tax reduction laws in Ohio that limit any increases in revenues a school district can receive due to increased property values. This requires school districts to periodically return to voters for additional levies. Our board has voted to place both an operating levy and a bond levy on the November 2018 ballot to fund continuing operations as well as address our facility needs: primarily to accommodate our increased student population.

## **Community Relations**

The Administrative team holds in high regard the involvement of key stakeholders, including students, parents, staff members, businesses, public officials and the community members. Management welcomes participation and feedback from these groups. The Superintendent has created a two-way communication with a variety of key community groups to obtain feedback on key issues.

The District is proud of its many partnership programs including those with Worthington Public Libraries, the Griswold Center, the Worthington Arts Council, the American Cancer Society's Relay for Life Program, the United Way, Worthington/Dublin Rotary, the Worthington Chamber of Commerce and the City of Worthington. It is with solid partnerships and community support that an excellent school district is not only created, but maintained.

## **Employee Relations**

The District successfully negotiated long term contracts with both labor unions that extend through fiscal year 2020. The agreements include modest 2% annual base increases along with potential step increases, and provide for a cap on the District's exposure to potential future health insurance increases. We are confident they are a win-win for the District, taxpayers, and employees.

## **Looking Ahead**

During the 2017-2018 year our community-led Facilities Task Force made a recommendation which involved a three phase plan to renovate and replace many schools in the district. The first phase will include a rebuild at the middle school level which will accommodate a new 6-8 middle school program. The enhanced middle school program and K-5 elementaries will begin in the fall of 2021.

The facility work and the ongoing expenses to operate the district will require the district to ask for both operating dollars as well as bond dollars on the November 2018 ballot. The work of the Facilities Task Force will set the district up for long term success with fluctuations in student enrollment and changes to educational program.

After the recent revision to the Gifted Operating Standards a district team of educators evaluated the current Gifted program and made revisions to the district's program for gifted learners.

For the upcoming school year, 2018-2019, we will continue to focus on five strategies designed to make certain that by 2020 80% of all students are proficient and/or college- and career-ready

# WORTHINGTON CITY SCHOOL DISTRICT

on state and national assessments and that 80% of all students met their individual growth goals in Language Arts and Math.

## **Financial Information**

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

*Budgetary Information* - The District maintains budgetary controls in order to ensure compliance with legal provisions embodied in the annual appropriation resolution approved by the Board of Education. Activities of all funds, with the exception of custodial agency funds, are included in the annual appropriation resolution. The level of budgetary control is established at the object level within the General Fund and at the fund level for all other funds. The District maintains an encumbrance method of accounting to accomplish budgetary control. Unencumbered amounts lapse at year end. The District's most recent award winning comprehensive budget document is available on our website, [www.worthington.k12.oh.us](http://www.worthington.k12.oh.us).

*Financial Planning and Policies* – As required by Ohio Revised Code, the District adopts a five-year financial forecast annually to ensure long term financial success. It serves as a planning tool to certify if funds are available for future expenditures and to strategize when the District will need to return to voters for additional funds or to reduce expenditures accordingly.

## **Independent Auditors**

The basic financial statements of the District for the year ended June 30, 2018, were audited by the Ohio Auditor of State whose unmodified opinion thereon is included at the beginning of the Financial Section of this report.

## **Awards**

*GFOA Certificate of Achievement* The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Worthington City School District for its Comprehensive Annual Report for the fiscal year ended June 30, 2017. This was the 25<sup>th</sup> consecutive year that the District has achieved this prestigious award. 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. This report 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 that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

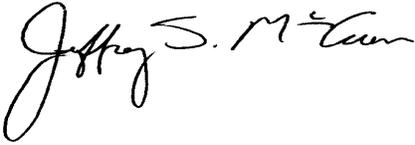
# WORTHINGTON CITY SCHOOL DISTRICT

## Acknowledgments

The preparation of this report was made possible by the diligence of the staff of the entire Financial Services department. Their initiative and conscientious work ensured the integrity of the information contained herein and guaranteed this report's successful completion.

In closing, we would like to thank the Board of Education for their support of the value of quality financial information that makes this report possible. The Board's continued support of absolute excellence will continue to have an exponential impact.

Respectfully submitted,



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Jeffrey S, McCuen, Treasurer/CFO

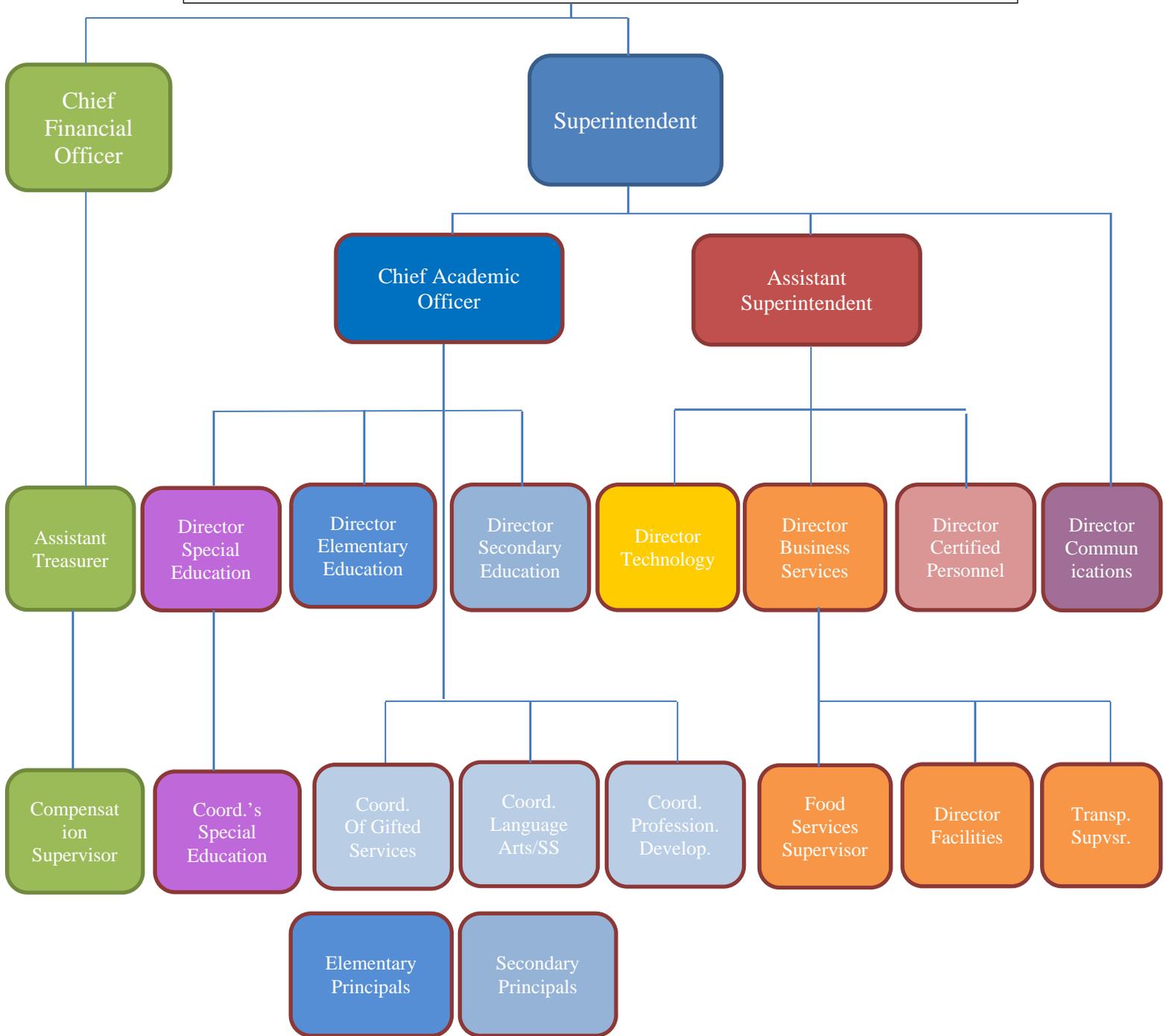


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Trent Bowers, Superintendent

# Citizens of Worthington School District

## Elected 5 Member Board of Education





Government Finance Officers Association

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

Presented to

**Worthington City School District  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2017**

*Christopher P. Morill*

Executive Director/CEO



# FINANCIAL SECTION



# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

Worthington City School District  
Franklin County  
200 East Wilson Bridge Road  
Worthington, Ohio 43085

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 Worthington City School District, Franklin County, Ohio (the District), as of and for the year ended June 30, 2018, 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 opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Worthington City School District, Franklin County, Ohio, as of June 30, 2018, and the respective changes in its financial position and, where applicable, cash flows 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 17 to the financial statements, during 2018, the District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. 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*, required budgetary comparison schedules and schedules of net pension and postemployment benefit liabilities and pension and postemployment 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 October 8, 2018, 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.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

**Dave Yost**  
Auditor of State  
Columbus, Ohio

October 8, 2018

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**Worthington City School District**  
Management's Discussion & Analysis  
For the Fiscal Year Ended June 30, 2018  
(Unaudited)

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As management of the Worthington City School District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2018. We encourage readers to consider the information presented here in conjunction with our letter of transmittal at the front of this report and the District's financial statements, which follow this section.

### **Financial Highlights**

The District implemented *GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,"* which significantly revises accounting for postemployment benefits other than pensions costs and liabilities, thus resulting in the restatement of beginning net position from the previously reported (\$41.6) million to (\$87.8) million. See pages 8-9 for further discussion of this statement.

Total outstanding debt decreased \$8.0 million and totaled \$62.4 million at June 30, 2018. The District retired the remaining balance of the 2007 COPS early saving the District \$106,426 of interest.

Net Pension and Other Postemployment Benefits Liability combined for a decrease of \$73.1 million. The decrease was mainly due to better than expected investment returns.

The general fund reported a healthy fund balance of \$124.8 million, \$67.9 million of which is unassigned and available to fund future operations.

Enrollment continued to grow and totaled 10,136. For fiscal year 2018, the District continues to experience housing turnover, and reinvestment in both residential and commercial properties. Average residential values increased 11 percent during the County reappraisal.

### **Using this Comprehensive Annual Financial Report**

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

### **Reporting the District as a Whole- Statement of Net Position and Statement of Activities**

One of the most important questions asked about the District's finances is, "Is the District better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the District as a whole and about its activities in a manner that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by private sector corporations. All of the current year revenues and expenses are taken into consideration regardless of when cash is received or paid.

These two statements report the District's net position and changes in it. The change in net position provides the reader a tool to assist in determining whether the District's financial health is improving or deteriorating. The reader will need to consider other non-financial factors such

**Worthington City School District**  
Management's Discussion & Analysis  
For the Fiscal Year Ended June 30, 2018  
(Unaudited)

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as property tax base, current property tax laws, student enrollment growth, and facility conditions in arriving at their conclusion regarding the overall health of the District.

In the Statement of Net Position and the Statement of Activities, all of the District's activities are reported as governmental including instruction, support, food service, community service, co-curricular, and interest and fiscal charges.

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

*Fund Financial Statements*

Our analysis of the District's major funds appears on the fund financial statements beginning with the Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances. These statements provide detailed information about the most significant funds—not the District as a whole. Some funds are required to be established by State statute, while many other funds are established by the District to help manage money for particular purposes and compliance with various grant provisions. The District's three types of funds, governmental, proprietary, and fiduciary, use different accounting approaches as further described in the notes to the financial statements.

*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 year-end available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting which measures cash and 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 financial resources available to spend in the near future to finance the District's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the basic financial statements.

*Proprietary Funds*

Proprietary funds use the accrual basis of accounting; the same as on the entity-wide statements. The District uses an internal service fund to account for the Intra-District Services Fund which provides copy and print services to other funds, as well as an internal service fund to account for a self-insurance program for workers compensation insurance and medical insurance. The assets, liabilities, and net position of the internal service funds have been included within the governmental activities.

*Fiduciary Funds*

The District has three fiduciary funds: a Private Purpose Trust Fund and three Agency Funds including a Student Managed Activities, a District Tournament Host fund and a fund to account for community/other school activity within state foundation activity. The District's fiduciary activities are reported in the Statement of Net Position, Fiduciary Funds. We exclude these activities from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

**Worthington City School District**  
Management's Discussion & Analysis  
For the Fiscal Year Ended June 30, 2018  
(Unaudited)

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**Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, liabilities and deferred inflows exceeded assets and deferred outflows of resources of resources by \$6.1 million according to the Statement of Net Position at the close of the most recent fiscal year. The negative net position can be attributed to GASB 68 and GASB 75 and the recording of a net pension and other postemployment benefits liability of \$203.5 million at year end.

One of the larger portions of the District's net position reflects its net investment in capital assets of \$15.1 million, which represents capital assets less accumulated depreciation and any related debt used to acquire those assets that is still outstanding. The District uses capital assets to provide services; consequently, these assets are usually not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves usually are not used to liquidate these liabilities.

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**Worthington City School District**  
Management's Discussion & Analysis  
For the Fiscal Year Ended June 30, 2018  
(Unaudited)

A comparative analysis of fiscal year 2018 to 2017 follows from the Statements of Net Position:

<b>Worthington City School District</b>		
<b>Net Position</b>		
	<b>2018</b>	<b>As Restated 2017</b>
<b>Assets:</b>		
Current Assets	\$ 232,088,550	\$ 227,105,216
Capital Assets	72,061,960	73,713,436
<b>Total Assets</b>	<b>304,150,510</b>	<b>300,818,652</b>
 <b>Deferred Outflows of Resources</b>	<b>53,727,092</b>	<b>45,762,488</b>
 <b>Liabilities</b>		
Current Liabilities	17,907,693	19,100,121
Long-Term Liabilities		
Net Pension Liability	166,592,513	230,169,700
Other Postemployment Benefits Liability	36,959,699	46,499,107
Other Long-Term Liabilities	72,249,471	80,031,191
<b>Total Liabilities</b>	<b>293,709,376</b>	<b>375,800,119</b>
 <b>Deferred Inflows of Resources</b>	<b>70,271,117</b>	<b>58,636,117</b>
 <b>Net Position:</b>		
Net Investment in Capital Assets	15,113,114	13,630,829
Restricted	9,911,243	8,666,797
Unrestricted	(31,127,248)	(110,152,722)
<b>Total Net Position</b>	<b>\$ (6,102,891)</b>	<b>\$ (87,855,096)</b>

The largest impact on the District's financial statement in 2018 had absolutely no impact on the District's financial condition; GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27" and *GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)"* require the District to recognize a net pension and OPEB liability of \$203 million. For reasons discussed below, this liability serves only to distort the true financial position of the District. Users of this financial statement will gain a clearer understanding of the District's actual financial condition by adding deferred inflows related to pension/OPEB and the net pension/OPEB liability to the reported net position and subtracting deferred outflows related to pension/OPEB. The resulting net position would be \$156 million which is nearly \$162 million more than the net position reported.

Governmental Accounting Standards Board (GASB) standards are national and apply to all governmental financial reports prepared in accordance with generally accepted accounting principles. When accounting for pension and OPEB costs, GASB 27 and 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. GASB 68 and GASB 75 takes an earnings approach to pension and OPEB accounting;

**Worthington City School District**  
Management's Discussion & Analysis  
For the Fiscal Year Ended June 30, 2018  
(Unaudited)

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however, the nature of Ohio's statewide pension systems and state law governing those systems requires additional explanation in order to properly understand the information in these statements.

Under the standards required by GASB 68 and GASB 75, the pension and OPEB liability equals the District's proportionate share of each plan's collective present value of estimated future pension and OPEB benefits attributable to active and inactive employees' past service, less 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. GASB noted that the unfunded portion of the pension and OPEB benefit 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 this liability. 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. 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 pension and other postemployment benefit system. In Ohio, there is no legal means to enforce the unfunded liability of the pension and OPEB system as *against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension and OPEB system is responsible for the administration of the plan.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the pension and other postemployment benefit liability. As explained above, changes in pension and OPEB, contribution rates, and return on investments affect the balance of the pension and OPEB liability, 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 pension and OPEB payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the pension and OPEB liability is satisfied, this liability is 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 and OPEB expense for their proportionate share of each plan's *change* in net pension liability and other postemployment benefit liability not accounted for as deferred inflows/outflows.

As a result of implementing GASB 75 in 2018, the District is reporting a other postemployment benefit liability and deferred inflows/outflows of resources related to other postemployment benefits on the accrual basis of accounting. This implementation also had the effect of restating net position at June 30, 2017, from (\$41,649,989) to (\$87,855,096).

**Worthington City School District**  
Management's Discussion & Analysis  
For the Fiscal Year Ended June 30, 2018  
(Unaudited)

In order to further understand what makes up the increase in net position for the current year, the following comparative analysis of fiscal year 2018 and 2017 follows from the statement of activities:

**Worthington City School District**  
**Changes in Net Position**

	<u>2018</u>	<u>2017</u>
<u>Program revenues:</u>		
Charges for services	\$ 6,163,785	\$ 5,547,204
Operating Grants and Contributions	7,006,404	7,128,197
<b>Total Program Revenues</b>	<b>\$ 13,170,189</b>	<b>\$ 12,675,401</b>
<u>General revenues:</u>		
Property and other local taxes	\$ 107,197,805	\$ 101,525,799
State entitlements	33,720,750	34,680,516
Investment income	1,110,826	1,022,731
Other	489,059	567,815
<b>Total General Revenues</b>	<b>\$ 142,518,440</b>	<b>\$ 137,796,861</b>
<b>Total Revenues</b>	<b>\$ 155,688,629</b>	<b>\$ 150,472,262</b>
<u>Expenses:</u>		
Instructional	\$ 30,606,382	\$ 87,932,589
Support services	34,569,774	50,636,965
Food service	3,148,214	3,265,866
Community services	1,528,799	2,208,625
Co-curricular student activities	2,212,042	3,274,663
Interest and Fiscal Charges	1,871,213	2,087,188
<b>Total expenses</b>	<b>\$ 73,936,424</b>	<b>\$ 149,405,896</b>
<b>Change in Net Position</b>	<b>\$ 81,752,205</b>	<b>\$ 1,066,366</b>
<b>Net Position Beginning of Year</b>	<b>(87,855,096)</b>	<b>N/A</b>
<b>Net Position End of Year, As Restated 2017</b>	<b>\$ (6,102,891)</b>	<b>\$ (87,855,096)</b>

Total revenue increased \$5.2 million. Local property tax revenue increased \$5.7 million while state entitlements decreased \$1.0 million. Federal income tax reform and changes to deductibility of local taxes gave some residents incentive to pay taxes earlier, accounting for the majority of the increase for fiscal year 2018.

Total expenses decreased \$75.5 million. Again, as discussed previously, the effects of GASB 68 and 75 greatly distort this comparative analysis due to the significant impact changes made to cost of living adjustments enacted by the state pension board had on the District's share of the total pension/OPEB liability. Readers will want to turn to pages 11-13 for analysis of the District's fund financial statements.

*Governmental Activities*

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. The table below reflects the cost of program services and the net cost of those services after taking into account the program revenues for the

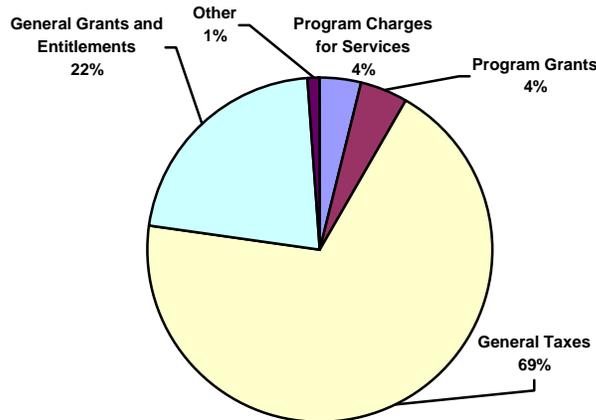
**Worthington City School District**  
**Management's Discussion & Analysis**  
**For the Fiscal Year Ended June 30, 2018**  
**(Unaudited)**

governmental activities. General revenues including tax revenue, investment earnings and unrestricted State entitlements must support the net cost of program services.

<u>Programs</u>	Governmental Activities			
	Total Cost of Services		Net Cost (Benefit) of Services	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Instructional services	\$ 30,606,382	\$ 87,932,589	26,648,171	84,334,186
Support services	34,569,774	50,636,965	32,403,058	48,451,653
Food services	3,148,214	3,265,866	(480,281)	(298,682)
Community services	1,528,799	2,208,625	(607,930)	100,892
Co-curricular student activities	2,212,042	3,274,663	932,004	2,055,258
Interest and fiscal charges	1,871,213	2,087,188	1,871,213	2,087,188
Total	\$ 73,936,424	\$ 149,405,896	60,766,235	136,730,495

The table above reflects how the District funds its programs through program revenues. Instructional services, support services, co-curricular activities, and interest charges rely heavily on general revenues, while food services and community services was completely funded by program revenues during the fiscal year. The large decrease in instructional and support services is the byproduct of GASB 68 and 75 as previously discussed. To gain a better understanding of operations, please refer to the fund analysis on the next following pages.

Revenue By Source



The District's reliance upon tax revenues is demonstrated by the graph to the left that indicates 69% of total revenues for governmental activities come from local taxes.

**The District's Funds**

The District's governmental funds reported a combined fund balance of \$140.3 million, which represents an increase of \$6.0 million from the prior year. A comparison of total fund balance for each major fund is shown below:

**Worthington City School District**  
**Management's Discussion & Analysis**  
**For the Fiscal Year Ended June 30, 2018**  
**(Unaudited)**

Fund	Fund Balance June 30, 2018	Fund Balance June 30, 2017	Increase (Decrease)
General Fund	\$ 124,821,242	\$ 116,960,538	\$ 7,860,704
Debt Service Fund	7,437,302	6,490,382	946,920
Building Fund	5,208,358	8,667,865	(3,459,507)
Other Governmental Funds	2,861,149	2,207,427	653,722
Total	<u>\$ 140,328,051</u>	<u>\$ 134,326,212</u>	<u>\$ 6,001,839</u>

*General Fund*

The District's General Fund balance increased \$7.9 million from the prior year. The tables that follow illustrate the financial activities of the General Fund.

Revenues	2018	2017	Change
Property and other local taxes	\$ 100,496,699	\$ 95,110,904	\$ 5,385,795
Intergovernmental	33,921,509	34,531,281	(609,772)
Investment income	715,425	788,017	(72,592)
Other revenue	3,769,030	3,250,546	518,484
Total	<u>\$ 138,902,663</u>	<u>\$ 133,680,748</u>	<u>\$ 5,221,915</u>

Property taxes increased \$5.4 million due to payments made by residents in advance relating to changes in federal tax laws and tax settlements entered into for the period. Intergovernmental revenue decreased due to the scheduled phase out of tangible personal property tax reimbursements from the state.

As the table below indicates, the largest portion of General Fund expenditures is for instructional services, primarily for salaries and fringe benefits. The District is a service entity and therefore is labor intensive.

**General Fund Expenditures by Function**

	2018	2017	Change
Instructional services	\$ 78,888,744	\$ 77,639,868	1.6%
Support services	46,015,037	44,087,359	4.4%
Community Service	918,937	963,649	-4.6%
Co-curricular student activities	2,211,898	2,220,641	-0.4%
Capital outlay	203,113	227,054	-10.5%
Total	<u>\$ 128,237,729</u>	<u>\$ 125,138,571</u>	<u>2.5%</u>

*Debt Service Fund*

The Debt Service Fund balance increased \$0.9 million from the prior year. This is due to the timing variances between property tax collections and debt payments, and taxpayers making property tax payments in advance of year end due to changes in federal income tax laws.

**Worthington City School District**  
Management's Discussion & Analysis  
For the Fiscal Year Ended June 30, 2018  
(Unaudited)

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*Building Fund*

The Building Fund decreased \$3.5 million as a result of spending down of the remaining 2012 capital improvement bond issue in accordance with the District's five year capital improvement plan.

*Other Governmental Funds*

Other governmental funds consist of a capital project fund and special revenue funds. The total fund balances of Other Nonmajor Governmental Funds increased \$0.6 million. These are mainly grant funds in which proceeds are to be spent timely and revenues generally approximate expenditures.

*Internal Service Funds*

The District has three internal service funds, an Intra-District Services Fund to provide printing and copying services, a Workers Compensation Insurance Fund to account for the worker's compensation self-insurance program, and an Employee Medical Benefits Insurance Fund to account for the medical self-insurance program. Premiums are paid into both insurance funds from the fund in which the employee is paid, and claims, reinsurance, and administrative expenses are paid out of the funds. The combined Net Position of all internal service funds at the June 30, 2018 was \$11.4 million, an increase of \$0.5 million. The District insurance premium saw an increase of 7.14% during fiscal year 2018 to cover trend increases in medical costs.

**Capital Assets**

The District has \$72.1 million invested in capital assets net of accumulated depreciation at the close of fiscal year 2018. Acquisitions totaled \$2.7 million and include new roofs at Worthington Park and Granby, 2 new buses, and updated HVAC systems at various buildings. Depreciation for the year totaled \$4.4 million. Detailed information regarding capital asset activity is included Footnote 8 of the notes to the basic financial statements. In addition, the District had numerous construction commitments outstanding at June 30, 2018 as a result of the ongoing capital improvement plan; these commitments are described in Footnote 14 of the notes to the basic financial statements.

**Debt**

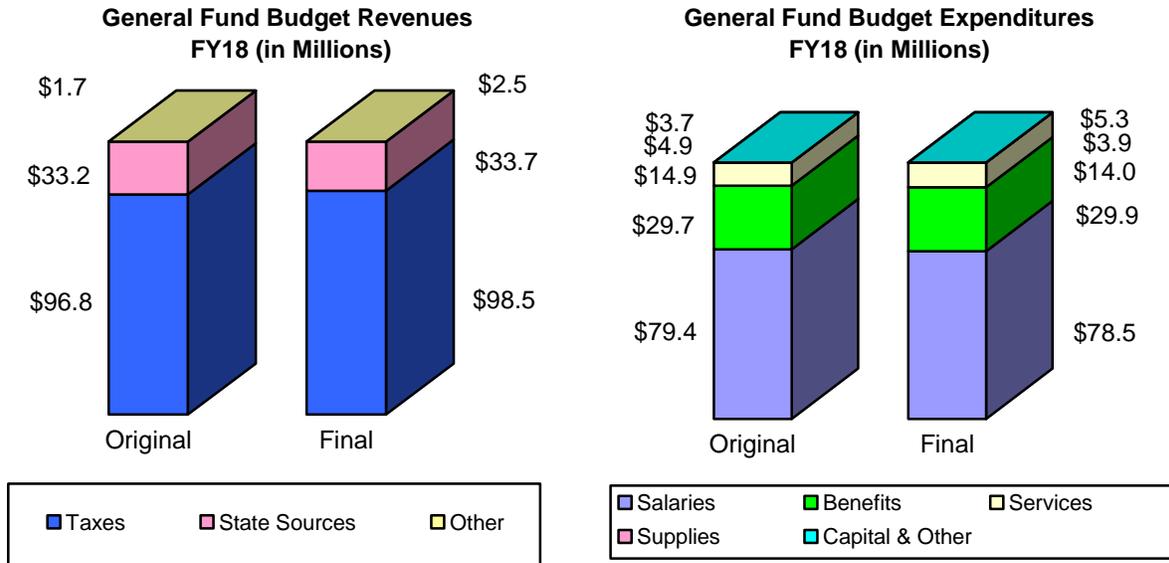
On June 30, 2018, the District had \$62.4 million in outstanding notes, certificates of participation and bonds. The District paid \$7.6 million in principal and \$2.0 million in interest on that debt during the year. Detailed information regarding long-term debt is included in Footnote 9 of the notes to the basic financial statements.

Under current state statutes, the District's general obligation bonded debt issues are subject to a legal limitation based on 9% (exclusive of any accretion on deep discount debt and certificates of participation) of the total taxable valuation of real and personal property. As of June 30, 2018, the District's general obligation debt was below the legal limit.

**Worthington City School District**  
 Management's Discussion & Analysis  
 For the Fiscal Year Ended June 30, 2018  
 (Unaudited)

**Budget Information**

The District's budget is prepared in accordance with Ohio law and is based on the cash basis of accounting, utilizing cash receipts, disbursements and encumbrances. Changes are made to the budget as changes in revenues and spending patterns are experienced. The most significant budgeted fund is the General Fund, and it is monitored closely, looking for possible shortfalls or overspending by individual departments.



General Fund revenues and other financing sources were originally budgeted for \$131.7 million and final budget and actual revenues and other financing sources were \$134.7 million. Taxes were slightly higher than anticipated due to timing of payments by home owners relating to change in feral tax law. Expenditures and other financing uses were originally budgeted at \$132.6 million and final and actual expenditures and other financing uses were \$131.6 million. Mild conditions allowed for lower than expected utility costs and supplies were less than anticipated. The District increased transfers out \$1.5 million to pay off 2007 COPS debt early which saved the District \$106,426.

The District uses the five-year forecast as the original document from which to form the operating budget. After updating the forecast for changes in revenue and expenditure assumptions, the operating budget begins at the school level. Each school in the District receives a per pupil allocation augmented with resources for special education students in the specific buildings. Budgets are reviewed periodically to ensure management becomes aware of any variations during the year.

The District issues a standalone budgetary document that can be found on our website at [www.worthington.k12.oh.us](http://www.worthington.k12.oh.us) under leadership/treasurer.

**Current Financial and Economic Conditions**

The latest five-year forecast passed in May 2018 shows a positive cash balance through fiscal year 2022. Forecasted expenditures begin to exceed projected revenues in FY19, due to both the elimination of the tangible tax and reimbursements as well as a cap on the District's share of

**Worthington City School District**  
Management's Discussion & Analysis  
For the Fiscal Year Ended June 30, 2018  
(Unaudited)

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state formulary funding. The cap on state funding causes the District to receive \$21 million less in revenue from FY18-22 than the state formula indicates it should receive. There are also property tax reduction laws in Ohio that limit any increases in revenues a school district can receive due to increased property values. This requires school districts to periodically return to voters for additional levies. All of these factors have led the board to place both an operating levy and a bond levy on the November 2018 ballot to fund continuing operations as well as address our facility needs: primarily to accommodate our increased student population.

**Request for Information**

This financial report is designed to provide the citizens, taxpayers, customers, and creditors with a general overview of the District's finances and to show accountability for the money it receives. Questions concerning any information provided in this report or request for additional financial information should be addressed to the Treasurer/CFO of the Worthington City School District, Jeffrey S. McCuen at 200 E. Wilson Bridge Rd. Worthington, Ohio 43085.

# **WORTHINGTON CITY SCHOOL DISTRICT**

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## **BASIC FINANCIAL STATEMENTS**

**WORTHINGTON CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

STATEMENT OF NET POSITION  
AS OF JUNE 30, 2018

	Governmental Activities
<b>Assets:</b>	
Cash and Investments	\$ 129,380,445
Inventory	194,839
Receivables, net	101,595,971
Intergovernmental Receivable	828,039
Prepaid Items	89,256
Land and Construction in Progress	10,613,381
Depreciable Capital Assets, net	61,448,579
Total Assets	304,150,510
<b>Deferred Outflows of Resources:</b>	
Deferred Amount on Refunding	938,454
Pension	51,284,716
Other Postemployment Benefits (OPEB)	1,503,922
<b>Deferred Outflows of Resources</b>	53,727,092
<b>Liabilities:</b>	
Accounts Payable	1,259,785
Accrued Liabilities	11,150,206
Intergovernmental Payable	3,762,446
Claims Payable	1,543,953
Unearned Revenue	191,303
Long-Term Liabilities:	
Due within One Year	6,732,080
Due in More Than One Year	
Net Pension Liability	166,592,513
Other Postemployment Benefits	36,959,699
Other Amounts Due later than one year	65,517,391
Total Liabilities	293,709,376
<b>Deferred Inflows of Resources:</b>	
Property Taxes	59,075,353
Pension	6,803,127
Other Postemployment Benefits	4,392,637
<b>Deferred Inflows of Resources</b>	70,271,117
<b>Net Position:</b>	
Net Investment in Capital Assets	15,113,114
Restricted for:	
Debt Service	7,441,988
Capital Outlay	1,857,835
School Supplies	117,091
Non-Public Schools	218,996
Other Purposes	275,333
Unrestricted	(31,127,248)
Total Net Position	\$ (6,102,891)

The notes to the basic financial statements are an integral part of this statement.

**WORTHINGTON CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
				Governmental Activities
<b>Governmental Activities</b>				
<b>Instruction</b>				
Regular	\$ 22,746,573	\$ 959,605	\$ 5,137	\$ (21,781,831)
Special	6,920,794	217,466	2,497,281	(4,206,047)
Vocational	869,323	-	278,722	(590,601)
Other	69,692	-	-	(69,692)
<b>Support Services</b>				
Pupils	2,929,873	29,621	1,020,111	(1,880,141)
Instructional Staff	3,445,735	5,039	110,157	(3,330,539)
Board of Education	29,625	-	-	(29,625)
Administration	4,715,091	-	-	(4,715,091)
Business	3,931,738	427,826	-	(3,503,912)
Operation and Maintenance of Plant	13,343,532	530,405	-	(12,813,127)
Pupil Transportation	4,983,983	8,938	2,219	(4,972,826)
Central	1,190,197	-	32,400	(1,157,797)
Food Service Operations	3,148,214	1,959,508	1,668,987	480,281
Community Services	1,528,799	1,068,216	1,068,513	607,930
Co-curricular Student Activities	2,212,042	957,161	322,877	(932,004)
Interest and Fiscal Charges	1,871,213	-	-	(1,871,213)
<b>Total Governmental Activities</b>	<b>\$ 73,936,424</b>	<b>\$ 6,163,785</b>	<b>\$ 7,006,404</b>	<b>\$ (60,766,235)</b>
<b>General Revenues</b>				
Property and Other Local Taxes:				
				\$ 100,189,688
				7,008,117
				33,720,750
				1,110,826
				489,059
<b>Total General Revenues</b>				<b>142,518,440</b>
Change in Net Position				81,752,205
Net Position Beginning of Year, As Restated				(87,855,096)
Net Position End of Year				<b>\$ (6,102,891)</b>

The notes to the basic financial statements are an integral part of this statement.

**WORTHINGTON CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
AS OF JUNE 30, 2018**

	General Fund	Debt Service Fund	Building Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>					
Cash and Investments	\$ 101,627,788	\$ 4,884,246	\$ 5,517,860	\$ 3,243,652	\$ 115,273,546
Inventory	76,599	-	-	55,191	131,790
Receivables, net	95,510,266	6,085,705	-	-	101,595,971
Interfund Receivable	17,700	-	-	-	17,700
Intergovernmental Receivable	216,904	-	-	611,135	828,039
Prepaid Items	1,168,038	-	-	59,211	1,227,249
<b>Total Assets</b>	<b>\$ 198,617,295</b>	<b>\$ 10,969,951</b>	<b>\$ 5,517,860</b>	<b>\$ 3,969,189</b>	<b>\$ 219,074,295</b>
<b>Liabilities:</b>					
Accounts Payable	\$ 868,540	\$ -	\$ 309,502	\$ 56,328	\$ 1,234,370
Accrued Liabilities	10,391,412	-	-	574,962	10,966,374
Interfund Payable	41,410	-	-	20,000	61,410
Intergovernmental Payable	3,673,613	-	-	88,833	3,762,446
<b>Total Liabilities</b>	<b>14,974,975</b>	<b>-</b>	<b>309,502</b>	<b>740,123</b>	<b>16,024,600</b>
<b>Deferred Inflows of Resources:</b>					
Unavailable Revenue	3,089,856	188,518	-	367,917	3,646,291
Property Taxes	55,731,222	3,344,131	-	-	59,075,353
<b>Total Deferred Inflows of Resources</b>	<b>58,821,078</b>	<b>3,532,649</b>	<b>-</b>	<b>367,917</b>	<b>62,721,644</b>
<b>Fund Balances:</b>					
Nonspendable:					
Inventory	76,599	-	-	55,191	131,790
Prepaid items	1,168,039	-	-	59,211	1,227,250
Restricted for:					
Debt Service	-	7,437,302	-	-	7,437,302
Capital Outlay	-	-	5,208,358	712,440	5,920,798
School Supplies	-	-	-	117,091	117,091
Non-public Schools	-	-	-	215,637	215,637
Other Purposes	-	-	-	1,342,583	1,342,583
Committed to:					
Co-curricular Activities	-	-	-	533,975	533,975
Budget Contingency	21,753,480	-	-	-	21,753,480
Assigned for:					
Public School Support	736,288	-	-	-	736,288
Instruction	550,819	-	-	-	550,819
Support Services	1,379,290	-	-	-	1,379,290
Other Purposes	12,215	-	-	-	12,215
Future Appropriations	31,194,695	-	-	-	31,194,695
Unassigned	67,949,817	-	-	(174,979)	67,774,838
<b>Total Fund Balances</b>	<b>124,821,242</b>	<b>7,437,302</b>	<b>5,208,358</b>	<b>2,861,149</b>	<b>140,328,051</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 198,617,295</b>	<b>\$ 10,969,951</b>	<b>\$ 5,517,860</b>	<b>\$ 3,969,189</b>	<b>\$ 219,074,295</b>

The notes to the basic financial statements are an integral part of this statement.

**WORTHINGTON CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES

JUNE 30, 2018

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<b>Total Governmental Fund Balances</b>	\$ 140,328,051
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*Amounts reported for governmental activities in the statement of net position are different because:*

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	71,910,365
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Other long-term assets (receivables) are not available to pay for current period expenditures and therefore are reported as unavailable revenue in the funds.

Taxes	2,782,806	
Intergovernmental	591,621	
Interest	271,864	
<b>Total</b>	<b>3,646,291</b>	<b>3,646,291</b>

The accounting loss reported as a deferred outflow of resources is applicable to future reporting periods and is not reported on the fund statements.	938,454
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Long-Term liabilities, including bonds and notes payable, are not due and payable in the current period and therefore are not reported in the funds.

Bonds Payable	(59,763,730)	
Notes Payable	(2,627,866)	
Interest Payable	(183,832)	
Compensated Absences	(9,829,948)	
<b>Total</b>	<b>(72,405,376)</b>	<b>(72,405,376)</b>

The net pension and OPEB liabilities are not due and payable in the current period: therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:

Deferred Outflows - Pension	51,284,716	
Deferred Inflows - Pension	(6,803,127)	
Net Pension Liability	(166,592,513)	
Deferred Outflows - OPEB	1,503,922	
Deferred Inflows - OPEB	(4,392,637)	
OPEB Liability	(36,959,699)	

Internal Service Funds are used by management to charge the cost of copying and printing as well as workers compensation and health self insurance to individual funds. The assets and liabilities of the Internal Service fund are included in governmental activities in the Statement of Net Position.

11,438,662

<b>Net Position of Governmental Activities</b>	<b>\$ (6,102,891)</b>
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The notes to the basic financial statements are an integral part of this statement.

**WORTHINGTON CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	General Fund	Debt Service Fund	Building Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Property and Other Local Taxes	\$100,496,699	\$ 7,019,611	\$ -	\$ -	\$107,516,310
Intergovernmental	33,921,509	881,114	-	6,080,832	40,883,455
Investment Income	715,425	-	102,329	21,248	839,002
Tuition and Fees	1,905,450	-	-	367,298	2,272,748
Co-curricular Activities	132,472	-	-	824,689	957,161
Customer Sales and Services	530,405	-	-	1,962,216	2,492,621
Other	1,200,703	-	-	48,293	1,248,996
<b>Total Revenues</b>	<b>138,902,663</b>	<b>7,900,725</b>	<b>102,329</b>	<b>9,304,576</b>	<b>156,210,293</b>
<b>Expenditures:</b>					
<b>Current:</b>					
<b>Instruction:</b>					
Regular	61,836,027	-	319,496	305,899	62,461,422
Special	15,985,600	-	7,254	2,307,001	18,299,855
Vocational	811,980	-	-	33,963	845,943
Other	255,137	-	-	-	255,137
<b>Support services:</b>					
Pupils	7,830,234	-	-	496,349	8,326,583
Instructional Staff	5,778,652	-	82,849	289,424	6,150,925
Board of Education	32,994	-	-	-	32,994
Administration	9,610,615	-	999	-	9,611,614
Business	4,033,448	96,608	2,565	-	4,132,621
Operation and Maintenance of Plant	12,129,050	-	657,073	86,222	12,872,345
Pupil Transportation	5,089,415	-	15,040	2,064	5,106,519
Central	1,510,629	-	-	32,400	1,543,029
Food Service Operations	-	-	4,907	3,343,807	3,348,714
Community Services	918,937	-	-	936,270	1,855,207
Co-curricular Student Activities	2,211,898	-	58,789	729,194	2,999,881
Capital Outlay	203,113	-	2,412,864	94,612	2,710,589
<b>Debt service:</b>					
Principal	-	7,615,108	-	-	7,615,108
Interest	-	2,045,415	-	-	2,045,415
<b>Total Expenditures</b>	<b>128,237,729</b>	<b>9,757,131</b>	<b>3,561,836</b>	<b>8,657,205</b>	<b>150,213,901</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,664,934	(1,856,406)	(3,459,507)	647,371	5,996,392
<b>Other financing sources (uses):</b>					
Proceeds from Sale of Capital Assets	5,447	-	-	-	5,447
Transfers In	-	2,803,326	-	6,351	2,809,677
Transfers Out	(2,809,677)	-	-	-	(2,809,677)
<b>Total other financing sources (uses)</b>	<b>(2,804,230)</b>	<b>2,803,326</b>	<b>-</b>	<b>6,351</b>	<b>5,447</b>
<b>Net Change in Fund Balances</b>	<b>7,860,704</b>	<b>946,920</b>	<b>(3,459,507)</b>	<b>653,722</b>	<b>6,001,839</b>
Fund Balance Beginning of Year	116,960,538	6,490,382	8,667,865	2,207,427	134,326,212
<b>Fund Balance End of Year</b>	<b>\$124,821,242</b>	<b>\$ 7,437,302</b>	<b>\$ 5,208,358</b>	<b>\$ 2,861,149</b>	<b>\$140,328,051</b>

The notes to the basic financial statements are an integral part of this statement.

**WORTHINGTON CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

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, 2018

**Net Change in Fund Balances - Total Governmental Funds** \$ 6,001,839

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Depreciation Expense	(4,281,838)	
Capital Outlay	2,710,589	
Total		(1,571,249)

Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the gains and losses on the disposal of capital assets.

Loss on Disposal of Capital Assets		(6,023)
Total		

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

Taxes	(318,505)	
Intergovernmental	(728,247)	
Interest	91,946	
Total		(954,806)

Repayment of bond principal is recorded as expenditures in the governmental funds, but the repayment reduces liabilities in the statement of net position and does not result in an expense in the statement of activities. 7,615,108

The deferred amount on refunded debt is reported as an expenditure at the time of refunding in the governmental funds, but is amortized over the life of the new debt in the statement of activities. (245,758)

Premium on issuance of bonds is recorded as other financing sources in the governmental funds, but the premium is recorded as part of the bond liability and amortized over the life of the bonds in the statement of activities and therefore is not recorded in the statement of activities.

Current Year Amortization		654,990
Total		

In the statement of activities, interest is accrued on outstanding bonds and long term notes payable, whereas in governmental funds, an interest expenditure is reported when due. 19,825

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

Compensated Absences	(228,275)	
Capital Bond Accretion	(254,855)	
Total		(483,130)

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows. 12,072,673

Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities. 52,134,255

Except for amounts reported as deferred inflows/outflows, changes in the other postemployment benefit liability is reported as OPEB expense in the statement of activities. 6,036,693

Internal service funds used by management to charge the costs of copying and printing services and workers compensation and health self insurance to individual funds is not reported in the district wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue of the internal service fund is allocated among the governmental activities. 477,788

**Change in Net Position of Governmental Activities** \$81,752,205

The notes to the basic financial statements are an integral part of this statement.

**WORTHINGTON CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

STATEMENT OF NET POSITION  
PROPRIETARY FUND  
AS OF JUNE 30, 2018

	Governmental Activities- Internal Service Funds
<b>Assets</b>	
Current Assets:	
Cash and Investments	\$ 14,106,899
Inventory	63,049
Interfund Receivable	43,710
Prepaid items	93,695
Total Current Assets	14,307,353
Noncurrent Assets:	
Depreciable Capital Assets, net	151,595
Total Assets	14,458,948
<b>Liabilities</b>	
Current Liabilities:	
Accounts Payable	25,415
Compensated Absences Payable	8,082
Claims Payable	1,543,953
Unearned Revenue	1,422,991
Total Current Liabilities	3,000,441
Long-Term Liabilities:	
Compensated Absences Payable	19,845
Total Long-Term Liabilities	19,845
Total Liabilities	3,020,286
<b>Net Position</b>	
Net Investment in Capital Assets	151,595
Unrestricted	11,287,067
Total Net Position	\$ 11,438,662

The notes to the basic financial statements are an integral part of this statement.

**WORTHINGTON CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION  
PROPRIETARY FUND  
FOR FISCAL YEAR ENDED JUNE 30, 2018

		Governmental Activities- Internal Service Funds
<b>OPERATING REVENUES:</b>		
Charges for Services	\$	17,536,341
Total Operating Revenues		17,536,341
<b>OPERATING EXPENSES:</b>		
Salaries		183,271
Fringe benefits		94,726
Purchased Services		1,893,656
Material and Supplies		228,693
Depreciation		83,754
Claims		14,754,331
Total Operating Expenses		17,238,431
Operating Income		297,910
<b>NON-OPERATING REVENUES:</b>		
Interest		179,878
Total Non-Operating Revenues		179,878
Change in Net Position		477,788
Net Position at Beginning of Year		10,960,874
Net Position at End of Year	\$	11,438,662

The notes to the basic financial statements are an integral part of this statement.

**WORTHINGTON CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Governmental Activities- Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Cash received from charges from services	\$ 17,749,204
Cash payments for personal services	(276,030)
Cash payments for purchased services	(1,905,419)
Cash payments for supplies and materials	(234,128)
Cash payments for claims	(15,213,205)
NET CASH PROVIDED BY OPERATING ACTIVITIES	120,422
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Payments for Capital Acquisitions	(9,550)
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(9,550)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Interest Received	179,878
NET CASH PROVIDED BY INVESTING ACTIVITIES	179,878
INCREASE IN CASH AND INVESTMENTS	290,750
CASH AND INVESTMENTS BEGINNING OF YEAR	13,816,149
CASH AND INVESTMENTS END OF YEAR	\$ 14,106,899
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	
Operating Income	297,910
Adjustments	
Depreciation	83,754
(Increase) Decrease in Assets:	
Inventory	(7,999)
Interfund Receivable	22,733
Receivables, net	35,113
Prepaid Items	(7,555)
Increase (Decrease) in Liabilities:	
Accounts payable	(502,631)
Accrued Liabilities	(745)
Interfund payable	(2)
Claims payable	45,030
Intergovernmental payable	(5,451)
Unearned Revenue	155,017
Compensated Absences	5,248
Net cash provided by operating activities	\$ 120,422

The notes to the basic financial statements are an integral part of this statement.

**WORTHINGTON CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUND  
AS OF JUNE 30, 2018

	Private Purpose Trust Fund	Agency Funds
<b>Assets</b>		
Current Assets:		
Cash and Investments	\$ 126,881	\$ 152,142
Total Assets	\$ 126,881	\$ 152,142
<b>Liabilities</b>		
Current Liabilities:		
Accounts Payable	\$ -	\$ 1,282
Due to Others	-	150,860
Total Liabilities	-	\$ 152,142
<b>Net Position:</b>		
Held in Trust for Scholarships	126,881	
Total Net Position	\$ 126,881	

The notes to the basic financial statements are an integral part of this statement.

**WORTHINGTON CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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	Private Purpose Trust Fund
<b>Additions:</b>	
Interest	\$ 1,779
Total Additions	<u>1,779</u>
<b>Deductions</b>	
Contributions- Scholarships	1,200
Total Deductions	<u>1,200</u>
Change in Net Position	579
Net Position Beginning of Year	126,302
Net Position End of Year	<u>\$ 126,881</u>

The notes to the basic financial statements are an integral part of this statement.

# WORTHINGTON CITY SCHOOL DISTRICT

## Notes to the Basic Financial Statements

June 30, 2018

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### 1. Reporting Entity

The Worthington City School District (the District) is an independent political subdivision of the State of Ohio and operates subject to the provisions of the Ohio Constitution and various sections of the Revised Code. Under such laws, there is no authority for the District to have a charter or adopt local laws. The District is not a part of, nor under the control of, the City of Worthington.

The District encompasses approximately twenty (20) square miles. The District's boundaries include all of the City of Worthington and the Village of Riverlea, and portions of the City of Columbus, as well as unincorporated territory lying within Perry Township and Sharon Township. The District lies entirely within the boundaries of Franklin County.

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and Statement No. 61, *The Financial Reporting Entity: Omnibus*, in that the financial statements include all organizations, activities, and functions 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. The District had no component units for the fiscal year ended June 30, 2018.

The Worthington Public Library is a school district library created under Chapter 3375 of the Ohio Revised Code and is located in the City of Worthington. The Board of Trustees of the Library controls and manages the Library and issues its own financial statements. Although the Worthington Board of Education is required to approve appointments to the Board of Trustees and to approve the annual budget, the Board has no authority to reject the Library's recommendations.

The Worthington Educational Foundation (WEF) is a separate legal non-profit organization organized to benefit the citizens of the City of Worthington. The Board of WEF consists of twenty-nine (29) members, four of which are ex officio members that include the Superintendent and a Board Member of the District as well as two District employees. The Board of Trustees of WEF issues its own financial statements. In fiscal 2001 the WEF assisted the Worthington City School District in arranging financing for the purchase of the Worthington Educational and Administrative Building.

The Rockbridge Academy (Academy) is a joint venture consisting of a consortium of four school districts. The joint venture was formed for the purpose of providing alternative education services to at risk students. The initial capital of the Academy was raised through the receipt of a State Grant in the amount of \$375,000. The Governing Board of the Academy consists of six members appointed by each member school. The District does not have an equity interest that is explicit and measurable in the joint venture, however the District does have an ongoing financial obligation to support the Academy in meeting its financial obligations. The Academy is dependent upon continued support of the member schools as it is not independently accumulating adequate financial resources. The Educational Service Center of Central Ohio is

# WORTHINGTON CITY SCHOOL DISTRICT

## Notes to the Basic Financial Statements

June 30, 2018

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the financial agent for the Academy. Further detailed financial information may be obtained by contacting the ESCCO at 614-445-3750.

The District participates in the Metropolitan Educational Technology Association (META), a jointly governed organization created as a regional council of governments pursuant to Chapter 167 of the Ohio Revised Code. META operates as, and has all the powers of, a data acquisition site/information technology center pursuant to applicable provisions of the Ohio Revised Code. The organization was formed for the purpose of identifying, developing, and providing to members and non-members innovative educational and technological services and products, as well as expanded opportunities for cooperative purchasing. The General Assembly of META consists of one delegate from every member school district. The delegate is the superintendent of the school district or the superintendent's designee. The degree of control exercised by any participating school district is limited to its representation on the General Assembly. The District paid META \$271,007 for services during fiscal year 2018.

## 2. Summary of Significant Accounting Policies

The basic financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Beginning July 1, 2002, the District changed its financial reporting to comply with GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*; GASB Statement No. 37, *Basic Financial Statement – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*; and GASB Statement No. 38, *Certain Financial Statement Disclosures*. The District's significant accounting policies are described below.

### a. Government-wide and fund financial statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all the nonfiduciary activities of the primary government. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements except for interfund services provided and used, which is not eliminated. Internal Service Fund operating activity is eliminated by allocating net revenue/expenses to the appropriate function accounts so as to avoid overstatement of revenues and expenses. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District reports no such business-type activities.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

## WORTHINGTON CITY SCHOOL DISTRICT

### Notes to the Basic Financial Statements

June 30, 2018

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#### **b. Measurement focus, basis of accounting, and financial statement presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and private purpose trust fund financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Government fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The agency funds have no measurement focus and do not report revenues, expenses, or net position but rather changes in assets and liabilities are recognized on the accrual basis.

Property taxes are recognized as revenue in the fiscal year for which taxes have been levied, provided they are collected and certified by the county auditor by the fiscal year-end. Additionally, taxes collected within 60 days after fiscal year-end are recorded as a receivable with an offset to deferred inflows of resources-unavailable revenue for amounts not collected and available for advance on June 30<sup>th</sup> by the county auditor. Tuition, grants, fees and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major funds:

*General Fund*, a governmental fund. The General Fund is the District's primary operating fund. It accounts for all financial resources not accounted for and reported in another fund.

*Debt Service Fund*, a governmental fund. The Debt Service Fund is used to account for and report financial resources that are restricted to expenditure for principal and interest.

*Building Fund*, a governmental fund. The *building fund* is used to account for and report financial resources that are restricted to expenditures related to the District's capital bond improvements.

The District's non-major governmental funds include the following fund types:

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

## WORTHINGTON CITY SCHOOL DISTRICT

### Notes to the Basic Financial Statements

June 30, 2018

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*Capital Projects Funds*, governmental funds that are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets.

The District's non-major proprietary funds include the following fund type:

*Internal Service Funds* are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District generally on a cost-reimbursement basis. The District has three such funds, an Intra-District Services Fund that accounts for copying and printing services provided to other funds, a Worker's Compensation Self-Insurance Fund and an employee Medical Self-Insurance Fund.

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 the proprietary fund's principal ongoing operations. Charges for services are the principal operating revenues for the District's internal service funds. Operating expenses for the internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Additionally, the District reports *Fiduciary Funds*. Fiduciary funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. Agency funds, a type of fiduciary fund, are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District has one Private Purpose Trust fund that accounts for money which has been set aside for scholarship purposes from which the income may be expended in accordance with the related trust agreements but the principal must remain intact. The District also has three agency funds that account for student managed activities, hosting state athletic tournaments and community/other school activity within state foundation activity.

#### **c. Deferred Outflows/Inflows of Resources**

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expenses/expenditure) until then. For the District, deferred outflows of resources include a deferred charge on refunding and a deferred amount of pension and other postemployment benefits (OPEB) contributions. A deferred charge on debt refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 12 and 13.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes, unavailable revenue, pensions and OPEB. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2018, but which were levied to finance fiscal year 2019 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund

## WORTHINGTON CITY SCHOOL DISTRICT

### Notes to the Basic Financial Statements

June 30, 2018

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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 delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 12 and 13).

#### **d. Unearned Revenue**

Under both the accrual and modified accrual basis of accounting, revenue may be recognized only when it is earned. If assets are recognized in connection with a transaction before the earnings process is complete, those assets must be offset by a corresponding liability for unearned revenue.

Under the modified accrual basis of accounting, it is not enough that revenue has been earned if it is to be recognized as revenue of the current period. Revenue must also be susceptible to accrual (it must be measurable and available to finance expenditures of the current fiscal period). If assets are recognized in connection with a transaction before the earnings process is complete, those assets must be offset by a corresponding liability for unearned revenue.

#### **e. Cash and Investments**

To improve cash management, all cash received by the District is pooled in a central bank account. Monies for all funds are maintained in this account or temporarily used to purchase short-term investments. Individual fund integrity is maintained through District records. Each fund's interest in the pool is presented as "Cash and Investments" on the balance sheet. At fiscal year-end, investments were limited to STAR Ohio, commercial paper, and federal agency securities. Investment earnings are allocated as authorized by State statute or as governed by Board policy.

Investments are reported at fair value, which is based on quoted market prices.

The District had funds invested in the State Treasury Asset Reserve of Ohio (STAR Ohio) during fiscal year 2018. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investments purposes. STAROhio 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 their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

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.

**WORTHINGTON CITY SCHOOL DISTRICT**

Notes to the Basic Financial Statements

June 30, 2018

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**f. Prepaid Items**

Payments made for services that will benefit periods beyond the current fiscal year are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year which services are consumed. At fiscal year-end, because prepaid items are not available to finance future governmental fund expenditures, the fund balance is nonspendable in the fund financial statements by an amount equal to the carrying value of the asset.

**g. Inventory**

Inventories of supplies are presented at cost determined on a first-in, first-out basis while inventories held for resale are presented at the lower of cost or market. Inventories are recorded as expenditures when consumed rather than when purchased. For all funds, inventories are determined by physical count.

**h. Capital Assets and Depreciation**

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets are reported in the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by proprietary funds are reported on both statement types.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at their acquisition price. The District follows the policy of not capitalizing assets with a cost of less than \$1,000 and a useful life of less than one year. The District does not possess any infrastructure.

All reported capital assets, with the exception of 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:

Land Improvements	<b>10-20</b>
Buildings & Improvements	<b>20-50</b>
Furniture, Fixtures and Equipment	<b>3-15</b>
Buses, Autos, and Trucks	<b>5-10</b>

**i. 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. On fund financial statements, short-term interfund loans are classified as interfund receivables/payables. These amounts are eliminated in the statement of net position.

## WORTHINGTON CITY SCHOOL DISTRICT

### Notes to the Basic Financial Statements

June 30, 2018

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#### **j. Compensated Absences**

The District has implemented the provisions of GASB Statement No. 16, "Accounting for Compensated Absences". Vacation benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability is based on the sick leave accumulated at June 30 by those employees who are currently eligible to receive termination payments and those employees for whom it is probable they will become eligible to receive termination benefits in the future. The criteria for determining the vacation and sick leave liability is derived from Board policy, negotiated agreements, and state laws.

The compensated absence liability is reported on the entity-wide financial statements. For governmental fund financial statements, the compensated absence liability is reported only if they have matured and represent the current portion of unpaid compensated absences that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the account "accrued liabilities" in the fund from which the employees who have accumulated leave are paid. The noncurrent portion of the liability is not reported. In the proprietary funds, the entire amount of compensated absences is reported as a fund liability.

#### **k. Accrued Liabilities and Long-term Debt**

All accrued liabilities and long-term debt is reported in the entity-wide financial statements as well as the proprietary fund financial statements. For governmental fund financial statements, these accrued liabilities are generally reported as a governmental fund liability if due for payment as of the balance sheet date regardless of whether they will be liquidated with current financial resources. However, claims for judgments and compensated absences paid from governmental funds are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable available financial resources. Long-term debts paid from governmental funds are not recognized as a liability in the fund financial statements until due. All premiums, and deferred amounts on refunding related to long-term debt are amortized using the straight line method over the life of the debt. Issuance costs are expensed in which the year they are incurred.

#### **l. Pensions/OPEB**

For purposes of measuring the net pension/OPEB liability, 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.

#### **m. Fund Balances**

In accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting*, the District classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. The following categories are used:

## WORTHINGTON CITY SCHOOL DISTRICT

### Notes to the Basic Financial Statements

June 30, 2018

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Nonspendable – resources that are not in spendable form (inventory) or have legal or contractual requirements to maintain the balance intact.

Restricted – resources that have external purpose restraints imposed on them by providers, such as creditors, grantors, or other regulators.

Committed – resources that are constrained for specific purposes that are internally imposed by the District at its highest level of decision making authority, the Board of Education.

Assigned – resources that are intended to be used for specific purposes as approved through the District's formal purchasing procedure by the Treasurer.

Unassigned – residual fund balance within the General Fund that is not restricted, committed, or assigned. The General Fund is the only fund that can report a positive unassigned fund balance. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

The District applies restricted resources first when an expense is incurred for purposes which both restricted and unrestricted net position are available. The District considers committed, assigned, and unassigned fund balances, respectively, to be spent when expenditures are incurred for purposes for which any of the unrestricted fund balance classifications could be used. Committed fund balances are established, modified and rescinded with the formal action of a board resolution.

The District has a formal minimum fund balance policy. The District recognizes the need to maintain sufficient year-end carry-over balances in its general fund to minimize undesirable programmatic reductions, including staffing reductions. Therefore it is essential to clearly define a fund balance level that triggers a decision to make budgetary adjustments and possibly seek voter approval of new taxes well in advance of a cash shortfall. Further, the District recognizes the value of such a policy with respect to its debt management practices and underlying bond rating. As such, the District defines its minimum unrestricted general fund balance as 1/12 of annual expenditures in the third year of the forecast and will initiate budgetary actions or proposed levy to voters in a timely manner to address projected balances below this level.

The Board has committed \$21.8 million in the General Fund for 2018 as a budget contingency. Formal board resolution appropriating this \$21.8 million must be made in order for it to be spent.

#### **n. Statement of Cash Flows**

For purposes of the statement of cash flows, the proprietary funds consider all highly liquid investments, with a maturity of three months or less when purchased, to be cash equivalents. In addition, all cash and investments are also considered to be cash equivalents, since they are available to the proprietary funds on demand.

#### **o. Management Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from those estimates.

# WORTHINGTON CITY SCHOOL DISTRICT

## Notes to the Basic Financial Statements

June 30, 2018

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### 3. Cash and Investments

#### a. Cash

The investment and deposit of the District's monies is governed by the provisions of the ORC. In accordance with these statutes, the District is authorized to invest in United States and State of Ohio bonds, notes, and other obligations; bonds, notes and other obligations of political subdivisions of the State of Ohio rated in one of the three highest categories of a nationally recognized rating service and paid from general revenues; bank certificates of deposit; banker acceptances; commercial paper notes rated prime and issued by United States corporations; and repurchase agreements secured by United States obligations. During fiscal year 2018, investments were limited STAR Ohio, commercial paper, and federal agency securities. Earnings on investments are credited to the General Fund except earnings specifically related to the Capital Projects Fund, Food Service Fund, Other Local Sources Fund, Self-Insurance Fund, Private Purpose Trust Fund, and the Auxiliary Service Fund which is in compliance with ORC Section 3315.01. In fiscal year 2018 investment income of \$715,425 was recorded in the general fund which includes \$203,305 assigned from other District funds.

Protection of the District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), or by the Ohio Pooled Collateral System (OPCS). The OPCS allows for the District's financial institution to pledge collateral to the Ohio Treasurer's Office to secure the District's public deposits. The Treasurer's Office is the sole administrator and monitor of the program

Repurchase agreements must be secured by the specific government securities upon which the repurchase agreements are based. These securities must be obligations of or guaranteed by the United States and mature or be redeemable within 5 years of the date of the related repurchase agreement. State law does not require security for public deposits and investments to be maintained in the District's name. During 2018, the District and public depositories complied with the provisions of these statutes.

#### b. Deposits with Financial Institutions

At June 30, 2018, the carrying amount of all District deposits was \$ 20,480,024. Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, as of June 30, 2018, \$6,587,704 of the District's bank balance of \$20,837,707 was not covered by FDIC, while \$14,250,003 was covered by Federal Deposit Insurance Corporation. Bank balances not covered by the FDIC were collateralized through the Ohio Pooled Collateral System (OPCS).

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 and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or (2) participation in the 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 market value of the securities pledged to be 102 percent of the deposits being secured or a reduced rate set by the Treasurer of State.

**WORTHINGTON CITY SCHOOL DISTRICT**

Notes to the Basic Financial Statements

June 30, 2018

**c. Investments**

As of June 30, 2018, the District had the following investments and maturities.

Investment Type	Fair Value	Investment Maturities			
		6 Months or Less	7 to 12 Months	13 to 36 Months	37 to 60 Months
FFCB	\$ 7,147,143	\$ -	\$ 1,236,363	\$ 3,912,720	\$ 1,998,060
FHLB	17,553,120	-	-	5,877,510	11,675,610
FHLMC	33,366,741	-	-	12,779,481	20,587,260
FNMA	14,030,135	-	-	14,030,135	-
STAR Ohio	12,290,667	12,290,667	-	-	-
Commercial Paper	24,791,638	21,846,418	2,945,220	-	-
	<u>\$ 109,179,444</u>	<u>\$ 34,137,085</u>	<u>\$ 4,181,583</u>	<u>\$ 36,599,846</u>	<u>\$ 34,260,930</u>

*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.* The District's investments in agency securities were rated Aaa and AA+ by Moody's Investor Services and Standard & Poor's, respectively. The District's investment in commercial paper were rated A1/P1 by Moody's Investor Services and Standard & Poor's, respectively. STAR Ohio carries a rating of AAA by Standard and Poor's. The District has no investment policy that would further limit its investment choices other than what has been approved by state statute as described above.

*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 to total of each investment type held by the District at June 30, 2018:

Investment Type	Fair Value	Fair Value	
		Hierarchy	% of Total
FFCB	\$ 7,147,143	Level 1	6.54%
FHLB	17,553,120	Level 1	16.08%
FHLMC	33,366,741	Level 1	30.56%
FNMA	14,030,135	Level 1	12.85%
Star Ohio	12,290,667	N/A	11.26%
Commercial Paper	24,791,638	Level 1	22.71%
	<u>\$ 109,179,444</u>		<u>100.00%</u>

The District has categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the District's recurring fair value measurements as of June 30, 2018. All of the District's investments measured at fair value are valued using quoted market prices (Level 1 inputs).

*Custodial 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 investments. The District has no investment policy that would further limit its investment

**WORTHINGTON CITY SCHOOL DISTRICT**  
Notes to the Basic Financial Statements  
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choices with respect to custodial risk other than what has been approved by state statute as described above.

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

Investments (Summarized Above)	\$ 109,179,444
Carrying Amount of Deposits	20,480,024
Less: Fiduciary Cash and Investments	<u>(279,023)</u>
Total Cash & Investments Stmt of Net Position	<u><u>\$ 129,380,445</u></u>

**4. Property Taxes**

Property taxes are levied and assessed on a calendar-year basis. Distributions from the second half of the calendar year occur in a new fiscal year and are intended to finance the operations of that year, except monies available to be advanced against such distributions which may be appropriated and used in the current fiscal year. Property taxes include amounts levied against all real, public property located in the District.

Real property taxes and public utility taxes are levied after April against the assessed value listed as of the prior January 1, the lien date. Assessed values are established by State law at 35% of appraised value.

Public utility property taxes are assessed on tangible personal property as well as land and improvements. Real property is assessed at 35% of true value and tangible personal property is currently assessed at varying percentages of true value. These taxes attach as a lien against local and inter-exchange telephone companies and are levied January 1 of the current year.

The assessed values for collection in 2018, upon which the 2017 levies were based, were as follows:

Agricultural/Residential Real Estate	\$ 1,557,511,740
Commercial/Industrial Real Estate	446,204,640
Public Utility Real Estate	132,890
Public Utility Tangible	43,038,430
 Total	 <u><u>\$ 2,046,887,700</u></u>

Real property taxes are payable annually or semiannually. If paid annually, the payment is due January 30; if paid semiannually, the payment is due January 30 with the remainder payable by June 30.

The Franklin County Treasurer collects property taxes on behalf of the District. The County Auditor periodically remits to the District its portion of the taxes collected.

Accrued property taxes receivables represent real property and public utility taxes which were measurable but not available as of June 30, 2018. However, monies legally available as an advance to the District as of June 30, 2018 are recognized as revenue as they are both measurable and available, although monies the District hasn't actually advanced are prohibited by law from being appropriated in the current year in accordance with Ohio Revised Code Section 5705.35.

**WORTHINGTON CITY SCHOOL DISTRICT**  
Notes to the Basic Financial Statements  
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**5. Receivables**

Receivables at June 30, 2018 consisted of taxes and other miscellaneous accounts receivable. Taxes receivable include current and delinquent taxes receivable. A summary of the principal items of receivables follows:

Governmental Activities:	General Fund	Debt Service Fund	Total
Taxes current	\$ 90,621,912	\$ 5,787,282	\$ 96,409,194
Taxes delinquent	2,601,088	181,718	2,782,806
Tax Settlements	1,243,246	79,356	1,322,602
Other	<u>1,044,020</u>	<u>37,349</u>	<u>1,081,369</u>
Total	<u>\$ 95,510,266</u>	<u>\$ 6,085,705</u>	<u>\$ 101,595,971</u>

**6. Intergovernmental Receivables**

Intergovernmental receivables at June 30, 2018 consist of the following:

	<u>Governmental Activities:</u>
General Fund	\$ 216,904
Other Governmental Funds	
Federal	608,625
State	<u>2,510</u>
Total	<u>\$ 828,039</u>

The receivable is a result of federal and state awards not yet received at year end.

**7. Interfund Transactions**

Interfund balances on the fund statements at June 30, 2018 consist of the following receivables and payables:

<u>Fund</u>	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 17,700	\$ 41,410
All Other Governmental Funds	-	20,000
Internal Service Fund	<u>43,710</u>	<u>-</u>
Totals	<u>\$ 61,410</u>	<u>\$ 61,410</u>

The purpose of the General Fund interfund receivable and \$17,700 of the Other Governmental Funds payable is the result of short-term interfund loans made by the General Fund while the other funds await grant reimbursement and funding. The Internal Service Fund receivable, General Fund payable, and \$2,300 of the Other Governmental Funds payable is the result of Workers Compensation Premiums on wages earned but not yet paid that are due to the self-insurance fund.

**WORTHINGTON CITY SCHOOL DISTRICT**

Notes to the Basic Financial Statements

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Interfund transfers on the fund statements at June 30, 2018, consisted of the following:

	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ -	\$ 2,809,677
Debt Service Fund	2,803,326	-
Other Governemntal Funds	<u>6,351</u>	<u>-</u>
	<u>\$ 2,809,677</u>	<u>\$ 2,809,677</u>

The purpose of the transfers from the general fund to the debt service fund was to fund debt service obligations relating to House Bill 264 energy conservation project in which savings are used to pay off project debt obligations and to pay the 2007 COPS debt off with a savings of \$106,426. The purpose of the transfer of \$6,351 to the food service fund was to cover deficit balances in student accounts not funded by federal monies.

**8. Capital Assets**

A summary of capital asset activity for the fiscal year follows:

	<u>Balance</u>		<u>Disposals/</u>	<u>Balance</u>
	<u>June 30, 2017</u>	<u>Additions</u>	<u>Transfers</u>	<u>June 30, 2018</u>
<b>Governmental Activities</b>				
<i>Non Depreciable Capital Assets</i>				
Land	\$ 10,012,904	-	-	10,012,904
Construction In Progress	1,863,906	1,522,775	(2,786,204)	600,477
Total Non Depreciable Capital Assets	<u>\$ 11,876,810</u>	<u>1,522,775</u>	<u>(2,786,204)</u>	<u>10,613,381</u>
<i>Depreciable Capital Assets</i>				
Land Improvements	14,281,184	15,402	-	14,296,586
Building and improvements	130,872,340	45,229	2,786,204	133,703,773
Furniture, fixtures and equipment	18,745,927	960,803	(293,631)	19,413,099
Buses, autos and trucks	7,099,581	175,930	(28,166)	7,247,345
Total Depreciable Capital Assets	<u>\$ 170,999,032</u>	<u>1,197,364</u>	<u>2,464,407</u>	<u>174,660,803</u>
<i>Accumulated Depreciation</i>				
Land Improvements	\$ (9,963,408)	(359,372)	-	(10,322,780)
Building and improvements	(80,499,781)	(2,456,436)	-	(82,956,217)
Furniture, fixtures and equipment	(13,909,160)	(1,094,976)	287,608	(14,716,528)
Buses, autos and trucks	(4,790,057)	(454,808)	28,166	(5,216,699)
Total accumulated depreciation	<u>\$ (109,162,406)</u>	<u>(4,365,592)</u>	<u>315,774</u>	<u>(113,212,224)</u>
Depreciable Capital Assets, net	<u>\$ 61,836,626</u>	<u>(3,168,228)</u>	<u>2,780,181</u>	<u>61,448,579</u>
Total Governmental Activities Capital Assets, Net	<u>\$ 73,713,436</u>	<u>(1,645,453)</u>	<u>(6,023)</u>	<u>72,061,960</u>

Included in the above additions is \$9,550 of assets in the internal service fund. The above depreciation includes \$83,754 in current year depreciation for the internal service fund.

**WORTHINGTON CITY SCHOOL DISTRICT**

Notes to the Basic Financial Statements

June 30, 2018

Depreciation expense was charged to governmental functions as follows:

Instructional Services:	
Regular	\$ 2,016,567
Special	4,651
Vocational	1,155
Support Services:	
Pupils	3,477
Instructional Staff	59,200
Administration	27,142
Operation and Maintenance of Plant	1,393,587
Transportation	424,482
Central	49,745
Food Service Operations	11,630
Community Services	45,359
Co-Curricular Student Services	244,843
Total Depreciation Expense	<u>\$ 4,281,838</u>

**9. General Long-Term Obligations**

A summary of the governmental activities changes in long-term liabilities follows:

	Balance				Premium	Balance	Amounts Due
	June 30, 2017	Additions	Accretion	Reductions	Amortized	June 30, 2018	in One Year
Compensated Absences	\$ 9,624,352	\$ 1,683,243		\$ 1,449,720		\$ 9,857,875	\$ 1,234,768
Certificates of Participation	2,246,830	-	-	2,230,000	16,830	-	-
Bonds Payable	65,082,035	-	254,855	4,935,000	638,160	59,763,730	5,033,815
Notes Payable	<u>3,077,974</u>	-	-	450,108	-	<u>2,627,866</u>	<u>463,497</u>
Total Other Long-Term Liabilities	<u>80,031,191</u>	<u>1,683,243</u>	<u>254,855</u>	<u>9,064,828</u>	<u>654,990</u>	<u>72,249,471</u>	<u>6,732,080</u>
Net Pension Liability (See Note 12)	230,169,700	-	-	63,577,187	-	166,592,513	-
Other Postemployment Benefit Liability (See Note 13) ***	<u>46,499,107</u>	-	-	<u>9,539,408</u>	-	<u>36,959,699</u>	-
Total Long-Term Liabilities	<u>\$ 356,699,998</u>	<u>\$ 1,683,243</u>	<u>\$ 254,855</u>	<u>\$ 82,181,423</u>	<u>\$ 654,990</u>	<u>\$ 275,801,683</u>	<u>\$ 6,732,080</u>

Compensated absences consist of accrued but unused sick and vacation leave. The criteria for determining leave benefits are derived from negotiated agreements and State laws. Accumulated unused vacation leave is paid to employees upon termination of employment. Accumulated unused sick leave, up to a maximum number of days depending on negotiated contract, are paid upon retirement. All leave is paid from the fund in which the employee is paid. In fiscal year 2018, the payments were made from the general fund and food service fund. The portion of known severance payable at June 30, 2018 is recorded as a fund liability and classified as Accrued Liabilities (see note 10) while the remaining portion is recorded as a long term liability using the vesting method.

**WORTHINGTON CITY SCHOOL DISTRICT**

Notes to the Basic Financial Statements

June 30, 2018

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Net pension and other postemployment benefit obligations are liquidated on the government wide level.

The above bonds include current interest serial bonds, capital appreciation bonds, and current term interest bonds. Included in the amortization above is \$654,990 of premium amortization, which are all being amortized over the life of the bonds. Total accumulated accretion outstanding at June 30, 2018 was \$441,333.

Interest cost on the qualified school construction bonds will be directly and annually subsidized by the federal government as part of the American Reinvestment and Recovery Act of 2009 and section 54F of the Internal Revenue Code. Subsidy payments received during fiscal year 2018 totaled \$81,874 and an additional \$6,800 has been recorded as a receivable at June 30, 2018. This subsidy represents 90.9 % of the annual interest cost of that issue, making the effective annual interest cost 0.45%.

The general obligation debt is a direct obligation of the District for which its full faith, credit and resources are pledged and are payable from taxes levied on all taxable property in the school district. Payments of principal and interest relating to these liabilities are recorded as expenditures in the Debt Service Fund.

On September 20, 2007, the District issued \$4,495,000 of Certificates of Participation (COPs) for the purpose of advance refunding a portion of the 2000 COPs. The certificates were issued for a twelve year period with final maturity at December 1, 2019. The certificates were retired from the debt service fund. This advance refunding resulted in an aggregate difference in debt service payments of \$197,413 and a present value economic gain of \$185,608. On December 1, 2017, the Districted paid the certificates in full resulting in an aggregate difference in debt service payments of \$106,426 and a present value economic gain of \$102,293.

As of June 30, 2018, the District had eight general obligation bond issues, one general obligation long-term note issue, and one energy conservation note outstanding. This debt was issued for general government activities, specifically, the construction and renovation of school buildings and an administrative facility. General obligations currently outstanding are as follows on the next page:

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**WORTHINGTON CITY SCHOOL DISTRICT**

Notes to the Basic Financial Statements

June 30, 2018

Purpose	Issue Date	Final Maturity	Interest Rate	Balance June 30, 2018
2008 Refunding and Improvement Bonds (3/1)	11/5/2008	12/1/2024	3.75-4.5%	\$ 390,416
2009 General Obligation Bonds (1)	5/5/2009	12/1/2024	2.5-4%	1,088,273
2010A General Obligation Bonds (1)	8/30/2010	12/1/2023	2-3.125%	4,557,569
2010B Qualified School Construction Bonds (1)	8/30/2010	12/1/2025	5%	1,800,000
2013 General Obligation Bonds (4)	2/14/2013	12/1/2027	1.5-5%	24,612,679
2013 General Obligation Bonds (4)	3/6/2013	12/1/2028	2.625-2.75%	10,062,480
2014 Refunding Bonds (5)	6/5/2014	12/1/2021	2.0-4.0%	7,642,644
2016 Refunding Bonds (7)	3/29/2016	12/1/2024	1.75-4.0%	9,609,669
				<u>\$ 59,763,730</u>
Airport Authority Conservation Note (2)	10/6/2005	10/1/2020	4.26%	594,000
2015 HB 264 Energy Conservation Note (6)	4/13/2015	1/1/2025	1.75%	2,033,866
				<u>\$ 2,627,866</u>
				<u><u>\$ 62,391,596</u></u>

(1) Part of a \$37.5 million bond levy passed in November 2006 for construction and improvement of District facilities, technology upgrades, transportation upgrades, and various replacement equipment.

(2) Note agreement with the Columbus Regional Airport Authority relating to the Ohio Association of School Business Official's Expanded Asset Pooled Financing Program authorizing the issuance of revenue bonds by the Airport Authority to assist school districts in financing project costs associated with constructing and installing certain energy conservation measures to existing school buildings and facilities in accordance with House Bill 264. Participating districts enter into a note agreement with the Airport Authority for an approved amount which is deposited into a third party trustee account and a payment and interest schedule is determined.

(3) Current refunded \$5.55 million of the 1998 GO Bonds. Remaining \$3.9 million issued for #1 above.

(4) Part of a \$37.2 million bond levy passed in November 2012 for construction and improvement of District facilities, technology upgrades, transportation upgrades, and various replacement equipment.

(5) A \$8.9 million partial refunding of the 2007A and 2007B issuances.

(6) Note agreement with Ohio Development Service Agency, Energy Loan Fund, to finance an energy conservation project in accordance with HB264. Total loan amount of \$2.6 million will be repaid over 10 years with savings from decreased utility payments.

(7) A \$8.8 million partial refunding of the 2008 and 2009 issuances. As of June 30, 2017, the refunded bonds had a balance of \$9.4 million that is not included in the District's outstanding debt and will be retired out of escrow on 12/1/18.

**WORTHINGTON CITY SCHOOL DISTRICT**  
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The annual maturities of the general obligation bonds and notes, as of June 30, 2018, and related interest payments are as follows (net of \$3,444,915 unamortized premium):

Fiscal Year	Totals		Bonds		Notes	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 5,497,312	\$ 1,918,772	5,033,815	1,858,199	463,497	60,573
2020	5,706,994	1,694,694	5,230,000	1,647,882	476,994	46,812
2021	5,465,602	1,508,201	4,975,000	1,475,601	490,602	32,600
2022	5,440,322	1,341,629	5,150,000	1,319,138	290,322	22,491
2023	4,921,158	1,193,461	4,625,000	1,176,806	296,158	16,655
2024-2028	26,225,293	3,147,840	25,615,000	3,132,506	610,293	15,334
2029	5,690,000	71,125	5,690,000	71,125	-	-
Total	<u>58,946,681</u>	<u>10,875,722</u>	<u>56,318,815</u>	<u>10,681,257</u>	<u>2,627,866</u>	<u>194,465</u>

The ORC provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The ORC further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District.

The effects of these debt limitations at June 30, 2018 are a voted debt margin of \$184,219,893 and an unvoted debt margin of \$2,046,888. The aggregate amount of the District's unvoted debt is also subject to overlapping debt restrictions with various governmental entities. As of June 30, 2018, these entities have complied with the requirement that the unvoted overlapping debt must not exceed 1% (10 mills) of the assessed property value. Management believes that the District has complied with all bond covenants.

**10. Accrued Liabilities**

Accrued Liabilities at June 30, 2018 consist of the following:

	General Fund	Other Governmental Funds	Total Governmental Activities
Accrued Wages	\$ 10,352,415	\$ 574,962	\$ 10,927,377
Regular Termination Pay	38,997	-	38,997
Interest on Debt	-	-	183,832
Total	<u>\$ 10,391,412</u>	<u>\$ 574,962</u>	<u>\$ 11,150,206</u>

**11. Risk Management**

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 employees and natural disasters. The District contracts with third party insurance carriers for property insurance (including boiler and machinery) and general liability insurance. During fiscal year 2018, the District contracted with the Ohio School Plan, administered by Hylant Administrative Services, for general and professional liability with a \$3 million single occurrence limit and a \$5 million aggregate limit. Automobile bodily and property damage is covered by a \$3 million combined single occurrence limit. Property and vehicles are also protected with a \$1,000 deductible. Settled claims have not exceeded coverage in any of the past three years.

The District provides employee dental benefits through a premium insurance plan. Employee monthly contributions are determined by negotiated agreements with the certificated and non-

## WORTHINGTON CITY SCHOOL DISTRICT

### Notes to the Basic Financial Statements

June 30, 2018

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certificated staff bargaining units. The premium is paid by the fund that pays the salary for the employee.

The District provides medical health insurance coverage for its employees on a self-funded basis and utilizes a third party to manage claims processing. Employee monthly contributions are determined by negotiated agreements with the certificated and non-certificated staff bargaining units. The premium is paid by the fund that pays the salary for the employee. Expenses for claims are recorded on a current basis based on an actuarially determined charge per employee. The District accounts for such activity in an internal service fund in accordance with GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*.

The District purchases excess stop-loss insurance for medical claims exceeding \$150,000 per covered person. The District is apart of the Central Ohio School Stop Loss Organization (COSSO) Regional Council of Governments consortium. COSSO was formed pursuant to Ohio Revised Code Section 167 and enables the District to take advantage of economies of scale to purchase excess reinsurance.

Members currently consist of the school districts of Dublin City, Upper Arlington City, Westerville City, and Worthington City. Future membership is open to any public school district in the state of Ohio upon approval by a majority of all current members of the Governing Board. Members may withdraw at any time after initial two year period provided it notifies each member in writing at least 90 days prior to the renewal of the insurance policy.

COSSO is managed by a Governing Board consisting of the Treasurer of each of the founding member Districts, for an initial term expiring June 30, 2020. At that point, an election of Governing board representatives will be held and be open to any member District's Treasurer. Additional information regarding COSSO can be obtained by contacting COSSO, 200 East Wilson Bridge Road, Worthington, OH 43085.

The District provides life insurance and accidental death and dismemberment insurance to employees in an amount related to the employee's position, ranging from \$20,000 to \$400,000.

The District is self-insured for workers' compensation coverage and utilizes a third party to manage claims processing. The workers' compensation premium is a fixed rate determined annually based on claims experience. The rate for fiscal year 2018 was 0.6 percent of covered payroll. The premium is paid by the fund that pays the salary for the employee. The District purchases stop-loss insurance for any claims exceeding \$400,000, and also paid into the Self-Insured Employers Guaranty Fund, which guarantees that claims are satisfied should the District become unable to pay them. The District accounts for such activity in an internal service fund in accordance with GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*.

A claims liability of \$145,943 and \$1,398,000 was recorded at June 30, 2018 in the Workers' Compensation and Medical Self Insurance Funds, respectively. The entire amount has been recorded as a current liability on the government-wide statement of net position due to the average maturity being less than one year. This reflects an estimate of incurred but unpaid and unreported claims at year end. Claims liabilities do not include non-incremental claims adjustment expenses. This estimate was calculated based on claims history.

Changes in the fund's claim liability for the past three years are as follows:

**WORTHINGTON CITY SCHOOL DISTRICT**

Notes to the Basic Financial Statements

June 30, 2018

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**Medical Self Insurance Fund**

<b>Fiscal Year Ending</b>	<b><u>6/30/2018</u></b>	<b><u>6/30/2017</u></b>	<b><u>6/30/2016</u></b>
Claims liability beginning of year	\$ 1,266,000	\$ 1,076,000	\$ 888,000
Claims incurred and changes in estimates	15,271,307	14,212,048	12,424,655
Claims Paid	<u>(15,139,307)</u>	<u>(14,022,048)</u>	<u>(12,236,655)</u>
Claims liability end of year	<u>\$ 1,398,000</u>	<u>\$ 1,266,000</u>	<u>\$ 1,076,000</u>

**Workers' Compensation Self Insurance Fund**

<b>Fiscal Year Ending</b>	<b><u>6/30/2018</u></b>	<b><u>6/30/2017</u></b>	<b><u>6/30/2016</u></b>
Claims liability beginning of year	\$ 232,923	\$ 259,329	\$ 312,174
Claims incurred and changes in estimates	(13,072)	52,994	24,151
Claims Paid	<u>(73,898)</u>	<u>(79,400)</u>	<u>(76,996)</u>
Claims liability end of year	<u>\$ 145,953</u>	<u>\$ 232,923</u>	<u>\$ 259,329</u>

Claims are accrued based upon estimates of the claims liability made by management and the third party administrator (Actuary) of the District. These estimates are based on past experience and current claims outstanding. Actual claims experience may differ from the estimate. An actuary was used in the determination of the current liability.

**12. Defined Benefit Pension Plans**

***Net Pension Liability***

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

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

Ohio Revised Code limits the 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

**WORTHINGTON CITY SCHOOL DISTRICT**

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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 *intergovernmental payable* on both the accrual and modified accrual bases of accounting.

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

Plan Description –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.

Age and service requirements for retirement are as follows:

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

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

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

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

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2018, the allocation to pension, death benefits, and Medicare B was 14 percent.

**WORTHINGTON CITY SCHOOL DISTRICT**

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SERS did not allocate any employer contributions to the Health Care Fund for fiscal year 2018.

The District's contractually required contribution to SERS was \$2,632,204 for fiscal year 2018.

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

Plan Description –District licensed teachers and other faculty members participate in STRS Ohio, a cost-sharing multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about STRS' fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Web site at [www.strsoh.org](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 percent of final average salary for the five highest years of earnings multiplied by all years of service. With certain exceptions, the basic benefit is increased each year by two percent of the original base benefit. For members retiring August 1, 2015, or later, the first two percent is paid on the fifth anniversary of the retirement benefit. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 26 years of service, or 31 years of service regardless of age. Age and service requirements for retirement will increase effective August 1, 2015, and will continue to increase periodically until they reach age 60 with 35 years of service or age 65 with five years of service on August 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60.

The DC Plan allows members to place all their member contributions and 9.5 percent of the 14 percent employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.5 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, member contributions are allocated among investment choices by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of services. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50.

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

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A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. Eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least ten years of qualifying service credit that apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The statutory maximum employee contribution rate was increased one percent July 1, 2014, and will be increased one percent each year until it reaches 14 percent on July 1, 2016. For the fiscal year ended June 30, 2018, plan members were required to contribute 14 percent of their annual covered salary. The District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2018 contribution rates were equal to the statutory maximum rates.

The District's contractually required contribution to STRS was \$9,120,469 for fiscal year 2018.

***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, 2017, 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 contributions of all participating entities. 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-2018	0.5490034%	0.56320592%	
Proportion of the Net Pension Liability-2017	<u>0.5676041%</u>	<u>0.56351756%</u>	
Change in Proportionate Share	<u>-0.0186007%</u>	<u>-0.00031164%</u>	
Proportionate Share of the Net Pension Liability 2018	\$32,801,740	\$133,790,773	\$166,592,513
Pension Expense-2018	(\$1,289,208)	(\$50,845,047)	(\$52,134,255)
Pension Expense-2017	<u>\$4,433,379</u>	<u>\$14,925,375</u>	<u>\$19,358,754</u>
Change in Pension Expense	<u>(\$5,722,587)</u>	<u>(\$65,770,422)</u>	<u>(\$71,493,009)</u>

At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Differences between expected and actual experience	\$1,411,672	\$5,166,374	\$6,578,046
Changes of assumptions	1,696,204	29,261,512	30,957,716
Difference between District contributions and proportionate share of contributions	125,632	1,870,649	1,996,281
District contributions subsequent to the measurement date	<u>2,632,204</u>	<u>9,120,469</u>	<u>11,752,673</u>
Total Deferred Outflows of Resources	<u><u>\$5,865,712</u></u>	<u><u>\$45,419,004</u></u>	<u><u>\$51,284,716</u></u>
<b>Deferred Inflows of Resources</b>			
Differences between expected and actual experience	\$0	\$1,078,302	\$1,078,302
Difference between District contributions and proportionate share of contributions	1,070,420	83,452	1,153,872
Net difference between projected and actual earnings on pension plan investments	<u>155,702</u>	<u>4,415,251</u>	<u>4,570,953</u>
Total Deferred Inflows of Resources	<u><u>\$1,226,122</u></u>	<u><u>\$5,577,005</u></u>	<u><u>\$6,803,127</u></u>

\$11,752,673 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, 2019. 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:	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
2019	\$978,517	\$6,752,063	\$7,730,580
2020	1,575,439	12,758,326	14,333,765
2021	218,108	8,894,750	9,112,858
2022	<u>(764,678)</u>	<u>2,316,391</u>	<u>1,551,713</u>
Total	<u><u>\$2,007,386</u></u>	<u><u>\$30,721,530</u></u>	<u><u>\$32,728,916</u></u>

**Actuarial Assumptions - SERS**

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

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

**WORTHINGTON CITY SCHOOL DISTRICT**

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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, 2017, are presented below:

Wage Inflation	3.00 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent
COLA or Ad Hoc COLA	2.5 percent
Investment Rate of Return	7.50 percent net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal

Mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. 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 disable members were based upon the RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

The most recent experience study was completed 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 averaged of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

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

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

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

	<u>1% Decrease (6.50%)</u>	<u>Current Discount Rate (7.50%)</u>	<u>1% Increase (8.50%)</u>
District's proportionate share of the net pension liability	\$45,520,291	\$32,801,740	\$22,147,360

**Actuarial Assumptions - STRS**

The total pension liability in the June 30, 2017, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation
Payroll Increases	3.00%
Cost-of-Living Adjustments	0 percent effective July 1, 2017

Mortality rates were based on the RP-2014 Annuitant Mortality Table (with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality

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improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the June 30, 2017, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized as follows:

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

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

**Discount Rate** The discount rate used to measure the total pension liability was 7.45 percent as of June 30, 2017. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2017. Therefore, the long-term expected rate of return on pension plan investments of 7.45 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2017.

**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 percent, 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 percent) or one-percentage-point higher (8.45 percent) than the current rate:

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	1% Decrease (6.45%)	Current Discount Rate (7.45%)	1% Increase (8.45%)
District's proportionate share of the net pension liability	\$191,784,521	\$133,790,773	\$84,939,734

**Changes Between Measurement Date and Report Date** The Retirement Board approved several changes to the actuarial assumptions in 2017. The long term expected rate of return was reduced from 7.75% to 7.45%, the inflation assumption was lowered from 2.75% to 2.50%, the payroll growth assumption was lowered to 3.00%, and total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25% due to lower inflation. The healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016. Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

**Benefit Term Changes Since the Prior Measurement Date** Effective July 1, 2017, the Cost of Living Adjustment was reduced to zero.

**Social Security System**

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System of Ohio have an option to choose Social Security or the School Employees Retirement System/State Teachers Retirement System of Ohio. As of June 30, 2018, three members of the Board of Education elected Social Security. The Board's liability is 6.2 percent of wages paid.

**13. Post employment Benefits Other than Pension Benefits**

**Net Other Postemployment Benefits (OPEB) Liability**

For fiscal year 2018, Governmental Accounting Standards Board (GASB) Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" was effective. The net OPEB liability has been disclosed below.

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 net OPEB liability 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 calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

Ohio Revised Code limits the 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.

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### Notes to the Basic Financial Statements

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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. Resulting adjustments to the net OPEB liability 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.

#### ***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 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2017, zero percent of covered payroll was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2017, this amount was \$23,500. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge.

The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The District's contractually required contribution to SERS was \$320,000 for fiscal year 2018.

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

Plan Description – The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians’ fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Medicare Part B premium reimbursements will be discontinued effective January 1, 2020. The Plan is included in the report of STRS which can be obtained by visiting [www.strsoh.org](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 percent of covered payroll. For the fiscal year ended June 30, 2018, STRS did not allocate any employer contributions to post-employment health care.

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

The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The District’s proportion of the net OPEB liability 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:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the Other Postemployment Benefit Liability-2018	0.5583811%	0.56320592%	
Proportionate Share of the Net Other Benefit Postemployment Liability 2018	\$14,985,482	\$21,974,217	\$36,959,699
OPEB Expense-2018	\$702,093	(\$6,738,786)	(\$6,036,693)

At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to other postemployment benefits from the following sources:

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	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Differences between expected and actual experience	\$ -	\$ 1,183,922	\$ 1,183,922
District contributions subsequent to the measurement date	<u>320,000</u>	<u>-</u>	<u>320,000</u>
Total Deferred Outflows of Resources	<u>\$ 320,000</u>	<u>\$ 1,183,922</u>	<u>\$ 1,503,922</u>
<b>Deferred Inflows of Resources</b>			
Changes of assumptions	\$ 1,422,045	\$ 1,652,090	\$ 3,074,135
Difference between District contributions and proportionate share of contributions	339,699	-	339,699
Net difference between projected and actual earnings on pension plan investments	<u>39,573</u>	<u>939,230</u>	<u>978,803</u>
Total Deferred Inflows of Resources	<u>\$ 1,801,317</u>	<u>\$ 2,591,320</u>	<u>\$ 4,392,637</u>

\$320,000 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 pension liability in the year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2019	(\$648,207)	(\$351,850)	(\$1,000,057)
2020	(648,207)	(351,850)	(1,000,057)
2021	(495,009)	(351,850)	(846,859)
2022	<u>(9,894)</u>	<u>(351,848)</u>	<u>(361,742)</u>
Total	<u>(\$1,801,317)</u>	<u>(\$1,407,398)</u>	<u>(\$3,208,715)</u>

**Actuarial Assumptions - SERS**

SERS' total OPEB liability was determined by their 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 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.

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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, prepared as of June 30, 2017, are presented below:

Wage Inflation	3.00 percent
Wage Increases	3.50 percent to 18.20 percent
Investment Rate of Return	7.50 percent net of investments expense, including inflation
Municipal Bond Index Rate	
Measurement Date	3.56 Percent
Prior measurement Date	2.92 percent
Single Equivalent Interest Rate, net of plan investment expense, including price inflation	
Measurement Date	3.63 Percent
Prior measurement Date	2.98 percent
Medical Trend Assumption	
Medicare	5.50-5.00 percent
Pre-Medicare	7.50-5.00 percent

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

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

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2010 through 2015, and was adopted by the Board on April 21, 2016. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.50 percent, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

**WORTHINGTON CITY SCHOOL DISTRICT**

Notes to the Basic Financial Statements

June 30, 2018

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:

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

**Discount Rate** The OPEB liability at June 30, 2017 was 3.63 percent. The discount rate used to measure total OPEB liability prior to June 30, 2017 was 2.98 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and SERS at the state statute contribution rate of 2.00 percent of projected covered employee payroll each year, which includes 1.50 percent payroll surcharge and .50 percent of contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2025. Therefore, the long-term expected rate of return on OPEB plan assets was used to present value the projected benefit payments through the fiscal year ending June 30, 2024 and the Fidelity General Obligation 20-year Municipal Bond Index rate of 3.56 percent as of June 30, 2017 (i.e. municipal bond rate), was used to present value the projected benefit payments for the remaining years in the projection. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The projection of future benefit payments for all current plan members was until the benefit payments ran out.

**Sensitivity of the District's Proportionate Share of the OPEB Liability to Changes in the Discount Rate and Changes in 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 (2.63%) and higher (4.63%) than the current discount rate (3.63%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.5% decreasing to 4.0%) and higher (8.5% decreasing to 6.0%) than the current rate.

	1% Decrease (2.63%)	Current Discount Rate (3.63%)	1% Increase (4.63%)
District's proportionate share of the net OPEB liability	\$18,096,877	\$14,985,482	\$12,520,462

**WORTHINGTON CITY SCHOOL DISTRICT**

Notes to the Basic Financial Statements

June 30, 2018

	1% Decrease <u>(6.5% decreasing to 4.0 percent)</u>	Current Trend Rate <u>(7.5% decreasing to 5.0 percent)</u>	1% Increase <u>(8.5% decreasing to 6.0 percent)</u>
District's proportionate share of the net OPEB liability	\$12,159,595	\$14,985,482	\$18,725,590

**Actuarial Assumptions - STRS**

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2017, actuarial valuation are presented below:

Inflation	2.50%
Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation
Payroll Increases	3.00%
Cost-of-Living Adjustments	0 percent effective July 1, 2017
Blended Discount rate of return	4.13%
Health care cost trends	6%-11% initial, 4.50% ultimate

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

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

Actuarial assumptions used in the June 30, 2017, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2017.

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

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

**WORTHINGTON CITY SCHOOL DISTRICT**

Notes to the Basic Financial Statements

June 30, 2018

2019. Subsequent to the current measurement date, the date for discontinuing remaining Medicare Part B premium reimbursements was extended to January 2020.

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

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

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

**Discount Rate** The discount rate used to measure the total OPEB liability was 4.13 percent as of June 30, 2017. 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 not projected to be sufficient to make all projected future benefit payments of current plan members. The OPEB plan's fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2037. Therefore, the long-term expected rate of return on OPEB plan assets was used to determine the present value of the projected benefit payments through the fiscal year ending June 30, 2036 and the Bond Buyer 20-year municipal bond rate of 3.58 percent as of June 30, 2017 (i.e. municipal bond rate), was used to determine the present value of the projected benefit payments for the remaining years in the projection. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The blended discount rate of 4.13 percent, which represents the long-term expected rate of return of 7.45 percent for the funded benefit payments and the Bond Buyer 20-year municipal bond rate of 3.58 percent for the unfunded benefit payments, was used to measure the total OPEB liability as of June 30, 2017. A blended discount rate of 3.26 percent which represents the long term expected rate of return of 7.75 percent for the funded benefit payments and the Bond Buyer 20-year municipal bond rate of 2.85 percent for the unfunded benefit payments was used to measure the total OPEB liability at June 30, 2016.

**Sensitivity of the District's Proportionate Share of the Net OPEB Liability to the Discount and Health Care Cost Trend Rate Assumptions** The following table represents the net OPEB liability as of June 30, 2017, calculated using the current period discount rate assumption of 4.13 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.13 percent) or one percentage point higher

**WORTHINGTON CITY SCHOOL DISTRICT**

Notes to the Basic Financial Statements

June 30, 2018

(5.13 percent) than the current assumption. Also shown is the net OPEB liability 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.

	<u>1% Decrease (3.13%)</u>	<u>Current Discount Rate (4.13%)</u>	<u>1% Increase (5.13%)</u>
District's proportionate share of the net pension liability	\$29,500,033	\$21,974,217	\$16,026,362

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
District's proportionate share of the net pension liability	\$15,266,744	\$21,974,217	\$30,802,036

**14. Contingencies**

**a. Grants**

The federal and state grants remain subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. Based on prior experience, the District's administration believes such disallowances, if any, would be minimal.

School District Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by Schools throughout the State, which can extend past the fiscal year end. . As of the date of this report, additional ODE adjustments to fiscal year 2018 are not finalized. As a result, the impact of future FTE adjustments on the fiscal year 2018 financial statements is not determinable, at this time. Management believes this may result in either an additional receivable to, or a liability of, the District.

**b. Litigation**

The District is party to legal proceedings incidental to operations. As of the date of the financial statements, there are no known substantive items requiring disclosure, and it is anticipated that liability insurance will cover any damages that may result.

**c. Significant Contractual Commitments**

The District is undertaking several construction projects relating to the November 2012 Bond Levy. Below is a list of related outstanding significant commitments at year end, all included in the Building Fund:

**WORTHINGTON CITY SCHOOL DISTRICT**

Notes to the Basic Financial Statements

June 30, 2018

Vendor Name	Contract Amount	Amount Expended	Balance 6/30/18
CTL Engineering Inc	\$ 94,860	\$ 53,279	\$ 41,581
Damschroeder Roofing	967,736	392,669	575,067
Laforce Inc	119,395	85,564	33,831
Live Technologies	199,407	-	199,407
Ruscilli Construction	112,000	99,596	12,404
	\$ 1,493,398	\$ 631,108	\$ 862,290

Amount reported here is different than the amount reported as construction in progress due to some amounts being repairs and maintenance costs that will not be capitalized.

**15. Set-Asides**

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

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

	Capital Acquisitions
Set-aside Reserve Balance carried forward at July 1, 2017	-
Current year set-aside requirements	1,719,351
Qualifying disbursements	(2,638,712)
Total	(919,361)
Set-aside Reserve Balance at June 30, 2018	-

The District had disbursements during the year that reduced the set-aside amounts below zero for the capital acquisition set-aside.

**WORTHINGTON CITY SCHOOL DISTRICT**  
Notes to the Basic Financial Statements  
June 30, 2018

**16. Fund Deficits / Accountability**

The following funds had deficit fund balances as of June 30, 2018:

	Deficit Fund Balance
<u>Governmental Activities:</u>	
Special Revenue Funds-	
Other State Grants	\$ (2,193)
Special Education Part B IDEA Grant	(97,283)
Vocational Education Grant	(4,096)
Title I Grant	(45,170)
Special Education Preschool Grant	(668)

The deficit fund balances are the result of the application of generally accepted accounting principles. The General Fund provides transfers to cover deficit fund balances; however, this is done when cash is needed rather than when accruals occur.

**17. Change in Accounting Principle and Restatement of Net Position**

For fiscal year 2018, the District implemented the Governmental Accounting Standards Board (GASB) Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." GASB 75 established standards for measuring and recognizing other postemployment benefit liabilities, deferred outflows of resources deferred inflows of resources and expense/expenditure. The implementation of this pronouncement had the following effect on net position as reported June 30, 2017:

	Governmental Activities
Net Position June 30, 2017	(41,649,989)
Adjustments:	
Other Postemployment Benefit Liability	(46,499,107)
Deferred Outflows- Payments Subsequent to Measurement Date	294,000
Restated Net Position June 30, 2017	(87,855,096)

Other than employer contributions subsequent to the measurement date, the District made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available

# **REQUIRED SUPPLEMENTARY INFORMATION**

WORTHINGTON CITY SCHOOL DISTRICT  
 BUDGETARY COMPARISON SCHEDULE  
 GENERAL FUND  
 FOR THE YEAR ENDED JUNE 30, 2018

	ORIGINAL BUDGET	REVISED BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
<b>REVENUES:</b>				
Property and other local taxes	\$ 96,829,614	\$ 98,461,763	\$ 98,461,763	\$ -
State sources	33,221,063	33,744,952	\$ 33,744,952	-
Investment income	1,000,000	1,578,916	\$ 1,578,916	-
Tuition and fees	350,000	605,453	\$ 605,453	-
Miscellaneous	285,000	290,607	\$ 290,607	-
<b>TOTAL REVENUES</b>	<b>\$ 131,685,677</b>	<b>\$ 134,681,691</b>	<b>\$ 134,681,691</b>	<b>\$ -</b>
<b>EXPENDITURES:</b>				
Current:				
Salaries	\$ 79,366,677	\$ 78,474,465	\$ 78,474,465	\$ -
Benefits	29,721,784	29,853,236	\$ 29,853,236	-
Purchased services	14,925,927	14,035,335	\$ 14,035,335	-
Supplies and materials	4,866,492	3,876,158	\$ 3,876,158	-
Other	2,006,962	1,787,460	\$ 1,787,460	-
Total Current	<u>\$ 130,887,842</u>	<u>\$ 128,026,654</u>	<u>\$ 128,026,654</u>	<u>\$ -</u>
Capital outlay	414,886	724,880	724,880	
<b>TOTAL EXPENDITURES</b>	<b>\$ 131,302,728</b>	<b>\$ 128,751,534</b>	<b>\$ 128,751,534</b>	<b>\$ -</b>
Excess of revenues over expenditures	382,949	5,930,157	5,930,157	-
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(1,283,313)	(2,809,677)	(2,809,677)	-
Advances in	42,800	42,800	42,800	-
Advances out	-	(17,700)	(17,700)	-
Sale of assets	13,142	5,447	5,447	-
Refund of prior year expenditures	1,833	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>\$ (1,225,538)</b>	<b>\$ (2,779,130)</b>	<b>\$ (2,779,130)</b>	<b>\$ -</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(842,589)</b>	<b>3,151,027</b>	<b>3,151,027</b>	<b>-</b>
<b>FUND BALANCE, JULY 1</b>	<b>87,525,021</b>	<b>87,525,021</b>	<b>87,525,021</b>	<b>-</b>
<b>PRIOR YEAR ENCUMBRANCES APPROPRIATED</b>	<b>2,379,231</b>	<b>2,379,231</b>	<b>2,379,231</b>	<b>-</b>
<b>FUND BALANCE, JUNE 30</b>	<b>\$ 89,061,663</b>	<b>\$ 93,055,279</b>	<b>\$ 93,055,279</b>	<b>\$ -</b>

See notes to the required supplementary schedule.

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

	2017	2016	2015	2014	2013
District's Proportion of the Net Pension Liability	0.5490034%	0.5676041%	0.5702988%	0.561226%	0.561226%
District's Proportionate Share of the Net Pension Liability	\$ 32,801,740	\$ 41,543,383	\$ 32,541,802	\$ 28,403,328	\$ 33,374,309
District's Employee Payroll	\$ 18,393,857	\$ 17,671,486	\$ 17,200,571	\$ 16,294,129	\$ 15,951,857
District's Proportionate Share of the Net Pension Liability as a Percentage of its Employee Payroll	178.33%	235.09%	189.19%	174.32%	209.22%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.50%	62.98%	69.16%	71.70%	65.52%

Source: District Records and SERS Financial Statements

(1) Schedule is intended to show information for 10 years. Additional years will be displayed when they become available. Information prior to 2013 is not available

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

	2017	2016	2015	2014	2013
District's Proportion of the Net Pension Liability	0.56320592%	0.56351756%	0.55686231%	0.54897839%	0.54897839%
District's Proportionate Share of the Net Pension Liability	\$ 133,790,773	\$ 188,626,317	\$ 153,900,454	\$ 133,530,545	\$ 159,060,711
District's Employee Payroll	\$ 62,910,914	\$ 60,189,893	\$ 59,137,464	\$ 56,851,357	\$ 57,841,043
District's Proportionate Share of the Net Pension Liability as a Percentage of its Employee Payroll	212.67%	313.39%	260.24%	234.88%	275.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.30%	66.80%	72.10%	74.70%	69.30%

Source: District Records and STRS Financial Statements

(1) Schedule is intended to show information for 10 years. Additional years will be displayed when they become available. Information prior to 2013 is not available

**Worthington City School District**  
*Required Supplementary Information*  
*Schedule of District Pension Contributions*  
*School Employees Retirement System of Ohio*  
*Last Ten Fiscal Years*

	2018	2017	2016	2015
Contractually Required Pension Contribution	\$ 2,632,204	\$ 2,575,140	\$ 2,474,008	\$ 2,267,035
Pension Contributions in Relation to the Contractually Required Contribution	<u>(2,632,204)</u>	<u>(2,575,140)</u>	<u>(2,474,008)</u>	<u>(2,267,035)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District Employee Payroll	\$ 18,801,457	\$ 18,393,857	\$ 17,671,486	\$ 17,200,571
Pension Contributions as a Percentage of Employee Payroll	14.00%	14.00%	14.00%	13.18%

Source: District records

2014	2013	2012	2011	2010	2009
\$ 2,258,366	\$ 2,207,737	\$ 2,172,473	\$ 2,041,904	\$ 2,191,464	\$ 1,554,892
(2,258,366)	(2,207,737)	(2,172,473)	(2,041,904)	(2,191,464)	(1,554,892)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 16,294,129	\$ 15,951,857	\$ 16,152,214	\$ 16,244,264	\$ 16,185,107	\$ 15,833,929
13.86%	13.84%	13.45%	12.57%	13.54%	9.82%

**Worthington City School District**  
*Required Supplementary Information*  
*Schedule of District Pension Contributions*  
*State Teachers Retirement System of Ohio*  
*Last Ten Fiscal Years*

	2018	2017	2016	2015
Contractually Required Contribution	\$ 9,120,469	\$ 8,807,528	\$ 8,426,585	\$ 8,279,245
Contributions in Relation to the Contractually Required Contribution	(9,120,469)	(8,807,528)	(8,426,585)	(8,279,245)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District Employee Payroll	\$ 65,146,207	\$ 62,910,914	\$ 60,189,893	\$ 59,137,464
Contributions as a Percentage of Employee Payroll	14.00%	14.00%	14.00%	14.00%

Source: District records

2014	2013	2012	2011	2010	2009
\$ 7,390,676	\$ 7,519,336	\$ 7,693,105	\$ 7,591,987	\$ 7,585,785	\$ 7,531,118
(7,390,676)	(7,519,336)	(7,693,105)	(7,591,987)	(7,585,785)	(7,531,118)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 56,851,357	\$ 57,841,043	\$ 59,177,729	\$ 58,399,900	\$ 58,352,193	\$ 57,931,679
13.00%	13.00%	13.00%	13.00%	13.00%	13.00%

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

	<u>2017</u>	<u>2016</u>
District's Proportion of the Net OPEB Liability	0.5583811%	0.5583811%
District's Proportionate Share of the Net OPEB Liability	\$ 14,985,482	\$ 16,378,706
District's Employee Payroll	\$ 18,393,857	\$ 17,671,486
District's Proportionate Share of the Net OPEB Liability as a Percentage of its Employee Payroll	81.47%	92.68%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	12.46%	11.49%

Source: District Records and SERS Financial Statements

(1) Schedule is intended to show information for 10 years. Additional years will be displayed when they become available. Information prior to 2016 is not available

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

	2017	2016
District's Proportion of the Net OPEB Liability	0.56320592%	0.56320592%
District's Proportionate Share of the Net OPEB Liability	\$ 21,974,217	\$ 30,120,401
District's Employee Payroll	\$ 62,910,914	\$ 60,189,893
District's Proportionate Share of the Net OPEB Liability as a Percentage of its Employee Payroll	34.93%	50.04%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.10%	37.30%

Source: District Records and STRS Financial Statements

(1) Schedule is intended to show information for 10 years. Additional years will be displayed when they become available. Information prior to 2016 is not available

**Worthington City School District**  
*Required Supplementary Information*  
*Schedule of District OPEB Contributions*  
*School Employees Retirement System of Ohio*  
*Last Ten Fiscal Years*

	2018	2017	2016	2015
Contractually Required OPEB Contribution (1)	\$ 320,000	\$ 294,000	\$ 266,600	\$ 383,045
OPEB Contributions in Relation to the Contractually Required Contribution	<u>(320,000)</u>	<u>(294,000)</u>	<u>(266,600)</u>	<u>(383,045)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District Employee Payroll	\$ 18,801,457	\$ 18,393,857	\$ 17,671,486	\$ 17,200,571
OPEB Contributions as a Percentage of Employee Payroll	1.70%	1.60%	1.51%	2.23%

Source: District records

(1) Includes Surcharge

2014	2013	2012	2011	2010	2009
\$ 264,812	\$ 269,523	\$ 333,837	\$ 480,540	\$ 321,411	\$ 893,891
(264,812)	(269,523)	(333,837)	(480,540)	(321,411)	(893,891)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 16,294,129	\$ 15,951,857	\$ 16,152,214	\$ 16,244,264	\$ 16,185,107	\$ 15,833,929
1.63%	1.69%	2.07%	2.96%	1.99%	5.65%

**Worthington City School District**  
*Required Supplementary Information*  
*Schedule of District OPEB Contributions*  
*State Teachers Retirement System of Ohio*  
*Last Ten Fiscal Years*

	2018	2017	2016	2015
Contractually Required OPEB Contribution	\$ -	\$ -	\$ -	\$ -
OPEB Contributions in Relation to the Contractually Required Contribution	-	-	-	-
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District Employee Payroll	\$ 65,146,207	\$ 62,910,914	\$ 60,189,893	\$ 59,137,464
OPEB Contributions as a Percentage of Employee Payroll	0.00%	0.00%	0.00%	0.00%

Source: District records

2014	2013	2012	2011	2010	2009
\$ 568,514	\$ 578,410	\$ 591,777	\$ 583,999	\$ 583,522	\$ 579,317
(568,514)	(578,410)	(591,777)	(583,999)	(583,522)	(579,317)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 56,851,357	\$ 57,841,043	\$ 59,177,729	\$ 58,399,900	\$ 58,352,193	\$ 57,931,679
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

**WORTHINGTON CITY SCHOOL DISTRICT**  
Notes to the Required Supplementary Information  
For the Year Ended June 30, 2018

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**NOTE A - BUDGETARY DATA**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control is at the fund and 1 level object for the General Fund. All other Funds are budgeted at the fund level. Any budgetary modifications at this level must be made by resolution of the Board of Education.

**Tax Budget:**

Prior to January 15, the Superintendent and the 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 express purpose of this budget document is to reflect the need for existing (or increased) tax rates.

By no later than January 20, the Board-adopted budget is filed with the Franklin County Budget Commission for rate determination.

**Estimated Resources:**

Prior to March 15, 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 June 30, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year do not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the Certificate is amended to include unencumbered cash balances from the preceding year. The Certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported in the budgetary statements reflect the amounts in the final Amended Certificate issued during fiscal year 2018.

**Appropriations:**

Upon receipt from the County Auditor of an amended official certificate of estimated resources based on the final assessed values and tax rates or a certificate stating no new certificate is necessary, the annual appropriation resolution must be legally enacted by the Board of Education at the fund and 1 level object for General Fund expenditures, and at the fund level for all other funds, which are the legal levels of budgetary control. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the District. The appropriation resolution, 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 the appropriation totals at any level of control. Any revisions that alter the

**WORTHINGTON CITY SCHOOL DISTRICT**  
Notes to the Required Supplementary Information  
For the Year Ended June 30, 2018

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total of any fund appropriation or alter total function appropriations within a fund, or alter object appropriations within functions, must be approved by the Board of Education. The Board may pass supplemental fund appropriations so long as the total appropriations by fund do not exceed the amounts set forth in the most recent Certificate of Estimated Resources. During the year, several supplemental appropriations were legally enacted; however, none of these amendments were significant. The budget figures which appear in the statements of budgetary comparisons represent the original and final appropriation amounts, including all supplemental appropriations.

Formal budgetary integration is employed as a management control device during the year for all funds, including the Debt Service Fund, consistent with statutory provisions.

**Encumbrances:**

As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the Non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. On the GAAP basis, encumbrances outstanding at year-end are reported in their respective category as restricted, committed, or assigned.

**Lapsing of Appropriations:**

At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriation. Encumbered appropriations are carried forward to the succeeding fiscal year and are not reappropriated.

***NOTE B - RECONCILING BUDGET BASIS AND GAAP***

The District prepares its budget on a basis of accounting that differs from generally accepted accounting principles (GAAP). The actual column presented on the Budgetary Comparison Schedule – General Fund is prepared in accordance with the budget basis of accounting.

The major differences between the budgetary basis of accounting and GAAP are that:

- A. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- B. Expenditures are recorded when encumbered (budget basis) as opposed to when the liability is incurred (GAAP basis);
- C. Encumbrances are recorded as the equivalent of expenditures (budget basis) as opposed to a reservation of fund balance (GAAP basis); and
- D. Investments are recorded at cost (budget basis) as opposed to fair value (GAAP basis).
- E. Some funds are included in the General Fund (GAAP basis) but have separate legally adopted budgets (budget basis). See note D below

**WORTHINGTON CITY SCHOOL DISTRICT**  
Notes to the Required Supplementary Information  
For the Year Ended June 30, 2018

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A reconciliation of the General Fund results of operations at the end of the year on the GAAP basis to the budget basis follows:

Net Change in Fund Balance (GAAP Basis)	\$ 7,860,704
Adjustments:	
Due to Revenues	(1,775,828)
Due to Expenditures and Encumbrances	(2,407,149)
Due to Other Financing Sources	25,100
Funds Budgeted Elsewhere (See Note D)	<u>(551,800)</u>
Net Change in Fund Balance (Budget Basis)	<u><u>\$ 3,151,027</u></u>

**NOTE C – SIGNIFICANT VARIANCES**

Property tax receipts were \$1.6 million higher than expected due to favorable challenges of commercial property values and payments made by residents in advance relating to changes in federal tax laws.

Transfers Out from the General Fund to the Debt Service Fund were \$1.6 million more than originally budgeted due to the District's decision to pay off operating debt earlier than anticipated.

**NOTE D – FUNDS BUDGETED ELSEWHERE**

As part of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting*, certain funds that are legally budgeted in separate special revenue funds are considered part of the General Fund on a GAAP basis. This includes the Special Rotary Fund, Public School Support Fund and the Kindergarten Plus Program Fund.

**WORTHINGTON CITY SCHOOL DISTRICT**

**SUPPLEMENTAL  
DATA**



Worthington Schools . . . Absolute Excellence...Exponential Impact

## WORTHINGTON CITY SCHOOL DISTRICT MAJOR GOVERNMENTAL FUNDS

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**General**– The general operating fund of the District used to account for the financial resources except those required to be accounted for in another fund. A budget comparison schedule has been included in the Required Supplementary Information section of this report

**Debt Service** – The debt service fund is used to account for the accumulation of resources for, and payment of, general long-term debt principal and interest.

**Building** – A fund used to account for the revenues and expenditures related to all special bond funds in the District. All proceeds from the sale of bonds, notes, or certificates of indebtedness, except premium and accrued interest, must be paid into this fund. Expenditures recorded here represent the costs for acquiring capital facilities including real property.

Worthington City School District  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
(Non-GAAP Budgetary Basis)  
For the fiscal year ended June 30, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget: positive (negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Debt Service Fund</b>				
Total Revenues and Other Sources	\$8,282,356	10,416,995	10,416,995	\$0
Total Expenditures and Other Uses	<u>8,251,334</u>	<u>9,757,131</u>	<u>9,757,131</u>	<u>0</u>
Net Change in Fund Balance	31,022	659,864	659,864	0
Fund Balance, July 1	4,224,382	4,224,382	4,224,382	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u>\$4,255,404</u>	<u>\$4,884,246</u>	<u>\$4,884,246</u>	<u>\$0</u>
<b>Building Fund</b>				
Total Revenues and Other Sources	\$50,000	102,329	102,329	\$0
Total Expenditures and Other Uses	<u>7,550,082</u>	<u>5,621,066</u>	<u>5,621,066</u>	<u>0</u>
Net Change in Fund Balance	(7,500,082)	(5,518,737)	(5,518,737)	0
Fund Balance, July 1	7,097,714	7,097,714	7,097,714	0
Prior Year Encumbrances Appropriated	<u>2,548,851</u>	<u>2,548,851</u>	<u>2,548,851</u>	<u>0</u>
Fund Balance, June 30	<u>\$2,146,483</u>	<u>\$4,127,828</u>	<u>\$4,127,828</u>	<u>\$0</u>

## **WORTHINGTON CITY SCHOOL DISTRICT NON-MAJOR GOVERNMENTAL FUNDS**

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Capital Projects Funds are used to account for financial resources and report financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

**Permanent Improvement** – A fund provided to account for and report financial resources that are restricted, committed, or assigned to expenditures related to the acquiring, constructing, or improving of such permanent improvements as authorized by Section 5705 of the Ohio Revised Code.

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

**Food Service** – A fund used to record the financial transactions related to the district's food service operation.

**Other Local Sources** – A fund used to account for specific local revenue sources received from various contributors that are restricted to expenditures for specified purposes approved by board resolution. Such expenditures generally include community services.

**Uniform School Supplies** – A rotary fund provided to account for the purchase and sale of school supplies as adopted by the Board of Education for use in the schools of the district. Profit derived from such sale is to be used for school purposes or activities in connection with the school.

**Special Rotary** – A rotary fund provided to account for the income and expenditures in connections with (1) supplemental education classes, (2) a special education preschool program, (3) a life enrichment program, and (4) facility rentals. This fund is legally budgeted separately but included in the General Fund on a GAAP basis.

**Public School Support** – A fund used to account for specific local revenue sources, other than taxes or expendable trusts (i.e., profits from vending machines) that are used for various operating purposes at each department's discretion. This fund is legally budgeted separately but included in the General Fund on a GAAP basis.

**Grants-Local Sources** – A fund used to account for specific local revenue sources, other than taxes (i.e., profits from vending machines, sales of pictures, etc.), that are restricted to expenditures for specified purposes approved by board resolution. Such expenditures may include curricular and extra-curricular related purchases.

**District Managed Student Activities** – 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 would usually include athletic programs but also could include the band, cheerleaders, flag corps, and other similar types of activities.

**Auxiliary Services** – A fund used to account for monies which provide services and materials to pupils attending non-public schools within the school district. For generally accepted accounting principles, this fund is accounted for as a special revenue fund.

## WORTHINGTON CITY SCHOOL DISTRICT NON-MAJOR GOVERNMENTAL FUNDS

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**Data Communications Support** – A fund provided to account for monies appropriated from the State of Ohio for Ohio Educational Computer Network Connections.

**Other State Grants** - A fund provided to account for various monies received from state agencies which are not classified elsewhere. A separate special cost center must be used for each grant and be approved by the Auditor of State.

**Straight A Grant** - A fund provided to account for state grants to help Ohio schools launch creative new ideas for improving education. The District has partnered with the Educational Service Center of Central Ohio and the Fairfield County Educational Service Center. The District accounts for their share of the state grants and expenditures for the grants awarded.

**Special Education Part B IDEA Grants** - A fund provided to account for monies received to assist states in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

**Vocational Education Grants** – A fund provided to account for monies received for vocational education, primarily those passed through the State of Ohio Department of Education related to the Carl D. Perkins Vocational and Applied Technology Act of 1990.

**Title III Immigrant/LEP Grants** – A fund provided to account for the Foreign Language Grant program at the elementary schools, which is funded with U.S. Department of Education grant monies.

**Title I Grants** – A fund which accounts for federal funds used to meet the special needs of educationally deprived children.

**Special Education Preschool Grants** – A fund provided to address the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

**Title IIA Grants** – A fund used to account for federal funds for improving teacher quality.

**Other Miscellaneous Federal Grants** – A fund used to account for various monies received through state agencies from the federal government or directly from the federal government which are not classified elsewhere. A separate special cost center must be used for each grant and be approved by the Auditor of State.

**WORTHINGTON CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
AS OF JUNE 30, 2018

	<b>Capital Projects</b>			
	<b>Permanent Improvement</b>	<b>Food Service</b>	<b>Other Local Sources</b>	<b>Uniform School Supplies</b>
<b>Assets:</b>				
Cash and Investments	\$ 712,440	\$ 1,475,043	\$ 24,033	\$ 117,868
Inventory	-	46,484	-	-
Intergovernmental Receivable	-	23,308	-	-
Prepaid Items	-	29,724	-	-
<b>Total Assets</b>	<b>\$ 712,440</b>	<b>\$ 1,574,559</b>	<b>\$ 24,033</b>	<b>\$ 117,868</b>
<b>Liabilities:</b>				
Accounts Payable	\$ -	\$ 3,650	\$ -	\$ 777
Accrued Liabilities	-	178,951	-	-
Interfund Payable	-	716	-	-
Intergovernmental Payable	-	27,648	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>210,965</b>	<b>-</b>	<b>777</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable Revenue	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>				
Nonspendable:				
Inventory	-	46,484	-	-
Prepaid items	-	29,724	-	-
Restricted for:				
Capital Outlay	712,440	-	-	-
School Supplies	-	-	-	117,091
Non-public Schools	-	-	-	-
Other Purposes	-	1,287,386	24,033	-
Committed to:				
Co-curricular Activities	-	-	-	-
Unassigned	-	-	-	-
<b>Total Fund Balances</b>	<b>712,440</b>	<b>1,363,594</b>	<b>24,033</b>	<b>117,091</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 712,440</b>	<b>\$ 1,574,559</b>	<b>\$ 24,033</b>	<b>\$ 117,868</b>

<b>Special Revenue</b>					
<u>Grants- Local Sources</u>	<u>District Managed Student Activities</u>	<u>Auxiliary Services</u>	<u>Data Communications Support</u>	<u>Straight A Grant</u>	<u>Other State Grants</u>
\$ 21,102	\$ 551,376	\$ 280,895	\$ -	\$ -	\$ 803
-	8,707	-	-	-	-
-	-	-	-	-	2,510
-	-	3,359	-	-	-
<u>\$ 21,102</u>	<u>\$ 560,083</u>	<u>\$ 284,254</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,313</u>
\$ 3,150	\$ 17,401	\$ 11,159	\$ -	\$ -	\$ -
-	-	46,697	-	-	3,783
-	-	187	-	-	15
-	-	7,215	-	-	585
<u>3,150</u>	<u>17,401</u>	<u>65,258</u>	<u>-</u>	<u>-</u>	<u>4,383</u>
-	-	-	-	-	1,123
-	-	-	-	-	1,123
-	8,707	-	-	-	-
-	-	3,359	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	215,637	-	-	-
17,952	-	-	-	-	-
-	533,975	-	-	-	-
-	-	-	-	-	(2,193)
<u>17,952</u>	<u>542,682</u>	<u>218,996</u>	<u>-</u>	<u>-</u>	<u>(2,193)</u>
<u>\$ 21,102</u>	<u>\$ 560,083</u>	<u>\$ 284,254</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,313</u>

(Continued)

**WORTHINGTON CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
AS OF JUNE 30, 2018

	<b>Special Revenue</b>			
	Special Education Part B IDEA Grants	Vocational Education Grants	Title III Immigrant/ LEP Grants	Title I Grants
<b>Assets:</b>				
Cash and Investments	\$ 26,038	\$ 3,724	\$ 14,948	\$ 12,809
Inventory	-	-	-	-
Intergovernmental Receivable	365,085	5,303	58,021	131,129
Prepaid Items	16,599	-	559	7,527
<b>Total Assets</b>	<b>\$ 407,722</b>	<b>\$ 9,027</b>	<b>\$ 73,528</b>	<b>\$ 151,465</b>
<b>Liabilities:</b>				
Accounts Payable	\$ 1,694	\$ 4,120	\$ 14,187	\$ 190
Accrued Liabilities	229,701	-	5,777	103,838
Interfund Payable	919	3,700	14,023	415
Intergovernmental Payable	35,489	-	893	16,043
<b>Total Liabilities</b>	<b>267,803</b>	<b>7,820</b>	<b>34,880</b>	<b>120,486</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable Revenue	237,202	5,303	27,178	76,149
<b>Total Deferred Inflows of Resources</b>	<b>237,202</b>	<b>5,303</b>	<b>27,178</b>	<b>76,149</b>
<b>Fund Balances:</b>				
Nonspendable:				
Inventory	-	-	-	-
Prepaid items	16,599	-	559	7,527
Restricted for:				
Capital Outlay	-	-	-	-
School Supplies	-	-	-	-
Non-public Schools	-	-	-	-
Other Purposes	-	-	10,911	-
Committed to:				
Co-curricular Activities	-	-	-	-
Unassigned	(113,882)	(4,096)	-	(52,697)
<b>Total Fund Balances</b>	<b>(97,283)</b>	<b>(4,096)</b>	<b>11,470</b>	<b>(45,170)</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 407,722</b>	<b>\$ 9,027</b>	<b>\$ 73,528</b>	<b>\$ 151,465</b>

<b>Special Revenue</b>			
Special Education Preschool Grants	Title IIA Improving Teacher Quality	Other Miscellaneous Federal Grants	Total Other Governmental Funds
\$ 501	\$ 2,072	\$ -	\$ 3,243,652
-	-	-	55,191
7,320	13,287	5,172	611,135
1,443	-	-	59,211
<u>\$ 9,264</u>	<u>\$ 15,359</u>	<u>\$ 5,172</u>	<u>\$ 3,969,189</u>
\$ -	\$ -	\$ -	\$ 56,328
6,215	-	-	574,962
25	-	-	20,000
960	-	-	88,833
<u>7,200</u>	<u>-</u>	<u>-</u>	<u>\$ 740,123</u>
<u>2,732</u>	<u>13,058</u>	<u>5,172</u>	<u>367,917</u>
<u>2,732</u>	<u>13,058</u>	<u>5,172</u>	<u>367,917</u>
-	-	-	55,191
1,443	-	-	59,211
-	-	-	712,440
-	-	-	117,091
-	-	-	215,637
-	2,301	-	1,342,583
-	-	-	533,975
(2,111)	-	-	(174,979)
(668)	2,301	-	2,861,149
<u>\$ 9,264</u>	<u>\$ 15,359</u>	<u>\$ 5,172</u>	<u>\$ 3,969,189</u>

**WORTHINGTON CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<b>Capital Projects</b>			
	<u>Permanent Improvement</u>	<u>Food Service</u>	<u>Other Local Sources</u>	<u>Uniform School Supplies</u>
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 1,672,182	\$ -	\$ -
Investment Income	-	17,398	392	-
Tuition and Fees	-	-	-	367,298
Co-curricular Activities	-	-	-	-
Customer Sales and Services	-	1,962,216	-	-
Other	-	1,043	1,250	-
Total Revenues	<u>-</u>	<u>3,652,839</u>	<u>1,642</u>	<u>367,298</u>
<b>Expenditures:</b>				
Instruction:				
Regular	-	-	-	300,387
Special	-	-	-	3,661
Vocational	-	-	-	-
Support services:				
Pupils	-	-	-	26,671
Instructional Staff	-	-	-	-
Operation and Maintenance of Plant	86,222	-	-	-
Pupil Transportation	-	-	-	-
Central	-	-	-	-
Food Service Operations	-	3,343,807	-	-
Community Services	-	6,401	4,911	-
Co-curricular Student Activities	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>86,222</u>	<u>3,350,208</u>	<u>4,911</u>	<u>330,719</u>
Net Change in Fund Balances	(86,222)	302,631	(3,269)	36,579
Other financing sources:				
Transfers In	-	6,351	-	-
Total other financing sources	<u>-</u>	<u>6,351</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(86,222)	308,982	(3,269)	36,579
Fund Balance Beginning of Year	798,662	1,054,612	27,302	80,512
Fund Balance End of Year	<u>\$ 712,440</u>	<u>\$ 1,363,594</u>	<u>\$ 24,033</u>	<u>\$ 117,091</u>

<b>Special Revenue</b>					
<u>Grants- Local Sources</u>	<u>District Managed Student Activities</u>	<u>Auxiliary Services</u>	<u>Data Communications Support</u>	<u>Straight A Grant</u>	<u>Other State Grants</u>
\$ -	\$ -	\$ 982,611	\$ 32,400	\$ 10,462	\$ 28,386
-	-	3,458	-	-	-
-	-	-	-	-	-
-	824,689	-	-	-	-
-	-	-	-	-	-
12,388	33,612	-	-	-	-
<u>12,388</u>	<u>858,301</u>	<u>986,069</u>	<u>32,400</u>	<u>10,462</u>	<u>28,386</u>
1,522	-	-	-	-	-
17,270	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	26,747
12,885	-	-	-	17,539	-
-	-	-	-	-	-
-	-	-	32,400	-	-
-	-	-	-	-	-
-	-	830,745	-	-	-
-	729,194	-	-	-	-
-	41,980	47,520	-	-	-
<u>31,677</u>	<u>771,174</u>	<u>878,265</u>	<u>32,400</u>	<u>17,539</u>	<u>26,747</u>
(19,289)	87,127	107,804	-	(7,077)	1,639
-	-	-	-	-	-
-	-	-	-	-	-
(19,289)	87,127	107,804	-	(7,077)	1,639
37,241	455,555	111,192	-	7,077	(3,832)
<u>\$ 17,952</u>	<u>\$ 542,682</u>	<u>\$ 218,996</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,193)</u>

(Continued)

**WORTHINGTON CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<b>Special Revenue</b>			
	Special Education Part B IDEA Grants	Vocational Education Grants	Title III Immigrant/ LEP Grants	Title I Grants
<b>Revenues:</b>				
Intergovernmental	\$ 1,996,008	\$ 36,033	\$ 144,894	\$ 914,526
Investment Income	-	-	-	-
Tuition and Fees	-	-	-	-
Co-curricular Activities	-	-	-	-
Customer Sales and Services	-	-	-	-
Other	-	-	-	-
Total Revenues	<u>1,996,008</u>	<u>36,033</u>	<u>144,894</u>	<u>914,526</u>
<b>Expenditures:</b>				
Instruction:				
Regular	-	-	-	-
Special	1,277,976	-	104,813	840,463
Vocational	-	33,963	-	-
Support services:				
Pupils	428,931	-	-	-
Instructional Staff	89,579	-	7,593	-
Operation and Maintenance of Plant	-	-	-	-
Pupil Transportation	-	2,064	-	-
Central	-	-	-	-
Food Service Operations	-	-	-	-
Community Services	68,169	-	299	11,727
Co-curricular Student Activities	-	-	-	-
Capital Outlay	-	5,112	-	-
Total Expenditures	<u>1,864,655</u>	<u>41,139</u>	<u>112,705</u>	<u>852,190</u>
Net Change in Fund Balances	131,353	(5,106)	32,189	62,336
Other financing sources:				
Transfers In	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	131,353	(5,106)	32,189	62,336
Fund Balance Beginning of Year	(228,636)	1,010	(20,719)	(107,506)
Fund Balance End of Year	<u>\$ (97,283)</u>	<u>\$ (4,096)</u>	<u>\$ 11,470</u>	<u>\$ (45,170)</u>

<b>Special Revenue</b>			
<u>Special Education Preschool Grants</u>	<u>Title IIA Improving Teacher Quality</u>	<u>Other Miscellaneous Federal Grants</u>	<u>Total Other Governmental Funds</u>
\$ 65,234	\$ 180,106	\$ 17,990	\$ 6,080,832
-	-	-	21,248
-	-	-	367,298
-	-	-	824,689
-	-	-	1,962,216
-	-	-	48,293
<u>65,234</u>	<u>180,106</u>	<u>17,990</u>	<u>9,304,576</u>
-	-	3,990	305,899
62,818	-	-	2,307,001
-	-	-	33,963
-	-	14,000	496,349
-	161,828	-	289,424
-	-	-	86,222
-	-	-	2,064
-	-	-	32,400
-	-	-	3,343,807
-	14,018	-	936,270
-	-	-	729,194
-	-	-	94,612
<u>62,818</u>	<u>175,846</u>	<u>17,990</u>	<u>8,657,205</u>
2,416	4,260	-	647,371
-	-	-	6,351
-	-	-	6,351
2,416	4,260	-	653,722
(3,084)	(1,959)	-	2,207,427
<u>\$ (668)</u>	<u>\$ 2,301</u>	<u>\$ -</u>	<u>\$ 2,861,149</u>

Worthington City School District  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
(Non-GAAP Budgetary Basis)  
For the fiscal year ended June 30, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget: positive (negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Permanent Improvement Fund</b>				
Total Revenues and Other Sources	\$0	-	-	\$0
Total Expenditures and Other Uses	<u>780,095</u>	<u>94,595</u>	<u>94,595</u>	<u>0</u>
Net Change in Fund Balance	(780,095)	(94,595)	(94,595)	0
Fund Balance, July 1	798,662	798,662	798,662	0
Prior Year Encumbrances Appropriated	<u>5,095</u>	<u>5,095</u>	<u>5,095</u>	<u>0</u>
Fund Balance, June 30	<u>\$23,662</u>	<u>\$709,162</u>	<u>\$709,162</u>	<u>\$0</u>
<b>Food Service Fund</b>				
Total Revenues and Other Sources	\$3,469,800	3,407,258	3,407,258	\$0
Total Expenditures and Other Uses	<u>3,474,174</u>	<u>3,198,149</u>	<u>3,198,149</u>	<u>0</u>
Net Change in Fund Balance	(4,374)	209,109	209,109	0
Fund Balance, July 1	1,140,260	1,140,260	1,140,260	0
Prior Year Encumbrances Appropriated	<u>14,174</u>	<u>14,174</u>	<u>14,174</u>	<u>0</u>
Fund Balance, June 30	<u>\$1,150,060</u>	<u>\$1,363,543</u>	<u>\$1,363,543</u>	<u>\$0</u>
<b>Other Local Sources</b>				
Total Revenues and Other Sources	\$3,251	1,643	1,643	\$0
Total Expenditures and Other Uses	<u>5,220</u>	<u>4,911</u>	<u>4,911</u>	<u>0</u>
Net Change in Fund Balance	(1,969)	(3,268)	(3,268)	0
Fund Balance, July 1	27,302	27,302	27,302	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u>\$25,333</u>	<u>\$24,034</u>	<u>\$24,034</u>	<u>\$0</u>

Worthington City School District  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
(Non-GAAP Budgetary Basis)  
For the fiscal year ended June 30, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget: positive (negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Uniform School Supplies</b>				
Total Revenues and Other Sources	\$366,040	367,396	367,396	\$0
Total Expenditures and Other Uses	<u>448,539</u>	<u>347,157</u>	<u>347,157</u>	<u>0</u>
Net Change in Fund Balance	(82,499)	20,239	20,239	0
Fund Balance, July 1	71,080	71,080	71,080	0
Prior Year Encumbrances Appropriated	<u>11,504</u>	<u>11,504</u>	<u>11,504</u>	<u>0</u>
Fund Balance, June 30	<u>\$85</u>	<u>\$102,823</u>	<u>\$102,823</u>	<u>\$0</u>
<b>Special Rotary Funds</b>				
Total Revenues and Other Sources	\$516,500	549,581	549,581	\$0
Total Expenditures and Other Uses	<u>2,485,627</u>	<u>190,332</u>	<u>190,332</u>	<u>0</u>
Net Change in Fund Balance	(1,969,127)	359,249	359,249	0
Fund Balance, July 1	3,079,771	3,079,771	3,079,771	0
Prior Year Encumbrances Appropriated	<u>26,002</u>	<u>26,002</u>	<u>26,002</u>	<u>0</u>
Fund Balance, June 30	<u>\$1,136,646</u>	<u>\$3,465,022</u>	<u>\$3,465,022</u>	<u>\$0</u>
<b>Public School Support</b>				
Total Revenues and Other Sources	\$474,044	565,974	565,974	\$0
Total Expenditures and Other Uses	<u>1,045,305</u>	<u>559,408</u>	<u>559,408</u>	<u>0</u>
Net Change in Fund Balance	(571,261)	6,566	6,566	0
Fund Balance, July 1	644,360	644,360	644,360	0
Prior Year Encumbrances Appropriated	<u>39,507</u>	<u>39,507</u>	<u>39,507</u>	<u>0</u>
Fund Balance, June 30	<u>\$112,606</u>	<u>\$690,433</u>	<u>\$690,433</u>	<u>\$0</u>

Worthington City School District  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
(Non-GAAP Budgetary Basis)  
For the fiscal year ended June 30, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget: positive (negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Grants - Local Sources</b>				
Total Revenues and Other Sources	\$1,500	12,388	12,388	\$0
Total Expenditures and Other Uses	<u>38,741</u>	<u>32,447</u>	<u>32,447</u>	<u>0</u>
Net Change in Fund Balance	(37,241)	(20,059)	(20,059)	0
Fund Balance, July 1	29,936	29,936	29,936	0
Prior Year Encumbrances Appropriated	<u>7,305</u>	<u>7,305</u>	<u>7,305</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$0</u></u>	<u><u>\$17,182</u></u>	<u><u>\$17,182</u></u>	<u><u>\$0</u></u>
<b>District-Managed Student Activities</b>				
Total Revenues and Other Sources	\$799,875	859,181	859,181	\$0
Total Expenditures and Other Uses	<u>1,106,596</u>	<u>851,289</u>	<u>851,289</u>	<u>0</u>
Net Change in Fund Balance	(306,721)	7,892	7,892	0
Fund Balance, July 1	401,063	401,063	401,063	0
Prior Year Encumbrances Appropriated	<u>65,893</u>	<u>65,893</u>	<u>65,893</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$160,235</u></u>	<u><u>\$474,848</u></u>	<u><u>\$474,848</u></u>	<u><u>\$0</u></u>
<b>Auxiliary Services</b>				
Total Revenues and Other Sources	\$1,012,550	986,069	986,069	\$0
Total Expenditures and Other Uses	<u>1,251,547</u>	<u>967,199</u>	<u>967,199</u>	<u>0</u>
Net Change in Fund Balance	(238,997)	18,870	18,870	0
Fund Balance, July 1	160,149	160,149	160,149	0
Prior Year Encumbrances Appropriated	<u>78,849</u>	<u>78,849</u>	<u>78,849</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$1</u></u>	<u><u>\$257,868</u></u>	<u><u>\$257,868</u></u>	<u><u>\$0</u></u>

Worthington City School District  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
(Non-GAAP Budgetary Basis)  
For the fiscal year ended June 30, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget: positive (negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Data Communication Support</b>				
Total Revenues and Other Sources	\$30,600	32,400	32,400	\$0
Total Expenditures and Other Uses	<u>30,600</u>	<u>32,400</u>	<u>32,400</u>	<u>0</u>
Net Change in Fund Balance	0	0	0	0
Fund Balance, July 1	0	0	0	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
<b>Straight A Grant</b>				
Total Revenues and Other Sources	\$28,113	22,262	22,262	\$0
Total Expenditures and Other Uses	<u>34,290</u>	<u>28,439</u>	<u>28,439</u>	<u>0</u>
Net Change in Fund Balance	(6,177)	(6,177)	(6,177)	0
Fund Balance, July 1	17	17	17	0
Prior Year Encumbrances Appropriated	<u>6,160</u>	<u>6,160</u>	<u>6,160</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>
<b>Other State Grants</b>				
Total Revenues and Other Sources	\$30,653	26,998	26,998	\$0
Total Expenditures and Other Uses	<u>31,214</u>	<u>26,755</u>	<u>26,755</u>	<u>0</u>
Net Change in Fund Balance	(561)	243	243	0
Fund Balance, July 1	560	560	560	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u><u>(\$1)</u></u>	<u><u>\$803</u></u>	<u><u>\$803</u></u>	<u><u>\$0</u></u>

Worthington City School District  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
(Non-GAAP Budgetary Basis)  
For the fiscal year ended June 30, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget: positive (negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Special Education Part B - IDEA Grant</b>				
Total Revenues and Other Sources	\$2,200,942	1,868,125	1,868,125	\$0
Total Expenditures and Other Uses	<u>2,228,855</u>	<u>1,878,047</u>	<u>1,878,047</u>	<u>0</u>
Net Change in Fund Balance	(27,913)	(9,922)	(9,922)	0
Fund Balance, July 1	21,449	21,449	21,449	0
Prior Year Encumbrances Appropriated	<u>6,464</u>	<u>6,464</u>	<u>6,464</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$0</u></u>	<u><u>\$17,991</u></u>	<u><u>\$17,991</u></u>	<u><u>\$0</u></u>
<b>Vocational Education Grant</b>				
Total Revenues and Other Sources	\$42,096	39,733	39,733	\$0
Total Expenditures and Other Uses	<u>45,310</u>	<u>42,903</u>	<u>42,903</u>	<u>0</u>
Net Change in Fund Balance	(3,214)	(3,170)	(3,170)	0
Fund Balance, July 1	226	226	226	0
Prior Year Encumbrances Appropriated	<u>2,987</u>	<u>2,987</u>	<u>2,987</u>	<u>0</u>
Fund Balance, June 30	<u><u>(\$1)</u></u>	<u><u>\$43</u></u>	<u><u>\$43</u></u>	<u><u>\$0</u></u>
<b>Title III Immigrant/LEP Grant</b>				
Total Revenues and Other Sources	\$146,882	128,051	128,051	\$0
Total Expenditures and Other Uses	<u>166,130</u>	<u>147,210</u>	<u>147,210</u>	<u>0</u>
Net Change in Fund Balance	(19,248)	(19,159)	(19,159)	0
Fund Balance, July 1	80	80	80	0
Prior Year Encumbrances Appropriated	<u>19,168</u>	<u>19,168</u>	<u>19,168</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$0</u></u>	<u><u>\$89</u></u>	<u><u>\$89</u></u>	<u><u>\$0</u></u>

Worthington City School District  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
(Non-GAAP Budgetary Basis)  
For the fiscal year ended June 30, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget: positive (negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Title I Grant</b>				
Total Revenues and Other Sources	\$1,003,855	859,546	859,546	\$0
Total Expenditures and Other Uses	<u>1,010,460</u>	<u>855,681</u>	<u>855,681</u>	<u>0</u>
Net Change in Fund Balance	(6,605)	3,865	3,865	0
Fund Balance, July 1	4,734	4,734	4,734	0
Prior Year Encumbrances Appropriated	<u>1,869</u>	<u>1,869</u>	<u>1,869</u>	<u>0</u>
Fund Balance, June 30	<u>(\$2)</u>	<u>\$10,468</u>	<u>\$10,468</u>	<u>\$0</u>
<b>Special Education Preschool Grant</b>				
Total Revenues and Other Sources	\$32,240	60,646	60,646	\$0
Total Expenditures and Other Uses	<u>32,287</u>	<u>60,192</u>	<u>60,192</u>	<u>0</u>
Net Change in Fund Balance	(47)	454	454	0
Fund Balance, July 1	47	47	47	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u>\$0</u>	<u>\$501</u>	<u>\$501</u>	<u>\$0</u>
<b>Title IIA Improving Teacher Quality</b>				
Total Revenues and Other Sources	\$164,737	209,831	209,831	\$0
Total Expenditures and Other Uses	<u>177,555</u>	<u>220,578</u>	<u>220,578</u>	<u>0</u>
Net Change in Fund Balance	(12,818)	(10,747)	(10,747)	0
Fund Balance, July 1	32	32	32	0
Prior Year Encumbrances Appropriated	<u>12,786</u>	<u>12,786</u>	<u>12,786</u>	<u>0</u>
Fund Balance, June 30	<u>\$0</u>	<u>\$2,071</u>	<u>\$2,071</u>	<u>\$0</u>

Worthington City School District  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balances - Budget and Actual  
 (Non-GAAP Budgetary Basis)  
 For the fiscal year ended June 30, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget: positive (negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Miscellaneous Federal Grants</b>				
Total Revenues and Other Sources	\$0	17,990	17,990	\$0
Total Expenditures and Other Uses	<u>0</u>	<u>17,990</u>	<u>17,990</u>	<u>0</u>
Net Change in Fund Balance	0	0	0	0
Fund Balance, July 1	0	0	0	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

## WORTHINGTON CITY SCHOOL DISTRICT INTERNAL SERVICE FUNDS

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Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units on a cost-reimbursement basis.

**Intra-District Services** – A fund provided to account for operations that provide goods or services to other governmental units on a cost-reimbursement basis. For budgetary purposes, the Kindergarten Plus Program has been included in the amounts. However, the Kindergarten Plus Program has been included in the General Fund for GAAP purposes.

**Workers Compensation Self Insurance** – A fund provided to account for money received from other funds as payment for providing workers compensation insurance. Payments are made to a third party administrator for claims payments, claims administration, and stop-loss coverage.

**Medical Self Insurance** – A fund provided to account for money received from other funds as payment for providing medical insurance. Payments are made to a third party administrator for claims payments, claims administration, and stop-loss coverage.

**WORTHINGTON CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
AS OF JUNE 30, 2018

	Intra- District Services	Workers Compensation Self Insurance	Medical Self Insurance	Total Internal Service
<b>Assets</b>				
Current Assets:				
Cash and Investments	\$ 843,095	\$ 1,965,090	\$ 11,298,714	\$ 14,106,899
Inventory	63,049	-	-	63,049
Interfund Receivable	-	43,710	-	43,710
Prepaid Items	3,004	1,435	89,256	93,695
Total Current Assets	<u>909,148</u>	<u>2,010,235</u>	<u>11,387,970</u>	<u>14,307,353</u>
Noncurrent Assets:				
Depreciable Capital Assets, net	151,595	-	-	151,595
Total Assets	<u>1,060,743</u>	<u>2,010,235</u>	<u>11,387,970</u>	<u>14,458,948</u>
<b>Liabilities</b>				
Current Liabilities:				
Accounts Payable	25,357	-	58	25,415
Compensated Absences Payable	3,774	4,308	-	8,082
Claims Payable	-	145,953	1,398,000	1,543,953
Unearned Revenue	-	-	1,422,991	1,422,991
Total Current Liabilities	<u>29,131</u>	<u>150,261</u>	<u>2,821,049</u>	<u>3,000,441</u>
Long-Term Liabilities:				
Compensated Absences Payable	6,442	13,403	-	19,845
Total Long-Term Liabilities	<u>6,442</u>	<u>13,403</u>	<u>-</u>	<u>19,845</u>
Total Liabilities	<u>35,573</u>	<u>163,664</u>	<u>2,821,049</u>	<u>3,020,286</u>
<b>Net Position</b>				
Investment in Capital Assets	151,595	-	-	151,595
Unrestricted	873,575	1,846,571	8,566,921	11,287,067
Total Net Position	<u>\$ 1,025,170</u>	<u>\$ 1,846,571</u>	<u>\$ 8,566,921</u>	<u>\$ 11,438,662</u>

**WORTHINGTON CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

COMBINING STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSIITON  
INTERNAL SERVICE FUNDS  
FOR FISCAL YEAR ENDED JUNE 30, 2018

	Intra- District Services	Workers Compensation Self Insurance	Medical Self Insurance	Total Internal Service
<b>OPERATING REVENUES:</b>				
Charges for Services	\$ 571,282	\$ 481,866	\$ 16,483,193	\$ 17,536,341
Total Operating Revenues	<u>571,282</u>	<u>481,866</u>	<u>16,483,193</u>	<u>17,536,341</u>
<b>OPERATING EXPENSES:</b>				
Salaries	99,122	84,149	-	183,271
Fringe benefits	52,349	42,377	-	94,726
Purchased Services	104,144	95,551	1,693,961	1,893,656
Material and Supplies	228,693	-	-	228,693
Depreciation	83,754	-	-	83,754
Claims	-	(13,072)	14,767,403	14,754,331
Total Operating Expenses	<u>568,062</u>	<u>209,005</u>	<u>16,461,364</u>	<u>17,238,431</u>
Operating Income (loss)	3,220	272,861	21,829	297,910
<b>NON-OPERATING REVENUES:</b>				
Interest	-	25,498	154,380	179,878
Total Non-Operating Revenues	<u>-</u>	<u>25,498</u>	<u>154,380</u>	<u>179,878</u>
Change in Net Position	3,220	298,359	176,209	477,788
Net Position at Beginning of Year	1,021,950	1,548,212	8,390,712	10,960,874
Net Position at End of Year	<u>\$ 1,025,170</u>	<u>\$ 1,846,571</u>	<u>\$ 8,566,921</u>	<u>\$ 11,438,662</u>

**WORTHINGTON CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR FISCAL YEAR ENDED JUNE 30, 2018

	Intra- District Services	Workers Compensation Self Insurance	Medical Self Insurance	Total Internal Service
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Cash received from charges from services	\$ 606,395	\$ 501,025	\$ 16,641,784	\$ 17,749,204
Cash payments for personal services	(151,022)	(125,008)	-	(276,030)
Cash payments for purchased services	(99,753)	(101,547)	(1,704,119)	(1,905,419)
Cash payments for supplies and materials	(234,128)	-	-	(234,128)
Cash payments for claims	-	(73,898)	(15,139,307)	(15,213,205)
NET CASH PROVIDED (used) BY OPERATING ACTIVITIES	<u>121,492</u>	<u>200,572</u>	<u>(201,642)</u>	<u>120,422</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Payments for Capital Acquisitions	(9,550)	-	-	(9,550)
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(9,550)</u>	<u>-</u>	<u>-</u>	<u>(9,550)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Earnings on Investments	-	25,498	154,380	179,878
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>-</u>	<u>25,498</u>	<u>154,380</u>	<u>179,878</u>
INCREASE (DECREASE) IN CASH AND INVESTMENTS	111,942	226,070	(47,262)	290,750
CASH AND INVESTMENTS BEGINNING OF YEAR	731,153	1,739,020	11,345,976	13,816,149
CASH AND INVESTMENTS END OF YEAR	<u>\$ 843,095</u>	<u>\$ 1,965,090</u>	<u>\$ 11,298,714</u>	<u>\$ 14,106,899</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>				
Operating Income (loss)	\$ 3,220	\$ 272,861	\$ 21,829	\$ 297,910
Adjustments				
Depreciation	83,754	-	-	83,754
Increase (Decrease) in Assets:				
Inventory	(7,999)	-	-	(7,999)
Interfund Receivable	-	19,159	3,574	22,733
Receivables, net	35,113	-	-	35,113
Prepaid Items	(1,672)	(96)	(5,787)	(7,555)
Increase (Decrease) in Liabilities:				
Accounts payable	6,955	(1,311)	(508,275)	(502,631)
Accrued Liabilities	(263)	(482)	-	(745)
Interfund payable	(2)	-	-	(2)
Claims payable	-	(86,970)	132,000	45,030
Intergovernmental payable	(303)	(5,148)	-	(5,451)
Unearned Revenue	-	-	155,017	155,017
Compensated Absences	2,689	2,559	-	5,248
Net cash provided (used) by operating activities	<u>\$ 121,492</u>	<u>\$ 200,572</u>	<u>\$ (201,642)</u>	<u>\$ 120,422</u>

Worthington City School District  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balances - Budget and Actual  
(Non-GAAP Budgetary Basis)  
For the fiscal year ended June 30, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget: positive (negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Intra-District Services Fund</b>				
Total Revenues and Other Sources	\$1,757,400	1,670,862	1,670,862	\$0
Total Expenditures and Other Uses	<u>1,831,736</u>	<u>1,482,916</u>	<u>1,482,916</u>	<u>0</u>
Net Change in Fund Balance	(74,336)	187,946	187,946	0
Fund Balance, July 1	1,061,484	1,061,484	1,061,484	0
Prior Year Encumbrances Appropriated	<u>83,275</u>	<u>83,275</u>	<u>83,275</u>	<u>0</u>
Fund Balance, June 30	<u>\$1,070,423</u>	<u>\$1,332,705</u>	<u>\$1,332,705</u>	<u>\$0</u>
<b>Workers Compensation Self Insurance Fund</b>				
Total Revenues and Other Sources	\$670,000	526,523	526,523	\$0
Total Expenditures and Other Uses	<u>687,963</u>	<u>323,646</u>	<u>323,646</u>	<u>0</u>
Net Change in Fund Balance	(17,963)	202,877	202,877	0
Fund Balance, July 1	1,711,057	1,711,057	1,711,057	0
Prior Year Encumbrances Appropriated	<u>27,963</u>	<u>27,963</u>	<u>27,963</u>	<u>0</u>
Fund Balance, June 30	<u>\$1,721,057</u>	<u>\$1,941,897</u>	<u>\$1,941,897</u>	<u>\$0</u>
<b>Medical Self Insurance Fund</b>				
Total Revenues and Other Sources	\$16,096,230	16,796,164	16,796,164	\$0
Total Expenditures and Other Uses	<u>15,877,396</u>	<u>16,886,853</u>	<u>16,886,853</u>	<u>0</u>
Net Change in Fund Balance	218,834	(90,689)	(90,689)	0
Fund Balance, July 1	11,297,952	11,297,952	11,297,952	0
Prior Year Encumbrances Appropriated	<u>48,024</u>	<u>48,024</u>	<u>48,024</u>	<u>0</u>
Fund Balance, June 30	<u>\$11,564,810</u>	<u>\$11,255,287</u>	<u>\$11,255,287</u>	<u>\$0</u>

## WORTHINGTON CITY SCHOOL DISTRICT FIDUCIARY FUNDS

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Trust funds are used to account for assets held by the district in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

Agency funds are used to account for assets held by the district as an agent for individuals, private organizations, other governments, and/or other funds.

**Private Purpose Trust** – A trust fund used to account for money which has been set aside for scholarship purposes. The income from such funds may be expended in accordance with the related trust agreement, but the principal must remain intact.

**Student Activity Agency** – An agency 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 Tournament Host Agency** – An agency fund provided to account for those tournaments hosted by the District on behalf of various athletic associations. The revenues and expenses are accounted for by the District with any excess funds being returned to the appropriate athletic association.

**Community/Other School Agency** – An agency fund provided to account for state foundation revenues related to resident students attending community schools or electing state scholarship opportunities per ORC 3314.08, ORC 3326.33, ORC 3310, and ORC 3313. According to the current state funding formula these funds are allocated to the resident district but paid directly to the respective school of attendance.

**WORTHINGTON CITY SCHOOL DISTRICT  
FRANKLIN COUNTY**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Beginning Balance	Additions	Deductions	Ending Balance
<b>Student Managed Activities</b>				
<b>Assets</b>				
Cash and Investments	\$ 135,322	\$ 149,391	\$ 132,571	\$ 152,142
Receivables, net	-	-	-	-
Total Assets	<u>135,322</u>	<u>149,391</u>	<u>132,571</u>	<u>152,142</u>
<b>Liabilities</b>				
Accounts Payable	5,476	1,282	5,476	1,282
Due to Others	129,846	154,867	133,853	150,860
Total Liabilities	<u>\$ 135,322</u>	<u>\$ 156,149</u>	<u>\$ 139,329</u>	<u>\$ 152,142</u>
<b>District Tournament Host Account</b>				
<b>Assets</b>				
Cash and Investments	\$ -	\$ 33,240	\$ 33,240	\$ -
Receivables, net	-	-	-	-
Total Assets	<u>-</u>	<u>33,240</u>	<u>33,240</u>	<u>-</u>
<b>Liabilities</b>				
Due to Others	-	33,240	33,240	-
Total Liabilities	<u>\$ -</u>	<u>\$ 33,240</u>	<u>\$ 33,240</u>	<u>\$ -</u>
<b>Community/Other School</b>				
<b>Assets</b>				
Cash and Investments	\$ -	\$ 3,263,037	\$ 3,263,037	\$ -
Receivables, net	176,557	-	176,557	-
Total Assets	<u>176,557</u>	<u>3,263,037</u>	<u>3,439,594</u>	<u>-</u>
<b>Liabilities</b>				
Due to Others	176,557	3,263,037	3,439,594	-
Total Liabilities	<u>\$ 176,557</u>	<u>\$ 3,263,037</u>	<u>\$ 3,439,594</u>	<u>\$ -</u>
<b>Total</b>				
<b>Assets</b>				
Cash and Investments	\$ 135,322	\$ 3,445,668	\$ 3,428,848	\$ 152,142
Receivables, net	176,557	-	176,557	-
Total Assets	<u>311,879</u>	<u>3,445,668</u>	<u>3,605,405</u>	<u>152,142</u>
<b>Liabilities</b>				
Accounts Payable	5,476	1,282	5,476	1,282
Due to Others	306,403	3,451,144	3,606,687	150,860
Total Liabilities	<u>\$ 311,879</u>	<u>\$ 3,452,426</u>	<u>\$ 3,612,163</u>	<u>\$ 152,142</u>

Worthington City School District  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Balances - Budget and Actual  
 (Non-GAAP Budgetary Basis)  
 For the fiscal year ended June 30, 2018

	<u>Budgeted Amounts</u>			Variance with Final Budget: positive (negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Private Purpose Trust Fund</b>				
Total Revenues and Other Sources	\$1,043	1,779	1,779	\$0
Total Expenditures and Other Uses	<u>1,000</u>	<u>1,200</u>	<u>1,200</u>	<u>0</u>
Net Change in Fund Balance	43	579	579	0
Fund Balance, July 1	126,302	126,302	126,302	0
Prior Year Encumbrances Appropriated	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance, June 30	<u><u>\$126,345</u></u>	<u><u>\$126,881</u></u>	<u><u>\$126,881</u></u>	<u><u>\$0</u></u>

# STATISTICAL SECTION





## WORTHINGTON CITY SCHOOL DISTRICT STATISTICAL SECTION

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

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b>	<b>112</b>
These schedules contain trend information to help the reader understand how the District's financial position has changed over time.	
<b>Revenue Capacity</b>	<b>120</b>
These schedules contain information to help the reader assess the affordability of the District's most significant local revenue source, the property tax.	
<b>Debt Capacity</b>	<b>126</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>Economic and Demographic Information</b>	<b>132</b>
These schedules offer economic and demographic indicators to help the reader understand the environment within which the District's financial activities take place.	
<b>Operating Information</b>	<b>134</b>
These schedules contain service to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	

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

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

	2009	2010	2011	2012
<b>Governmental Activities:</b>				
Investment in Capital Assets	\$24,026,751	\$21,216,857	\$20,534,189	\$19,805,237
Restricted for:				
Capital Outlay	4,417,861	1,437,072	521,843	1,369,597
Debt Service	5,032,502	2,986,937	2,280,627	1,344,150
Other Purposes	3,290,396	2,328,710	1,554,191	1,378,973
Unrestricted (Deficit)	<u>39,232,385</u>	<u>51,793,301</u>	<u>56,506,087</u>	<u>62,014,693</u>
Total Governmental Activities Net Position	<u>\$75,999,895</u>	<u>\$79,762,877</u>	<u>\$81,396,937</u>	<u>\$85,912,650</u>

Note - Due to the implementation of GASB 68 in fiscal year 2015, fiscal year 2014 has been restated to reflect changes. However, we are unable to restate numbers for fiscal years 2009 to 2013 due to information not being available.

Note - Due to the implementation of GASB 75 in fiscal year 2018, fiscal year 2017 has been restated to reflect changes. However, we are unable to restate numbers for fiscal years 2009 to 2016 due to information not being available.

2013	2014	2015	2016	2017	2018
\$16,037,554	\$15,139,093	\$13,242,513	\$12,229,005	\$13,630,829	\$15,113,114
893,745	2,750,854	1,548,647	1,862,526	1,841,728	1,857,835
5,720,009	5,912,713	5,826,349	6,322,507	6,486,737	7,441,988
383,772	343,152	182,461	404,057	338,332	611,420
68,075,871	(100,533,730)	(81,252,865)	(63,534,450)	(110,152,722)	(31,127,248)
\$91,110,951	(\$76,387,918)	(\$60,452,895)	(\$42,716,355)	(\$87,855,096)	(\$6,102,891)

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

	2009	2010	2011	2012
<b>Expenses</b>				
Governmental Activities:				
Instruction				
Regular	\$61,356,074	\$61,107,812	\$61,948,546	\$60,153,790
Special	12,783,580	13,780,924	13,847,900	12,942,670
Vocational	923,941	1,371,730	1,295,740	948,583
Continuing	2,508	1,863	2,320	2,451
Support Services				
Pupils	6,094,672	6,109,044	6,184,067	6,850,495
Instructional Staff	9,794,594	10,618,889	11,248,835	10,831,246
Board of Education	40,799	63,151	54,500	73,036
Administration	9,308,941	8,830,428	8,695,004	8,828,711
Business Operations	2,552,624	2,678,412	2,835,885	2,624,084
Operation and maintenance of plant	12,866,886	14,045,142	14,276,316	12,975,184
Student Transportation	4,102,356	4,363,343	4,335,906	4,432,028
Central Services	968,993	1,542,723	1,547,692	1,335,576
Food Service Operations	3,375,873	3,326,175	3,393,287	3,145,849
Community Services	1,777,357	1,446,962	1,605,646	1,612,180
Co-curricular Activities	2,302,894	2,634,317	2,696,681	2,660,440
Interest and Fiscal Charges	2,629,246	2,556,578	2,496,537	2,792,187
<i>Total Governmental Activities Expenses</i>	<u>130,881,338</u>	<u>134,477,493</u>	<u>136,464,862</u>	<u>132,208,510</u>
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services				
Instruction				
Regular	1,260,967	1,629,706	1,334,951	955,968
Special	203,255	73,009	237,761	180,634
Support Services				
Pupils	83,933	89,250	101,897	75,217
Instructional Staff	131,211	93,998	9,109	9,929
School Administration	14,039	9,863	-	14,500
Business Operations	-	-	-	-
Operation and maintenance of plant	37,137	-	-	197,062
Student Transportation	10,753	75,696	15,216	34,079
Central Services	48,596	-	-	16,517
Food Service Operations	2,394,873	2,270,288	2,214,556	1,834,847
Community services	639,886	626,510	741,300	890,967
Co-curricular student activities	681,279	719,966	785,207	841,932
Operating Grants and Contributions	4,959,306	9,085,628	7,533,794	5,637,083
<i>Total Governmental Activities Program Revenues</i>	<u>10,465,235</u>	<u>14,673,914</u>	<u>12,973,791</u>	<u>10,688,735</u>
<b>Net (Expense)/Revenue Governmental Activities</b>	<u>(120,416,103)</u>	<u>(119,803,579)</u>	<u>(123,491,071)</u>	<u>(121,519,775)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities:				
Property Taxes Levied for:				
General Purpose	74,893,291	77,937,496	78,994,083	82,382,453
Debt Service	6,853,630	6,313,705	6,152,424	6,038,076
Grants and Entitlements not				
Restricted to Specific Programs	35,560,655	38,083,058	38,586,728	36,551,716
Investment Earnings	1,427,545	429,863	329,330	294,842
Miscellaneous	412,989	802,439	1,062,566	768,401
<i>Total Governmental Activities</i>	<u>119,148,110</u>	<u>123,566,561</u>	<u>125,125,131</u>	<u>126,035,488</u>
<b>Change in Net Position Governmental Activities</b>	<u>(1,267,993)</u>	<u>3,762,982</u>	<u>1,634,060</u>	<u>4,515,713</u>

The District implemented GASB 68 in fiscal year 2015. Information is not available to restate amounts in fiscal years 2009 to 2014.  
The District implemented GASB 75 in fiscal year 2018. Information is not available to restate amounts in fiscal years 2009 to 2017.

2013	2014	2015	2016	2017	2018
\$59,983,167	\$61,152,284	\$61,863,275	\$59,388,144	\$67,646,631	\$22,746,573
13,505,383	16,539,447	14,948,725	16,271,960	18,985,415	6,920,794
1,011,980	826,809	1,084,262	927,692	999,149	869,323
22,828	226,793	197,942	271,368	301,394	69,692
6,723,710	6,957,611	6,610,039	7,224,581	8,444,109	2,929,873
10,760,491	5,054,171	5,452,519	5,843,326	6,205,395	3,445,735
36,938	35,290	54,725	29,624	30,784	29,625
8,432,818	9,234,254	8,609,844	9,164,487	9,923,793	4,715,091
3,101,183	3,134,831	3,009,970	3,403,790	3,786,881	3,931,738
12,076,687	14,209,359	13,045,506	13,662,923	15,177,772	13,343,532
4,509,730	4,786,351	4,534,785	4,792,828	5,417,740	4,983,983
1,401,754	1,509,073	1,443,920	1,395,975	1,650,491	1,190,197
2,899,772	2,963,362	2,892,319	3,138,079	3,265,866	3,148,214
2,007,388	1,667,077	2,030,562	1,900,809	2,208,625	1,528,799
2,703,946	2,793,885	2,723,099	2,961,442	3,274,663	2,212,042
2,339,784	2,890,592	2,442,154	2,300,873	2,087,188	1,871,213
131,517,559	133,981,189	130,943,646	132,677,901	149,405,896	73,936,424
774,544	744,043	768,218	684,547	765,285	959,605
207,238	271,580	336,883	171,157	187,981	217,466
89,283	20,074	16,421	32,975	26,865	29,621
10,434	2,399	596	-	4,596	5,039
2,857	35,816	5,379	-	-	-
-	-	-	-	-	427,826
122,973	78,253	293,089	634,169	646,905	530,405
16,174	40,092	10,441	8,249	3,656	8,938
33,494	43,037	153,787	-	-	-
1,706,788	1,699,891	1,756,526	1,839,327	2,020,361	1,959,508
951,389	980,474	962,221	1,019,762	1,031,163	1,068,216
928,617	909,108	782,285	895,599	860,392	957,161
5,738,411	6,117,505	7,320,079	7,024,955	7,128,197	7,006,404
10,582,202	10,942,272	12,405,925	12,310,740	12,675,401	13,170,189
(120,935,357)	(123,038,917)	(118,537,721)	(120,367,161)	(136,730,495)	(60,766,235)
84,497,215	92,122,789	90,510,745	94,296,732	95,260,809	100,189,688
5,750,975	6,194,679	5,930,081	6,257,544	6,264,990	7,008,117
34,956,257	37,323,583	36,521,930	35,845,398	34,680,516	33,720,750
157,364	582,395	908,622	1,069,634	1,022,731	1,110,826
771,847	1,197,469	601,366	634,393	567,815	489,059
126,133,658	137,420,915	134,472,744	138,103,701	137,796,861	142,518,440
5,198,301	14,381,998	15,935,023	17,736,540	1,066,366	81,752,205

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

	2009	2010	2011	2012
<b>General Fund</b>				
Nonspendable	N/A	141,145	110,658	101,320
Committed	N/A	3,118,000	3,118,000	3,118,000
Assigned	N/A	1,166,656	859,000	956,355
Unassigned	N/A	48,348,128	52,734,320	59,180,684
Reserved	\$28,482,417	N/A	N/A	N/A
Unreserved	17,964,189	N/A	N/A	N/A
<i>Total General Fund</i>	46,446,606	52,773,929	56,821,978	63,356,359
<b>All Other Governmental Funds</b>				
Nonspendable	N/A	92,591	118,609	97,321
Restricted for:				
Debt Service	N/A	4,662,945	4,521,604	4,274,857
Capital Outlay	N/A	7,233,633	9,911,549	4,198,543
Other Purposes	N/A	682,235	801,455	542,272
Committed	N/A	3,542,754	3,326,280	2,662,054
Assigned	N/A	-	-	-
Unassigned	N/A	(328,262)	(120,804)	(416,973)
Reserved	7,656,365	N/A	N/A	N/A
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	2,807,222	N/A	N/A	N/A
Debt Service Funds	2,181,201	N/A	N/A	N/A
Capital Projects Funds	12,427,171	N/A	N/A	N/A
<i>Total All Other Governmental Funds</i>	25,071,959	15,885,896	18,558,693	11,358,074
<i>Total Governmental Funds</i>	<u>\$71,518,565</u>	<u>68,659,825</u>	<u>75,380,671</u>	<u>74,714,433</u>

Note: Governmental Accounting Standards Board Statement No 54, Fund Balance Reporting, was implemented July 1, 2009. Table reflects that only for Fiscal Year 2010. Prior fiscal year was not reclassified

2013	2014	2015	2016	2017	2018
142,703	110,386	1,235,204	1,188,516	1,162,823	1,244,638
3,118,000	5,335,958	9,771,874	13,807,810	17,463,766	21,753,480
2,350,474	1,566,045	2,187,875	1,953,814	2,293,652	33,873,307
64,948,500	77,540,555	84,138,874	92,693,292	96,040,297	67,949,817
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
70,559,677	84,552,944	97,333,827	109,643,432	116,960,538	124,821,242
81,837	79,991	124,738	120,589	131,451	114,402
5,699,723	5,843,956	5,838,450	6,351,316	6,490,382	7,437,302
38,334,956	33,124,347	23,408,226	15,630,826	9,466,527	5,920,798
309,629	362,753	421,248	1,002,762	1,216,138	1,675,311
2,679,493	353,265	349,555	397,976	452,116	533,975
-	-	-	-	-	-
(392,745)	(123,730)	(12,750)	(417)	(390,940)	(174,979)
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
46,712,893	39,640,582	30,129,467	23,503,052	17,365,674	15,506,809
117,272,570	124,193,526	127,463,294	133,146,484	134,326,212	140,328,051

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

	2009	2010	2011	2012
<b>Revenues</b>				
Taxes	\$81,615,258	\$83,553,441	\$85,289,592	\$88,847,544
Intergovernmental	40,631,055	45,826,401	46,595,556	42,509,297
Investment Income	1,427,545	429,863	326,803	294,842
Tuition and Fees	1,768,799	2,179,882	2,244,700	2,055,568
Co-Curricular Activities	718,574	764,662	622,073	684,446
Customer Sales and Services	2,332,991	2,274,518	2,218,881	2,149,544
Other Revenues	1,098,554	1,171,663	1,416,909	920,072
<b>Total Revenues</b>	<b>129,592,776</b>	<b>136,200,430</b>	<b>138,714,514</b>	<b>137,461,313</b>
<b>Expenditures</b>				
Current:				
Instruction				
Regular	58,740,574	57,948,216	59,327,720	57,747,755
Special	12,741,514	13,856,077	13,921,845	12,942,575
Vocational	923,791	1,293,121	1,292,106	972,375
Continuing	2,508	1,863	2,320	2,453
Support Services				
Pupils	6,021,619	6,100,288	6,179,192	7,074,855
Instructional Staff	9,639,782	10,554,071	11,042,607	10,749,118
Board of Education	40,799	63,247	54,509	73,109
School Administration	9,167,779	8,936,424	8,700,643	8,919,175
Business Operations	2,535,593	2,669,962	2,828,823	2,621,831
Operation and Maintenance of Plant	12,577,804	13,133,901	13,793,802	12,476,601
Student Transportation	3,677,822	3,908,111	3,846,098	3,978,276
Central Services	897,063	1,367,924	1,478,562	1,270,446
Food Service Operations	3,392,121	3,324,916	3,374,734	3,143,525
Community Services	1,777,781	1,446,845	1,582,257	1,601,995
Co-Curricular Activities	2,171,188	2,470,673	2,559,653	2,494,138
Capital Outlay	4,495,674	3,351,787	2,493,339	3,825,390
Debt Service				
Principal Retirement	5,790,000	5,850,000	6,225,000	6,231,000
Interest and Fiscal Charges	2,779,301	2,495,815	2,509,776	2,084,786
<b>Total Expenditures</b>	<b>137,372,713</b>	<b>138,773,241</b>	<b>141,212,986</b>	<b>138,209,403</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(7,779,937)</b>	<b>(2,572,811)</b>	<b>(2,498,472)</b>	<b>(748,090)</b>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	84,169	71,429	71,429	81,852
Proceeds from Issuance of Debt	21,248,386	0	9,147,889	0
Sale of Refunding Bonds	0	0	0	0
Premium on Sale of Refunding Bonds	0	0	0	0
Payment to Refund Debt	(5,603,100)	0	0	0
Transfers In	942,302	966,144	987,401	1,051,125
Transfers Out	(942,302)	(1,323,502)	(987,401)	(1,051,125)
<b>Total Other Financing Sources (Uses)</b>	<b>15,729,455</b>	<b>(285,929)</b>	<b>9,219,318</b>	<b>81,852</b>
<b>Net Change in Fund Balances</b>	<b>\$7,949,518</b>	<b>(\$2,858,740)</b>	<b>\$6,720,846</b>	<b>(\$666,238)</b>
Debt Service as a Percentage of Noncapital Expenditures	6.57%	6.45%	6.30%	6.19%

2013	2014	2015	2016	2017	2018
\$90,345,882	\$98,411,925	\$97,772,751	\$100,771,169	\$101,358,506	\$107,516,310
40,837,573	43,417,970	43,451,681	42,091,219	40,597,775	40,883,455
84,634	533,396	681,249	1,090,039	907,523	839,002
1,981,192	1,841,259	1,854,024	1,868,000	1,980,261	2,272,748
669,730	839,160	782,285	895,599	860,392	957,161
2,030,879	2,144,348	2,445,587	2,477,661	2,669,041	2,492,621
933,835	1,447,863	1,140,667	1,154,273	984,946	1,248,996
<u>136,883,725</u>	<u>148,635,921</u>	<u>148,128,244</u>	<u>150,347,960</u>	<u>149,358,444</u>	<u>156,210,293</u>
57,219,179	59,049,748	62,504,042	58,797,930	61,457,569	62,461,422
13,395,796	16,534,991	15,885,986	16,834,227	17,848,088	18,299,855
1,011,878	883,494	1,114,838	942,638	1,225,309	845,943
22,844	229,326	224,935	281,279	283,197	255,137
6,764,267	6,965,026	7,131,316	7,468,232	7,965,746	8,326,583
10,680,736	5,334,637	5,622,522	5,964,164	5,771,395	6,150,925
36,964	35,716	56,054	30,341	30,506	32,994
8,387,504	9,162,957	9,127,680	9,492,291	9,250,025	9,611,614
3,103,321	3,135,910	3,100,368	3,515,639	3,677,030	4,132,621
11,629,485	13,631,804	12,847,459	12,942,528	13,331,784	12,872,345
4,059,179	4,365,845	4,366,302	4,469,789	4,661,549	5,106,519
1,308,782	1,416,372	1,490,824	1,427,961	1,498,377	1,543,029
2,932,602	2,962,104	3,057,276	3,161,072	3,154,300	3,348,714
1,972,296	1,692,730	2,079,242	1,812,186	2,123,768	1,855,207
2,463,556	2,611,287	2,607,573	2,806,944	2,863,705	2,999,881
3,151,590	4,988,049	6,767,017	8,945,361	4,931,336	2,710,589
4,487,000	4,909,000	5,124,954	5,357,000	5,886,825	7,615,108
2,181,929	3,157,404	2,546,465	2,418,874	2,229,849	2,045,415
<u>134,808,908</u>	<u>141,066,400</u>	<u>145,654,853</u>	<u>146,668,456</u>	<u>148,190,358</u>	<u>150,213,901</u>
<u>2,074,817</u>	<u>7,569,521</u>	<u>2,473,391</u>	<u>3,679,504</u>	<u>1,168,086</u>	<u>5,996,392</u>
71,428	52,324	32,882	69,194	11,642	5,447
40,411,892	0	763,495	1,801,304	0	0
0	8,865,000	0	8,840,000	0	0
0	916,778	0	1,154,369	0	0
0	(9,651,308)	0	(9,861,181)	0	0
2,267,322	1,101,619	877,670	1,099,966	1,236,713	2,809,677
<u>(2,267,322)</u>	<u>(1,932,978)</u>	<u>(877,670)</u>	<u>(1,099,966)</u>	<u>(1,236,713)</u>	<u>(2,809,677)</u>
<u>40,483,320</u>	<u>(648,565)</u>	<u>796,377</u>	<u>2,003,686</u>	<u>11,642</u>	<u>5,447</u>
<u>\$42,558,137</u>	<u>\$6,920,956</u>	<u>\$3,269,768</u>	<u>\$5,683,190</u>	<u>\$1,179,728</u>	<u>\$6,001,839</u>
4.77%	5.83%	5.52%	5.65%	5.67%	6.55%

**Worthington City School District**  
*Assessed and Estimated Actual Value of Taxable Property*  
*Last Ten Years*

Collection Year	Real Property (a)		Tangible Personal Property	
	Assessed Value	Estimated Actual Value	Public Utility ( c)	
			Assessed Value	Estimated Actual Value
2009	1,800,730,910	5,144,945,457	29,914,350	85,469,571
2010	1,805,469,380	5,158,483,943	30,224,580	86,355,943
2011	1,805,903,510	5,159,724,314	34,228,570	97,795,914
2012	1,741,111,530	4,974,604,371	37,985,760	108,530,743
2013	1,747,664,410	4,993,326,886	38,017,360	108,621,029
2014	1,744,650,250	4,984,715,000	35,896,610	102,561,743
2015	1,787,519,740	5,107,199,257	39,107,540	111,735,829
2016	1,799,265,190	5,140,757,686	42,452,120	121,291,771
2017	1,810,570,880	5,173,059,657	44,230,420	126,372,629
2018	2,003,849,270	5,725,283,629	43,038,430	122,966,943

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

(b) The rate at which tangible personal property used in business is assessed for purposes of ad valorem property taxation decreased one percent each year from 35% in 1983 until it reached 25% in 1993. HB66 phased out TPP with the last collection during 2010. Telephone property was reclassified to General Business and assessed at 10% for 2009, 5% for 2010, and eliminated in 2011.

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

**Source:** Office of the County Auditor, Franklin County, Ohio

Tangible Personal Property		Total		Total Direct Effective Rate
General Business (b)		Assessed Value	Estimated Actual Value	
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	
8,593,327	\$85,933,270	1,839,238,587	5,316,348,299	83.14
4,296,663	\$85,933,260	1,839,990,623	5,330,773,146	87.04
0	\$0	1,840,132,080	5,257,520,229	88.54
0	\$0	1,779,097,290	5,083,135,114	90.04
0	\$0	1,785,681,770	5,101,947,914	94.94
0	\$0	1,780,546,860	5,087,276,743	95.94
0	\$0	1,826,627,280	5,218,935,086	96.94
0	\$0	1,841,717,310	5,262,049,457	96.94
0	\$0	1,854,801,300	5,299,432,286	96.94
0	\$0	2,046,887,700	5,848,250,571	96.94

**Worthington City School District**  
*Real Property Tax Rates - Direct and Overlapping Governments*  
*Last Ten Years*  
*(Per \$1,000 of Assessed Valuation)*

Collection Year	Worthington City School District			Franklin County	City of Worthington
	General Fund	Bond Fund	Total Direct		
2009	79.34	3.8	83.14	18.02	5.00
2010	83.24	3.80	87.04	18.07	5.00
2011	84.74	3.80	88.54	18.07	5.00
2012	86.24	3.80	90.04	18.07	5.00
2013	91.14	3.80	94.94	18.47	5.00
2014	92.14	3.80	95.94	18.47	5.00
2015	93.14	3.80	96.94	18.47	5.00
2016	93.14	3.80	96.94	18.47	5.00
2017	93.14	3.80	96.94	18.47	5.00
2018	93.14	3.80	96.94	18.92	5.00
(Res/Agric)	(46.63)	(3.80)	(50.43)	(16.82)	(5.00)
(Comm/Ind)	(66.37)	(3.80)	(70.17)	(17.71)	(5.00)

Source: County Auditor, Franklin County Ohio

Note: The Worthington City School District consists of the following five taxing districts:  
 City of Worthington, City of Columbus, Village of Riverlea, Perry Township,  
 and Sharon Township

Figures in parentheses reflect "effective" millage for residential/agricultural (upper) and commercial/industrial (lower) for the current collection year only. All other figures reflect voted millage.

Ohio Revised Code Sections 5705.02 and 5705.07 requires any millage exceeding the unvoted or "inside" millage can only be done by a vote of the people.

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<u>City of Columbus</u>	<u>Village of Riverlea</u>	<u>Sharon Township</u>	<u>Perry Township</u>	<u>Library</u>
3.14	6.50	1.57	18.10	4.80
3.14	6.50	1.57	18.10	4.80
3.14	7.00	1.57	18.10	4.80
3.14	7.00	1.57	17.67	4.80
3.14	7.65	1.57	16.41	4.80
3.14	7.65	1.57	21.60	4.80
3.14	7.65	1.57	21.17	4.80
3.14	25.66	1.57	25.10	4.80
3.14	25.90	1.57	24.67	4.80
3.14	23.01	3.80	24.67	4.80
(3.14)	(22.95)	(3.80)	(17.61)	(3.90)
(3.14)	(22.18)	(3.80)	(18.50)	(4.51)

**Worthington City School District**  
*Principal Taxpayers*  
 2018 and 2009 Collection Years

Name of Taxpayer	2018 Collection Year		Name of Taxpayer	2009 Collection Year	
	Assessed Value	Percent of Total Assessed Value		Assessed Value	Percent of Total Assessed Value
<b>Public Utilities</b>			<b>Public Utilities</b>		
1 Ohio Power Company	\$35,896,630	1.75%	1 Columbus Southern Power Company	\$25,077,660	1.36%
<b>Real Estate</b>			<b>Real Estate</b>		
1 Anheuser-Busch Inc.	18,290,420	0.89%	1 Anheuser-Busch Inc.	18,706,350	1.02%
2 District Two LLC	10,156,170	0.50%	2 EOP-Community Corporate	8,610,000	0.47%
3 Worthington Meadows	9,190,750	0.45%	3 Eastrich No 167 Corp.	8,381,900	0.46%
4 Worthington Industries	8,620,960	0.42%	4 Fieldstone Trace Partnership	7,805,010	0.42%
5 Fieldstone Trace	6,918,140	0.34%	5 Worthington Meadows	7,665,040	0.42%
6 445 Hutchinson LP	6,755,010	0.33%	6 Worthington Industries	6,664,540	0.36%
7 Stratford Chase Apartments	6,138,970	0.30%	7 Crosswoods Central Park	6,568,180	0.36%
8 BRG Liberty Crossing LLC	5,687,510	0.28%	8 Columbus Retail Inc	6,302,490	0.34%
9 Alexander Square LLC	5,509,000	0.27%	9 Corporate Hill LLC	6,006,040	0.33%
10 IS-Can Ohio X LLLP	5,241,260	0.26%	10 Braveheart Columbus LLC	5,670,010	0.31%
All Others	1,928,482,880	94.21%	All Others	1,731,781,367	94.15%
Total Assessed Valuation	<u>2,046,887,700</u>	<u>100.00%</u>		<u>1,839,238,587</u>	<u>100.00%</u>

**Source:** Office of the Auditor, Franklin County, Ohio

**Note:** Assessed Values are for the valuation year of 2017 and 2008 respectively.

**Worthington City School District**  
*Property Tax Levies and Collections (1)*  
*Last Ten Years*

Collection Year	Current Tax Levy	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections (2)	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy
2009	83,937,999	80,542,344	95.95	1,991,007	82,533,351	98.33%
2010	91,668,700	88,884,885	96.96%	2,737,450	91,622,335	99.95%
2011	94,417,339	91,419,282	96.82%	2,356,824	93,776,106	99.32%
2012	97,249,443	94,152,680	96.82%	2,123,321	96,276,001	99.00%
2013	106,020,015	102,171,467	96.37%	2,522,146	104,693,613	98.75%
2014	107,754,575	102,867,690	95.46%	2,079,839	104,947,529	97.39%
2015	109,797,880	106,411,960	96.92%	1,892,190	108,304,150	98.64%
2016	110,933,758	108,029,750	97.38%	1,679,989	109,709,739	98.90%
2017	111,900,096	109,426,121	97.79%	2,101,181	111,527,302	99.67%
2018	N/A	N/A	N/A	N/A	N/A	N/A

**Source:** Office of the Auditor, Franklin County, Ohio

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

(2) The District does not identify delinquent tax collections by tax year and only pertains to real estate tax, personal property information is unavailable

N/A - Not available at time of publication

**Worthington City School District**  
*Ratio of Outstanding Debt By Type*

*Last Ten Years*

Year	Governmental Activities			Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)
	General Obligation Bonds	General Obligation Notes	Certificates of Participation			
2009	52,424,611	3,114,000	5,593,667	61,132,278	2.72%	994.15
2010	47,226,993	2,774,000	5,357,719	55,358,712	2.39%	872.79
2011	50,868,345	2,424,000	5,081,771	58,374,116	2.47%	903.93
2012	45,471,381	2,058,000	4,725,823	52,255,204	2.47%	901.58
2013	82,263,970	1,676,000	4,459,622	88,399,592	4.14%	1,481.00
2014	78,877,719	1,277,000	3,992,674	84,147,393	3.04%	1,408.96
2015	74,203,650	1,880,495	3,480,726	79,564,871	2.78%	1,331.47
2016	70,256,033	3,514,799	2,873,778	76,644,610	2.59%	1,262.16
2017	65,082,035	3,077,974	2,246,830	70,406,839	2.22%	1,085.09
2018	59,763,730	2,627,866	-	62,391,596	1.91%	954.60

**Source:** Office of the Auditor, Franklin County, Ohio

(a) See Schedule Demographic and Economic Statistics for Personal income and population data

**Worthington City School District**  
*Ratios of General Bonded Debt Outstanding*  
*Last Ten Years*

Year	(a) Estimated Actual Value	(b) General Obligation Debt	(d) Resources Available to Pay Principal	Net General Bonded Debt	(e) Ratio of Net Bonded Debt to Estimated Actual Value	(e) Net Bonded Debt per Capita
2009	5,316,348,299	61,132,278	2,858,321	58,273,957	1.10%	\$947.67
2010	5,330,773,146	55,358,712	2,565,945	52,792,767	0.99%	\$858.53
2011	5,257,520,229	\$58,374,116	2,552,615	55,821,501	1.06%	\$940.17
2012	5,083,135,114	\$52,255,204	2,154,857	50,100,347	0.99%	\$841.61
2013	5,101,947,914	\$88,399,592	3,776,723	84,622,869	1.66%	\$1,417.73
2014	5,087,276,743	\$84,147,393	3,712,845	80,434,548	1.58%	\$1,346.79
2015	5,218,935,086	\$79,564,871	3,639,450	75,925,421	1.45%	\$1,270.57
2016	5,262,049,457	\$76,644,610	4,040,316	72,604,294	1.38%	\$1,195.62
2017	5,299,432,286	\$70,406,839	4,224,382	66,182,457	1.25%	\$1,019.98
2018	5,848,250,571	\$62,391,596	4,884,246	57,507,350	0.98%	\$879.87

**Sources:**

- (a) County Auditor, Franklin County, Ohio,
- (b) See Schedule Ratios of Outstanding Debt By Type
- (d) Cash balance in the Debt Service Fund for the respective fiscal year
- (e) See Schedule of Demographic and Economic Statistics for population figures

**Worthington City School District**  
*Computation of Direct and Overlapping  
Debt Attributable to Governmental Activities  
June 30, 2018*

	Total Assessed Value of That Subdivision	Assessed Value In Worthington	Debt Outstanding (2)	Percentage Applicable to District (1)	Amount Applicable to Worthington CSD
Direct:					
Worthington City School District	\$ 2,046,887,700	2,046,887,700	\$62,391,596	100.00%	\$ 62,391,596
Overlapping:					
Franklin County	29,122,982,000	2,046,887,700	223,389,000	7.03%	\$ 15,700,734
City of Worthington	584,612,080	584,612,080	5,825,000	100.00%	\$ 5,825,000
City of Columbus	16,125,249,000	1,462,275,620	1,546,866,000	9.07%	\$ 140,273,458
Total Overlapping			<u>\$1,776,080,000</u>		<u>\$161,799,192</u>
Total Direct and Overlapping Debt			<u><u>\$1,838,471,596</u></u>		<u><u>\$224,190,788</u></u>

**Source:** Office of the Auditor, Franklin County, Ohio, and Financial Statements for the respective subdivision

- (1) 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 2018 collection year and the Debt outstanding was at December 31, 2017
- (2) The Net Debt Outstanding is obtained from the respective governmental subdivisions latest financial statements Net Bonded Debt outstanding and reflects only the governmental activities debt outstanding. Overlapping governments with no outstanding debt are not reflected above.

## **WORTHINGTON CITY SCHOOL DISTRICT**

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**Worthington City School District**  
*Computation of Legal Debt Margin*  
*Last Ten Years*

	2009	2010	2011	2012
Assessed Valuation	<u>\$ 1,839,238,587</u>	<u>\$ 1,839,990,623</u>	<u>\$ 1,840,132,080</u>	<u>\$ 1,779,097,290</u>
Debt Limit - 9% of Assessed Value (1)	<u>\$ 165,531,473</u>	<u>\$ 165,599,156</u>	<u>\$ 165,611,887</u>	<u>\$ 160,118,756</u>
Amount of Debt Applicable to Debt Limit				
General Obligation Debt	61,132,278	55,358,712	58,374,116	52,255,204
Less Exempted Debt (2)	(11,193,300)	(10,679,734)	(10,680,155)	(10,252,990)
Less Cash Available in Debt Service	<u>(2,858,321)</u>	<u>(2,565,945)</u>	<u>(2,552,615)</u>	<u>(2,154,857)</u>
Amount of Debt Subject to Limit	<u>47,080,657</u>	<u>42,113,033</u>	<u>45,141,346</u>	<u>39,847,357</u>
Legal Voted Debt Margin	<u>\$ 118,450,816</u>	<u>\$ 123,486,123</u>	<u>\$ 120,470,541</u>	<u>\$ 120,271,399</u>
Legal Debt Margin as a Percentage of the Debt Limit	71.56%	74.57%	72.74%	75.11%
Unvoted Debt Limit - 1/10 of 1% of Assessed Valuation (1)	\$ 1,839,239	\$ 1,839,991	\$ 1,840,132	\$ 1,779,097
Total Debt Outstanding	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal Unvoted Debt Margin	\$ 1,839,239	\$ 1,839,991	\$ 1,840,132	\$ 1,779,097
Legal Unvoted Debt Margin as a Percentage of the Debt Limit	100.00%	100.00%	100.00%	100.00%

**Source:** Office of the Auditor, Franklin County, Ohio and School District Records

- (1) Ohio Bond Law sets a limit of 9% for overall debt and 1/10 of 1% for unvoted debt. Exclusive of certain exemptions (ORC 133.06).
- (2) Certificates of Participation, Energy Conservation Notes, deep discount accretion and unamortized premium/gain are excluded from Debt Margin Calculation in accordance with Ohio Revised Code

2013	2014	2015	2016	2017	2018
<u>\$ 1,785,681,770</u>	<u>\$ 1,780,546,860</u>	<u>\$ 1,826,627,280</u>	<u>\$ 1,841,717,310</u>	<u>\$ 1,854,801,300</u>	<u>\$ 2,046,887,700</u>
\$ 160,711,359	\$ 160,249,217	\$ 164,396,455	\$ 165,754,558	\$ 166,932,117	\$ 184,219,893
88,399,592 (12,515,631) (3,776,723)	84,147,393 (12,328,432) (3,712,845)	79,564,871 (11,157,444) (3,639,450)	76,644,610 (12,681,787) (4,040,316)	70,406,839 (10,923,100) (4,224,382)	62,391,596 (6,514,114) (4,884,246)
<u>72,107,238</u>	<u>68,106,116</u>	<u>64,767,977</u>	<u>59,922,507</u>	<u>55,259,357</u>	<u>50,993,236</u>
<u>\$ 88,604,121</u>	<u>\$ 92,143,101</u>	<u>\$ 99,628,478</u>	<u>\$ 105,832,051</u>	<u>\$ 111,672,760</u>	<u>\$ 133,226,657</u>
55.13%	57.50%	60.60%	63.85%	66.90%	72.32%
\$ 1,785,682	\$ 1,780,547	\$ 1,826,627	\$ 1,841,717	\$ 1,854,801	\$ 2,046,888
-	-	-	-	-	-
\$ 1,785,682	\$ 1,780,547	\$ 1,826,627	\$ 1,841,717	\$ 1,854,801	\$ 2,046,888
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

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

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Year	Population (1)	Personal Income (2)	Median Income		Unemployment Rate (4)
2009	61,492	2,246,610,220	36,535	(1)	9.0%
2010	61,492	2,246,610,220	36,535	(1)	9.2%
2011	59,374	2,169,229,090	36,535	(1)	7.4%
2012	59,529	2,174,892,015	36,535	(1)	6.2%
2013	59,689	2,135,493,353	35,777	(1)	6.3%
2014	59,723	2,772,401,383	46,421	(3)	4.8%
2015	59,757	2,862,539,571	47,903	(3)	5.2%
2016	60,725	2,956,578,800	48,688	(3)	4.1%
2017	64,886	3,178,051,394	48,979	(3)	4.4%
2018	65,359	3,269,322,539	50,021	(3)	4.5%

**Sources:** (1) Mid Ohio Regional Planning Commission  
(2) Calculated based on Median income and population  
(3) Ohio Department of Education, information no longer available from MORPC, therefore, information gathered from foundation report  
(4) Ohio Bureau of Employment Services, not available for Worthington CSD. Figures presented are for Franklin County

**Worthington City School District**

*Principal Employers*

*2018 and nine years prior*

Employer	Nature of Business	June 2018		June 2009	
		Number of Employees	Rank	Number of Employees	Rank
Worthington Industries	Steel Industry	1,350	1	1,100	3
Worthington School District	Education	1,205	2	1,169	1
Emerson Network Power (formerly Liebert Corporation)	Energy/Power	1,000	3	1,000	4
Anthem Blue Cross	Insurance	825	4	1,103	2
Anheuser Busch	Production Plant	621	5	776	5
Huntington Bank	Mortgage/Banking	510	6	535	6
Sandvik Hyperion (formerly Diamond Innovations)	Diamond Products	400	7	368	7
Medvet Medical Center	Animal Care	365	8	239	10
The Laurels Healthcare	Healthcare	240	9	270	8
American Automobile Association	Automotive	240	10	267	9
Total		<u>6,756</u>		<u>6,827</u>	

Source: Individual employer records.

Note: Above figures are estimates based on employer data provided to the district. Actual information was not available, therefore, the date closest to that was supplied. Additionally, total employment of the District or City was not available.

Worthington City School District  
Total District Employees by Function/Activity All Funds  
Last Ten Years

	Actual									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>Official/ Administrative</b>										
Associate Superintendent	1.00	0.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Principal	5.00	5.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Principal	18.00	18.00	18.00	18.00	17.00	17.00	17.00	19.00	19.00	19.00
Superintendent	1.00	1.00	1.00	2.00	1.00	1.00	1.00	1.00	1.00	1.00
Supervising/Managing/Directing	3.00	3.00	2.00	3.00	3.00	3.00	3.00	5.00	5.00	5.00
Treasurer	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Coordinator	6.50	7.50	7.00	6.00	6.00	6.00	5.00	6.00	6.00	5.00
Education Administrative Specialist	2.00	2.00	2.00	2.00	2.00	2.00	2.00	3.00	3.00	3.00
Director	1.00	2.00	2.00	1.00	1.00	1.00	0.00	1.00	1.00	1.00
Other Official/Administrative	2.50	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
<b>Total Official/Administrative</b>	<b>41.00</b>	<b>41.50</b>	<b>42.00</b>	<b>42.00</b>	<b>40.00</b>	<b>40.00</b>	<b>38.00</b>	<b>45.00</b>	<b>45.00</b>	<b>44.00</b>
<b>Professional - Educational</b>										
Curriculum Specialist	2.00	2.00	2.00	2.00	2.00	2.00	3.00	3.00	3.00	3.00
Counseling	20.40	19.40	18.90	19.40	19.40	19.50	19.50	21.00	20.50	20.50
Librarian/Media	15.10	16.10	15.00	15.00	15.00	14.00	14.00	12.80	13.80	12.80
Remedial Specialist	14.67	15.50	15.50	15.50	15.97	13.00	13.50	16.17	20.10	14.50
Teachers	641.65	637.95	616.67	606.87	610.17	619.10	627.60	614.11	607.90	602.50
Suppl Service Teacher - Special Ed	2.00	3.50	4.25	2.50	2.50	4.00	4.00	24.60	32.10	48.50
Teacher Mentor/Evaluator	1.00	1.00	1.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00
Other Professional	17.70	19.80	20.50	21.60	22.10	23.00	22.50	30.00	36.10	36.00
<b>Total Professional - Educational</b>	<b>714.52</b>	<b>715.25</b>	<b>693.82</b>	<b>683.87</b>	<b>688.14</b>	<b>694.60</b>	<b>704.10</b>	<b>721.68</b>	<b>733.50</b>	<b>737.80</b>
<b>Professional - Other</b>										
Accounting/Analyst	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Psychologist	10.00	11.00	11.00	11.00	11.50	11.50	11.50	11.00	12.10	12.20
Public Relations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00	1.00
Registered Nurse	7.50	7.50	6.90	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Physical Therapist	1.00	1.20	1.20	1.20	1.20	1.20	1.20	1.40	1.60	1.60
Speech and Language Therapist	11.70	11.70	11.55	12.10	11.91	11.80	12.00	12.00	12.00	12.00
Occupational Therapist	6.60	6.60	6.30	6.60	6.60	6.60	7.00	7.00	7.00	7.90
Adapted Physical Education Therapist	0.40	0.40	0.40	0.40	0.40	1.00	1.00	1.00	1.00	0.40
Planning/Research/Development	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
<b>Total Professional - Other</b>	<b>41.20</b>	<b>42.40</b>	<b>41.35</b>	<b>41.30</b>	<b>41.61</b>	<b>41.60</b>	<b>42.70</b>	<b>43.40</b>	<b>44.70</b>	<b>45.10</b>
<b>Technical</b>										
Computer Operating	6.00	6.00	6.00	5.00	5.00	3.00	3.00	3.00	3.00	3.00
Other Technical	11.00	11.00	12.00	10.94	11.50	13.00	12.50	12.63	12.63	12.63
<b>Total Technical</b>	<b>17.00</b>	<b>17.00</b>	<b>18.00</b>	<b>15.94</b>	<b>16.50</b>	<b>16.00</b>	<b>15.50</b>	<b>15.63</b>	<b>15.63</b>	<b>15.63</b>
<b>Office/Clerical</b>										
Bookkeeping	5.00	5.00	5.00	5.00	6.00	5.00	5.00	5.00	5.00	5.00
Clerical	62.54	61.04	59.79	59.60	63.67	63.61	60.16	57.91	58.66	57.35
Teaching Aide	91.70	91.01	88.69	87.97	94.02	97.52	98.13	96.51	105.31	105.89
Parent Mentor	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Other Office/Clerical	4.00	4.00	4.00	4.00	2.00	2.00	2.00	2.00	2.00	2.00
<b>Total Office/Clerical</b>	<b>163.74</b>	<b>161.55</b>	<b>157.98</b>	<b>157.07</b>	<b>166.19</b>	<b>168.63</b>	<b>165.79</b>	<b>161.92</b>	<b>171.47</b>	<b>170.74</b>
<b>Crafts and Trades</b>										
General Maintenance	14.00	14.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00
Mechanic	4.00	3.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Foreman	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Other Crafts and Trades	5.00	5.00	5.00	3.50	3.56	4.62	5.00	5.00	5.00	5.00
<b>Total Crafts and Trades</b>	<b>27.00</b>	<b>26.00</b>	<b>26.00</b>	<b>24.50</b>	<b>24.56</b>	<b>25.62</b>	<b>26.00</b>	<b>26.00</b>	<b>26.00</b>	<b>26.00</b>
<b>Operative</b>										
Dispatching	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00
Vehicle Operator Non Bus	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Vehicle Operator Bus	46.49	49.36	46.86	46.01	48.21	50.77	48.66	51.20	51.82	50.69
<b>Total Operative</b>	<b>48.49</b>	<b>51.36</b>	<b>48.86</b>	<b>48.01</b>	<b>50.21</b>	<b>52.77</b>	<b>50.66</b>	<b>53.20</b>	<b>53.82</b>	<b>54.69</b>
<b>Service Work/Laborer</b>										
Custodian	56.90	56.90	54.27	55.77	56.90	57.28	57.27	57.27	57.64	57.64
Food Service	43.47	43.92	42.60	40.07	38.83	38.91	37.15	35.97	38.05	38.36
Security	1.01	0.94	0.94	0.94	0.94	1.19	0.88	0.88	0.88	0.63
Monitoring	2.00	2.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Groundskeeping	7.00	7.00	7.00	6.00	7.00	7.00	7.00	7.00	7.00	7.00
Attendant	3.23	2.94	3.26	3.26	4.14	4.95	4.95	5.45	5.02	7.66
Other Service Work/Laborer	2.00	2.00	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Service Work/Laborer</b>	<b>115.61</b>	<b>115.70</b>	<b>112.07</b>	<b>106.04</b>	<b>107.81</b>	<b>109.33</b>	<b>107.25</b>	<b>106.57</b>	<b>108.59</b>	<b>111.29</b>
<b>Total</b>	<b>1,168.56</b>	<b>1,170.76</b>	<b>1,140.08</b>	<b>1,118.73</b>	<b>1,135.02</b>	<b>1,148.55</b>	<b>1,150.00</b>	<b>1,173.40</b>	<b>1,198.71</b>	<b>1,205.25</b>
<b>Function</b>										
<b>Governmental Activities</b>										
<b>Instruction</b>										
Regular	544.12	533.32	521.64	516.10	531.52	587.11	568.82	573.40	568.62	577.27
Special	129.60	134.85	127.60	120.00	119.70	170.73	183.60	187.48	201.67	202.06
Vocational	2.50	6.90	5.70	4.70	5.40	4.20	4.00	3.00	3.00	3.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.10	0.26	0.25	0.25
<b>Support Services</b>										
Pupils	63.80	61.95	60.20	67.50	71.15	71.25	68.85	71.10	77.28	78.96
Instructional Staff	133.59	131.00	134.84	127.52	127.30	36.53	36.65	38.90	40.00	39.00
Administration	84.00	80.25	74.72	74.47	74.72	71.22	74.62	77.81	76.94	77.25
Fiscal Services	12.00	10.00	9.00	8.00	9.00	10.00	9.00	9.00	9.00	9.00
Business Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00	3.00	3.00
Operation and Maintenance of Plant	85.15	91.90	87.40	84.90	86.15	86.28	84.65	88.25	87.75	87.64
Pupil Transportation	53.97	53.38	51.21	50.86	51.75	50.88	53.72	56.32	59.47	60.56
Central	10.79	13.79	15.06	15.45	13.25	15.25	16.25	14.16	13.15	15.16
Food Service Operations	46.04	46.42	44.71	41.83	38.28	38.10	38.09	38.25	40.22	40.35
Community Services	0.00	0.00	0.00	0.00	0.00	0.00	4.65	5.47	11.36	5.75
Extracurricular Activities	3.00	7.00	8.00	7.40	6.80	7.00	7.00	7.00	7.00	6.00
<b>Total Governmental Activities</b>	<b>1,168.56</b>	<b>1,170.76</b>	<b>1,140.08</b>	<b>1,118.73</b>	<b>1,135.02</b>	<b>1,148.55</b>	<b>1,150.00</b>	<b>1,173.40</b>	<b>1,198.71</b>	<b>1,205.25</b>

**Method:** 1.00 for each full-time, part time FTE based on ratio of hours worked to full time  
**Source:** School District Records, EMIS Staff Summary Report, Ohio Department of Education

**Worthington City School District**  
*Operating Indicators by Function/Activity*  
*Last Ten Fiscal Years*

<b>Function</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
<b>Governmental Activities</b>										
Instruction										
Per Pupil Cost of Operating Expenditures	10,999	10,856	10,782	11,473	10,738	10,992	n/a	n/a	n/a	n/a
Support Services										
Pupil										
Enrollment (Students)	10,144 *	10,077	9,989 *	9,680	9,537	9,407	9,279	9,404	9,477	9,567
Graduation Rate	93.3%	94.9%	93.9%	93.8%	94.2%	92.0%	95.3%	95.0%	95.5%	95.5%
% of Students with Disabilities	13.9%	13.3%	13.3%	13.0%	12.7%	11.8%	12.0%	11.8%	11.0%	11.9%
% of Limited English Proficient Students	5.3%	6.5%	4.9%	5.7%	5.3%	5.2%	5.0%	4.8%	5.2%	5.1%
Instructional Staff										
IT Work Orders Completed	5,700	7,223	13,390	13,341	15,368	15,653	8,878	11,699	10,574	7,730
Administration										
Student Attendance Rate	94.8%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.8%	95.5%	95.7%
Fiscal and Business										
Purchase Orders Processed	6,703	7,376	7,252	6,911	7,007	6,860	6,947	6,988	7,367	7,942
Nonpayroll Checks Issued	8,680	9,016	10,647	10,319	10,329	10,255	10,459	10,612	11,215	12,052
Maintenance										
Maintenance Work Orders Completed	2,472	2,770	2,731	3,299	2,616	2,838	2,766	1,622	2,988	3,717
District Square Footage Maintained By Custodians and Maintenance Staff	1,645,518	1,638,562	1,638,562	1,638,562	1,638,562	1,638,562	1,638,562	1,638,562	1,638,562	1,638,562
District Acreage Maintained By Grounds Staff	379	379	379	379	379	379	379	379	379	379
Transportation										
Average Students Transported Daily	4,733	4,872	4,743	4,447	4,622	4,651	4,763	4,797	4,620	4,517
Average Daily Bus Fleet Mileage	6,387	6,155	5,797	5,347	5,225	4,838	4,504	4,555	4,846	4,866
Number of Busses in Fleet	88	88	84	84	84	84	83	82	81	80
Co-Curricular Activities										
High School Varsity Teams	64	64	64	58	58	58	58	58	58	58
Food Service										
Meals Served to Students	883,179	926,186	880,980	691,291	725,762	745,479	621,172	610,051	584,693	542,830
% of Total Meals That Were Free Meals	41.1%	43.2%	42.5%	39.0%	43.2%	44.6%	37.5%	36.8%	32.9%	29.3%
% of Total Meals That Were Reduced Meals	7.4%	7.5%	9.0%	8.3%	8.9%	9.0%	8.2%	6.4%	8.0%	8.8%

**Sources:** Ohio Department of Education Local Report Card and School District Records  
unav.- Data unavailable as of the release of this report

n/a- Ohio Department of Education has changed their methodology of calculating this value in FY2013. Prior years information to fiscal year 2013 will not be available to be reported  
\*- This number now includes Pre-K students

**Worthington City School District**  
*Educational Operating Indicators*  
*Last Ten School Years*

	Worthington									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<b>3rd Grade Achievement Tests (Tests Initiated March, 2005)</b>										
Reading/English Language Arts	77.0%	79.8%	75.9%	90.8%	91.0%	92.4%	90.1%	90.8%	90.3%	87.7%
Mathematics	80.3%	85.6%	84.1%	82.7%	90.0%	90.7%	86.8%	87.9%	84.6%	87.8%
<b>4th Grade Proficiency/Achievement Tests (Tests Initiated March 1995)</b>										
Reading/English Language Arts	79.5%	80.5%	68.6%	79.7%	92.7%	94.7%	91.2%	91.9%	90.7%	92.7%
Mathematics	82.3%	85.5%	78.1%	74.4%	88.0%	91.0%	89.3%	86.3%	85.8%	89.5%
Social Studies	unav	89.8%	86.3%	d/e						
<b>5th Grade Achievement Tests (Test Initiated March 2005)</b>										
Reading/English Language Arts	83.7%	80.0%	74.1%	76.5%	84.7%	85.0%	87.2%	86.8%	87.7%	86.1%
Mathematics	67.7%	70.2%	66.4%	78.5%	82.8%	81.4%	75.5%	76.0%	82.7%	77.6%
Science	76.0%	77.5%	76.6%	67.6%	81.6%	78.2%	82.0%	80.9%	84.6%	84.5%
<b>6th Grade Proficiency/Achievement Tests (Tests Initiated March 1996)</b>										
Reading/English Language Arts	75.6%	73.7%	70.5%	82.8%	91.7%	91.8%	95.0%	96.0%	93.8%	91.3%
Mathematics	75.0%	75.0%	71.6%	80.5%	87.6%	84.2%	90.8%	85.6%	87.4%	84.9%
Social Studies	unav	73.7%	73.2%	d/e						
<b>7th Grade Achievement Tests (Tests Initiated March 2005)</b>										
Reading/English Language Arts	74.5%	72.0%	69.4%	75.4%	92.1%	91.5%	92.4%	90.2%	91.9%	87.9%
Mathematics	75.9%	71.7%	73.5%	80.3%	84.2%	85.1%	87.2%	85.1%	82.2%	87.9%
<b>8th Grade Achievement Tests (Tests Initiated March 2005)</b>										
Reading/English Language Arts	62.9%	63.3%	58.9%	74.6%	94.3%	92.8%	93.8%	93.8%	90.3%	87.0%
Mathematics	73.1%	78.1%	70.2%	67.1%	91.7%	84.7%	90.9%	84.8%	79.7%	86.8%
Science	77.7%	80.1%	76.1%	72.8%	79.5%	79.7%	86.9%	78.0%	76.1%	79.6%
<b>10th Grade Ohio Graduation Test (OGT) (Tests Initiated March 2005)</b>										
Reading	d/e	d/e	d/e	95.2%	95.6%	95.8%	94.2%	95.6%	91.4%	94.0%
Mathematics	d/e	d/e	d/e	92.9%	92.8%	94.0%	94.0%	94.5%	91.4%	92.9%
Writing	d/e	d/e	d/e	93.6%	95.6%	95.1%	95.1%	95.6%	91.1%	95.5%
Science	d/e	d/e	d/e	91.0%	90.1%	90.9%	89.8%	90.8%	87.0%	90.3%
Social Studies	d/e	d/e	d/e	93.5%	93.9%	94.2%	91.9%	91.8%	90.2%	93.4%
<b>11th Grade Ohio Graduation Test (OGT)</b>										
Reading	d/e	d/e	97.0%	97.7%	98.5%	94.3%	97.5%	96.3%	97.1%	97.1%
Mathematics	d/e	d/e	95.5%	96.1%	96.7%	94.0%	97.3%	95.9%	96.2%	96.3%
Writing	d/e	d/e	95.5%	97.5%	98.0%	94.2%	97.9%	97.1%	97.7%	96.8%
Science	d/e	d/e	94.1%	95.5%	95.0%	92.4%	96.3%	93.8%	94.7%	94.6%
Social Studies	d/e	d/e	96.1%	97.3%	96.8%	94.2%	96.0%	94.8%	96.3%	95.7%
<b>High School</b>										
Biology	86.1%	79.7%	85.9%	d/e						
English I	80.7%	78.9%	69.8%	d/e						
English II	70.3%	75.3%	69.7%	d/e						
Government	90.3%	90.8%	83.0%	d/e						
History	88.3%	88.3%	91.2%	d/e						
Math I	77.0%	74.9%	76.7%	d/e						
Math II	57.6%	67.2%	65.3%	d/e						
<b>ACT Scores (Average)</b>										
Worthington	unav.	24.7	24.1	24.5	23.8	24	24.2	24.3	24.6	24.4
National	unav.	21.0	20.8	21.0	21.0	20.9	21.1	21.1	21.0	21.1
<b>SAT Scores (Average)</b>										
<b>Reading (Verbal)</b>										
Worthington	s/a	s/a	566	570	554	556	567	555	552	547
National	s/a	s/a	494	495	497	499	n/a	497	501	501
<b>Mathematics</b>										
Worthington	unav.	608	574	586	580	587	598	586	588	587
National	unav.	533	508	511	513	514	n/a	514	516	515
<b>Writing (initiated 2006)</b>										
Worthington	s/a	s/a	534	546	530	531	548	539	533	532
National	s/a	s/a	482	484	487	488	n/a	489	492	493
<b>Evidence-Based Reading &amp; Writing</b>										
Worthington	unav.	610	s/a							
National	unav.	538	s/a							

Source: School District Records and the Ohio Department of Education Local Report Card

d/e- The fiscal year 2016 reporting information for testing was changed by the Ohio Department of Education. The District does not have information for any fiscal year prior to 2016.

s/a- The fiscal year 2017 reporting information was changed by the SAT. The Writing and Reading sections were combined.

unav.- Data unavailable as of the release of this report

**Worthington City School District**  
*Capital Assets By Function/Class*  
*Last Ten Fiscal Years*

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
<b>Governmental Activities</b>										
Regular Instruction										
Land and Improvements	16,895,426	16,889,327	16,889,327	16,859,709	16,857,267	16,857,267	16,857,267	16,857,267	16,837,155	16,837,155
Buildings	104,292,389	104,292,389	104,292,389	104,428,169	104,428,169	104,428,169	104,428,169	104,428,169	104,428,169	104,490,758
Furniture and Equipment	10,136,962	10,058,536	10,132,787	10,364,057	10,027,387	10,122,591	9,302,441	9,368,809	11,591,271	11,769,843
Special Instruction										
Land and Improvements	1,279	1,279	1,279	1,279	1,279	1,279	1,279	1,279	1,279	1,279
Furniture and Equipment	202,866	210,443	236,714	241,480	231,821	231,879	227,304	213,326	180,511	15,420
Vocational Instruction										
Furniture and Equipment	10,480	5,368	1,120	-	-	-	-	-	-	-
Pupil Support										
Furniture and Equipment	71,525	71,525	71,525	71,525	71,641	40,477	43,357	43,357	43,357	43,357
Instructional Staff Support										
Furniture and Equipment	801,615	740,229	934,895	979,567	938,381	949,069	931,279	887,643	789,000	650,228
Administrative Support										
Furniture and Equipment	641,335	642,336	653,340	558,225	574,979	564,255	574,904	602,280	693,618	709,894
Fiscal Services Support										
Furniture and Equipment	54,562	54,562	54,562	54,562	54,562	54,562	56,971	58,166	75,359	75,359
Vehicles										
Business Services Support										
Furniture and Equipment	8,362	8,362	9,599	9,599	9,599	13,773	13,773	13,773	33,636	34,801
Operation and Maint of Plant										
Land and Improvements	2,384,416	2,375,112	2,327,589	1,259,963	265,368	265,368	265,368	200,884	200,884	200,884
Buildings	28,265,425	25,433,992	20,355,799	13,811,275	11,495,601	9,541,802	7,384,450	7,064,514	6,436,648	4,881,682
Furniture and Equipment	4,185,400	4,154,204	4,414,524	4,031,225	3,153,229	2,848,641	2,827,133	2,637,323	2,237,797	1,867,228
Vehicles	493,210	493,210	403,642	353,764	315,326	278,919	212,740	212,740	129,332	129,332
Pupil Transportation										
Land and Improvements	245,281	245,281	245,281	245,281	245,281	245,281	245,281	245,281	245,281	245,281
Buildings	683,175	683,175	683,175	683,175	683,175	683,175	683,175	683,175	683,175	683,175
Furniture and Equipment	182,050	175,918	166,944	160,601	163,415	127,617	126,218	115,314	96,665	94,765
Vehicles	6,747,386	6,599,622	6,323,871	6,111,771	5,927,385	5,650,107	5,766,690	5,543,581	5,488,619	5,357,572
Central Support										
Furniture and Equipment	613,537	613,029	688,318	740,814	770,692	890,305	582,957	590,189	744,017	744,017
Extracurricular Activities										
Land and Improvements	4,783,088	4,783,088	4,783,088	4,783,088	4,783,088	4,783,088	3,970,221	3,206,239	3,206,239	3,185,958
Buildings	462,784	462,784	462,784	462,784	462,784	462,784	462,784	462,784	462,784	462,784
Furniture and Equipment	968,701	498,421	458,197	413,708	397,597	355,693	290,288	259,654	237,751	207,017
Vehicles	6,750	6,750	6,750	6,750	6,750	6,750	6,750	-	-	-
Food Service Operations										
Furniture and Equipment	1,194,866	1,198,818	1,189,177	1,183,940	1,174,767	1,166,847	1,165,347	1,169,789	1,199,325	1,185,087
Community Services										
Furniture and Equipment	340,837	314,176	290,272	240,984	175,008	134,633	47,745	39,498	16,298	1,749
<b>Total Governmental Activities</b>	<b>184,673,707</b>	<b>181,011,936</b>	<b>176,076,948</b>	<b>168,057,295</b>	<b>163,214,551</b>	<b>160,704,331</b>	<b>156,473,891</b>	<b>154,905,034</b>	<b>156,058,170</b>	<b>153,874,625</b>

**Source:** School District records through the State Equipment Inventory System

Amounts above do not include Construction in Progress.

**Worthington City School District**  
School Building Information

	Original Construction	Addition Dates	Area (Sq. Ft.)	Acreage		Student Capacity
<b><u>Elementary Schools</u></b>						
Bluffsview	1991		59,461	12.12		500
Brookside	1964	1967 1988	52,072	12.42		500
Colonial Hills	1955	1988	47,800	12.53		500
Evening Street	1963	1988	49,927	2.50	(3)	500
Granby	1988		59,004	1.57		500
Liberty	1981		53,297	25.57	(1)	500
Slate Hill	1991		59,461	16.28		500
Sutter Park	1986		57,642	25.57	(1)	500
Wilson Hill	1962	1968 1988	62,600	15.00		600
Worthington Estates	1966	1988	66,338	12.00		600
Worthington Hills	1970	1999	54,910	12.02		500
Worthington Park	1988		59,004	18.26		500
<b><u>Middle Schools</u></b>						
Kilbourne	1938	1965 1995	83,536	5.00		500
McCord	1986		74,518	38.38		500
Phoenix	1970	1988	67,738	33.48	(5)	500
Worthingway	1966		65,587	14.94		500
<b><u>High Schools</u></b>						
Thomas Worthington	1951	1992 1994	283,964	81.50	(2)	1500
Worthington Kilbourne	1991		272,000	55.09		1500
Linworth Alternative Campus	1918	1992	16,400	4.46	(4)	250
<b><u>Miscellaneous Buildings</u></b>						
Thomas Worthington HS Fieldhouse	1968		6,500	81.50	(2)	N/A
Thomas Worthington Outdoor Bldg	1969		2,880	81.50	(2)	N/A
Kingsmill Transportation Building	1988		10,100	3.58		N/A
Plant Operations Building	1970		4,980	4.46	(4)	N/A
Receiving Center	1970		4,980	4.46	(4)	N/A
Landscape Maintenance Building	1963		10,400	2.50	(3)	N/A
Perry Bus Garage	1988		22,500	33.48	(5)	N/A
Worthington Education Center	1979	2001	66,787	6.99		N/A

- (1) Liberty and Sutter Park are on the same parcel  
(2) Included on the same parcel for Thomas Worthington High School  
(3) Landscape Building located on Evening Street parcel  
(4) Receiving Center and Plant Operations buildings located on Linworth Alternative parcel  
(5) Perry Bus garage located on Perry School parcel

Source: School District Records

**Worthington City School District**  
*Teacher Data*  
*June 30, 2018*

Degree	Salary Range	Number of Teachers	Percentage of Total
Bachelor's Degree	\$43,864-\$85,912	176.90	22.87%
Master's Degree	\$47,812-\$103,655	596.60	77.13%
Total		773.50	100%

Years of Experience in the District	Number of Teachers	Percentage of Total
0-5	246.60	31.88%
6-10	146.60	18.95%
11 and over	380.30	49.17%
Total		100.00%

Source: District/EMIS Records  
 Note: Full time equivalent teaching staff

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# Dave Yost • Auditor of State

**WORTHINGTON CITY SCHOOL DISTRICT**

**FRANKLIN COUNTY**

## **CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
OCTOBER 18, 2018**