



POPULAR ANNUAL

# FINANCIAL REPORT

Fiscal Year Ended June 30, 2015

Issued By: **Stanley J. Bahorek**,  
Treasurer & Chief Financial Officer



FY2015

**Mission:** Each student is highly educated, prepared for leadership and service, and empowered for success as a citizen in a global community.

*Learn. Dream. Succeed.*

**Columbus City School District  
Board of Education  
Fiscal Year 2015**



**Gary L. Baker II**  
President



**Bryan O. Steward**  
Vice-President



**W. Shawna Gibbs**



**Michael Cole**



**Dominic Paretti**



**Mary Jo Hudson**



**Ramona Reyes**



**Dan Good**  
Superintendent/CEO



**Stanley J. Bahorek**  
Treasurer/CFO

# Columbus City School District Fiscal Year 2015 PAFR

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Dear Friends of the Columbus City School District:

The Treasurer's office is pleased to present the Columbus City School District's Popular Annual Financial Report (PAFR) for the year ended June 30, 2015. The PAFR is an unaudited report that summarizes the District's financial activities and operating results in a way that can be more easily understood by the reader.

The School District has also published a Comprehensive Annual Financial Report (CAFR) for the year ending 2015. The CAFR is an audited report and is prepared on a Generally Accepted Accounting Principles (GAAP) basis, which requires greater disclosure than the PAFR. Copies of the PAFR and CAFR may be requested from the Treasurer's office by calling (614) 365-6400 or on the School District's website at [www.ccsdoh.us](http://www.ccsdoh.us).

## School District Profile

The Columbus City School District provides education to approximately 49,746 students in grades K through 12. Geographically, the School District encompasses 116 square miles located primarily within the City of Columbus with a population of 810,200 for 2015.

The students enrolled in the School District attend sixty-five elementary schools, six PK-6 STEM (Science, Technology, Engineering, and Math) schools, seventeen 6-8 middle schools, nineteen 9-12 high schools, and two special assignment schools.

The School District currently has 3,866 professionals serving as teachers, all of whom have at least a bachelor's degree. The 2014-2015 starting salary for a teacher with a bachelor's degree is \$42,333; the maximum teacher salary (for a teacher with a Ph.D. degree and 30 years' experience) is \$92,391.

An elected seven-member Board of Education serves as policy makers of the District. The Board adopts the annual tax budget and annual appropriations resolution that serves as the basis for control over and authorization of all expenditures of the School District tax money.

### ***Elected Officials/Board of Education***

Gary L. Baker, II	President
Bryan O. Steward	Vice-President
W. Shawna Gibbs	Member
Michael Cole	Member
Ramona Reyes	Member
Dominic Paretti	Member
Mary Jo Hudson	Member

### ***Financial Officer***

Stanley J. Bahorek	Treasurer/CFO
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### ***Administrative Personnel***

Dan Good, Ph.D.	Superintendent/CEO
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## School District Initiatives

### The Mission Statement

Each student is highly educated, prepared for leadership and service, and empowered for success as a citizen in a global community.

### Major initiatives of the School District under the Leadership of Dr. J. Daniel Good include:

A Spirit of Success echoes across Columbus City Schools with a new sense of purpose and new sense of pride, matched by a renewed devotion to innovation and a steadfast commitment to academic achievement. Proof of that new spirit is found in some of our most important successes throughout the 2014-2015 school year, with real advances in four critical areas:

- Excelling in academics - our Spirit of Student Achievement
- Engaging and extending learning environments - our Spirit of Effective Learning
- Empowering our employees and our customers - our Spirit of Higher Expectations
- Earning the confidence of our stakeholders - our Spirit of Trust and Accountability

Every day in classrooms throughout Columbus, lights are turning on and brains are engaging. We're offering high-quality learning opportunities to children in every neighborhood. We're more engaged than ever with parents and guardians, community and business leaders, educators, alumni, public officials, and those who care deeply about Columbus City Schools and our community's children.

**Spirit of Student Success:** From cradle to career, a high-quality education opens opportunities and gives our students the tools to build a better future. That's why our School District is investing in high quality pre-Kindergarten, strong reading and mathematics preparation, and career/college options beginning in middle school. We're bridging the achievement gap so all students can find their pathway to success in high school and beyond. Consider these accomplishments:

- We increased the total number of children enrolled in early learning to 1,976 students (including both general education, special needs, Board of Development Disabilities, and Ohio School for the Blind and Deaf).
- Our "All Hands In" approach to third grade reading is working. As of mid-July, we had a 87.88 percent matriculation rate for third graders advancing to fourth grade.
- We've made unprecedented advancements to bridge the achievement gaps that historically separate economically-disadvantaged students and students of color from other students. Testing revealed no notable achievement gap at three of our high schools: Columbus Alternative High School, Centennial High School, and Eastmoor Academy.
- Our graduates in the Class of 2015 earned more than \$42 million in grants and scholarships.

**Spirit of Effective Learning:** We want to make sure students in every neighborhood have access to safe and supportive environments that foster all types of learning. Great schools serve as a hub, but effective learning is no longer limited to the classroom. Think about the ways we've created a community-wide learning atmosphere:

- West High School's new state-of-the art Fabrication Lab (Fab Lab) allows both high school and middle school engineering students the opportunity to apply their engineering skills in a safe, modern-maker space equipped with all of the tools necessary to transform ideas into reality.
- To help students and teachers access the global power of the internet, we earned and earmarked additional funding to invest in full wireless internet coverage in all school buildings by the end of the 2015-2016 school year.
- Even with overall tightening budgets, the School District is committed to continuing funding for other high-impact literacies -- auditory, visual, kinesthetic, logic -- that connect with students on a variety of levels and offer education outside of the everyday classroom.
- Throughout the 2014-2015 school year, our student athletes were honored as state qualifiers and state champions in sports ranging from track and field, basketball, bowling and wrestling.



## Columbus City School District Fiscal Year 2015 PAFR

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- In May 2015, the Columbus Foundation, through an anonymous award from its Gifts of Kindness™ fund, facilitated the donation of more than 10,000 books - 5,000 copies of Pete the Cat and 5,000 copies of Fly Guy - one for every kindergartener and 1st grader.
- Through our growing partnership with the Columbus Metropolitan Library, more Homework Help Centers will offer resources to CCS students so that they can successfully complete their homework. In addition to the Marion Franklin Express branch in the former Beery Middle School, the Library opened a Northern Lights Branch in the former Brookhaven High School.

**Spirit of High Expectations:** We're attracting the best and brightest talent to help us in our mission. It's a result of creating a culture in which we all feel empowered and are treated with respect. We're taking a more customer-centric approach to our service and investing in a workplace that, in addition to prioritizing the most efficient and effective use of public resources, will make us the education employer of choice in Central Ohio. Think about these examples:

- Our Academic Services team played a critical role in developing the BRIGHT New Leaders for Ohio Schools, a state-funded pilot program to train professionals from a variety of fields to be education administrators.
- Meeting a community desire for more continuity in building leadership, we have reduced the central office transfers of principals, from 25 principal transfers in 2013-14 to 10 transfers in 2014-15.
- A great example of customer-centric investment, the Central Enrollment Center has enrolled nearly 14,000 students from August 2014 through July 2015. The SPEEDY PASS web portal has made it easy for families to access registration services, and renovations at the center have created a welcoming "one-stop shop" for families as they complete enrollment.
- Innovative thinking allowed the School District to save more than \$1 million as a result of new practices and procedures implemented through the Book Processing Department textbook automation.
- The Ohio School Facilities Commission recognized Columbus Scioto as Ohio's 150th public education facility to achieve LEED certification from the U.S. Green Building Council. That brings our total to 7 buildings which are LEED certified, with 2 additional buildings with certification pending, meaning they are good for both the environment and our bottom line.

**Spirit of Trust and Accountability:** It is truly an age of public accountability and transparency on demand. That's why we've continued to work diligently to maintain and strengthen the community's trust and further raise the levels of accountability at every position throughout the School District. Here's proof:

- Released in Summer 2015, the latest review by Ohio's Auditor of State positively reported on our substantial steps to review, improve, and develop new systems and policies that have increased data security.
- The same report also recognized the School District on how new training has been implemented and improved at the school building level, further transforming the School District's operations, mitigating the mistakes of the past, and rebuilding the integrity of its data.
- At the end of 2014-15, additional resources were invested to coordinate, gather, and verify student attendance data coming from all school buildings. Led by the CCS Office of Accountability and Student Support Services, additional controls and procedures are being developed to ensure data accuracy.
- Approved in June 2015, the School District's 2016 spending plan provides more than 400 pages of supporting detail to members of the Board - a level of detail not provided previously or required by the state - with non-personnel items broken down by operational units and investments directly connected to School District priorities in teaching and learning.
- To further promote transparency, the budget has been posted in its entirety online at our website, where it is accessible to anyone who wants to review it.

At Columbus City Schools, we want all of our students to be inspired, knowing that there is an entire community full of supporters who are ready to give them the opportunities to learn, grow, and launch a lifetime of success. The Spirit of Success is the Spirit of CCS.

# Columbus City School District Fiscal Year 2015 PAFR

## **SCHOOL DISTRICT STUDENT DEMOGRAPHICS**

Enrollment	49,746
Male	51.74%
Female	48.26%
Individualized Education Plan (IEP)	21.87%
Community Eligibility Provision <i>Free Breakfast &amp; Lunch</i>	100.00 %
Limited English Proficiency (LEP)	9.95%
Gifted Identified	10.64%
African American	55.21%
Caucasian	25.47%
Hispanic	9.87%
American Indian/Native Alaskan	0.18%
Multiracial	5.87%
Asian	3.37%
Native Hawaiian/Pacific Islander	0.03%

## **Summarized Financial Reports**

Readers of the Financial Activity Statement and Statement of Net Position (page 16) should keep in mind that the numbers in both reports are taken from the School District's Comprehensive Annual Financial Report (CAFR), but are presented in a non-GAAP format. The Comprehensive Annual Financial Report can be obtained from the Treasurer's office or [www.ccsdh.us](http://www.ccsdh.us).



# Columbus City School District Fiscal Year 2015 PAFR

## Financial Activity Statement

The Financial Activity Statement, known in accounting terms as the income statement, provides a summary of the resources (revenues) and services (expenditures) of the School District's General Fund.

Resources Taken In (in thousands)	FY'15	FY'14	FY'13	FY'12
Taxes	\$406,188	\$424,907	\$381,434	\$397,927
State and Federal Revenue	356,058	331,135	311,459	306,261
Investment Income	2,294	666	280	707
Tuition & Fees	4,007	5,425	5,300	5,075
Extracurricular	414	348	335	436
Miscellaneous	6,703	6,168	5,087	5,241
<b>TOTAL Revenues &amp; Resources</b>	<b>775,664</b>	<b>768,649</b>	<b>703,895</b>	<b>715,647</b>

Services Provided (in thousands)	FY'15	FY'14	FY'13	FY'12
Instruction:				
Regular	\$399,028	\$356,704	\$353,279	\$348,632
Special	87,781	75,517	78,630	76,778
Vocational	5,113	5,367	5,917	6,890
Student Intervention Services	1,599	1,823	2,001	1,924
Support Services:				
Pupils	56,059	49,906	50,085	43,144
Instructional Staff	22,437	36,660	42,986	37,280
Board of Education	139	139	125	165
Administration	43,233	37,473	44,630	60,478
Fiscal	13,018	11,290	8,132	9,304
Business	3,738	3,104	3,260	3,787
Operation and Maintenance of Plant	54,008	49,016	56,367	59,975
Pupil Transportation	52,619	51,091	54,424	55,109
Central	15,853	17,827	6,372	5,353
Operation of Non-Instructional Services	3	2	2	6
Extracurricular Activities	7,056	6,614	6,892	6,318
Capital Outlay	45	1	48	5
Debt Service	0	0	0	0
<b>TOTAL Expenditures &amp; Services</b>	<b>761,729</b>	<b>702,534</b>	<b>713,150</b>	<b>715,148</b>
<b>Revenues &amp; Resources Over Expenditures &amp; Services</b>	<b>13,935</b>	<b>66,115</b>	<b>(9,255)</b>	<b>499</b>

# Columbus City School District Fiscal Year 2015 PAFR

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## ***Our Expenditures and Services:***

### **Definitions**

**Instruction** includes the activities directly dealing with the teaching of pupils or the interaction between teacher and pupil. Teaching may be provided for pupils in a school, in a classroom, in another location, such as in a home or hospital, and through other approved media such as television, radio, telephone, correspondence and aides or classroom assistants of any type who assist in the instructional process. Technology used by students in the classroom or technology that has a student-instruction focus is also coded here. Instruction includes regular, special, vocational, and student intervention services.

**Support Services** provide administrative, technical (such as guidance and health), and logistical support to facilitate and enhance instruction, and to a lesser degree, community services. Supporting services exist as adjuncts for the fulfillment of the objectives of instruction, rather than as entities within themselves. Support services include pupils, instructional staff, board of education, administration, fiscal, business, operation and maintenance of plant, pupil transportation, and central services.

**Operation of Non-Instructional/Shared Services** are concerned with providing non-instructional services to students, staff or the community. Also includes providing certain services to other school districts.

**Extracurricular Activities** are activities under the guidance or supervision of qualified adults which are designed to provide opportunities for pupils to participate in such experiences on an individual basis, in small groups, or in large groups - at school events, public events, or a combination of these - for purposes such as motivation, enjoyment, and skill improvement. In practice, participation usually is not required and credit usually is not given. When participation is required, or credit given, the activity generally is considered to be a curricular course.

**Capital Outlay** activities are concerned with acquiring land and buildings, remodeling buildings, constructing buildings and additions to buildings, initially installing or extending service systems and other built-up equipment, and improving sites.

**Debt Service** Transactions primarily for the purpose of discharging the school district's commitment for interest and principal on debt.



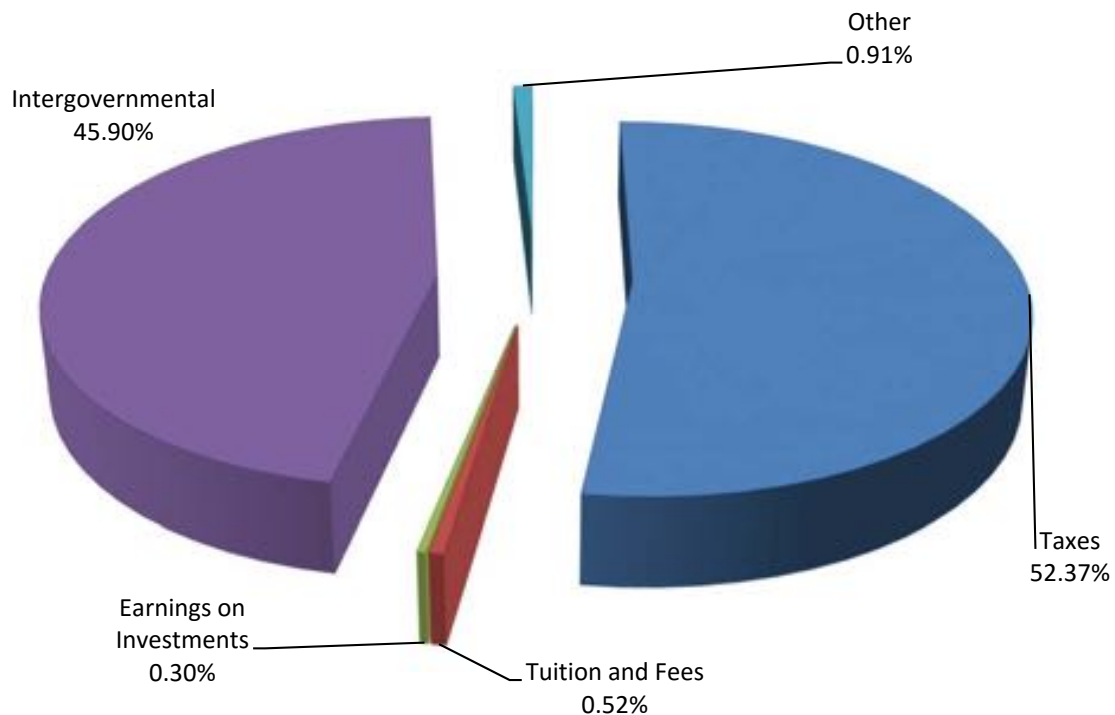


# Columbus City School District Fiscal Year 2015 PAFR

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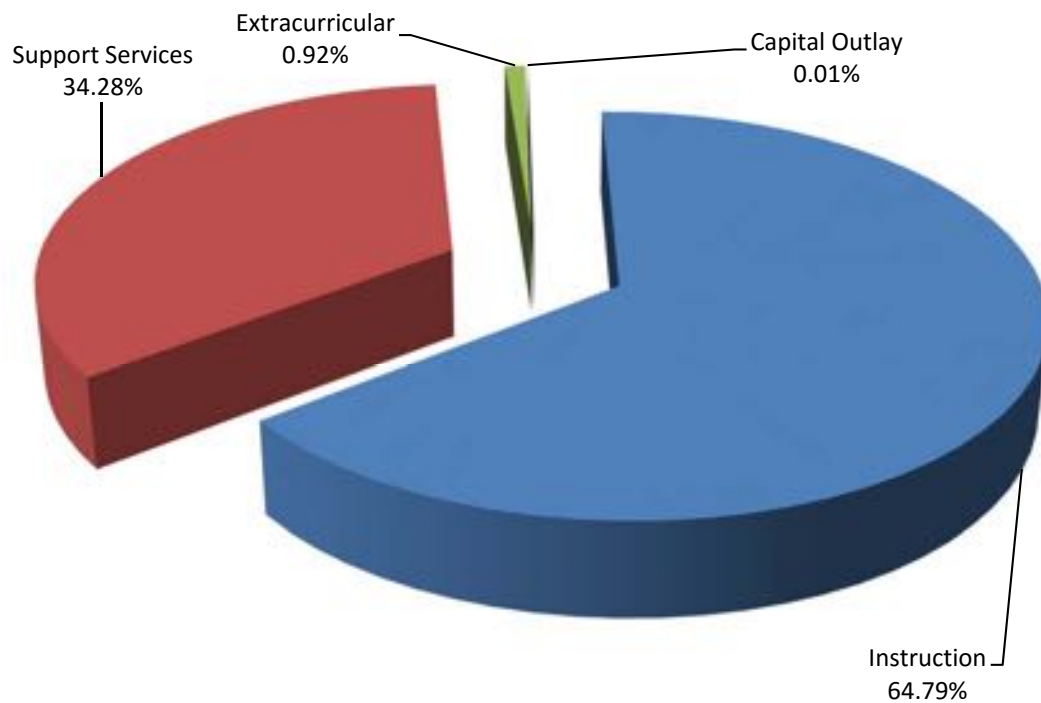
## Our Revenues and Resources FY 15:

### Where the General Fund Money Comes From



## Our Expenditures and Services FY 15:

### Where the General Fund Money Goes



# Columbus City School District Fiscal Year 2015 PAFR

## Assessed Values of Property Real Estate Taxes

Collection Year	Residential/ Agricultural	Commercial/ Industrial	Public Utility	Tangible Personal	Total
2015	\$4,954,790,240	\$3,593,145,380	\$285,198,030	\$0	\$8,833,133,650
2014	5,100,712,580	3,598,257,110	273,743,320	0	8,972,713,010
2013	5,109,816,130	3,613,599,600	237,826,130	0	8,961,241,860
2012	5,114,053,190	3,798,530,810	220,632,230	0	9,133,213,230
2011	5,627,350,170	4,015,098,310	225,826,590	0	9,868,275,070

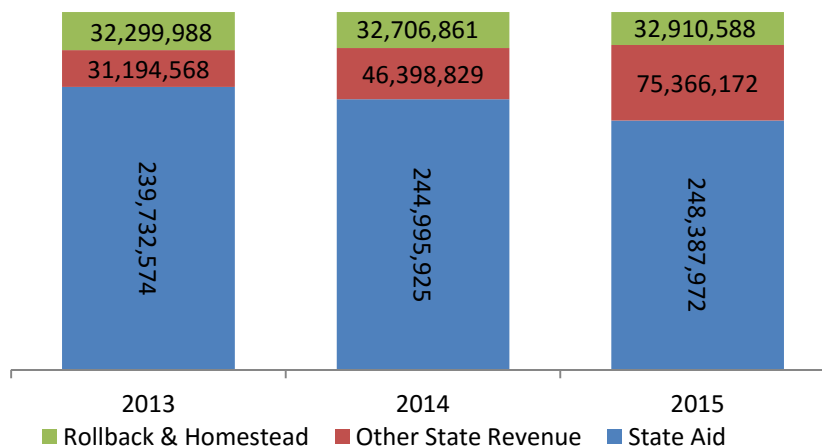
## State and Federal Sources

State and Federal sources of revenue generated \$356.1 million or 45.90% of all General Fund revenue. State support comes mostly from State Aid, which is a formula calculation based upon student enrollment. School districts were to be reimbursed for the Tangible Personal Property (TPP) tax losses by the state of Ohio at varying levels through 2026 but those reimbursements were severely curtailed or eliminated by HB153 effective July 1, 2012. The state of Ohio reduced its funding to school districts for TPP reimbursements from \$1.13 billion in FY11 to \$510 million in FY13, where it was frozen for FY15. HB64 the current state budget has reinstituted the phase out of TPP reimbursements to districts beginning in FY16. The phase out is based on five wealth tiers called quintiles. A Quintile 1 district will lose TPP funding based on 1% of qualifying revenue and a Quintile 5 districts will lose TPP reimbursements equal to 2% of qualifying revenue. Revenue will be phased out at these quintile levels until all TPP state funds are gone. In FY16 there is a TPP Phase out guarantee for districts whose total state and TPP reimbursements were lower in FY16 than were actually received in FY15. The TPP Phase out guarantee is only for FY16.

A significant portion also comes from Rollback and Homestead payments, which represents the portion of the local tax bill paid by the State instead of the local taxpayer. Currently, the State pays 10% of the taxes due on all property and an additional 2.5% on residential and agricultural owner-occupied property. An additional exemption is provided to senior disabled citizens, regardless of income. House Bill 59, however, has eliminated the property tax rollback on any new levy passed after September 29, 2013.

Other State Revenue includes the public utility reimbursement, tangible personal property loss reimbursement, Medicaid reimbursement, and casino revenue.

The chart below depicts State school funding in actual cash receipts for District's General Fund. Years are presented on a June 30 fiscal year-end basis. Included in the 2015 other state revenue is \$29,529,214 in reimbursement for tangible personal property tax loss.



# Columbus City School District Fiscal Year 2015 PAFR

## State Revenues vs. Local Revenues

In Ohio, the funding of schools is shared by the State and local School Districts. The Ohio General Assembly determines what an adequate education costs in the State's biennial education budget.

## Five Year Financial Forecast

The School District annually prepares a five-year forecast to ensure long-term financial success. The five-year financial forecast provides actual data on each major revenue and expenditure category for the past three fiscal years and forecasts these same categories for an additional five fiscal years.

The five-year financial forecast is a planning tool used to certify if funds are available for future expenditures and additionally to strategize when the School District will need to return to voters for additional funds or reduce expenditures accordingly. The five-year financial forecast is published on the Ohio Department of Education's website for public use. [www.education.ohio.gov](http://www.education.ohio.gov)

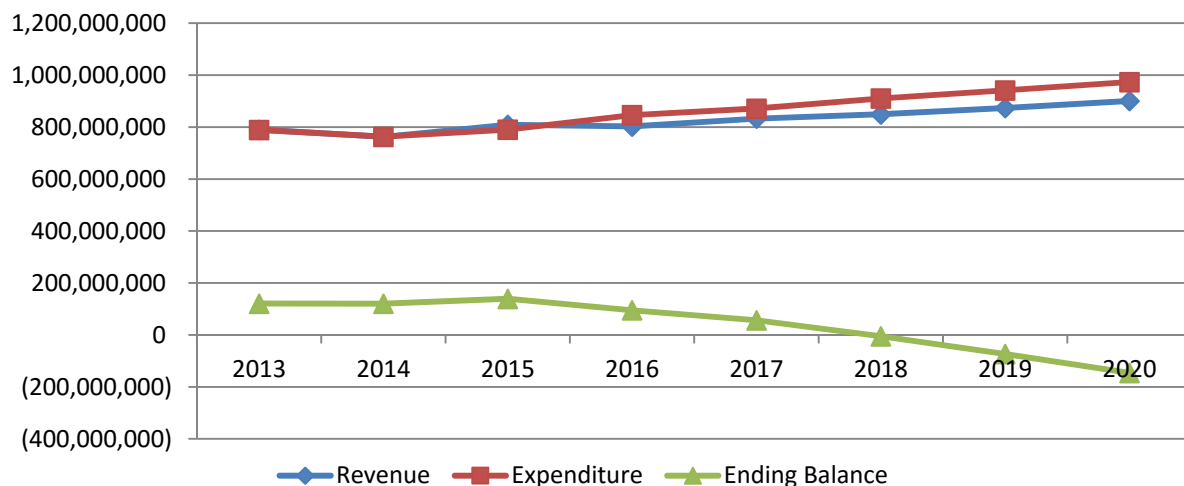
### Actuals by Fiscal Year - General Fund

As of June 30,

	2013	2014	2015
Revenue	789,894,138	762,376,818	808,968,201
Expenditure	788,995,309	762,783,908	790,293,283
Ending Balance	120,605,461	120,198,371	138,873,289

### Projected Five-Year Forecast by Fiscal Year - General Fund

	2016	2017	2018	2019	2020
Revenue	\$802,169,587	\$832,722,260	\$848,922,460	\$873,270,126	\$900,301,679
Expenditure	846,265,633	871,054,829	910,364,549	941,490,031	973,347,881
Ending Balance	94,777,243	56,444,674	(4,997,415)	(73,217,320)	(146,263,522)



# Columbus City School District Fiscal Year 2015 PAFR

## Property Values and Taxes

Property taxes are assessed and levied on a calendar year basis. The School District receives property taxes from two taxing years during the School District's fiscal year that begins July 1 and ends June 30. The assessed values upon which the fiscal year 2015 taxes were collected are as follows:

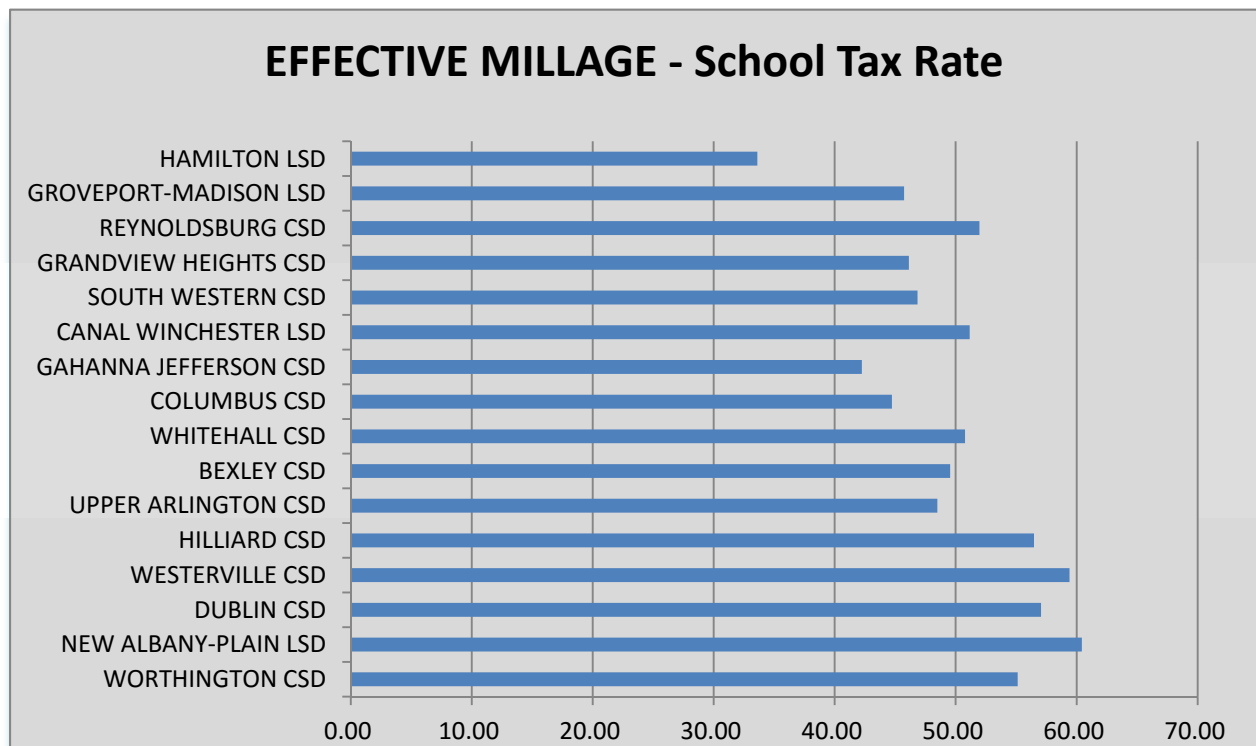
Property Values	2013	% Change	2014	%Change	2015
<b>Real Property</b>	<b>\$8,723,415,730</b>	<b>-0.28%</b>	<b>\$8,698,969,690</b>	<b>-1.77%</b>	<b>\$8,547,935,620</b>
<b>Public Utility</b>	<b>\$237,826,130</b>	<b>15.10%</b>	<b>\$273,743,320</b>	<b>4.02%</b>	<b>\$285,198,030</b>
<b>Total</b>	<b>\$8,961,241,860</b>	<b>0.13%</b>	<b>\$8,972,713,010</b>	<b>-1.02%</b>	<b>\$8,833,133,650</b>

Overall, there was a 1.02% decrease in property values from 2014 to 2015. The most significant change occurred in Public Utility.

## Comparative Data

When comparing itself to other school districts, the School District uses the most recent information provided by the Franklin County Auditor. This data provides the most reliable comparison among school districts.

**Effective Tax Rates** - Since the School District depends on local tax support for 52.37% of its general fund revenue, tax rates are crucial to the School District and its taxpayers. HB 920 reduces the voted millage rate to an effective tax rate in order to generate the same amount of revenue received in the first year of collection. When taxpayers vote for a certain number of mills, they are actually voting for the collection of a specific amount of money.



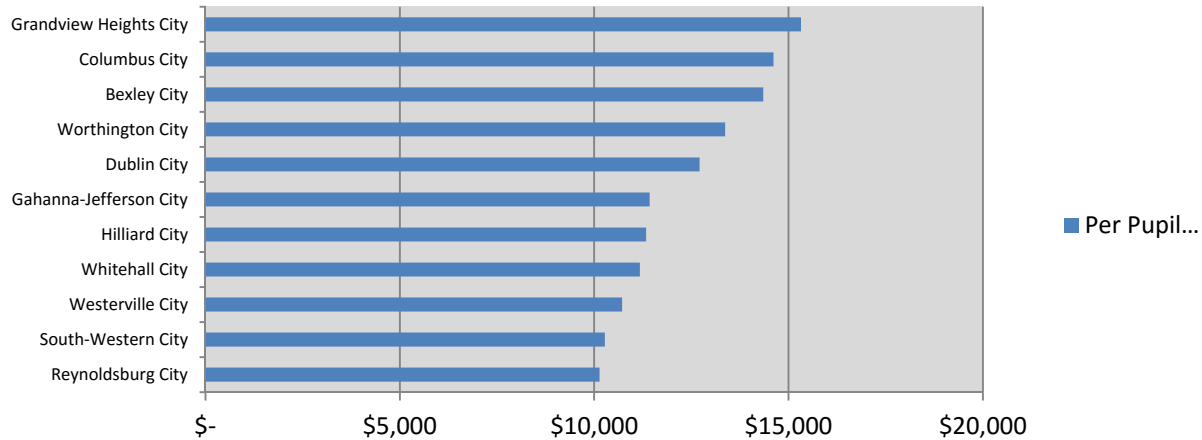
Source: Ohio Department of Taxation



# Columbus City School District Fiscal Year 2015 PAFR

## Expenditures Per Pupil

The chart below illustrates how the School Districts' expenditures per pupil (fiscal year 2014 latest information available) compare to other similar school districts.



Source: Ohio Department of Education

## Outstanding Debt

At fiscal year ended June 30

Issue	6/30/2015	6/30/2014	6/30/2013
2004 School Improvement Bonds	\$0	\$4,425,000	\$8,640,000
2006 School Improvement Bonds	90,269,897	267,069,897	272,359,897
2007 School Improvement Bonds	1,190,000	5,485,000	5,745,000
2008 School Improvement Bonds	2,239,998	14,399,998	14,949,998
2009 School Improvement Bonds	69,444,987	123,639,987	126,224,987
2009 Energy Conservation Bonds	0	775,000	1,740,000
2011 School Improvement Bonds	23,685,000	24,190,000	24,675,000
2012 School Improvement Bonds	8,825,000	9,100,000	11,080,000
2013 School Bus Acquisition Bonds	22,870,000	26,150,000	26,150,000
2014 Various Refunding Bonds	50,340,000	0	0
2014 School Improvement Bonds	113,460,000	0	0
2015 School Improvement Bonds	69,130,000	0	0
<b>Total</b>	<b>\$451,454,882</b>	<b>\$475,234,882</b>	<b>\$491,564,882</b>



# Columbus City School District Fiscal Year 2015 PAFR

## Statement of Net Position - All Funds

At fiscal year ended June 30

The Statement of Net Position presents an aggregate view of School District governmental activities and provides a long-term view of those finances. The Statement of Net Position is organized so the reader can understand Columbus City School District as a financial whole, an entire operating entity. This statement include assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. The accrual basis of accounting takes into account all the current fiscal year's revenues and expenses regardless of when cash is received or paid. The amount below represents the difference between the assets and deferred outflows of resources and the liabilities and deferred inflows of resources which the District must pay. This amount provides the "net position" of the District.

<b>Assets</b>	<b>6/30/2015</b>	<b>6/30/2014</b>	<b>6/30/2013</b>
Cash and Investments	\$393,937,514	\$443,818,614	\$476,147,167
Receivables	\$510,630,324	\$458,128,830	\$446,613,391
Prepaid Items	\$174,573	\$172,646	\$163,305
Capital Assets	\$688,458,515	\$680,558,105	\$665,547,816
<b>Deferred Outflows of Resources</b>			
Deferred Charge on Refunding Pension	\$7,024,782	\$344,143	\$849,711
	\$65,750,402	\$53,428,594	N/A
<b>Total Assets</b>	<b>\$1,583,022,338</b>	<b>\$1,583,022,338</b>	<b>\$1,589,321,390</b>
<b>Liabilities</b>			
Short-Term Liabilities	\$97,788,731	\$76,200,530	\$117,105,569
Long-Term Liabilities	\$1,484,102,507	\$575,923,429	\$598,213,031
<b>Deferred Inflows of Resources</b>			
Property Taxes	\$207,140,614	\$202,034,896	\$237,871,624
Payment in Lieu of Taxes	\$49,687,875	\$49,070,248	\$39,977,411
Pension	\$167,413,600	0	N/A
<b>Total Liabilities and Deferred Inflows</b>	<b>\$2,006,133,327</b>	<b>\$903,229,103</b>	<b>\$993,167,635</b>
Total Net Position	(\$340,157,217)	(\$370,271,287)	\$596,153,755
<b>Total Liabilities and Net Position</b>	<b>\$1,665,976,110</b>	<b>\$532,957,816</b>	<b>\$1,589,321,390</b>







POPULAR ANNUAL

# FINANCIAL REPORT

FY2015

**COLUMBUS CITY SCHOOLS**, established in 1845, is Ohio's largest school district, serving the needs of Columbus' diverse students and families.

The district is under the leadership of its 20th Superintendent/CEO, Dan Good, Ph.D., and a seven-member Board of Education.

## STAY CONNECTED

### COLUMBUS CITY SCHOOLS

270 East State Street  
Columbus, Ohio 43215  
(614) 365-5000  
[www.ccsok.us](http://www.ccsok.us)

### FACTLine

(614) 221-FACT (221-3228)  
[factline@columbus.k12.oh.us](mailto:factline@columbus.k12.oh.us)

### Customer Relations

(614) 365-8888



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SPIRIT OF CCS.***

