



OHIO AUDITOR OF STATE
KEITH FABER



**NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
JUNE 30, 2019**

TABLE OF CONTENTS

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

This page intentionally left blank.

**NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2019**

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Total Federal Expenditures	Non-Cash Expenditures
U.S. DEPARTMENT OF AGRICULTURE				
<i>Passed Through Ohio Department of Education</i>				
Child Nutrition Cluster:				
National School Breakfast Program	10.553		\$ 74,973	
National School Lunch Program	10.555		366,251	\$ 95,636
Total Child Nutrition Cluster			<u>441,224</u>	<u>95,636</u>
Total U.S. Department of Agriculture			<u>441,224</u>	<u>95,636</u>
U.S. DEPARTMENT OF EDUCATION				
<i>Passed Through Ohio Department of Education</i>				
Special Education Cluster (IDEA):				
Special Education-Grants to States (IDEA Part B) - 2018	84.027		140,719	
Special Education-Grants to States (IDEA Part B) - 2019	84.027		737,743	
Restoration - 2019	84.027		26,042	
Total Special Education-Grants to States (IDEA Part B)			<u>904,504</u>	
Special Education- Preschool Grants-(IDEA Preschool) - 2018	84.173		229	
Special Education- Preschool Grants-(IDEA Preschool) - 2019	84.173		26,133	
Total Special Education-Preschool Grants (IDEA Preschool)			<u>26,362</u>	
Total Special Education Cluster (IDEA)			930,866	
Title I Grants to Local Educational Agencies (Title I, Part A of EVSEA) - 2018	84.010		35,662	
Title I Grants to Local Educational Agencies (Title I, Part A of EVSEA) - 2019	84.010		234,564	
Total Title I Grants to Local Educational Agencies			<u>270,226</u>	
English Language LTD Proficiency Grant - 2019	84.365		3,644	
Total English Language Acquisition Grants			<u>3,644</u>	
Improving Teacher Quality State Grants - 2018	84.367		13,875	
Improving Teacher Quality State Grants - 2019	84.367		64,997	
Total Improving Teacher Quality State Grants			<u>78,872</u>	
Title IV-A Student Support - 2018	84.424		9,582	
Title IV-A Student Support - 2019	84.424		27,156	
			<u>36,738</u>	
Total U.S. Department of Education			<u>1,320,346</u>	
Total Expenditures of Federal Awards			<u>\$1,761,570</u>	<u>\$ 95,636</u>

The accompanying notes are an integral part of this schedule.

**NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED JUNE 30, 2019**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of North Ridgeville City School District, Lorain County, Ohio, (the District) under programs of the federal government for the year ended June 30, 2019. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE C – 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 D – FOOD DONATION PROGRAM

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

OHIO AUDITOR OF STATE KEITH FABER



Lausche Building, 12th Floor
615 Superior Avenue, NW
Cleveland, Ohio 44113-1801
(216) 787-3665 or (800) 626-2297
NortheastRegion@ohioauditor.gov

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

North Ridgeville City School District
Lorain County
34620 Bainbridge Road
North Ridgeville, Ohio 44039

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 North Ridgeville City School District, Lorain County, (the District) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 30, 2019. Our report refers to other auditors that audited the financial statements of the Joint Insurance Health Plan Trust for the Benefit of North Ridgeville City School District Employees as described in our report on the District's financial statements. This report does not include the results of other auditors' testing of internal control over the financial reporting and compliance and other matters those auditors separately reported.

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.



Keith Faber
Auditor of State

Columbus, Ohio

December 30, 2019

OHIO AUDITOR OF STATE KEITH FABER



Lausche Building, 12th Floor
615 Superior Avenue, NW
Cleveland, Ohio 44113-1801
(216) 787-3665 or (800) 626-2297
NortheastRegion@ohioauditor.gov

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

North Ridgeville City School District
Lorain County
34620 Bainbridge Road
North Ridgeville, Ohio 44039

To the Board of Education:

Report on Compliance for the Major Federal Program

We have audited North Ridgeville 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 North Ridgeville City School District's major federal program for the year ended June 30, 2019. 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, North Ridgeville 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, 2019.

Report on Internal Control Over Compliance

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

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

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

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

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

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the North Ridgeville City School District, Lorain County, Ohio (the District) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated December 30, 2019. Our report refers to other auditors that audited the financial statements of the Joint Insurance Health Plan Trust for the Benefit of North Ridgeville City School District Employees, as described in our report on the District's financial statements. We conducted our audit to opine on the District's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Keith Faber
Auditor of State

Columbus, Ohio

December 30, 2019

This page intentionally left blank.

**NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2019**

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: CFDA #84.027- Special Education Grants to the States CFDA #84.173- Special Education Preschool Grants
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee under 2 CFR § 200.520?	Yes

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

This page intentionally left blank.



***North Ridgeville City
School District***

"Building On Success One Individual At A Time"

Comprehensive Annual Financial Report

**For the Fiscal Year Ended
June 30, 2019
North Ridgeville, Ohio**

Back of cover.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT

NORTH RIDGEVILLE, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2019

Prepared by:

Treasurer's Office

Michael Verlingo, CPA, Treasurer

Julie Coughlin, Assistant Treasurer

Patricia Ellis, Treasurer's Assistant Payroll

Diane Ryman, Treasurer's Assistant Accounts Payable

**NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
FOR THE YEAR ENDED JUNE 30, 2019
TABLE OF CONTENTS**

INTRODUCTORY SECTION

Title Page	i
Table of Contents	ii
Letter of Transmittal	v
List of Principal Officials	xiii
Organization Chart	xiv
GFOA Certificate of Achievement	xv

FINANCIAL SECTION

Independent Auditor's Report	1
Management's Discussion and Analysis	5
BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements:	
Statement of Net Position	15
Statement of Activities	16
Fund Financial Statements	
Balance Sheet - Governmental Funds	17
Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities	18
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	19
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	20
Statement of Revenues, Expenditures and Changes in Fund Balances Budget Basis (Non-GAAP) and Actual - General Fund	21
Statement of Fund Net Position - Internal Service Fund	22
Statement of Revenues, Expenses and Changes in Fund Net Position - Internal Service Fund	23
Statement of Cash Flows - Internal Service Fund	24
Statement of Fiduciary Assets and Liabilities- Agency Funds	25
Notes to the Basic Financial Statements	27

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of the School District's Proportionate Share of the Net Pension Liability	
School Employees Retirement System of Ohio	74
State Teachers Retirement System of Ohio	76
Schedule of the School District's Contributions - Pension	
School Employees Retirement System of Ohio	78
State Teachers Retirement System of Ohio	80
Schedule of the School District's Proportionate Share of the Net OPEB Liability	
School Employees Retirement System of Ohio	82
State Teachers Retirement System of Ohio	83
Schedule of the School District's Contributions - OPEB	
School Employees Retirement System of Ohio	84
State Teachers Retirement System of Ohio	86
Notes to Required Supplementary Information	88

**NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
FOR THE YEAR ENDED JUNE 30, 2019
TABLE OF CONTENTS
(Continued)**

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES:

Combining Statements - Nonmajor Governmental Funds:

Fund Descriptions	91
Combining Balance Sheet - Nonmajor Governmental Funds	94
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	95
Combining Balance Sheet - Nonmajor Special Revenue Funds	96
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds	100

Individual Fund Schedules of Revenues, Expenditures and Changes in
Fund Balances - Budget Basis (Non-GAAP) and Actual

Permanent Improvement Fund	105
Building Fund	106
Classroom Facilities Fund	107
Athletic Fund	108
Auxiliary Service Fund	109
Data Communications Fund	110
Miscellaneous State Grants Fund	111
IDEA Part B Fund	112
Classroom Facilities Maintenance Fund	113
Title I Fund	114
Limited English Proficiency Fund	115
EHA Preschool Fund	116
Title VI-R Fund	117
Miscellaneous Federal Grants Fund	118
Food Service Fund	119
Special Projects Fund	120
Support Fund	121
Uniform School Supplies Fund	122
Adult Education Fund	123
Summer School Fund	124
Debt Service Fund	125

Combining Statements - Nonmajor Fiduciary Funds:

Fund Descriptions	127
Combining Statement of Fiduciary Assets and Liabilities - Agency Funds	128
Combining Statement of Changes in Assets and Liabilities - Agency Funds	129

**NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
FOR THE YEAR ENDED JUNE 30, 2019
TABLE OF CONTENTS
(Concluded)**

STATISTICAL SECTION

Narrative	S 1
Financial Trends	
Net Positon by Component	S 2
Expenses, Program Revenues, and Net (Expense) Revenue	S 4
General Revenues and Total Change in Net Position	S 6
Fund Balances - Governmental Funds - Last Nine Fiscal Years	S 8
Revenue Capacity	
General Governmental Revenues by Sources	S 10
Governmental Funds Expenditures and Debt Service Ratio	S 12
Other Financing Sources and Uses and Net Change in Fund Balances - Governmental Funds	S 14
Assessed and Estimated Actual Value of Taxable Property	S 16
Property Tax Rates - Direct and Overlapping Governments	S 18
Principal Taxpayers - Real Estate Tax	S 20
Principal Taxpayers - Public Utility Tax	S 21
Property Tax Levies and Collections	S 22
Debt Capacity	
Outstanding Debt by Type	S 24
Ratios of General Bonded Debt Outstanding	S 25
Computation of Legal Debt Margin	S 26
Computation of Direct and Overlapping General Obligation Debt	S 28
Demographic and Economic Information	
Demographic and Economic Statistics	S 29
Principal Employers	S 30
Operating Information	
Operating Statistics	S 31
District Employees by Type	S 32
Capital Asset Information	S 34



North Ridgeville City School District

5490 Mills Creek Lane
North Ridgeville, Ohio 44039
Telephone: (440) 327-4444
Fax: (440) 327-9774
Web: www.nrcs.k12.Oh.us

“Building On Success One Individual At A Time”

December 30, 2019

Members of the Board of Education
Residents of North Ridgeville:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the North Ridgeville City School District for the fiscal year ended June 30, 2019. Responsibility for the accuracy of the data presented and completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the School District. This report will provide the taxpayers of the North Ridgeville City School District with comprehensive financial data in a format that will enable them to gain an understanding of the School District's financial affairs. Copies will be made available to financial rating services, local bankers, and other interested parties upon request.

SCHOOL DISTRICT

The School District is one of the 612 public school districts in the State and 14 in the County. We provide education to 4,608 students in grades Pre-K through 12. It is located in Lorain County in north central Ohio, approximately 20 miles southwest of the City of Cleveland and approximately ten miles southeast of the City of Lorain. The School District's territory is coterminous with the territory of the city.

The School District is in the Cleveland-Elyria-Lorain Primary Metropolitan Statistical Area (PMSA), comprised of the six counties of Ashtabula, Cuyahoga, Geauga, Lake, Lorain and Medina. It is also in the Cleveland-Akron-Lorain Consolidated Metropolitan Statistical Area (CMSA).

The School District's 2018 population was 33,889. Its area is approximately 25 square miles, broken down by land use as follows:

Residential	86.41%
Commercial/Industrial	10.85%
Public Utility	2.12%
Agricultural	0.62%
Undeveloped	(a)

(a) Included in above categories.

Approximately 35.7% of the School District's area is used for governmental (including schools, parks and highway right-of ways) and other tax-exempt purposes.

The School District's general area is served by diversified transportation facilities. Immediate access is available to three State and U.S. highways and to interstate highways I-480, I-90 and I-80 (the James W. Shocknessy Ohio Turnpike). Conrail, Amtrak, Norfolk and Western, Chessie System and Lorain and West Virginia railroads serve the County. Airfreight and passenger air service are provided through Cleveland Hopkins International Airport, located in adjacent Cuyahoga County within 15 minutes of the School District, and the Lorain County Regional Airport in New Russia Township.

Banking and financial services are provided to the area by offices of eight commercial banks and savings and loan associations, all of which have their principal offices elsewhere.

Three daily newspapers and two weekly newspapers serve the area. It is within the broadcast area of seven television stations and approximately 31 AM and FM radio stations. Multi-channel cable TV provides service to education, city government and public access.

Within commuting distance are several public and private two-year and four-year colleges and universities providing a wide range of educational facilities and opportunities. These include Cleveland State University, The University of Akron and Kent State University (three of Ohio's twelve state universities), Lorain County Community College, Cuyahoga Community College, Oberlin College (located in the County), Baldwin-Wallace University, John Carroll University and Case Western Reserve University. The Lorain Business College also is located in the County.

THE REPORTING ENTITY

The North Ridgeville City School District issues its financial report based on Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units" and GASB Statement No. 61 "The Financial Reporting Entity: Omnibus". The School District is associated with various educational organizations and government entities within Lorain County that may be construed as being part of the School District's financial reporting when in fact they are not. For this reason, management has decided to differentiate between the organizations whose financial position will be incorporated within this report and the organizations that will not.

Excluded from this report for which the School District is not a member, but may be viewed as a member, are the City of North Ridgeville, the Lorain Public Library, and the various Parent Teacher Organizations. Also excluded from this report for which the School District is a member are Connect, the Lorain County Joint Vocational School, the North Ridgeville City Schools' Endowment Foundation, the Ohio School Boards Association, and the Ohio Schools Council.

Included in the financial reporting of this report is the Joint Insurance Health Plan Trust for the Benefit of North Ridgeville City School District Employees (the Trust). The Trust is legally separate from the School District, but meets the criteria for being a component unit of the School District's financials. More detail is described in Note 1 of the financial statements.

ECONOMIC CONDITION AND OUTLOOK

The School District is a mix of residential and agricultural area and experiencing significant growth in residential development. The adjacent cities of Westlake and North Olmsted are nearing full commercial and residential development. North Ridgeville has direct access to the cities of Cleveland, Lorain and Elyria and other Midwest locations using a combination of interstates I-80, I-90, I-480 and State Route 10. These routes also make it easy for residents to commute daily to work in the cities of Lorain, Avon Lake and other areas in Lorain County and adjacent Cuyahoga County, including the City of Cleveland.

Residential development is continuing at a significant pace and is expected to continue. Building permits for 215 residential units were issued in 2017 with an aggregate value of \$44,438,000 and 320 new residential units with an aggregate value of \$103,090,000 were issued in 2018. In various stages of planning and construction are community developments throughout the City: Waterbury and Del Webb, a 640-acre development to include approximately 2,000 residential units is approximately 73% complete. Meadow Lakes, a 570-acre development to include approximately 1,900 residential units is approximately 67% complete. It is estimated that approximately 1,000 additional residential units will be constructed within various developments when they are built out.

Other developments in the city include the subdivisions of Cross Creek, Hampton Place, Mill ridge, North Ridge Pointe, Reserve at Winfield Farm and Ridgefield that together represent approximately 2,000 residential units when built out.

Building permits were issued in 2017 for new residential units with an estimated value of \$34,560,000. Previous year permit values were:

2016	\$32,769,015
2015	\$34,693,000
2014	\$31,340,959
2013	\$28,427,400
2012	\$29,401,600
2011	\$23,692,091

Five separate industrial parks are located in the City of North Ridgeville. The largest of these is Taylor Woods Industrial Park, which is home to the facilities of Invacare Corporation (manufacturer of wheelchairs), Becket Gas, Incorporated (a manufacturer of gas burners) and Becket Air, Incorporated (a manufacturer of blower parts). In 2018, commercial permits were issued for commercial buildings and improvements with an estimated value of \$38,148,000 vs \$31,110,000 in 2017. Previous years permits totaled \$28,322,479 in 2016, \$6,218,345 in 2015, and \$4,143,293 in 2014 respectively.

In 2018, University Hospitals completed construction of an outpatient ambulatory health center and freestanding emergency department facility that is operated 24 hours a day every day on a 30-acre site on Lorain Road near the intersection of I-480 and I-90 and I-80 (James W. Shocknessy Ohio Turnpike). That \$32.4 million center now provides laboratory services, physical therapy, primary and specialty care physician services, pediatrics, heart and vascular services as well as the emergency department. University Hospitals now has approximately 126 employees in that 50,300 square foot facility. Construction started on two assisted living facilities. The first, to be known as The Avenue and located on Lear Nagle Road, is a 85,370 square-foot one-story center, including three courtyards and 103 private suites. The Avenue has an estimated cost of \$10.25 million. The second, to be known as The Danbury and located on Bagley Road, is a 97,100 square-foot facility that will consist of 106 units offering independent living, assisted living, and a memory care unit. The Danbury has an estimated cost of \$13.00 million. Both facilities are anticipated to be completed late 2019, and each is estimated to have more than 100 employees when in full operation. Rudolph Libbe Group, one of the nation's 400 largest providers of construction and project engineering services, opened offices in three facilities in an industrial park in the City in 2018. Those facilities, which are located on seven acres of land and have an aggregate of more than 25,600 square feet of office space, were renovated at a cost of approximately \$1.70 million. Rudolph Libbe now has approximately 25 employees in the City and has announced plans to add an additional 11 employees in the next several years.

The City, in cooperation with the Ohio Department of Transportation, is undertaking a major project to widen and reconstruct two major roadways within the city. Center Ridge Road, the major east-west route and Lear Nagle Road, a major north-south route at an estimated cost of \$60.0M (Federal and State share of the cost is approximately \$56.0M with the local share at \$4.0M). Estimated completion is in 2020.

Even though the School District is experiencing economic development in the area of real estate, it does not necessarily mean that the School District is experiencing revenue increases proportionately to the real estate development. Unfortunately, current state law prohibits school districts in Ohio from receiving additional tax revenue when the County Auditor reevaluates property values. In 1976, the Ohio General Assembly passed House Bill 920. This law requires the tax rate to be lowered by the same percentage property values are increased by the County Auditor's reevaluation. In calendar year 2018, North Ridgeville City Schools levied 55.04 mills of taxes to fund its operations. House Bill 920 lowered those mills to 39.97 mills for residential and agricultural properties and 39.37 mills for commercial and industrial properties.

In essence, House Bill 920 removes inflationary growth in revenue and requires school districts in Ohio to periodically place tax issues on the ballot for voter approval in order to receive additional revenue to offset rising costs.

MAJOR INITIATIVES – FISCAL YEAR 2018

The School District's Strategic Continuous Improvement Plan remains the driving force behind academic success and expanded student services. This plan, in connection with our budgeting process, has resulted in a systematic improvement in both the short and long term in the areas of Curriculum and Instruction, Business Services (Facilities and Transportation), Finance, Communications and Marketing. Please visit our School District's website, NRCS.net to take a detailed look at our Strategic Continuous Improvement Plan. The following is a brief list, by goal area, of the School District's main accomplishments during the past fiscal year:

Curriculum and Instruction

With the support, services and partnership of the State Support Team, Region 2 and the Regional School Improvement Team, our District continued its work in the Ohio Improvement Plan. This planning process has allowed the district to participate in a focused goal setting process. The School District has identified five goal areas based on the review of school district achievement data. These limited number of goals, and limited number of strategies for each goal, have allowed for concentrated focus on the core work that needs to be done to improve student performance. The importance of aligning district work with district goals for instruction and achievement that are collaboratively developed and stable/sustainable over an extended period of time has been evident to this work and is what we attribute our success to as a district. We have developed one district plan with all the building plans aligned to these district goals. This has provided an unprecedented focus on clear curricular and instructional goals for the district. This also shows the importance of internal accountability, which holds all adults in the system accountable for implementing evidence-based practices to improve teaching and learning.

The School District has focused these curriculum and instructional goals and professional development efforts on the Cycle of Curriculum, Instruction, Assessment and Feedback. Teachers developed and used priority indicators and clear learning targets, matched these to high quality instructional practices, created strong formative and benchmark assessments, and then used the data from assessment to provide feedback to instruction and student performance. Formative Assessment and Data Teams worked diligently in each building, grade level, and department to focus this CIAF cycle. The teams were facilitated by building principals, team leaders, the Director of Curriculum and Instruction and newly positioned Coordinator of Curriculum. Each group reviewed Ohio State Test data using this information to identify our priority indicators and learning targets for each of our Academic Content Standards in English/Language Arts, Math, Science, and Social Studies. The teams continue to work as Teacher Based Teams focused on this cycle of aligning and focusing curriculum, high quality instructional practices, assessment for learning and providing clear feedback to students and instructional practices.

The School District recently completed a total revision of both math and language arts courses of study and are in the process of revising science and social studies. Content areas are on cycle for review every five years. Full implementation of the revised standards and assessments will occur after final materials are selected. North Ridgeville City Schools continued to work in Co-Teaching as started with Dr. Marilyn Friend from the University of North Carolina – Greensboro. Nearly 50 effective Co-Teaching teams are in place throughout the District providing services to students based on Dr. Friend's work. Students with special needs are being educated in the least-restrictive environment as regular education teachers and intervention specialists work together in the regular classroom as teaching teams. The district has more co-teaching teams in each building than in any prior year. The most recently released state report card shows the subcategory "students with disabilities" as having achieved its best growth scores to date.

The district continues our work with District Leadership Team, Building Leadership Teams and Teacher Based Teams in addition to providing professional development for teachers and administrators. Development, implementation and revision of Standards Based Report Cards has been completed through grade 8 for the current school year. Continued implementation of our Summer School Program, provides crucial intervention, remediation, and enhancement courses to students in grades K-12. We used the Apex On-line learning program for Summer School in grades 7 through 12. This program had 190 students working in an on-line learning environment to learn and provide intervention, so our students have the skills to move forward and be successful in their future learning environments. The School District has implemented the use of Apex as an on-line program to help students recover lost credit. We had 90 students recover credits using this program last year. This allowed some students to graduate with their cohort and other students stay in line with their cohort to graduate on-time as they work to recover credit they have lost due to being unsuccessful in the course prior to the Apex attempt.

Professional Development has become very focused in the District. The School District is concentrated on an aligned, focused curriculum with clear learning targets, providing high quality instructional strategies matched to those targets, assessing learning along the way to benchmarks and providing clear feedback to students, instructional practices and curriculum decisions. All of this work has a focus on teaching and learning in the 21st century. Extensive work has been completed focusing on: Problem Based Learning, Standards Based Grading, the implementation of the Google platform for technology as well as on training tied to our newly adopted math and language arts courses of study.

The School District is in its third year as a 1:1 technology district for grades 3-12 with each student being provided a Chromebook to use at home and at school. The School District currently has teachers in all four years of the Resident Educator Program. At present, the school district has over fifty teachers participating in the Resident Educator Program. The program to this point has been a tremendous success.

Finances

- Continue to enhance the detail and accuracy of the five-year forecast.
- Expanded investment options to increase the return on invested funds. General fund interest income totaled \$624k vs \$442k in the prior fiscal year.
- Continued to spend less per pupil in total and for Administration than the State average or Local average of similarly sized school districts.
- Issued our eighteenth consecutive Comprehensive Annual Financial Report of the School District.
- Received several in recent years "Auditor of State Awards" which demonstrates our commitment to careful spending, and accurate fiscal recording and efficiency.
- Moved the District from a self-funded Health Trust for benefits to a consortium to minimize risk and reduce overall premiums and cost for the district and employees
- Automated the requisition, purchase order, invoice and accounts payable processes

Business Services (Facilities and Transportation)

- Gutter replacement (Liberty)
- Rekey interior doors (Liberty)
- Bathroom partition replacement (Liberty)
- Replace concrete sidewalk (RHTA)
- New lunch tables (RHTA)
- Replace four RTUs (ECLC)
- Security/Fire Alarm upgrades (ECLC)
- Bathroom tile restoration (ECLC)
- Carpet replacement (ECLC)
- Exterior paint upgrades (ECLC)
- Interior and exterior door upgrades (NRHS)
- Electrical upgrade for SPED classrooms (NRHS)
- Addition of wall in Media Center (NRHS)
- Crack seal/re-stripe parking lots (District-wide)
- Purchase of two mowers (District-wide)

Communications and Marketing

- Established a Communications Advisory Committee. The committee meets to discuss ideas on how to communicate effectively to stakeholders. The committee also played role in communicating with stakeholders about bond and levy issues needing to be placed before the voters.
- Use social media (Facebook, Instagram, Twitter) to highlight and update parents, students, and the community about happenings in the District. The number of constituents accessing the information continues to increase.
- Implemented a weekly newsletter to inform parents, staff, and stakeholders, of important information occurring in the District.
- Maintaining and enhancing the District website.
- Insure spending is cost effective and fiscally responsible.
- Distributed press releases to local media about news in the District
- Organized events such as Convocation Day, State of the Schools, sports banquets, and State of the City to keep community informed.
- Recorded Board of Education meetings to aid in transparency and upload to YouTube channel
- Continuously post information about upcoming events in the district
- Implemented robocall system to alert parents of emergencies such as school closings.

Long Term and Capital Planning

The School District has initiated a plan to realign its Pre-K through 12th grade facilities in response to increasing enrollment and deficiencies in several of its buildings. Toward that end the School District was successful in the process of seeking State assistance in long-term facilities planning. The School District has enjoyed success in the passage of three renewal levies, an additional \$ 5,900,000 ten-year Emergency Levy, and a \$ 58,100,000 Bond Issue combined with a one mill Permanent Improvement Levy in Fiscal Year 2014. The passage of the additional \$ 5,900,000 ten-year Emergency Levy sustains the current level of operations through FY 2021. The passage of the \$ 58,100,000 Bond Issue along with the additional one mill Permanent Improvement Levy secured the long term funds needed to meet the increased demands of enrollment growth and the increased costs of compliance with State and Federal regulations. In fiscal year 2006, the School District acquired two properties next to Wilcox and the High School in anticipation of continued growth in enrollment which will be used for new or replacement facilities.

In addition, the School District initiated an energy efficiency review of its facilities with the intent to improve lighting and reduce energy consumption in the remainder of its ongoing facilities. This \$ 2.8M project was completed in Fiscal year 2017.

The School District has completed the construction a three through eight building which is considered the first phase in the need to construct facilities to provide for the increased enrollment projections. The district sought to replace and expand facilities in November of 2019 with a \$136M Bond issue, which was defeated by the electorate. Discussions between the Board, Administration and community will be ongoing as the district evaluates its options moving forward.

FINANCIAL OVERVIEW

Internal Controls

The School District's management is responsible for establishing and maintaining the internal control policies and procedures to ensure the safeguarding of the School District's assets from loss, theft and misuse. These procedures are established by the School District's management team and adopted by the Board of Education. These controls are designed to provide reasonable assurance, not absolute assurance. Absolute assurance would require the cost of these internal controls to be greater than the benefits derived. The possibility is also inherent in any internal control to be circumvented through collusion among employees.

Budget Process

All funds, other than agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and set annual limits on the expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level for all funds.

Accounting System

The School District maintains its accounts in accordance with procedures established by the Auditor of the State of Ohio. The School District uses a fully automated accounting system. The accounting system's software is maintained off site at Connect.

The School District prepares its annual financial statements under the reporting model required by Government Accounting Standards Board Statement No. 34 (GASB 34), "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments". Under GASB 34, the basic financial statements consist of:

Government-wide financial statements – These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by businesses. The government-wide statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities.

Fund financial statements – These statements present information for individual major funds rather than by fund type. Non-major funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include a reconciliation of the governmental activities accrual information presented in the government-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting.

Statement of budgetary comparison – These statements present comparison of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances.

For a more detailed description, see the Management's Discussion and Analysis and the notes to the Basic Financial Statements.

DEBT ADMINISTRATION

The School District operated within the established overall debt margin and the un-voted debt margin. At June 30, 2019, outstanding bonds totaled \$ 54,906,505. Net debt retired was \$ 1,310,000 in General Obligation Bonds. As of June 30, 2018, the overall debt margin was \$ 28,775,000 and the un-voted debt margin was \$ 908,000.

INDEPENDENT AUDIT

State Statutes require the School District to be subject to an annual examination by an independent auditor. The annual audit serves to render an opinion on the financial statements and to maintain and strengthen the School District's accounting and budgeting controls. The opinion can be found at the beginning of the financial section of this report.

AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the North Ridgeville City School District for its comprehensive annual financial report for the fiscal year ended June 30, 2018. This was the eighteenth consecutive year that the School District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. 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.

ACKNOWLEDGEMENTS

The continued publication of this report is a significant step towards improving the professionalism of the North Ridgeville City School District financial communication. The preparation of this report could not have been accomplished without the efficient and dedicated help of the Treasurer's Office. The Comprehensive Annual Financial Report requires a major effort and special appreciation is extended to all internal departments who assisted in the preparation of this report. A sincere appreciation is also extended to the Board of Education for their continued support in issuing North Ridgeville City School District's Comprehensive Annual Financial Report.

Respectfully Submitted,

Michael Verlingo, CPA
Treasurer

Ms. Roxann Ramsey Caserio
Superintendent (Interim)

NORTH RIDGEVILLE CITY SCHOOL BOARD OF EDUCATION
PRINCIPAL OFFICIALS
JUNE 30, 2019

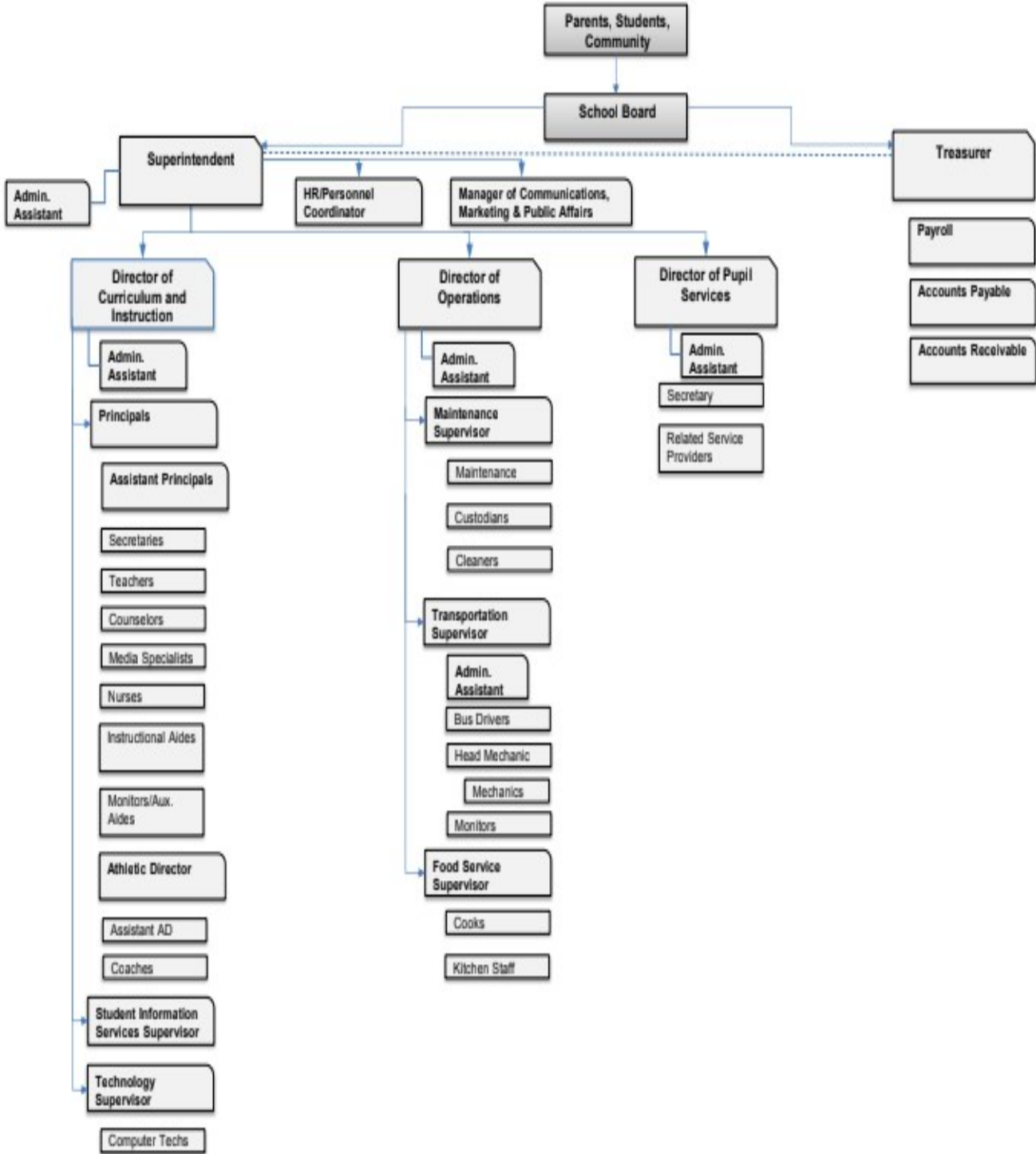
Board of Education

Ms. Kelly McCarthy.....President
Ms. Marci Saxon.....Vice President
Ms. Kristen Iezzi.....Member
Ms. JoAnna Timura.....Member
Mr. Frank Vacha.....Member

Administration

Ms. Roxann Ramsey CaserioSuperintendent(Interim)
Mr. Michael Verlingo, CPA.....Treasurer
Mr. David Pritt.....Director of Curriculum/Instruction
Mr. Matt Yunker.....Director of Operations

North Ridgeville City Schools Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

North Ridgeville City School District
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morrill

Executive Director/CEO

This page intentionally left blank.

OHIO AUDITOR OF STATE KEITH FABER



Lausche Building, 12th Floor
615 Superior Avenue, NW
Cleveland, Ohio 44113-1801
(216) 787-3665 or (800) 626-2297
NortheastRegion@ohioauditor.gov

INDEPENDENT AUDITOR'S REPORT

North Ridgeville City School District
Lorain County
34620 Bainbridge Road
North Ridgeville, Ohio 44039

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 North Ridgeville City School District, Lorain County, Ohio (the District), as of and for the year ended June 30, 2019, 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 did not audit the financial statements of the Joint Insurance Health Plan Trust for the Benefit of North Ridgeville City School District Employees, which represent 8.75 percent and 42.32 percent, respectively, of the assets and revenues of the aggregate remaining fund information. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amount included for the Joint Insurance Health Plan Trust for the Benefit of North Ridgeville City School District Employees, is based solely on the report of other auditors. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinion

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the North Ridgeville City School District, Lorain County, Ohio, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *management's discussion and analysis*, and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

Our audit was conducted to opine on the District's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this information to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we will also issue our report dated December 30, 2019, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Keith Faber
Auditor of State

Columbus, Ohio

December 30, 2019

This page intentionally left blank.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2019
Unaudited

The management discussion and analysis of North Ridgeville City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2019. The intent of this management discussion and analysis is to look at the School District's financial performance as a whole. Readers should also review the transmittal letter, financial statements and notes to those respective statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2019 are as follows:

- In total, net position of governmental activities increased \$ 2,767,108.
- General revenues accounted for \$ 48,861,225 revenue or 90.6% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$ 5,045,371 or 9.4% of total revenues of \$ 53,906,596
- The School District had \$ 51,139,488 in expenses related to governmental activities; only \$ 5,045,371 of these expenses were offset by program specific charges for services, grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) amounted to \$ 48,861,225. Total revenues were \$ 2,767,108 more than total expenses.
- At the close of the current fiscal year, the School District's governmental funds reported combined fund balances of \$ 32,812,911, a decrease of \$ 918,483 in comparison with the prior year. Approximately, 66.9% of fund balance, \$ 21,946,425, is available for spending at the School District's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$ 29,433,730 or 68.6% of total General Fund expenditures.
- The School District's total outstanding long-term liabilities decreased \$ 7,768,962 to \$ 113,735,743 primarily due to decreases in net pension liability and net OPEB liability.

Using this Comprehensive Annual Financial Report (CAFR)

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

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate and longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements explain how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. In the case of North Ridgeville City School District, the General Fund is the most significant.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2019
Unaudited

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains all the funds used by the School District to provide programs and activities, the view of the School District as a whole considers all financial transactions and asks the question, "How did we do financially during 2019?" The Statement of Net Position and Statement of Activities answer this question. These statements include all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses using the accrual basis of accounting, similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and changes in that position. This change in net position is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the School District's performance, demographic and socioeconomic factors and willingness of the community to support the School District. On the other hand, financial factors may include the School District's financial position, liquidity and solvency, fiscal capacity and risk and exposure.

The Statement of Net Position and the Statement of Activities include the School District's programs and services, including instruction, support services, food service operation and extracurricular activities.

These government-wide financial statements include not only the School District itself (known as the primary government), but also its blended component unit the "Joint Insurance Health Plan Trust for the Benefit of North Ridgeville City School District Employees (the Trust)". Complete financial information for the Trust may be obtained by contacting the Plan Administrator at 10045 College Park, Concord, Ohio 44060.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major funds begins on page 12. Fund financial statements provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund and Permanent Improvement Fund.

Governmental Funds

All of the School District's activities are reported as governmental funds, which focus on how money flows into and out of these funds and the balances left at year-end that are available for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2019
Unaudited

The School District as a Whole

The Statement of Net Position provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net position for 2019 compared to 2018:

TABLE I
Total Net Position

	<u>2019</u>	<u>Restated 2018</u>
Assets		
Current and other assets	\$ 66,513,710	\$ 70,159,067
Noncurrent assets	2,512,302	-
Total capital assets, net	<u>66,559,671</u>	<u>67,369,653</u>
Total assets	<u>135,585,683</u>	<u>137,528,720</u>
Deferred outflows of resources		
Deferred charge on refunding	4,094,537	4,460,218
Pension	13,820,745	15,284,108
OPEB	<u>1,335,033</u>	<u>696,877</u>
Total deferred outflows of resources	<u>19,250,315</u>	<u>20,441,203</u>
Liabilities		
Current liabilities	9,373,419	12,068,506
Long term liabilities		
Due within one year	1,538,514	1,614,677
Due in more than one year		
Net pension liability	45,157,490	46,487,647
Net OPEB liability	5,293,460	10,551,890
Other amounts	<u>61,746,279</u>	<u>62,850,491</u>
Total liabilities	<u>123,109,162</u>	<u>133,573,211</u>
Deferred inflows of resources		
Property taxes	22,080,975	21,737,741
Pension	2,607,770	1,544,660
OPEB	<u>4,340,114</u>	<u>1,183,442</u>
Total deferred inflows of resources	<u>29,028,859</u>	<u>24,465,843</u>
Net position		
Net investment in capital assets	12,176,729	12,579,797
Restricted	5,554,998	2,809,945
Unrestricted	<u>(15,033,750)</u>	<u>(15,458,873)</u>
Total net position	<u>\$ 2,697,977</u>	<u>\$ (69,131)</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2019

Unaudited

The net pension and OPEB liability are the largest liabilities reported by the School District at June 30, 2019 and are reported pursuant to 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." For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the School District's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting net OPEB asset, deferred outflows related to pension and OPEB.

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

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

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service
2. Minus plan assets available to pay these benefits

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the School District is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

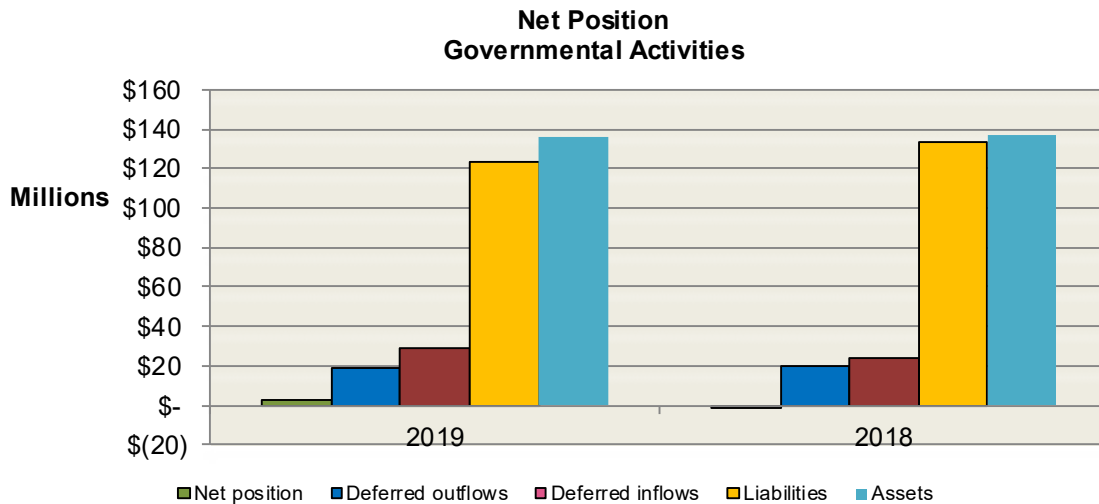
MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2019

Unaudited

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

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



Governmental Activities

Net position of the School District's governmental activities increased \$ 2,767,108. Total governmental expenses of \$ 51,139,488 were offset by program revenues of \$ 5,045,371 and general revenues of \$ 48,861,225. Program revenues supported 9.9% of the total governmental expenses.

The primary sources of revenue for governmental activities are derived from property taxes, and grants and entitlements. These revenue sources represent 90.6% of total governmental revenue. Total expenses increased by \$ 9,199,008 due to the effects of GASB 68 and GASB 75.

Table 2 summarizes the revenues, expenses and the changes in net position for fiscal year 2019 and 2018.

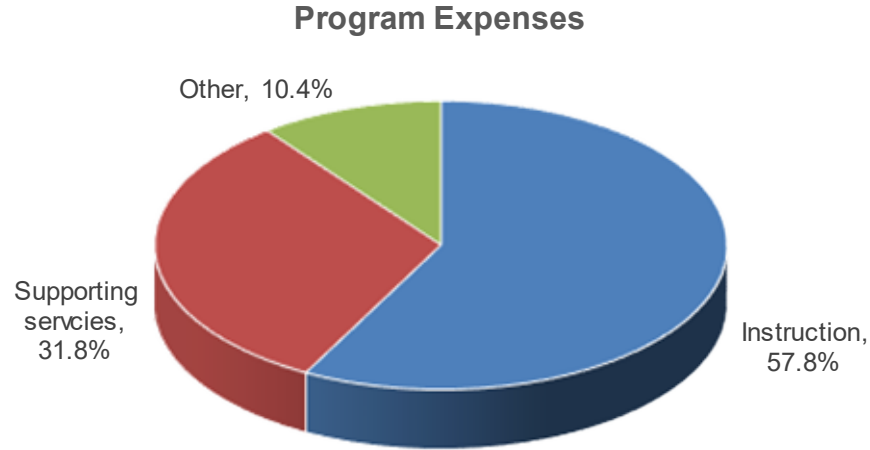
NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2019
Unaudited

Table 2
Changes in Net Position

	2019	Restated 2018
Revenues		
Program revenues		
Charges for services and sales	\$ 2,494,116	\$ 2,355,121
Operating grants, interest and contributions	2,277,890	1,967,179
Capital grants, interest and contributions	273,365	-
Total program revenues	<u>5,045,371</u>	<u>4,322,300</u>
General revenues		
Property taxes	29,427,017	34,458,396
Grants and entitlements not restricted to specific purposes	16,878,133	16,552,957
Investment earnings	728,713	557,469
Miscellaneous	1,827,362	784,757
Total general revenues	<u>48,861,225</u>	<u>52,353,579</u>
Total revenues	<u>53,906,596</u>	<u>56,675,879</u>
Program expenses		
Instruction	29,552,593	26,140,193
Supporting services		
Pupil and instructional staff	3,386,994	1,641,359
Board of education, administration, fiscal services and business	4,080,943	2,344,897
Operation and maintenance	4,739,976	3,766,366
Pupil transportation	3,787,828	2,938,454
Central services	286,992	202,008
Operation of non-instructional services		
Food service operation	1,461,983	1,338,977
Community services	182,884	185,319
Extracurricular activities	901,144	601,224
Interest and fiscal charges	2,758,151	2,781,683
Total expenses	<u>51,139,488</u>	<u>41,940,480</u>
Increase in net position	2,767,108	14,735,399
Net position at beginning of year, restated	(69,131)	(14,804,530)
Net position at end of year	<u>\$ 2,697,977</u>	<u>\$ (69,131)</u>

57.8 percent of the School District's budget is used to fund instructional expenses. Additional supporting services for pupils, staff and business operations encompass an additional 31.8 percent. The remaining program expenses of 10.4 percent are budgeted to facilitate other obligations of the School District, such as the food service program, numerous extracurricular activities and debt service.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2019
Unaudited



The Statement of Activities shows the total and net cost of program services. Table 3 shows the total cost of services for governmental activities and the net cost of those services. It identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3

	Total Cost of Services		Net Cost of Services	
	2019	Restated 2018	2019	Restated 2018
Program expenses				
Instruction	\$ 29,552,593	26,140,193	\$(26,721,680)	\$(23,749,105)
Supporting services				
Pupil and instructional staff	3,386,994	1,641,359	(3,013,064)	(1,328,991)
Board of education, administration, fiscal services and business	4,080,943	2,344,897	(4,080,943)	(2,344,897)
Operation and maintenance	4,739,976	3,766,366	(4,715,873)	(3,736,647)
Pupil transportation	3,787,828	2,938,454	(3,787,828)	(2,938,454)
Central services	286,992	202,008	(286,992)	(202,008)
Operation of non-instructional services				
Food service operation	1,461,983	1,338,977	(188,141)	(110,394)
Community services	182,884	185,319	50,731	(9,283)
Extracurricular activities	901,144	601,224	(592,176)	(416,718)
Interest and fiscal charges	2,758,151	2,781,683	(2,758,151)	(2,781,683)
Total expenses	<u>\$ 51,139,488</u>	<u>\$ 41,940,480</u>	<u>\$(46,094,117)</u>	<u>\$(37,618,180)</u>

Clearly, the North Ridgeville community is by far the greatest source of financial support for the students of the North Ridgeville City Schools.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2019

Unaudited

School District Funds

Information regarding the School District's major funds can be found on page 17. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$ 52,010,686, excluding other sources, and expenditures of \$ 52,936,698, excluding other uses. Other financing sources (uses) had a net increase of \$ 7,529. The net changes in fund balances for the year were as follows: General Fund \$ 1,070,314, Permanent Improvement Fund (\$ 1,836,071) and Other Governmental Funds (\$ 152,726).

General Fund taxes revenue decreased by \$ 4,582,062 primarily due to the amount available for advance from the Lorain County Auditor. Additionally, the General Fund intergovernmental revenue increased by \$ 428,176 due to more funding being received from the state. The decrease in the Permanent Improvements fund is related to ongoing maintenance and capital improvements.

General Fund Budgeting Highlights

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

During the course of fiscal year 2019, the School District amended its General Fund budget several times. Original budgeted receipts for the General Fund were \$ 42,431,722 and final budgeted receipts were \$ 45,647,307. Actual receipts were \$ 45,696,772 which were \$ 49,465 higher than final budgeted estimated receipts. Original appropriations were \$ 46,424,015 and final appropriations were \$ 46,147,335. Actual expenditures were \$ 46,138,581 which were \$ 8,754 less than final appropriations.

Fluctuations among the budget basis expenditures categories are due to the School District's site-based style of budgeting that is designed to tightly control expenditures but provide flexibility for managers to redirect funds as conditions develop during the year.

The above circumstances allowed the School District to end the school year with a General Fund unencumbered cash balance of \$ 24,432,681 which was \$ 58,219 more than projections.

Capital Assets and Debt Administration

Capital Assets

All capital assets, except land and construction in progress, are reported net of depreciation. At the end of fiscal 2019, the School District had \$ 66,559,671 invested in land, buildings, equipment and vehicles. Table 4 shows fiscal 2019 values compared to 2018.

Table 4
Capital Assets
(Net of Accumulated Depreciation)

	2019	2018
Land	\$ 2,204,677	\$ 1,940,230
Buildings and improvements	52,815,049	55,074,345
Furniture and equipment	9,330,365	8,201,218
Vehicles	2,209,580	2,153,860
Total capital assets	\$ 66,559,671	\$ 67,369,653

During fiscal 2019, the School District purchased \$ 3,738,210 of capital assets and recorded depreciation expense of \$ 3,822,611. More detailed information is presented in Note 9 of the notes to the basic financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2019
Unaudited

Debt

At June 30, 2019 the School District had \$ 113,735,743 in long-term obligations a decrease of \$ 7,768,962. \$ 1,538,514 of the long-term obligations are due within one year. Net pension liability and net OPEB liability at June 30, 2019 were \$ 45,157,490 and \$ 5,293,460, respectively. Table 5 shows fiscal 2019 values compared to 2018.

Table 5
Outstanding Debt Year-End

	2019	2018
Term and serial bonds	\$ 52,545,000	\$ 53,855,000
Capital appreciation bonds	1,544,944	1,544,944
Accretion on capital appreciation bonds	816,561	240,692
Unamortized bond premium	6,435,607	6,683,370
Capital leases	1,305,122	1,609,799
Net pension liability	45,157,490	46,487,647
Net OPEB liability	5,293,460	10,551,890
Compensated absences	637,559	531,363
Total outstanding debt	<u>\$ 113,735,743</u>	<u>\$ 121,504,705</u>

More detailed information is presented in Notes 14, 15, and 16 of the notes to the basic financial statements.

School District Outlook

The Board of Education and the administration closely monitor the School District's revenues and expenditures in accordance with its financial forecast and the School District's Curriculum and Operating plans.

The School District's current financial forecast prepared in November 2019 remains positive through fiscal year 2023, if the district maintains funding by the renewal of existing levies. Failure to renew these levies will materially impact the ability of the district to provide adequate resources for its educational mission. The existing levies expire over the next 3 fiscal years (2 in calendar year 2019; 1 in 2021; and 1 in 2022). Carryover balances in excess of required reserves exist through FY 2021 assuming the current level of funding is maintained.

Several challenges exist relative to school funding in the State of Ohio. Among these challenges are frequent legislative actions amending the budget formula (positive and negative), restrictions on the growth of School District's operating revenues and new mandates relative to operational and educational requirements. These and other macro-economic factors require the School District to periodically seek additional funds from the taxpayers to offset rising operating costs. The North Ridgeville voters supported additional operating funds for the schools with the passage of a 5.9 mil Emergency levy in 2013 yielding \$ 4.3M annually with the commitment that incremental funds would not be requested for a 10 year period. In addition, the passage of a \$ 58,100,000 Bond Issue coupled with a one-half mill Permanent Improvement Levy in 2013 was used to erect new facilities in the district. In November, 2019 the district requested that the voters approve a new Bond Issue in the amount of \$ 136,565,000 for the construction of a new high school, elementary school and other district improvements. In addition, the four Emergency levies were to be combined into one continuing Substitute levy that would allow the district to capture revenue growth on new construction. Both of these levies failed by small margins. The Board of

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2019
Unaudited

Education has voted to place a 10 year Substitute levy on the March 2020 ballot and defer the Bond Issue request until a future period.

In addition to the mandates and changes mentioned above, school districts are faced with the challenge of losing traditional sources of tax revenue through the Ohio General Assembly legislative actions. These actions included the elimination of tangible personal property tax and most recently, the revenue distribution that was enacted by the commercial activities tax over a two year phase out period. The current biannual budget for the State of Ohio, froze school funding at 2019 levels, except that an enrollment growth factor was added which for fiscal year 2020 adds \$ 188k in revenue to the district. This growth factor will continue in fiscal year 2021 increasing revenues by \$ 282k. It is uncertain as to whether this funding increase will continue into the future.

Offsetting some of these reductions has been a change in the state funding formula methodology that moves districts toward their calculated funding amount. This change has benefited North Ridgeville City Schools, who have historically been underfunded. Despite this, inflationary cost increases and higher levels of enrollment have required incremental levels of expenditures. The City of North Ridgeville is experiencing a high level of growth in the number of new homes constructed. Several large housing developments have led to increased enrollment and will continue to do so for the foreseeable future. This new construction has increased the taxable valuation of property by an average of more than \$ 18M per year over the last 3 years. Going forward increased property valuation will add 20 mils of revenue to the district as North Ridgeville City Schools has reached the 20 mil floor limit for school funding in Ohio. In addition, 37% of the School District local tax revenues are provided by fixed dollar emergency levies that do not increase with property valuations or enrollment. Passage of the Substitute levy previously discussed will allow the district to capture revenue growth on new construction valuation increases, which will help offset the expenditures associated with increasing enrollment. Due to its high valuation per student the State considers North Ridgeville a wealthy school district, therefore it receives only a fraction of the State per student funding level to cover its recurring operating expenses.

The School District's administration determines its budget annually, striving to provide adequate resources to meet student needs. The administration along with the Board of Education will continue to monitor expenses and improve programs to provide cost effective, quality education to North Ridgeville students.

The North Ridgeville City School District has committed itself to financial excellence for many years. The School District has received a Certificate of Achievement for Excellence in Financial Reporting by the Governmental Financial Officers Association (GFOA) consistently since 2001 and will seek to receive the award in the future.

Contacting the School District's Financial Management

This report is designed to provide our citizens, taxpayers and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Michael Verlingo, CPA, Treasurer at North Ridgeville City School District, 34600 Bainbridge Road, North Ridgeville, Ohio 44039.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

STATEMENT OF NET POSITION

JUNE 30, 2019

	Governmental Activities
Assets	
Equity in pooled cash and investments	\$ 33,751,122
Investments	296,859
Accounts receivable	200,571
Due from other governments	387,428
Prepaid items	957,506
Taxes receivable	30,920,224
Net OPEB asset	2,512,302
Capital assets	
Nondepreciable capital assets	2,204,677
Depreciable capital assets	64,354,994
Total assets	135,585,683
Deferred outflow s of resources	
Deferred charge on refunding	4,094,537
Pension	13,820,745
OPEB	1,335,033
Total deferred outflow s of resources	19,250,315
Liabilities	
Accounts and contracts payable	617,762
Retainage payable	50,145
Accrued salaries, wages and benefits	4,511,901
Claims payable	541,013
Accrued interest payable	162,200
Due to other governments	750,398
Tax anticipation note payable	2,740,000
Long-term liabilities	
Due w ithin one year	1,538,514
Due in more than one year	
Net pension liability	45,157,490
Net OPEB liability	5,293,460
Other amounts	61,746,279
Total liabilities	123,109,162
Deferred inflow s of resources	
Property taxes	22,080,975
Pension	2,607,770
OPEB	4,340,114
Total deferred inflow s of resources	29,028,859
Net position	
Net investment in capital assets	12,176,729
Restricted for:	
Debt service	2,798,338
Capital projects	171,719
State grants	70,247
Federal grants	1,992
Donations	400
Net OPEB asset	2,512,302
Unrestricted	(15,033,750)
Total net position	\$ 2,697,977

See accompanying notes to the basic financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2019

	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position
		Charges for Services and Sales	Operating Grants, Interest and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction					
Regular	\$ 20,255,787	\$ 1,206,023	\$ 121,667	\$ 273,365	\$ (18,654,732)
Special	9,090,509	284	1,229,574	-	(7,860,651)
Vocational	206,297	-	-	-	(206,297)
Supporting services					
Pupil	2,476,095	226,859	77,399	-	(2,171,837)
Instructional staff	910,899	42,719	26,953	-	(841,227)
Board of education	104,448	-	-	-	(104,448)
Administration	2,493,802	-	-	-	(2,493,802)
Fiscal services	1,072,313	-	-	-	(1,072,313)
Business	410,380	-	-	-	(410,380)
Operation and maintenance	4,739,976	-	24,103	-	(4,715,873)
Pupil transportation	3,787,828	-	-	-	(3,787,828)
Central services	286,992	-	-	-	(286,992)
Operation of non-instructional services					
Food service operation	1,461,983	737,891	535,951	-	(188,141)
Community services	182,884	152	233,463	-	50,731
Extracurricular activities	901,144	280,188	28,780	-	(592,176)
Interest and fiscal charges	2,758,151	-	-	-	(2,758,151)
Total	<u>\$ 51,139,488</u>	<u>\$ 2,494,116</u>	<u>\$ 2,277,890</u>	<u>\$ 273,365</u>	<u>(46,094,117)</u>

General revenues

Property taxes levied for:	
General purposes	25,046,302
Debt service	3,614,821
Capital improvements	765,894
Grants and entitlements not restricted to specific purposes	16,878,133
Investment earnings	728,713
Miscellaneous	1,827,362
Total general revenues	<u>48,861,225</u>
Change in net position	2,767,108
Net position at beginning of year, restated	(69,131)
Net position at end of year	<u>\$ 2,697,977</u>

See accompanying notes to the basic financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

BALANCE SHEET -
GOVERNMENTAL FUNDS

JUNE 30, 2019

	General Fund	Permanent Improvement Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Equity in pooled cash and investments	\$ 25,484,046	\$ 1,200,480	\$ 6,518,043	\$ 33,202,569
Receivables, net of allowance				
Taxes, current	25,476,362	1,174,335	3,182,827	29,833,524
Taxes, delinquent	939,400	40,900	106,400	1,086,700
Accounts and other	130,378	-	1,000	131,378
Due from other governments	157,865	-	229,563	387,428
Interfund receivables	6,113,699	-	-	6,113,699
Total assets	\$ 58,301,750	\$ 2,415,715	\$ 10,037,833	\$ 70,755,298
Liabilities				
Accounts and contracts payable	\$ 273,908	\$ 45,334	\$ 52,490	\$ 371,732
Retainage payable	-	-	50,145	50,145
Accrued salaries, wages and benefits	4,232,709	-	279,192	4,511,901
Due to other governments	655,043	-	95,355	750,398
Interfund payable	-	5,670,000	443,699	6,113,699
Tax anticipation note payable	-	2,740,000	-	2,740,000
Matured compensated absences	94,604	-	-	94,604
Total liabilities	5,256,264	8,455,334	920,881	14,632,479
Deferred inflows of resources				
Property taxes levied for next year and unavailable resources	19,851,321	930,304	2,528,283	23,309,908
Total deferred inflows of resources	19,851,321	930,304	2,528,283	23,309,908
Fund balances (deficits)				
Restricted	-	-	7,106,051	7,106,051
Assigned	3,760,435	-	-	3,760,435
Unassigned	29,433,730	(6,969,923)	(517,382)	21,946,425
Total fund balances (deficits)	33,194,165	(6,969,923)	6,588,669	32,812,911
Total liabilities, deferred inflows of resources and fund balances (deficits)	\$ 58,301,750	\$ 2,415,715	\$ 10,037,833	\$ 70,755,298

See accompanying notes to the basic financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2019

Total governmental fund balances	\$ 32,812,911
Amount 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 not reported in the funds.	66,559,671
Other long-term assets are not available to pay for current period expenditures and therefore are deferred inflow s in the funds:	
Property taxes	1,228,933
Governmental funds have reported expenditures for monthly premium payments to the Joint Insurance Health Plan Trust for the period January 1, 2019 through June 30, 2019. Since the Trust is reported as an Internal Service Fund as of December 31, 2018, and subsequently consolidated at the entity-wide level, these payments have been recorded as prepaid expenses on the entity-wide statements.	909,675
Unamortized deferred charges on refundings are not recognized in the funds	4,094,537
Net OPEB asset is not recognized in the funds	2,512,302
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.	175,393
The net pension liability and net OPEB liability are not due and payable in the current period; therefore, the liability and related deferred inflow s/outflow s are not reported in the governmental funds.	
Deferred outflow s - pension	13,820,745
Deferred inflow s - pension	(2,607,770)
Net pension liability	(45,157,490)
Deferred outflow s - OPEB	1,335,033
Deferred inflow s - OPEB	(4,340,114)
Net OPEB liability	(5,293,460)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Compensated absences payable	(542,955)
Bonds payable	(54,906,505)
Unamortized bond premium	(6,435,607)
Capital lease payable	(1,305,122)
Accrued interest payable	(162,200)
Net position of governmental activities	\$ 2,697,977

See accompanying notes to the basic financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2019

	General Fund	Permanent Improvement Fund	Other Governmental Funds	Total Governmental Funds
Revenue				
Taxes	\$ 24,800,002	\$ 755,794	\$ 3,587,621	\$ 29,143,417
Tuition and fees	1,152,949	-	-	1,152,949
Interest	624,183	63,730	24,582	712,495
Intergovernmental	16,803,862	41,839	2,583,687	19,429,388
Extracurricular	376,158	-	157,709	533,867
Charges for services	465	-	744,929	745,394
Donations and contributions	69,794	-	28,780	98,574
Other	186,507	20	8,075	194,602
Total revenues	<u>44,013,920</u>	<u>861,383</u>	<u>7,135,383</u>	<u>52,010,686</u>
Expenditures				
Current				
Instruction				
Regular	20,127,575	306,132	112,606	20,546,313
Special	8,022,242	-	1,214,159	9,236,401
Vocational	235,160	-	-	235,160
Supporting services				
Pupil	2,636,692	-	-	2,636,692
Instructional staff	843,105	-	26,953	870,058
Board of education	108,284	-	-	108,284
Administration	2,603,719	2,179	-	2,605,898
Fiscal services	957,760	11,978	54,461	1,024,199
Business	385,632	-	-	385,632
Operation and maintenance	2,997,015	1,255,503	105,660	4,358,178
Pupil transportation	3,001,859	432,317	-	3,434,176
Central services	252,808	11,100	-	263,908
Operation of non-instructional services				
Food service operation	1,344	-	1,372,770	1,374,114
Community services	152	-	174,214	174,366
Extracurricular activities	651,889	1,121	265,664	918,674
Capital outlay	-	641,078	446,626	1,087,704
Debt service				
Principal	91,667	213,010	1,310,000	1,614,677
Interest	9,043	21,009	2,032,212	2,062,264
Total expenditures	<u>42,925,946</u>	<u>2,895,427</u>	<u>7,115,325</u>	<u>52,936,698</u>
Excess (deficiency) of revenues over expenditures	<u>1,087,974</u>	<u>(2,034,044)</u>	<u>20,058</u>	<u>(926,012)</u>
Other financing sources (uses)				
Proceeds from sale of capital assets	7,529	-	-	7,529
Transfers in	102	360,000	187,318	547,420
Transfers out	(25,291)	(162,027)	(360,102)	(547,420)
Total other financing sources (uses)	<u>(17,660)</u>	<u>197,973</u>	<u>(172,784)</u>	<u>7,529</u>
Net change in fund balances	1,070,314	(1,836,071)	(152,726)	(918,483)
Fund balances, beginning of year, restated	<u>32,123,851</u>	<u>(5,133,852)</u>	<u>6,741,395</u>	<u>33,731,394</u>
Fund balances, end of year	<u>\$ 33,194,165</u>	<u>\$ (6,969,923)</u>	<u>\$ 6,588,669</u>	<u>\$ 32,812,911</u>

See accompanying notes to the basic financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2019

Net change in fund balances - total governmental funds		\$ (918,483)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period.		
	Capital outlay	\$ 3,738,210
	Depreciation expense	<u>(3,822,611)</u>
		(84,401)
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 loss on the disposal of capital assets, net of proceeds received.		
		(725,581)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
	Property taxes	283,600
	Intergovernmental	<u>142,233</u>
		425,833
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
		1,614,677
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in additional interest being reported in the statement of activities:		
	Accrued interest	(2,100)
	Amortization of deferred charges	(365,681)
	Accreted interest	(575,869)
	Amortization of bond premium	<u>247,763</u>
		(695,887)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
	Compensated absences	(11,592)
The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the government-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.		
		16,217
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of activities reports these amounts as deferred outflows.		
	Pension	3,679,123
	OPEB	<u>152,398</u>
		3,831,521
Except for amounts reported as deferred inflows/outflows, changes in the net OPEB asset and changes in the net pension/OPEB liability are reported as pension/OPEB expense in the statement of activities.		
	Pension	(4,875,439)
	OPEB	<u>5,099,818</u>
		224,379
The internal service fund is a component unit of the School District and has a different fiscal year-end than the School District. This causes timing differences in the amounts recorded as revenue in the component unit and the amount of expenses recorded by the School District.		
	School District contributions to component unit for the period 1-1-19 through 6-30-19	909,675
	School District contributions to component unit for the period 7-1-18 through 12-31-18	<u>(1,819,250)</u>
		(909,575)
Change in net position of governmental activities		<u><u>\$ 2,767,108</u></u>

See accompanying notes to the basic financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET BASIS (NON-GAAP) AND ACTUAL – GENERAL FUND

FOR THE YEAR ENDED JUNE 30, 2019

	General Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 42,431,722	\$ 45,647,307	\$ 45,696,772	\$ 49,465
Total expenditures and other uses	46,424,015	46,147,335	46,138,581	8,754
Net change in fund balance	(3,992,293)	(500,028)	(441,809)	58,219
Prior year encumbrances	1,137,466	1,137,466	1,137,466	-
Fund balances, beginning of year	23,737,024	23,737,024	23,737,024	-
Fund balances, end of year	<u>\$ 20,882,197</u>	<u>\$ 24,374,462</u>	<u>\$ 24,432,681</u>	<u>\$ 58,219</u>

See accompanying notes to the basic financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

STATEMENT OF FUND NET POSITION -
INTERNAL SERVICE FUND

JUNE 30, 2019

	<u>Self Insurance</u>
Assets	
Current assets	
Equity in pooled cash and investments	\$ 548,553
Investments	296,859
Accounts receivable	69,193
Prepaid items	47,831
Total current assets	962,436
Liabilities	
Current liabilities	
Accounts and contracts payable	246,030
Claims payable	541,013
Total current liabilities	787,043
Net position	
Restricted for self insurance claims	1,078,362
Unrestricted	(902,969)
Total net position	\$ 175,393

See accompanying notes to the basic financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION -
INTERNAL SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2019

	<u>Self Insurance</u>
Operating revenues	
Charges for services	\$ 5,234,692
Operating expenses	
Purchased services	324,494
Claims	4,910,199
Total operating expenses	5,234,693
Operating loss	(1)
Nonoperating revenues	
Interest income	16,218
Change in net position	16,217
Net position, beginning of year	159,176
Net position, end of year	\$ 175,393

See accompanying notes to the basic financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

STATEMENT OF CASH FLOWS -
INTERNAL SERVICE FUND

FOR THE YEAR ENDED JUNE 30, 2019

	<u>Self Insurance</u>
Cash flows from operating activities	
Cash received from interfund services	\$ 4,434,699
Cash payments for claims	(4,732,179)
Cash payments for goods and services	(323,531)
Net cash used in operating activities	<u>(621,011)</u>
Cash flows from investing activities	
Interest income	18,623
Net cash provided by investing activities	<u>18,623</u>
Net decrease in cash and cash equivalents	(602,388)
Cash and cash equivalents, beginning of year	<u>1,150,941</u>
Cash and cash equivalents, end of year	<u>\$ 548,553</u>

See accompanying notes to the basic financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2019

	Agency Funds
Assets	
Equity in pooled cash and investments	\$ 138,947
Total assets	\$ 138,947
 Liabilities	
Accounts payable	\$ 1,445
Due to students	108,571
Due to others	28,931
Total liabilities	\$ 138,947

See accompanying notes to the basic financial statements.

This page intentionally left blank.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

The North Ridgeville City School District (the School District) was established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The School District is a city school district as defined by Section 3311.03 of the Ohio Revised Code. The School District operates under an elected Board of Education consisting of five members and is responsible for providing public education to residents of the School District. Average daily membership on, or as of, October 1, 2018 was 4,608. The School District employs 285 certificated staff members, 225 non-teaching and support staff employees and 20 administrators.

The reporting entity is composed of the primary government, component units and other organizations that are included to ensure that the financial statements of the School District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the School District. For the School District, this includes general operations, food service, and student related activities of the School District.

Within the School District boundaries, there are various nonpublic schools. Current State legislation provides funding to these nonpublic schools. These monies are received and disbursed by the School District on behalf of the nonpublic schools by the Treasurer of the School District, as directed by the nonpublic schools. These transactions are reported as a governmental activity of the School District.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organizations' governing board and, 1) the School District is able to significantly influence the programs or services performed or provided by the organization; or 2) the School District is legally entitled to or can otherwise access the organizations' resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provided financial support to the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt, or the levying of taxes.

Blended component units, although legally separate entities are, in substance, part of the School District's operations and so data from these units are combined with data of the School District. The School District's blended component unit is described below:

Joint Insurance Health Plan Trust for the Benefit of North Ridgeville City School District Employees (the Trust) – Although the Trust is legally separate from the School District, it should be reported as if it were part of the primary government because its sole purpose is to provide benefits to School District employees for hospitalization, medical, dental, vision, and prescription drugs as provided for in the collective bargaining agreements. The School District's participation is disclosed in Note 11 to the financial statements.

Financial information for the Trust's year ended December 31, 2018 is presented in these financial statements as an internal service fund. Complete financial statements for the Trust may be obtained by contacting the Plan Administrator at 10045 College Park, Concord, Ohio 44060.

The School District is associated with Connect, the Lorain County Joint Vocational School District, and the Ohio School Council Association which are considered to be jointly governed organizations. The School District also participates in a public risk pool managed by the Ohio Schools Boards Association Workers' Compensation Group Rating Program. These organizations and their relationships with the School District are described in more detail in Notes 11 and 21 to these financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. BASIS OF PRESENTATION

The financial statements of the School District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following are the more significant of the School District's accounting policies.

The School District's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements

The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses.

The statement of net position presents the financial condition of the governmental activities of the School District at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient for the goods or services offered by the program, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School District.

Fund Financial Statements

During the year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

C. FUND ACCOUNTING

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. FUND ACCOUNTING (continued)

Governmental Funds

Governmental funds are those through which governmental functions are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets and deferred outflows of resources are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities and deferred inflows of resources are assigned to the fund from which they will be paid. The difference between governmental fund assets and deferred outflows of resources compared to liabilities and deferred inflows of resources is reported as fund balance. The following are the School District's major governmental funds:

General Fund - the general fund is the operating fund of the School District and is used to account for all financial resources, except those required to be accounted for in another fund.

Permanent Improvements Fund – the permanent improvements fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

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

Proprietary Fund

The proprietary fund focuses on the determination of the changes in net position, financial position, and cash flows. Proprietary funds are classified as enterprise or internal service; the School District has no enterprise funds.

Internal Service Fund – the internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the School District on a cost reimbursement basis. The School District's only internal service fund accounts for the activities of the Trust; a blended component unit of the School District.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. The School District has no trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. MEASUREMENT FOCUS

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the School District are included on the Statement of Net Position. The Statement of Activities presents increases (revenues) and decreases (expenses) in total net position.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources along with current liabilities and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

E. BASIS OF ACCOUNTING

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and the fiduciary funds also use the accrual basis of accounting. Differences in the accrual and modified accrual bases of accounting arise in the recognition of revenue, the recording of deferred inflows and outflows, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current fiscal year or soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days of fiscal year end.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. BASIS OF ACCOUNTING (continued)

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 7). Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding, for pension and OPEB. 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 until that time. For the School District, deferred inflows of resources include property taxes, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2019, but which were levied to finance fiscal year 2020 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the School District, unavailable revenue includes delinquent property taxes. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities fund on page 18. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 12 and 13)

Expenditures/Expenses

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. BUDGETARY PROCESS

All funds, other than the internal service fund and agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and set annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate that were in effect at the time the final appropriations were passed by the Board of Education, prior to fiscal year-end.

The appropriation resolution is subject to amendment by the Board throughout the year with the restriction that appropriations may not exceed estimated resources. The amounts reported as the original budgeted amounts reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically carried over from prior years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board during the year.

The internal service fund, a blended component unit, is not under the budgetary authority of the School District.

G. CASH AND INVESTMENTS

Cash received by the School District is deposited in one central bank account with individual fund balance integrity maintained through School District records. Monies for all funds are maintained in this account or temporarily transferred to the State Treasurer's investment pool (STAR Ohio) or other short term investments. Under existing Ohio statutes, interest earnings are allocated to funds based on average monthly cash balances. Interest revenue credited to the General Fund during fiscal year 2019 amounted to \$ 624,183 of which \$ 102,344 was assigned from other School District Funds.

Except for investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase, investments are reported at fair value, which is based on quoted market prices. Investment contracts and money market investments that had a remaining maturity of one year or less at the time of purchase are reported at cost or amortized cost.

During fiscal year 2019, investments were limited to Federal Home Loan Bank (FHLB) securities, Federal Farm Credit Bank (FFCB) securities, Federal Home Loan Mortgage Corporation (FHLMC) securities, Federal National Mortgage Association (FNMA) securities, commercial paper, U.S. treasury notes, U.S. government money market mutual funds and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio).

The School District has invested in the State Treasury Asset Reserve of Ohio (STAR Ohio) during the year. Investment in STAR Ohio is measured at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. CASH AND INVESTMENTS (continued)

For 2019, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$ 100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$ 100 million limit. All accounts of the participant will be combined for these purposes.

Investments with an original maturity of three months or less at the time of purchase are considered to be cash equivalents.

The Trust documents specifically require the maintenance of an insurance reserve, consisting of cash and investments, to provide a minimum funding level within the Trust to provide for future claims. At December 31, 2018 and 2017 this calculated reserve amount was \$ 1,078,362 and \$ 820,229, respectively. The Trustees authorized use of this reserve to subsidize Trust expenses with an understanding that the funds would be replenished by increasing employee and School District contributions and changes in benefits provided. This amount is reflected as restricted in the net position section of the Statement of Fund Net Position – Internal Service Fund.

The required balance in the run-out reserve is the greater of an amount equal to the incurred but unreported claims liability as calculated by the actuary or three months of claims.

H. RESTRICTED ASSETS

Assets are reported as restricted assets when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by enabling legislation.

I. PREPAID ITEMS

Certain payments to vendors reflect costs applicable to future periods and are recorded as prepaid assets in both the government-wide and fund financial statements. These amounts are reflected as an expenditure/expense in the year in which the services are consumed.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. CAPITAL ASSETS

General capital assets are those assets which are associated with and generally arise from governmental activities. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position but are not reported on the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated capital assets are recorded at their acquisition value as of the date received. The School District maintains a capitalization threshold of \$ 1,000 and useful life of more than five years. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

All reported capital assets, other than land, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Asset</u>	<u>Estimated Useful Life</u>
Buildings	50 years
Building improvements	5 - 20 years
Furniture and equipment	5 - 20 years
Vehicles	5 - 10 years

K. INTERFUND BALANCES

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables". These amounts are eliminated in the governmental column of the statement of net position.

L. COMPENSATED ABSENCES

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the School District 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 an estimate of the amount of accumulated sick leave that will be paid as a termination benefit. The liability includes employees who are currently eligible to receive termination benefits and those the School District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year end, taking into consideration any limits specified in the School District's termination policy.

A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. These amounts are recorded in the account "matured compensated absences payable" in the fund from which the employees who have accumulated leave are paid. The unmatured portion of the liability is not reported.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS

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

N. NET POSITION

Net position is the residual amount when comparing assets and deferred outflows of resources to liabilities and deferred inflows of resources. The investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. The restricted component of net position is reported when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws, or regulations of other governments.

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

O. FUND BALANCE

Fund balance is divided into five classifications based primarily on the extent to which the School District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable - The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed, or assigned.

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

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the School District Board of Education. Those committed amounts cannot be used for any other purpose unless the School District Board of Education removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. FUND BALANCE (continued)

Assigned – Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. The School District Board of Education has by resolution authorized the treasurer to assign fund balance. The Board of Education may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, an additional action is necessary to either remove or revise a commitment.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The School District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

P. OPERATING REVENUES AND EXPENSES

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the School District, these revenues are charges for services for the self-insurance program. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of this fund. Revenues and expenses not meeting those definitions are reported as non-operating.

Q. PENSIONS/OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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

R. INTERFUND TRANSACTIONS

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. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

S. ESTIMATES

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

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLES AND PRIOR PERIOD ADJUSTMENT

A. CHANGE IN ACCOUNTING PRINCIPLES

For fiscal year 2019, the School District implemented Governmental Accounting Standards Board (GASB) Statement No. 83, – “Certain Asset Retirement Obligations”, and GASB Statement No. 88, “Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements.”

GASB Statement No. 83, – “Certain Asset Retirement Obligations”- This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. This Statement will enhance comparability of financial statements among governments by establishing uniform criteria for governments to recognize and measure certain AROs, including obligations that may not have been previously reported. This Statement also will enhance the decision-usefulness of the information provided to financial statement users by requiring disclosures related to those AROs. These changes were incorporated in the School District’s fiscal year 2019 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 88, “Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements.” - The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information that currently is not consistently provided. In addition, information about resources to liquidate debt and the risks associated with changes in terms associated with debt will be disclosed. As a result, users will have better information to understand the effects of debt on a government’s future resource flows. These changes were incorporated in the School District’s fiscal year 2019 financial statements; however, there was no effect on beginning net position/fund balance.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLES AND PRIOR PERIOD ADJUSTMENT

B. RESTATEMENT OF NET POSITION AND FUND BALANCE

In the financial statements for the year ended June 30, 2018, an error was made in accounting for accounts/retainage payable.

The correction of this error had the following effect on beginning net position:

	Governmental Activities
Net position at June 30, 2018	\$ (593,952)
Adjustment:	
Correction of accounts/retainage payable	524,821
Restated net position at June 30, 2018	<u>\$ (69,131)</u>

The correction of this error had the following effect on beginning fund balance:

	General Fund	Permanent Improvement Fund	Other Governmental Funds	Total Governmental Funds
Fund balance at June 30, 2018	\$ 32,123,851	\$ (5,133,852)	\$ 6,216,574	\$ 33,206,573
Adjustment:				
Correction of accounts/retainage payable	-	-	524,821	524,821
Restated fund balance at June 30, 2018	<u>\$ 32,123,851</u>	<u>\$ (5,133,852)</u>	<u>\$ 6,741,395</u>	<u>\$ 33,731,394</u>

NOTE 3 – COMPLIANCE AND ACCOUNTABILITY

Not apparent in the basic financial statements are the following deficit fund balances:

Special Revenue Funds	
Athletics	\$ 167,118
IDEA Part B	\$ 116,182
Title I	\$ 59,904
EHA Preschool	\$ 3,286
Miscellaneous Federal Grants	\$ 1,010
Food Service	\$ 169,882

These deficits result from adjustments for accrued liabilities. The General Fund is liable for any deficit in the funds and provides transfers when cash is required, not when accruals occur.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING

While the School District is reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget Basis (Non-GAAP) and Actual presented for the General Fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis statements are the following:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than restricted, committed or assigned fund balance (GAAP basis).

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

Net Change in Fund Balance	
	General Fund
Budget basis	\$ (441,809)
Adjustments, increase (decrease)	
Revenue accruals	(2,063,327)
Expenditure accruals	2,900,425
Funds budgeted elsewhere **	(74,532)
Encumbrances	749,557
GAAP basis, as reported	\$ 1,070,314

** 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.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 5 – FUND BALANCES

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the School District is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on a fund for the major governmental funds and all other governmental funds are presented below:

	General Fund	Permanent Improvement Fund	Nonmajor Governmental Funds	Total
Restricted				
Non-public schools	\$ -	\$ -	\$ 70,247	\$ 70,247
Classroom facilities maintenance	-	-	774,513	774,513
Miscellaneous State Grants	-	-	400	400
Miscellaneous Federal Grants	-	-	1,992	1,992
Debt service	-	-	2,691,938	2,691,938
Capital projects	-	-	3,566,961	3,566,961
Total restricted	<u>-</u>	<u>-</u>	<u>7,106,051</u>	<u>7,106,051</u>
Assigned				
Subsequent year's appropriations	2,854,827	-	-	2,854,827
Student instruction	446,076	-	-	446,076
Student and staff support	362,981	-	-	362,981
School supplies	83,519	-	-	83,519
Other	13,032	-	-	13,032
Total assigned	<u>3,760,435</u>	<u>-</u>	<u>-</u>	<u>3,760,435</u>
Unassigned (deficit)	<u>29,433,730</u>	<u>(6,969,923)</u>	<u>(517,382)</u>	<u>21,946,425</u>
Total fund balances	<u>\$ 33,194,165</u>	<u>\$ (6,969,923)</u>	<u>\$ 6,588,669</u>	<u>\$ 32,812,911</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 6 - DEPOSITS AND INVESTMENTS

A. LEGAL REQUIREMENTS

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

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

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

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

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

Interim monies may be invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 6 - DEPOSITS AND INVESTMENTS(continued)

A. LEGAL REQUIREMENTS (continued)

6. The State Treasurer's investment pool (STAR Ohio);
7. Commercial paper and bankers' acceptances (if authorized by the Board of Education), and
8. Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. An investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation that it will be held to maturity.

Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

At fiscal year end, the School District had \$ 3,880 in cash on hand which is included on the balance sheet of the School District as part of "Equity in Pooled Cash and Investments".

B. DEPOSITS

Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits may not be returned. The School District does not have a deposit policy for custodial credit risk. At fiscal year end, the carrying amount of the School District's deposits was \$ 7,466,329 and the bank balance was \$ 8,231,903. Of the bank balance, \$ 6,987,649 was covered by Federal depository insurance and \$ 1,244,254 was uninsured. Of the remaining balance, \$ 1,244,254 was collateralized with securities held by the pledging institution's trust department not in the School District's name. Although the securities were held by the pledging financial institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the School District to a successful claim by the FDIC.

The School District has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or be protected by:

Eligible securities pledged to the School 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

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

At December 31, 2018, the fiscal year end of the Trust, the School District's component unit, the carrying amount of the Trust's deposits was \$ 197,621 and the bank balance was the same, all of which was covered by Federal depository insurance or by collateral held by a qualified third party trustee in the name of the Trust.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 6 - DEPOSITS AND INVESTMENTS (continued)

C. INVESTMENTS

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The School District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer of qualified trustee.

As of June 30, 2019, the School District had the following investments:

	Fair Value	Investment Maturities			Percentage of Investments
		Less than 1 yr	1 - 2 years	3 years and longer	
STAR Ohio	\$ 4,266,818	\$ 4,266,818	\$ -	\$ -	16.5%
U.S. Government securities	19,336,507	3,883,729	10,705,000	4,747,778	74.7%
Commercial paper	2,267,982	2,267,982	-	-	8.8%
	<u>\$ 25,871,307</u>	<u>\$ 10,418,529</u>	<u>\$ 10,705,000</u>	<u>\$ 4,747,778</u>	<u>100.0%</u>

The following table presents investments at December 31, 2018 of the Trust, the School District's component unit:

U.S. Government Agency	
Federal Home Loan Bank	
1.25%, due 3/23/2021	\$ 99,238
Total U.S. Government Agency	<u>99,238</u>
Federated Prime Cash Obligation - Money Market	<u>548,553</u>
Total investments	<u>\$ 647,791</u>

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above table identifies the School District's recurring fair value measurements as of June 30, 2019. As discussed further in Note 1G, STAR Ohio is reported at its share price. All other investments of the School District are valued using quoted market prices (Level 1 inputs).

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 6 - DEPOSITS AND INVESTMENTS (continued)

D. INTEREST RATE RISK

The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date.

E. CREDIT RISK

The School District follows the Ohio Revised Code that limits its investment choices (see Note 6 A). The School District has no investment policy that would further limit its investment choices. As of June 30, 2019, the School District's investment STAR Ohio was rated AAAM by Standard & Poor's. The investments in commercial paper were rated A-1 and A-1+.

F. CONCENTRATION OF CREDIT RISK

The School District places no limit on the amount that may be invested in any one issuer.

NOTE 7 - PROPERTY TAXES

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

Property taxes include amounts levied against all real, public utility and tangible personal property (used in business) located in the School District. Real property tax revenue received in calendar 2019 represents collections of calendar year 2018 taxes. Real property taxes received in calendar year 2019 were levied after April 1, 2018, on the assessed value listed as of January 1, 2018, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar 2019 represents collections of calendar year 2018 taxes. Public utility real and tangible personal property taxes received in calendar year 2019 became a lien December 31, 2017, were levied after April 1, 2018 and are collected in 2019 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The School District receives property taxes from Lorain County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2019, are available to finance fiscal year 2019 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2019 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only delinquent settlement of tangible personal property taxes and the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 7 - PROPERTY TAXES (continued)

The amounts available as an advance at June 30, 2019, were \$ 6,706,674 in the General Fund, \$ 760,944 in the Debt Service Fund and \$ 284,931 in the Capital Projects Fund. The amounts available as an advance at June 30, 2018, were \$ 6,711,554 in the General Fund, \$ 770,894 in the Debt Service Fund and \$ 289,766 in the Capital Projects Fund.

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

The assessed values upon which the fiscal year 2019 taxes were collected are:

	2018 Second Half Collections		2019 First Half Collections	
	Amount	%	Amount	%
Agricultural / Residential				
Real Estate	\$ 702,381,780	86.07 %	\$ 790,504,800	87.03 %
Other Commercial	96,189,360	11.79	98,662,550	10.86
Public Utility Tangible	17,460,040	2.14	19,173,380	2.11
	\$ 816,031,180	100.00 %	\$ 908,340,730	100.00 %
 Tax Rate per \$ 1,000 of Assessed Valuation:	53.02		51.32	

NOTE 8 - RECEIVABLES

Receivables at June 30, 2019, consisted of property taxes, accounts and other, due from other governments and interfund. All receivables are considered substantially collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds. All receivables are expected to be collected within one year. A summary of the principal items of due from other governments follows:

Fund	Amount
General Fund	\$ 157,865
Auxillary Service	43,530
IDEA Part B	138,377
Title I	44,216
EHA Preschool	2,430
Title VI-R	1,010
Total due from other governments	\$ 387,428

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 9 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2019, was as follows:

Governmental Activities	Balance June 30, 2018	Additions	Disposals	Balance June 30, 2019
Nondepreciable capital assets				
Land	\$ 1,940,230	\$ 264,447	\$ -	\$ 2,204,677
Total nondepreciable capital assets	<u>1,940,230</u>	<u>264,447</u>	<u>-</u>	<u>2,204,677</u>
Depreciable capital assets				
Buildings and improvements	64,618,075	1,424,902	1,632,256	64,410,721
Furniture and equipment	11,835,271	1,616,544	183,694	13,268,121
Vehicles	4,818,948	432,317	61,236	5,190,029
Total capital assets being depreciated	<u>81,272,294</u>	<u>3,473,763</u>	<u>1,877,186</u>	<u>82,868,871</u>
Less accumulated depreciation				
Buildings and improvements	9,543,730	2,996,996	945,054	11,595,672
Furniture and equipment	3,634,053	449,018	145,315	3,937,756
Vehicles	2,665,088	376,597	61,236	2,980,449
Total accumulated depreciation	<u>15,842,871</u>	<u>3,822,611</u>	<u>1,151,605</u>	<u>18,513,877</u>
Depreciable capital assets, net of accumulated depreciation	<u>65,429,423</u>	<u>(348,848)</u>	<u>725,581</u>	<u>64,354,994</u>
Governmental activities capital assets, net	<u>\$ 67,369,653</u>	<u>\$ (84,401)</u>	<u>\$ 725,581</u>	<u>\$ 66,559,671</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 9 - CAPITAL ASSETS (continued)

Depreciation expense was charged to governmental functions as follows:

Instruction		
Regular	\$	2,954,742
Special		7,296
Supporting services		
Pupil		9,083
Instructional staff		528
Administration		1,402
Operation and maintenance of plant		415,308
Pupil transportation		361,062
Central services		334
Operation of non-instructional services		
Food service		10,389
Community services		26,359
Extracurricular activities		36,108
Total depreciation expense	\$	<u><u>3,822,611</u></u>

NOTE 10 - INTERFUND ASSETS/LIABILITIES

On the fund financial statements at June 30, 2019, interfund balances consisted of the following:

Due to:	Due from:		Total
	Permanent Improvement Fund	Nonmajor Governmental Funds	
General Fund	\$ 5,670,000	\$ 443,699	\$ 6,113,699

These amounts are represented as "Interfund Receivable/Payable" on the balance sheet. The loans were made to support programs and projects in the Special Revenue Funds and the Permanent Improvement Fund. The loans to the Permanent Improvement Fund and \$ 103,472 of loans to the Special Revenue Funds are not scheduled to be collected in the subsequent year.

NOTE 11 - RISK MANAGEMENT

A. PROPERTY AND LIABILITY

The School District is exposed to various risks of loss related to torts, theft, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. There have not been any significant reductions in insurance coverage from coverage in the prior year, and the amounts of settlements have not exceeded coverage for any of the prior three years.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 11 - RISK MANAGEMENT (continued)

A. PROPERTY AND LIABILITY (continued)

The School District has a property and casualty policy with the Ohio School Plan through the Love Insurance Agency. The coverage limits and deductibles vary based on type of coverage provided. Deductibles are typically \$ 1,000 per occurrence. All vehicles are insured with a \$ 1,000 deductible. Buses less than 10 years old are insured at replacement value. The umbrella liability policy limits are \$ 5,000,000 per occurrence and \$ 7,000,000 per aggregate. All board members, administrators and employees are covered under a school district liability policy with the Ohio School Plan with a \$ 2,500 deductible and \$ 5,000,000 limit per claim and a \$ 7,000,000 annual aggregate limit. A surety bond in the amount of \$ 60,000 covers the Treasurer with Westfield Insurance Company. Remaining employees who handle money are covered with a public employees blanket bond in the amount of \$ 100,000 with the Ohio School Plan and have a \$ 1,000 deductible. Other coverage includes Violent acts, Pollution and Cyber insurance. The School District began construction of a 3 through 8 educational facility and football stadium in 2015. Builders Risk insurance through Great American Insurance Company was purchased with limits up to \$50,200,000 for any one loss with a \$ 5,000 deductible.

B. WORKERS' COMPENSATION

The School District participates in the Ohio Association of School Business Officials Workers' Compensation Group Retro Program (GRP), an insurance purchasing pool. The GRP's business and affairs are conducted by a three member Board of Directors consisting of the President, the President-Elect and the Immediate Past President of the Ohio School Boards Association (OSBA). The Executive Director of the OSBA, or his designee, serves as coordinator of the program. Each year, the participating school districts pay an enrollment fee to the GRP to cover the costs of administering the program.

The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from or be required to contribute to the "equity pooling fund." This "equity pooling" arrangement ensures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Comp Management, Inc. provides administrative, cost control and actuarial services to the GRP.

C. EMPLOYEE MEDICAL BENEFITS

On April 1, 2019, the School District became a member of the Suburban Health Consortium, a shared risk pool to provide employee medical and prescription drug benefits. Rates are set through an annual calculation process prepared by the Consortium's health insurance consultant. The School District pays a monthly contribution and a pro-rata share of their "buy-in" contribution to existing plan reserves which is placed in a common fund from which the claim payments are made for all participating districts. For 2019, the School District paid approximately 83% of the cost of the monthly premium for all employees.

Dental and Vision benefits remained self-insured through the Joint Insurance Health Plan Trust for the Benefit of North Ridgeville City School District Employees (the Trust) for the fiscal year. In January of 2020, these benefits will also be included under the Suburban Health Consortium risk pool umbrella.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 11 - RISK MANAGEMENT (continued)

C. EMPLOYEE MEDICAL BENEFITS (continued)

The claims liability of \$ 541,013 at December 31, 2018, is based on an estimate provided by the third party administrator and the requirements of Governmental Accounting Standards Board Statement No. 30. The Trust establishes a liability for both reported and unreported insured events. Changes in the balance of claims liability are summarized below. Incurred claims and claim payments are not segregated between current and prior year claims due to the impracticability of obtaining such information.

	12/31/18	12/31/17
Unpaid claims, beginning of year	\$ 383,505	\$ 314,232
Incurred claims	4,889,687	3,928,448
Paid claims	(4,732,179)	(3,859,175)
Unpaid claims, end of year	\$ 541,013	\$ 383,505

NOTE 12 - DEFINED BENEFIT PENSION PLANS

A. NET PENSION LIABILITY

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

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

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

GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 12 - DEFINED BENEFIT PENSION PLANS (continued)

A. NET PENSION LIABILITY (continued)

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 *Due to Other Governments* on both the accrual and modified accrual bases of accounting.

B. PLAN DESCRIPTION - SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS)

Plan Description – School District non-teaching employees participate in SERS, a cost-sharing multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements, required supplementary information and detailed information about SERS' fiduciary net position. That report can be obtained by visiting the SERS website at www.ohsers.org under Employers/Audit Resources.

Age and service requirements for retirement are as follows:

	Eligible to retire on or before August 1, 2017*	Eligible to retire on or after August 1, 2017
Full benefits	Any age with 30 years of service credit	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.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 12 - DEFINED BENEFIT PENSION PLANS (continued)

B. PLAN DESCRIPTION - SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) (continued)

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School 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, 2019, the allocation to pension, death benefits, and Medicare B was 13.5 percent. The remaining 0.5 percent of the employer contribution rate was allocated to the Health Care Fund.

The School District's contractually required contribution to SERS was \$ 895,034 for fiscal year 2019. Of this amount \$ 74,035 is reported as Due To Other Governments.

C. PLAN DESCRIPTION - STATE TEACHERS RETIREMENT SYSTEM (STRS)

Plan Description – School District licensed teachers and other faculty members participate in STRS Ohio, a cost-sharing multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about STRS' fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Web site at www.strsoh.org.

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 26 years of service, or 31 years of service regardless of age. Eligibility changes will be phased in until August 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60.

The DC Plan allows members to place all their member contributions and 9.5 percent of the 14 percent employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.47 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 or later.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 12 - DEFINED BENEFIT PENSION PLANS (continued)

C. PLAN DESCRIPTION - STATE TEACHERS RETIREMENT SYSTEM (STRS) (continued)

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

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

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For the fiscal year ended June 30, 2019, plan members were required to contribute 14 percent of their annual covered salary. The School District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2019 contribution rates were equal to the statutory maximum rates.

The School District's contractually required contribution to STRS was \$ 2,784,089 for fiscal year 2019. Of this amount \$ 483,124 is reported as Due to Other Governments.

D. 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, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on the School District's share of contributions to the pension plan relative to the 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>
Proportionate share of the net pension liability	\$ 10,780,768	\$ 34,376,722	\$ 45,157,490
Pension expense	\$ 1,319,522	\$ 3,555,916	\$ 4,875,438
Proportion of the net pension liability prior measurement date	0.1678397%	0.15348039%	
Proportion of the net pension liability - current measurement date	<u>0.1882385%</u>	<u>0.15634485%</u>	
	<u>-0.0203988%</u>	<u>-0.00286446%</u>	

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 12 - DEFINED BENEFIT PENSION PLANS (continued)

D. PENSION LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (continued)

At June 30, 2019, the School District reported deferred outflows of resources and deferred inflows related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>TOTAL</u>
Deferred outflows of resources			
Difference between expected and actual experience	\$ 591,257	\$ 793,520	\$ 1,384,777
Change in proportionate share and difference between School District contributions and proportionate share of contributions	729,758	1,691,431	2,421,189
Change in assumptions	243,453	6,092,203	6,335,656
School District contributions subsequent to the measurement date	895,034	2,784,089	3,679,123
Total deferred outflows of resources	<u>\$ 2,459,502</u>	<u>\$ 11,361,243</u>	<u>\$ 13,820,745</u>
Deferred inflows of resources			
Difference between expected and actual experience	\$ -	\$ 224,501	\$ 224,501
Net difference between projected and actual earnings on pension plan investments	298,702	2,084,567	2,383,269
	<u>\$ 298,702</u>	<u>\$ 2,309,068</u>	<u>\$ 2,607,770</u>

\$ 3,679,123 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2020. 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>
2020	\$ 1,265,256	\$ 3,597,877	\$ 4,863,133
2021	445,914	2,444,250	2,890,164
2022	(353,796)	557,641	203,845
2022	(91,608)	(331,682)	(423,290)
	<u>\$ 1,265,766</u>	<u>\$ 6,268,086</u>	<u>\$ 7,533,852</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 12 - DEFINED BENEFIT PENSION PLANS (continued)

E. ACTUARIAL ASSUMPTIONS - SERS

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

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

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2018, are presented below:

Wage inflation	3.00 percent
Future salary increases, including inflation	3.50 percent to 18.20 percent
COLA or Ad Hoc COLA	2.50 percent
Investment rate of return	7.50 percent of net of investments expense, including inflation
Actuarial cost method	Entry age normal (Level Percent of Payroll)

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.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 12 - DEFINED BENEFIT PENSION PLANS (continued)

E. ACTUARIAL ASSUMPTIONS – SERS (continued)

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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Cash	1.00%	0.50%
U.S. stocks	22.50%	4.75%
Non-U.S. 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%
	<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 School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50 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>
School District's proportionate share of the net pension liability	<u>\$ 15,185,524</u>	<u>\$ 10,780,768</u>	<u>\$ 7,087,674</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 12 - DEFINED BENEFIT PENSION PLANS (continued)

F. ACTUARIAL ASSUMPTIONS - STRS

The total pension liability in the June 30, 2018, 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
Payroll increases	3.00 percent
Investment rate of return	7.45 percent, net of investment expenses, including inflation
Discount rate of return	7.45 percent

Post-retirement mortality rates for healthy retirees 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. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016. Post retirement disabled mortality rates are based on the RP- 2014 Disabled Mortality Table with 90 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, 2016.

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

<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%
	<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.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 12 - DEFINED BENEFIT PENSION PLANS (continued)

F. ACTUARIAL ASSUMPTIONS - STRS

Discount Rate - The discount rate used to measure the total pension liability was 7.45 percent as of June 30, 2018. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2018. 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, 2018.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following table presents the School District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.45 percent, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.45 percent) or one-percentage-point higher (8.45 percent) than the current rate:

	1% Decrease (6.45%)	Current Discount Rate (7.45%)	1% Increase (8.45%)
School District's proportionate share of the net pension liability	\$ 50,202,677	\$ 34,376,722	\$ 20,982,198

Assumption and Benefit Changes Since the Prior Measurement Date – There were no changes in assumptions or benefit terms since the prior measurement date of June 30, 2017.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 13 – DEFINED BENEFIT OPEB PLANS

A. NET OPEB LIABILITY

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

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

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

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability/(asset). Resulting adjustments to the net OPEB liability/(asset) would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 13 – DEFINED BENEFIT OPEB PLANS (continued)

B. PLAN DESCRIPTION - SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS)

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

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2019, .5 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 2019, this amount was \$ 21,600. 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. For fiscal year 2019, the School District's surcharge obligation was \$ 119,249.

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 School District's contractually required contribution to SERS was \$ 152,398 for fiscal year 2019. Of this amount \$ 122,457 is reported as an intergovernmental payable.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 13 – DEFINED BENEFIT OPEB PLANS (continued)

C. PLAN DESCRIPTION - STATE TEACHERS RETIREMENT SYSTEM (STRS)

Plan Description – The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Medicare Part B premium reimbursements will be discontinued effective January 1, 2020. The Plan is included in the report of STRS which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS Ohio 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 Ohio. 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, 2019, STRS Ohio did not allocate any employer contributions to post-employment health care.

D. OPEB LIABILITIES/(ASSETS), OPEB EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB

The net OPEB liability/(asset) was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of that date. The School District's proportion of the net OPEB liability/(asset) was based on the School District's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate share of the net OPEB liability/(asset)	\$ 5,293,460	\$ (2,512,302)	\$ 2,781,158
OPEB expense	\$ 301,991	\$ (5,401,808)	\$ (5,099,817)
Proportion of the net OPEB liability prior measurement date	0.1700484%	0.15348039%	
Proportion of the net OPEB liability - current measurement date	<u>0.1908055%</u>	<u>0.15634485%</u>	
	<u>-0.0207571%</u>	<u>-0.00286446%</u>	

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 13 – DEFINED BENEFIT OPEB PLANS (continued)

D. OPEB LIABILITIES, OPEB EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB (continued)

At June 30, 2019, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 86,408	\$ 293,441	\$ 379,849
Changes in proportionate share and differences between School District contributions and proportionate share of contributions	549,212	253,574	802,786
School District contributions subsequent to the measurement date	152,398	-	152,398
Total deferred outflows of resources	<u>\$ 788,018</u>	<u>\$ 547,015</u>	<u>\$ 1,335,033</u>
Deferred inflows of resources			
Differences between expected and actual experience	\$ -	\$ 146,375	\$ 146,375
Change in assumptions	475,577	3,423,211	3,898,788
Net difference between projected and actual earnings on OPEB plan investments	7,942	287,009	294,951
Total deferred inflows of resources	<u>\$ 483,519</u>	<u>\$ 3,856,595</u>	<u>\$ 4,340,114</u>

\$ 152,398 reported as deferred outflows of resources related to OPEB resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
June 30:			
2020	\$ (83,133)	\$ (590,627)	\$ (673,760)
2021	(44,045)	(590,627)	(634,672)
2022	79,738	(590,627)	(510,889)
2023	83,119	(525,445)	(442,326)
2024	82,569	(502,576)	(420,007)
Thereafter	33,853	(509,678)	(475,825)
	<u>\$ 152,101</u>	<u>\$ (3,309,580)</u>	<u>\$ (3,157,479)</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 13 – DEFINED BENEFIT OPEB PLANS (continued)

E. ACTUARIAL ASSUMPTIONS – SERS

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

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

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

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2018, are presented below:

Wage inflation	3.00 percent
Future salary increases, including inflation	3.50 percent to 18.20 percent
Investment rate of return	7.50 percent of net of investments expense, including inflation
Municipal bond index rate:	
Measurement date	3.62 percent
Prior measurement date	3.56 percent
Single equivalent interest rate, net of plan investment expense, including price inflation	
Measurement date	3.70 percent
Prior measurement date	3.63 percent
Medical trend assumptions	
Pre-medicare	7.25 to 4.75 percent
Medicare	5.375 to 4.75 percent

Mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and 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.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 13 – DEFINED BENEFIT OPEB PLANS (continued)

E. ACTUARIAL ASSUMPTIONS – SERS (continued)

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2010 through 2015, and was adopted by the Board on April 21, 2016. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.50 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.

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%
U.S. stocks	22.50%	4.75%
Non-U.S. 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%
	100.00%	

Discount Rate - The discount rate used to measure the total OPEB liability at June 30, 2018 was 3.70 percent. The discount rate used to measure total OPEB liability prior to June 30, 2018 was 3.63 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the state statute contribution rate of 2.00 percent of projected covered employee payroll each year, which includes a 1.50 percent payroll surcharge and 0.50 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 3.62 percent, as of June 30, 2018 (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.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 13 – DEFINED BENEFIT OPEB PLANS (continued)

E. ACTUARIAL ASSUMPTIONS – SERS (continued)

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates - The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.70%) and higher (4.70%) than the current discount rate (3.70%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.25% decreasing to 3.75%) and higher (8.25% decreasing to 5.75%) than the current rate.

	1% Decrease (2.70%)	Current Discount Rate (3.70%)	1% Increase (4.70%)
School District's proportionate share of the net OPEB liability	\$ 6,423,198	\$ 5,293,460	\$ 4,398,919

	1% Decrease (6.25% decreasing to 3.75%)	Current Trend Rate (7.25% decreasing to 4.75%)	1% Increase (8.25% decreasing to 5.75%)
School District's proportionate share of the net OPEB liability	\$ 4,270,851	\$ 5,293,460	\$ 6,647,578

F. ACTUARIAL ASSUMPTIONS – STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2018, actuarial valuation are presented below:

Inflation	3.00 percent
Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65
Payroll increases	3.00 percent
Investment rate of return	7.45 percent, net of investment expenses, including inflation
Discount rate of return	7.45 percent
Health care cost trends	
Medical	
Pre-medicare	6.00 percent initial, 4.00 percent ultimate
Medicare	5.00 percent initial, 4.00 percent ultimate
Prescription drug	
Pre-medicare	8.00 percent initial, 4.00 percent ultimate
Medicare	-5.23 percent initial, 4.00 percent ultimate

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 13 – DEFINED BENEFIT OPEB PLANS (continued)

F. ACTUARIAL ASSUMPTIONS – STRS (continued)

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, 2018, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

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

<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%
	<u>100.00%</u>	

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

Discount Rate - The discount rate used to measure the total OPEB liability 7.45% as of June 30, 2018. The projection of cash flows used to determine the discount rate assumes STRS Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on health care plan investments of 7.45% was used to measure the total OPEB liability as of June 30, 2018.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 13 – DEFINED BENEFIT OPEB PLANS (continued)

F. ACTUARIAL ASSUMPTIONS – STRS (continued)

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability/(Asset) to Changes in the Discount and Health Care Cost Trend Rate - The following table represents the net OPEB asset as of June 30, 2018, calculated using the current period discount rate assumption of 7.45 percent, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.45 percent) or one percentage point higher (8.45 percent) than the current assumption. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease (6.45%)	Current Discount Rate (7.45%)	1% Increase (8.45%)
School District's proportionate share of the net pension asset	\$ (2,153,278)	\$ (2,512,302)	\$ (2,814,045)

	1% Decrease	Current Trend Rate	1% Increase
School District's proportionate share of the net pension asseet	\$ (2,797,011)	\$ (2,512,302)	\$ (2,223,158)

Assumption Changes Since the Prior Measurement Date – The subsidy multiplier for non-Medicare benefit recipients was increased from 1.9% to 1.944% per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased effective January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 14 - LONG-TERM OBLIGATIONS

Changes in the School District's long-term obligations during fiscal year 2019 were as follows:

	Balance June 30, 2018	Increase	Decrease	Balance June 30, 2019	Due In In One Year
General obligation bonds	\$ 62,324,006	\$ 575,869	\$ 1,557,763	\$ 61,342,112	\$ 1,133,235
Net pension liability					
STRS	36,459,596	-	2,082,874	34,376,722	-
SERS	10,028,051	752,717	-	10,780,768	-
Total net pension liability	<u>46,487,647</u>	<u>752,717</u>	<u>2,082,874</u>	<u>45,157,490</u>	<u>-</u>
Net OPEB liability					
STRS	5,988,238	-	5,988,238	-	-
SERS	4,563,652	729,808	-	5,293,460	-
Total net OPEB liability	<u>10,551,890</u>	<u>729,808</u>	<u>5,988,238</u>	<u>5,293,460</u>	<u>-</u>
Capital lease	1,609,799	-	304,677	1,305,122	310,675
Compensated absences	<u>531,363</u>	<u>144,281</u>	<u>38,085</u>	<u>637,559</u>	<u>94,604</u>
Total governmental activities	<u>\$ 121,504,705</u>	<u>\$ 2,202,675</u>	<u>\$ 9,971,637</u>	<u>\$ 113,735,743</u>	<u>\$ 1,538,514</u>

Bonds payable will be repaid from the Debt Service Fund. There is no repayment schedule for the net pension and net OPEB liability, however, employer pension and OPEB contributions are made from the General Fund. For additional information related to the net pension liability and net OPEB liability see Note 12 and 13. The School District pays obligations related to employee compensation from the fund benefitting from their service.

NOTE 15 – BONDS PAYABLE

The original issue date, interest rate, original issuance and date of maturity for each of the School District's bond obligations follows:

Debt Issue	Original Issue Date	Maturity Date	Interest Rate	Original Issue Amount
General obligation bonds				
Refunding	2011	2016	3.87%	\$ 1,610,000
School facilities improvements	2014	2047	1.50 - 5.00%	\$ 50,100,000
School facilities improvements	2014	2041	2.00 - 4.25%	\$ 7,795,000
Refunding				
Serial and term	2016	2038	1.50 - 4.00%	\$ 8,115,000
Capital appreciation	2016	2035	30.00%	\$ 5,658
Refunding				
Serial and term	2017	2047	3.25 - 4.00%	\$ 33,290,000
Capital appreciation	2017	2024	30.00%	\$ 1,539,286

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 15 – BONDS PAYABLE (continued)

Bonds payable at year end consisted of:

	Balance June 30, 2018	Increase	Decrease	Balance June 30, 2019	Due In One Year
General obligation bonds					
Various purpose - 2014					
Serial and term	\$ 12,500,000	\$ -	\$ 655,000	\$ 11,845,000	\$ 730,000
Refunding bonds - 2016					
Serial and term	8,065,000	-	50,000	8,015,000	50,000
Capital appreciation	5,658	-	-	5,658	-
Accretion on capital appreciation bonds	3,180	2,850	-	6,030	-
Refunding bonds - 2017					
Serial and term	33,290,000	-	605,000	32,685,000	353,235
Capital appreciation	1,539,286	-	-	1,539,286	-
Accretion on capital appreciation bonds	237,512	573,019	-	810,531	-
Unamortized bond premiums	6,683,370	-	247,763	6,435,607	-
Total general obligation bonds	<u>\$ 62,324,006</u>	<u>\$ 575,869</u>	<u>\$ 1,557,763</u>	<u>\$ 61,342,112</u>	<u>\$ 1,133,235</u>

Principal and interest requirements to retire bonds payable outstanding at June 30, 2019, were as follows:

Year ending June 30,	Principal	Interest	Total
2020	1,133,235	1,947,443	3,080,678
2021	1,094,303	1,929,718	3,024,021
2022	1,083,630	1,906,868	2,990,498
2023	448,775	1,893,593	2,342,368
2024	363,468	1,892,468	2,255,936
2025 - 2029	4,665,875	9,090,432	13,756,307
2030 - 2034	7,165,000	7,922,290	15,087,290
2035 - 2039	9,110,658	6,356,984	15,467,642
2040 - 2044	14,220,000	4,088,956	18,308,956
2045 - 2048	14,805,000	1,044,471	15,849,471
	<u>\$ 54,089,944</u>	<u>\$ 38,073,223</u>	<u>\$ 92,163,167</u>

The School District's overall legal debt margin was \$ 28,775,000 and the unvoted debt margin was \$ 908,000.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 16 – ADVANCE REFUNDING AND PRIOR YEAR DEFEASANCE OF DEBT

In December 2017 the School District issued \$ 34,829,286 of general obligation refunding bonds to provide resources to purchase U.S. government securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the School District’s government-wide financial statements. As of June 30, 2019, \$ 34,830,000 of these bonds are considered defeased.

In 2017, the School District defeased 2014 general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School District’s financial statements. At June 30, 2019, \$ 8,125,000 of these bonds outstanding are considered to be defeased.

NOTE 17- CAPITAL LEASE

The School District is obligated under a lease accounted for as a capital lease. The leased assets are included in capital assets and the related obligation is included under long-term debt. At June 30, 2019, assets under capital lease totaled \$ 1,762,774, with related accumulated depreciation of \$ 408,157. The lease is in effect through 2025. The following is the schedule of future minimum lease payments under the capital lease together with the net present value of the minimum lease payments as of June 30, 2019.

	Year ending June 30,	Amount
Total minimum lease payments	2020	\$ 334,728
	2021	334,729
	2022	267,414
	2023	183,566
	2024	167,034
	2025	83,517
		1,370,988
Less amount representing interest		(65,866)
Net present value of minimum lease payments		\$ 1,305,122

NOTE 18 - TAX ANTICIPATION NOTE

In November, 2015, the School District issued Tax Anticipation Notes (ten years at 1.99%) to finance energy efficiency improvements, upgrades to existing facilities and facility expansion or renovations. The notes are accounted for in the Permanent Improvements Fund.

Changes in the School District’s tax anticipation notes during fiscal year 2019 were as follows:

	Outstanding June 30, 2018	Additions	Deductions	Outstanding June 30, 2019
Tax anticipation note, 1.99%	\$ 3,100,000	\$ -	\$ 360,000	\$ 2,740,000

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 19 INTERFUND TRANSFERS

Transfers for the year ended June 30, 2019, consisted of the following:

	Transfer from			Total
	General Fund	Permanent Improvement Fund	Nonmajor Governmental Funds	
Transfer to:				
General Fund	\$ -	\$ -	\$ 102	\$ 102
Permanent Improvement Fund	-	-	360,000	360,000
Nonmajor Governmental Funds	25,291	162,027	-	187,318
	<u>\$ 25,291</u>	<u>\$ 162,027</u>	<u>\$ 360,102</u>	<u>\$ 547,420</u>

The General Fund transferred \$ 25,189 to nonmajor governmental funds to provide for payment of expenditures. The Permanent Improvements Fund transferred \$ 162,027 to the Classroom Facilities Maintenance Fund as required by the Ohio School Facilities Commission to be used for maintenance of facilities and \$ 360,000 to the Capital Projects Fund to provide resources for locally funded initiatives and projects. Nonmajor Governmental Funds transferred \$ 102 to the General Fund to close out programs. The Debt Service Fund made the principal payment of \$ 360,000 on the tax anticipation note, which is reflected as a fund liability in the Permanent Improvement fund. For financial statement reporting purposes, a transfer for the principal amount is reflected in the funds statements.

NOTE 20 - OTHER COMMITMENTS

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

Fund	Amount
General fund	\$ 749,453
Permanent Improvement Fund	282,506
Nonmajor Governmental Funds	920,072
	<u>\$ 1,952,031</u>

NOTE 21 - JOINTLY GOVERNED ORGANIZATION

A. CONNECT

The North Coast Council became known as Connect effective April 1, 2016. The new governing Board of Directors, the Educational Service Centers of Cuyahoga, Lorain and Medina County and the Ohio Schools Council, have accepted the ownership, responsibility and liability of Connect in order to provide exemplary service to member districts. The Superintendent/Executive Director of the three ESCs and Ohio Schools Council shall serve on Connect's Board of Directors. The purpose of Connect is applying modern technology (with the aid of computers and other electronic equipment) to administrative and instructional functions for member districts. Fiscal information for Connect is available from the Treasurer of the Educational Service Center of Cuyahoga County (fiscal agent), located at 6393 Oak Tree Boulevard, Independence, Ohio 44131. During the year ended June 30, 2019, the School District paid \$ 89,304 to Connect.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 21- JOINTLY GOVERNED ORGANIZATION (continued)

B. LORAIN COUNTY JOINT VOCATIONAL SCHOOL DISTRICT

The Lorain County Joint Vocational School District is a separate body politic and corporate, established by the Ohio Revised Code to provide for vocational and special education needs of the students. The Board of the Lorain County Joint Vocational School District is comprised of representatives from each participating school district and is responsible for approving its own budgets, appointing personnel, and accounting and financing related activities. The North Ridgeville City School District's students may attend the Lorain County Joint Vocational School District. Each school district's control is limited to its representation on the board. Financial information can be obtained by contacting the Lorain County Joint Vocational School District, 15181 State Route 58, Oberlin, Ohio 44074.

C. OHIO SCHOOLS COUNCIL

The Ohio Schools Council Association (Council) is a jointly governed organization among 126 school districts. The organization was formed to purchase quality products and services at the lowest possible cost to the member School Districts. Each School District supports the Council by paying an annual participation fee. The Council's Board consists of nine superintendents of the participating School Districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2019, the School District paid \$ 3,146 to the Council. Financial information can be obtained by contacting David A. Cottrell, the Executive Director/Treasurer of the Ohio Schools Council at 6393 Oak Tree Boulevard, Suite 377, Independence, Ohio 44131.

The School District participates in the natural gas purchase program. This program allows the School District to purchase natural gas at reduced rates. Compass Energy has been selected as the supplier and program manager. There are currently 151 participants in the program. The participants make monthly payments based on estimated usage. Each September, these estimated payments are compared to their actual usage for the year (July to June). Districts that paid more in estimated billings than their actual billings are issued credits on future billings in September until the credits are exhausted and districts that did not pay enough on estimated billings are invoiced for the difference on the September monthly estimated billing.

NOTE 22 - CONTINGENCIES

The School District received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies.

Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2018.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 23 - FOUNDATION FUNDING

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. There was no impact to the School District for it's June 30, 2019 fiscal year end.

NOTE 24 - SET-ASIDES

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

The following cash basis information describes the change in the fiscal year end set aside amount for capital improvements.

	Capital Maintenance
Balance, July 1, 2018	\$ -
Required set aside	763,574
Qualifying expenditures	(5,187,724)
Balance June 30, 2019	\$ (4,424,150)

Although the School District had expenditures that reduced the capital improvements reserve set-aside amount below zero, this amount cannot be carried forward to reduce the set-aside requirements for future years.

NOTE 25 - TAX ABATEMENTS

The City of North Ridgeville is authorized by Ohio Revised code, subject to approval by city ordinance, to enter into property tax abatement agreements for the purpose of attracting or retaining business. The School District participates on a review board of those abatements and has entered into an agreement with the City of North Ridgeville to share in the income tax revenues generated by the incremental payroll associated with the business expansion. The School District receives 50% of the incremental income tax (less a 2.5% administration fee). In addition, the School District also receives contractual cash donations directly from these business entities for a period of time to compensate for the loss of real estate tax revenues.

For fiscal year 2019, the School District received \$ 88,600 in payments from the City and the business entities compared to an estimate of \$ 93,000 of abated real estate tax revenue.

NOTE 26 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date that the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

REQUIRED SUPPLEMENTARY INFORMATION

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

LAST SIX FISCAL YEARS (1)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
School District's proportion of the net pension liability	0.1882385%	0.1678397%	0.1659710%	0.1647458%
School District's proportionate share of the net pension liability	\$ 10,780,768	\$ 10,028,051	\$ 12,147,546	\$ 9,400,555
School District's covered payroll	\$ 6,127,403	\$ 5,547,731	\$ 4,830,729	\$ 5,006,874
School District's proportionate share of the net pension liability as a percentage of its covered payroll	175.94%	180.76%	251.46%	187.75%
Plan fiduciary net position as a percentage of the total pension liability	71.36%	69.50%	62.98%	69.16%

- (1) Information prior to 2014 is not available. This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.
- (2) Amounts presented for each fiscal year were determined as of the School District's measurement date which is the prior year end.

See notes to required supplementary information.

<u>2015</u>	<u>2014</u>
0.156627%	0.156627%
\$ 7,926,803	\$ 9,314,105
\$ 4,301,659	\$ 4,129,595
184.27%	225.55%
71.70%	65.52%

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

REQUIRED SUPPLEMENTARY INFORMATION

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

LAST SIX FISCAL YEARS (1)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
School District's proportion of the net pension liability	0.15634485%	0.15348039%	0.14951446%	0.14660848%
School District's proportionate share of the net pension liability	\$ 34,376,722	\$ 36,459,596	\$ 50,046,997	\$ 40,518,296
School District's covered payroll	\$ 18,194,072	\$ 17,283,680	\$ 15,950,269	\$ 15,500,075
School District's proportionate share of the net pension liability as a percentage of its covered payroll	188.94%	210.95%	313.77%	261.41%
Plan fiduciary net position as a percentage of the total pension liability	77.30%	75.30%	66.80%	72.10%

- (1) Information prior to 2014 is not available. This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.
- (2) Amounts presented for each fiscal year were determined as of the School District's measurement date which is the prior year end.

See notes to required supplementary information.

<u>2015</u>	<u>2014</u>
0.143428%	0.143428%
\$ 34,886,626	\$ 41,556,721
\$ 14,988,223	\$ 14,301,715
232.76%	290.57%
74.70%	69.30%

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE SCHOOL DISTRICT'S CONTRIBUTIONS - PENSION
SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO
LAST TEN FISCAL YEARS

	2019	2018	2017	2016
Contractually required contribution	\$ 895,034	\$ 827,199	\$ 776,682	\$ 676,302
Contributions in relation to the contractually required contribution	<u>(895,034)</u>	<u>(827,199)</u>	<u>(776,682)</u>	<u>(676,302)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District covered payroll	\$ 6,629,878	\$ 6,127,403	\$ 5,547,731	\$ 4,830,729
Contributions as a percentage of covered payroll	13.50%	13.50%	14.00%	14.00%

See notes to required supplementary information.

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 659,906	\$ 596,210	\$ 571,536	\$ 655,242	\$ 716,811	\$ 648,728
<u>(659,906)</u>	<u>(596,210)</u>	<u>(571,536)</u>	<u>(655,242)</u>	<u>(716,811)</u>	<u>(648,728)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 5,006,874	\$ 4,301,659	\$ 4,129,595	\$ 4,871,688	\$ 5,702,554	\$ 4,791,196
13.18%	13.86%	13.84%	13.45%	12.57%	13.54%

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE SCHOOL DISTRICT'S CONTRIBUTIONS - PENSION
STATE TEACHERS RETIREMENT SYSTEM OF OHIO
LAST TEN FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 2,784,089	\$ 2,547,170	\$ 2,419,715	\$ 2,233,037
Contributions in relation to the contractually required contribution	<u>(2,784,089)</u>	<u>(2,547,170)</u>	<u>(2,419,715)</u>	<u>(2,233,037)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District covered payroll	\$ 19,886,347	\$ 18,194,072	\$ 17,283,680	\$ 15,950,269
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%

See notes to required supplementary information.

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 2,170,012	\$ 1,948,469	\$ 1,859,223	\$ 1,989,295	\$ 2,104,618	\$ 2,164,223
<u>(2,170,012)</u>	<u>(1,948,469)</u>	<u>(1,859,223)</u>	<u>(1,989,295)</u>	<u>(2,104,618)</u>	<u>(2,164,223)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 15,500,075	\$ 14,988,223	\$ 14,301,715	\$ 15,302,269	\$ 16,189,369	\$ 16,647,869
14.00%	13.00%	13.00%	13.00%	13.00%	13.00%

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

REQUIRED SUPPLEMENTARY INFORMATION

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

LAST THREE FISCAL YEARS (1)

	<u>2019</u>	<u>2018</u>	<u>2017</u>
School District's proportion of the net OPEB liability	0.1908055%	0.1700484%	0.1676375%
School District's proportionate share of the net OPEB liability	\$ 5,293,460	\$ 4,563,652	\$ 4,778,289
School District's covered payroll	\$ 6,127,403	\$ 5,547,731	\$ 4,830,729
School District's proportionate share of the net OPEB liability as a percentage of its covered payroll	86.39%	82.26%	98.91%
Plan fiduciary net position as a percentage of the total OPEB liability	13.57%	12.46%	11.49%

(1) Information prior to 2017 is not available. This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

See notes to required supplementary information.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
STATE TEACHERS RETIREMENT SYSTEM OF OHIO

LAST THREE FISCAL YEARS (1)

	<u>2019</u>	<u>2018</u>	<u>2017</u>
School District's proportion of the net OPEB liability	0.15634485%	0.15348039%	0.14951446%
School District's proportionate share of the net OPEB liability/(asset)	\$ (2,512,302)	\$ 5,988,238	\$ 7,996,074
School District's covered payroll	\$ 18,194,072	\$ 17,283,680	\$ 15,950,269
School District's proportionate share of the net OPEB liability as a percentage of its covered payroll	-13.81%	34.65%	50.13%
Plan fiduciary net position as a percentage of the total OPEB liability	176.00%	47.10%	37.30%

(1) Information prior to 2017 is not available. This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

See notes to required supplementary information.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE SCHOOL DISTRICT'S CONTRIBUTIONS - OPEB
SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

LAST TEN FISCAL YEARS

	2019	2018	2017	2016
Contractually required contribution (1)	\$ 152,398	\$ 132,997	\$ 91,430	\$ 82,440
Contributions in relation to the contractually required contribution	<u>(152,398)</u>	<u>(132,997)</u>	<u>(91,430)</u>	<u>(82,440)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District covered payroll	\$ 6,629,878	\$ 6,127,403	\$ 5,547,731	\$ 4,830,729
OPEB contributions as a percentage of covered payroll	2.30%	2.17%	1.65%	1.71%

(1) Includes Surcharge

See notes to required supplementary information.

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 41,056	\$ 34,589	\$ 77,281	\$ 93,651	\$ 112,130	\$ 61,929
<u>(41,056)</u>	<u>(34,589)</u>	<u>(77,281)</u>	<u>(93,651)</u>	<u>(112,130)</u>	<u>(61,929)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 5,006,874	\$ 4,301,659	\$ 4,129,595	\$ 4,871,688	\$ 5,702,554	\$ 4,791,196
0.82%	0.80%	1.87%	1.92%	1.97%	1.29%

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE SCHOOL DISTRICT'S CONTRIBUTIONS - OPEB
STATE TEACHERS RETIREMENT SYSTEM OF OHIO

LAST TEN FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	-	-	-	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District covered payroll	\$ 19,886,347	\$ 18,194,072	\$ 17,283,680	\$ 15,950,269
OPEB contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%

See notes to required supplementary information.

2015	2014	2013	2012	2011	2010
\$ -	\$ 149,882	\$ 143,017	\$ 153,023	\$ 161,894	\$ 166,479
-	(149,882)	(143,017)	(153,023)	(161,894)	(166,479)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 15,500,075	\$ 14,988,223	\$ 14,301,715	\$ 15,302,269	\$ 16,189,369	\$ 16,647,869
0.00%	1.00%	1.00%	1.00%	1.00%	1.00%

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 1 - NET PENSION LIABILITY

A. SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

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

Changes in assumptions – The COLA was changed from a fixed 3.00 percent to a COLA that is indexed to CPI-W not greater than 2.50 percent with a floor of 0.0 percent beginning January 1, 2018. In addition, with the authority granted the Board under HB49, the Board has enacted a three year COLA delay for benefit recipients in calendar years 2018, 2019 and 2020.

B. STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in benefits terms - Effective July 1, 2017, the COLA was reduced to zero.

Changes in assumptions - There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2017-2018. See the notes to the basic financial statements for the methods and assumptions in this calculation.

NOTE 2 – OTHER POST EMPLOYMENT BENEFITS (OPEB)

A. SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Changes in benefit terms and funding terms – In fiscal year 2018, SERS' fund policy allowed a 2.0 percent health care contribution rate to allocated to the health care fund. The 2.0 percent is a combination of 0.5 percent employer contribution and 1.5 percent surcharge.

Changes in assumptions – Medical trend rates have been adjusted to reflect premium decreases.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2019

NOTE 2 – OTHER POST EMPLOYMENT BENEFITS (OPEB))continued)

B. STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in assumptions - For fiscal year 2019, the discount rate was increased from 4.13 percent to 7.45 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 is expected to remain at 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.

For fiscal year 2019, the subsidy multiplier for non-Medicare benefit recipients was increased from 1.9 percent to 1.944 percent per year of service, maximum of 30 years. In addition, the Part B monthly reimbursement was extended to expire on January 1, 2020, instead of January 1, 2019.

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS DESCRIPTIONS

SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for revenues from specific sources which are legally, or otherwise, restricted to expenditure for specific purposes.

Athletic Fund - The purpose of this fund is to account for those student activity programs, which have student participation in the activity but do not have student management of the programs. This fund includes athletic programs, band, cheerleaders, flag corps, and other similar types of activities.

Auxiliary Service Fund - This fund accounts for monies, which provide services and materials to pupils attending non-public schools within the School District.

Data Communications Fund - This fund is provided to account for money appropriated for Ohio Educational Computer Network Connections.

Miscellaneous State Grants Fund - The purpose of this fund is 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.

IDEA Part B Fund - This fund is for the provision of grants 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.

Classroom Facilities Maintenance Fund – This fund is used to account for the proceeds from a levy for the maintenance of facilities.

Title I Fund - This fund is to provide financial assistance to state and local educational agencies to meet the special needs of educationally deprived children.

Limited English Proficiency Fund – This fund provides support for programs designed to meet the educational needs of children with limited English proficiency

EHA Preschool Fund - The Preschool Grant Program, Section 619 of Public Law 99-457, addresses the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

Title VI-R Fund - This fund is used to account for monies to hire additional classroom teachers in grades 1 through 3, so that the number of students per teacher will be reduced.

Miscellaneous Federal Grants Fund - The purpose of this fund is to account for various monies received from state agencies from the federal government or directly from the federal government which are not classified elsewhere. A separate cost center must be used for each grant.

Food Service Fund - This fund is used to record financial transactions related to food service operations.

NONMAJOR GOVERNMENTAL FUNDS DESCRIPTIONS (continued)

SPECIAL REVENUE FUNDS (continued)

The following funds are included in the General Fund (GAAP basis), but have separate legally adopted budgets (budget basis). These funds are not included in the combining statements for the nonmajor special revenue funds since they are reported in the General Fund (GAAP basis); however, the budgetary schedules for these funds are presented in this section.

Special Projects Fund - This fund is used to account for monies received from others to be used for specific projects.

Support Fund – This fund accounts for specific local revenue sources, other than taxes or expendable trusts (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.

Uniform School Supplies Fund – This is 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.

Adult Education Fund – This fund is to account for transactions made in connection with adult education classes. Receipts include, but are not limited to, tuition from patrons and students and reimbursement from the State Department of Education. Expenditures include supplies, salaries and textbooks.

Summer School Fund - This fund is to account for operations that are financed and operated in a manner similar to private business enterprises where the stated intent is that the costs (expenses, including depreciation and indirect costs) of providing goods or services to the students or general public on a continuing basis are financed or recovered primarily through user charges. This fund can also account for operations where the school board has decided that periodic determination of revenues earned, expenses incurred, and net income received is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of long-term principal, interest and related costs.

CAPITAL PROJECT FUND

Capital projects funds 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 Building Fund - is used to account for the receipts 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 of acquiring capital facilities including real property.

Classroom Facilities Fund –is used to account for monies received and expended in connection with contracts entered into by the school district and the Ohio School Facilities Commission for the building and equipping of classroom facilities.

This page intentionally left blank.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2019

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets				
Equity in pooled cash and investments	\$ 943,218	\$ 1,930,994	\$ 3,643,831	\$ 6,518,043
Receivables, net of allowance				
Taxes, current	-	3,182,827	-	3,182,827
Taxes, delinquent	-	106,400	-	106,400
Accounts and other	1,000	-	-	1,000
Due from other governments	229,563	-	-	229,563
Total assets	<u>\$ 1,173,781</u>	<u>\$ 5,220,221</u>	<u>\$ 3,643,831</u>	<u>\$ 10,037,833</u>
Liabilities				
Accounts and contracts payable	\$ 52,490	\$ -	\$ -	\$ 52,490
Retainage payable	-	-	50,145	50,145
Accrued salaries, wages and benefits	279,192	-	-	279,192
Due to other governments	95,355	-	-	95,355
Interfund payable	416,974	-	26,725	443,699
Total liabilities	<u>844,011</u>	<u>-</u>	<u>76,870</u>	<u>920,881</u>
Deferred inflows of resources				
Property taxes levied for next year and unavailable resources	-	2,528,283	-	2,528,283
Total deferred inflows of resources	<u>-</u>	<u>2,528,283</u>	<u>-</u>	<u>2,528,283</u>
Fund balances (deficits)				
Restricted	847,152	2,691,938	3,566,961	7,106,051
Unassigned	(517,382)	-	-	(517,382)
Total fund balances (deficits)	<u>329,770</u>	<u>2,691,938</u>	<u>3,566,961</u>	<u>6,588,669</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 1,173,781</u>	<u>\$ 5,220,221</u>	<u>\$ 3,643,831</u>	<u>\$ 10,037,833</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2019

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenue				
Taxes	\$ -	\$ 3,587,621	\$ -	\$ 3,587,621
Interest	17,008	-	7,574	24,582
Intergovernmental	2,168,118	142,204	273,365	2,583,687
Extracurricular	157,709	-	-	157,709
Charges for services	744,929	-	-	744,929
Donations and contributions	28,780	-	-	28,780
Other	8,075	-	-	8,075
Total revenues	<u>3,124,619</u>	<u>3,729,825</u>	<u>280,939</u>	<u>7,135,383</u>
Expenditures				
Current				
Instruction				
Regular	112,606	-	-	112,606
Special	1,214,159	-	-	1,214,159
Supporting services				
Instructional staff	26,953	-	-	26,953
Fiscal services	-	54,461	-	54,461
Operation and maintenance	105,660	-	-	105,660
Operation of non-instructional services				
Food service operation	1,372,770	-	-	1,372,770
Community services	174,214	-	-	174,214
Extracurricular activities	265,664	-	-	265,664
Capital outlay	-	-	446,626	446,626
Debt service				
Principal	-	1,310,000	-	1,310,000
Interest	-	2,032,212	-	2,032,212
Total expenditures	<u>3,272,026</u>	<u>3,396,673</u>	<u>446,626</u>	<u>7,115,325</u>
Excess (deficiency) of revenues over expenditures	<u>(147,407)</u>	<u>333,152</u>	<u>(165,687)</u>	<u>20,058</u>
Other financing sources (uses)				
Transfers in	187,318	-	-	187,318
Transfers out	(102)	(360,000)	-	(360,102)
Total other financing sources (uses)	<u>187,216</u>	<u>(360,000)</u>	<u>-</u>	<u>(172,784)</u>
Net change in fund balances	39,809	(26,848)	(165,687)	(152,726)
Fund balances (deficits), beginning of year, restated	<u>289,961</u>	<u>2,718,786</u>	<u>3,732,648</u>	<u>6,741,395</u>
Fund balances (deficits), end of year	<u>\$ 329,770</u>	<u>\$ 2,691,938</u>	<u>\$ 3,566,961</u>	<u>\$ 6,588,669</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2019

	Athletics	Auxiliary Service	Data Communications
Assets			
Equity in pooled cash	\$ 39,842	\$ 39,443	\$ -
Receivables, net of allowance			
Accounts and other	1,000	-	-
Due from other governments	-	43,530	-
Total assets	\$ 40,842	\$ 82,973	\$ -
Liabilities			
Accounts and contracts payable	\$ 5,026	\$ 62	\$ -
Accrued salaries, wages and benefits	-	10,798	-
Due to other governments	30,065	1,866	-
Interfund payable	172,869	-	-
Total liabilities	207,960	12,726	-
Fund balances			
Restricted	-	70,247	-
Unassigned	(167,118)	-	-
Total fund balances (deficits)	(167,118)	70,247	-
Total liabilities, deferred inflows of resources and fund balances (deficits)	\$ 40,842	\$ 82,973	\$ -

Miscellaneous State Grants	IDEA Part B	Classroom Facilities Maintenance
\$ 400	\$ 50,578	\$ 786,004
-	-	-
-	138,377	-
<u>\$ 400</u>	<u>\$ 188,955</u>	<u>\$ 786,004</u>
\$ -	\$ -	\$ 11,491
-	167,971	-
-	25,952	-
-	111,214	-
<u>-</u>	<u>305,137</u>	<u>11,491</u>
400	-	774,513
-	(116,182)	-
<u>400</u>	<u>(116,182)</u>	<u>774,513</u>
<u>\$ 400</u>	<u>\$ 188,955</u>	<u>\$ 786,004</u>

(CONTINUED)

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2019

(CONCLUDED)

	Title I	Limited English Proficiency	EHA Preschool
Assets			
Equity in pooled cash and investments	\$ -	\$ -	\$ -
Receivables, net of allowance			
Accounts and other	-	-	-
Due from other governments	44,216	-	2,430
Total assets	\$ 44,216	\$ -	\$ 2,430
Liabilities			
Accounts and contracts payable	\$ 35,245	\$ -	\$ -
Accrued salaries, wages and benefits	45,678	-	4,051
Due to other governments	7,056	-	626
Interfund payable	16,141	-	1,039
Total liabilities	104,120	-	5,716
Fund balances			
Restricted	-	-	-
Unassigned	(59,904)	-	(3,286)
Total fund balances (deficits)	(59,904)	-	(3,286)
Total liabilities, deferred inflows of resources and fund balances (deficits)	\$ 44,216	\$ -	\$ 2,430

Title VI-R	Miscellaneous Federal Grants	Food Service	Total Nonmajor Special Revenue Funds
\$ 982	\$ -	\$ 25,969	\$ 943,218
-	-	-	1,000
1,010	-	-	229,563
<u>\$ 1,992</u>	<u>-</u>	<u>\$ 25,969</u>	<u>\$ 1,173,781</u>
\$ -	\$ -	\$ 666	\$ 52,490
-	-	50,694	279,192
-	-	29,790	95,355
-	1,010	114,701	416,974
<u>-</u>	<u>1,010</u>	<u>195,851</u>	<u>844,011</u>
1,992	-	-	847,152
-	(1,010)	(169,882)	(517,382)
<u>1,992</u>	<u>(1,010)</u>	<u>(169,882)</u>	<u>329,770</u>
<u>\$ 1,992</u>	<u>\$ -</u>	<u>\$ 25,969</u>	<u>\$ 1,173,781</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED JUNE 30, 2019

	Athletics	Auxiliary Service	Data Communications
Revenue			
Interest	\$ -	\$ 824	\$ -
Intergovernmental	-	212,594	9,000
Extracurricular	157,709	-	-
Charges for services	7,038	-	-
Donations and contributions	28,780	-	-
Other	8,075	-	-
Total revenues	<u>201,602</u>	<u>213,418</u>	<u>9,000</u>
Expenditures			
Current			
Instruction			
Regular	-	-	-
Special	-	-	-
Supporting services			
Instructional staff	-	-	-
Operation and maintenance	-	-	-
Operation of non-instructional services			
Food service operation	-	-	-
Community services	-	148,509	-
Extracurricular activities	265,664	-	-
Total expenditures	<u>265,664</u>	<u>148,509</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(64,062)</u>	<u>64,909</u>	<u>9,000</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(64,062)	64,909	9,000
Fund balances (deficits), beginning of year, restated	<u>(103,056)</u>	<u>5,338</u>	<u>(9,000)</u>
Fund balances (deficits), end of year	<u>\$ (167,118)</u>	<u>\$ 70,247</u>	<u>\$ -</u>

Miscellaneous State Grants	IDEA Part B	Classroom Facilities Maintenance
\$ -	\$ -	\$ 16,147
24,103	921,622	-
-	-	-
-	-	-
-	-	-
<u>24,103</u>	<u>921,622</u>	<u>16,147</u>
-	-	-
-	900,753	-
-	-	-
24,103	-	81,557
-	-	-
-	22,701	-
-	-	-
<u>24,103</u>	<u>923,454</u>	<u>81,557</u>
-	(1,832)	(65,410)
55	-	162,027
(102)	-	-
<u>(47)</u>	<u>-</u>	<u>162,027</u>
(47)	(1,832)	96,617
447	(114,350)	677,896
<u>\$ 400</u>	<u>\$ (116,182)</u>	<u>\$ 774,513</u>

(CONTINUED)

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS

FOR THE YEAR ENDED JUNE 30, 2019

(CONCLUDED)

	Title I	Limited English Proficiency	EHA Preschool
Revenue			
Interest	\$ -	\$ -	\$ -
Intergovernmental	321,377	3,644	30,753
Extracurricular	-	-	-
Charges for services	-	-	-
Donations and contributions	-	-	-
Other	-	-	-
Total revenues	<u>321,377</u>	<u>3,644</u>	<u>30,753</u>
Expenditures			
Current			
Instruction			
Regular	-	-	-
Special	305,314	3,644	4,448
Supporting services			
Instructional staff	591	-	26,362
Operation and maintenance	-	-	-
Operation of non-instructional services			
Food service operation	-	-	-
Community services	-	-	-
Extracurricular activities	-	-	-
Total expenditures	<u>305,905</u>	<u>3,644</u>	<u>30,810</u>
Excess (deficiency) of revenues over expenditures	<u>15,472</u>	<u>-</u>	<u>(57)</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	15,472	-	(57)
Fund balances (deficits), beginning of year, restated	<u>(75,376)</u>	<u>-</u>	<u>(3,229)</u>
Fund balances (deficits), end of year	<u>\$ (59,904)</u>	<u>\$ -</u>	<u>\$ (3,286)</u>

Title V-R	Miscellaneous Federal Grants	Food Service	Total Nonmajor Special Revenue Funds
\$ -	-	\$ 37	\$ 17,008
74,690	35,728	534,607	2,168,118
-	-	-	157,709
-	-	737,891	744,929
-	-	-	28,780
-	-	-	8,075
<u>74,690</u>	<u>35,728</u>	<u>1,272,535</u>	<u>3,124,619</u>
75,868	36,738	-	112,606
-	-	-	1,214,159
-	-	-	26,953
-	-	-	105,660
-	-	1,372,770	1,372,770
3,004	-	-	174,214
-	-	-	265,664
<u>78,872</u>	<u>36,738</u>	<u>1,372,770</u>	<u>3,272,026</u>
<u>(4,182)</u>	<u>(1,010)</u>	<u>(100,235)</u>	<u>(147,407)</u>
-	-	25,236	187,318
-	-	-	(102)
-	-	25,236	187,216
(4,182)	(1,010)	(74,999)	39,809
6,174	-	(94,883)	289,961
<u>\$ 1,992</u>	<u>\$ (1,010)</u>	<u>\$ (169,882)</u>	<u>\$ 329,770</u>

**INDIVIDUAL FUND SCHEDULES OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES –
BUDGET BASIS (NON-GAAP) AND ACTUAL**

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2019

	Permanent Improvement Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 2,328,155	\$ 1,931,603	\$ 1,933,950	\$ 2,347
Total expenditures and other uses	3,874,093	3,694,885	3,694,875	10
Net change in fund balance	(1,545,938)	(1,763,282)	(1,760,925)	2,357
Prior year encumbrances	1,374,093	1,374,093	1,374,093	-
Fund balances, beginning of year	1,304,806	1,304,806	1,304,806	-
Fund balances, end of year	<u>\$ 1,132,961</u>	<u>\$ 915,617</u>	<u>\$ 917,974</u>	<u>\$ 2,357</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2019

	Building Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ -	\$ 27,090	\$ 27,090	\$ -
Total expenditures and other uses	1,321,322	958,677	958,677	-
Net change in fund balance	(1,321,322)	(931,587)	(931,587)	-
Prior year encumbrances	921,322	921,322	921,322	-
Fund balances, beginning of year	10,265	10,265	10,265	-
Fund balances, end of year	\$ (389,735)	\$ -	\$ -	\$ -

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2019

	Classroom Facilities Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ -	\$ 279,946	\$ 280,573	\$ 627
Total expenditures and other uses	2,001,242	1,690,226	1,690,226	-
Net change in fund balance	(2,001,242)	(1,410,280)	(1,409,653)	627
Prior year encumbrances	1,601,242	1,601,242	1,601,242	-
Fund balances, beginning of year	2,711,679	2,711,679	2,711,679	-
Fund balances, end of year	<u>\$ 2,311,679</u>	<u>\$ 2,902,641</u>	<u>\$ 2,903,268</u>	<u>\$ 627</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2019

	Athletic Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 275,000	\$ 283,471	\$ 283,471	\$ -
Total expenditures and other uses	318,679	302,153	302,153	-
Net change in fund balance	(43,679)	(18,682)	(18,682)	-
Prior year encumbrances	18,679	18,679	18,679	-
Fund balances, beginning of year	3	3	3	-
Fund balances, end of year	\$ (24,997)	\$ -	\$ -	\$ -

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2019

	Auxiliary Services Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 220,000	\$ 170,528	\$ 170,602	\$ 74
Total expenditures and other uses	225,730	168,520	159,074	9,446
Net change in fund balance	(5,730)	2,008	11,528	9,520
Prior year encumbrances	5,730	5,730	5,730	-
Fund balances, beginning of year	14,879	14,879	14,879	-
Fund balances, end of year	\$ 14,879	\$ 22,617	\$ 32,137	\$ 9,520

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2019

	Data Communications Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 10,800	\$ -	\$ -	\$ -
Total expenditures and other uses	10,800	1,800	1,800	-
Net change in fund balance	-	(1,800)	(1,800)	-
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	1,800	1,800	1,800	-
Fund balances, end of year	<u>\$ 1,800</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2019

	Miscellaneous State Grants Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ -	\$ 24,158	\$ 24,158	\$ -
Total expenditures and other uses	5,000	46,205	46,205	-
Net change in fund balance	(5,000)	(22,047)	(22,047)	-
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	22,447	22,447	22,447	-
Fund balances, end of year	<u>\$ 17,447</u>	<u>\$ 400</u>	<u>\$ 400</u>	<u>\$ -</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2019

	IDEA Part B Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 1,021,208	\$ 985,394	\$ 985,394	\$ -
Total expenditures and other uses	1,021,208	985,394	985,394	-
Net change in fund balance	-	-	-	-
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2019

	Classroom Facilities Maintenance Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 163,027	\$ 176,687	\$ 178,174	\$ 1,487
Total expenditures and other uses	104,242	96,789	92,547	4,242
Net change in fund balance	58,785	79,898	85,627	5,729
Prior year encumbrances	4,242	4,242	4,242	-
Fund balances, beginning of year	674,252	674,252	674,252	-
Fund balances, end of year	<u>\$ 737,279</u>	<u>\$ 758,392</u>	<u>\$ 764,121</u>	<u>\$ 5,729</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2019

	Title I Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 290,841	\$ 291,413	\$ 291,413	\$ -
Total expenditures and other uses	290,841	291,413	291,413	-
Net change in fund balance	-	-	-	-
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2019

	Limited English Proficiency Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 5,000	\$ -	\$ 3,644	\$ 3,644
Total expenditures and other uses	5,000	4,200	3,644	556
Net change in fund balance	-	(4,200)	-	4,200
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ (4,200)	\$ -	\$ 4,200

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2019

	EHA Preschool Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 42,490	\$ 29,362	\$ 29,362	\$ -
Total expenditures and other uses	42,490	29,362	29,362	-
Net change in fund balance	-	-	-	-
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2019

	Title V-R Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 76,584	\$ 82,941	\$ 82,941	\$ -
Total expenditures and other uses	76,584	81,959	81,959	-
Net change in fund balance	-	982	982	-
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ 982	\$ 982	\$ -

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2019

	Miscellaneous Federal Grants Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 29,155	\$ 36,738	\$ 36,738	\$ -
Total expenditures and other uses	29,155	36,738	36,738	-
Net change in fund balance	-	-	-	-
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2019

	Food Service Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 1,400,000	\$ 1,331,782	\$ 1,331,784	\$ 2
Total expenditures and other uses	1,425,265	1,357,047	1,356,769	278
Net change in fund balance	(25,265)	(25,265)	(24,985)	280
Prior year encumbrances	25,265	25,265	25,265	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ 280	\$ 280

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2019

	Special Projects Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 5,000	\$ 5,227	\$ 5,236	\$ 9
Total expenditures and other uses	7,284	3,997	3,548	449
Net change in fund balance	(2,284)	1,230	1,688	458
Prior year encumbrances	284	284	284	-
Fund balances, beginning of year	11,175	11,175	11,175	-
Fund balances, end of year	\$ 9,175	\$ 12,689	\$ 13,147	\$ 458

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2019

	Support Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 290,000	\$ 342,575	\$ 342,594	\$ 19
Total expenditures and other uses	324,890	366,964	366,964	-
Net change in fund balance	(34,890)	(24,389)	(24,370)	19
Prior year encumbrances	24,890	24,890	24,890	-
Fund balances, beginning of year	138,051	138,051	138,051	-
Fund balances, end of year	\$ 128,051	\$ 138,552	\$ 138,571	\$ 19

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2019

	Uniform School Supplies Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 100,000	\$ 72,516	\$ 72,624	\$ 108
Total expenditures and other uses	104,140	99,055	59,451	39,604
Net change in fund balance	(4,140)	(26,539)	13,173	39,712
Prior year encumbrances	4,140	4,140	4,140	-
Fund balances, beginning of year	63,977	63,977	63,977	-
Fund balances, end of year	<u>\$ 63,977</u>	<u>\$ 41,578</u>	<u>\$ 81,290</u>	<u>\$ 39,712</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2019

	Adult Education Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ -	\$ -	\$ -	\$ -
Total expenditures and other uses	518	518	-	518
Net change in fund balance	(518)	(518)	-	518
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	518	518	518	-
Fund balances, end of year	\$ -	\$ -	\$ 518	\$ 518

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2019

	Summer School Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 75,000	\$ 98,852	\$ 98,852	\$ -
Total expenditures and other uses	90,955	83,638	83,638	-
Net change in fund balance	(15,955)	15,214	15,214	-
Prior year encumbrances	955	955	955	-
Fund balances, beginning of year	17,934	17,934	17,934	-
Fund balances, end of year	\$ 2,934	\$ 34,103	\$ 34,103	\$ -

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2019

	Debt Service Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 3,231,483	\$ 3,739,755	\$ 3,739,775	\$ 20
Total expenditures and other uses	3,772,200	3,756,673	3,756,673	-
Net change in fund balance	(540,717)	(16,918)	(16,898)	20
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	1,947,892	1,947,892	1,947,892	-
Fund balances, end of year	\$ 1,407,175	\$ 1,930,974	\$ 1,930,994	\$ 20

This page intentionally left blank.

AGENCY FUNDS

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

Student Activities Fund - This fund is used 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 Agency Fund - The purpose of this fund is to account for those assets held by the school district as an agent for individuals, private organizations, other governmental units, and/or other funds.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2019

	Student Activities	District Agency	Totals
Assets			
Equity in pooled cash and investments	\$ 110,016	\$ 28,931	\$ 138,947
Total assets	\$ 110,016	\$ 28,931	\$ 138,947
Liabilities			
Accounts payable	\$ 1,445	\$ -	\$ 1,445
Due to students	108,571	-	108,571
Due to others	-	28,931	28,931
Total liabilities	\$ 110,016	\$ 28,931	\$ 138,947

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

Student Activities Fund				
	Beginning Balance June 30, 2018	Additions	Reductions	Ending Balance June 30, 2019
Assets				
Equity in pooled cash and investments	\$ 90,368	\$ 102,274	\$ 82,626	\$ 110,016
Total assets	\$ 90,368	\$ 102,274	\$ 82,626	\$ 110,016
Liabilities				
Accounts payable	\$ 5,198	\$ 1,445	\$ 5,198	\$ 1,445
Due to students	85,170	100,829	77,428	108,571
Total liabilities	\$ 90,368	\$ 102,274	\$ 82,626	\$ 110,016

District Agency Fund				
	Beginning Balance June 30, 2018	Additions	Reductions	Ending Balance June 30, 2019
Assets				
Equity in pooled cash and investments	\$ 17,604	\$ 265,742	\$ 254,415	\$ 28,931
Total assets	\$ 17,604	\$ 265,742	\$ 254,415	\$ 28,931
Liabilities				
Due to others	\$ 17,604	\$ 265,742	\$ 254,415	\$ 28,931
Total liabilities	\$ 17,604	\$ 265,742	\$ 254,415	\$ 28,931

Total Agency Funds				
	Beginning Balance June 30, 2018	Additions	Reductions	Ending Balance June 30, 2019
Assets				
Equity in pooled cash and investments	\$ 107,972	\$ 368,016	\$ 337,041	\$ 138,947
Total assets	\$ 107,972	\$ 368,016	\$ 337,041	\$ 138,947
Liabilities				
Accounts payable	\$ 5,198	\$ 1,445	\$ 5,198	\$ 1,445
Due to students	85,170	100,829	77,428	108,571
Due to others	17,604	265,742	254,415	28,931
Total liabilities	\$ 107,972	\$ 368,016	\$ 337,041	\$ 138,947

This page intentionally left blank.

STATISTICAL SECTION

This part of the North Ridgeville 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 School District's overall financial health.

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.	S 2
Revenue Capacity These schedules contain information to help the reader assess the affordability of the School District's most significant local revenue source, the property tax.	S 10
Debt Capacity These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	S 24
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the School District's financial activities take place.	S 29
Operating Information These schedules contain service data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	S 31

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

North Ridgeville City School District
 Net position by Component
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)

	2019	2018	Restated 2017 (b)	2016
Governmental activities				
Net investment in capital assets	\$ 12,176,729	\$ 12,579,797	\$ 24,728,670	\$ 18,609,362
Restricted	5,554,998	2,809,945	2,233,317	2,565,411
Unrestricted	(15,033,750)	(15,983,694)	(41,766,517)	(26,915,131)
Total primary government net position	<u>\$ 2,697,977</u>	<u>\$ (593,952)</u>	<u>\$ (14,804,530)</u>	<u>\$ (5,740,358)</u>

(a) 2014 has been restated due to the implementation of GASB 68 during fiscal year ended June 30, 2015.

(b) 2017 has been restated due to the implementation of GASB 75 during fiscal year ended June 30, 2018.

2015	Restated 2014 (a)	2013	2012	2011	2010
\$ 11,754,444	\$ 10,485,780	\$ 11,733,610	\$ 11,327,521	\$ 11,519,860	\$ 12,010,174
2,218,843	2,469,301	755,787	898,555	712,027	1,027,320
(29,115,971)	(36,143,924)	5,279,187	1,900,001	663,705	(453,917)
<u>\$ (15,142,684)</u>	<u>\$ (23,188,843)</u>	<u>\$ 17,768,584</u>	<u>\$ 14,126,077</u>	<u>\$ 12,895,592</u>	<u>\$ 12,583,577</u>

North Ridgeville City School District
Expenses, Program Revenues, and Net (Expense) Revenue
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Expenses				
Governmental activities:				
Instruction				
Regular	\$ 20,255,787	\$ 21,298,791	\$ 20,502,215	\$ 18,830,366
Special	9,090,509	5,297,840	7,856,160	7,327,315
Vocational	206,297	68,383	236,725	224,084
Adult continuing	-	-	-	-
Other instruction	-	-	2,684	4,392
Supporting services				
Pupil	2,476,095	1,112,745	2,429,569	2,335,666
Instructional staff	910,899	528,614	811,518	795,657
Board of education	104,448	154,850	184,641	236,878
Administration	2,493,802	1,013,686	2,038,757	2,025,092
Fiscal services	1,072,313	924,667	1,060,240	1,046,959
Business	410,380	251,694	269,105	271,399
Operation and maintenance	4,739,976	3,766,366	3,885,598	2,694,290
Pupil transportation	3,787,828	2,938,454	3,324,228	2,913,277
Central services	286,992	202,008	217,707	169,047
Operation of non-instructional services				
Food service operation	1,461,983	1,338,977	1,334,204	1,210,209
Community services	182,884	185,319	640,279	508,440
Extracurricular activities	901,144	601,224	1,062,049	878,021
Interest	2,758,151	2,781,683	2,805,813	2,550,346
Total primary government expenses	<u>51,139,488</u>	<u>42,465,301</u>	<u>48,661,492</u>	<u>44,021,438</u>
Program revenues				
Governmental activities:				
Charges for services and sales				
Instruction	1,206,307	1,227,114	678,271	1,011,629
Supporting services	269,578	277,914	291,179	353,337
Food service	737,891	701,928	666,679	633,032
Community services	152	152	-	1,969
Extracurricular activities	280,188	148,013	176,871	251,769
Operating grants, interest and contributions	2,277,890	1,967,179	2,224,699	2,407,049
Capital grants, interest and contributions	273,365	-	3,984,719	3,910,000
Total primary government program revenues	<u>5,045,371</u>	<u>4,322,300</u>	<u>8,022,418</u>	<u>8,568,785</u>
Net (expense) revenue				
Total primary government net expense	<u>\$ (46,094,117)</u>	<u>\$ (38,143,001)</u>	<u>\$ (40,639,074)</u>	<u>\$ (35,452,653)</u>

2015	2014	2013	2012	2011	2010
\$ 16,849,020	\$ 16,401,112	\$ 13,726,250	\$ 14,825,748	\$ 14,394,222	\$ 14,715,532
6,643,625	6,389,566	4,901,355	4,888,882	4,850,255	4,614,251
162,453	216,249	116,219	112,438	110,316	296,883
-	-	-	1,002	-	-
13,692	4,026	1,808,468	1,525,239	1,256,977	1,255,761
1,833,646	1,939,224	1,794,791	1,864,381	1,752,229	1,789,256
755,381	612,732	2,055,316	2,358,860	2,674,993	3,039,915
124,692	136,735	154,245	119,382	160,490	85,439
1,817,337	1,968,907	2,065,148	2,019,304	2,142,857	2,225,696
950,941	877,678	873,272	805,425	808,594	789,869
231,521	248,688	186,165	257,393	276,687	306,856
2,552,076	2,528,510	3,071,152	2,709,029	2,874,846	3,120,377
2,580,862	2,643,317	2,134,495	2,493,805	2,609,473	2,589,963
218,688	365,184	72,684	51,111	82,320	66,050
1,067,707	1,041,632	1,115,629	1,110,397	1,138,120	1,106,927
501,063	398,861	584,043	356,911	489,295	443,542
781,970	791,344	807,780	782,720	768,442	821,490
2,497,428	2,063,552	61,927	79,461	302,470	296,713
<u>39,582,102</u>	<u>38,627,317</u>	<u>35,528,939</u>	<u>36,361,488</u>	<u>36,692,586</u>	<u>37,564,520</u>
849,442	824,237	855,594	428,513	452,493	508,133
299,004	1,000	255,254	255,107	217,015	189,109
567,606	594,600	635,633	709,900	716,665	733,968
-	-	-	-	-	-
197,286	229,098	232,722	219,608	176,535	193,536
1,970,447	2,150,282	2,280,113	2,280,103	3,052,274	3,538,202
657,841	-	-	-	-	-
<u>4,541,626</u>	<u>3,799,217</u>	<u>4,259,316</u>	<u>3,893,231</u>	<u>4,614,982</u>	<u>5,162,948</u>
<u>\$ (35,040,476)</u>	<u>\$ (34,828,100)</u>	<u>\$ (31,269,623)</u>	<u>\$ (32,468,257)</u>	<u>\$ (32,077,604)</u>	<u>\$ (32,401,572)</u>

North Ridgeville City School District
 General Revenues and Total Change in Net position
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Net (expense) revenue				
Total primary government net expense	<u>\$ (46,094,117)</u>	<u>\$ (38,143,001)</u>	<u>\$ (40,639,074)</u>	<u>\$ (35,452,653)</u>
General revenues and other changes in net position				
Governmental activities:				
Property taxes levied for:				
General purposes	25,046,302	29,361,364	22,386,110	23,597,611
Debt service	3,614,821	4,133,012	3,355,433	3,484,569
Capital improvements	765,894	964,020	660,432	887,394
Grants and entitlements				
not restricted to specific purposes	16,878,133	16,552,957	16,168,271	15,503,827
Investment earnings	728,713	557,469	656,614	488,594
Miscellaneous	1,827,362	784,757	1,141,246	892,984
Total primary government	<u>48,861,225</u>	<u>52,353,579</u>	<u>44,368,106</u>	<u>44,854,979</u>
Change in net position				
Total primary government	<u>\$ 2,767,108</u>	<u>\$ 14,210,578</u>	<u>\$ 3,729,032</u>	<u>\$ 9,402,326</u>

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<u>\$ (35,040,476)</u>	<u>\$ (34,828,100)</u>	<u>\$ (31,269,623)</u>	<u>\$ (32,468,257)</u>	<u>\$ (32,077,604)</u>	<u>\$ (32,401,572)</u>
23,063,967	22,926,984	20,843,196	19,804,064	18,711,244	16,601,413
3,418,062	2,199,051	310,975	340,348	330,891	290,133
1,059,216	896,801	658,964	691,795	661,327	636,183
14,452,217	14,139,841	12,191,341	11,628,782	11,689,048	11,626,013
317,331	18,175	7,968	14,216	14,088	15,208
775,842	1,762,735	899,686	1,219,537	983,021	1,382,983
<u>43,086,635</u>	<u>41,943,587</u>	<u>34,912,130</u>	<u>33,698,742</u>	<u>32,389,619</u>	<u>30,551,933</u>
<u>\$ 8,046,159</u>	<u>\$ 7,115,487</u>	<u>\$ 3,642,507</u>	<u>\$ 1,230,485</u>	<u>\$ 312,015</u>	<u>\$ (1,849,639)</u>

North Ridgeville City School District
Fund Balances – Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2019	2018	2017	2016
General Fund				
Nondisposable	\$ -	\$ 82,895	\$ -	\$ -
Assigned	3,760,435	1,654,332	2,185,248	466,970
Unassigned	29,433,730	30,386,624	21,186,357	20,084,311
Total General Fund	<u>\$ 33,194,165</u>	<u>\$ 32,123,851</u>	<u>\$ 23,371,605</u>	<u>\$ 20,551,281</u>
All other governmental funds				
Nondisposable	\$ -	\$ 1,692	\$ -	\$ -
Restricted	7,106,051	6,616,249	16,289,190	40,543,905
Unassigned	(7,487,305)	(5,535,219)	(4,996,320)	(2,589,286)
Total all other governmental funds	<u>\$ (381,254)</u>	<u>\$ 1,082,722</u>	<u>\$ 11,292,870</u>	<u>\$ 37,954,619</u>

2015	2014	2013	2012	2011	2010
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
405,797	197,061	476,910	417,359	382,694	131,179
14,463,465	9,986,702	3,674,725	(175,186)	(130,912)	(517,201)
<u>\$ 14,869,262</u>	<u>\$ 10,183,763</u>	<u>\$ 4,151,635</u>	<u>\$ 242,173</u>	<u>\$ 251,782</u>	<u>\$ (386,022)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
58,493,316	60,757,897	792,127	932,875	772,193	895,156
(536,508)	(404,007)	(794,048)	(210,654)	(584,424)	(723,164)
<u>\$ 57,956,808</u>	<u>\$ 60,353,890</u>	<u>\$ (1,921)</u>	<u>\$ 722,221</u>	<u>\$ 187,769</u>	<u>\$ 171,992</u>

North Ridgeville City School District
 General Governmental Revenues by Sources
 Last Ten Fiscal Years

	<u>2019</u>	<u>2018 (1)</u>	<u>2017</u>	<u>2016</u>
Taxes	\$ 29,143,417	\$ 34,481,896	\$ 26,972,875	\$ 28,110,574
Tuition and Fees	1,152,949	1,075,824	677,591	1,009,119
Interest	712,495	546,292	644,401	480,124
Intergovernmental	19,429,388	18,520,136	22,377,689	21,820,876
Extracurricular	533,867	456,193	469,672	546,797
Charges for services	745,394	709,226	668,824	627,397
Donations and contributions (1)	98,574	79,180	-	-
Other	<u>194,602</u>	<u>175,570</u>	<u>526,359</u>	<u>330,019</u>
Total	<u>\$ 52,010,686</u>	<u>\$ 56,044,317</u>	<u>\$ 52,337,411</u>	<u>\$ 52,924,906</u>

(1) Donations and contributions had previously been included in Other.

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 27,464,945	\$ 25,788,136	\$ 21,739,235	\$ 20,533,507	\$ 19,657,562	\$ 17,521,229
839,055	822,165	855,459	422,468	455,603	501,981
314,437	18,175	5,932	7,181	7,742	10,609
17,080,505	16,290,123	14,471,454	13,908,885	14,741,322	15,164,215
354,029	319,509	294,119	301,688	260,772	247,643
587,296	604,024	648,393	719,149	711,312	765,143
-	-	-	-	-	-
334,842	866,572	451,264	496,271	346,922	460,661
<u>\$ 46,975,109</u>	<u>\$ 44,708,704</u>	<u>\$ 38,465,856</u>	<u>\$ 36,389,149</u>	<u>\$ 36,181,235</u>	<u>\$ 34,671,481</u>

North Ridgeville City School District
 Governmental Funds Expenditures and Debt Service Ratio
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)

	2019	2018	2017	2016
Expenditures				
Instruction	\$ 30,017,874	\$ 27,674,367	\$ 26,760,850	\$ 24,894,509
Pupil support services	2,636,692	2,328,404	2,275,224	2,197,762
Instructional support	870,058	761,575	737,112	750,427
Administration / BOE	2,714,182	2,278,988	2,170,354	2,168,402
Business and fiscal	1,409,831	1,278,056	1,303,647	1,281,563
Operation and maintenance of plant	4,358,178	3,806,033	4,469,262	4,123,799
Pupil transportation	3,434,176	2,763,931	3,610,673	3,064,987
Central services	263,908	213,098	206,212	161,943
Operational of non- instructional services	1,548,480	1,595,265	1,896,819	1,674,978
Extracurricular activities	918,674	1,027,951	918,784	844,269
Capital outlay	1,087,704	12,742,287	28,478,375	22,663,276
Debt service				
Principal	1,614,677	817,975	835,000	860,000
Interest	2,062,264	2,449,960	2,686,885	2,601,847
Total expenditures	<u>\$ 52,936,698</u>	<u>\$ 59,737,890</u>	<u>\$ 76,349,197</u>	<u>\$ 67,287,762</u>
Debt service as a percentage of noncapital expenditures	<u>7.47%</u>	<u>6.07%</u>	<u>7.70%</u>	<u>8.22%</u>

(a) - Certain amounts have been reclassified to correctly present the issuance of a short term bond anticipation note in 2014.

2015	2014 (a)	2013	2012	2011	2010
\$ 23,821,584	\$ 22,442,223	\$ 19,897,214	\$ 20,785,134	\$ 19,839,212	\$ 21,129,873
1,936,348	1,862,218	1,725,861	1,833,762	1,728,384	1,775,939
793,746	601,198	1,968,298	2,261,856	2,483,934	2,856,942
2,079,004	2,069,528	2,162,506	2,193,784	2,198,833	2,187,437
1,205,486	1,151,744	1,013,098	1,051,084	1,091,951	1,021,968
2,688,417	2,589,219	2,555,351	2,554,880	2,711,994	2,892,985
2,815,032	2,345,750	2,553,907	2,390,744	2,482,790	2,535,715
221,938	140,285	69,959	54,457	74,260	61,890
1,628,770	1,427,373	1,699,924	1,456,476	1,585,513	1,466,357
832,150	771,322	796,922	764,130	762,269	766,983
3,031,265	231,833	385,915	35,404	150,216	58,999
1,086,518	401,586	388,654	390,834	150,047	154,385
2,548,929	1,914,453	62,927	91,761	343,239	303,963
<u>\$ 44,689,187</u>	<u>\$ 37,948,732</u>	<u>\$ 35,280,536</u>	<u>\$ 35,864,306</u>	<u>\$ 35,602,642</u>	<u>\$ 37,213,436</u>
<u>8.70%</u>	<u>6.15%</u>	<u>1.31%</u>	<u>1.35%</u>	<u>1.42%</u>	<u>1.27%</u>

North Ridgeville City School District
Other Financing Sources and Uses and Net Change in Fund Balances – Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2019	2018	2017	2016
Excess of revenues over (under) expenditures	\$ (926,012)	\$ (3,693,573)	\$ (24,011,786)	\$ (14,362,856)
Other financing sources (uses)				
Issuance of bonds	-	-	-	-
Proceeds from sale of capital asset	7,529	208,082	16,000	42,686
Issuance of refunding bonds	-	34,829,286	8,120,658	-
Premium on debt issue	-	3,792,995	1,647,491	-
Proceeds from capital lease	-	1,762,774	-	-
Payment to bond escrow agent	-	(38,356,466)	(9,613,788)	-
Transfers in	547,420	1,294,624	507,027	179,093
Transfer out	(547,420)	(1,294,624)	(507,027)	(179,093)
Total other financing sources (uses)	7,529	2,236,671	170,361	42,686
Net change in fund balances	\$ (918,483)	\$ (1,456,902)	\$ (23,841,425)	\$ (14,320,170)

(a) - Certain amounts have been reclassified to correctly present the issuance of a short term bond anticipation note in 2014.

2015	2014 (a)	2013	2012	2011	2010
\$ 2,285,922	\$ 6,759,972	\$ 3,185,320	\$ 524,843	\$ 578,593	\$ (2,541,955)
-	57,895,000	-	-	-	-
2,495	35,101	-	-	-	-
-	-	-	-	1,610,000	-
-	1,697,866	-	-	74,988	-
-	-	-	-	-	355,867
-	-	-	-	(1,610,000)	-
387,595	98,014	23,182	68,983	17,000	108,619
(387,595)	(98,014)	(23,182)	(68,983)	(17,000)	(108,619)
2,495	59,627,967	-	-	74,988	355,867
\$ 2,288,417	\$ 66,387,939	\$ 3,185,320	\$ 524,843	\$ 653,581	\$ (2,186,088)

North Ridgeville City School District
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Year	Real Property		Public Utility Property		Tangible Personal Property	
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (2)	Assessed Value	Estimated Actual Value (3)
2019	\$ 889,167,350	\$ 2,540,478,143	\$ 19,173,380	\$ 21,787,932	\$ - (4)	\$ -
2018	798,571,140	2,281,631,829	17,460,040	19,840,955	- (4)	-
2017	774,268,200	2,212,194,857	15,999,020	18,180,705	- (4)	-
2016	755,633,080	2,158,951,657	14,348,220	16,304,795	- (4)	-
2015	701,690,140	2,004,828,971	13,705,640	15,574,591	- (4)	-
2014	688,099,510	1,965,998,600	12,668,630	14,396,170	- (4)	-
2013	667,660,670	1,907,601,914	12,012,660	13,650,750	- (4)	-
2012	720,626,020	2,058,931,486	10,994,850	12,494,148	- (4)	-
2011	708,492,680	2,024,264,800	10,455,350	11,881,080	- (4)	-
2010	693,460,692	1,981,316,263	9,801,290	11,137,830	555,529 (4)	2,222,116

Source: Lorain County Auditor - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the County Auditor.

- (1) This amount is calculated based upon an assessed value of 35 percent of actual value.
- (2) This amount is calculated based upon the current assessed value of 88 percent of actual value.
- (3) The amount is calculated based upon an assessed value of 25 percent of actual value.
- (4) Decrease is due to effect of State legislation enacted in June 2005 which phased out over four years, from 2006 to 2009, the taxation of personal property. Tangible personal property value beginning in 2009 consisted of telephone communications tangible value, for which 2010 was the final collection year.

Assessed Value	Total Estimated Actual Value	Total Direct Rate
\$ 908,340,730	\$ 2,562,266,075	51.32
816,031,180	2,301,472,784	53.02
790,267,220	2,230,375,562	53.56
769,981,300	2,175,256,452	54.24
715,395,780	2,020,403,562	55.70
700,768,140	1,980,394,770	56.29
679,673,330	1,921,252,664	51.90
731,620,870	2,071,425,634	44.63
718,948,030	2,036,145,880	44.79
703,817,511	1,994,676,209	42.19

North Ridgeville City School District
Property Tax Rates – Direct and Overlapping Governments
(Per \$ 1,000 Assessed Valuation)
Last Ten Fiscal Years

Year	School District			Total
	General	Voted Debt	Permanent Improvements	
2019	44.67	3.65	3.00	51.32
2018	46.06	3.96	3.00	53.02
2017	46.54	4.02	3.00	53.56
2016	46.91	4.33	3.00	54.24
2015	48.01	4.69	3.00	55.70
2014	48.34	4.95	3.00	56.29
2013	48.86	0.54	2.50	51.90
2012	41.62	0.51	2.50	44.63
2011	41.77	0.52	2.50	44.79
2010	39.20	0.49	2.50	42.19

Source: Lorain County Auditor - Data is presented on a calendar year basis because that is the manner in which the information is maintained.

Lorain County	Lorain County Joint Vocational School	City	Total
15.08	2.45	12.31	81.16
15.08	2.45	12.81	83.36
15.08	2.45	13.35	84.44
15.08	2.45	13.55	85.32
14.48	2.45	12.71	85.34
14.48	2.45	12.71	85.93
13.66	2.45	12.71	80.72
13.69	2.45	12.71	73.48
13.69	2.45	12.71	73.64
13.39	2.45	12.71	70.74

North Ridgeville City School District
Principal Taxpayers
Real Estate Tax
As of June 30, 2019 and June 30, 2010

JUNE 30, 2019

Taxpayer	Nature of Business	Assessed Valuation	% of Total Assessed Valuation
LCN RDL Cleveland OH LLC (a)	Manufacturer of sporting equipment	\$10,234,890	1.13%
Rini Realty Company	Commercial retail property	3,933,360	0.43%
Ridgeville Two, LLC	Apartment complex	2,927,410	0.32%
Comprehensive Healthcare of Ohio Inc.	Healthcare	2,905,190	0.32%
Ridgeville One, LLC	Apartment complex	2,898,630	0.32%
Lake Ridge Holdings Ltd.	Education	2,657,790	0.29%
Bob Schmit Homes Inc.	Real estate	2,497,490	0.27%
Ridgeville Stafford LLC	Apartment complex	2,263,260	0.25%
R. W. Beckett Corp.	Manufacturer	2,085,400	0.23%
Ridgeville Three, LLC	Apartment complex	1,987,710	0.22%
		<u>\$ 34,391,130</u>	
Total value in the School District		<u>\$ 908,340,730</u>	

JUNE 30, 2010

Taxpayer	Nature of Business	Assessed Valuation	% of Total Assessed Valuation
Ohio Edison Co. (b)	Electric utility	\$5,545,970	0.79%
FJD Properties LLC	Residential land developer	3,598,870	0.51%
R. W. Beckett Corporation	Manufacturer	3,387,730	0.48%
Rini Realty Company	Commercial retail property	2,201,790	0.31%
Bob Schmitt Homes, Inc.	Residential developer	2,168,240	0.31%
Valore Properties, Inc.	Commercial developer	2,123,870	0.30%
Invacare Corporation	Manufacturer	1,822,110	0.26%
Sugar Chestnut, LLC	Residential construction	1,813,550	0.26%
Pulte Homes	Residential construction	1,571,360	0.22%
Lake Ridge Holding, Inc	Education	1,465,910	0.21%
		<u>25,699,400</u>	
Total value in the School District		<u>\$ 703,817,511</u>	

Source: County Auditor, Lorain County, Ohio

(a) An affiliate of Riddell Sports Group, Inc.

(b) Subsidiary of First Energy Corp.

North Ridgeville City School District
Principal Taxpayers
Public Utility Tax
As of June 30, 2019 and June 30, 2010

JUNE 30, 2019			
Taxpayer	Nature of Business	Assessed Valuation	% of Total Assessed Valuation
Ohio Edison Company (a)	Electric	\$7,418,230	0.82%
Columbia Gas of Ohio Inc.	Natural gas	5,396,580	0.59%
American Transmission Systems, Inc. (a)	Electric	3,448,580	0.38%
		\$ 16,263,390	
Total value in the School District		\$ 908,340,730	

JUNE 30, 2010			
Taxpayer	Nature of Business	Assessed Valuation	% of Total Assessed Valuation
Ohio Edison Company (a)	Electric	\$5,385,030	0.77%
Columbia Gas of Ohio Inc.	Natural gas	1,354,700	0.19%
Cleveland Electric Illuminating Company (a)	Electric	1,276,650	0.18%
Columbia Gas Transmission	Natural gas	945,630	0.13%
American Transmission Systems, Inc (a)	Electric	829,280	0.12%
Norfolk Southern Railroad	Railroad	84,610	0.01%
		\$ 4,490,870	
Total value in the School District		\$ 703,817,511	

Source: County Auditor, Lorain County, Ohio

(a) Subsidiary of First Energy Corp.

North Ridgeville City School District
Property Tax Levies and Collections (1)
Last Ten Fiscal Years

Collection Year	Current Taxes Levy	Delinquent Taxes Levy	Total Taxes Levy	Current Taxes Collections
2019	\$ 33,875,070	\$ 1,086,666	\$ 34,961,736	\$ 33,370,837
2018	32,788,842	803,115	33,591,957	32,201,311
2017	32,198,361	826,615	33,024,976	31,583,602
2016	31,922,312	1,397,472	33,319,784	31,284,781
2015	31,298,497	1,495,341	32,793,838	30,590,723
2014	31,090,877	1,060,580	32,151,457	30,255,933
2013	27,259,483	1,227,448	28,486,931	26,543,822
2012	22,891,489	1,153,672	24,045,161	22,233,185
2011	22,569,624	927,458	23,497,082	21,908,546
2010	20,263,408	927,758	21,191,166	20,141,517

Source: Lorain County Auditor - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the County Auditor.

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

Percent of Current Levy Collected	Delinquent Taxes Collections	Total Tax Collections	Total Collection As a Percent of Current Levy
98.511%	\$ 507,976	\$ 33,878,813	96.903%
98.208%	752,876	32,954,187	98.101%
98.091%	882,793	32,466,395	98.309%
98.003%	865,891	32,150,672	96.491%
97.739%	809,172	31,399,895	95.749%
97.315%	693,273	30,949,206	96.261%
97.375%	692,016	27,235,838	95.608%
97.124%	618,073	22,851,258	95.035%
97.071%	740,205	22,648,751	96.390%
99.398%	642,176	20,783,693	98.077%

North Ridgeville City School District
Outstanding Debt by Type
Last Ten Fiscal Years

Year	General Obligation Bonded Debt (1)	Capital Leases (1)	Total Primary Government	Percentage of Personal Income (3)	Per Capita (3)	Per ADM (2) (3)
2019	\$ 61,342,112	\$ 1,305,122	\$ 62,647,234	5.80%	\$ 1,849	\$ 13,595
2018	62,324,006	1,609,799	63,933,805	5.85%	1,864	13,785
2017	59,141,607	-	59,141,607	6.21%	1,898	13,957
2016	58,453,763	-	58,453,763	6.34%	1,917	14,555
2015	59,363,464	-	59,363,464	6.17%	1,863	14,830
2014	58,845,000	6,518	58,851,518	6.36%	1,997	15,382
2013	1,275,000	83,104	1,358,104	0.20%	46	355
2012	1,590,000	156,758	1,746,758	0.26%	59	457
2011	1,910,000	227,592	2,137,592	0.32%	74	563
2010	2,006,593	295,715	2,302,308	0.35%	80	607

- Source: (1) School District Financial Records
(2) Average Daily Student Enrollment is compiled as of the first week in October reported to the Ohio Department of Education for the fiscal year.
(3) See Schedule S-29 for personal income, population, and ADM data. These ratios are calculated using data for the prior calendar year.

North Ridgeville City School District
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Year	General Obligation Bonded Debt (1)	Debt Service Funds Available	Net Bonded Debt	Percentage of Actual Taxable Property Value (2)	Per Capita (3)
2019	\$ 61,342,112	\$ 1,930,994	\$ 59,411,118	2.32%	1,753.1
2018	62,324,006	1,947,892	60,376,114	2.62%	1,805.7
2017	59,141,607	1,455,756	57,685,851	2.59%	1,749.0
2016	58,453,763	3,503,469	54,950,294	2.53%	1,864.9
2015	59,363,464	1,386,909	57,976,555	2.87%	1,819.1
2014	58,845,000	328,297	58,516,703	2.95%	1,986.0
2013	1,275,000	334,591	940,409	0.05%	31.9
2012	1,590,000	353,976	1,236,024	0.06%	41.9
2011	1,910,000	360,570	1,549,430	0.08%	53.9
2010	2,006,593	416,452	1,590,141	0.08%	55.3

Source: (1) School District Financial Records
(2) See Schedule S-17 for assessed valuation of property.
(3) See Schedule S-29 for population data.

North Ridgeville City School District
 Computation of Legal Debt Margin
 Last Ten Fiscal Years

(Amounts in thousands)

	2019	2018	2017	2016
Assessed Valuation	\$ 908,341	\$ 816,031	\$ 790,267	\$ 769,981
Debt Limit - 9% of Assessed Value (1)	81,751	73,443	71,124	69,298
Amount of Debt Application to Debt Limit:				
General Obligation Bonds	54,907	55,641	56,066	56,905
Less Amount Available in Debt Service Fund	1,931	1,948	1,446	1,464
Amount of Debt Subject to Limit	52,976	53,693	54,620	55,441
Legal Debt Margin	\$ 28,775	\$ 19,750	\$ 16,504	\$ 13,857
Legal Debt Margin as a Percentage of the Debt Limit	35.20%	26.89%	23.20%	20.00%
Unvoted Debt Limit - .10% of Assessed Value (1)	\$ 908	\$ 816	\$ 790	\$ 770
Amount of Debt Subject to Limit	-	-	-	-
Unvoted Legal Debt Margin	\$ 908	\$ 816	\$ 790	\$ 770
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	100.00%	100.00%	100.00%

Source: Lorain County Auditor and School District Financial Records.

(1) Ohio Bond Law established a limit of 9% for voted debt and 1/10 of 1% of unvoted debt.

2015	2014	2013	2012	2011	2010
\$ 715,396	\$ 700,768	\$ 679,673	\$ 731,621	\$ 708,493	\$ 693,461
64,386	63,069	61,171	65,846	63,764	62,411
57,765	58,845	1,275	1,590	1,910	2,007
1,279	1,387	328	335	-	380
56,486	57,458	947	1,255	1,910	1,627
\$ 7,900	\$ 5,611	\$ 60,224	\$ 64,591	\$ 61,854	\$ 60,784
12.27%	8.90%	98.45%	98.09%	97.00%	97.39%
\$ 715	\$ 701	\$ 680	\$ 732	\$ 708	\$ 693
-	-	-	-	-	-
\$ 715	\$ 701	\$ 680	\$ 732	\$ 708	\$ 693
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

North Ridgeville City School District
 Computation of Direct and Overlapping General Obligation Debt
 As of June 30, 2019

Jurisdiction	Debt Outstanding	Total Assessed Value	Percentage Applicable to School District (1)	Amount Applicable to School District
North Ridgeville City School District	\$ 54,906,505	\$ 908,340,730	100.00%	\$ 54,906,505
Lorain County	22,520,226 (2)	6,724,726,340	13.51%	3,042,483
North Ridgeville City	<u>18,911,464 (2)</u>	908,340,730	100.00%	<u>18,911,464</u>
Sub Total	<u>41,431,690</u>			<u>21,953,947</u>
Total	<u>\$ 96,338,195</u>			<u>\$ 76,860,452</u>

Source: Lorain County Auditor - Total Assessed Value is presented on a calendar year basis (including School District's) because that is the manner in which the information is maintained by the County Auditor.

- (1) Percentages are computed by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision.
- (2) Debt is as of December 31, 2018

North Ridgeville City School District
Demographic and Economic Statistics
Last Ten Years

Calendar Year	Population	Per Capita Income	Personal Income	Average Daily Student Enrollment (2)	Unemployment Rate		
					Lorain County	State	Country
2019	33,889 (4)	\$ 31,884	\$ 1,080,516,876	4,608	4.9% (4)	4.2% (4)	3.8% (4)
2018	33,436 (4)	31,871	1,065,638,756	4,521	4.8% (4)	4.5% (4)	4.0% (4)
2017	32,983 (4)	30,577	1,008,521,191	4,485	6.8% (4)	5.4% (4)	4.3% (4)
2016	32,483 (4)	30,209	981,278,947	4,277	5.4% (4)	5.0% (4)	4.9% (4)
2015	31,871 (4)	30,209	962,791,039	4,003	6.9% (4)	5.2% (4)	5.3% (4)
2014	31,871 (4)	30,209	962,791,039	4,100	6.9% (4)	5.2% (4)	5.3% (4)
2013	31,269 (1)	29,584	925,062,096	3,965	7.2% (1)	6.6% (1)	6.7% (1)
2012	30,571 (1)	29,310	896,036,010	3,964	8.2% (1)	7.3% (1)	8.1% (1)
2011	29,465 (1)	22,971	676,840,515	3,841	8.1% (1)	8.9% (1)	8.9% (1)
2010	29,465 (1)	22,971	676,840,515	3,826	9.9% (1)	10.0% (1)	9.6% (1)

Source: (1) Wikipedia, the free encyclopedia

(2) Average Daily Student Enrollment is compiled as of the first week in October reported to the Ohio Department of Education for the fiscal year.

(3) Population statistics for the City of North Ridgeville for the years 2005 through 2008 were estimated by the U.S. Census Bureau in the Population Estimate Program.

(4) U.S. Department of Census and U.S. Bureau of Labor Statistics

North Ridgeville City School District
Principal Employers
As of Fiscal Years June 30, 2019 and June 30, 2010

December 31, 2018 (1)

Employer	Nature of Activity or Business	Approximate Number of Employees (2)	Percent of Total
North Ridgeville City School District	Public education	522	3.3%
All American Sports Corporation (a)	Manufacturer of football equipment	412	2.6%
Invacare Corporation	Manufacturer of wheelchairs	245	1.5%
Beckett Gas, Inc.	Manufacturer of gas burners	245	1.5%
City of North Ridgeville, Ohio	Municipal government	194	1.2%
Center Ridge Nursing Home Inc.	Skilled nursing home facility	190	1.2%
Beckett Air, Inc.	Manufacturer of blower wheels	138	0.9%
R. W. Beckett Corporation	Manufacturer of oil burners	137	0.9%
University Hospital Health System	Healthcare	126	0.8%
ADP Total Source Co, XXI Inc.	Payroll services	119	0.7%
Total of all employees within the city		16,026	

Sources: Squire Patton Boggs Bond Counsel; "2006 Harris Ohio Services Directory" in cooperation with the Ohio Department of Development.

Source: State of Ohio, Labor Market Information

(a) An affiliate of Riddell Sports Group, Inc.

December 31, 2009 (1)

Employer	Nature of Activity or Business	Approximate Number of Employees (2)	Percent of Total
North Ridgeville City School District	Public education	519	4.1%
Invacare Corporation	Manufacturer of wheelchairs	99	2.3%
Beckett Gas, Inc.	Manufacturer of gas burners	230	1.8%
R.W. Beckett Corporation	Manufacturer of oil burners	193	1.7%
City of North Ridgeville, Ohio	Municipal government	212	1.6%
Center Ridge Nursing Home, Inc.	Skilled nursing home facility	200	1.5%
Northridge Health Center	Skilled nursing home facility	290	1.1%
Beckett Air, Inc.	Manufacturer of blower wheels	140	1.0%
Dreco Inc.	Plastic product manufacturing	130	0.9%
Riser Foods Company	Retail grocery	115	0.8%
Total of all employees within the city		12,800	

Sources: "2006 Harris Ohio Services Directory" in cooperation with the Ohio Department of Development; respective employers.

(1) Data is presented on a calendar year basis as that is the manner in which the information is maintained by the data source.

(2) Approximate number of employees within the City.

North Ridgeville City School District
Operating Statistics
Last Ten Fiscal Years

Year	Average Daily Student Enrollment	Operating Expenditures	Cost Per Pupil	Percent Change	Teaching Staff	Pupil Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
2019	4,608	\$ 52,936,698	\$ 11,488	13.06%	284	16.26	20.07%
2018	4,521	59,737,890	13,213	22.38%	256	17.66	20.91%
2017	4,485	76,349,197	17,023	-8.21%	277	16.19	22.00%
2016	4,277	67,287,762	15,732	-40.92%	282	15.17	22.00%
2015	4,003	44,689,187	11,164	-0.81%	245	16.34	24.00%
2014	4,100	45,404,212	11,074	-24.45%	245	16.73	23.00%
2013	3,965	35,280,536	8,898	1.66%	215	18.44	28.00%
2012	3,964	35,864,306	9,048	2.38%	239	16.59	25.00%
2011	3,841	35,602,642	9,269	4.70%	246	15.61	25.00%
2010	3,826	37,213,436	9,726	-2.43%	254	15.06	23.00%

Source: School District Financial Records.

North Ridgeville City School District
 District Employees by Type
 Last Ten Fiscal Years

	2019	2018	2017	2016
Administrators and Supervisors				
Superintendent	1	1	1	1
Assistant Superintendents	1	0	0	1
Treasurer	1	1	1	1
Principals	6	7	6	6
Assistant Principals	5	4	3	3
Coordinators and Supervisors	15	13	8	9
Total Administrators and Supervisors	<u>29</u>	<u>26</u>	<u>19</u>	<u>21</u>
Instructional Staff				
Teachers	184	168	171	175
Phys. Ed., Art and Music Teachers	30	28	26	28
Title I	5	5	5	4
Intervention Specialists	61	51	50	47
Tutors	1	1	1	1
Vocational Education Teachers	3	3	3	3
Total Certified Staff	<u>284</u>	<u>256</u>	<u>256</u>	<u>258</u>
Student Services				
Guidance counselors	9	8	8	8
Psychologists	4	4	4	4
Speech and Language Pathologists	6	6	6	6
Librarians	6	5	5	6
Nurses	5	5	5	5
Other Professionals (Non-Instructional)	2	2	8	2
Technicians	2	2	2	2
Total Student Services	<u>34</u>	<u>32</u>	<u>38</u>	<u>33</u>
Support and Administration				
Administrative Assistants	13	13	12	11
Clerical and Secretarial	16	15	16	17
Paraprofessionals	83	69	69	67
Cafeteria Workers	30	29	29	29
Bus Drivers	52	50	47	42
Mechanics	3	2	3	3
Maintenance	33	30	31	33
Total Support and Administration	<u>230</u>	<u>208</u>	<u>207</u>	<u>202</u>
Total	<u>577</u>	<u>522</u>	<u>520</u>	<u>514</u>

Source: School District records.

2015	2014	2013	2012	2011	2010
1	1	1	1	1	1
1	1	1	2	2	2
1	1	1	1	1	1
6	6	6	6	6	6
3	3	3	3	3	3
8	10	6	8	8	8
<u>20</u>	<u>22</u>	<u>18</u>	<u>21</u>	<u>21</u>	<u>21</u>
158	160	147	157	162	168
28	28	25	24	24	22
5	4	4	4	4	4
48	49	34	47	49	52
1	1	1	1	1	1
5	3	4	6	6	7
<u>245</u>	<u>245</u>	<u>215</u>	<u>239</u>	<u>246</u>	<u>254</u>
8	8	8	6	6	7
4	4	4	4	4	4
6	7	7	6	6	5
6	5	2	2	2	2
5	5	5	6	6	6
2	15	3	5	5	5
2	2	1	1	1	1
<u>33</u>	<u>46</u>	<u>30</u>	<u>30</u>	<u>30</u>	<u>30</u>
13	12	9	12	12	12
17	16	15	18	18	18
60	57	51	67	81	86
27	28	29	29	29	28
39	37	32	31	34	35
3	3	3	3	3	3
34	34	34	36	36	37
<u>193</u>	<u>187</u>	<u>173</u>	<u>196</u>	<u>213</u>	<u>219</u>
<u>491</u>	<u>500</u>	<u>436</u>	<u>486</u>	<u>510</u>	<u>524</u>

North Ridgeville City School District
Capital Asset Information
Last Ten Fiscal Years

	2019	2018	2017	2016
Elementary				
Fields Sweet (Year Built)	Sold	Sold	1920	1920
Square Feet	-	-	25,000	25,000
Capacity	-	-	227	227
Enrollment	-	-	81	81
Education Center (Year Built)	1933	1933	1933	1933
Square Feet	22,500	22,500	22,500	22,500
Capacity	205	205	205	205
Enrollment	156	156	156	156
Lear North (Year Built)	1967	1967	1967	1967
Square Feet	22,920	22,920	22,920	22,920
Capacity	208	208	208	208
Enrollment	309	309	309	309
Liberty (Year Built)	1976	1976	1976	1976
Square Feet	48,570	48,570	48,570	48,570
Capacity	442	442	442	442
Enrollment	635	635	635	635
Wilcox (Year Built)	Closed/Razed	Closed/Razed	1958	1958
Square Feet	-	-	52,793	52,793
Capacity	-	-	480	480
Enrollment	-	-	656	656
Middle School				
Middle School (Year Built)	Closed/Razed	Closed/Razed	1923	1923
Square Feet	-	-	94,277	94,277
Capacity	-	-	773	773
Enrollment	-	-	957	957
North Ridgeville Academic Center (3-8)				
NRAC (Year Built)	2018	2018	-	-
Square Feet	248,800	248,800	-	-
Capacity	2,300	2,300	-	-
Enrollment	1,871	1,871	-	-
High School				
High School (Year Built)	1967	1967	1967	1967
Square Feet	146,646	146,646	146,646	146,646
Capacity	978	978	978	978
Enrollment	1,240	1,240	1,240	1,240
Administrative				
Buildings (Included in NRAC)	1	1	1	1
Square Feet	11,200	11,200	11,200	11,200
Transportation				
Year Built	1968	1968	1968	1968
Garages	1	1	1	1
Square Feet	4,960	4,960	4,960	4,960
Buses	47	47	47	47
Maintenance				
Year Built	1991	1991	1991	1991
Buildings	1	1	1	1
Square Feet	7,200	7,200	7,200	7,200
Athletics				
Football fields	1	1	1	1
Soccer fields	1	1	1	1
Running tracks	1	1	1	1
Baseball/softball	2	2	2	2
Playgrounds	5	5	5	5
Tennis courts	1	1	1	1

Source: School District records.

2015	2014	2013	2012	2011	2010
1920	1920	1920	1920	1920	1920
25,000	25,000	25,000	25,000	25,000	25,000
227	227	227	227	227	227
78	76	79	95	73	73
1933	1933	1933	1933	1933	1933
22,500	22,500	22,500	22,500	22,500	22,500
205	205	205	205	205	205
186	150	154	152	150	150
1967	1967	1967	1967	1967	1967
22,920	22,920	22,920	22,920	22,920	22,920
208	208	208	208	208	208
317	313	346	292	305	305
1976	1976	1976	1976	1976	1976
48,570	48,570	48,570	48,570	48,570	48,570
442	442	442	442	442	442
668	658	549	607	582	582
1958	1958	1958	1958	1958	1958
52,793	52,793	52,793	52,793	52,793	52,793
480	480	480	480	480	480
605	620	706	627	630	630
1923	1923	1923	1923	1923	1923
94,277	94,277	94,277	94,277	94,277	94,277
773	773	773	773	773	773
960	969	937	922	930	930
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1967	1967	1967	1967	1967	1967
146,646	146,646	146,646	146,646	146,646	146,646
978	978	978	978	978	978
1,189	1,179	1,191	1,151	1,151	1,151
1	1	1	1	1	1
11,200	11,200	11,200	11,200	11,200	11,200
1968	1968	1968	1968	1968	1968
1	1	1	1	1	1
4,960	4,960	4,960	4,960	4,960	4,960
46	44	44	44	43	43
1991	1991	1991	1991	1991	1991
1	1	1	1	1	1
7,200	7,200	7,200	7,200	7,200	7,200
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
2	2	2	2	2	2
5	5	5	5	5	5
1	1	1	1	1	1

This page intentionally left blank.

OHIO AUDITOR OF STATE KEITH FABER



NORTH RIDGEVILLE CITY SCHOOL DISTRICT

LORAIN 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
JANUARY 16, 2020**