



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

WINTON WOODS CITY
SCHOOL DISTRICT
CINCINNATI, OHIO

OHIO AUDITOR OF STATE KEITH FABER



Board of Education
Winton Woods City School District
825 Waycross Road, Suite A
Cincinnati, OH 45240

We have reviewed the *Independent Auditor's Report* of Winton Woods City School District, Hamilton County, prepared by Plattenburg & Associates, Inc., for the audit period July 1, 2017 through June 30, 2018. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Winton Woods City School District is responsible for compliance with these laws and regulations.

Ohio Auditor of State

A handwritten signature in cursive script that reads "Keith Faber".

January 14, 2019

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WINTON WOODS CITY SCHOOL DISTRICT

CINCINNATI, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Prepared by:
Office of the Treasurer

Randy L. Seymour, Treasurer

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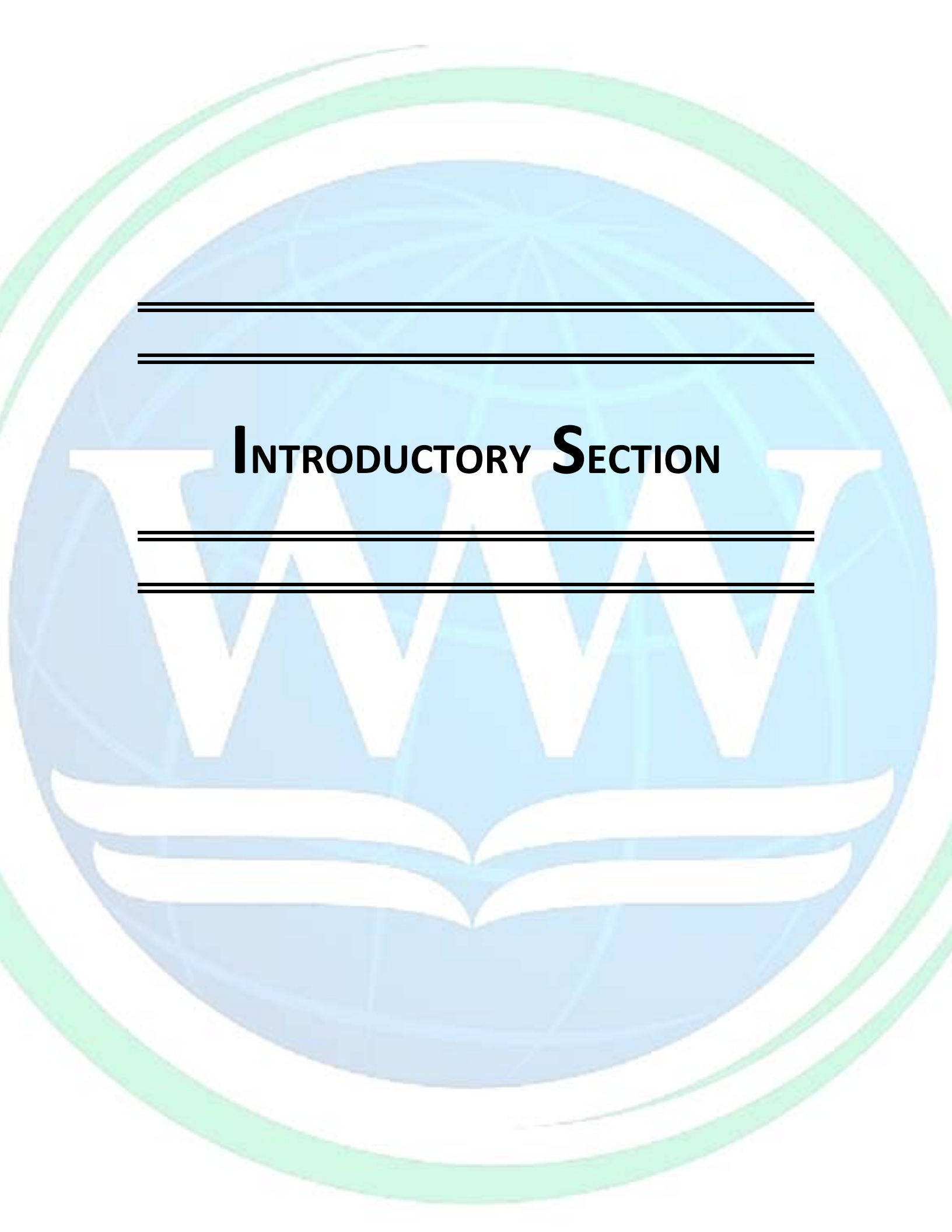
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INTRODUCTORY SECTION



825 Waycross Road, Suite A
Cincinnati, OH 45240
513.619.2300 phone
513.619.2309 fax
www.wintonwoods.org

December 12, 2018

To the Citizens and Board of Education of the Winton Woods City School District:

I am pleased to present the Comprehensive Annual Financial Report (CAFR) of the Winton Woods City School District (District). This report is for the fiscal year ended June 30, 2018. The report, prepared by the Treasurer's office, includes an opinion from the Plattenburg & Associates, CPAs. Responsibility for the accuracy, completeness and fairness of this report rests with the District and more specifically, the Office of the Treasurer. This report was prepared in conformance with generally accepted accounting principles as set forth by the Governmental Accounting Standards Board (GASB) and is representative of the District's continuing commitment to provide meaningful financial information to the citizens of the District. Copies will be available upon request to taxpayers, financial rating services, banking institutions and other interested parties.

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

DESCRIPTION OF THE DISTRICT

The District is located approximately 15 miles north of Cincinnati, Ohio. It serves an area of 13.2 square miles encompassing the City of Forest Park, Village of Greenhills and a small portion of Springfield Township. The total District population has decreased from 27,070 in 1980 to 26,655, latest information available, in 2011.

During the 2017-2018 school year, the District had 3,624 students enrolled in 4 grade level schools serving grades K-6, 1 middle school serving grades 7-8 and 1 high school serving grades 9-12. The District had been experiencing declining enrollment until the 2011-2012 school year in which enrollment began to stabilize and recently has been increasing. The District projects enrollment to stay consistent this year and in future years. The District also operates a variety of other facilities, including a central administration building, bus garage, maintenance building and several sports fields.

<u>Constructed</u>	<u>School/Address</u>	<u>Enrollment</u>
1957	Primary North (K-2) 73 Junefield Avenue	518
1953	Primary South (K-2) 825 Lakeridge Drive	423
1972	Elementary School (3-4) 1501 Kingsburg Drive	560
1968	Intermediate School (5-6) 825 Waycross Road	564
1963	Middle School (7-8) 147 Farragut Road	529
1968	High School (9-12) 1231 West Kemper Road	1,030

The District provides a full range of programs and services for its students. These include elementary and secondary course offerings at the general, vocational and college preparatory levels. Students also can attend off-site career technical programs offered by the Great Oaks Career and Technical Institute. A broad range of co-curricular and extra-curricular activities to complement the students' curricular programs are also offered.

ORGANIZATION OF THE DISTRICT

The Board of Education of the Winton Woods City School District (Board) is composed of five members elected at large by the citizens of the District. The Board serves as the taxing authority, contracting body and policy initiator of the operation of the District. The Board is also responsible for the adoption of the tax budget, the annual operating budget and approves all expenditures of the District. The Board is a body politic and corporate, as defined by Section 3313.02 of the Ohio Revised Code, and has only those powers and authority conferred upon it by the Code. The current Board members, their terms and years on the Board as of June 30, 2018 are:

<u>Board Member</u>	<u>Current Term</u>	<u>Total Years</u>
Mr. Jeff Berte	Sept. 2015 - Dec. 2021	3
Mrs. Paula Kuhn	Jan. 2016 - Dec. 2019	2
Dr. Viola Johnson	Jan. 2014 - Dec. 2021	4
Mrs. Jessica Miranda	Jan. 2014 - Dec. 2021	4
Mrs. Katrina Rugless	Jan. 2016 - Dec. 2019	2

The Superintendent is the chief executive officer of the District and is responsible directly to the Board for all operations of the District. Mr. Anthony Smith was appointed as Superintendent effective July 1, 2013 and his current contract will expire on July 31, 2020.

The Treasurer is the chief financial officer of the District and is directly responsible to the Board for all financial operations, investments, custody of all District funds and assets, and serves as

Secretary to the Board. Mr. Randy Seymour was appointed Treasurer effective May 1, 2011 and his current contract will expire July 31, 2020.

All other District employees are responsible to the Superintendent and are employed by the Board upon the recommendation of the Superintendent.

ECONOMIC CONDITION AND OUTLOOK

The District is located in Hamilton County, northwest of Cincinnati. Hamilton County has traditionally had a strong economy with unemployment rates consistently below state and national averages. The area has enjoyed growth during the last several years in retail, business and industrial parks, and recreational facilities, but recent economic events have slowed dramatically any growth. Convenient access to interstate highways I-71 and I-75 and interstate connector I-275 has helped to stabilize the tax base of the District.

The last tax levy was passed in November of 2018. The residents of the District approved a \$4.2 million ten year substitute levy which replaced the current \$4.2 million emergency levy which will expire in December 2018. This will stabilize the current revenues for a continuing period of time. The State of Ohio has no inflationary effect built into voted property tax levies. Due to no inflationary increases, the District is required to periodically present additional tax levies to the voters.

The District was successful in passing a 6.95 mill bond issue in November of 2016. The bond issue generated \$61.5 million in local funds matched by the state of Ohio Facilities Construction Commission in the amount of \$48.9 million for a total construction project of \$110.4. The District is currently constructing one new elementary school to house grades Pre-K thru 6 and one new middle/high school to house grades 7 thru 12.

The District is continually challenged by the responsibility bestowed upon it by the community at large. We are always striving to provide the very best opportunities to every student, while carefully guarding the District's resources.

MAJOR CURRENT AND FUTURE INITIATIVES

District Goals

The District's three year vision is as follows:

- Winton Woods City Schools maintains a standard of "Excellence", with the Board, staff, students, parents, and community all contributing to that achievement.

The administration will utilize the following goals as benchmarks in planning for the future of the District.

- To strengthen student achievement.
- To strengthen the District's financial position.
- To strengthen communication and engagement with the community.

DEPARTMENTAL FOCUS - DEPARTMENT OF TEACHING AND LEARNING

The Department of Teaching and Learning manages all facets of curriculum, instruction, and assessment within the Winton Woods City School District. Teaching & Learning also addresses the needs of students in Special Education, Early Childhood Education, Alternative Education, English as a Second Language and Gifted and Talented Education. The Department of Teaching & Learning offers professional guidance, support and resources to staff and stakeholders as we provide a world-class education designed to meet the diverse needs of our learners from pre-kindergarten through grade twelve.

New and Continued Initiatives in 2018-2019

1. Monitor, via the District Leadership Team (DLT) and the District's State Support Team (SST) consultant, progress on the District's improvement plan. The DLT will meet every month for three hours, from August through May.
2. Assist building principals in monitoring instruction and teacher and student work through the use of a coaching staff. The District has seven academic coaches-five literacy and two math at grades K through 8. Three of the five literacy coaches are funded by a Striving Readers Grant. The District also employs three technology coaches. The academic and technology coaches work with teachers to develop lessons, create assessments, leverage instructional technology, and allocate resources. They help support new teachers. The coaches also attend weekly Teacher Based Team and/or Department meetings, and meet bi-weekly with the Department of Teaching & Learning and Technology.
3. Continue the creation of a tiered, online professional development model for all job classifications in the District. It is hoped that the comprehensive model will be complete by the start of the 2019-2020 academic year.
4. Continue to implement the District's reading and math curriculum in Grades K-6 and partner with the New Tech Network to utilize project-based learning for all Grades K-12.
5. Continue to implement Measures of Academic Progress (MAP) and Map for Primary Grades (MPG) testing in reading, language and mathematics at Grades K-10. New in 2018-2019 is the use of AimsWEB Plus+ as a progress monitoring tool for Grades K-8 in both reading and mathematics.
6. Implement the following intervention programs at Grades K-10: *iLit* literacy intervention program for special education students and targeted low-performing students in reading; Rosetta Stone for our English Learners; Exact Path for both on and off-track students for Grades K-8 in reading and mathematics; ST Math for students at Grade 4; and Lexia Reading for our high school English Learners.

FINANCIAL INFORMATION

The District's accounting system is organized on a "fund" basis. Each fund is a distinct, self-balancing entity. Records for general governmental operations are maintained on a cash basis system of accounting as prescribed by the Ohio Auditor of State. Cash basis accounting differs from generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB).

Internal Accounting and Budgetary Controls

The management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived from its implementation; and (2) the valuation of cost and benefits requires estimates and judgments by management.

The District utilizes a fully automated accounting system as well as an automated system of control for fixed assets and payroll. These systems, coupled with the manual auditing of each voucher prior to payment, ensures that the financial information generated is both accurate and reliable.

At the beginning of each fiscal year, the Board adopts either a temporary appropriation measure or a permanent appropriation measure for that fiscal year. If a temporary appropriation is first adopted, the permanent appropriation measure must be adopted within three months.

Annual appropriations may not exceed the County Budget Commission's official estimate of resources. The County Auditor must certify that the Board's appropriation measures, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority for the Board. Budgets are controlled at the fund level. All special revenue, debt service, and capital project governmental funds have an annual appropriated budget. All purchase order requests must be approved by the individual program managers and certified by the Treasurer; necessary funds are then encumbered and purchase orders are released to vendors.

The accounting system used by the District provides interim financial reports which detail year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date. In addition to interim financial statements, each program manager has access to daily reports showing the status of the budget account for which he or she is responsible. Each program manager may request additional financial reports during the month when necessary.

As an additional safeguard, all employees involved with receiving and depositing funds are covered by a blanket bond and certain individuals in policy-making roles are covered by a separate, higher bond.

The basis of accounting and the various funds utilized by the District are fully described in the notes to the basic financial statements. Additional information on the District's budgetary accounts can also be found in the notes to the basic financial statements.

Long-Term Financial Planning

The District prepares a five-year forecast outlining operation revenues and expenditures based on current assumptions. In Ohio, the five year forecast must be filed with the Ohio Department of Education in October of each year, and then revised the following May. The forecast is used as a management tool in determining the operating needs of the District. The five year forecast provides management with the information needed to seek additional revenue or make reductions in expenditures in order to maintain a positive cash balance. Ohio law prohibits a school district from closing its doors due to lack of funds.

Relevant Financial Policies

The District prepares financial statements following GASB Statement 34, "Basic Financial Statements – and Management's Discussion and Analysis – for State and local Governments." GASB 34 has basic financial statements for reporting on the School District's financial activities as follows:

Government-wide financial statements – These statements are prepared on an accrual basis of accounting which is similar to the basis of accounting followed businesses.

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

Statement of budgetary comparisons – These statements present comparisons 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.

As part of this report, management is responsible for preparing a Management's Discussion and Analysis of the District. This discussion follows this letter of transmittal, providing an assessment of the District's finances for 2018 and the outlook for the future.

Independent Audit

The State of Ohio requires an annual audit by either the Ohio Auditor of State or by an independent public accounting firm. Plattenburg & Associates, CPAs, unqualified opinion

rendered on the District's basic financial statements, combining statements and individual fund schedules, is included in the financial section of this Comprehensive Annual Financial Report.

Awards

The District received the coveted Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada (GFOA) for the 2017 Comprehensive Annual Financial Report. This year's report will also be submitted for this award. We feel that the contents of the report are easily readable, efficiently organized and conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. The District believes our current report conforms to the Certificate of Achievement Program requirements and we are submitting it to the GFOA to determine its eligibility for a certificate.

The District will also seek the Association of School Business Officials (ASBO) Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2018. The District received the Certificate of Achievement for Excellence in Financial Reporting from ASBO for the 2017 Comprehensive Annual Financial Report. This award certifies that a Comprehensive Annual Financial Report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials. This award is granted only after an extensive review of the report by an expert panel of certified public accountants and practicing school business officials.

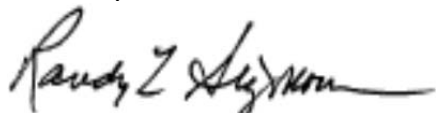
Acknowledgments

The preparation of this report was possible by the dedicated service of the Treasurer's office staff and Plattenburg and Associates. Finally, credit must also be given to the Board of Education for maintaining high standards of professionalism in the management of the Winton Woods City School District's finances. The publication of this Comprehensive Annual Financial Report for the District is a major step in reinforcing the accountability of the District to the taxpayers of the community.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Randy Seymour Treasurer at Winton Woods City Schools, 825 Waycross Road, Suite A, Cincinnati, Ohio 45040. Or E-mail at seymour.randy@wintonwoods.org.

Sincerely,



Randy L. Seymour
Treasurer

**WINTON WOODS CITY SCHOOL DISTRICT, OHIO
LIST OF PRINCIPAL OFFICIALS
JUNE 30, 2018**

BOARD OF EDUCATION

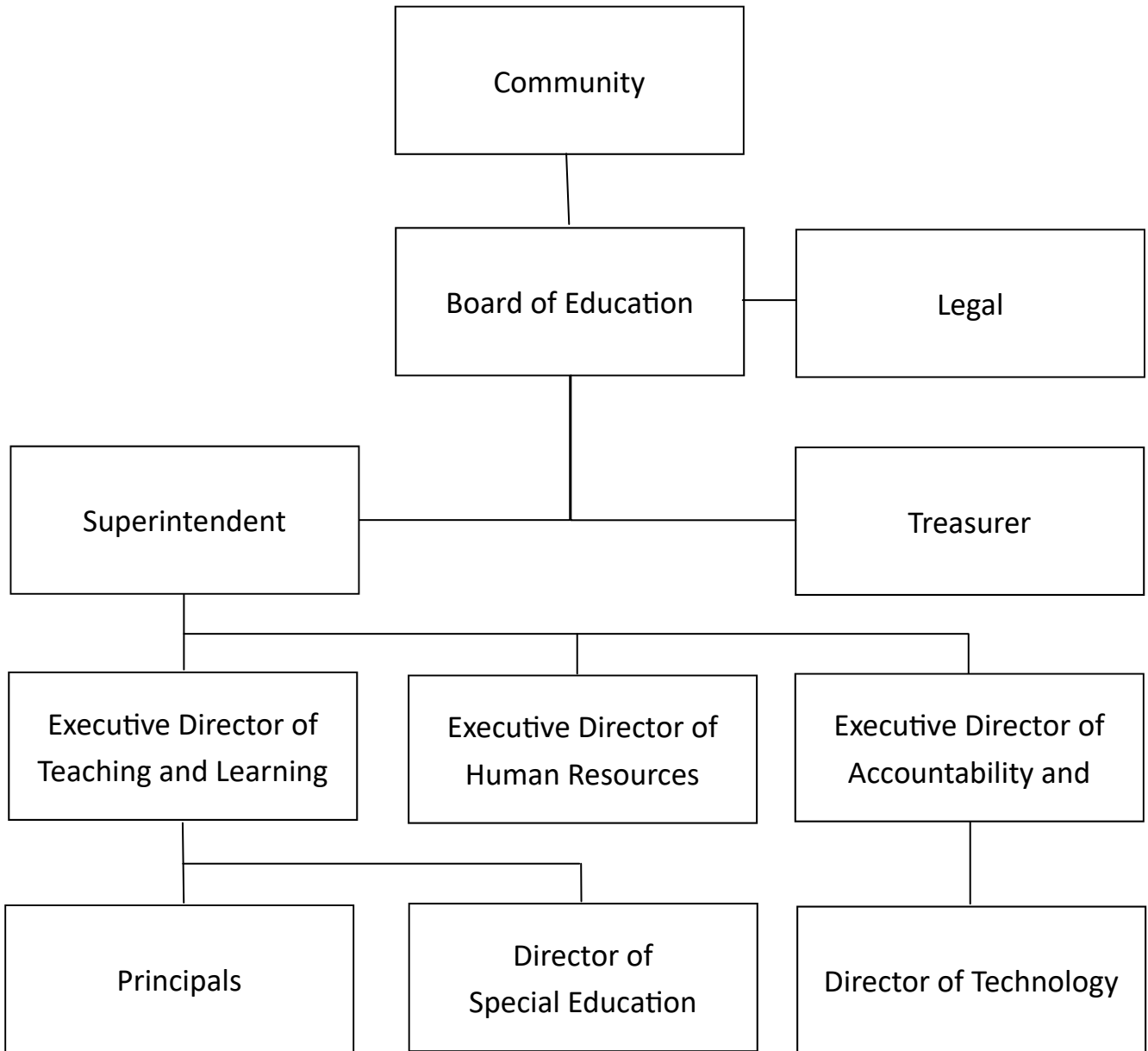
PresidentMrs. Jessica Miranda
Vice President Dr. Viola Johnson
Board Member Mr. Jeff Berte
Board Member Mrs. Paula Kuhn
Board Member Mrs. Katrina Rugless

ADMINISTRATIVE OFFICIALS

Superintendent Mr. Anthony G. Smith
Treasurer Mr. Randy Seymour
Executive Director of Curriculum and Instruction Dr. Terri Holden
Executive Director of Human Resources Mrs. Courtney Wilson
Executive Director of Accountability & Business Affairs Mr. Steve Denny

WINTON WOODS CITY SCHOOL DISTRICT, OHIO

Organizational Chart as of June 30, 2018





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Winton Woods City School District
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morvill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting
is presented to**

Winton Woods City School District

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2017.**

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards.



Charles E. Peterson, Jr.

Charles E. Peterson, Jr., SFO, RSBA, MBA
President

John D. Musso

John D. Musso, CAE
Executive Director

State of Ohio Map

Winton Woods City School District





FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Board of Education
Winton Woods City School District

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 Winton Woods City School District (the District) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2018, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 21 to the financial statements, during the year ended June 30, 2018, the District adopted the provisions of Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pension. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, budgetary comparison schedules and schedules of pension information and other postemployment information to be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information 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, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2018, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion 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.

Plattensburg & Associates, Inc.

Plattensburg & Associates, Inc.
Cincinnati, Ohio
December 12, 2018

**Winton Woods City School District, Ohio
Management's Discussion and Analysis
For The Fiscal Year Ended June 30, 2018
(Unaudited)**

The management's discussion and analysis of Winton Woods City School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2018. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the District's performance.

Financial Highlights

Key financial highlights for 2018 are as follows:

- Net position of governmental activities increased \$23,998,518 which represents a 253% increase from 2017.
- General revenues accounted for \$49,444,003 in revenue or 81% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$11,474,635 or 19% of total revenues of \$60,918,638.
- The District had \$36,920,120 in expenses related to governmental activities; \$11,474,635 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$49,444,003 were also used to provide for these programs.

Overview of the Financial Statements

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

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other nonmajor funds presented in total in one column. The General Fund and the Classroom Facilities Funds are the major funds of the District.

Government-wide Financial Statements

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the questions, "How did we do financially during 2018?" The *Government-wide Financial Statements* answers this question. These statements include *all assets and deferred outflows*, and *liabilities and deferred inflows* 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.

**Winton Woods City School District, Ohio
Management's Discussion and Analysis
For The Fiscal Year Ended June 30, 2018
(Unaudited)**

These two statements report the District's *net position* and changes in the net position. This change in net position is important because it tells the reader that, for the District as a whole, the financial position has improved or diminished. The causes of this change may be the result of many factors, both financial and non-financial. Non-financial factors include the District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the Government-wide Financial Statements, the District presents:

- **Governmental Activities** – The District's programs and services are reported here and include instruction, support services, operation of non-instructional services, extracurricular activities and interest and fiscal charges.

Fund Financial Statements

The analysis of the District's major funds is presented in the Fund Financial Statements (see Table of Contents). Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds.

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

Fiduciary Funds Fiduciary Funds are used to account for resources held for the benefits of parties outside the government. Fiduciary Funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs.

The District as a Whole

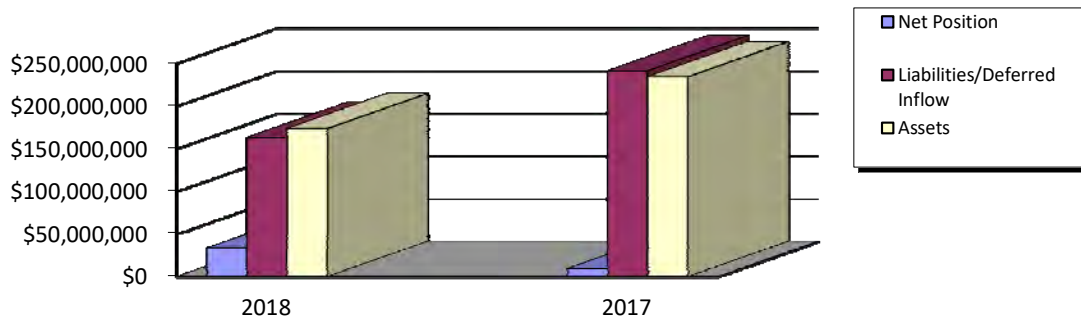
As stated previously, the Statement of Net Position looks at the District as a whole. Table 1 provides a summary of the District's net position for 2018 compared to 2017:

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**Winton Woods City School District, Ohio
Management's Discussion and Analysis
For The Fiscal Year Ended June 30, 2018
(Unaudited)**

Table 1
Net Position

	Governmental Activities	
	June 30, 2018	Restated June 30, 2017
Assets:		
Current and Other Assets	\$161,234,185	\$225,538,383
Capital Assets	12,120,454	8,329,355
Total Assets	173,354,639	233,867,738
Deferred Outflows of Resources:		
Deferred Charge on Refunding	927,327	0
OPEB	1,151,896	123,487
Pension	20,926,440	16,378,807
Total Deferred Outflows of Resources	23,005,663	16,502,294
Liabilities:		
Other Liabilities	5,366,899	66,738,793
Long-Term Liabilities	137,645,716	157,825,022
Total Liabilities	143,012,615	224,563,815
Deferred Inflows of Resources:		
Property Taxes	15,970,000	15,775,000
Revenue in Lieu of Taxes	579,989	563,514
OPEB	1,499,180	0
Pension	1,832,297	0
Total Deferred Inflows of Resources	19,881,466	16,338,514
Net Position:		
Net Investment in Capital Assets	8,238,822	7,332,175
Restricted	53,766,559	52,743,265
Unrestricted	(28,539,160)	(50,607,737)
Total Net Position	\$33,466,221	\$9,467,703



Winton Woods City School District, Ohio
Management's Discussion and Analysis
For The Fiscal Year Ended June 30, 2018
(Unaudited)

The net pension liability (NPL) is one of the largest single liabilities reported by the District at June 30, 2018 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." For fiscal year 2018, the District adopted GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions," which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the District's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

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 District's proportionate share of each plan's collective:

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

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

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

Winton Woods City School District, Ohio
Management's Discussion and Analysis
For The Fiscal Year Ended June 30, 2018
(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 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, respectively, not accounted for as deferred inflows/outflows.

As a result of implementing GASB 75, the District is reporting a net OPEB liability and deferred inflows/outflows of resources related to OPEB on the accrual basis of accounting. This implementation also had the effect of restating net position at June 30, 2017, from \$25,637,285 to \$9,467,703.

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2018, the District's assets and deferred outflows were more than liabilities and deferred inflows of resources by \$33,466,221.

At year-end, capital assets represented 7% of total assets. Capital assets include land, construction in progress, land improvements, buildings and improvements, furniture and equipment, and vehicles. Capital assets, net of related debt to acquire the assets at June 30, 2018, were \$8,238,822. These capital assets are used to provide services to the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the District's net position, \$53,766,559 represents resources that are subject to external restriction on how they must be used. The external restriction will not affect the availability of fund resources for future use.

The District's restricted net position has seen a large increase over the past few years due to Ohio Facilities Construction Commission (OFCC) monies received for the construction of two new buildings for the District.

Current and Other Assets decreased mainly due to a decrease in pooled cash and investments and intergovernmental receivables. Long-Term Liabilities decreased mainly due to a decrease in net pension liability.

Table 2 shows the changes in net position for fiscal years 2018 and 2017.

**Winton Woods City School District, Ohio
Management's Discussion and Analysis
For The Fiscal Year Ended June 30, 2018
(Unaudited)**

Table 2
Changes in Net Position

	Governmental Activities	
	2018	2017
Revenues:		
Program Revenues		
Charges for Services and Sales	\$3,666,465	\$3,561,108
Operating Grants and Contributions	7,808,170	9,052,602
General Revenues:		
Property Taxes	27,629,156	27,688,258
Grants and Entitlements	19,818,268	19,310,466
Grants and Entitlements for Capital Construction	0	48,875,958
Other	1,996,579	1,700,927
Total Revenues	60,918,638	110,189,319
Program Expenses:		
Instruction	21,072,309	34,267,080
Support Services:		
Pupil and Instructional Staff	3,839,449	6,500,772
School Administrative, General		
Administration, Fiscal and Business	2,893,886	6,617,869
Operations and Maintenance	1,754,433	4,662,000
Pupil Transportation	1,594,077	2,325,668
Central	373,035	845,831
Operation of Non-Instructional Services	1,984,727	2,721,376
Extracurricular Activities	668,157	975,178
Interest and Fiscal Charges	2,740,047	1,511,364
Total Program Expenses	36,920,120	60,427,138
Change in Net Position	23,998,518	49,762,181
Net Position - Beginning of Year, Restated	9,467,703	N/A
Net Position - End of Year	\$33,466,221	\$9,467,703

The information necessary to restate the 2017 beginning balances and the 2017 OPEB expense amounts for the effects of the initial implementation of GASB 75 is not available. Therefore, 2017 functional expenses still include OPEB expense of \$123,487 computed under GASB 45. GASB 45 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 75, OPEB expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of OPEB expense. Under GASB 75, the 2018 statements report negative OPEB expense of \$1,667,042. Consequently, in order to compare 2018 total program expenses to 2017, the following adjustments are needed:

**Winton Woods City School District, Ohio
Management's Discussion and Analysis
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(Unaudited)**

Total 2018 operating expenses under GASB 75	\$36,920,120
Negative OPEB expense under GASB 75	1,667,042
2018 contractually required contribution	148,507
Adjusted 2018 operating expenses	38,735,669
Total 2017 operating expenses under GASB 45	60,427,138
Change in operating expenses not related to OPEB	(\$21,691,469)

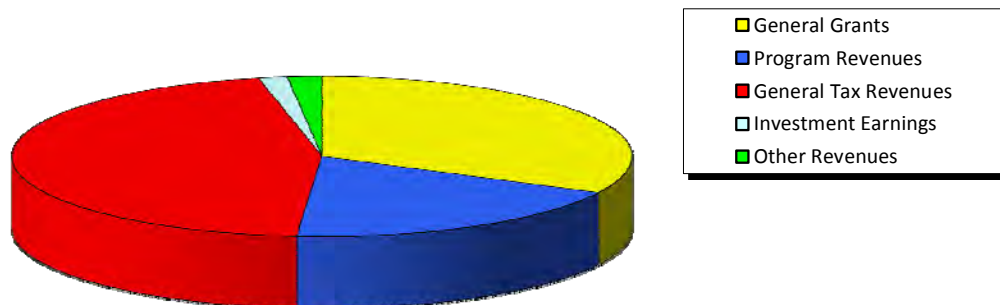
Governmental Activities

The District revenues came from mainly two sources. Property taxes levied for general purposes, special revenue purposes, debt service purposes, capital projects purposes and grants and entitlements comprised 78% of the District's revenues for governmental activities.

The District depends greatly on property taxes as a revenue source. The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenues generated by a levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay \$35.00.

Thus Ohio districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. Property taxes made up 45% of revenue for governmental activities for Winton Woods City School District in fiscal year 2018. The District's reliance upon tax revenues is demonstrated in the following graph:

Revenue Sources	2018	Percent of Total
General Grants	\$19,818,268	32.5%
Program Revenues	11,474,635	18.8%
General Tax Revenues	27,629,156	45.4%
Investment Earnings	918,824	1.5%
Other Revenues	1,077,755	1.8%
Total Revenues	\$60,918,638	100.0%



Winton Woods City School District, Ohio
Management's Discussion and Analysis
For The Fiscal Year Ended June 30, 2018
(Unaudited)

Instruction comprises 57% of governmental program expenses. Support services expenses were 28% of governmental program expenses. All other expenses and interest expense was 15%. Interest expense was attributable to the outstanding bond and borrowing for capital projects.

Grants and Entitlements increased mainly due to an increase in grant monies received in fiscal year 2018 as compared to fiscal year 2017. Total expenses decreased from the prior year due to changes related to net pension liability and other post employment benefits liability.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for government activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2018	2017	2018	2017
Instruction	\$21,072,309	\$34,267,080	(\$13,332,270)	(\$25,486,887)
Support Services:				
Pupil and Instructional Staff	3,839,449	6,500,772	(3,532,506)	(6,104,480)
School Administrative, General				
Administration, Fiscal and Business	2,893,886	6,617,869	(2,711,991)	(6,398,457)
Operations and Maintenance	1,754,433	4,662,000	(1,546,134)	(4,437,116)
Pupil Transportation	1,594,077	2,325,668	(1,355,803)	(2,116,489)
Central	373,035	845,831	(373,035)	(845,831)
Operation of Non-Instructional Services	1,984,727	2,721,376	554,284	(80,088)
Extracurricular Activities	668,157	975,178	(407,983)	(832,716)
Interest and Fiscal Charges	2,740,047	1,511,364	(2,740,047)	(1,511,364)
Total Expenses	<u>\$36,920,120</u>	<u>\$60,427,138</u>	<u>(\$25,445,485)</u>	<u>(\$47,813,428)</u>

The District's Funds

The District has two major governmental funds: the General Fund and the Classroom Facilities Fund. Assets of the general fund comprised \$44,015,624 (27%) and the classroom facilities fund \$98,416,869 (61%) of the total \$161,234,185 governmental funds' assets.

General Fund: Fund balance at June 30, 2018 was \$24,179,119 including \$17,883,013 of unassigned balance. The primary reason for the decrease in fund balance was due to a decrease in property tax revenues.

Classroom Facilities Fund: Fund balance at June 30, 2018 was \$54,956,229. The primary reason for the increase in fund balance was due to the increase in intergovernmental revenue due to OFCC monies received for the construction of two new buildings for the District.

**Winton Woods City School District, Ohio
Management's Discussion and Analysis
For The Fiscal Year Ended June 30, 2018
(Unaudited)**

General Fund Budgeting Highlights

The District's budget is prepared according to Ohio law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. During the course of fiscal year 2018, the District amended its general fund budget numerous times. The District uses site-based budgeting and the budgeting systems are designed to tightly control total site budgets but provide flexibility for site management. During the course of the year, the District revised the Budget in an attempt to deal with unexpected changes in revenues and expenditures.

For the General Fund, final budget basis revenue was \$49,858,988, compared to original budget estimates of \$48,859,100. The original budgeted amount and the final budgeted amount had a variance of \$999,888. Actual budget basis revenues exceeded final budget basis revenues by \$467,034 mainly due to conservative estimates for taxes and intergovernmental revenue. Final budget basis expenditures exceeded actual budget basis expenditures by \$3,347,937 mainly due to overestimates in instruction expenditures.

The District's ending unobligated actual fund balance for the General Fund was \$19,336,959.

Capital Assets and Debt Administration

Capital Assets

At fiscal year end, the District had \$12,120,454 invested in land, construction in progress, land improvements, buildings and improvements, furniture and equipment, and vehicles. Table 4 shows fiscal year 2018 balances compared to fiscal year 2017:

Table 4
Capital Assets at Year End
(Net of Depreciation)

	Governmental Activities	
	2018	2017 - Restated
Land	\$821,208	\$821,208
Construction in Progress	2,865,277	199,775
Land Improvements	250,442	253,187
Buildings and Improvements	6,376,098	5,260,192
Furniture and Equipment	797,553	800,881
Vehicles	1,009,876	994,112
Total Net Capital Assets	<u>\$12,120,454</u>	<u>\$8,329,355</u>

Overall, capital assets increased due to current year additions being greater than depreciation expense.

See Note 5 of the Notes to the Basic Financial Statements for further details on the District's capital assets.

**Winton Woods City School District, Ohio
Management's Discussion and Analysis
For The Fiscal Year Ended June 30, 2018
(Unaudited)**

Debt

At fiscal year end, the District had \$64,702,685 in general obligation bonds payable and in capital leases payable, \$1,237,356 due within one year. Table 5 summarizes bonds and capital leases outstanding at year end.

Table 5
Outstanding Debt at Year End

	Governmental Activities	
	2018	2017
Bonds Payable		
2017 School Improvement Bonds, Series 2017A	\$21,445,000	\$51,700,000
2017 School Improvement Bonds, Series 2017B	9,400,000	9,450,000
Premium on 2017A issuance	0	2,632,201
Premium on 2017B Issuance	336,945	346,305
2018 Refunding Bonds	28,405,000	0
Capital Appreciation - Principal	150,000	0
Capital Appreciation - Interest	13,424	0
Premium on 2018 Advanced Refunding	3,869,094	0
Subtotal Bonds	<u>63,619,463</u>	<u>64,128,506</u>
Capital Lease Payable		
Boiler Replacements	704,000	463,624
Loan Payable OASBO Pool	379,222	1,034,000
Subtotal Capital Lease Payable	<u>1,083,222</u>	<u>1,497,624</u>
Total Outstanding Debt at Year End	<u><u>\$64,702,685</u></u>	<u><u>\$65,626,130</u></u>

See Note 7, 8 and 9 of the Notes to the Basic Financial Statements for further details on the District's long-term obligations.

For the Future

Financially, the future of the District is not without challenges. Prior reductions in State Aid to Ohio schools and the downturn in the real estate market have negatively impacted the District financially. In the past two years, revenues have begun to rebound slightly in State Aid to Ohio schools. To meet this challenge, the administration and the Board of Education implemented many budget reductions in prior years and our District continues to analyze all costs for greater efficiency while being mindful of any negative impact to student services and programs. This scenario requires management to plan carefully and prudently to provide the resources to meet student needs over the next several years.

All of the District's financial abilities will be needed to meet the challenges of the future. With careful planning and monitoring of the District's finances, the District's management is confident that the District can continue to provide a quality education for our students and provide secure financial future.

**Winton Woods City School District, Ohio
Management's Discussion and Analysis
For The Fiscal Year Ended June 30, 2018
(Unaudited)**

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Treasurer at Winton Woods City School District, 1215 West Kemper Road, Cincinnati, Ohio 45240.

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Winton Woods City School District, Ohio
Statement of Net Position
June 30, 2018

	Governmental Activities
Assets:	
Equity in Pooled Cash and Investments	\$88,429,234
Receivables (Net):	
Taxes	28,129,827
Accounts	119,480
Interest	109,304
Intergovernmental	44,333,070
Prepays	90,641
Inventory	22,629
Nondepreciable Capital Assets	3,686,485
Depreciable Capital Assets, Net	<u>8,433,969</u>
 Total Assets	 <u>173,354,639</u>
Deferred Outflows of Resources:	
Deferred Charge on Refunding Pension	927,327
OPEB	20,926,440
	<u>1,151,896</u>
 Total Deferred Outflows of Resources	 <u>23,005,663</u>
Liabilities:	
Accounts Payable	92,758
Accrued Wages and Benefits	4,709,277
Contracts Payable	169,130
Accrued Interest Payable	395,734
Long-Term Liabilities:	
Due Within One Year	1,754,050
Due In More Than One Year	
Net Pension Liability	57,217,756
Net OPEB Liability	13,506,306
Other Amounts	<u>65,167,604</u>
 Total Liabilities	 <u>143,012,615</u>
Deferred Inflows of Resources:	
Property Taxes	15,970,000
Revenue in Lieu of Taxes	579,989
Pension	1,832,297
OPEB	<u>1,499,180</u>
 Total Deferred Inflows of Resources	 <u>19,881,466</u>
Net Position:	
Net Investment in Capital Assets	8,238,822
Restricted for:	
Debt Service	3,362,743
Capital Projects	49,103,781
Food Service	479,008
Local Grants	180,005
Federal Grants	101,563
Capital Maintenance	390,815
Other Purposes	148,644
Unrestricted	<u>(28,539,160)</u>
 Total Net Position	 <u>\$33,466,221</u>

See accompanying notes to the basic financial statements.

Winton Woods City School District, Ohio
Statement of Activities
For the Fiscal Year Ended June 30, 2018

	Program Revenues			Net (Expense) Revenue and Changes in Net Position Governmental Activities
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	
Governmental Activities:				
Instruction:				
Regular	\$14,656,173	\$2,782,393	\$647,925	(\$11,225,855)
Special	6,416,136	3,753	4,190,751	(2,221,632)
Vocational	0	0	17,343	17,343
Other	0	1,170	96,704	97,874
Support Services:				
Pupil	2,025,839	28,227	7,843	(1,989,769)
Instructional Staff	1,813,610	2,229	268,644	(1,542,737)
General Administration	209,929	0	0	(209,929)
School Administration	1,600,684	0	82,503	(1,518,181)
Fiscal	920,030	0	99,392	(820,638)
Business	163,243	0	0	(163,243)
Operations and Maintenance	1,754,433	208,299	0	(1,546,134)
Pupil Transportation	1,594,077	22,046	216,228	(1,355,803)
Central	373,035	0	0	(373,035)
Operation of Non-Instructional Services	1,984,727	358,174	2,180,837	554,284
Extracurricular Activities	668,157	260,174	0	(407,983)
Interest and Fiscal Charges	2,740,047	0	0	(2,740,047)
Total Governmental Activities	\$36,920,120	\$3,666,465	\$7,808,170	(25,445,485)
General Revenues:				
Property Taxes Levied for:				
				23,624,698
				189,153
				3,243,078
				572,227
				19,818,268
				579,989
				725
				918,824
				497,041
Total General Revenues				49,444,003
Change in Net Position				23,998,518
Net Position - Beginning of Year, Restated				9,467,703
Net Position - End of Year				\$33,466,221

See accompanying notes to the basic financial statements.

Winton Woods City School District, Ohio
 Balance Sheet
 Governmental Funds
 June 30, 2018

	General	Classroom Facilities	Other Governmental Funds	Total Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	\$19,323,985	\$55,007,460	\$14,097,789	\$88,429,234
Receivables (Net):				
Taxes	23,918,993	0	4,210,834	28,129,827
Accounts	110,344	0	9,136	119,480
Interest	0	109,304	0	109,304
Intergovernmental	579,989	43,300,105	452,976	44,333,070
Prepays	82,313	0	8,328	90,641
Inventory	0	0	22,629	22,629
Total Assets	44,015,624	98,416,869	18,801,692	161,234,185
Liabilities:				
Accounts Payable	35,183	0	57,575	92,758
Accrued Wages and Benefits	4,246,094	0	463,183	4,709,277
Compensated Absences	5,700	0	0	5,700
Contracts Payable	0	127,814	41,316	169,130
Total Liabilities	4,286,977	127,814	562,074	4,976,865
Deferred Inflows of Resources:				
Property Taxes	14,969,539	0	2,720,834	17,690,373
Investments	0	32,721	0	32,721
Grants and Other Taxes	0	43,300,105	20	43,300,125
Revenue in Lieu of Taxes	579,989	0	0	579,989
Total Deferred Inflows of Resources	15,549,528	43,332,826	2,720,854	61,603,208
Fund Balances:				
Nonspendable	82,313	0	8,328	90,641
Restricted	0	54,956,229	15,528,927	70,485,156
Assigned	6,213,793	0	0	6,213,793
Unassigned	17,883,013	0	(18,491)	17,864,522
Total Fund Balances	24,179,119	54,956,229	15,518,764	94,654,112
Total Liabilities, Deferred Inflows and Fund Balances	\$44,015,624	\$98,416,869	\$18,801,692	\$161,234,185

See accompanying notes to the basic financial statements.

Winton Woods City School District, Ohio
 Reconciliation of Total Governmental Fund Balance to
 Net Position of Governmental Activities
 June 30, 2018

Total Governmental Fund Balance		\$94,654,112
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital assets used in the operation of Governmental Funds		12,120,454
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		
Delinquent Property Taxes	\$1,720,373	
Interest	32,721	
Intergovernmental	43,300,125	
		<u>45,053,219</u>
In the statement of net position interest payable is accrued when incurred; whereas, in the governmental funds interest is reported as a liability only when it will require the use of current financial resources.		
		(395,734)
Some liabilities reported in the statement of net position do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds.		
Compensated Absences		(2,213,269)
Deferred charge on refunding associated with long-term liabilities that are not reported in the funds.		
		927,327
Deferred outflows and inflows or resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions	20,926,440	
Deferred inflows of resources related to pensions	(1,832,297)	
Deferred outflows of resources related to OPEB	1,151,896	
Deferred inflows of resources related to OPEB	(1,499,180)	
		<u>18,746,859</u>
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Net Pension Liability	(57,217,756)	
Net OPEB Liability	(13,506,306)	
Other Amounts	(64,702,685)	
		<u>(135,426,747)</u>
Net Position of Governmental Activities		<u><u>\$33,466,221</u></u>

See accompanying notes to the basic financial statements.

Winton Woods City School District, Ohio
Statement of Revenues, Expenditures
and Changes in Fund Balance
Governmental Funds
For the Fiscal Year Ended June 30, 2018

	General	Classroom Facilities	Other Governmental Funds	Total Governmental Funds
Revenues:				
Property and Other Taxes	\$23,469,238	\$0	\$3,972,149	\$27,441,387
Tuition and Fees	2,803,647	0	0	2,803,647
Investment Earnings	49,168	710,818	126,117	886,103
Intergovernmental	22,726,859	4,963,100	5,111,417	32,801,376
Extracurricular Activities	8,360	0	251,814	260,174
Charges for Services	1,170	0	393,176	394,346
Revenue in Lieu of Taxes	579,989	0	0	579,989
Other Revenues	637,490	9,426	53,583	700,499
Total Revenues	50,275,921	5,683,344	9,908,256	65,867,521
Expenditures:				
Current:				
Instruction:				
Regular	22,463,934	0	661,637	23,125,571
Special	8,852,189	0	1,524,874	10,377,063
Support Services:				
Pupil	3,144,499	0	49,946	3,194,445
Instructional Staff	2,599,790	0	282,615	2,882,405
General Administration	220,688	0	0	220,688
School Administration	3,948,546	0	85,443	4,033,989
Fiscal	1,328,752	0	49,228	1,377,980
Business	267,493	0	0	267,493
Operations and Maintenance	3,322,402	0	0	3,322,402
Pupil Transportation	2,471,696	0	5,000	2,476,696
Central	754,643	0	0	754,643
Operation of Non-Instructional Services	29,991	0	2,555,674	2,585,665
Extracurricular Activities	883,252	0	300,491	1,183,743
Capital Outlay	94,872	2,645,775	877,302	3,617,949
Debt Service:				
Principal Retirement	0	0	2,164,402	2,164,402
Interest and Fiscal Charges	0	67,856	2,275,142	2,342,998
Issuance Costs	0	0	307,063	307,063
Total Expenditures	50,382,747	2,713,631	11,138,817	64,235,195
Excess of Revenues Over (Under) Expenditures	(106,826)	2,969,713	(1,230,561)	1,632,326
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	5,563	0	0	5,563
Issuance of Long-Term Capital-Related Debt	0	0	28,555,000	28,555,000
Payments to Bond Escrow Account	0	0	(32,114,528)	(32,114,528)
Premium on Bonds and Notes Issued	0	0	3,869,094	3,869,094
Transfers In	0	51,621,805	10,790,661	62,412,466
Transfers (Out)	(20,000)	0	(62,392,466)	(62,412,466)
Total Other Financing Sources (Uses)	(14,437)	51,621,805	(51,292,239)	315,129
Net Change in Fund Balance	(121,263)	54,591,518	(52,522,800)	1,947,455
Fund Balance - Beginning of Year	24,300,382	364,711	68,041,564	92,706,657
Fund Balance - End of Year	\$24,179,119	\$54,956,229	\$15,518,764	\$94,654,112

See accompanying notes to the basic financial statements.

Winton Woods City School District, Ohio
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balance of Governmental Funds to the Statement of Activities
 For the Fiscal Year Ended June 30, 2018

Net Change in Fund Balance - Total Governmental Funds \$1,947,455

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

Governmental funds report capital asset additions as expenditures.
 However, in the statement of activities, the cost of those assets is
 allocated over their estimated useful lives as depreciation
 expense. This is the amount of the difference between capital
 asset additions and depreciation in the current period.

Capital assets used in governmental activities	4,604,276	
Depreciation Expense	<u>(812,637)</u>	
		3,791,639

Governmental funds report district pension and OPEB contributions as
 expenditures. However in the Statement of Activities, the cost
 of pension and OPEB benefits earned net of employee contributions is
 reported as pension and OPEB expense.

District pension contributions	4,193,189	
Pension expense	15,684,454	
District OPEB contributions	148,507	
OPEB expense	<u>1,667,042</u>	
		21,693,192

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

Delinquent Property Taxes	187,769	
Interest	32,721	
Intergovernmental	<u>(5,174,937)</u>	
		(4,954,447)

In the statement of activities, certain costs and proceeds associated with
 long-term debt obligations issued during the year are accrued and
 amortized over the life of the debt obligation. In governmental funds
 these costs and proceeds are recognized as financing sources and uses.

Refunding Bonds	(28,555,000)	
Bonds Refunded	31,186,659	
Deferred Charge on Refunding	927,327	
Premium on Bond Refunding	<u>(3,869,094)</u>	
		(310,108)

Repayment of bond and capital lease principal is an expenditure in the
 governmental funds, but the repayment reduces long-term
 liabilities in the statement of net position. 2,164,402

In the statement of activities interest expense is accrued when incurred;
 whereas, in governmental funds an interest expenditure is reported
 when due. (85,922)

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

Compensated Absences	(243,629)	
Amortization of Bond Premium	9,360	
Bond Accretion	<u>(13,424)</u>	
Compensated Absences		<u>(247,693)</u>

Change in Net Position of Governmental Activities \$23,998,518

See accompanying notes to the basic financial statements.

Winton Woods City School District, Ohio
Statement of Fiduciary Assets and Liabilities
Fiduciary Fund
June 30, 2018

	<u>Agency</u>
Assets:	
Equity in Pooled Cash and Investments	<u>\$40,986</u>
Total Assets	<u><u>40,986</u></u>
Liabilities:	
Other Liabilities	<u>40,986</u>
Total Liabilities	<u><u>\$40,986</u></u>

See accompanying notes to the basic financial statements.

Winton Woods City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2018

Note 1 - Summary of Significant Accounting Policies

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

Description of the District

The District was chartered by the Ohio State Legislature. In 1853 state laws were enacted to create local Boards of Education. Today, the District operates under current standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 and Section 119.01 of the Ohio Revised Code.

The District operates under a locally elected five member Board form of government and provides educational services as authorized by its charter or further mandated by state and/or federal agencies. This Board controls the District's instructional and support facilities staffed by 223 noncertificated personnel and 304 certificated full time teaching and administrative personnel to provide services to students and other community members.

The District is the 115th largest in the State of Ohio (among 614 Districts) in terms of enrollment and the 8th largest in Hamilton County. It currently operates 4 narrow grade range elementary schools, 1 middle school (grades 7-8), and 1 high school (grades 9-12).

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

Reporting Entity

In accordance with Governmental Accounting Standards Board [GASB] Statement 14, the financial reporting entity consists of a primary government. The District is a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments.

There are no component units combined with the District for financial statement presentation purposes, and it is not included in any other governmental reporting entity. Consequently, the District's financial statements include only the funds of those organizational entities for which its elected governing body is financially accountable. The District's major operations include education, pupil transportation, food service, and maintenance of District facilities.

The following activity is also included within the reporting entity:

Winton Woods City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2018

Nonpublic School

Within the District boundaries, John Paul II Catholic School is operated through the Catholic diocese. Current state legislation provides funding to this nonpublic school. These monies are received and disbursed by the District on behalf of the nonpublic school by the Treasurer of the District, as directed by the nonpublic schools. These transactions are reported as a governmental activity of the District.

The District is associated with two jointly governed organizations. These organizations are:

Jointly Governed Organizations:

Unified Purchasing Association of the Ohio River Valley
Hamilton Clermont Cooperative Information Technology Center

These organizations are presented in Note 14.

Measurement Focus

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 funds is eliminated to avoid doubling up revenues and expenses. The interfund services provided and used are not eliminated in the consolidation.

The government-wide statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the District are included on the statement of net position. Fiduciary Funds are not included in entity-wide statements.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, 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 District.

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 current liabilities 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.

Winton Woods City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2018

Fund Accounting

The 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 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 District are grouped into the categories governmental and fiduciary. The focus of government fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

Governmental Funds

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

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

Classroom Facilities Fund – A fund provided to account for monies received and expended in connection with contracts entered into by the school district and the Ohio Department of Education for the building and equipping of classroom facilities.

Fiduciary Funds

Fiduciary funds reporting focuses on net position and changes in net position. Agency funds are custodian in nature (assets equal liabilities) and do not involve measurement of results of operations. The District's fiduciary funds are Agency Funds, which accounts for student managed activities (consists of a student body, president, treasurer and faculty advisor) and a district agency fund. The Agency Funds have no measurement focus.

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. Fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows of resources, and in the presentation of expenses versus expenditures.

Revenues – Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are

Winton Woods City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2018

measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of fiscal year end.

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

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: property taxes available for advance, grants and other taxes.

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the District, deferred outflows of resources includes pension, a deferred charge on refunding, and other post employment benefits. These amounts are reported on the government-wide statement of net position. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 10 and 11.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes, pension, OPEB, grants and other taxes, revenue in lieu of taxes, and investments. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2018, but which were levied to finance year 2019 operations. These amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. Grants and other taxes and investments have been recorded as deferred inflows on the governmental fund financial statements. For the District, revenue in lieu of taxes includes tax incremental financing (TIF). These amounts are deferred and recognized as inflows of resources in the period the amounts become available. TIF's have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. Deferred inflows related to pension and OPEB plans are reported on the government-wide statement of net position. For more pension and OPEB related information, see Notes 10 and 11.

Winton Woods City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2018

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue.

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 the governmental funds.

Equity In Pooled Cash and Investments

Cash received by the District is pooled for investment purposes. Interest in the pool is presented as "Equity in Pooled Cash and Investments" on the financial statements.

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

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

For 2018, 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 \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes.

Following Ohio statutes, the Board has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue during fiscal year 2018 amounted to \$49,168 credited to the General Fund, \$710,818 credited to the Classroom Facilities Fund, and \$126,117 credited to Other Governmental Funds.

Inventory

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventories are accounted for using the purchase method on the fund level statements and using the consumption method on the government-wide statements.

Winton Woods City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2018

On the fund financial statements, reported material and supplies inventory is equally offset by a fund balance reserve in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

Inventory consists of expendable supplies held for consumption, donated food and purchased food.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2018 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and expenditure/expense is reported in the year in which services are consumed.

Capital Assets

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The District maintains a capitalization threshold of five thousand dollars (\$5,000). The District does not possess any infrastructure. Improvements that add to the value of an asset or materially extend an asset's life 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. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value.

All reported capital assets are depreciated, except land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is allocated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>
Land Improvements	15 - 20 years
Buildings and Improvements	10 - 40 years
Furniture and Equipment	5 -15 years
Vehicles	10 years

Compensated Absences

The District reports compensated absences in accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences." Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means. The District records a liability for accumulated unused vacation time, when earned, for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting payment method. The entire compensated absence liability is reported on the government-wide financial statements.

Winton Woods City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2018

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount due to the employee at year end. These amounts are recorded in the account “compensated absences payable” in the fund from which the employees who have accumulated unpaid leave are paid. Compensated absences are reported in governmental funds only if they have matured.

The District’s policies regarding compensated absences are determined by the state laws and/or negotiated agreements. In summary, the policies are as follows:

<u>Vacation</u>	<u>Certified</u>	<u>Administrators</u>	<u>Non-Certificated</u>
How Earned	Not Eligible	25 days	10-20 days for each service year depending on length of service
Maximum Accumulation	Not Applicable	25 days	25 days
Vested	Not Applicable	25 days	25 days
Termination Entitlement	Not Applicable	Paid upon termination	Paid upon termination
<u>Sick Leave</u>			
How Earned	1 1/4 days per month of employment (15 days per year)	1 1/4 days per month of employment (15 days per year)	1 1/4 days per month of employment (15 days per year)
Maximum Accumulation	Unlimited	Unlimited	Unlimited
Vested	As Earned	As Earned	As Earned
Termination Entitlement	Per Contract	Per Contract	Per Contract

Pensions/Other Postemployment Benefits (OPEB)

For purposes of measuring the net pension/OPEB 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.

Net Position

Net position represents the difference between assets and outflows of resources, and liabilities and inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition,

Winton Woods City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2018

construction or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. Of the District's \$53,766,559 in restricted net position, none were restricted by enabling legislation.

Fund Balance

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

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

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

Committed – resources that are constrained for specific purposes that are internally imposed by the government at its highest level of decision making authority, the Board of Education. The formal action that is required to establish (and modify or rescind) a fund balance commitment is a Board Resolution.

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

Unassigned – residual fund balance within the General Fund that is not restricted, committed, or assigned. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from incurred expenses for specific purposes exceeding amounts which had been restricted, committed or assigned for said purposes.

The 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.

Interfund Activity

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

Winton Woods City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2018

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "Interfund Receivables" and "Interfund Payables". These amounts are eliminated on the governmental activities columns of the statement of net position.

As a general rule the effect on interfund (internal) activity has been eliminated from the government-wide statement of activities. The interfund services provided and used are not eliminated in the process of consolidation.

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 in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note 2 - Equity in Pooled Cash and Investments

The District maintains a cash and investment pool used by all funds. Each fund type's portion of this pool is displayed on the statement of net position and balance sheet as "Equity in Pooled Cash and Investments."

State statute requires the classification of monies held by the District into three categories:

Active Monies - Those monies required to be kept in a "cash" or "near cash" status for immediate use by the District. Such monies must by law be maintained either as cash in the District treasury, in depository accounts payable or withdrawable on demand.

Inactive Monies – Those monies not required for use within the current two year period of designated depositories. Ohio law permits inactive monies to be deposited or invested as certificates of deposit maturing not later than the end of the current period of designated depositories, or as savings or deposit accounts, including, but not limited to passbook accounts.

Interim Monies – Those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Ohio law permits interim monies to be invested or deposited in the following securities:

- (1) Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest.
- (2) Bonds, notes, debentures, or other obligations or securities issued by any federal governmental agency.
- (3) No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.

Winton Woods City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2018

- (4) Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit maturing not more than one year from date of deposit, or by savings or deposit accounts, including, but limited to, passbook accounts.
- (5) Bonds, and other obligations of the State of Ohio.
- (6) The Ohio State Treasurer's investment pool (STAR Ohio).
- (7) Commercial paper and banker's acceptances which meet the requirements established by Ohio Revised Code, Sec. 135.142.
- (8) Under limited circumstances, corporate debt interests in either of the two highest rating classifications by at least two nationally recognized rating agencies.

Protection of the District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions 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.

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

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

The following information classifies deposits and investments by categories of risk as defined in GASB Statement 3, "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements" and amended by GASB Statement 40, "Deposit and Investment Risk Disclosures".

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the District will not be able to recover deposits or collateral securities that are in the possession of an outside party. As of June 30, 2018, \$1,043,950 of the District's bank balance of \$1,293,950 was exposed to custodial credit risk because it was uninsured and collateralized.

The 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 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% of the deposits being secured; or

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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% of the deposits being secured or a rate set by the Treasurer of State.

Investments

As of June 30, 2018, the District had the following investments:

	<u>Value</u>	<u>Fair Value Hierarchy</u>	<u>Weighted Average Maturity (Years)</u>
Negotiable CD's	\$6,549,092	Level 2	1.04
Federal Home Loan Bank - Discount Note	7,430,240	Level 2	1.41
Federal Home Loan Mortgage Corporation	11,903,100	Level 2	1.62
Federal Farm Credit Bank	2,861,599	Level 2	1.47
Federal National Mortgage Association	14,118,550	Level 2	1.43
Commercial Paper	27,899,481	Level 2	0.37
STAR Ohio	16,784,118	N/A	0.12
Money Market Funds	79,134	N/A	0.00
Total Investments	<u>\$87,625,314</u>		
Portfolio Weighted Average Maturity			0.84

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Inputs to the valuation techniques used in fair the measurement for Level 2 include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data by correlation or other means. Level 3 inputs are significant unobservable inputs. The above table identifies the District's recurring fair value measurements as of June 30, 2018. STAR Ohio is reported at its share price (Net Asset value per share).

Interest Rate Risk - In accordance with the investment policy, the District manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio.

Credit Risk – It is the District's policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have a credit quality rating of the top 2 ratings issued by nationally recognized statistical rating organizations. The District's investments in Federal Home Loan Bank – Discount Notes, Federal Home Loan Mortgage Corporation, Federal Farm Credit Bank, and Federal National Mortgage Association were rated AAA by Standard & Poor's and Fitch ratings and Aaa by Moody's Investors Service. The District's investments in Commercial Paper was rated A-1+ by Standard & Poor's ratings and P-1 by Moody's Investors Service. Investments in STAR Ohio were rated AAAM by Standard & Poor's. Money Market funds and Negotiable CDs were not rated.

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Concentration of Credit Risk – The District’s investment policy requires investments to be diversified to reduce the risk of loss. The District’s policy allows investments in U.S. Agencies or Instrumentalities. Regarding the portfolio of investments, the District has invested 7.5% in Negotiable CDs, 8.5% in Federal Home Loan Bank – Discount Notes, 13.6% Federal Home Loan Mortgage Corporation, 3.3% in Federal Farm Credit Bank, 16.1% in Federal National Mortgage Association, 31.8% in Commercial Paper, 19.1% in STAR Ohio, and 0.1% in Money Market Funds.

Custodial Credit Risk is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. STAR Ohio is neither registered nor insured.

Note 3 – Property Taxes

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

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. The District receives property taxes from Hamilton County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2018, are available to finance fiscal year 2019 operations. The amount available for advance can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, tangible personal property, and public utility taxes that became measurable as of June 30, 2018. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current fiscal year operations.

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 2018 taxes were collected are:

	<u>Amount</u>
Agricultural/Residential and Other Real Estate	\$436,786,520
Public Utility Personal	<u>21,001,870</u>
Total	<u><u>\$457,788,390</u></u>

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Note 4 – Receivables

Receivables at June 30, 2018, consisted of taxes, accounts, interest, and intergovernmental. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds.

Note 5 – Capital Assets

Capital asset activity for the fiscal year ended June 30, 2018, was as follows:

	Restated Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$821,208	\$0	\$0	\$821,208
Construction In Progress	199,775	3,354,327	688,825	2,865,277
<i>Capital Assets, being depreciated:</i>				
Land Improvements	2,328,221	7,600	0	2,335,821
Buildings and Improvements	22,801,371	1,515,938	0	24,317,309
Furniture and Equipment	2,868,831	165,636	5,946	3,028,521
Vehicles	3,366,202	249,600	177,821	3,437,981
Totals at Historical Cost	<u>32,385,608</u>	<u>5,293,101</u>	<u>872,592</u>	<u>36,806,117</u>
Less Accumulated Depreciation:				
Land Improvements	2,075,034	10,345	0	2,085,379
Buildings and Improvements	17,541,179	400,032	0	17,941,211
Furniture and Equipment	2,067,950	168,964	5,946	2,230,968
Vehicles	2,372,090	233,296	177,281	2,428,105
Total Accumulated Depreciation	<u>24,056,253</u>	<u>812,637</u>	<u>183,227</u>	<u>24,685,663</u>
Governmental Activities Capital Assets, Net	<u>\$8,329,355</u>	<u>\$4,480,464</u>	<u>\$689,365</u>	<u>\$12,120,454</u>

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$479,327
Special	9,334
Support Services:	
Pupil	20,156
Instructional Staff	3,141
General Administration	2,587
School Administration	45,629
Fiscal	874
Operations and Maintenance	72,390
Pupil Transportation	103,437
Central	38,650
Operation of Non-Instructional Services	23,794
Extracurricular Activities	13,318
Total Depreciation Expense	<u>\$812,637</u>

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For The Fiscal Year Ended June 30, 2018

Note 6 - Short-Term Notes Payable

Short-Term Notes Payable activity of the District for the current year end was as follows:

	Beginning Principal Outstanding	Additions	Deletions	Ending Principal Outstanding
2017 Classroom Facilities BAN - A	\$50,870,895	\$0	\$50,870,895	\$0
2017 Classroom Facilities BAN - A	829,105	0	829,105	0
2016 Classroom Facilities BAN - B	9,800,000	0	9,800,000	0
Total	<u>\$61,500,000</u>	<u>\$0</u>	<u>\$61,500,000</u>	<u>\$0</u>

All note debt activity has been reported in the Building and Classroom Facilities Funds.

The notes were issued to fund building construction in the District.

Note 7 - Long-Term Liabilities

	Restated Beginning Principal Outstanding	Additions	Deletions	Ending Principal Outstanding	Due In One Year
Bonds Payable					
2017 School Improvement Bonds, Series 2017 A	\$51,700,000	\$0	\$30,255,000	\$21,445,000	\$310,000
2017 School Improvement Bonds, Series 2017 B	9,450,000	0	50,000	9,400,000	25,000
Premium on 2017A Issuance	2,632,201	0	2,632,201	0	0
Premium on 2017B Issuance	346,305	0	9,360	336,945	0
2018 Refunding Bonds: Current Interest	0	28,405,000	0	28,405,000	470,000
Refunding Bonds: Capital Appreciation - Principal	0	150,000	0	150,000	0
Refunding Bonds: Capital Appreciation - Interest	0	13,424	0	13,424	0
Premium on 2018 Advance Refunding	0	3,869,094	0	3,869,094	0
Subtotal Bonds	64,128,506	32,437,518	32,946,561	63,619,463	805,000
Capital Leases	1,497,624	0	414,402	1,083,222	432,356
Compensated Absences	2,026,205	716,778	524,014	2,218,969	516,694
Subtotal Bonds and Other Amounts	67,652,335	33,154,296	33,884,977	66,921,654	1,754,050
Net Pension Liability					
STRS	57,535,938	0	14,558,118	42,977,820	0
SERS	16,844,124	0	2,604,188	14,239,936	0
Total Net Pension Liability	74,380,062	0	17,162,306	57,217,756	0
Net OPEB Liability					
STRS	9,192,590	0	2,133,778	7,058,812	0
SERS	6,600,035	0	152,541	6,447,494	0
Total Net OPEB Liability	15,792,625	0	2,286,319	13,506,306	0
Total Long-Term Obligations	<u>\$157,825,022</u>	<u>\$33,154,296</u>	<u>\$53,333,602</u>	<u>\$137,645,716</u>	<u>\$1,754,050</u>

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Net pension obligations are liquidated on the government wide level. There is no repayment schedule for the net pension liability and net OPEB liability; however, employer pension and OPEB contributions are made from the fund benefitting from the service.

Compensated Absences: Compensated absences will be paid from the fund from which the employee is paid (historically this is general and special revenue funds).

Capital Lease Obligations: Capital lease obligations will be paid from the general fund and the capital projects permanent improvement fund.

School Improvement Bonds: Series 2017A and 2017B School Improvement Bonds were issued on April 25, 2017 and bear an interest rate ranging from 2%-5%. The bonds mature on November 1, 2053 and November 1, 2043 respectively. Principal and interest are paid from the debt service fund.

Principal and interest requirements to retire general obligation debt outstanding at year end are as follows:

Fiscal Year Ending June 30	General Obligation Bonds		
	Principal	Interest	Total
2019	\$805,000	\$2,147,253	\$2,952,253
2020	545,000	2,304,986	2,849,986
2021	560,000	2,285,343	2,845,343
2022	585,000	2,263,205	2,848,205
2023	690,000	2,242,155	2,932,155
2024-2028	4,150,000	10,765,565	14,915,565
2029-2033	1,910,000	8,176,388	10,086,388
2034-2038	7,755,000	9,193,535	16,948,535
2039-2043	10,130,000	7,398,874	17,528,874
2044-2048	12,410,000	5,268,075	17,678,075
2049-2053	16,095,000	2,383,100	18,478,100
2054	3,615,000	72,300	3,687,300
Total	<u>\$59,250,000</u>	<u>\$54,500,779</u>	<u>\$113,750,779</u>

Fiscal Year Ending June 30	CAB Bonds		
	Principal	Interest	Total
2031	\$50,000	\$935,000	\$985,000
2032	40,000	965,000	1,005,000
2033	30,000	990,000	1,020,000
2034	30,000	1,110,000	1,140,000
Total	<u>\$150,000</u>	<u>\$4,000,000</u>	<u>\$4,150,000</u>

Winton Woods City School District, Ohio
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Note 8 – Debt Refunding

On December 19, 2017 the District issued \$28,405,000 in Current Interest Bonds with an interest rate of 2.00% and 5.00% which was used to refund \$28,555,000 of the outstanding 2017 School Improvement Bonds with an interest rate of 5.00%. The net proceeds of \$32,114,528 (after payment of underwriting fees, insurance and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide all future debt service payments on the bond issues. As a result, \$28,555,000 of the 2017 School Improvement Bonds were considered to be defeased and the related liability for those bonds have been removed from the Statement of Net Position.

The District refunded 2017 School Improvement Bonds to reduce its total debt service payments by \$4,104,571 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$2,462,001.

Note 9 - Capital Leases

During 2006, the District entered into a \$4,075,000 lease purchase agreement payable with the Columbus Regional Airport Port Authority, Ohio (the Port Authority). The District capitalized permanent improvements related to the lease. The lease expires in 2020.

During 2007, the District entered into a \$1,121,020 lease purchase agreement to pay for several boiler replacements throughout many buildings within the District. The District capitalized the permanent improvements related to the lease. The lease expires in 2021.

The above leases meet the criteria of capital leases as defined by GASB Statement 62, which defines a capital lease generally as one that transfers benefits and risks of ownership to the lessee. The gross amount of assets acquired under capital leases is \$5,196,020.

The following is a schedule of the future minimum lease payments required under the capital lease and the present value of the minimum lease payments as of fiscal year end.

Fiscal Year Ending June 30	Capital Leases			Total
	Principal	Interest	Program Cost Component	
2019	\$432,356	\$46,467	\$1,056	\$479,879
2020	452,493	27,709	540	480,742
2021	96,826	8,076	0	104,902
2022	101,547	3,357	0	104,904
Total	<u>\$1,083,222</u>	<u>\$85,609</u>	<u>\$1,596</u>	<u>\$1,170,427</u>

Note 10 - Defined Benefit Pension Plans

Net Pension Liability

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for

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

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

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

Plan Description - School Employees Retirement System (SERS)

Plan Description – 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:

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	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 65 with 5 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially Reduced Benefits	Age 60 with 5 years of service credit 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; 2.20% for the first thirty years of service and 2.50% for years of service credit over 30 or \$86.00 multiplied by the years of service credit. Final average salary is the average of the highest three years of salary.

Post-Retirement Increases – Before January 1, 2018; on each anniversary of the initial date of retirement, the allowances of all retirees and survivors are increased by 3% of the base benefit. On or after January 1, 2018; on each anniversary of the initial retirement, the allowance of all retirees and survivors are increased by the annual rate of increase in the CPI-W measured as of the June preceding the beginning of the applicable calendar year. The annual rate of increase shall not be less than 0% nor greater than 2.5%. COLA's shall be suspended for calendar years 2018, 2019, and 2020.

Funding Policy – Plan members are required to contribute 10% of their annual covered salary and the employer is required to contribute 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10% for plan members and 14% for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2018, the allocation to pension, death benefits, and Medicare B was 13.5%. The remaining 0.5% was allocated to the Health Care Fund.

The contractually required contribution to SERS was \$1,133,453 for fiscal year 2018. Of this amount \$190,072 is reported as accrued wages and benefits.

Plan Description - State Teachers Retirement System (STRS)

Plan Description – 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.

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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 is 2.2% of final average salary for the five highest years of earnings multiplied by all years of service. Effective July 1, 2017, the cost-of-living adjustment was reduced to zero. Members are eligible to retire at age 60 with five years of qualifying service credit, or at 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% of the 14% employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.5% of the 14% employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12% of the 14% member rate goes to the DC Plan and the remaining 2% is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity after termination of employment at age 50 or later.

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

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 10 years of qualifying service credit to apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For the fiscal year ended June 30, 2018, plan members were required to contribute 14% of their annual covered salary. The employer was required to contribute 14%; the entire 14% was the portion used to fund pension obligations. The fiscal year 2018 contribution rates were equal to the statutory maximum rates.

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The contractually required contribution to STRS was \$3,059,736 for fiscal year 2018. Of this amount \$532,544 is reported as accrued wages and benefits.

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

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The proportion of the net pension liability was based on the 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	\$14,239,936	\$42,977,820	\$57,217,756
Proportion of the Net Pension Liability:			
Current Measurement Date	0.23833410%	0.18091952%	
Prior Measurement Date	<u>0.23014000%</u>	<u>0.17188753%</u>	
Change in Proportionate Share	0.00819410%	0.00903199%	
Pension Expense	\$64,821	(\$15,749,275)	(\$15,684,454)

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$612,837	\$1,659,602	\$2,272,439
Changes of assumptions	736,358	9,399,721	10,136,079
Changes in employer proportionate share of net pension liability	1,052,859	3,271,874	4,324,733
Contributions subsequent to the measurement date	<u>1,133,453</u>	<u>3,059,736</u>	<u>4,193,189</u>
Total Deferred Outflows of Resources	<u>\$3,535,507</u>	<u>\$17,390,933</u>	<u>\$20,926,440</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$0	\$346,385	\$346,385
Net difference between projected and actual earnings on pension plan investments	<u>67,594</u>	<u>1,418,318</u>	<u>1,485,912</u>
Total Deferred Inflows of Resources	<u>\$67,594</u>	<u>\$1,764,703</u>	<u>\$1,832,297</u>

\$4,193,189 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

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Fiscal Year			
Ending June 30:	SERS	STRS	Total
2019	\$1,149,033	\$2,856,497	\$4,005,530
2020	1,201,747	5,153,347	6,355,094
2021	315,642	3,805,850	4,121,492
2022	(331,962)	750,800	418,838
Total	<u>\$2,334,460</u>	<u>\$12,566,494</u>	<u>\$14,900,954</u>

Actuarial Assumptions - SERS

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

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

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2017, are presented below:

Wage Inflation	3.00%
Future Salary Increases, including inflation	3.50% - 18.20%
COLA or Ad Hoc COLA	2.50%
Investment Rate of Return	7.50% net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Actuarial Assumptions Experience Study Date	5 year period ended June 30, 2015

Prior to 2017, an assumption of 3.0% was used for COLA or Ad Hoc COLA.

For 2017, the mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. Mortality among service retired members, and beneficiaries were based upon the RP-2014 Blue Collar Mortality Table

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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 long-term return expectation for the Pension Plan Investments has been determined by using a building-block approach and assumes a time horizon, as defined in the 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 an arithmetic weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

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

Discount Rate

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

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50%, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower 6.50%, or one percentage point higher 8.50% than the current rate.

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	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Proportionate share of the net pension liability	\$19,761,331	\$14,239,936	\$9,614,642

Changes in Benefit Terms

The COLA was changed from a fixed 3.00% to a COLA that is indexed to CPI-W not greater than 2.5% with a floor of 0% beginning January 1, 2018. In addition, with the authority granted the Board under HB 49, the Board has enacted a three-year COLA suspension for benefit recipients in calendar years 2018, 2019 and 2020.

Actuarial Assumptions - STRS

The total pension liability in the July 1, 2017, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	July 1, 2017	July 1, 2016
Inflation	2.50%	2.75%
Projected salary increases	12.50% at age 20 to 2.50% at age 65	12.25% at age 20 to 2.75% at age 70
Investment Rate of Return	7.45%, net of investment expenses, including inflation	7.75%, net of investment expenses, including inflation
Payroll Increases	3.00%	3.50%
Cost-of-Living Adjustments (COLA)	0%, effective July 1, 2017	2% simple applied as follows: for members retiring before August 1, 2013, 2% per year; for members retiring August 1 2013, or later, 2% COLA commences on fifth anniversary of retirement date.

For the July 1, 2017, actuarial valuation, post-retirement mortality rates for healthy retirees are based on the RP-2014 Annuitant Mortality Table with 50% of rates through age 69, 70% of rates between ages 70 and 79, 90% of rates between ages 80 and 84, and 100% of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90% of rates for males and 100% of rates for females, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

For the July 1, 2016 actuarial valuation, mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022—Scale AA) for Males and Females. Males' ages are set-back two years through age 89 and no set-back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89, and no set back from age 90 and above.

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Actuarial assumptions used in the July 1 2017, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016. Actuarial assumptions used in the June 30, 2016, valuation are based on the results of an actuarial experience study, effective July 1, 2012.

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

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

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

Discount Rate

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

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table represents the net pension liability as of June 30, 2017, calculated using the current period discount rate assumption of 7.45%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower 6.45% or one percentage point higher 8.45% than the current assumption:

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	1% Decrease 6.45%	Current Discount Rate 7.45%	1% Increase 8.45%
Proportionate share of the net pension liability	\$61,607,242	\$42,977,820	\$27,285,324

Changes in Assumptions

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

Changes in Benefit Terms

Effective July 1, 2017, the COLA was reduced to zero.

Note 11 – Defined Benefit Other Postemployment Benefits (OPEB) Plans

Net Other Postemployment Benefits (OPEB) Liability

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

Ohio Revised Code limits the District’s obligation for this liability to annually required payments. The employer cannot control benefit terms or the manner in which OPEB are financed; however, the employer 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. Resulting adjustments

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to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The proportionate share of each plan's unfunded benefits is presented as a long-term net OPEB liability on the accrual basis of accounting. Any liability for the contractually-required OPEB contribution outstanding at year-end is included in accrued liabilities on the accrual basis of accounting.

Plan Description - School Employees Retirement System (SERS)

Health Care Plan Description - The District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS' Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS' health care coverage. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. The financial report of the Plan is included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at www.ohsers.org 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 2018, 0.5% 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 2018, this amount was \$23,700. Statutes provide that no employer shall pay a health care surcharge greater than 2.0% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2018, the surcharge obligation was \$106,528.

The surcharge, added to the allocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The District's contractually required contribution to SERS was \$148,507 for fiscal year 2018. Of this amount \$106,528 is reported as accrued wages and benefits.

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Plan Description - State Teachers Retirement System (STRS)

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

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2018, STRS did not allocate any employer contributions to post-employment health care.

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

The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability was based on the employer's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate Share of the Net OPEB Liability	\$6,447,494	\$7,058,812	\$13,506,306
Proportion of the Net OPEB Liability:			
Current Measurement Date	0.24024310%	0.18091952%	
Prior Measurement Date	0.23155014%	0.17188753%	
Change in Proportionate Share	<u>0.00869296%</u>	<u>0.00903199%</u>	
OPEB Expense	\$417,923	(\$2,084,965)	(\$1,667,042)

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

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	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	\$0	\$407,478	\$407,478
Net difference between projected and actual earnings on pension plan investments	181,882	414,029	595,911
Contributions subsequent to the measurement date	148,507	0	148,507
Total Deferred Outflows of Resources	\$330,389	\$821,507	\$1,151,896
Deferred Inflows of Resources			
Changes of assumptions	\$611,834	\$568,610	\$1,180,444
Net difference between projected and actual earnings on pension plan investments	17,026	301,710	318,736
Total Deferred Inflows of Resources	\$628,860	\$870,320	\$1,499,180

\$148,507 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2019. 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	SERS	STRS	Total
Ending June 30:			
2019	(\$160,036)	(\$33,278)	(\$193,314)
2020	(160,036)	(33,278)	(193,314)
2021	(122,649)	(33,278)	(155,927)
2022	(4,257)	(33,278)	(37,535)
2023	0	42,149	42,149
Thereafter	0	42,150	42,150
Total	(\$446,978)	(\$48,813)	(\$495,791)

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

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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, 2017, are presented below:

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

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.

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.

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

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

Discount Rate

The discount rate used to measure the total OPEB liability at June 30, 2017 was 3.63 percent. The discount rate used to measure total OPEB liability prior to June 30, 2017 was 2.98 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and 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 3.56 percent, as of June 30, 2017 (i.e. municipal bond rate), was used to present value the projected benefit payments for the remaining years in the projection. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The projection of future benefit payments for all current plan members was until the benefit payments ran out.

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

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	1% Decrease 2.63%	Current Discount Rate 3.63%	1% Increase 4.63%
Proportionate share of the net OPEB liability	\$7,786,169	\$6,447,494	\$5,386,920

	1% Decrease 6.50% decreasing to 4.00%	Current Trend Rate 7.50% decreasing to 5.00%	1% Increase 8.50% decreasing to 6.00%
Proportionate share of the net OPEB liability	\$5,231,658	\$6,447,494	\$8,056,673

Changes in Assumptions – SERS

Amounts reported for fiscal year 2018 incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

Municipal Bond Index Rate:

Fiscal year 2018	3.56 percent
Fiscal year 2017	2.92 percent

Single Equivalent Interest Rate, net of plan investment expense, including price inflation:

Fiscal year 2018	3.63 percent
Fiscal year 2017	2.98 percent

Actuarial Assumptions - STRS

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

Inflation	2.50%
Projected salary increases	12.50% at age 20 to 2.50% at age 65
Investment Rate of Return	7.45%, net of investment expenses, including inflation
Payroll Increases	3.00%
Cost-of-Living Adjustments (COLA)	0.00%, effective July 1, 2017
Blended Discount Rate of Return	4.13%
Health Care Cost Trends	6.00% to 11.00% initial, 4.5% ultimate

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

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

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

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

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

Also since the prior measurement date, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1% to 1.9% per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019. Subsequent to the current measurement date, the date for discontinuing remaining Medicare Part B premium reimbursements was extended to January 2020.

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

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

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

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Discount Rate

The discount rate used to measure the total OPEB liability was 4.13 percent as of June 30, 2017. The projection of cash flows used to determine the discount rate assumes STRS Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was not projected to be sufficient to make all projected future benefit payments of current plan members. The OPEB plan's fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2037. Therefore, the long-term expected rate of return on OPEB plan assets was used to determine the present value of the projected benefit payments through the fiscal year ending June 30, 2036 and the Bond Buyer 20-year municipal bond rate of 3.58 percent as of June 30, 2017 (i.e. municipal bond rate), was used to determine the present value of the projected benefit payments for the remaining years in the projection. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The blended discount rate of 4.13 percent, which represents the long-term expected rate of return of 7.45 percent for the funded benefit payments and the Bond Buyer 20-year municipal bond rate of 3.58 percent for the unfunded benefit payments, was used to measure the total OPEB liability as of June 30, 2017. A blended discount rate of 3.26 percent which represents the long term expected rate of return of 7.75 percent for the funded benefit payments and the Bond Buyer 20-year municipal bond rate of 2.85 percent for the unfunded benefit payments was used to measure the total OPEB liability at June 30, 2016.

Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Discount and Health Care Cost Trend Rate

The following table represents the net OPEB liability as of June 30, 2017, calculated using the current period discount rate assumption of 4.13%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.13%) or one percentage point higher (5.13%) than the current assumption. Also shown is the net OPEB liability as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease <u>3.13%</u>	Current Discount Rate <u>4.13%</u>	1% Increase <u>5.13%</u>
Proportionate share of the net OPEB liability	\$9,476,342	\$7,058,812	\$5,148,173
	1% Decrease <u> </u>	Current Trend Rate <u> </u>	1% Increase <u> </u>
Proportionate share of the net OPEB liability	\$4,904,160	\$7,058,812	\$9,894,586

Changes in Assumptions – STRS

For fiscal year 2018, the discount rate was increased from 3.26% to 4.13% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB) and the long term expected rate of return was reduced from 7.75% to 7.45%. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the

Winton Woods City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2018

percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

Also for fiscal year 2018, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1% to 1.9% per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019.

Note 12 - Contingent Liabilities

Foundation Funding

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

Grants

The District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and 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, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2018, if applicable, cannot be determined at this time.

Litigation

The District's attorney estimates that all other potential claims against the District not covered by insurance resulting from all other litigation would not materially affect the financial statements of the District.

Note 13 - Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, acts of terrorism and natural disasters. During the current fiscal year, the District contracted with Argonaut Insurance Company for general liability, property, boiler and machinery insurance.

The District maintains an umbrella liability policy with limits of \$1,000,000 each occurrence, \$3,000,000 aggregate. Property insurance coverage has a \$10,000 deductible with a \$113,642,000 limit of liability per accident. Professional liability is protected by Argonaut Insurance Company with a \$7,500 deductible and limits of \$1,000,000 for each wrongful act. Vehicles are covered by Argonaut Insurance Company with a \$1,000 deductible for comprehensive and a \$1,000 deductible for collision. The District has excess umbrella liability coverage of \$10,000,000.

Winton Woods City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2018

Public officials' bond insurance is provided by Travelers Casualty and Security Company of America. The Treasurer is covered by a bond in the amount of \$50,000. The Superintendent, Executive Director of Accountability and Business Affairs, and Board President are covered by bonds in the amount of \$20,000 each.

For fiscal year 2018, the District provided employee medical/surgical benefits through Anthem.

There have been no material reductions in insurance coverage. The amounts of settlement did not exceed insurance coverage for any of the past three fiscal years.

Note 14 - Jointly Governed Organizations

Hamilton Clermont Cooperative Information Technology Center

The School District is a participant in the Hamilton Clermont Cooperative Information Technology Center (HCC) which is a computer consortium. HCC is an association of public school districts within the boundaries of Hamilton and Clermont Counties. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The governing board of HCC consists of the superintendents and/or treasurers of the participating members. HCC is not accumulating significant financial resources nor is it experiencing fiscal stress that may cause an additional financial benefit to or burden on members in the future.

Unified Purchasing Cooperative of the Ohio River Valley

The Unified Purchasing Cooperative of the Ohio River Valley was organized to benefit members with a more economically sound purchasing mechanism for products and services. The Board of Directors is elected from among the active members. Each of the members share in a percentage of equity based on the resources provided. The Hamilton County Educational Service Center is the fiscal agent for the Cooperative. Financial information can be obtained from the Director at 1007 Cottonwood Drive, Loveland, Ohio 45140.

Note 15 - Required 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 year end or offset by similarly restricted resources received during the year must be held in cash at year end and carried forward to be used for the same purposes in future years.

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

	Capital Acquisition
	<u> </u>
Set Aside Reserve Balance as of June 30, 2017	\$0
Current Year Set Aside Requirements	661,232
Qualified Disbursements	<u>(1,505,469)</u>
Set Aside Reserve Balance as of June 30, 2018	<u><u>(\$844,237)</u></u>

Winton Woods City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2018

Qualifying disbursements for capital activity during the year exceeded the amount required for the set-aside. Negative amounts are therefore not presented as being carried forward to the next fiscal year for the capital acquisition set-aside.

Note 16 – Accountability

The following fund had a deficit fund balance/net position at June 30, 2018:

<u>Fund</u>	<u>Deficit</u>
Other Governmental Funds:	
Early Childhood Education	\$18,124

The deficit in these other governmental funds resulted from adjustments for accrued liabilities. Management expects the deficits in these funds to be corrected in early fiscal year 2019. The General Fund is liable for any deficit in these funds and provides transfers when cash is required, not when the accruals occur.

Note 17 - Interfund Transactions

Interfund transactions at fiscal year end, consisted of the following transfers in and out:

	Transfers	
	<u>In</u>	<u>Out</u>
General Fund	\$0	\$20,000
Classroom Facilities Fund	51,621,805	0
Other Governmental Funds	<u>10,790,661</u>	<u>62,392,466</u>
Total All Funds	<u>\$62,412,466</u>	<u>\$62,412,466</u>

The General Fund transfers are made to move unrestricted balances to support programs and projects accounted for in other funds. Transfers in and out of the Classroom Facilities Fund and the Debt Services Fund (Other Governmental Funds) were made to pay the short term debt obligations in the proper fund. Transfers in and out of the Building Fund (Other Governmental Funds) and the Debt Services Fund (Other Governmental Funds) were made to pay the short term debt obligations in the proper fund. The transfer out of the Building Fund is local share adjustment to the OFCC project.

Note 18 - Fund Balances

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

Winton Woods City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2018

Fund Balances	General	Classroom Facilities	Other Governmental Funds	Total
Nonspendable:				
Prepays	\$82,313	\$0	\$8,328	\$90,641
Total Nonspendable	82,313	0	8,328	90,641
Restricted for:				
Other Federal Grants	\$0	\$0	\$36,729	\$36,729
Food Service Operations	0	0	520,289	520,289
Local Grants	0	0	180,005	180,005
Athletics/Music	0	0	65,132	65,132
Auxiliary Services	0	0	81,317	81,317
Other State Grants	0	0	2,175	2,175
IDEA Part-B Special Education	0	0	20,062	20,062
Title I	0	0	14,474	14,474
Title III Limited English Proficiency	0	0	7,589	7,589
IDEA Preschool Handicapped	0	0	305	305
Improving Teacher Quality	0	0	1,269	1,269
Classroom Facilities Maintenance	0	0	390,815	390,815
Debt Service	0	0	3,538,905	3,538,905
Classroom Facilities	0	54,956,229	0	54,956,229
Title I School Improvement	0	0	16,095	16,095
Permanent Improvements Building	0	0	10,041,384	10,041,384
Total Restricted	0	54,956,229	15,528,927	70,485,156
Assigned to:				
Budgetary Resource	6,113,500	0	0	6,113,500
Public School Support	34,081	0	0	34,081
Encumbrances	66,212	0	0	66,212
Total Assigned	6,213,793	0	0	6,213,793
Unassigned (Deficit)	17,883,013	0	(18,491)	17,864,522
Total Fund Balance	\$24,179,119	\$54,956,229	\$15,518,764	\$94,654,112

Note 19 – Construction and Other Commitments

Construction Commitments

At year end, the District's construction commitments were as follows:

Project	Contractual Commitment	Expended	Remaining Commitment
New Building (Grades K-6)	\$44,224,944	\$1,245,654	\$42,979,290
New Building (Grades 7-12)	52,743,661	1,571,988	51,171,673
Total	\$96,968,605	\$2,817,642	\$94,150,963

Winton Woods City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2018

Based on timing of when contracts are encumbered, contractual commitments identified above may or may not be included in the following outstanding encumbrance commitments disclosed in this note.

Other Commitments

The 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 District’s commitments for encumbrances in the governmental funds were as follows:

Description	Remaining Commitment
General	\$101,395
Classroom Facilities	5,252,647
Other Governmental	912,743
Total	\$6,266,785

Note 20 – Tax Abatements entered Into By Other Governments

Other governments entered into property tax abatement agreements with property owners under the Ohio Community Reinvestment Area (“CRA”) and Enterprise Zone Agreement (“EZA”) programs with the taxing districts of the District. The CRA program is a directive incentive tax exemption program benefiting property owners who renovate or construct new buildings. Under this program, the other governments designated areas to encourage revitalization of the existing housing stock and the development of new structures. The EZA program is an economic development tool administered by municipal and county governments that provides real and personal property tax exemptions to businesses making investments in the community. Within the taxing districts of the District, The City of Forest Park has entered into CRA and EZA agreements. Under these agreements the District’s property taxes were reduced by \$1,132,778. The District received \$25,103 in payments associated with the forgone property tax revenue.

Note 21 – Implementation of New Accounting Principles and Restatement of Net Position

For the fiscal year ended June 30, 2018, the District has implemented GASB Statement No. 81, Irrevocable Split-Interest Agreements, and GASB No. 86, Certain Debt Extinguishment Issues, and GASB Statement No. 85, Omnibus 2017, GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions, and related guidance from (GASB) Implementation Guide No. 2017-3, Accounting and Financial Reporting for Postemployment Benefits other Than Pensions (and Certain Issues Related to OPEB Plan Reporting).

GASB Statement No. 81 sets out to improve accounting and financial reporting for irrevocable split interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The implementation of GASB Statement No. 81 did not have an effect on the financial statements of the District.

Winton Woods City School District, Ohio
Notes to the Basic Financial Statements
For The Fiscal Year Ended June 30, 2018

GASB 85 addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits (OPEB)). These changes were incorporated in the District’s fiscal year 2018 financial statements; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 86 sets out to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. One of the criteria for determining an in-substance defeasance is that the trust hold only monetary assets that are essentially risk-free. If the substitution of essentially risk-free monetary assets with monetary assets that are not essentially risk-free is not prohibited, governments should disclose that fact in the period in which the debt is defeased in substance. In subsequent periods, governments should disclose the amount of debt defeased in substance that remains outstanding for which that risk of substitution exists. The implementation of GASB Statement No. 86 did not have an effect on the financial statements of the District.

GASB 75 established standards for measuring and recognizing Postemployment benefit liabilities, deferred outflows of resources, deferred inflows of resources and expense/expenditure. The implementation of this pronouncement and restatement of net capital assets had the following effect on net position as reported June 30, 2017:

Net position June 30, 2017	\$25,637,285
Adjustments:	
Net OPEB Liability	(15,792,625)
Deferred Outflow - Payments Subsequent to Measurement Date	123,487
Restatement of Net Capital Assets	<u>(500,444)</u>
Restated Net Position June 30, 2017	<u><u>\$9,467,703</u></u>

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

The District also had a restatement of capital assets due to the District changing the capital threshold from \$2,500 to \$5,000 during the fiscal year.

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REQUIRED SUPPLEMENTARY INFORMATION

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

	2018	2017	2016	2015	2014
District's Proportion of the Net Pension Liability	0.18091952%	0.17188753%	0.16541032%	0.16497802%	0.16497802%
District's Proportionate Share of the Net Pension Liability	\$42,977,820	\$57,535,938	\$45,714,574	\$40,128,364	\$47,671,913
District's Covered Payroll	\$19,497,343	\$18,062,829	\$17,186,057	\$18,152,823	\$19,276,892
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	220.43%	318.53%	266.00%	221.06%	247.30%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.30%	66.80%	72.10%	74.70%	69.30%

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2014 is not available.

Note- Amounts presented as of the District's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

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

	2018	2017	2016	2015	2014
District's Proportion of the Net Pension Liability	0.23833410%	0.23014000%	0.21274100%	0.19913300%	0.19913300%
District's Proportionate Share of the Net Pension Liability	\$14,239,936	\$16,844,124	\$12,139,208	\$10,078,008	\$11,845,352
District's Covered Payroll	\$7,959,664	\$7,147,293	\$7,159,757	\$5,844,870	\$6,312,659
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	178.90%	235.67%	169.55%	172.42%	187.64%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.50%	62.98%	69.16%	71.70%	65.52%

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2014 is not available.

Note- Amounts presented as of the District's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

Winton Woods City School District, Ohio
 Required Supplementary Information
 Schedule of District Contributions
 for Net Pension Liability
 State Teachers Retirement System of Ohio
 Last Ten Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$3,059,736	\$2,729,628	\$2,528,796	\$2,406,048	\$2,359,867
Contributions in Relation to the Contractually Required Contribution	<u>(3,059,736)</u>	<u>(2,729,628)</u>	<u>(2,528,796)</u>	<u>(2,406,048)</u>	<u>(2,359,867)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
District Covered Payroll	\$21,855,257	\$19,497,343	\$18,062,829	\$17,186,057	\$18,152,823
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%	13.00%

See accompanying notes to the required supplementary information.

2013	2012	2011	2010	2009
\$2,505,996	\$2,741,052	\$2,816,892	\$2,824,884	\$2,852,880
<u>(2,505,996)</u>	<u>(2,741,052)</u>	<u>(2,816,892)</u>	<u>(2,824,884)</u>	<u>(2,852,880)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$19,276,892	\$21,085,015	\$21,668,400	\$21,729,877	\$21,945,231
13.00%	13.00%	13.00%	13.00%	13.00%

Winton Woods City School District, Ohio
 Required Supplementary Information
 Schedule of District Contributions
 for Net Pension Liability
 School Employees Retirement System of Ohio
 Last Ten Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$1,133,453	\$1,114,353	\$1,000,621	\$943,656	\$810,099
Contributions in Relation to the Contractually Required Contribution	<u>(1,133,453)</u>	<u>(1,114,353)</u>	<u>(1,000,621)</u>	<u>(943,656)</u>	<u>(810,099)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
District Covered Payroll	\$8,395,948	\$7,959,664	\$7,147,293	\$7,159,757	\$5,844,870
Contributions as a Percentage of Covered Payroll	13.50%	14.00%	14.00%	13.18%	13.86%

See accompanying notes to the required supplementary information.

2013	2012	2011	2010	2009
\$873,672	\$1,030,416	\$1,044,408	\$988,584	\$1,057,920
<u>(873,672)</u>	<u>(1,030,416)</u>	<u>(1,044,408)</u>	<u>(988,584)</u>	<u>(1,057,920)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$6,312,659	\$7,661,086	\$8,308,735	\$7,301,211	\$10,751,220
13.84%	13.45%	12.57%	13.54%	9.84%

Winton Woods City School District, Ohio
 Required Supplementary Information
 Schedule of the District's Proportionate Share
 of the Net Postemployment Benefits Other Than Pension (OPEB) Liability
 State Teachers Retirement System of Ohio
 Last Two Fiscal Years (1)

	2018	2017
District's Proportion of the Net OPEB Liability	0.18091952%	0.17188753%
District's Proportionate Share of the Net OPEB Liability	\$7,058,812	\$9,192,590
District's Covered Payroll	\$19,497,343	\$18,062,829
District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	36.20%	50.89%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.10%	37.30%

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2017 is not available.

Note- Amounts presented as of the District's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

Winton Woods City School District, Ohio
 Required Supplementary Information
 Schedule of the District's Proportionate Share
 of the Net Postemployment Benefits Other Than Pension (OPEB) Liability
 School Employees Retirement System of Ohio
 Last Two Fiscal Years (1)

	2018	2017
District's Proportion of the Net OPEB Liability	0.24024310%	0.23155014%
District's Proportionate Share of the Net OPEB Liability	\$6,447,494	\$6,600,035
District's Covered Payroll	\$7,959,664	\$7,147,293
District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	81.00%	92.34%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	12.46%	11.49%

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2017 is not available.

Note- Amounts presented as of the District's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

Winton Woods City School District, Ohio
 Required Supplementary Information
 Schedule of District Contributions to
 Postemployment Benefits Other Than Pension (OPEB)
 State Teachers Retirement System of Ohio
 Last Three Fiscal Years (1)

	2018	2017	2016
Contractually Required Contribution to OPEB	\$0	\$0	\$0
Contributions to OPEB in Relation to the Contractually Required Contribution	<u>0</u>	<u>0</u>	<u>0</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
District Covered Payroll	\$21,855,257	\$19,497,343	\$18,062,829
Contributions to OPEB as a Percentage of Covered Payroll	0.00%	0.00%	0.00%

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2016 is not available.

See accompanying notes to the required supplementary information.

Winton Woods City School District, Ohio
 Required Supplementary Information
 Schedule of District Contributions to
 Postemployment Benefits Other Than Pension (OPEB)
 School Employees Retirement System of Ohio
 Last Three Fiscal Years (1)

	2018	2017	2016
Contractually Required Contribution to OPEB (2)	\$148,507	\$123,487	\$109,990
Contributions to OPEB in Relation to the Contractually Required Contribution	<u>(148,507)</u>	<u>(123,487)</u>	<u>(109,990)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
District Covered Payroll	\$8,395,948	\$7,959,664	\$7,147,293
Contributions to OPEB as a Percentage of Covered Payroll	1.77%	1.55%	1.54%

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2016 is not available.

(2) - Includes Surcharge.

See accompanying notes to the required supplementary information.

Winton Woods City School District, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2018

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$22,562,382	\$23,024,115	\$23,239,784	\$215,669
Tuition and Fees	2,713,045	2,768,567	2,794,500	25,933
Investment Earnings	378,078	385,815	389,429	3,614
Intergovernmental	22,064,408	22,515,950	22,726,859	210,909
Extracurricular Activities	8,116	8,282	8,360	78
Charges for Services	1,136	1,159	1,170	11
Other Revenues	1,131,935	1,155,100	1,165,920	10,820
Total Revenues	48,859,100	49,858,988	50,326,022	467,034
Expenditures:				
Current:				
Instruction:				
Regular	23,942,008	23,942,008	22,447,689	1,494,319
Special	9,386,155	9,386,155	8,800,327	585,828
Support Services:				
Pupil	3,323,165	3,323,165	3,115,753	207,412
Instructional Staff	2,749,326	2,749,326	2,577,729	171,597
General Administration	247,998	247,998	232,519	15,479
School Administration	4,203,174	4,203,174	3,940,837	262,337
Fiscal	1,423,569	1,423,569	1,334,718	88,851
Business	288,299	288,299	270,305	17,994
Operations and Maintenance	3,557,547	3,557,547	3,335,506	222,041
Pupil Transportation	2,630,181	2,630,181	2,466,021	164,160
Central	807,311	807,311	756,923	50,388
Operation of Non-Instructional Services	31,987	31,987	29,991	1,996
Extracurricular Activities	942,408	942,408	883,588	58,820
Capital Outlay	107,587	107,587	100,872	6,715
Total Expenditures	53,640,715	53,640,715	50,292,778	3,347,937
Excess of Revenues Over (Under) Expenditures	(4,781,615)	(3,781,727)	33,244	3,814,971
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	5,401	5,511	5,563	52
Transfers (Out)	(21,331)	(21,331)	(20,000)	1,331
Total Other Financing Sources (Uses)	(15,930)	(15,820)	(14,437)	1,383
Net Change in Fund Balance	(4,797,545)	(3,797,547)	18,807	3,816,354
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	19,318,152	19,318,152	19,318,152	0
Fund Balance - End of Year	\$14,520,607	\$15,520,605	\$19,336,959	\$3,816,354

See accompanying notes to the required supplementary information.

Winton Woods City School District, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended June 30, 2018

Note 1 – Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriations 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 amount that the Board of Education may appropriate. The appropriation resolution is Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Board. The legal level of control has been established by Board at the fund level. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

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 on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during the fiscal year 2018.

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

While the District is reporting financial position, results of operations and changes in fund balance 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 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Basis) presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures for all funds (budget basis) rather than as an assignment of fund balance for governmental fund types and expendable trust funds (GAAP basis).
4. Advances in and advances out are operating transactions (budget basis) as opposed to balance sheet transactions.
5. Some funds are reported as part of the general fund (GAAP basis as opposed to the general fund being reported alone (budget basis).

Winton Woods City School District, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended June 30, 2018

The following table summarizes the adjustments necessary to reconcile the GAAP basis to the budgetary basis for the general fund.

Net Change in Fund Balance	
	General
GAAP Basis	(\$121,263)
Revenue Accruals	50,101
Expenditure Accruals	190,364
Encumbrances	(99,901)
Funds Budgeted Elsewhere	(494)
Budget Basis	\$18,807

Note 2 - SERS Change in Assumptions-Net Pension Liability

The COLA was changed from a fixed 3.00% to a COLA that is indexed to CPI-W not greater than 2.5% with a floor of 0% beginning January 1, 2018. In addition, with the authority granted the Board under HB 49, the Board has enacted a three-year COLA suspension for benefit recipients in calendar years 2018, 2019 and 2020.

Note 3 - STRS Change in Assumptions and Benefit Terms-Net Pension Liability

Changes in Assumptions

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

Changes in Benefit Terms

Effective July 1, 2017, the COLA was reduced to zero.

Note 4 - SERS Change in Assumptions-Net OPEB Liability

Amounts reported for fiscal year 2018 incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

Municipal Bond Index Rate:	
Fiscal year 2018	3.56 percent
Fiscal year 2017	2.92 percent

Winton Woods City School District, Ohio
Notes to the Required Supplementary Information
For The Fiscal Year Ended June 30, 2018

Single Equivalent Interest Rate, net of plan investment expense, including price inflation:

Fiscal year 2018	3.63 percent
Fiscal year 2017	2.98 percent

Note 5 - STRS Change in Assumptions-Net OPEB Liability

For fiscal year 2018, the discount rate was increased from 3.26% to 4.13% based on the methodology defined under GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB)* and the long term expected rate of return was reduced from 7.75% to 7.45%. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

Also for fiscal year 2018, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1% to 1.9% per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019.

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COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES

MAJOR GOVERNMENTAL FUNDS

Classroom Facilities Fund

This 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 Facilities Construction Commission for the building and equipping of classroom facilities. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance are included in the Basic Financial Statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follows this page.

Winton Woods City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Classroom Facilities Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$582,771	\$634,235	\$51,464
Intergovernmental	4,569,042	4,972,526	403,484
Total Revenues	5,151,813	5,606,761	454,948
Expenditures:			
Current:			
Capital Outlay	57,042,374	7,770,608	49,271,766
Total Expenditures	57,042,374	7,770,608	49,271,766
Excess of Revenues Over (Under) Expenditures	(51,890,561)	(2,163,847)	49,726,714
Other Financing Sources (Uses):			
Transfers In	318,187	346,286	28,099
Total Other Financing Sources (Uses)	318,187	346,286	28,099
Net Change in Fund Balance	(51,572,374)	(1,817,561)	49,754,813
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	51,572,374	51,572,374	0
Fund Balance - End of Year	\$0	\$49,754,813	\$49,754,813

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The term *proceeds of specific revenue sources* establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund.

Debt Service Fund

The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated (i.e. debt payable from property taxes). Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds. The District has only one Debt Service Fund for the current fiscal year.

Capital Projects Funds

The 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. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

Winton Woods City School District, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2018

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Other (Nonmajor) Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	\$1,353,802	\$2,328,905	\$10,415,082	\$14,097,789
Receivables (Net):				
Taxes	190,000	3,407,256	613,578	4,210,834
Accounts	9,136	0	0	9,136
Intergovernmental	452,976	0	0	452,976
Prepays	8,328	0	0	8,328
Inventory	22,629	0	0	22,629
Total Assets	2,036,871	5,736,161	11,028,660	18,801,692
Liabilities:				
Accounts Payable	57,575	0	0	57,575
Accrued Wages and Benefits	463,183	0	0	463,183
Contracts Payable	0	0	41,316	41,316
Total Liabilities	520,758	0	41,316	562,074
Deferred Inflows of Resources:				
Property Taxes	190,000	2,197,256	333,578	2,720,834
Grants and Other Taxes	20	0	0	20
Total Deferred Inflows of Resources	190,020	2,197,256	333,578	2,720,854
Fund Balances:				
Nonspendable	8,328	0	0	8,328
Restricted	1,336,256	3,538,905	10,653,766	15,528,927
Unassigned	(18,491)	0	0	(18,491)
Total Fund Balances	1,326,093	3,538,905	10,653,766	15,518,764
Total Liabilities, Deferred Inflows and Fund Balances	\$2,036,871	\$5,736,161	\$11,028,660	\$18,801,692

Winton Woods City School District, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2018

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Other (Nonmajor) Governmental Funds
Revenues:				
Property and Other Taxes	\$189,153	\$3,215,536	\$567,460	\$3,972,149
Investment Earnings	25	0	126,092	126,117
Intergovernmental	4,931,815	107,234	72,368	5,111,417
Extracurricular Activities	251,814	0	0	251,814
Charges for Services	393,176	0	0	393,176
Other Revenues	51,611	0	1,972	53,583
Total Revenues	5,817,594	3,322,770	767,892	9,908,256
Expenditures:				
Current:				
Instruction:				
Regular	661,637	0	0	661,637
Special	1,524,874	0	0	1,524,874
Support Services:				
Pupil	41,718	0	8,228	49,946
Instructional Staff	282,615	0	0	282,615
School Administration	85,443	0	0	85,443
Fiscal	2,743	46,485	0	49,228
Pupil Transportation	5,000	0	0	5,000
Operation of Non-Instructional Services	2,555,674	0	0	2,555,674
Extracurricular Activities	300,491	0	0	300,491
Capital Outlay	0	0	877,302	877,302
Debt Service:				
Principal Retirement	0	1,750,000	414,402	2,164,402
Interest and Fiscal Charges	0	2,188,702	86,440	2,275,142
Issuance Costs	0	307,063	0	307,063
Total Expenditures	5,460,195	4,292,250	1,386,372	11,138,817
Excess of Revenues Over (Under) Expenditures	357,399	(969,480)	(618,480)	(1,230,561)
Other Financing Sources (Uses):				
Issuance of Long-Term Capital-Related Debt	0	28,555,000	0	28,555,000
Payments to Bond Escrow Account	0	(32,114,528)	0	(32,114,528)
Premium on Bonds and Notes Issued	0	3,869,094	0	3,869,094
Transfers In	20,000	0	10,770,661	10,790,661
Transfers (Out)	0	(62,046,180)	(346,286)	(62,392,466)
Total Other Financing Sources (Uses)	20,000	(61,736,614)	10,424,375	(51,292,239)
Net Change in Fund Balance	377,399	(62,706,094)	9,805,895	(52,522,800)
Fund Balance - Beginning of Year	948,694	66,244,999	847,871	68,041,564
Fund Balance - End of Year	\$1,326,093	\$3,538,905	\$10,653,766	\$15,518,764

NONMAJOR SPECIAL REVENUE FUNDS

Fund Descriptions

Food Service - To account for all revenues and expenses related to the provision of food services, including breakfast and lunch, for the District students and staff.

Local Grants - To account for the proceeds of specific revenue sources, except for State and Federal grants that are legally restricted to expenditures for specified purposes.

Athletics/Music - 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 as well as band, cheerleaders, drama clubs, and other similar types of activities.

Auxiliary Services - To account for state funds which provide services and materials to students attending non-public schools within the boundaries of the District as provided by state law.

Early Childhood Education - To assist school districts in paying the cost of preschool programs for three and four year olds.

Data Communication - To account for State funds appropriated for Ohio Educational Computer Network Connections.

Vocational Education Enhancement - To account for State funds that expand the number of students enrolled in vocational education, enable students to develop career plans, and/or replace or update equipment essential for the instruction of students in job skills taught as part of a vocational program.

Other State Grants - To account for various monies received from state agencies which are not classified elsewhere.

IDEA Part-B Special Education - To account for Federal funds for the provision of full educational opportunities to all children with disabilities at the preschool, elementary and secondary levels; assist in the training of teachers, supervisors and other specialists in providing educational services to all children with disabilities.

Title III Limited English Proficiency - To account for Federal funds used to implement a program to effectively meet the educational needs of language minority students.

Title I - To account for Federal funds for services provided to meet special needs of educationally deprived children.

IDEA Preschool Handicapped - To account for Federal funds to be used to improve and expand the services to handicapped children ages three through five.

Improving Teacher Quality - To account for Federal funds to be used for preparing, training, and recruiting high quality teachers and principals.

Other Federal Grants - To account for various monies received directly from the federal government, which are, not classified elsewhere

Title I School Improvement - To help schools improve the teaching and learning of children failing, or most at risk of failing to meet challenging State achievement standards.

Classroom Facility Maintenance - A fund used to account for proceeds of a levy for the maintenance of facilities

Winton Woods City School District, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2018

	Food Service	Local Grants	Athletics/ Music	Auxiliary Services	Early Childhood Education
Assets:					
Equity in Pooled Cash and Investments	\$626,003	\$180,420	\$65,132	\$84,940	\$0
Receivables (Net):					
Taxes	0	0	0	0	0
Accounts	1,919	0	0	0	401
Intergovernmental	0	0	0	0	0
Prepays	1,749	0	0	0	367
Inventory	22,629	0	0	0	0
Total Assets	652,300	180,420	65,132	84,940	768
Liabilities:					
Accounts Payable	6,429	415	0	3,623	0
Accrued Wages and Benefits	123,833	0	0	0	18,892
Total Liabilities	130,262	415	0	3,623	18,892
Deferred Inflows of Resources:					
Property Taxes	0	0	0	0	0
Grants and Other Taxes	0	0	0	0	0
Total Deferred Inflows of Resources	0	0	0	0	0
Fund Balances:					
Nonspendable	1,749	0	0	0	367
Restricted	520,289	180,005	65,132	81,317	0
Unassigned	0	0	0	0	(18,491)
Total Fund Balances	522,038	180,005	65,132	81,317	(18,124)
Total Liabilities, Deferred Inflows and Fund Balances	\$652,300	\$180,420	\$65,132	\$84,940	\$768

Data Communication	Vocational Education Enhancement	Other State Grants	IDEA Part-B Special Education	Title III Limited English Proficiency	Title I	IDEA Preschool Handicapped
\$0	\$0	\$0	\$5,720	\$0	\$0	\$172
0	0	0	0	0	0	0
0	0	0	2,309	449	3,610	64
0	0	2,195	120,594	30,887	193,296	3,083
0	0	0	2,105	409	3,290	58
0	0	0	0	0	0	0
0	0	2,195	130,728	31,745	200,196	3,377
0	0	0	0	2,643	12,725	0
0	0	0	108,561	21,104	169,707	3,014
0	0	0	108,561	23,747	182,432	3,014
0	0	0	0	0	0	0
0	0	20	0	0	0	0
0	0	20	0	0	0	0
0	0	0	2,105	409	3,290	58
0	0	2,175	20,062	7,589	14,474	305
0	0	0	0	0	0	0
0	0	2,175	22,167	7,998	17,764	363
\$0	\$0	\$2,195	\$130,728	\$31,745	\$200,196	\$3,377

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Winton Woods City School District, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2018

	Improving Teacher Quality	Other Federal Grants	Title I School Improvement	Classroom Facility Maintenance	Total Nonmajor Special Revenue Funds
Assets:					
Equity in Pooled Cash and Investments	\$600	\$0	\$0	\$390,815	\$1,353,802
Receivables (Net):					
Taxes	0	0	0	190,000	190,000
Accounts	384	0	0	0	9,136
Intergovernmental	18,357	66,669	17,895	0	452,976
Prepays	350	0	0	0	8,328
Inventory	0	0	0	0	22,629
Total Assets	19,691	66,669	17,895	580,815	2,036,871
Liabilities:					
Accounts Payable	0	29,940	1,800	0	57,575
Accrued Wages and Benefits	18,072	0	0	0	463,183
Total Liabilities	18,072	29,940	1,800	0	520,758
Deferred Inflows of Resources:					
Property Taxes	0	0	0	190,000	190,000
Grants and Other Taxes	0	0	0	0	20
Total Deferred Inflows of Resources	0	0	0	190,000	190,020
Fund Balances:					
Nonspendable	350	0	0	0	8,328
Restricted	1,269	36,729	16,095	390,815	1,336,256
Unassigned	0	0	0	0	(18,491)
Total Fund Balances	1,619	36,729	16,095	390,815	1,326,093
Total Liabilities, Deferred Inflows and Fund Balances	\$19,691	\$66,669	\$17,895	\$580,815	\$2,036,871

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Winton Woods City School District, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2018

	Food Service	Local Grants	Athletics/ Music	Auxiliary Services	Early Childhood Education
Revenues:					
Property and Other Taxes	\$0	\$0	\$0	\$0	\$0
Investment Earnings	0	0	0	25	0
Intergovernmental	1,691,594	12,319	0	372,001	112,000
Extracurricular Activities	0	0	251,814	0	0
Charges for Services	348,841	44,335	0	0	0
Other Revenues	4,542	19,716	27,353	0	0
Total Revenues	2,044,977	76,370	279,167	372,026	112,000
Expenditures:					
Current:					
Instruction:					
Regular	0	1,171	0	0	0
Special	0	3,557	0	0	94,090
Support Services:					
Pupil	0	41,718	0	0	0
Instructional Staff	0	3,295	0	0	0
School Administration	0	0	0	0	9,230
Fiscal	0	0	0	0	0
Pupil Transportation	0	0	0	0	0
Operation of Non-Instructional Services	2,077,502	14,209	0	338,489	0
Extracurricular Activities	0	0	300,491	0	0
Total Expenditures	2,077,502	63,950	300,491	338,489	103,320
Excess of Revenues Over (Under) Expenditures	(32,525)	12,420	(21,324)	33,537	8,680
Other Financing Sources (Uses):					
Transfers In	0	0	20,000	0	0
Total Other Financing Sources (Uses)	0	0	20,000	0	0
Net Change in Fund Balance	(32,525)	12,420	(1,324)	33,537	8,680
Fund Balance - Beginning of Year	554,563	167,585	66,456	47,780	(26,804)
Fund Balance - End of Year	\$522,038	\$180,005	\$65,132	\$81,317	(\$18,124)

Data Communication	Vocational Education Enhancement	Other State Grants	IDEA Part-B Special Education	Title III Limited English Proficiency	Title I	IDEA Preschool Handicapped
\$0	\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0	0
10,800	8,000	2,175	934,960	145,558	1,218,656	16,557
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>10,800</u>	<u>8,000</u>	<u>2,175</u>	<u>934,960</u>	<u>145,558</u>	<u>1,218,656</u>	<u>16,557</u>
0	1,750	0	0	127,472	408,456	0
0	0	0	735,031	0	664,759	17,034
0	0	0	0	0	0	0
10,800	6,250	0	56,040	7,576	88,678	0
0	0	0	76,213	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	5,000	0
0	0	0	63,492	1,805	49,518	0
0	0	0	0	0	0	0
<u>10,800</u>	<u>8,000</u>	<u>0</u>	<u>930,776</u>	<u>136,853</u>	<u>1,216,411</u>	<u>17,034</u>
<u>0</u>	<u>0</u>	<u>2,175</u>	<u>4,184</u>	<u>8,705</u>	<u>2,245</u>	<u>(477)</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>2,175</u>	<u>4,184</u>	<u>8,705</u>	<u>2,245</u>	<u>(477)</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>17,983</u>	<u>(707)</u>	<u>15,519</u>	<u>840</u>
<u>\$0</u>	<u>\$0</u>	<u>\$2,175</u>	<u>\$22,167</u>	<u>\$7,998</u>	<u>\$17,764</u>	<u>\$363</u>

Continued

Winton Woods City School District, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2018

	Improving Teacher Quality	Other Federal Grants	Title I School Improvement	Classroom Facility Maintenance	Total Nonmajor Special Revenue Funds
Revenues:					
Property and Other Taxes	\$0	\$0	\$0	\$189,153	\$189,153
Investment Earnings	0	0	0	0	25
Intergovernmental	127,699	90,887	88,906	99,703	4,931,815
Extracurricular Activities	0	0	0	0	251,814
Charges for Services	0	0	0	0	393,176
Other Revenues	0	0	0	0	51,611
Total Revenues	127,699	90,887	88,906	288,856	5,817,594
Expenditures:					
Current:					
Instruction:					
Regular	109,788	13,000	0	0	661,637
Special	0	0	10,403	0	1,524,874
Support Services:					
Pupil	0	0	0	0	41,718
Instructional Staff	6,692	40,940	62,344	0	282,615
School Administration	0	0	0	0	85,443
Fiscal	0	0	0	2,743	2,743
Pupil Transportation	0	0	0	0	5,000
Operation of Non-Instructional Services	10,441	218	0	0	2,555,674
Extracurricular Activities	0	0	0	0	300,491
Total Expenditures	126,921	54,158	72,747	2,743	5,460,195
Excess of Revenues Over (Under) Expenditures	778	36,729	16,159	286,113	357,399
Other Financing Sources (Uses):					
Transfers In	0	0	0	0	20,000
Total Other Financing Sources (Uses)	0	0	0	0	20,000
Net Change in Fund Balance	778	36,729	16,159	286,113	377,399
Fund Balance - Beginning of Year	841	0	(64)	104,702	948,694
Fund Balance - End of Year	\$1,619	\$36,729	\$16,095	\$390,815	\$1,326,093

Winton Woods City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Food Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$1,548,112	\$1,550,286	\$2,174
Charges for Services	348,352	348,841	489
Other Revenues	4,536	4,542	6
Total Revenues	<u>1,901,000</u>	<u>1,903,669</u>	<u>2,669</u>
Expenditures:			
Current:			
Operation of Non-Instructional Services	<u>2,253,019</u>	<u>2,017,024</u>	<u>235,995</u>
Total Expenditures	<u>2,253,019</u>	<u>2,017,024</u>	<u>235,995</u>
Net Change in Fund Balance	(352,019)	(113,355)	238,664
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>675,819</u>	<u>675,819</u>	<u>0</u>
Fund Balance - End of Year	<u>\$323,800</u>	<u>\$562,464</u>	<u>\$238,664</u>

Winton Woods City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Local Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$9,920	\$12,319	\$2,399
Other Revenues	51,580	64,051	12,471
Total Revenues	61,500	76,370	14,870
Expenditures:			
Current:			
Instruction:			
Regular	1,279	1,171	108
Special	6,060	5,547	513
Support Services:			
Pupil	45,577	41,718	3,859
Instructional Staff	3,600	3,295	305
Operation of Non-Instructional Services	16,063	14,703	1,360
Total Expenditures	72,579	66,434	6,145
Net Change in Fund Balance	(11,079)	9,936	21,015
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	169,570	169,570	0
Fund Balance - End of Year	\$158,491	\$179,506	\$21,015

Winton Woods City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Athletics/ Music Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Extracurricular Activities	\$250,832	\$251,814	\$982
Other Revenues	27,246	27,353	107
Total Revenues	<u>278,078</u>	<u>279,167</u>	<u>1,089</u>
Expenditures:			
Current:			
Extracurricular Activities	310,075	306,846	3,229
Total Expenditures	<u>310,075</u>	<u>306,846</u>	<u>3,229</u>
Excess of Revenues Over (Under) Expenditures	<u>(31,997)</u>	<u>(27,679)</u>	<u>4,318</u>
Other Financing Sources (Uses):			
Transfers In	19,922	20,000	78
Total Other Financing Sources (Uses)	<u>19,922</u>	<u>20,000</u>	<u>78</u>
Net Change in Fund Balance	(12,075)	(7,679)	4,396
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>66,572</u>	<u>66,572</u>	<u>0</u>
Fund Balance - End of Year	<u>\$54,497</u>	<u>\$58,893</u>	<u>\$4,396</u>

Winton Woods City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Auxiliary Services Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$25	\$25	\$0
Intergovernmental	372,000	372,000	0
Total Revenues	372,025	372,025	0
Expenditures:			
Current:			
Operation of Non-Instructional Services	420,336	362,786	57,550
Total Expenditures	420,336	362,786	57,550
Net Change in Fund Balance	(48,311)	9,239	57,550
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	48,311	48,311	0
Fund Balance - End of Year	\$0	\$57,550	\$57,550

Winton Woods City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Early Childhood Education Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$112,000	\$112,000	\$0
Total Revenues	112,000	112,000	0
Expenditures:			
Current:			
Instruction:			
Special	100,000	100,000	0
Support Services:			
General Administration	12,000	12,000	0
Total Expenditures	112,000	112,000	0
Net Change in Fund Balance	0	0	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance - End of Year	\$0	\$0	\$0

Winton Woods City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Data Communication Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$10,800	\$10,800	\$0
Total Revenues	10,800	10,800	0
Expenditures:			
Current:			
Support Services:			
Instructional Staff	10,800	10,800	0
Total Expenditures	10,800	10,800	0
Net Change in Fund Balance	0	0	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance - End of Year	\$0	\$0	\$0

Winton Woods City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Vocational Education Enhancement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$8,000	\$8,000	\$0
Total Revenues	8,000	8,000	0
Expenditures:			
Current:			
Instruction:			
Regular	1,750	1,750	0
Support Services:			
Instructional Staff	6,250	6,250	0
Total Expenditures	8,000	8,000	0
Net Change in Fund Balance	0	0	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance - End of Year	\$0	\$0	\$0

Winton Woods City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Other State Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$2,195	\$0	(\$2,195)
Total Revenues	2,195	0	(2,195)
Expenditures:			
Current:			
Instruction:			
Regular	2,195	2,195	0
Total Expenditures	2,195	2,195	0
Net Change in Fund Balance	0	(2,195)	(2,195)
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance - End of Year	\$0	(\$2,195)	(\$2,195)

Winton Woods City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	IDEA Part-B Special Education Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$936,568	\$938,212	\$1,644
Total Revenues	<u>936,568</u>	<u>938,212</u>	<u>1,644</u>
Expenditures:			
Current:			
Instruction:			
Special	745,754	742,555	3,199
Support Services:			
Instructional Staff	56,281	56,040	241
School Administration	76,541	76,213	328
Operation of Non-Instructional Services	<u>63,766</u>	<u>63,492</u>	<u>274</u>
Total Expenditures	<u>942,342</u>	<u>938,300</u>	<u>4,042</u>
Excess of Revenues Over (Under) Expenditures	<u>(5,774)</u>	<u>(88)</u>	<u>5,686</u>
Other Financing Sources (Uses):			
Transfers In	1,647	1,650	3
Transfers (Out)	<u>(1,657)</u>	<u>(1,650)</u>	<u>7</u>
Total Other Financing Sources (Uses)	<u>(10)</u>	<u>0</u>	<u>10</u>
Net Change in Fund Balance	(5,784)	(88)	5,696
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>5,824</u>	<u>5,824</u>	<u>0</u>
Fund Balance - End of Year	<u>\$40</u>	<u>\$5,736</u>	<u>\$5,696</u>

Winton Woods City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Title III Limited English Proficiency Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$129,126	\$129,126	\$0
Total Revenues	<u>129,126</u>	<u>129,126</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular	116,976	122,675	(5,699)
Support Services:			
Instructional Staff	7,614	7,985	(371)
Pupil Transportation	2,861	3,000	(139)
Operation of Non-Instructional Services	<u>1,963</u>	<u>2,059</u>	<u>(96)</u>
Total Expenditures	<u>129,414</u>	<u>135,719</u>	<u>(6,305)</u>
Net Change in Fund Balance	(288)	(6,593)	(6,305)
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>288</u>	<u>288</u>	<u>0</u>
Fund Balance - End of Year	<u>\$0</u>	<u>(\$6,305)</u>	<u>(\$6,305)</u>

Winton Woods City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Title I Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$1,193,899	\$1,199,409	\$5,510
Total Revenues	1,193,899	1,199,409	5,510
Expenditures:			
Current:			
Instruction:			
Regular	402,704	408,743	(6,039)
Special	650,825	660,585	(9,760)
Instructional Staff	87,368	88,678	(1,310)
Pupil Transportation	4,926	5,000	(74)
Operation of Non-Instructional Services	48,786	49,518	(732)
Total Expenditures	1,194,609	1,212,524	(17,915)
Excess of Revenues Over (Under) Expenditures	(710)	(13,115)	(12,405)
Other Financing Sources (Uses):			
Transfers In	5,511	5,536	25
Transfers (Out)	(5,454)	(5,536)	(82)
Total Other Financing Sources (Uses)	57	0	(57)
Net Change in Fund Balance	(653)	(13,115)	(12,462)
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	392	392	0
Fund Balance - End of Year	(\$261)	(\$12,723)	(\$12,462)

Winton Woods City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	IDEA Preschool Handicapped Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$19,674	\$19,851	\$177
Total Revenues	19,674	19,851	177
Expenditures:			
Current:			
Instruction:			
Special	19,967	19,967	0
Total Expenditures	19,967	19,967	0
Excess of Revenues Over (Under) Expenditures	(293)	(116)	177
Other Financing Sources (Uses):			
Transfers In	251	251	0
Transfers (Out)	(251)	(251)	0
Total Other Financing Sources (Uses)	0	0	0
Net Change in Fund Balance	(293)	(116)	177
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	293	293	0
Fund Balance - End of Year	\$0	\$177	\$177

Winton Woods City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Improving Teacher Quality Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$124,173	\$124,479	\$306
Total Revenues	<u>124,173</u>	<u>124,479</u>	<u>306</u>
Expenditures:			
Current:			
Instruction:			
Regular	107,409	107,155	254
Support Services:			
Instructional Staff	6,708	6,692	16
Operation of Non-Instructional Services	10,466	10,441	25
Total Expenditures	<u>124,583</u>	<u>124,288</u>	<u>295</u>
Excess of Revenues Over (Under) Expenditures	<u>(410)</u>	<u>191</u>	<u>601</u>
Other Financing Sources (Uses):			
Transfers In	301	301	0
Transfers (Out)	(301)	(301)	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	(410)	191	601
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>410</u>	<u>410</u>	<u>0</u>
Fund Balance - End of Year	<u>\$0</u>	<u>\$601</u>	<u>\$601</u>

Winton Woods City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Final Budget	Other Federal Grants Fund Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$24,215	\$24,215	\$0
Total Revenues	<u>\$24,215</u>	<u>\$24,215</u>	<u>\$0</u>
Expenditures:			
Current:			
Instruction:			
Regular	3,464	13,000	(9,536)
Support Services:			
Instructional Staff	20,693	77,669	(56,976)
Operation of Non-Instructional Services	58	218	(160)
Total Expenditures	<u>24,215</u>	<u>90,887</u>	<u>(66,672)</u>
Excess of Revenues Over (Under) Expenditures	<u>0</u>	<u>(66,672)</u>	<u>(66,672)</u>
Net Change in Fund Balance	0	(66,672)	(66,672)
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance - End of Year	<u>\$0</u>	<u>(\$66,672)</u>	<u>(\$66,672)</u>

Winton Woods City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Title I School Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$81,421	\$81,421	\$0
Total Revenues	<u>81,421</u>	<u>81,421</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Special	7,073	10,403	(3,330)
Support Services:			
Instructional Staff	74,686	109,850	(35,164)
Total Expenditures	<u>81,759</u>	<u>120,253</u>	<u>(38,494)</u>
Excess of Revenues Over (Under) Expenditures	<u>(338)</u>	<u>(38,832)</u>	<u>(38,494)</u>
Other Financing Sources (Uses):			
Transfers In	259	259	0
Transfers (Out)	(176)	(259)	(83)
Total Other Financing Sources (Uses)	<u>83</u>	<u>0</u>	<u>(83)</u>
Net Change in Fund Balance	(255)	(38,832)	(38,577)
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>255</u>	<u>255</u>	<u>0</u>
Fund Balance - End of Year	<u>\$0</u>	<u>(\$38,577)</u>	<u>(\$38,577)</u>

Winton Woods City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Classroom Facility Maintenance Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$145,701	\$189,153	\$43,452
Intergovernmental	76,799	99,703	22,904
Total Revenues	222,500	288,856	66,356
Expenditures:			
Current:			
Support Services:			
Fiscal	3,000	2,743	257
Total Expenditures	3,000	2,743	257
Net Change in Fund Balance	219,500	286,113	66,613
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	104,703	104,703	0
Fund Balance - End of Year	\$324,203	\$390,816	\$66,613

NONMAJOR DEBT SERVICE FUND

Fund Description

Debt Service – To account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated (i.e. debt payable from property taxes). Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds.

The District has only one Debt Service Fund for the current fiscal year. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance are included in the Basic Financial Statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follows this page.

Winton Woods City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Debt Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$3,195,000	\$3,195,536	\$536
Intergovernmental	107,000	107,234	234
Total Revenues	<u>3,302,000</u>	<u>3,302,770</u>	<u>770</u>
Expenditures:			
Current:			
Support Services:			
Fiscal	50,000	46,485	3,515
Debt Service:			
Principal Retirement	63,250,000	63,250,000	0
Interest and Fiscal Charges	2,750,000	2,734,882	15,118
Issuance Costs	<u>308,000</u>	<u>307,063</u>	<u>937</u>
Total Expenditures	<u>66,358,000</u>	<u>66,338,430</u>	<u>19,570</u>
Excess of Revenues Over (Under) Expenditures	<u>(63,056,000)</u>	<u>(63,035,660)</u>	<u>20,340</u>
Other Financing Sources (Uses):			
Issuance of Long-Term Capital-Related Debt	28,555,000	28,555,000	0
Premium on Bonds and Notes Issued	3,869,100	3,869,094	(6)
Payments to Bond Escrow Account	<u>(32,115,000)</u>	<u>(32,114,528)</u>	<u>472</u>
Total Other Financing Sources (Uses)	<u>309,100</u>	<u>309,566</u>	<u>466</u>
Net Change in Fund Balance	(62,746,900)	(62,726,094)	20,806
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>65,054,999</u>	<u>65,054,999</u>	<u>0</u>
Fund Balance - End of Year	<u>\$2,308,099</u>	<u>\$2,328,905</u>	<u>\$20,806</u>

NONMAJOR CAPITAL PROJECTS FUNDS

Fund Descriptions

Permanent Improvement - To account for all transactions related to the acquiring, constructing, or improving of the infrastructure of buildings and grounds through permanent improvements.

Building - A fund used to account for the receipts and expenditures related to all specific 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.

Winton Woods City School District, Ohio
 Combining Balance Sheet
 Nonmajor Capital Projects Funds
 June 30, 2018

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
Assets:			
Equity in Pooled Cash and Investments	\$332,382	\$10,082,700	\$10,415,082
Receivables (Net):			
Taxes	613,578	0	613,578
Total Assets	945,960	10,082,700	11,028,660
Liabilities:			
Contracts Payable	0	41,316	41,316
Total Liabilities	0	41,316	41,316
Deferred Inflows of Resources:			
Property Taxes	333,578	0	333,578
Total Deferred Inflows of Resources	333,578	0	333,578
Fund Balances:			
Restricted	612,382	10,041,384	10,653,766
Total Fund Balances	612,382	10,041,384	10,653,766
Total Liabilities, Deferred Inflows and Fund Balances	\$945,960	\$10,082,700	\$11,028,660

Winton Woods City School District, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2018

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
Revenues:			
Property and Other Taxes	\$567,460	\$0	\$567,460
Investment Earnings	0	126,092	126,092
Intergovernmental	72,368	0	72,368
Other Revenues	0	1,972	1,972
Total Revenues	639,828	128,064	767,892
Expenditures:			
Current:			
Support Services:			
Pupil	8,228	0	8,228
Capital Outlay	489,050	388,252	877,302
Debt Service:			
Principal Retirement	414,402	0	414,402
Interest and Fiscal Charges	68,065	18,375	86,440
Total Expenditures	979,745	406,627	1,386,372
Excess of Revenues Over (Under) Expenditures	(339,917)	(278,563)	(618,480)
Other Financing Sources (Uses):			
Transfers In	0	10,770,661	10,770,661
Transfers (Out)	0	(346,286)	(346,286)
Total Other Financing Sources (Uses)	0	10,424,375	10,424,375
Net Change in Fund Balance	(339,917)	10,145,812	9,805,895
Fund Balance - Beginning of Year	952,299	(104,428)	847,871
Fund Balance - End of Year	<u>\$612,382</u>	<u>\$10,041,384</u>	<u>\$10,653,766</u>

Winton Woods City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Permanent Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$558,744	\$567,460	\$8,716
Intergovernmental	71,256	72,368	1,112
Total Revenues	<u>630,000</u>	<u>639,828</u>	<u>9,828</u>
Expenditures:			
Current:			
Support Services:			
Fiscal	9,257	8,228	1,029
Capital Outlay	550,212	489,050	61,162
Debt Service:			
Principal Retirement	470,301	418,022	52,279
Interest and Fiscal Charges	72,505	64,445	8,060
Total Expenditures	<u>1,102,275</u>	<u>979,745</u>	<u>122,530</u>
Net Change in Fund Balance	(472,275)	(339,917)	132,358
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>672,301</u>	<u>672,301</u>	<u>0</u>
Fund Balance - End of Year	<u>\$200,026</u>	<u>\$332,384</u>	<u>\$132,358</u>

Winton Woods City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Building Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$113,229	\$126,092	\$12,863
Other Revenues	1,771	1,972	201
Total Revenues	<u>115,000</u>	<u>128,064</u>	<u>13,064</u>
Expenditures:			
Current:			
Support Services:			
Capital Outlay	1,094,209	1,035,099	59,110
Total Expenditures	<u>1,094,209</u>	<u>1,035,099</u>	<u>59,110</u>
Excess of Revenues Over (Under) Expenditures	<u>(979,209)</u>	<u>(907,035)</u>	<u>72,174</u>
Other Financing Sources (Uses):			
Transfers (Out)	(366,061)	(346,286)	19,775
Total Other Financing Sources (Uses)	<u>(366,061)</u>	<u>(346,286)</u>	<u>19,775</u>
Net Change in Fund Balance	(1,345,270)	(1,253,321)	91,949
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>10,647,858</u>	<u>10,647,858</u>	<u>0</u>
Fund Balance - End of Year	<u>\$9,302,588</u>	<u>\$9,394,537</u>	<u>\$91,949</u>

OTHER GENERAL FUND

With the implementation of GASB Statement No. 54, certain funds that the District prepares legally adopted budgets for no longer meet the definition to be reported as Special Revenue funds and have been included with the General Fund in the governmental fund financial statements. The District has only presented the budget schedules for these funds.

Fund Description

Public School Support - To account for specific local revenue sources (other than taxes) generated by individual school buildings (i.e. sales of pictures, profits from vending machines, etc.). Expenditures include field trips, materials, equipment and other items to supplement co-curricular and extra-curricular programs.

Winton Woods City School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Public School Support Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Other Revenues	\$38,000	\$40,689	\$2,689
Total Revenues	<u>38,000</u>	<u>40,689</u>	<u>2,689</u>
Expenditures:			
Current:			
Support Services:			
Pupil	<u>52,658</u>	<u>46,350</u>	<u>6,308</u>
Total Expenditures	<u>52,658</u>	<u>46,350</u>	<u>6,308</u>
Net Change in Fund Balance	(14,658)	(5,661)	8,997
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>38,422</u>	<u>38,422</u>	<u>0</u>
Fund Balance - End of Year	<u>\$23,764</u>	<u>\$32,761</u>	<u>\$8,997</u>

(1) - For GAAP reporting this fund is combined with the General Fund.

NONMAJOR FUND

Fiduciary fund

Fiduciary fund types are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

Student Activity (Agency Fund) – To account for the resources that belong to the various student groups in the District. The funds account for sales and other revenue generating activities by student activity programs, which have students involved in the management of the program.

District Agency (Agency Fund) – To account for those assets held by the district as an agent for individuals, private organization, and other governmental units.

Winton Woods City School District, Ohio
Statement of Changes In Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2018

	Student Activity			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$45,373	\$42,797	\$47,184	\$40,986
Total Assets	<u>45,373</u>	<u>42,797</u>	<u>47,184</u>	<u>40,986</u>
Liabilities:				
Other Liabilities	45,373	42,797	47,184	40,986
Total Liabilities	<u>\$45,373</u>	<u>\$42,797</u>	<u>\$47,184</u>	<u>\$40,986</u>

	District Agency			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$0	\$19,900	\$19,900	\$0
Total Assets	<u>0</u>	<u>19,900</u>	<u>19,900</u>	<u>0</u>
Liabilities:				
Other Liabilities	0	19,900	19,900	0
Total Liabilities	<u>\$0</u>	<u>\$19,900</u>	<u>\$19,900</u>	<u>\$0</u>

	Total All Agency Funds			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$45,373	\$62,697	\$67,084	\$40,986
Total Assets	<u>45,373</u>	<u>62,697</u>	<u>67,084</u>	<u>40,986</u>
Liabilities:				
Other Liabilities	45,373	62,697	67,084	40,986
Total Liabilities	<u>\$45,373</u>	<u>\$62,697</u>	<u>\$67,084</u>	<u>\$40,986</u>

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STATISTICAL SECTION

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STATISTICAL SECTION

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

Contents

Financial Trends - These schedules contain trend information to help the reader understand how the District's financial position has changed over time.

Revenue Capacity - These schedules contain information to help the reader understand and assess the District's most significant local revenue source, the property tax.

Debt Capacity - These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Economic and Demographic Information - These schedules offer economic and demographic indicators to help the reader understand the environment within which the District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.

Operating Information - These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

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

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

	Fiscal Year				
	2009	2010	2011	2012	2013
Governmental Activities					
Net Investment in Capital Assets	\$4,481,621	\$4,326,265	\$4,011,509	\$3,909,061	\$4,330,058
Restricted	1,349,008	1,326,981	1,657,777	2,247,171	2,085,015
Unrestricted	3,729,274	7,266,232	9,418,784	14,092,407	15,153,632
Total Net Position	<u>\$9,559,903</u>	<u>\$12,919,478</u>	<u>\$15,088,070</u>	<u>\$20,248,639</u>	<u>\$21,568,705</u>

Source: District Records

Notes:

Due to the implementation of GASB68 in 2015, there will be a material decrease in the total net position since the District is required to report the total net pension liability on the face of it's financial statements.

Due to implementation of GASB 75 in fiscal year 2018, fiscal year 2017 has been restated to reflect changes.

Fiscal Year				
2014	2015	2016	2017	2018
\$4,979,093	\$5,565,798	\$6,735,514	\$7,332,175	\$8,238,822
2,347,842	1,758,420	2,624,905	52,743,265	53,766,559
18,832,585	(32,710,331)	(33,485,315)	(50,607,737)	(28,539,160)
<u>\$26,159,520</u>	<u>(\$25,386,113)</u>	<u>(\$24,124,896)</u>	<u>\$9,467,703</u>	<u>\$33,466,221</u>

Winton Woods City School District
Changes in Net Position, Governmental Activities
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2009	2010	2011	2012	2013
Expenses					
Governmental Activities:					
Instruction	\$24,899,853	\$25,283,225	\$26,119,283	\$26,144,362	\$26,839,442
Pupil	2,299,806	2,357,321	2,309,917	2,636,379	2,322,130
Instructional Staff	3,909,668	3,489,096	3,841,740	2,980,717	1,623,955
General Administration	76,841	270,905	83,595	106,452	164,139
School Administration	3,463,199	3,791,392	3,626,781	3,287,106	3,312,749
Fiscal	850,403	753,990	1,300,255	1,220,857	1,308,959
Business	232,267	215,210	442,823	233,832	206,456
Operation and Maintenance	4,038,741	3,828,121	3,733,674	3,149,362	3,007,406
Pupil Transportation	2,015,866	2,070,886	2,399,023	2,521,054	2,255,257
Central	939,421	949,036	824,967	975,898	556,719
Operation of Non-instructional Services	1,882,428	1,767,277	1,762,111	2,067,491	2,217,635
Extracurricular Activities	857,362	888,097	1,001,762	834,816	735,163
Interest and Fiscal Charges	230,805	191,669	176,162	166,084	151,400
Total Government Expenses	45,696,660	45,856,225	47,622,093	46,324,410	44,701,410
Program Revenues					
Governmental Activities:					
Charges for Services					
Instruction	1,007,442	792,054	826,059	1,476,073	1,748,501
Pupil	0	0	23	261	0
Instructional Staff	0	0	482	101	0
Operation and Maintenance	0	0	223,979	227,690	239,882
Pupil Transportation	19,884	19,031	26,605	27,863	23,041
Operation of Non-instructional Services	511,824	476,160	459,960	409,408	386,725
Extracurricular Activities	258,255	239,794	325,919	185,309	216,021
Operating Grants and Contributions	5,595,398	6,620,355	6,860,087	6,554,077	6,167,280
Capital Grants and Contributions	50,072	0	0	0	0
Total Government Revenues	7,442,875	8,147,394	8,723,114	8,880,782	8,781,450
Net (Expense)/Revenue					
Total Government Net Expense	(\$38,253,785)	(\$37,708,831)	(\$38,898,979)	(\$37,443,628)	(\$35,919,960)
General Revenues and Other Changes in Net Assets					
Governmental Activities:					
Taxes					
Property Taxes Levied for General Purposes	19,127,403	22,451,708	22,556,974	24,117,875	19,138,755
Property Taxes Levied for Special Revenue Purposes	0	0	0	0	0
Property Taxes Levied for Debt Service Purposes	0	0	0	0	0
Property Taxes Levied for Capital Projects	768,419	757,191	763,810	781,046	677,503
Grants and Entitlements not Restricted to Specific Programs	16,591,954	17,108,746	16,973,343	16,474,351	16,091,879
Payment in Lieu of Taxes	352,005	311,830	340,906	491,051	348,208
Investment Earnings	147,697	33,569	8,670	12,823	38,152
Other Revenues	218,071	246,986	423,868	727,051	945,529
Total primary government	37,205,549	40,910,030	41,067,571	42,604,197	37,240,026
Change in Net Position					
Total primary government	(\$1,048,236)	\$3,201,199	\$2,168,592	\$5,160,569	\$1,320,066
Source: District Records					

Fiscal Year				
2014	2015	2016	2017	2018
\$27,463,025	\$27,903,615	\$30,102,821	\$34,267,080	\$21,072,309
2,359,097	2,306,467	2,549,998	3,112,527	2,025,839
1,752,538	2,221,429	2,664,418	3,388,245	1,813,610
126,005	162,324	159,415	181,072	209,929
3,764,614	3,751,150	4,144,436	4,630,113	1,600,684
1,251,652	1,330,226	1,570,361	1,533,130	920,030
490,023	265,863	273,472	273,554	163,243
3,059,635	3,176,855	3,308,817	4,662,000	1,754,433
2,221,125	2,095,979	2,285,445	2,325,668	1,594,077
517,070	621,654	588,955	845,831	373,035
2,162,117	2,416,062	2,337,935	2,721,376	1,984,727
730,580	777,862	624,782	975,178	668,157
135,722	119,366	102,436	1,511,364	2,740,047
<u>46,033,203</u>	<u>47,148,852</u>	<u>50,713,291</u>	<u>60,427,138</u>	<u>36,920,120</u>
1,983,512	2,028,661	2,017,321	2,798,374	2,787,316
268	0	1,293	1,663	28,227
0	0	227	138	2,229
220,071	257,583	247,766	224,884	208,299
16,223	17,167	29,805	11,506	22,046
375,645	339,679	360,825	382,081	358,174
209,143	194,474	122,409	142,462	260,174
6,745,281	6,586,634	8,559,414	9,052,602	7,808,170
<u>9,550,143</u>	<u>9,424,198</u>	<u>11,339,060</u>	<u>12,613,710</u>	<u>11,474,635</u>
<u>(\$36,483,060)</u>	<u>(\$37,724,654)</u>	<u>(\$39,374,231)</u>	<u>(\$47,813,428)</u>	<u>(\$25,445,485)</u>
22,645,684	21,896,376	20,465,956	23,965,297	23,624,698
0	0	0	94,042	189,153
0	0	0	2,937,350	3,243,078
758,566	727,685	663,219	691,569	572,227
16,738,783	17,694,077	18,332,610	19,310,466	19,818,268
362,312	424,984	377,835	563,514	579,989
19,797	83,499	237,451	469,562	918,824
548,733	780,947	558,377	49,543,809	497,766
<u>41,073,875</u>	<u>41,607,568</u>	<u>40,635,448</u>	<u>97,575,609</u>	<u>49,444,003</u>
<u>\$4,590,815</u>	<u>\$3,882,914</u>	<u>\$1,261,217</u>	<u>\$49,762,181</u>	<u>\$23,998,518</u>

Winton Woods City School District
Fund Balances, Governmental Funds
Last Ten Fiscal Years (1)
(modified accrual basis of accounting)

	Fiscal Year				
	2009	2010	2011	2012	2013
General Fund					
Reserved	\$7,179,476	\$8,667,268	\$0	\$0	\$0
Unreserved	(2,283,781)	(1,649,181)	0	0	0
Nonspendable	0	0	0	0	0
Assigned	0	0	199,526	118,292	121,974
Unassigned	0	0	8,486,992	11,810,849	15,079,407
Total General Fund	4,895,695	7,018,087	8,686,518	11,929,141	15,201,381
All Other Governmental Funds					
Reserved	470,354	410,585	0	0	0
Unreserved, Reported in:					
Special Revenue Funds	250,319	368,884	0	0	0
Capital Project Funds	629,863	514,397	0	0	0
Nonspendable	0	0	0	0	0
Restricted	0	0	1,574,257	1,503,940	1,606,470
Unassigned	0	0	(41,330)	(1,204)	0
	\$1,350,536	\$1,293,866	\$1,532,927	\$1,502,736	\$1,606,470

Source: District Records

(1) The change in the classification of fund balance amounts in 2011 are discussed in the Notes to the Financial Statements for 2011.

* Prior year amounts have not been restated for the implementation of GASB Statement 54.

Fiscal Year				
2014	2015	2016	2017	2018
\$0	\$0	\$0	\$0	\$0
0	0	0	0	0
0	0	13,176	0	82,313
129,807	2,556,052	6,443,091	4,832,848	6,213,793
18,398,511	19,466,785	14,796,589	19,467,534	17,883,013
<u>18,528,318</u>	<u>22,022,837</u>	<u>21,239,680</u>	<u>24,300,382</u>	<u>24,179,119</u>
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	1,324	0	8,328
1,751,814	1,718,762	2,609,709	68,538,278	70,485,156
(662)	(832)	(530)	(132,003)	(18,491)
<u>\$1,751,152</u>	<u>\$1,717,930</u>	<u>\$2,610,503</u>	<u>\$68,406,275</u>	<u>\$70,474,993</u>

Winton Woods City School District
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year				
	2009	2010	2011	2012	2013
Revenues:					
Taxes	\$19,355,134	\$22,564,803	\$23,121,745	\$22,890,021	\$22,330,918
Revenue in Lieu of Taxes	352,005	311,830	340,906	491,051	348,208
Tuition and Fees	809,628	611,231	852,155	1,501,985	1,768,835
Investment Earnings	147,697	33,569	8,670	12,823	38,152
Intergovernmental	21,900,121	23,688,010	23,747,720	22,915,965	22,467,181
Extracurricular Activities	258,435	240,216	326,134	185,309	216,021
Charges for Services	510,982	475,551	460,342	636,510	629,820
Other Revenues	788,437	447,027	590,951	729,953	945,024
Total Revenues	\$44,122,439	\$48,372,237	\$49,448,623	\$49,363,617	\$48,744,159
Expenditures:					
Instruction	\$25,053,881	\$25,472,710	\$26,205,711	\$25,661,505	\$26,758,005
Pupil	2,338,542	2,449,809	2,325,310	2,596,832	2,285,039
Instructional Staff	3,901,421	3,591,859	3,842,449	2,943,064	1,689,440
General Administration	74,545	268,609	81,299	104,156	161,940
School Administration	3,516,594	3,796,513	3,578,292	3,249,649	3,369,144
Fiscal	760,342	801,229	1,279,374	1,238,211	1,294,662
Business	221,421	221,167	436,816	231,715	204,004
Operation and Maintenance	3,893,501	3,719,716	3,601,789	3,110,935	2,946,146
Pupil Transportation	1,914,971	2,153,485	2,322,825	2,400,813	2,540,175
Central	899,072	912,380	788,598	936,591	542,252
Operation of Non-instructional Services	1,842,019	1,772,463	1,730,150	2,045,836	2,219,310
Extracurricular Activities	758,900	786,810	888,714	824,969	722,846
Capital Outlay	0	0	148,242	315,477	145,229
Debt Service					
Principal Retirement	494,532	361,975	376,068	324,111	337,298
Interest and Fiscal Charges	211,909	193,042	177,588	167,321	152,695
Issuance Cost	0	0	0	0	0
Total Expenditures:	\$45,881,650	\$46,501,767	\$47,783,225	\$46,151,185	\$45,368,185
Other Financing Sources (Uses)					
Issuance of Capital Leases	\$338,005	\$15,704	\$0	\$0	\$0
Issuance of Long Term Debt	0	0	0	0	0
Premium on Bonds and Notes Issued	0	0	0	0	0
Payments to Bond Escrow Account	0	0	0	0	0
Sale of Capital Assets	1,350	21,172	242,094	0	0
Transfers In	0	0	0	0	0
Transfers Out	0	0	0	0	0
Total Other Financing Sources (Uses)	339,355	36,876	242,094	0	0
Net Change in Fund Balances	(\$1,419,856)	\$1,907,346	\$1,907,492	\$3,212,432	\$3,375,974
Debt Service as a Percentage of Noncapital Expenditures	1.55%	1.20%	1.17%	1.07%	1.09%

Source: District Records

Fiscal Year				
2014	2015	2016	2017	2018
\$23,048,099	\$23,125,506	\$21,129,175	\$28,071,465	\$27,441,387
361,968	424,984	377,834	563,514	579,989
1,995,583	2,041,946	2,041,733	2,807,235	2,803,647
19,797	83,499	237,451	469,562	886,103
23,403,905	24,807,490	26,899,491	28,770,987	32,801,376
209,143	194,774	125,234	144,790	260,174
598,529	341,822	363,436	384,191	394,346
550,682	1,039,969	807,622	873,091	700,499
<u>\$50,187,706</u>	<u>\$52,059,990</u>	<u>\$51,981,976</u>	<u>\$62,084,835</u>	<u>\$65,867,521</u>
\$27,270,645	\$28,082,770	\$29,640,725	\$31,835,361	\$33,502,634
2,344,014	2,318,082	2,583,082	2,924,400	3,194,445
1,792,075	2,243,425	2,705,221	3,223,862	2,882,405
123,806	161,063	157,373	176,649	220,688
3,649,796	3,779,769	4,146,887	4,182,356	4,033,989
1,241,900	1,346,841	1,445,532	1,557,697	1,377,980
493,206	253,265	324,879	252,463	267,493
3,009,085	3,253,933	3,376,373	4,430,550	3,322,402
2,286,527	2,306,799	2,376,261	2,321,773	2,476,696
477,752	591,314	568,983	729,134	754,643
2,164,323	2,453,699	2,317,924	2,699,468	2,585,665
819,292	798,720	798,293	1,010,255	1,183,743
556,451	523,949	935,410	459,891	3,617,949
351,637	366,528	380,019	396,626	2,164,402
137,078	120,786	103,922	1,212,051	2,342,998
0	0	0	0	307,063
<u>\$46,717,587</u>	<u>\$48,600,943</u>	<u>\$51,860,884</u>	<u>\$57,412,536</u>	<u>\$64,235,195</u>
\$0	\$2,250	\$0	\$3,020,999	\$5,563
0	0	0	61,150,000	28,555,000
0	0	0	0	3,869,094
0	0	0	0	(32,114,528)
1,500	0	1,500	0	0
0	0	0	0	62,412,466
0	0	0	0	(62,412,466)
<u>1,500</u>	<u>2,250</u>	<u>1,500</u>	<u>64,170,999</u>	<u>315,129</u>
<u>\$3,471,619</u>	<u>\$3,461,297</u>	<u>\$122,592</u>	<u>\$68,843,298</u>	<u>\$1,947,455</u>
1.06%	1.03%	0.95%	2.88%	8.07%

Winton Woods City School District, Ohio
Assessed and Estimated Actual Value of Taxable Property
Last Ten Collection (Calendar) Years (1)
2008 - 2017

Collection Year	Real Property		Tangible Personal Property		Public Utilities Personal	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2008	\$518,429,700	\$1,481,227,714	\$1,389,050	\$5,556,200	\$13,265,840	\$16,582,300
2009	520,001,470	1,485,718,486	694,525	2,778,100	14,218,800	17,773,500
2010	507,874,520	1,451,070,057	679,440	2,717,760	14,598,550	18,248,188
2011	453,067,150	1,294,477,571	0	0	15,862,180	19,827,725
2012	449,619,900	1,284,628,286	0	0	16,221,360	20,276,700
2013	447,469,830	1,278,485,229	0	0	17,675,930	22,094,913
2014	423,149,870	1,208,999,629	0	0	18,662,450	23,328,063
2015	420,104,090	1,200,297,400	0	0	19,305,720	24,132,150
2016	419,888,950	1,199,682,714	0	0	19,427,470	24,284,338
2017	436,786,520	1,247,961,486	0	0	21,001,870	26,252,338

(1) Hamilton County Auditor property tax records are maintained on a calendar year basis

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in businesses in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property is assessed at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax is being phased out beginning in 2006. The listing percentage is 12.5 percent for 2007, 6.25 percent for 2008, and zero for 2009.

The tangible personal property values associated with each year are the values, that when multiplied by the applicable rates, generate the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10%, 2 1/2% and homestead exemption before being billed. Beginning in the 2006 collection year, the 10% rollback for commercial/industrial property has been eliminated.

Total		
Assessed Value	Estimated Actual Value	Total Direct Rate
\$533,084,590	\$1,503,366,214	78.03
534,914,795	1,506,270,086	85.93
523,152,510	1,472,036,005	86.03
468,929,330	1,314,305,296	87.32
465,841,260	1,304,904,986	87.41
465,145,760	1,300,580,141	87.41
441,812,320	1,232,327,691	87.41
439,409,810	1,224,429,550	87.81
439,316,420	1,223,967,052	94.75
457,788,390	1,274,213,823	94.76

**Winton Woods City School District
Property Tax Rates (per \$1,000 of Assessed Valuation)
Direct and Overlapping Property Tax Rates,
Last Ten Collection Years**

Collection Year	Actual Value			Overlapping Rates	
	General Purpose	Capital Purpose	Total	Hamilton County	City of Forest Park
2008	78.03	0.00	78.03	20.63	12.76
2009	85.93	0.00	85.93	20.48	12.76
2010	86.03	0.00	86.03	19.45	12.76
2011	87.32	0.00	87.32	19.03	12.76
2012	87.41	0.00	87.41	19.03	12.76
2013	87.41	0.00	87.41	19.03	12.76
2014	87.41	0.00	87.41	18.85	12.76
2015	87.81	0.00	87.81	18.85	18.51
2016	87.80	6.95	94.75	18.85	18.51
2017	87.81	6.95	94.76	19.16	18.51

Source: County Auditor

Overlapping Rates

Village of Greenhills	Great Oaks JVSD	Springfield Township	City of Wyoming	City of Springdale
27.88	2.70	20.30	10.00	3.06
27.83	2.70	22.80	10.00	3.06
32.73	2.70	22.80	10.00	3.06
33.58	2.70	22.80	10.00	3.06
33.58	2.70	23.80	10.00	3.06
33.58	2.70	23.80	10.00	3.06
33.58	2.70	23.80	10.00	3.06
30.86	2.70	23.80	10.00	3.06
30.15	2.70	23.80	10.00	3.06
29.23	2.70	23.80	10.00	3.06

**Winton Woods City School District
Principal Property Tax Payers
2017 and 2008**

Name of Taxpayer	2017	
	Total Assessed Valuation	% of Total Assessed Valuation
Duke Energy	\$14,282,350	3.12%
Union Central Life Ins. Co.	7,427,410	1.62%
CORE Kensington Park Apts., LLC	5,950,000	1.30%
Forest Park Associates	3,892,280	0.85%
AERC Remington Place LLC	3,667,270	0.80%
BWIP Mills Run Owner LLC	3,141,670	0.69%
Forest Park Station LLC	2,342,900	0.51%
Versailles Village Apartments LLC	2,244,530	0.49%
Duke Energy Ohio, Inc.	6,673,830	1.46%
Faxon Machining, Inc.	1,932,970	0.42%
Totals	\$51,555,210	11.26%
Total Assessed Valuation	\$457,788,390	11.26%

Name of Taxpayer	2008	
	Total Assessed Valuation	% of Total Assessed Valuation
Duke Energy	\$13,324,850	2.38%
Union Central Life	7,004,000	1.25%
Kensington Park Apt.	6,807,500	1.22%
CR Forest Park LLC	1,968,750	0.35%
Forest Park Apartment Associates	4,360,170	0.78%
All State Associates of Huntington, LLC	3,559,500	0.64%
AERC Remington Place, Inc.	3,952,410	0.71%
Versailles Village Apartment	2,616,250	0.47%
Civic Center Station	2,009,530	0.36%
Forest Park Station LTD	2,866,750	0.51%
Totals	\$48,469,710	8.68%
Total Assessed Valuation	\$558,700,310	8.68%

Source: Hamilton County Auditor

(1) The amounts presented represent the assessed values upon which 2017 and 2018 collections were based and on a calendar year.

**Winton Woods City School District
Property Tax Levies and Collections
Last Ten Calendar Years**

Calendar Year	Taxes Levied	Collected within the Calendar Year of the Levy		Delinquent Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2008	\$26,341,934	\$22,288,284	84.61%	\$1,545,476	\$23,833,760	90.48%
2009	25,107,732	21,630,722	86.15%	1,266,141	22,896,863	91.19%
2010	23,981,611	20,720,266	86.40%	1,144,236	21,864,502	91.17%
2011	28,692,301	24,866,463	86.67%	1,250,820	26,117,283	91.03%
2012	30,712,796	24,466,018	79.66%	1,650,751	26,116,769	85.04%
2013	28,249,661	25,001,590	88.50%	1,179,279	26,180,869	92.68%
2014	28,116,090	25,000,939	88.92%	1,182,100	26,183,039	93.12%
2015	27,726,780	25,548,903	92.15%	993,622	26,542,524	95.73%
2016	30,529,854	28,296,866	92.69%	700,383	28,997,249	94.98%
2017	31,793,429	29,001,436	91.22%	1,071,619	30,073,055	94.59%

Source: County Auditor and district records

Winton Woods City School District
Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Capital Leases	General Bonded Debt Outstanding		Debt Service Fund Balance (1)	General Bonded Debt Outstanding		Percentage of Estimated Actual Value of Taxable	Percentage of Personal Income	Total Debt Per Capita	Net General Bonded Debt Per Capita
		General Obligation Bonds and Notes			Net General Obligation Bonds and Notes					
2009	\$4,246,182	\$130,000		\$0	\$130,000		0.01%	0.37%	\$4.64	\$4.64
2010	3,964,911	65,000		0	65,000		0.00%	0.20%	2.31	2.31
2011	3,653,843	0		0	0		0.00%	0.00%	0.00	0.00
2012	3,329,732	0		0	0		0.00%	0.00%	0.00	0.00
2013	2,992,434	0		0	0		0.00%	0.00%	0.00	0.00
2014	2,640,797	0		0	0		0.00%	0.00%	0.00	0.00
2015	2,274,269	0		0	0		0.00%	0.00%	0.00	0.00
2016	1,894,250	0		0	0		0.00%	0.00%	0.00	0.00
2017	1,497,624	64,128,506		4,744,999	59,383,507		5.24%	148.27%	2,404.97	2,227.02
2018	1,083,222	63,619,463		3,538,905	60,080,558		4.99%	137.31%	2,385.88	2,253.16

Source: District Records

(1) Excludes debt service for short-term debt

**Winton Woods City School District
Direct and Overlapping Governmental Activities Debt
As of June 30, 2018**

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Direct and Overlapping Debt
Overlapping Debt:			
Hamilton County	\$133,845,000	2.37%	\$3,172,127
City of Forest Park	4,090,000	89.23%	3,649,507
Springdale City	9,150,000	0.00%	0
City of Wyoming	9,215,000	1.86%	171,399
Village of Greenhills	765,000	100.00%	765,000
Springfield Township	7,210,000	20.56%	1,482,376
Great Oaks Career Center	6,070,000	2.32%	140,824
Subtotal, Overlapping Debt	170,345,000		9,381,233
District direct debt	64,702,685	100.00%	64,702,685
Total direct and overlapping debt	\$235,047,685		\$74,083,918

Source: Ohio Municipal Advisory Council

(1) - The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the District's boundaries and dividing it by the county's total taxable assessed value.

**Winton Woods City School District
 Legal Debt Margin Information
 Last Ten Fiscal Years**

	Fiscal Year				
	2009	2010	2011	2012	2013
Debt Limit	\$47,985,116	\$48,142,232	\$47,083,726	\$42,203,640	\$41,925,713
Total Net Debt Applicable to Limit	<u>130,000</u>	<u>65,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Legal Debt Margin	<u>\$47,855,116</u>	<u>\$48,077,232</u>	<u>\$47,083,726</u>	<u>\$42,203,640</u>	<u>\$41,925,713</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.27%	0.14%	0.00%	0.00%	0.00%

Source: District Records

Legal Debt Margin Calculation for Fiscal Year 2018

Assessed Value	\$457,788,390
Debt Limit (9% of Assessed Value)	41,200,955
Debt Applicable to Limit	<u>63,619,463</u>
Legal Debt Margin	<u><u>(\$22,418,508)</u></u>

Fiscal Year				
<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$41,863,118	\$39,763,109	\$39,546,883	\$39,538,478	\$41,200,955
<u>0</u>	<u>0</u>	<u>0</u>	<u>64,128,506</u>	<u>63,619,463</u>
<u><u>\$41,863,118</u></u>	<u><u>\$39,763,109</u></u>	<u><u>\$39,546,883</u></u>	<u><u>(\$24,590,028)</u></u>	<u><u>(\$22,418,508)</u></u>
0.00%	0.00%	0.00%	162.19%	154.41%

**Winton Woods City School District
Demographic and Economic Statistics
Last Ten Calendar Years**

Calendar Year	Population (1)	(2) Personal Income (Thousands of Dollars)	(3) Per Capita Personal Income	(4) Unemployment Rate
2008	27,991	\$32,243	\$42,393	5.90%
2009	28,096	32,243	42,393	9.70%
2010	26,529	32,358	45,852	9.90%
2011	26,457	32,066	46,881	9.20%
2012	26,513	32,252	49,413	7.40%
2013	26,595	34,281	50,235	7.30%
2014	26,665	34,514	42,236	5.70%
2015	26,665	42,061	52,081	4.70%
2016	26,665	43,251	53,456	4.40%
2017	26,665	46,332	56,931	4.60%

(1) Population estimates provided by U.S. Census Bureau.

(2) Ohio Department of Taxation Individual Income Tax Returns by School District.

(3) State of Ohio Bureau of Employment Services Annual averages. Information for Hamilton County.

(4) Ohio Bureau of Employment Services, rates are for Hamilton County.

**Winton Woods City School District
Principal Employers
2017 and 2008**

2017		
Employers	Employees	Percentage of Total Total Employment
1. Kroger Company	21,646	19.05%
2. Cincinnati Children's Hospital Medical Center	15,257	13.43%
3. UC Health	12,200	10.74%
4. TriHealth, Inc.	11,992	10.56%
5. Procter & Gamble Company	10,000	8.80%
6. University of Cincinnati	9,984	8.79%
7. Mercy Health - Cincinnati	9,000	7.92%
8. St. Elizabeth Healthcare	8,236	7.25%
9. GE Aviation	7,800	6.87%
10. Fifth Third Bancorp	7,496	6.60%
Totals	<u>113,611</u>	<u>100.00%</u>

2008		
Employers	Employees	Percentage of Total Total Employment
1. University of Cincinnati	15,862	14.84%
2. Kroger Company	15,600	14.59%
3. Health Alliance of Greater Cincinnati	14,785	13.83%
4. Procter & Gamble Company	12,315	11.52%
5. Cincinnati Children's Hospital	9,464	8.85%
6. TriHealth, Inc.	9,400	8.79%
7. Fifth Third Bank	7,645	7.15%
8. Walmart Stores	7,500	7.01%
9. GE Aviation	7,400	6.92%
10. Mercy Health Partners	6,948	6.50%
Totals	<u>106,919</u>	<u>100.00%</u>

Source: Cincinnati USA Partnership for Economic Development and Cincinnati Business Courier

**Winton Woods City School District
Full Time Equivalent District Employees by Type
Last Ten Fiscal Years**

	Fiscal Year				
	2009	2010	2011	2012	2013
Instruction					
Classroom teachers	182.26	180.50	176.23	165.00	167.48
Special education teachers and tutors	44.60	40.71	47.27	38.00	37.50
Educational aides	45.39	48.39	45.63	46.27	35.90
Special education aides and attendants	46.00	48.00	46.11	37.79	35.07
Total Instruction	<u>318.25</u>	<u>317.60</u>	<u>315.24</u>	<u>287.06</u>	<u>275.95</u>
Support and Administration					
Support personnel					
Librarians, nurses, counselors, visiting teacher	31.10	31.45	28.45	24.50	25.45
Principals	13.00	13.00	13.00	12.50	12.00
Central office administration	3.00	3.00	3.00	2.00	2.00
Secretaries and clerical	40.40	41.40	43.07	43.57	38.64
Maintenance, mechanics, bus drivers, food service	97.80	102.00	81.00	78.25	68.38
Total Support and administration	<u>185.30</u>	<u>190.85</u>	<u>168.52</u>	<u>160.82</u>	<u>146.47</u>
Total Employees	<u>503.55</u>	<u>508.45</u>	<u>483.76</u>	<u>447.88</u>	<u>422.42</u>

Source: Nonfinancial information from district records.

Fiscal Year				
2014	2015	2016	2017	2018
170.91	179.00	190.00	193.00	192.00
38.09	38.00	36.00	35.60	35.60
36.00	43.00	56.86	88.82	100.82
40.72	46.58	48.01	38.04	44.04
<u>285.72</u>	<u>306.58</u>	<u>330.87</u>	<u>355.46</u>	<u>372.46</u>
23.00	23.57	25.00	31.00	36.00
13.00	15.00	11.50	15.00	15.00
2.00	2.00	2.00	2.00	2.00
40.21	45.21	45.40	58.40	62.40
78.55	78.64	90.50	104.04	104.49
<u>156.76</u>	<u>164.42</u>	<u>174.40</u>	<u>210.44</u>	<u>219.89</u>
<u>442.48</u>	<u>471.00</u>	<u>505.27</u>	<u>565.90</u>	<u>592.35</u>

**Winton Woods City School District
School Building Information
Last Ten Fiscal Years**

	Fiscal Year				
	2009	2010	2011	2012	2013
School					
Elementary					
WW Primary North (1957)					
Square feet	41,000	41,000	41,000	41,000	41,000
Capacity (1)	576	576	576	576	576
Enrollment	423	415	391	428	435
WW Primary South (1953)					
Square feet	37,700	37,700	37,700	37,700	37,700
Capacity (1)	600	600	600	600	600
Enrollment	388	380	379	374	410
WW Elementary (1972)					
Square feet	55,100	55,100	55,100	55,100	55,100
Capacity (1)	648	648	648	648	648
Enrollment	557	511	505	519	519
WW Intermediate (1968)					
Square feet	70,400	70,400	70,400	70,400	70,400
Capacity (1)	756	756	756	756	756
Enrollment	529	522	526	526	536
Middle School					
Winton Woods Middle (1963)					
Square feet	120,000	120,000	120,000	120,000	120,000
Capacity (1)	1,207	1,207	1,207	1,207	1,207
Enrollment	616	561	518	539	576
High School					
Winton Woods High (1968)					
Square feet	156,564	156,564	156,564	156,564	156,564
Capacity (1)	1,692	1,692	1,692	1,692	1,692
Enrollment	1,206	1,148	1,157	1,171	1,147
Total Enrollment	3,719	3,537	3,476	3,557	3,623

Source: Nonfinancial information from district records.

(1) Capacity considers many variables such as class size, federally required programs, and district-level programs, thus capacity may vary.

Fiscal Year				
2014	2015	2016	2017	2018
41,000	41,000	41,000	41,000	41,000
576	576	576	576	576
457	493	414	514	518
37,700	37,700	37,700	37,700	37,700
600	600	600	600	600
378	399	418	444	423
55,100	55,100	55,100	55,100	55,100
648	648	648	648	648
533	494	565	601	560
70,400	70,400	70,400	70,400	70,400
756	756	756	756	756
550	511	521	511	564
120,000	120,000	120,000	120,000	120,000
1,207	1,207	1,207	1,207	1,207
511	538	550	546	529
156,564	156,564	156,564	156,564	156,564
1,692	1,692	1,692	1,692	1,692
1,124	1,144	1,060	1,018	1,030
3,553	3,579	3,528	3,634	3,624

**Winton Woods City School District
Operating Statistics
Last Ten Fiscal Years**

Fiscal Year	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Expenses	Cost Per Pupil	Percentage Change
2009	3,719	\$45,175,209	\$12,147	2.76%	\$45,696,660	\$12,287	1.54%
2010	3,537	45,946,750	12,990	6.94%	45,856,225	12,965	5.51%
2011	3,476	47,081,327	13,545	4.27%	47,622,093	13,700	5.67%
2012	3,557	45,344,276	12,748	-5.88%	46,324,410	13,023	-4.94%
2013	3,623	44,732,963	12,347	-3.15%	44,701,410	12,338	-5.26%
2014	3,553	45,672,421	12,855	4.11%	46,033,203	12,956	5.01%
2015	3,579	47,589,680	13,297	3.44%	47,148,852	13,174	1.68%
2016	3,528	50,441,533	14,297	7.52%	50,713,291	14,375	9.11%
2017	3,634	55,343,968	15,229	6.52%	60,427,138	16,628	15.68%
2018	3,624	55,802,783	15,398	1.11%	36,920,120	10,188	-38.73%

Source: Nonfinancial information from district records.

Teaching Staff	Pupil- Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
238.8	15.6	48.43%
254.8	13.9	58.14%
231.3	15.0	63.04%
211.1	16.8	67.38%
209.6	17.3	69.50%
211.1	16.8	69.50%
228.0	15.7	72.87%
231.0	15.3	75.65%
239.0	15.2	75.07%
242.0	15.0	84.14%

Winton Woods City School District
Number of Teachers: Education and Years of Experience
As of June 30, 2018

Education	Number of Teachers	Percentage of Total
Bachelor's Degree	38	14.62%
Bachelor's Degree with Five Years Experience	54	20.77%
Master's Degree	99	38.08%
Master's Degree + 10 Semester Hours	33	12.69%
Master's Degree + 20 Semester Hours	20	7.69%
Master's Degree + 30 Semester Hours	15	5.77%
Doctorate	1	0.38%
Total Number of Teachers	260	100.00%

Experience	Number of Teachers	Percentage of Total
0 - 5 Years	68	26.15%
6 - 10 Years	63	24.23%
10 + Years	129	49.62%
Total Number of Teachers	260	100.00%

Source: District Records

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Issued by the Treasurer's Office

Winton Woods City Schools

1215 W. Kemper Road

Cincinnati, OH 45240

(513) 619-2370

Winton Woods City Schools offers Equal Educational and Employment
Opportunities without regard to race, color, religion,
national origin, sex, handicap, or other human differences.

WINTON WOODS CITY SCHOOL DISTRICT



Single Audit Reports

June 30, 2018

PLATTENBURG
Certified Public Accountants

**WINTON WOODS CITY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2018**

Federal Grant/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements	Non-Cash Disbursements
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Passed Through Ohio Department of Education:				
Child Nutrition Cluster:				
School Breakfast Program	3L70	10.553	\$382,030	\$0
National School Lunch Program	3L60	10.555	1,138,112	118,679
Total Child Nutrition Cluster			<u>1,520,142</u>	<u>118,679</u>
Total U.S. Department of Agriculture			<u>1,520,142</u>	<u>118,679</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
Passed Through Ohio Department of Education:				
Special Education Cluster:				
Special Education-Grants to States	3M20	84.027	938,294	0
Special Education-Preschool Grants	3C50	84.173	19,966	0
Total Special Education Cluster			<u>958,260</u>	<u>0</u>
Title I Grants to Local Educational Agencies	3M00	84.010	1,281,475	0
English Language Acquisition State Grants	3Y70	84.365	129,414	0
Supporting Effective Instruction State Grants	3Y60	84.367	124,288	0
Student Support and Academic Enrichment Program	3H10	84.424	24,218	0
Total Department of Education			<u>2,517,655</u>	<u>0</u>
Total Federal Assistance			<u>\$4,037,797</u>	<u>\$118,679</u>

NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES

NOTE A -- SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of federal awards expenditures is a summary of the activity of the District's federal award programs. The schedule has been prepared using the cash basis of accounting. The information in this schedule is presented 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). The District did not elect to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Education
Winton Woods City School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Winton Woods City School District (the District), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 12, 2018, wherein we noted the District adopted GASB No. 75 as disclosed in Note 21.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *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 deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
Cincinnati, Ohio
December 12, 2018

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS REQUIRED BY UNIFORM GUIDANCE**

Board of Education
Winton Woods City School District

Report on Compliance for Each Major Federal Program

We have audited the Winton Woods City School District's (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2018. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on 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 that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion 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, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. 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 type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program 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 was not designed to 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.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. 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 audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the District, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated December 12, 2018, which contained unmodified opinions on those financial statements, wherein we noted the District adopted GASB No. 75 as disclosed in Note 21. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information 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, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Plattenburg & Associates, Inc.

Plattenburg & Associates, Inc.
Cincinnati, Ohio
December 12, 2018

**WINTON WOODS CITY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2018**

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant Deficiency(s) identified? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? No
- Significant Deficiency(s) identified? None reported

Type of auditor’s report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? No

Identification of major federal programs:

Child Nutrition Cluster:
Title I Grants to Local Educational Agencies 84.010

Dollar threshold used to distinguish between Type A and Type B Programs \$750,000

Auditee qualified as low-risk auditee? Yes

Section II – Findings Related to the Financial Statements Required to be reported in Accordance with GAGAS

None

Section III – Federal Award Findings and Questioned Costs

None

**WINTON WOODS CITY SCHOOL DISTRICT
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
June 30, 2018**

Summary of Prior Audit Findings:

None Noted

OHIO AUDITOR OF STATE
KEITH FABER



WINTON WOODS CITY SCHOOL DISTRICT

HAMILTON 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 24, 2019**