



Dave Yost • Auditor of State



**NORDONIA HILLS CITY SCHOOL DISTRICT  
SUMMIT COUNTY**

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# Dave Yost • Auditor of State

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

Nordonia Hills City School District  
Summit County  
9370 Olde Eight Road  
Northfield, Ohio 44067

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Nordonia Hills City School District, Summit County, (the District) as of and for the year ended June 30, 2015, 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 16, 2015, wherein we noted the District adopted Governmental Accounting Standard No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. We did not modify our opinion regarding this matter.

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

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

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

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

***Compliance and Other Matters***

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

***Purpose of this Report***

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

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

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

December 16, 2015



# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Nordonia Hills City School District  
Summit County  
9370 Olde Eight Road  
Northfield, Ohio 44067

To the Board of Education:

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

We have audited the Nordonia Hills City School District's, Summit County, Ohio (the District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect the District's major federal program for the year ended December 16, 2015. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the District's major federal program.

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

The District's Management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

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

Our responsibility is to opine on the District's compliance for the District's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

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

In our opinion, the Nordonia Hills City School District complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended June 30, 2015.

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

The District's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the District's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the District's internal control over compliance.

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

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

This report only describes the scope of our internal control over compliance tests and the results of this testing based on OMB Circular A-133 requirements. Accordingly, this report is not suitable for any other purpose.



***Report on Schedule of Federal Awards Expenditures Required by OMB Circular A-133***

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Nordonia Hills City School District (the District) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated December 16, 2015, wherein we noted the District Governmental Accounting Standard No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. We conducted our audit to opine on the District's basic financial statements. The accompanying schedule of federal awards receipts and expenditures presents additional analysis required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



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

December 16, 2015

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**NORDONIA HILLS CITY SCHOOL DISTRICT  
SUMMIT COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2015**

<b>FEDERAL GRANTOR Pass Through Grantor Program Title</b>	Federal CFDA Number	Pass-through Grant Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
<b>U.S. DEPARTMENT OF AGRICULTURE</b>						
<i>Passed Through Ohio Department of Education</i>						
Child Nutrition Cluster:						
National School Breakfast Program	10.553	050047-3L70-2015	\$ 40,480	-	\$ 40,480	-
National School Lunch Program	10.555	050047-3L60-2015	355,545	\$ 60,397	355,545	\$ 60,397
Cash Assistance Total			396,025	60,397	396,025	60,397
<b>Total U.S. Department of Agriculture</b>			396,025	60,397	396,025	60,397
<b>U.S. DEPARTMENT OF EDUCATION</b>						
<i>Passed Through Ohio Department of Education</i>						
Title I, Part A Cluster:						
Title I Grants to Local Education Agencies	84.010	050047-3M00-2015	273,819	-	270,432	-
Special Education Cluster:						
Special Education Grants to States, IDEA B	84.027	050047-3M20-2015	925,826	-	789,170	-
Special Education Grants to States, IDEA B	84.027	050047-3M20-2014	-	-	54,269	-
Total Special Education Cluster			925,826	-	843,439	-
Improving Teacher Quality State Grants, Title II-A	84.367	050047-3Y60-2015	57,793	-	55,293	-
English Language Acquisition Grants, Title III	84.365	050047-3Y70-2015	12,544	-	12,539	-
English Language Acquisition Grants, Title III	84.365	050047-3Y70-2014	-	-	917	-
			12,544	-	13,456	-
ARRA - Race to the Top	84.395	050047-3FD0-2015	2,054	-	2,054	-
<i>Total U.S. Department of Education</i>			1,272,036	-	1,184,674	-
<b>Total Federal Financial Assistance</b>			<u>\$ 1,668,061</u>	<u>\$ 60,397</u>	<u>\$ 1,580,699</u>	<u>\$ 60,397</u>

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

**NORDONIA HILLS CITY SCHOOL DISTRICT  
SUMMIT COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES  
FISCAL YEAR ENDED JUNE 30, 2015**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Federal Awards Receipts and Expenditures (the Schedule) reports the Nordonia Hills City School District (the District's) federal award programs' receipts and disbursements. The Schedule has been prepared on the cash basis of accounting.

**NOTE B - CHILD NUTRITION CLUSTER**

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

**NOTE C – FOOD DONATION PROGRAM**

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

**NORDONIA HILLS CITY SCHOOL DISTRICT  
SUMMIT COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2015**

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

<i>(d)(1)(i)</i>	<b>Type of Financial Statement Opinion</b>	Unmodified
<i>(d)(1)(ii)</i>	<b>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(ii)</i>	<b>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(iii)</i>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(iv)</i>	<b>Were there any material internal control weaknesses reported for major federal programs?</b>	No
<i>(d)(1)(iv)</i>	<b>Were there any significant deficiencies in internal control reported for major federal programs?</b>	No
<i>(d)(1)(v)</i>	<b>Type of Major Programs' Compliance Opinion</b>	Unmodified
<i>(d)(1)(vi)</i>	<b>Are there any reportable findings under § .510(a)?</b>	No
<i>(d)(1)(vii)</i>	<b>Major Programs (list):</b>	<u>Special Education Cluster:</u> Special Education Grants to States – CFDA #84.027
<i>(d)(1)(viii)</i>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	<b>Low Risk Auditee?</b>	Yes

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

None

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

None

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# NORDONIA HILLS CITY



## SCHOOL DISTRICT

Northfield, Ohio



“Inspiring every student to value learning, community and excellence.”

Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 2015

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# **Nordonia Hills City School District**

**Northfield, Ohio**

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**Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 2015**



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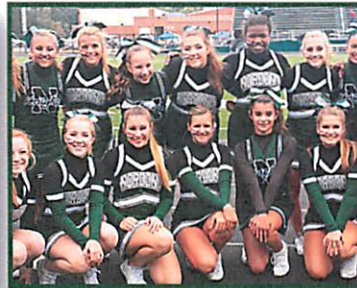
**Prepared by:**

**Karen E. Obratil, Treasurer/CFO**

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# Introductory Section

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**Nordonia Hills City School District**  
*Comprehensive Annual Financial Report*  
*For the Fiscal Year Ended June 30, 2015*  
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**Nordonia Hills City School District**

9370 Olde Eight Road • Northfield, Ohio 44067 • Phone: 330.467.0589 • Fax: 330.467.3692  
Karen E. Obratil, Treasurer • [www.nordoniaschools.org](http://www.nordoniaschools.org)

December 16, 2015

Board of Education Members and  
Residents of Nordonia Hills City School District

It is our privilege to present to you the Comprehensive Annual Financial Report (CAFR) of the Nordonia Hills City School District (the “School District”) for the fiscal year ended June 30, 2015. This CAFR, which includes an opinion from the Auditor of the State of Ohio, enables the School District to comply with the Ohio Administrative Code Section 117-2-03 (B), requiring districts to report on a GAAP (Generally Accepted Accounting Principles) basis, and Ohio Revised Code Section 117.38 requiring districts to report on a GAAP basis and to file an unaudited annual report with the Auditor of State within 150 days of fiscal year end.

Management assumes full responsibility for the completeness and reliability of the information contained in this CAFR, based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute assurance that the financial statements are free of any material misstatements. All disclosures necessary to enable the reader to gain an understanding of the School District’s financial activities have been included.

The report provides the taxpayers of the School District, bond rating agencies, and other interested parties with comprehensive financial information, enabling them to gain a clear understanding of the School District’s finances. This report is intended to meet the accountability requirements of the School District to the public.

Copies of this report will be on file in the Central Offices as well as on the School District’s website, [www.nordoniaschools.org](http://www.nordoniaschools.org).

Management’s discussion and analysis (MD&A) immediately follows the Independent Auditor’s Report and provides a narrative introduction, overview, and analysis of the basis financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

**School District Organization**

Nordonia Hills City School District is one of 612 school districts in the State of Ohio and one of 17 school districts in Summit County. The School District is located in the northern tip of historical Summit County, Ohio. The School District serves the picturesque communities of Northfield Center, Northfield Village, Boston Heights, Macedonia and Sagamore Hills. Easy access to the area is provided by Interstates 80, 271 and 480 and State Routes 8 and 82. Major hospitals, Cleveland Hopkins International Airport and over twenty institutions of higher learning are within a thirty-minute drive. The School District’s communities are predominantly suburban-residential with a population exceeding 32,000. The socio-economic make-up ranges from middle to upper income.

Today the municipalities of Macedonia, Northfield Center, Northfield Village and Sagamore Hills occupy the boundaries of what was once known as “Olde Northfield Township” which was established in 1819. It was one of the early communities of the Connecticut Western Reserve known as Town 5, Range 11,

and occupied approximately 27 square miles. A complete history of Olde Northfield Township was written by Bessie Goosman and published in 1973. Olde Northfield Township's population grew to 1,076 where it remained through 1905 when several clusters of developments began to occur. In 1912, the eastern side of the township became the Village of Macedonia and the Township reorganized into a village. In 1932, the western portion of the Olde Northfield Village separated and became Sagamore Hills Township. A few years later in 1935, the middle section located between Macedonia and Sagamore Hills became Northfield Center when another group of residents broke away from what is known today as Northfield Village.

The School District has its roots in a one-room log schoolhouse built in 1827. The first Macedonia school was established in 1833 and located on Valley View Road at the present site of the Pavilion Building. In 1881, identical schools known as the "Old Brick Schools" were built in Macedonia and Northfield. Centralization of schools began in 1908 and students were educated in a variety of locations in the communities until a complete consolidation occurred in 1948. Soon thereafter the area began to grow in population and Lee Eaton Elementary, Ledgeview Elementary, Rushwood Elementary and the Nordonia High School were constructed. The School District evolved into an all-time high student enrollment of 5,700 pupils in 1971, then declined to a low of 2,800 in 1991. Following this period of declining enrollment, the School District has grown twenty-eight percent through 2015.

The School District educates 3,573 pupils in six community schools: Ledgeview Elementary (K-4), Northfield Elementary (K-4), Rushwood Elementary (K-4), Lee Eaton Elementary (5-6), Nordonia Middle School (7-8) and Nordonia High School (9-12). Enrollment is projected to decrease over the next ten years.

The Board of Education (the "Board") of the School District is comprised of five members elected at large by the citizens of the School District. The Board serves as the taxing authority, contracting body, and policy initiator for the operations of the School District. The Board is responsible for the adoption of the tax budget, the annual operating budget, and approves all expenditures of the School District. The Board is a separate and distinct unit of government, and is governed by the Constitution of the State of Ohio and various statutes enacted by the Ohio General Assembly through the State Department of Education. The Board directly approves all personnel-related expenditures.

The Superintendent is the chief executive officer of the School District, responsible to the Board for total educational and support operations. Dr. Joe Clark has served as superintendent since November 2011.

The Treasurer is the chief financial officer of the School District, responsible to the Board for maintaining all financial records, issuing warrants in payment of liabilities incurred by the School District, acting as custodian of all School District funds, investing idle funds as permitted by Ohio law and serves as Secretary to the Board. Karen E. Obratil was appointed as Treasurer of the School District on August 1, 2012 with a total of eighteen years of experience.

### **Reporting Entity**

The School District has reviewed its operating entity definition in order to insure conformance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity." In evaluating how to define the School District for financial reporting purposes, management has considered all agencies, departments and organizations making up the School District (the primary government) and its potential component units. The School District is not a component unit and has no component units.

The City of Macedonia, Sagamore Township, Northfield Center, Northfield Village or the City of Boston Heights, Summit County Public Library, Parent Teacher Organization and the Nordonia Hills School Foundation have not been included in the accompanying financial statements. The boards are not appointed by the School District, nor are the organizations fiscally dependent on the School District.

Northeast Ohio Network for Educational Technology (NEONET), the Ohio Schools Council, the Cuyahoga Valley Career Center and the Stark County Schools Council of Governments are reported as jointly governed organizations and a risk sharing pool. Statutorily, the School District operates under the standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 of the Ohio Revised Code, to provide education services prescribed by State and Federal agencies.

### **Economic Condition and Outlook**

The School District is located conveniently between the metropolitan cities of Akron and Cleveland, providing a wealth of opportunity for cultural, social and economic resources for its residents. Three major State universities, The University of Akron, Cleveland State University and Kent State University, are within desirable traveling distance of the community.

The Nordonia communities offer an excellent opportunity for business growth and expansion. It is a healthy, stable environment. The City of Macedonia actively stimulates the economy through a diverse group of employers, from the small family operated business to the major commercial/industrial corporation.

Ohio's unemployment rate was 5.2 percent in June 2015 and the nation's unemployment for the same period was 5.5 percent. Additionally, the unemployment rate for Summit County was 5 percent. Specific unemployment figures for the Nordonia Hills City School District are not available. (Source: Ohio Job and Family Services)

On a budgetary-basis, the School District receives approximately 68 percent of its total operating revenues from local property tax collections. Therefore, the long-term financial health of the School District is very dependent on its tax base. Tax rates are certified by the Summit County Fiscal office and approved by the Board.

### **Employee Relations**

The School District currently has approximately 423 full-time equivalent employees. Two labor organizations represent School District employees. Certificated employees, including teachers and educational specialists, are represented for collective bargaining purposes by the Nordonia Hills Education Association (NHEA). Support employees, including cooks, custodians, maintenance, educational aides and clerical staff, are represented for collective bargaining purposes by the Ohio Association of Public School Employees Local 246 (OAPSE).

### **Services Provided**

The School District provides a wide variety of educational and support services as mandated by the Ohio Revised Code or Board directives. During the 2014-15 fiscal year, the School District's fleet of 18 buses and 11 contracted buses traveled 2,352 miles each day providing transportation services to 1,333 public and 341 private and parochial students. The School District contracts with Petermann for pupil transportation services. The Nutrition Services Department served an average of 1,407 meals daily for a total of 233,603 meals annually through the School District school lunchrooms.

In addition to transportation and school lunch support services offered to children in the School District, guidance, special education, (including school psychology services) and health services are available free of charge. Guidance services support the school environment and are designed to help students achieve a well-adjusted social life. Special education services, including school psychology services, are provided to all federal disability categories ranging from preschool-age students through high school. The School District contracts with Akron Childrens' Hospital for nursing services.

At the center of the School District's services are the instructional programs. The School District offers regular instructional programs daily to students in pre-school to grade twelve. The School District served approximately 343 identified students who need specially designed programs. These students received services through a wide array of special education programs offered in the School District.

### **Educational Programs**

The School District scored the highest in its history on the performance indicators and performance index on the Ohio Department of Education (ODE) report card for fiscal year 2013-14. The School District earned one of the top ODE report cards in Summit County for fiscal year 2013-14.

The Class of 2015 had 56 students awarded the Ohio Diploma with Honors, 51 graduated with distinction (3.75 GPA), one student received the State award of merit Career-Technical Honors, 70 graduated with merit (3.35 GPA) and 43 students received the Superintendent Award by maintaining a 3.8 grade-point average for their first seven semesters of high school. One student was named a National Merit Finalist, placing him among the top five percent of the more than 1.5 million who entered the competition.

The Senior Internship Program completed its eighth year with 201 seniors participating. These seniors investigated various careers and made presentations to faculty committees.

For the 13 Advanced Placement classes taught at Nordonia, 187 students took 419 exams to successfully complete their program. Advanced Placement offerings are: biology, calculus AB, calculus BC, chemistry, comparative government and politics, English literature and composition, European history, physics B, physics C, psychology, statistics, U.S. government and politics and U.S. history.

Nordonia High School's Media Production staff has a new home for the school newspaper, The Squire, which includes a full-sized computer lab and room to broadcast closed-circuit television programs, paid for through a grant from the Nordonia Schools Foundation.

Nordonia's Digital Knights program allows students to take a myriad of elective courses online. Nordonia uses an online technology portal for students to participate in technology lessons to enhance their skills and prepare them for next-generation assessments.

Nordonia Middle School students can earn high school credit in accelerated math, algebra, high school geometry and Spanish. Eighth-graders take an annual field trip to Washington, D.C.

Participation in performing and visual arts inspires students' creativity, problem solving and critical-thinking skills. The Nordonia High School choir earned Superior ratings at its performance at the Ohio Music Educators Association (OMEA) state contest. At Nordonia Middle School, 26 percent of students participate in choir and 46 percent in band. The Nordonia eighth-grade jazz ensemble was one of only two middle school jazz ensembles selected from the state of Ohio to perform at the OMEA conference in Columbus. More than 160 students participated in beginning band at Lee Eaton Elementary.

The Nordonia High School Drama Club produces a fall play and spring musical each year, involving more than 150 students. The drama club is a member of the International Thespian Society (ITS), an honor organization for theater students. On average, 20 students annually are inducted into ITS.

Nordonia High School art students received more than \$250,000 in scholarships to attend college. Sixteen seniors showcased art portfolios in the annual Community Expo in March, declaring majors in photography, graphic design, architecture, art education, industrial design, art therapy and fashion design.

A well-rounded education includes a wide variety of opportunities. In 2014-15, 690 students filled the rosters of 25 interscholastic sports at Nordonia High School. Nordonia High School students may participate in football, cheerleading, volleyball, soccer, cross country, golf, tennis, ice hockey, track and field, swimming and diving, gymnastics, wrestling, basketball, bowling, baseball and softball. The average grade-point average of high school students participating in athletics was 3.484. Nineteen student-athletes earned All-Ohio honors. Nordonia Middle School students may participate in football, cross country, volleyball, basketball, wrestling, track and cheerleading. The participation rate for athletic teams at the middle school is 37 percent.

Nordonia Hills Schools are committed to provide support services that meet the emotional, physical, social and emotional needs of all students. The School District also is committed to enhance learning and remove barriers that inhibit students through collaboration with parents, students, community and staff. 2.2 percent of the students were identified as gifted, 2.1 percent identified as English Language Learners (ELL) and 10.9 percent identified as students with disabilities.

### **Community**

As part of the School District's strategic plan, the Financial Activities Communications Team (FACT) was formed consisting of residents with financial backgrounds. FACT meets with the School District Treasurer/CFO to review and discuss the financial activities of the School District. Annually, FACT presents a report to the Board providing input on issues that they reviewed.

The Nordonia Hills Schools Foundation provides grants to teachers for educational and instructional programs.

### **Long-Term Financial Planning**

The School District prepares a five-year financial forecast annually for use as a long range planning tool. The five-year forecast contains projected local and state revenues, spending patterns within each area of the budget, and cash balances in the School District's general operating fund. The five-year forecast provides early warning signals of potential financial problems; specifically when expenditures outpace revenue.

The School District uses the five-year forecast to provide a basis for making financial decisions, including the development of the annual budget, adjustments to staffing levels, collective bargaining, and the placement of tax levies on the ballot.

### **Financial Accomplishments**

Financial responsibility ensures that the majority of funding is spent on classroom instruction. Based on the financials for fiscal year 2015, the School District spent 55.36 percent of its total expenses on instructional costs.

The School District capitalized on historically low municipal bond interest rates through a taxable refunding of the 2006 bonds in the amount of \$10,890,000 with an estimated savings of \$514,133 over the remaining life of the bonds to 2025.

The School District capitalized on historically low municipal bond interest rates through a tax-exempt refunding of the 2009 athletic bonds in the amount of \$4,490,000 with an estimated savings of \$238,475 over the remaining life of the bonds to 2030.

The School District sold property on Dunham Road in Sagamore Hills for \$1.6 million and is using the money to complete the outdoor athletic facilities.

The School District entered into a five year contract with Petermann for pupil transportation services resulting in reduced costs in operations, workers' compensation and vehicle purchases.

Of 17 school districts in Summit County, Nordonía has the third lowest effective millage tax rate and is one of two districts without a permanent improvement levy.

The School District participates in federal grant programs providing additional resources for students. In fiscal year 2015, the School District received \$1.3 million in federal grant funds.

Memberships within the following organizations assist the School District in receiving products and services while sharing the costs with other districts and public entities:

- Stark County Schools Council of Governments (COG) for managing the School District's insurance programs (medical, dental, vision and life). There are more than 80 entities representing over 15,000 participants. Insurances increased five percent for medical and dental.
- Ohio School Council for group purchasing of cafeteria food and supplies, waste and recycling and electricity.
- HPS for group purchasing of cafeteria food and supplies, school furnishing and equipment.
- Lake Erie Educational Media Consortium for discounts for library books and resources.

The School District also participates in the federal eRate program providing discounts on telecommunications and internet services.

## **Awards**

### *Ohio Auditor of State Award with Distinction*

During 2015, the School District was presented with the Ohio Auditor of State Award with Distinction for the School District's Comprehensive Annual Financial Report the fiscal year ending June 30, 2014. This award is presented for exemplary financial reporting in accordance with Generally Accepted Accounting Principles (GAAP). Of the nearly 5,000 audits conducted by the Auditor of State's office, less than five percent, or 250, receive this prestigious award.

*GFOA Certificate of Achievement Program*

The School District received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officer's Association (GFOA). The Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR), whose content conforms to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting our fiscal year 2015 CAFR for review.

**Acknowledgements**

The publication of this report is a significant step toward professionalizing the financial reporting of the School District while enhancing its accountability and transparency to the residents of the Nordonia Hills City School District.

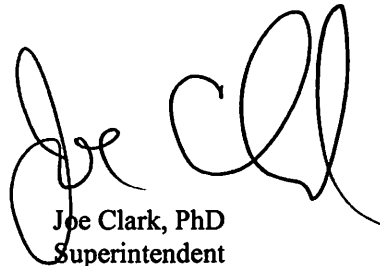
This Comprehensive Annual Financial Report was made possible by the diligence of the staff of the Office of the Treasurer/CFO. Their initiative and conscientious work ensured the integrity of the financial information contained herein and guaranteed this report's successful completion.

Finally, our thanks are extended to the Board for their support in recognizing the importance of continuously improving our financial accountability and transparency to our citizens and their commitment to excellence. It is the School District's mission to "inspire every student to value learning, community and excellence." As pianist Keith Jarrett has said, "The only standards worth having are the highest."

Respectfully submitted,



Karen E. Obratil  
Treasurer/CFO



Joe Clark, PhD  
Superintendent



Government Finance Officers Association

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

Presented to

**Nordonia Hills City School District  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2014**

Executive Director/CEO



# **Nordonia Hills City School District**

## **Principal Officials**

### **Board of Education**

Mrs. Tammy Strong	President
Mr. Chad Lahrmer	Vice President
Mr. Nicholas Berchtold	Member
Mr. Doug Masteller	Member
Mr. James Szabo	Member

### **Treasurer/CFO**

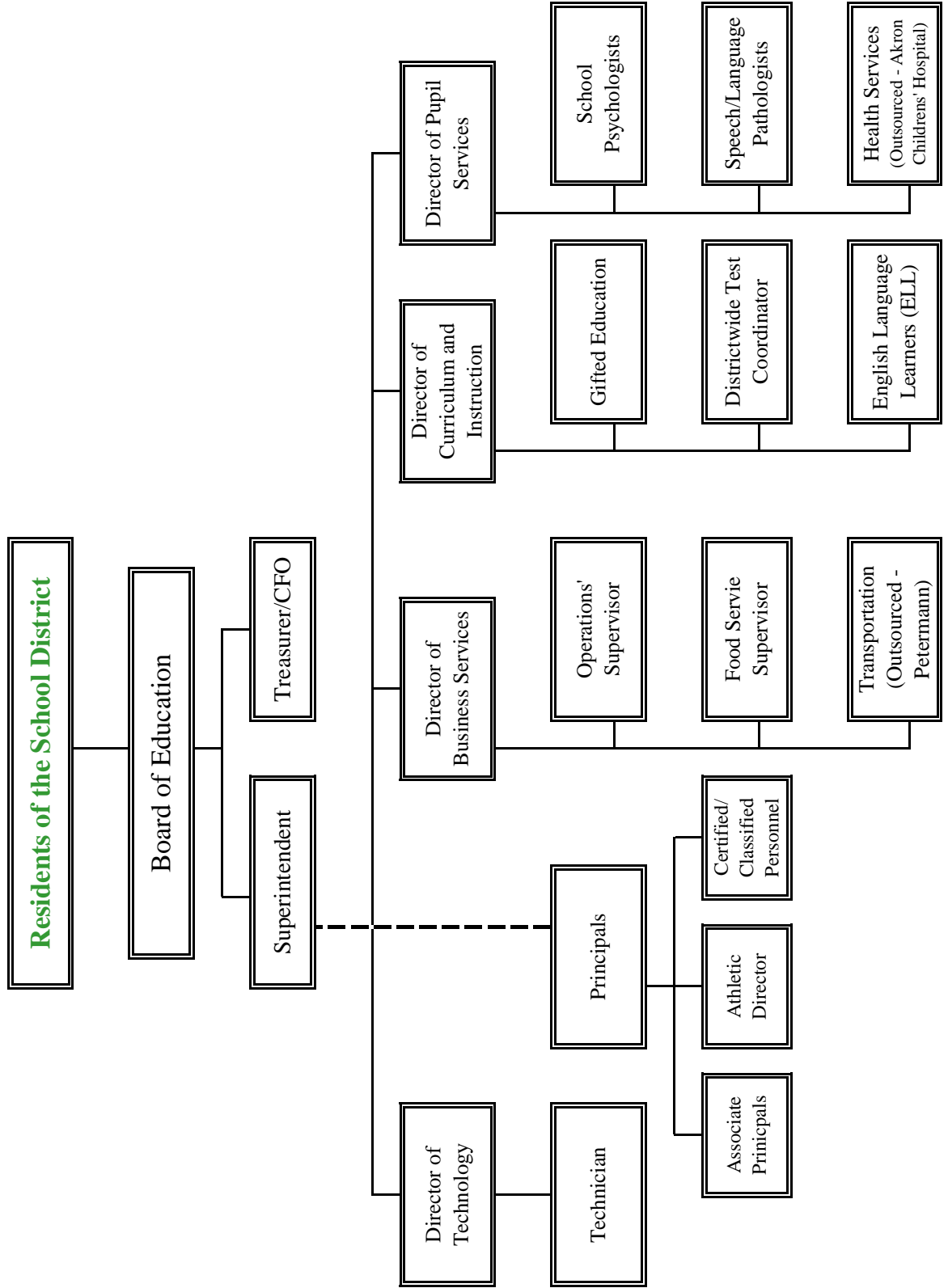
**Mrs. Karen E. Obratil**

### **Administration**

Dr. Joe Clark	Superintendent
Mr. Thomas Hartman	Director of Business Services
Mrs. Carrie Hutchinson	Director of Pupil Services
Mr. Todd Stuart	Director of Curriculum & Instruction
Mr. Kyle Livengood	Director of Technology

# Nordonia Hills City School District

## Organizational Chart



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# Financial Section

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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

Nordonia Hills City School District  
Summit County  
9370 Olde Eight Road  
Northfield, Ohio 44067

To the Board of Education:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Nordonia Hills City School District, Summit County, Ohio (the District), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement.

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

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

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

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

### **Opinion**

In our opinion, 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 Nordonia Hills City School District, Summit County, Ohio, as of June 30, 2015, and the respective changes in financial position thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

### **Emphasis of Matter**

As discussed in Note 3 to the financial statements, during the year ended June 30, 2015, the District adopted Governmental Accounting Standard No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. We did not modify our opinion regarding this matter.

### **Other Matters**

#### *Required Supplementary Information*

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

#### *Supplementary and Other Information*

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

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

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

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



***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2015, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

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

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

December 16, 2015

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**Nordonia Hills City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2015*  
*Unaudited*

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The discussion and analysis of Nordonia Hills City School District's (School District) financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2015. The intent of this discussion and analysis is to look at the School District's financial performance as a whole. Readers should also review the financial statements and notes to those respective statements to enhance their understanding of the School District's financial performance.

### **Financial Highlights**

Key financial highlights for fiscal year 2015 are as follows:

- The total net position increased by \$6,189,741. The greatest contribution to this increase was an increase in unrestricted net position due to revenues outpacing expenditures during the fiscal year.
- Expenses totaled \$44,944,433, a 2.40 percent decrease from the prior fiscal year. Instructional expenses made up 55.36 percent of this total while support services accounted for 32.98 percent. Other expenses rounded out the remaining 11.66 percent.
- The School District's capital assets decreased by \$2,090,691 from the prior fiscal year. This decrease was largely due to significant dispositions and sales of capital assets.
- Outstanding general obligation bonded debt decreased from \$32,624,796 in fiscal year 2014 to \$31,771,931 in fiscal year 2015.

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

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

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

### **Reporting the School District as a Whole**

#### *Statement of Net Position and the Statement of Activities*

While this document contains all the funds used by the School District to provide programs and activities, the view of the School District as a whole considers all financial transactions and asks the question, "How did we do financially during 2015?" The *Statement of Net Position* and the *Statement of Activities* answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources except fiduciary funds using the accrual basis of accounting, similar to the accounting used by most private-sector companies. Accrual accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

**Nordonia Hills City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2015*  
*Unaudited*

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

In the Statement of Net Position and the Statement of Activities, the School District's activities are all reported as governmental. All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation, food service operations and extracurricular activities.

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

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

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

***Fiduciary Funds*** Fiduciary funds are used to account for resources held for the benefit of parties outside the School District. Fiduciary funds are not reflected on the government-wide financial statements because the resources from these funds are not available to support the School District's programs. These funds use the accrual basis of accounting.

**Nordonia Hills City School District**  
*Management's Discussion and Analysis*  
For the Fiscal Year Ended June 30, 2015  
Unaudited

**The School District as a Whole**

You may recall that the *Statement of Net Position* provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net position for fiscal year 2015 compared to fiscal year 2014:

	Table 1 Net Position		
	Governmental Activities		
	2015	2014	Change
<b>Assets</b>			
Current and Other Assets	\$56,480,313	\$52,221,714	\$4,258,599
Capital Assets, Net	34,550,916	36,641,607	(2,090,691)
<b>Total Assets</b>	<b>91,031,229</b>	<b>88,863,321</b>	<b>2,167,908</b>
<b>Deferred Outflows of Resources</b>			
Deferred Charge on Refunding	721,436	0	721,436
Pension	3,686,311	2,895,466	790,845
<b>Total Deferred Outflows of Resources</b>	<b>4,407,747</b>	<b>2,895,466</b>	<b>1,512,281</b>
<b>Liabilities</b>			
Current and Other Liabilities	3,731,709	3,636,675	(95,034)
Long-Term Liabilities:			
Due Within One Year	2,632,145	2,593,484	(38,661)
Due in More than One Year:			
Net Pension Liability	49,016,495	58,222,696	9,206,201
Other Amounts	31,574,869	32,362,098	787,229
<b>Total Liabilities</b>	<b>86,955,218</b>	<b>96,814,953</b>	<b>9,859,735</b>
<b>Deferred Inflows of Resources</b>			
Property Taxes	24,961,283	26,929,586	1,968,303
Payments in Lieu of Taxes	969,612	487,251	(482,361)
Pension	8,836,125	0	(8,836,125)
<b>Total Deferred Inflows of Resources</b>	<b>34,767,020</b>	<b>27,416,837</b>	<b>(7,350,183)</b>
<b>Net Position</b>			
Net Investment in Capital Assets	6,204,815	7,581,884	(1,377,069)
Restricted:			
Debt Service	2,096,504	1,739,717	356,787
Capital Projects	1,717,079	398,112	1,318,967
Other Purposes	478,775	442,212	36,563
Unrestricted (Deficit)	(36,780,435)	(42,634,928)	5,854,493
<b>Total Net Position</b>	<b>(\$26,283,262)</b>	<b>(\$32,473,003)</b>	<b>\$6,189,741</b>

**Nordonia Hills City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2015*  
*Unaudited*

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During 2015, the School District adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27," which significantly revises accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the School District's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

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

Under the new standards required by GASB 68, the net pension liability equals the School District's proportionate share of each plan's collective:

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

GASB notes that pension obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this pension promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the School District is not responsible for certain key factors affecting the balance of this liability. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the pension system. In Ohio, there is no legal means to enforce the unfunded liability of the pension system *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The pension system is responsible for the administration of the plan.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability. As explained above, changes in pension benefits, contribution rates, and return on investments affect the balance of the net pension liability, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required pension 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 is satisfied, this liability is separately identified within the long-term liability section of the statement of net position.

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

**Nordonia Hills City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2015*  
*Unaudited*

As a result of implementing GASB 68, the School District is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at June 30, 2014, from \$22,854,227 to (\$32,473,003).

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2015, the School District's liabilities and deferred inflows resources exceeded assets and deferred outflows of resources by \$26,283,262. This was a significant increase from the prior year, due to a large increase in unrestricted net position. This was due to revenues outpacing expenses.

Net investment in capital assets reported on the government-wide statements represents \$6,204,815 of total net position for fiscal year 2015. Capital assets include land, buildings and improvements, furniture and equipment, and vehicles, and are used to provide services to students and are not available for future spending. Although the School 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 School District's net position, \$4,292,358, represents resources that are subject to external restrictions on how the funds may be used. Of the total restricted net position, \$2,096,504 is restricted for debt service payments, \$1,717,079 is restricted for capital projects, and \$478,775 is restricted for other purposes. The remaining deficit of net position of (\$36,780,435) is unrestricted.

Table 2 shows the changes in net position for fiscal years 2015 and 2014.

Table 2  
Change in Net Position

	Governmental Activities		
	2015	2014	Change
Revenues			
Program Revenues:			
Charges for Services	\$2,818,501	\$2,927,664	(\$109,163)
Operating Grants and Contributions	2,808,560	2,758,150	50,410
Total Program Revenues	<u>5,627,061</u>	<u>5,685,814</u>	<u>(58,753)</u>
General Revenue:			
Property Taxes	32,924,570	35,979,052	(3,054,482)
Payments in Lieu of Taxes	968,477	483,379	485,098
Grants and Entitlements, not Restricted	10,770,864	11,160,608	(389,744)
Investment Earnings	39,382	19,396	19,986
Gain on Sale of Capital Assets	526,951	0	526,951
Miscellaneous	276,869	79,252	197,617
Total General Revenues	<u>45,507,113</u>	<u>47,721,687</u>	<u>(2,214,574)</u>
Total Revenues	<u>\$51,134,174</u>	<u>\$53,407,501</u>	<u>(\$2,273,327)</u>

*(continued)*

**Nordonia Hills City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2015*  
*Unaudited*

Table 2  
Change in Net Position (cont.)

	Governmental Activities		
	2015	2014	Change
Program Expenses			
Instruction:			
Regular	\$18,550,105	\$18,738,003	\$187,898
Special	6,108,542	6,036,343	(72,199)
Vocational	138,542	140,339	1,797
Student Intervention Services	85,303	87,536	2,233
Support Services:			
Pupils	3,164,056	3,084,212	(79,844)
Instructional Staff	911,162	891,630	(19,532)
Board of Education	26,999	25,382	(1,617)
Administration	2,601,135	2,751,025	149,890
Fiscal	1,157,432	1,455,160	297,728
Business	310,434	322,065	11,631
Operation and Maintenance of Plant	3,927,891	3,849,829	(78,062)
Pupil Transportation	2,338,284	2,391,133	52,849
Central	383,035	695,317	312,282
Operating of Non-Instructional Services	703,621	656,335	(47,286)
Food Service Operations	1,193,894	1,295,629	101,735
Extracurricular Activities	1,868,849	1,925,689	56,840
Interest and Fiscal Charges	1,475,149	1,704,189	229,040
Total Program Expenses	<u>44,944,433</u>	<u>46,049,816</u>	<u>1,105,383</u>
Increase in Net Position	6,189,741	7,357,685	(1,167,944)
Net Position Beginning of Year	<u>(32,473,003)</u>	N/A	
Net Position End of Year	<u><u>(\$26,283,262)</u></u>	<u><u>(\$32,473,003)</u></u>	<u><u>\$6,189,741</u></u>

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 functional expenses still include pension expense of \$2,895,466 computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of \$2,064,911. Consequently, in order to compare 2015 total program expenses to 2014, the following adjustments are needed:

Total 2015 program expenses under GASB 68	\$44,944,433
Pensions expense under GASB 68	(2,064,911)
2015 contractually required contribution	<u>3,225,832</u>
Adjusted 2015 program expenses	46,105,354
Total 2014 program expenses under GASB 27	<u>46,049,816</u>
Increase in program expenses not related to pension	<u><u>\$55,538</u></u>



**Nordonia Hills City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2015*  
*Unaudited*

**Governmental Activities**

Several revenue sources fund our governmental activities with property taxes and State foundation revenues being the largest contributors. Property tax levies generated over \$32.9 million in 2015. General revenues from grants and entitlements, such as the school foundation program, generated over \$10.7 million. With the combination of taxes and intergovernmental funding making up a significant portion of all revenues, the School District monitors both of these revenue sources very closely for fluctuations. Overall, property tax revenue decreased by \$3 million on a GAAP basis due to less advances available at fiscal year end and less delinquent taxes collected within the School District during the fiscal year.

Instruction and interest and fiscal charges comprise \$24,882,492 and \$1,475,149, respectively, of governmental program expenses. Regular and special instruction remained relatively consistent with the prior year. Interest expense decreased from the prior year due to bonds being fully repaid and two refunding bond issuances that restructured the School District's debt schedules.

The board of education, administration, fiscal, and business classifications reflect expenses associated with establishing and administering school operation policies, financial operations and activities concerned with purchasing, receiving and maintaining goods and services for the School District. Combined, these costs totaled \$4,096,000.

Costs associated with the operation and maintenance of plant represent those expenses necessary for the care and upkeep of School District's buildings, grounds and equipment. Current year expenses made up \$3,927,891 of all governmental expenses.

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 for fiscal year 2015 compared to 2014.

Table 3  
Governmental Activities

	Total Cost of Services 2015	Net Cost of Services 2015	Total Cost of Services 2014	Net Cost of Services 2014
Instruction:				
Regular	\$18,550,105	(\$17,750,274)	\$18,738,003	(\$18,040,388)
Special	6,108,542	(5,118,680)	6,036,343	(5,364,491)
Vocational	138,542	(134,236)	140,339	(136,361)
Student Intervention Services	85,303	(83,392)	87,536	(85,804)
Support Services:				
Pupils	3,164,056	(2,983,920)	3,084,212	(2,586,929)
Instructional Staff	911,162	(797,789)	891,630	(744,177)
Board of Education	26,999	(26,394)	25,382	(24,880)
Administration	2,601,135	(2,538,998)	2,751,025	(2,656,367)
Fiscal	1,157,432	(1,132,437)	1,455,160	(1,419,430)
Business	310,434	(303,452)	322,065	(312,445)
Operation and Maintenance of Plant	3,927,891	(3,846,968)	3,849,829	(3,754,642)
Pupil Transportation	2,338,284	(2,037,086)	2,391,133	(2,116,090)
Central	383,035	(364,070)	695,317	(672,053)
Operating of Non-Instructional Services	703,621	(31,403)	656,335	1,959
Food Service Operations	1,193,894	(76,700)	1,295,629	(61,579)
Extracurricular Activities	1,868,849	(616,424)	1,925,689	(686,136)
Interest and Fiscal Charges	1,475,149	(1,475,149)	1,704,189	(1,704,189)
<b>Total Expenses</b>	<b>\$44,944,433</b>	<b>(\$39,317,372)</b>	<b>\$46,049,816</b>	<b>(\$40,364,002)</b>

**Nordonia Hills City School District**  
*Management's Discussion and Analysis*  
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As one can see, the vast majority of program expenses are not covered by program revenues. Instead, the reliance upon general revenues, including local tax revenues and payments in lieu of taxes for governmental activities, is crucial.

**School District's Funds**

The School District's major funds are accounted for using the modified accrual basis of accounting. The total revenues and other financing sources for governmental funds were \$70,489,275 and total expenditures and other financing uses were \$63,655,431, for an overall increase in fund balance of \$6,833,844. The general fund reported an increase of \$5,162,114, with revenues and other financing sources of \$44,622,582 and expenditures and other financing uses of \$39,460,468. Revenues were approximately \$1.6 million lower than the prior fiscal year, mainly due to a decrease in property tax revenues. Expenditures were slightly higher than the prior fiscal year, but were largely consistent. The bond retirement debt service fund had an increase of \$345,453, with revenues and other financing sources of \$20,679,544 and expenditures and other financing uses of \$20,334,091.

**General Fund Budgeting Highlights**

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

During fiscal year 2015, the School District amended its general fund budget and, in total, these amendments were insignificant. Budget revisions are presented to the Board of Education for approval.

For the general fund, the final budget basis revenue estimate was \$42,459,130, which was higher than the original budget estimate of \$41,038,305. Much of this \$1,420,825 difference was due to final property tax settlements and fiscal allocation amounts from the State foundation formula. This estimate must be adjusted during the year as the settlements are finalized. Also, the original estimate for property taxes, provided by the Summit County Fiscal Officer, contains amounts for homestead and rollback reimbursements. Later in the fiscal year, when this amount is known, it is removed from the tax estimate and included in the estimate for intergovernmental revenue. Actual revenue was consistent with the final estimate.

The original expenditures estimate of \$39,849,734 was revised during the fiscal year. Final appropriations were \$39,400,562, which were \$449,172 lower than the original budget. This was due to the general fund having lower costs than originally anticipated across the board. Actual expenditures were slightly lower than the final estimate, due to the School District's procedure of budgeting conservatively.

**Nordonia Hills City School District**  
*Management's Discussion and Analysis*  
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**Capital Assets and Debt Administration**

*Capital Assets*

Table 4 shows fiscal year 2015 values compared to 2014.

Table 4  
 Capital Assets at June 30  
 (Net of Depreciation)

	Governmental Activities		
	2015	2014	Change
Land	\$322,957	\$1,427,727	(\$1,104,770)
Buildings and Improvements	33,179,973	34,356,629	(1,176,656)
Furniture and Equipment	854,377	564,565	289,812
Vehicles	193,609	292,686	(99,077)
Totals	\$34,550,916	\$36,641,607	(\$2,090,691)

All capital assets, except land, are reported net of depreciation. The only additions to capital assets during the fiscal year were to furniture and equipment and vehicles; however, depreciation and deletions overall exceeded additions, particularly in building and improvements, causing the decrease in capital assets from the prior fiscal year. For more information on capital assets refer to Note 9 of the basic financial statements.

*Debt*

Table 5 below summarizes the School District's outstanding debt for fiscal years 2015 and 2014.

Table 5  
 Outstanding Debt at Year End

	Governmental Activities		
	2015	2014	Change
<b><i>General Obligation Bonds:</i></b>			
2001 School Improvement Bonds	\$0	\$1,639,549	(\$1,639,549)
2006 School Refunding Bonds	13,766,171	25,050,180	(11,284,009)
2009 Athletic Facilities Bonds	401,780	5,205,323	(4,803,543)
2013 Energy Conservation Bonds	696,656	729,744	(33,088)
2015 School Improvement Refunding Bonds	11,966,392	0	11,966,392
2015 Athletic Facilities Refunding Bonds	4,940,932	0	4,940,932
Totals	\$31,771,931	\$32,624,796	(\$852,865)

During fiscal year 2001, the School District issued \$38,499,963 in bonds, the proceeds of which were used to finance several new construction projects, as well as improvements to existing facilities. Later in 2006, the School District refunded a portion of these bonds with a like amount to realize current and future savings. During fiscal year 2009, the School District issued \$5,999,998 in bonds, the proceeds of which were used to finance the construction of a new athletic facility. During fiscal year 2014, the School District issued \$729,744 in bonds, the proceeds of which were used to finance the installation, modification and remodeling of buildings to conserve energy. During fiscal year 2015, the School

**Nordonia Hills City School District**  
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District issued \$10,485,000 in bonds to partially refund the 2006 refunding bonds, as well as \$4,490,000 in bonds to refund the serial bond portion of the 2009 athletic facilities bonds. See Note 10 to the basic financial statements for the repayment schedules of the bonded debt.

The School District's overall legal debt margin was \$59,256,453 with an unvoted debt margin of \$923,648 as of June 30, 2015.

**Current Issues Affecting Financial Condition**

The Board of Education and administration closely monitor the revenues and expenditures in tandem with the five-year financial forecast. The School District, like many other districts across Ohio, is financially challenged and subject to the State's biennial budget process. At the local level, taxpayers must approve additional levies to pay for unfunded mandates, as well as continue the programs they have come to expect as normal operations. The administration remains vigilant in monitoring the finances and prudently plans to provide the resources to meet the students' needs over the next several years.

**Contacting the School District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Karen Obratil, Treasurer/CFO, at Nordonia Hills City School District, 9370 Olde Eight Road, Northfield, Ohio 44067.

# **Basic Financial Statements**

**Nordonia Hills City School District**

*Statement of Net Position*

*June 30, 2015*

	<u>Governmental Activities</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$22,727,157
Accounts Receivable	506
Intergovernmental Receivable	88,991
Accrued Interest Receivable	5,316
Inventory Held for Resale	8,105
Materials and Supplies Inventory	28,051
Property Taxes Receivable	32,652,575
Payments in Lieu of Taxes Receivable	969,612
Nondepreciable Capital Assets	322,957
Depreciable Capital Assets, Net	<u>34,227,959</u>
<i>Total Assets</i>	<u>91,031,229</u>
<b>Deferred Outflows of Resources</b>	
Deferred Charge on Refunding	721,436
Pension	<u>3,686,311</u>
<i>Total Deferred Outflows of Resources</i>	<u>4,407,747</u>
<b>Liabilities</b>	
Accounts Payable	31,088
Accrued Wages and Benefits	2,487,871
Intergovernmental Payable	1,154,725
Accrued Interest Payable	58,025
Long-Term Liabilities:	
Due Within One Year	2,632,145
Due In More Than One Year:	
Net Pension Liability (See Note 11)	49,016,495
Other Amounts	<u>31,574,869</u>
<i>Total Liabilities</i>	<u>86,955,218</u>
<b>Deferred Inflows of Resources</b>	
Property Taxes	24,961,283
Payments in Lieu of Taxes	969,612
Pension	<u>8,836,125</u>
<i>Total Deferred Inflows of Resources</i>	<u>34,767,020</u>
<b>Net Position</b>	
Net Investment in Capital Assets	6,204,815
Restricted for:	
Debt Service	2,096,504
Capital Projects	1,717,079
Student Activities	224,066
Special Education	148,877
Other Purposes	105,832
Unrestricted (Deficit)	<u>(36,780,435)</u>
<i>Total Net Position</i>	<u><u>(\$26,283,262)</u></u>

See accompanying notes to the basic financial statements

**Nordonia Hills City School District**

*Statement of Activities*

*For the Fiscal Year Ended June 30, 2015*

	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants, Contributions and Interest	Revenue and Changes in Net Position
				Governmental Activities
<b>Governmental Activities</b>				
Instruction:				
Regular	\$18,550,105	\$450,421	\$349,410	(\$17,750,274)
Special	6,108,542	129,215	860,647	(5,118,680)
Vocational	138,542	2,545	1,761	(134,236)
Student Intervention Services	85,303	1,911	0	(83,392)
Support Services:				
Pupils	3,164,056	70,390	109,746	(2,983,920)
Instructional Staff	911,162	17,594	95,779	(797,789)
Board of Education	26,999	605	0	(26,394)
Administration	2,601,135	59,596	2,541	(2,538,998)
Fiscal	1,157,432	24,995	0	(1,132,437)
Business	310,434	6,982	0	(303,452)
Operation and Maintenance of Plant	3,927,891	80,923	0	(3,846,968)
Pupil Transportation	2,338,284	46,945	254,253	(2,037,086)
Central	383,035	8,165	10,800	(364,070)
Operation of Non-Instructional Services	703,621	0	672,218	(31,403)
Food Service Operations	1,193,894	762,755	354,439	(76,700)
Extracurricular Activities	1,868,849	1,155,459	96,966	(616,424)
Interest and Fiscal Charges	1,475,149	0	0	(1,475,149)
<b>Totals</b>	<b>\$44,944,433</b>	<b>\$2,818,501</b>	<b>\$2,808,560</b>	<b>(39,317,372)</b>

**General Revenues**

Property Taxes Levied for:

    General Purposes 29,871,761

    Debt Service 3,052,809

Payments in Lieu of Taxes 968,477

Grants and Entitlements not Restricted  
to Specific Programs 10,770,864

Investment Earnings 39,382

Gain on Sale of Capital Assets 526,951

Miscellaneous 276,869

**Total General Revenues 45,507,113**

Change in Net Position 6,189,741

*Net Position Beginning of Year -  
Restated (See Note 3)* (32,473,003)

*Net Position End of Year* **(\$26,283,262)**

See accompanying notes to the basic financial statements

**Nordonia Hills City School District**

*Balance Sheet*

*Governmental Funds*

*June 30, 2015*

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$19,017,469	\$1,448,230	\$2,235,248	\$22,700,947
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	26,210	0	0	26,210
Property Taxes Receivable	29,667,806	2,984,769	0	32,652,575
Payments in Lieu of Taxes Receivable	969,612	0	0	969,612
Accounts Receivable	506	0	0	506
Intergovernmental Receivable	3,060	0	85,931	88,991
Accrued Interest Receivable	5,316	0	0	5,316
Inventory Held for Resale	0	0	8,105	8,105
Materials and Supplies Inventory	23,948	0	4,103	28,051
<i>Total Assets</i>	<u>\$49,713,927</u>	<u>\$4,432,999</u>	<u>\$2,333,387</u>	<u>\$56,480,313</u>
<b>Liabilities</b>				
Accounts Payable	\$19,187	\$0	\$11,901	\$31,088
Accrued Wages and Benefits	2,418,953	0	68,918	2,487,871
Intergovernmental Payable	1,089,695	0	65,030	1,154,725
<i>Total Liabilities</i>	<u>3,527,835</u>	<u>0</u>	<u>145,849</u>	<u>3,673,684</u>
<b>Deferred Inflows of Resources</b>				
Property Taxes	22,682,813	2,278,470	0	24,961,283
Payments in Lieu of Taxes	969,612	0	0	969,612
Unavailable Revenue	642,523	35,816	83,078	761,417
<i>Total Deferred Inflows of Resources</i>	<u>24,294,948</u>	<u>2,314,286</u>	<u>83,078</u>	<u>26,692,312</u>
<b>Fund Balances</b>				
Nonspendable	50,158	0	4,103	54,261
Restricted	0	2,118,713	2,112,776	4,231,489
Committed	0	0	9,235	9,235
Assigned	2,317,045	0	0	2,317,045
Unassigned (Deficit)	19,523,941	0	(21,654)	19,502,287
<i>Total Fund Balances</i>	<u>21,891,144</u>	<u>2,118,713</u>	<u>2,104,460</u>	<u>26,114,317</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$49,713,927</u>	<u>\$4,432,999</u>	<u>\$2,333,387</u>	<u>\$56,480,313</u>

See accompanying notes to the basic financial statements



**Nordonia Hills City School District**  
*Reconciliation of Total Governmental Fund Balances to*  
*Net Position of Governmental Activities*  
*June 30, 2015*

<b>Total Governmental Fund Balances</b>	<b>\$26,114,317</b>
 <i>Amounts reported for governmental activities in the statement of net position are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	34,550,916
Other long-term assets are not available to pay for current period expenditures and therefore are unavailable revenues in the funds:	
Delinquent Property Taxes	678,339
Intergovernmental	<u>83,078</u>
Total	761,417
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.	(58,025)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
General Obligation Bonds	(31,771,931)
Compensated Absences	(2,411,067)
Early Retirement Incentives	<u>(24,016)</u>
Total	(34,207,014)
Deferred charges on refunding related to the issuance of long-term refunding debt will be amortized over the life of the debt on the statement of net position	721,436
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:	
Deferred Outflows - Pension	3,686,311
Deferred Inflows - Pension	(8,836,125)
Net Pension Liability	<u>(49,016,495)</u>
Total	<u>(54,166,309)</u>
<i>Net Position of Governmental Activities</i>	<u><u>(\$26,283,262)</u></u>

See accompanying notes to the basic financial statements

**Nordonia Hills City School District**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Fiscal Year Ended June 30, 2015*

	General	Bond Retirement	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Property Taxes	\$30,899,598	\$3,162,238	\$0	\$34,061,836
Payments in Lieu of Taxes	968,477	0	0	968,477
Intergovernmental	10,784,555	427,873	2,259,065	13,471,493
Interest	39,295	0	129	39,424
Tuition and Fees	879,844	0	2,975	882,819
Charges for Services	36,220	0	762,755	798,975
Extracurricular Activities	643,890	0	429,225	1,073,115
Contributions and Donations	6,366	0	109,855	116,221
Rentals	56,009	0	7,583	63,592
Miscellaneous	276,607	0	262	276,869
<i>Total Revenues</i>	<u>44,590,861</u>	<u>3,590,111</u>	<u>3,571,849</u>	<u>51,752,821</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	18,048,819	0	274,916	18,323,735
Special	5,755,430	0	530,371	6,285,801
Vocational	111,564	0	0	111,564
Student Intervention Services	85,303	0	0	85,303
Support Services:				
Pupils	3,154,114	0	107,961	3,262,075
Instructional Staff	781,572	0	96,104	877,676
Board of Education	26,999	0	0	26,999
Administration	2,644,709	0	2,500	2,647,209
Fiscal	1,114,569	49,111	1,204	1,164,884
Business	308,746	0	0	308,746
Operation and Maintenance of Plant	3,618,716	0	0	3,618,716
Pupil Transportation	2,095,878	0	134,573	2,230,451
Central	364,534	0	10,800	375,334
Operation of Non-Instructional Services	0	0	703,940	703,940
Food Service Operations	0	0	1,164,548	1,164,548
Extracurricular Activities	1,276,950	0	456,577	1,733,527
Capital Outlay	0	0	377,378	377,378
Debt Service:				
Principal Retirement	0	983,125	0	983,125
Interest and Fiscal Charges	0	1,003,019	0	1,003,019
Capital Appreciation Bonds Interest	0	1,269,963	0	1,269,963
Issuance Costs	0	242,101	0	242,101
<i>Total Expenditures</i>	<u>39,387,903</u>	<u>3,547,319</u>	<u>3,860,872</u>	<u>46,796,094</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>5,202,958</u>	<u>42,792</u>	<u>(289,023)</u>	<u>4,956,727</u>
<b>Other Financing Sources (Uses)</b>				
Refunding Bonds Issued	0	14,975,000	0	14,975,000
Premium on Debt Issuance	0	2,057,168	0	2,057,168
Payment to Refunded Bond Escrow Agent	0	(16,786,772)	0	(16,786,772)
Sale of Capital Assets	31,721	0	1,600,000	1,631,721
Transfers In	0	57,265	15,300	72,565
Transfers Out	(72,565)	0	0	(72,565)
<i>Total Other Financing Sources (Uses)</i>	<u>(40,844)</u>	<u>302,661</u>	<u>1,615,300</u>	<u>1,877,117</u>
<i>Net Change in Fund Balances</i>	5,162,114	345,453	1,326,277	6,833,844
<i>Fund Balances Beginning of Year</i>	<u>16,729,030</u>	<u>1,773,260</u>	<u>778,183</u>	<u>19,280,473</u>
<i>Fund Balances End of Year</i>	<u>\$21,891,144</u>	<u>\$2,118,713</u>	<u>\$2,104,460</u>	<u>\$26,114,317</u>

See accompanying notes to the basic financial statements

**Nordonia Hills City School District**  
*Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Fiscal Year Ended June 30, 2015*

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**Net Change in Fund Balances - Total Governmental Funds** \$6,833,844

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.

Capital Outlay	471,625	
Current Year Depreciation	(1,457,546)	
Total		(985,921)

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (1,104,770)

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

Delinquent Property Taxes	(1,137,266)	
Intergovernmental	(8,332)	
Total		(1,145,598)

Repayment of bond principal and capital appreciation bond interest are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal Retirement	983,125	
Payment to Refunded Bond Escrow Agent	16,786,772	
Capital Appreciation Bonds Interest	1,269,963	
Total		19,039,860

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.

Accrued Interest	(38,739)	
Annual Accretion	(568,786)	
Amortization of Deferred Charges	(44,215)	
Amortization of Bond Premium	179,610	
Total		(472,130)

Proceeds of debt are other financing sources in the governmental funds, but increase liabilities in the governmental activities.

General Obligation Bonds Issued	(14,975,000)	
Premiums on General Obligation Bonds	(2,057,168)	
Total		(17,032,168)

Some items 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	(197,804)	
Early Retirement Incentive	93,507	
Total		(104,297)

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows. 3,225,832

Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities (2,064,911)

*Change in Net Position of Governmental Activities* \$6,189,741

See accompanying notes to the basic financial statements

**Nordonia Hills City School District**  
*Statement of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2015*

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Property Taxes	\$28,148,499	\$29,151,823	\$29,151,823	\$0
Payments in Lieu of Taxes	968,477	968,477	968,477	0
Intergovernmental	10,493,132	10,854,708	10,854,708	0
Interest	32,384	33,500	33,945	445
Tuition and Fees	850,861	880,180	880,136	(44)
Charges for Services	35,013	36,220	36,220	0
Extracurricular Activities	211,994	219,299	219,299	0
Contributions and Donations	2,587	2,676	2,676	0
Rentals	57,740	59,730	58,954	(776)
Miscellaneous	237,618	252,517	252,517	0
<i>Total Revenues</i>	<u>41,038,305</u>	<u>42,459,130</u>	<u>42,458,755</u>	<u>(375)</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	18,154,500	17,948,680	17,945,912	2,768
Special	6,062,263	5,994,263	5,988,010	6,253
Vocational	112,617	111,354	111,333	21
Student Intervention Services	86,271	85,303	85,303	0
Support Services:				
Pupils	3,225,810	3,189,628	3,183,943	5,685
Instructional Staff	823,887	814,645	806,050	8,595
Board of Education	27,388	27,081	27,019	62
Administration	2,744,341	2,713,559	2,710,306	3,253
Fiscal	1,152,957	1,140,023	1,139,332	691
Business	335,053	331,293	330,711	582
Operation and Maintenance of Plant	3,745,912	3,703,896	3,690,994	12,902
Pupil Transportation	2,154,337	2,130,172	2,128,456	1,716
Central	375,958	371,741	371,086	655
Extracurricular Activities	848,440	838,924	837,908	1,016
<i>Total Expenditures</i>	<u>39,849,734</u>	<u>39,400,562</u>	<u>39,356,363</u>	<u>44,199</u>
<i>Excess of Revenues Over Expenditures</i>	<u>1,188,571</u>	<u>3,058,568</u>	<u>3,102,392</u>	<u>43,824</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	30,664	31,721	31,721	0
Transfers Out	(73,085)	(72,265)	(72,265)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(42,421)</u>	<u>(40,544)</u>	<u>(40,544)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	1,146,150	3,018,024	3,061,848	43,824
<i>Fund Balance Beginning of Year</i>	14,789,622	14,789,622	14,789,622	0
Prior Year Encumbrances Appropriated	617,571	617,571	617,571	0
<i>Fund Balance End of Year</i>	<u>\$16,553,343</u>	<u>\$18,425,217</u>	<u>\$18,469,041</u>	<u>\$43,824</u>

See accompanying notes to the basic financial statements

**Nordonia Hills City School District**  
*Statement of Fiduciary Assets and Liabilities*  
*Agency Fund*  
*June 30, 2015*

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<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	<u>\$120,225</u>
<b>Liabilities</b>	
Due to Students	<u>\$120,225</u>

See accompanying notes to the basic financial statements

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2015*

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**Note 1 – Description of the School District and Reporting Entity**

The Nordonia Hills City School District (School District) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The School District operates under a locally-elected five-member Board form of government. Each member is elected to a four-year term. The School District provides educational services as mandated by State and/or Federal agencies. The Board controls the School District's six instructional/support facilities staffed by 194 non-certificated employees and 239 certificated teaching and support personnel, plus 17 administrators that provide services to 3,573 students and other community members.

*Reporting Entity*

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

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization's resources; the School District is legally obligated or has otherwise assumed the responsibility to finance deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt, or the levying of taxes and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. The School District does not have any component units.

The School District is associated with three jointly governed organizations and one shared risk pool. These organizations include the Northeast Ohio Network for Educational Technology, the Ohio Schools Council, the Cuyahoga Valley Career Center, and the Stark County Schools Council of Governments Health Benefits Plan. Information regarding these organizations is presented in Notes 16 and 17 to the basic financial statements.

**Note 2 – Summary of Significant Accounting Policies**

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

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2015*

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***Basis of Presentation***

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

***Government-wide Financial Statements*** The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. These statements usually distinguish between those activities of the School District that are governmental and those that are considered business-type. The School District, however, has no business-type activities.

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

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

***Fund Accounting***

The School District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the School District are divided into two categories: governmental and fiduciary.

***Governmental Funds*** Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses 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 School District's major governmental funds:

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

## Nordonia Hills City School District

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2015*

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***Bond Retirement Fund*** The bond retirement fund is used to account for and report the accumulation of property tax revenues restricted for the payment of general obligation bonds issued for school building and athletic facility improvements.

The other governmental funds of the School District account for grants and other resources whose uses are restricted, committed, or assigned to a particular purpose.

***Fiduciary Funds Types*** Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. The School District's only fiduciary fund is an agency fund. The agency fund accounts for student activities managed by the student body.

### ***Measurement Focus***

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

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

### ***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 and the statements presented for fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred outflows/inflows of resources and in the presentation of expenses versus expenditures.

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



**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2015*

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

***Deferred Outflows/Inflows of Resources*** In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding and for pension. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension are explained in Note 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 until that time. For the School District, deferred inflows of resources include property taxes, payments in lieu of taxes, pension, and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of June 30, 2015, but which were levied to finance fiscal year 2016 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the School District, unavailable revenue includes delinquent property taxes, intergovernmental grants, and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 11)

***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 on the operating statement as an expenditure with a like amount reported as intergovernmental revenue. Unused donated commodities are reported as inventory held for resale.

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

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2015*

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***Cash and Cash Equivalents***

To improve cash management, all cash received by the School District is pooled. Monies for all funds are maintained in this pool. Interest in the pool is presented as “equity in pooled cash and cash equivalents” on the basic financial statements.

During fiscal year 2015, investments were limited to federal farm credit bank notes, federal home loan bank notes, federal home loan mortgage corporation notes, federal national mortgage association notes, US Treasury notes, repurchase agreements and STAR Ohio.

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 deposit and repurchase agreements, are reported at cost.

STAR 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 does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio’s net asset value per share, which is the price the investment could be sold for on June 30, 2015.

Following Ohio statutes, the Board of Education has, by resolution, identified the funds to receive an allocation of interest. Interest revenue credited to the general fund during the fiscal year 2015 amounted to \$39,295, which included \$6,434 assigned from other School District funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are reported as cash equivalents.

***Inventory***

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventory consists of expendable supplies held for consumption and purchased and donated food held for resale.

***Capital Assets***

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The School District was able to estimate the historical cost for the initial reporting of capital assets by back trending (i.e., estimating the current replacement cost of the assets to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of seven thousand dollars. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are not.

**Nordonia Hills City School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2015*

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	20 - 40 Years
Furniture and Equipment	5 - 20 Years
Vehicles	6 - 10 Years

***Compensated Absences***

Vacation benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School 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 termination method. An accrual for earned sick leave is made to the extent it is probable that benefits will result in termination payments. The liability is an estimate based on the School District's past experience of making termination payments.

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

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the governmental fund financial statements when due.

***Fund Balance***

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

***Nonspendable*** The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

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

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

## **Nordonia Hills City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2015*

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**Assigned** Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. The amounts are assigned by the School District Board of Education. In the general fund, assigned amounts represent intended uses established by policies of the School District Board of Education or by State statute. State statute authorizes the Treasurer to assign fund balance for purchases on order, provided such amounts have been lawfully appropriated. The Board of Education has assigned fund balance for support services.

**Unassigned** Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

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

### ***Net Position***

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for other purposes includes resources restricted for miscellaneous State and Federal grant programs.

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

### ***Restricted Assets***

Assets are reported as restricted assets when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or the laws of other governments, or imposed by law through constitutional provisions. Restricted assets in the general fund include the amounts for unclaimed monies.

### ***Estimates***

The preparation of the 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.

### ***Internal Activity***

Transfers between governmental funds are eliminated on the government-wide financial statements. Internal events that are allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Interfund payments for services provided and used are not eliminated.

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2015*

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Exchanges 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.

***Budgetary Data***

All funds, other than agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount that the Board of Education may appropriate. The appropriations resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level for all funds. Budgetary modifications at this level require a resolution of the Board of Education. The Treasurer has been given authority to allocate Board appropriations to the function and object levels within each fund.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District's Treasurer. The amounts reported in the budgetary statement as the original and final budgeted amounts reflect the amounts in the amended certificate in effect when the original and final appropriations were passed.

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

***Bond Premium***

On the government-wide financial statements, bond premiums are deferred and amortized for the term of the bonds using the straight-line method since the results are not significantly different from the effective interest method. Bond premiums are presented as an increase of the face amount of the bonds payable. On governmental fund statements, bond premiums are reported in the year the bonds are issued.

***Pensions***

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

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2015*

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**Note 3 – Change in Accounting Principle and Restatement of Net Position**

For fiscal year 2015, the School District implemented the Governmental Accounting Standards Board (GASB) Statement No. 68, “Accounting and Financial Reporting for Pensions” and GASB Statement No. 71, “Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68.” GASB 68 established standards for measuring and recognizing pension liabilities, deferred outflows of resources deferred inflows of resources and expense/expenditure. The implementation of this pronouncement had the following effect on net position as reported June 30, 2014:

Net position June 30, 2014	\$22,854,227
Adjustments:	
Net Pension Liability	(58,222,696)
Deferred Outflow - Payments Subsequent to Measurement Date	<u>2,895,466</u>
Restated Net Position June 30, 2014	<u><u>(\$32,473,003)</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.

**Note 4 – Accountability**

At June 30, 2015, the School District had a deficit fund balance in the food service fund in the amount of \$17,551.

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

**Note 5 – Budgetary Basis of Accounting**

While the School 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 Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual, 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 that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Unrecorded cash, which consists of outside athletic bank accounts, is not reported by the School District on the operating statements (budget), but is reported on the GAAP basis operating statements.
3. Investments are reported at fair value (GAAP) rather than cost (budget basis).

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2015*

4. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
5. Budgetary revenues and expenditures of the public school support fund are reclassified to the general fund for GAAP reporting.
6. Encumbrances are treated as expenditures (budget basis) rather than as a restricted, committed, or assigned fund balance (GAAP basis).

The following tables summarize the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund.

Net Change in Fund Balance	
GAAP Basis	\$5,162,114
Net Adjustment for Revenue Accruals	(2,576,442)
Beginning Unrecorded Cash	4,364
Ending Unrecorded Cash	(5,428)
Beginning Fair Value Adjustment	2,106
Ending Fair Value Adjustment	(5,443)
Net Adjustment for Expenditure Accruals	934,044
Perspective Difference:	
Public School Support	(2,442)
Adjustment for Encumbrances	<u>(451,025)</u>
Budget Basis	<u><u>\$3,061,848</u></u>

**Note 6 – Deposits and Investments**

Monies held by the School District are classified by State statute into three categories.

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

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

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

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2015*

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Interim monies held by the School District can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above;
4. Bonds and other obligations of the State of Ohio;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2);
7. The State Treasurer's investment pool (STAR Ohio); and
8. Commercial paper and bankers acceptances if training requirements have been met.

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. Investments may only be made through specified dealers and institutions.

**Deposits**

***Custodial Credit Risk*** Custodial credit risk for deposits is the risk that in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At fiscal year end, \$1,876,251 of the School District's bank balance of \$14,137,076 was uninsured and uncollateralized. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the School District to a successful claim by the Federal Deposit Insurance Corporation.

The School District has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the School District or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.



**Nordonia Hills City School District**  
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For the Fiscal Year Ended June 30, 2015

**Investments**

As of June 30, 2015, the School District had investments in Federal Farm Credit Bank Notes, Federal Home Loan Bank Notes, Federal Home Loan Mortgage Corporation Notes, Federal National Mortgage Association Notes, and US Treasury Notes, as well as repurchase agreements and STAR Ohio with a fair value of \$8,872,761. These investments will mature as follows:

Investment Type	Fair Value	Investment Maturities			
		1 year or less	1 - 2 years	2 - 3 years	3 - 5 years
Federal Farm Credit Bank Notes	\$199,894	\$0	\$0	\$199,894	\$0
Federal Home Loan Bank Notes	\$145,463	\$0	\$145,463	\$0	\$0
Federal Home Loan Mortgage Corporation Notes	1,710,706	300,208	579,688	830,810	0
Federal National Mortgage Association Notes	660,879	0	300,581	0	360,298
US Treasury Notes	300,797	0	300,797	0	0
Repurchase Agreements	5,850,000	5,850,000	0	0	0
STAR Ohio	5,022	5,022	0	0	0
<b>Total</b>	<b>\$8,872,761</b>	<b>\$6,155,230</b>	<b>\$1,326,529</b>	<b>\$1,030,704</b>	<b>\$360,298</b>

**Interest Rate Risk** The School District has no investment policy that addresses interest rate risk. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the School District and that investment must be purchased with the expectation that it will be held to maturity.

**Custodial Credit Risk** For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The securities underlying the repurchase agreements are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty. The City has no investment policy dealing with investment custodial credit risk beyond the requirement in State statute that requires the securities shall be delivered into the custody of the treasurer or governing board or an agent designated by the treasurer or governing board.

**Credit Risk** The Federal Farm Credit Bank Notes, Federal Home Loan Bank Notes, the Federal Home Loan Mortgage Corporation Notes, the Federal National Mortgage Association Notes, and the US Treasury Notes all carry a credit rating of AA+ by Standard and Poor's. The repurchase agreements are not rated. STAR Ohio carries a credit rating of AAAM by Standard and Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The School District has no investment policy that addresses credit risk.

**Concentration of Credit Risk** This type of risk is defined by the Governmental Accounting Standards Board as having investments of five percent or more in the securities of a single issuer. The School District's investment policy requires diversification of the portfolio but does not indicate specific percentage allocations. The School District's percentage allocation of credit risk is as follows:

Investment type	Percentage of Investments
Federal Home Loan Mortgage Corporation Notes	19.28 %
Federal National Mortgage Association Notes	7.45
Repurchase Agreements	65.93

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
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**Note 7 – Property Taxes**

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

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenue received in calendar year 2015 represents collections of calendar year 2014 taxes. Real property taxes received in calendar year 2015 were levied after April 1, 2014, on the assessed value listed as of January 1, 2014, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar year 2015 represents collections of calendar year 2014 taxes. Public utility real and tangible personal property taxes received in calendar year 2015 became a lien December 31, 2013, were levied after April 1, 2014 and are collected in calendar year 2015 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The School District receives property taxes from Summit County. The County Fiscal Officer periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the counties by June 30, 2015, are available to finance fiscal year 2015 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property and public utility property taxes, which are measurable as of June 30, 2015, and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows of resources – property taxes.

The amount available as an advance at June 30, 2015, was \$6,342,470 in the general fund and \$670,483 in the bond retirement debt service fund. The amount available as an advance at June 30, 2014, was \$4,594,695 in the general fund and \$490,194 in the bond retirement debt service fund. The difference was in the timing and collection by the County Fiscal Officer.

On an accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

The assessed values upon which the fiscal year 2015 taxes were collected are:

	2014 Second Half Collections		2015 First Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$907,751,870	96.96 %	\$893,709,860	96.63 %
Public Utility Personal Property	28,468,580	3.04	31,124,800	3.37
	\$936,220,450	100.00 %	\$924,834,660	100.00 %
Tax rate per \$1,000 of assessed valuation	\$68.92		\$68.94	

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
For the Fiscal Year Ended June 30, 2015

**Note 8 – Receivables**

Receivables at June 30, 2015, consisted of taxes, payments in lieu of taxes, accounts (tuition and excess costs), and intergovernmental grants and disbursements. 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. All receivables except for delinquent property taxes are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

A summary of the principal items of intergovernmental receivables follows:

Governmental Activities	Amounts
Title I Grant	\$42,763
Title VI-B Grant	31,803
Limited English Proficiency Grant	11,026
Miscellaneous	3,060
Title II-A Grant	339
Total	\$88,991

**Note 9 – Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2015, was as follows:

	Balance 6/30/2014	Additions	Deletions	Balance 6/30/2015
<b>Governmental Activities</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$1,427,727	\$0	(\$1,104,770)	\$322,957
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	55,396,261	0	0	55,396,261
Furniture and Equipment	1,892,202	458,625	(62,054)	2,288,773
Vehicles	2,949,867	13,000	(863,053)	2,099,814
<i>Total Capital Assets, being depreciated</i>	60,238,330	471,625	(925,107)	59,784,848
Less Accumulated Depreciation:				
Buildings and Improvements	(21,039,632)	(1,176,656)	0	(22,216,288)
Furniture and Equipment	(1,327,637)	(168,813)	62,054	(1,434,396)
Vehicles	(2,657,181)	(112,077)	863,053	(1,906,205)
Total Accumulated Depreciation	(25,024,450)	(1,457,546) *	925,107	(25,556,889)
Total Capital Assets, being depreciated, net	35,213,880	(985,921)	0	34,227,959
Governmental Activities Capital Assets, Net	\$36,641,607	(\$985,921)	(\$1,104,770)	\$34,550,916

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
For the Fiscal Year Ended June 30, 2015

\* Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$725,907
Special	35,417
Vocational	29,947
Support Services:	
Pupils	18,366
Instructional Staff	48,557
Administration	17,409
Fiscal	1,811
Business	3,862
Operation and Maintenance of Plant	352,537
Pupil Transportation	110,431
Central	9,856
Operation of Non-Instructional Services	4,347
Food Service Operations	47,809
Extracurricular Activities	51,290
Total Depreciation Expense	\$1,457,546

**Note 10 – Long-Term Obligations**

The original issue date, interest rate, original issue amount and date of maturity of each of the School District’s long-term obligations is as follows:

Debt Issue	Interest Rate	Original Issue Amount	Date of Maturity
<i>General Obligation Bonds:</i>			
Refunding - 2006	4.05%	\$23,959,987	December 1, 2025
Athletic Facilities - 2009	3 - 5	5,999,998	December 1, 2030
Energy Conservation Bonds - 2013	3.39	729,744	December 1, 2028
School Improvement Refunding - 2015	4.6	10,485,000	December 1, 2025
Athletic Refunding - 2015	4.24	4,490,000	December 1, 2030

The changes in the School District’s long-term obligations during the year consist of the following:

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
For the Fiscal Year Ended June 30, 2015

	Principal Outstanding 6/30/14	Additions	Reductions	Principal Outstanding 6/30/15	Amount Due in One Year
<b>General Obligation Bonds:</b>					
2001 School Improvement Bonds					
Capital Appreciation Bonds	\$619,174	\$0	(\$619,174)	\$0	\$0
Accretion on Capital Appreciation Bonds	1,020,375	60,451	(1,080,826)	0	0
2006 Refunding Bonds					
Serial Bonds	20,695,000	0	(10,890,000)	9,805,000	0
Premium	984,357	0	(536,385)	447,972	0
Capital Appreciation Bonds	1,206,450	0	(95,863)	1,110,587	589,724
Accretion on Capital Appreciation Bonds	2,164,373	427,376	(189,137)	2,402,612	1,395,276
2009 Athletic Facilities Bonds					
Serial Bonds	4,725,000	0	(4,725,000)	0	0
Premium	159,502	0	(159,502)	0	0
Capital Appreciation Bonds	99,998	0	0	99,998	55,600
Accretion on Capital Appreciation Bonds	220,823	80,959	0	301,782	194,400
2013 Energy Conservation Bonds					
Serial Bonds	729,744	0	(33,088)	696,656	39,707
2015 School Improvement Refunding Bonds					
Serial Bonds	0	10,485,000	0	10,485,000	0
Premium	0	1,598,963	(117,571)	1,481,392	0
2015 Athletic Facilities Refunding Bonds					
Serial Bonds	0	4,490,000	0	4,490,000	45,000
Premium	0	458,205	(7,273)	450,932	0
<b>Total General Obligation Bonds</b>	<b>32,624,796</b>	<b>17,600,954</b>	<b>(18,453,819)</b>	<b>31,771,931</b>	<b>2,319,707</b>
<b>Other Long-term Obligations:</b>					
Net Pension Liability:					
STRS	46,208,442	0	(7,416,722)	38,791,720	0
SERS	12,014,254	0	(1,789,479)	10,224,775	0
Total Net Pension Liability	58,222,696	0	(9,206,201)	49,016,495	0
Compensated Absences	2,213,263	505,144	(307,340)	2,411,067	288,422
Early Retirement Incentives	117,523	0	(93,507)	24,016	24,016
<b>Total Other Long-term Obligations</b>	<b>60,553,482</b>	<b>505,144</b>	<b>(9,607,048)</b>	<b>51,451,578</b>	<b>312,438</b>
<b>Total Governmental Activities</b>					
Long-Term Liabilities	<b>\$93,178,278</b>	<b>\$18,106,098</b>	<b>(\$28,060,867)</b>	<b>\$83,223,509</b>	<b>\$2,632,145</b>

All general obligation bonds will be paid from property taxes. The School District pays obligations related to employee compensation from the fund benefitting from their service. The early retirement incentives liability will be paid off in full in fiscal year 2016. The net pension liability is explained in Note 11.

On December 6, 2000, the School District issued \$38,499,963 in bonded debt to finance several construction and improvement projects. The bonds consisted of serial, term and capital appreciation bonds of \$11,770,000, \$23,960,000 and \$2,769,963, respectively. In 2006, a portion of the serial bonds and the term bonds were retired through an advance refunding. The final amount, after accretion of interest, of the capital appreciation bonds is \$6,800,000. The principal payments began in fiscal year 2003. The maturity amount of outstanding capital appreciation bonds at June 30, 2015 is \$0. The accretion recorded for fiscal year 2014 was \$60,451, for a total outstanding bond liability of \$0 at June 30, 2015.

**Nordonia Hills City School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2015*

On February 22, 2006, the School District issued \$23,959,987 in general obligation bonds which include serial and capital appreciation bonds. The final amount of the 2005 capital appreciation bonds, after the accretion of interest, will be \$8,235,099. The bond proceeds consisted of bond principal and \$1,945,455 of premium. The final maturity amount of outstanding capital appreciation bonds at June 30, 2015, is \$3,969,999. The accretion recorded for fiscal year 2015 was \$427,376, for a total outstanding bond liability of \$3,513,199 at June 30, 2015.

On March 26, 2009, the School District issued \$5,999,998 in bonded debt to finance an athletic facility. The bonds consisted of serial and capital appreciation bonds of \$5,900,000 and \$99,998, respectively. The final amount, after the accretion of interest, of the capital appreciation bonds will be \$898,108. The final maturity amount of outstanding capital appreciation bonds at June 30, 2015 is \$500,000. The accretion recorded for fiscal year 2015 was \$80,959, for a total outstanding bond liability of \$401,780 at June 30, 2015.

On September 11, 2013, the School District issued \$729,744 in energy conservation bonds which were used for the modification and remodeling of School District buildings to conserve energy. These bonds will be paid from the buildings capital projects fund and will mature in fiscal year 2029.

On August 8, 2014, the School District issued \$10,485,000 in serial school improvement bonds to advance refund \$10,890,000 of outstanding 2006 bonds in order to take advantage of lower interest rates. The bonds were issued for a 21 year period with a final maturity at December 1, 2025.

Net proceeds of \$11,937,668 (including a \$1,598,963 premium and after \$143,000 in issuance costs) were placed in an irrevocable trust with an escrow agent to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the School District's financial statements. On June 30, 2015, \$10,890,000 of the defeased bonds are still outstanding.

The reacquisition price exceeded the net carrying amount of the old debt by \$556,080. This amount is being netted against the new debt and amortized over the remaining life of the refunding debt.

The School District decreased its total debt service payments by \$514,133 as a result of the refunding. The School District also incurred an economic gain (difference between the present values of the old and new debt service payments) of \$476,663.

An analysis of the refunding issues follows:

	School Improvement Bonds
Outstanding at June 30, 2014	\$20,695,000
Amount Refunded	<u>(10,890,000)</u>
Outstanding Principal at June 30, 2015	<u><u>\$9,805,000</u></u>

On March 12, 2015, the School District issued \$4,490,000 in serial athletic facilities bonds to advance refund \$4,490,000 of outstanding 2009 athletic facilities bonds in order to take advantage of lower interest rates. The bonds were issued for a 16 year period with a final maturity at December 1, 2030.

**Nordonia Hills City School District**

*Notes to the Basic Financial Statements*

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Net proceeds of \$4,849,104 (including a \$458,205 premium and after \$99,101 in issuance costs) were placed in an irrevocable trust with an escrow agent to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the School District's financial statements. On June 30, 2015, \$4,490,000 of the defeased bonds are still outstanding.

The reacquisition price exceeded the net carrying amount of the old debt by \$209,571. This amount is being netted against the new debt and amortized over the remaining life of the refunding debt.

The School District decreased its total debt service payments by \$238,475 as a result of the refunding. The School District also incurred an economic gain (difference between the present value of the old and new debt service payments) of \$190,133.

An analysis of the refunding issues follows:

	Athletic Facilities Bonds
	<hr/>
Outstanding at June 30, 2014	\$4,725,000
Amount Refunded	(4,490,000)
Principal Payment	<hr/> (235,000) <hr/>
Outstanding Principal at June 30, 2015	<hr/> <hr/> \$0 <hr/> <hr/>

The School District's overall debt margin was \$59,256,453 with an unvoted debt margin of \$923,648 at June 30, 2015. Principal and interest requirements to retire general obligation bonds and capital appreciation bonds outstanding at June 30, 2015, are as follows:

	General Obligation Bonds					
	Serial		Capital Appreciation		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$84,707	\$1,135,900	\$645,324	\$1,589,676	\$730,031	\$2,725,576
2017	46,053	1,133,471	565,261	1,669,738	611,314	2,803,209
2018	2,202,445	1,123,952	0	0	2,202,445	1,123,952
2019	2,288,883	1,027,381	0	0	2,288,883	1,027,381
2020	2,385,371	923,347	0	0	2,385,371	923,347
2021-2025	13,905,996	2,878,959	0	0	13,905,996	2,878,959
2026-2030	4,153,201	396,132	0	0	4,153,201	396,132
2031	410,000	8,692	0	0	410,000	8,692
Total	<hr/> \$25,476,656 <hr/>	<hr/> \$8,627,834 <hr/>	<hr/> \$1,210,585 <hr/>	<hr/> \$3,259,414 <hr/>	<hr/> \$26,687,241 <hr/>	<hr/> \$11,887,248 <hr/>

**Note 11 - 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-

**Nordonia Hills City School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2015*

payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

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

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

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

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

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

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

Age and service requirements for retirement are as follows:

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

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



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

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

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2015, the allocation to pension, death benefits, and Medicare B was 13.18 percent. The remaining 0.82 percent of the 14 percent employer contribution rate was allocated to the Health Care Fund.

The School District's contractually required contribution to SERS was \$821,844 for fiscal year 2015. Of this amount \$115,593 is reported as an intergovernmental payable.

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

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

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. With certain exceptions, the basic benefit is increased each year by two percent of the original base benefit. For members retiring August 1, 2013, or later, the first two percent is paid on the fifth anniversary of the retirement benefit. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 25 years of service, or 30 years of service regardless of age. Age and service requirements for retirement will increase effective August 1, 2015, and will continue to increase periodically until they reach age 60 with 35 years of service or age 65 with five years of service on August 1, 2026.

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

**Nordonia Hills City School District**

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

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

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

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The statutory maximum employee contribution rate was increased one percent July 1, 2014, and will be increased one percent each year until it reaches 14 percent on July 1, 2016. For the fiscal year ended June 30, 2015, plan members were required to contribute 12 percent of their annual covered salary. The School District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2015 contribution rates were equal to the statutory maximum rates.

The School District's contractually required contribution to STRS was \$2,403,988 for fiscal year 2015. Of this amount \$409,928 is reported as an intergovernmental payable.

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

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on the School District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$10,224,775	\$38,791,720	\$49,016,495
Proportion of the Net Pension Liability	0.20203300%	0.15948273%	
Pension Expense	\$599,244	\$1,465,667	\$2,064,911

At June 30, 2015, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
For the Fiscal Year Ended June 30, 2015

	SERS	STRS	Total
<b>Deferred Outflows of Resources</b>			
Differences between expected and actual experience	\$87,024	\$373,455	\$460,479
School District contributions subsequent to the measurement date	821,844	2,403,988	3,225,832
Total Deferred Outflows of Resources	\$908,868	\$2,777,443	\$3,686,311
<b>Deferred Inflows of Resources</b>			
Net difference between projected and actual earnings on pension plan investments	\$1,659,510	\$7,176,615	\$8,836,125

\$3,225,832 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2016	(\$392,902)	(\$1,700,790)	(\$2,093,692)
2017	(392,902)	(1,700,790)	(2,093,692)
2018	(392,902)	(1,700,790)	(2,093,692)
2019	(393,780)	(1,700,790)	(2,094,570)
Total	(\$1,572,486)	(\$6,803,160)	(\$8,375,646)

***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.

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
For the Fiscal Year Ended June 30, 2015

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2014, are presented below:

Wage Inflation	3.25 percent
Future Salary Increases, including inflation	4.00 percent to 22 percent
COLA or Ad Hoc COLA	3 percent
Investment Rate of Return	7.75 percent net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal

For post-retirement mortality, the table used in evaluating allowances to be paid is the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables are used for the period after disability retirement.

The most recent experience study was completed June 30, 2010.

The long-term return expectation for the Pension Plan Investments has been determined using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	1.00 %	0.00 %
US Stocks	22.50	5.00
Non-US Stocks	22.50	5.50
Fixed Income	19.00	1.50
Private Equity	10.00	10.00
Real Assets	10.00	5.00
Multi-Asset Strategies	15.00	7.50
Total	<u>100.00 %</u>	

**Discount Rate** The total pension liability was calculated using the discount rate of 7.75 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.75 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

**Nordonia Hills City School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2015*

***Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*** Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.75 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.75 percent), or one percentage point higher (8.75 percent) than the current rate.

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
School District's proportionate share of the net pension liability	\$14,587,715	\$10,224,775	\$6,555,165

***Actuarial Assumptions - STRS***

The total pension liability in the June 30, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 percent
Projected salary increases	2.75 percent at age 70 to 12.25 percent at age 20
Investment Rate of Return	7.75 percent, net of investment expenses
Cost-of-Living Adjustments (COLA)	2 percent simple applied as follows: for members retiring before August 1, 2013, 2 percent per year; for members retiring August 1, 2013, or later, 2 percent COLA paid on fifth anniversary of retirement date.

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 not set back from age 90 and above.

Actuarial assumptions used in the June 30, 2014, valuation are based on the results of an actuarial experience study, effective July 1, 2012.

The 10 year expected real rate of return on pension plan investments was determined by STRS' investment consultant by developing best estimates of expected future real rates of return for each major asset class. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized as follows:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	31.00 %	8.00 %
International Equity	26.00	7.85
Alternatives	14.00	8.00
Fixed Income	18.00	3.75
Real Estate	10.00	6.75
Liquidity Reserves	1.00	3.00
Total	<u>100.00 %</u>	

**Nordonia Hills City School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2015*

**Discount Rate** The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2014. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2014. Therefore, the long-term expected rate of return on pension plan investments of 7.75 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2014.

**Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** The following table presents the School District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.75 percent, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.75 percent) or one-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
School District's proportionate share of the net pension liability	\$55,534,575	\$38,791,720	\$24,632,897

**Note 12 - Postemployment Benefits**

**School Employees Retirement System**

Health Care Plan Description - The School District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 45 purposes, this plan is considered a cost-sharing, multiple-employer, defined benefit other postemployment benefit (OPEB) plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage, and traditional indemnity plans as well as a prescription drug program. The financial report of the Plan is included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Health care is financed through a combination of employer contributions and retiree premiums, copays and deductibles on covered health care expenses, investment returns, and any funds received as a result of SERS' participation in Medicare programs. Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of 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 basic benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care

## **Nordonia Hills City School District**

*Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2015*

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Fund. For fiscal year 2015, 0.82 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. For fiscal year 2015, this amount was \$20,450. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2015, the School District's surcharge obligation was \$95,217.

The School District's contributions for health care for the fiscal years ended June 30, 2015, 2014, and 2013 were \$137,145, \$107,461, and \$101,320, respectively. For fiscal year 2015, 70.94 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2014 and 2013.

### ***State Teachers Retirement System***

Plan Description – The School District participates in the cost-sharing multiple-employer defined benefit Health Plan administered by the State Teachers Retirement System of Ohio (STRS) 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 reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS which can be obtained by visiting [www.strsoh.org](http://www.strsoh.org) or by calling (888) 227-7877.

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS Ohio to offer the Plan and gives the Retirement Board 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. All benefit recipients, for the most recent year, pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For fiscal year 2015, STRS did not allocate any employer contributions to post-employment health care. The School District's contributions for health care for the fiscal years ended June 30, 2015, 2014, and 2013 were \$0, \$163,443, and \$160,325, respectively. The full amount has been contributed for fiscal years 2015, 2014 and 2013.

## **Note 13 – Other Employee Benefits**

### ***Compensated Absences***

The criteria for determining vacation and sick leave components are derived from negotiated agreements and State laws. Classified employees earn 10 to 20 days of vacation per fiscal year, depending upon length of service. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers and administrators, who are not on a 12 month contract, do not earn vacation time.

Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to 260 days. Upon retirement, payment is made for one-third of the total sick leave accumulation, up to a maximum, as specified by each negotiated agreement.

### ***Early Notification of Retirement Incentive***

Any eligible employee, who gave notice of retirement no later than February 1 of 2008, 2009, and 2010, received an incentive in addition to their regular severance payment. The incentive is paid over five years. The Board does not limit the number of employees participating in the plan in any one year.

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2015*

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Seventeen employees in fiscal year 2008, eleven in fiscal year 2009, and three in fiscal year 2010, took advantage of the early retirement incentive offered by the School District. The expenditures are reflected in the funds from which the employee's salary and severance are paid.

***Health Insurance Benefits***

The School District provides employee medical/surgical benefits through Stark County Schools Council of Governments' shared risk pool. Rates are set through an annual calculation process. The School District pays a monthly contribution to a common fund from which claim payments are made for all participating school districts. The employees share the cost of the monthly premium with the Board. The premium varies with employee depending on the terms of the union contract. Dental and vision insurance are also provided by the School District to all employees through the Stark County Schools Council of Governments. Upon termination, all School District claims would be paid without regard to the School District's account balance.

***Life Insurance Benefits***

The School District provides life insurance and accidental death and dismemberment insurance to most employees through a major life insurance company in the amount of \$30,000 for all noncertified employees up to a maximum of \$50,000 for certified employees, and double the annual salary rounded to the nearest thousand for administrators including the superintendent.

**Note 14 – Interfund Transfers**

Interfund transfers made during fiscal year 2015 consisted of transfers from the general fund to the bond retirement fund and other governmental funds in the amounts of \$57,265 and \$15,300, respectively.

The transfers from the general fund to the bond retirement debt service fund were made for debt service payments. The transfers from general to other governmental funds were made to support the operations of those funds.

**Note 15 – Contingencies**

***Grants***

The School District received financial assistance from Federal and State agencies in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2015, if applicable, cannot be determined at this time.

***School Foundation***

School District Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. Effective for the 2014-2015 school year, traditional school districts must comply with minimum hours of instruction, instead of a minimum number of school days each year. The funding formula the Ohio Department of Education (ODE) is legislatively required to follow will continue to adjust as enrollment information is updated by the school district, which can extend past the fiscal year



**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2015*

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end. As of the date of this report, ODE has not finalized the impact of enrollment adjustments to the June 30, 2015, Foundation funding for the School District; therefore, the financial statement impact is not determinable at this time. ODE and management believe this will result in either a receivable to or a liability of the School District.

***Litigation***

No litigation is pending at this time for the School District.

**Note 16 – Jointly Governed Organizations**

***Northeast Ohio Network for Educational Technology***

The Northeast Ohio Network for Educational Technology (NEONet) is the Information Technology Center (ITC) used by the School District. NEONet is organized as a council of governments providing data management and computer services to school districts in Cuyahoga, Lake, Medina, Portage, and Summit counties. NEONet employs its own fiscal officer. The purpose of NEONet is to develop and employ a computer system efficiently and effectively for the needs of the member Boards of Education. All districts in NEONet are required to pay fees, charges, and assessments as charged. The Assembly is made up of Superintendents from all of the participating districts and governs NEONet. NEONet's Board exercises total control over the operations of the organization including budgeting, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the Board. The Assembly elects a Board of Directors consisting of nine members and is the managerial body of NEONet and meets at least five times a year. Payments to NEONet are made from the general fund. During fiscal year 2015, the School District contributed \$165,419 to NEONet. Financial information can be obtained by contacting the NEONet Fiscal Officer at 700 Graham Road, Cuyahoga Falls, Ohio 44221.

***Ohio Schools Council***

The Ohio Schools Council (Council) is a jointly governed organization among 199 school districts. The jointly governed organization was created by school districts for the purpose of saving money through volume purchases. Each district supports the Council by paying an annual participation fee. Each school district member's superintendent serves as a representative of the Assembly. The Council's Board exercises total control over the operations of the organization including budgeting, appropriating, contracting and designating management. Each participant's degree of control is limited to its representation on the Board. The Assembly elects five of the Council's Board members and the remaining four are representatives of the Greater Cleveland School Superintendents' Association. The Council operates under a nine-member Board of Directors (the Board). The Board is the policy making authority of the Council. The Board meets monthly September to June. The Board appoints an Executive Director who is responsible for receiving and disbursing funds, investing available funds, preparing financial reports for the Board and Assembly and carrying out such other responsibilities as designated by the Board. In fiscal year 2015, the School District paid \$5,947 to the Council. Financial information can be obtained by contacting William Zelei, the Executive Director at the Ohio Schools Council at 6393 Oak Tree Boulevard, Independence, Ohio 44131.

The School District participates in an electricity purchase program. This program allows the School District to purchase electricity with other schools as a group from First Energy Solutions. Kilowatt-hours of electric energy metered by the Electric Utility for Nordonia is billed to the School District based on a

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2015*

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pricing schedule determined by the Ohio Schools Council, the Ohio School Board Association, the Ohio Association of School Business Officials and the Buckeye Association of School Administrators (collectively called the “P4S” or “Power4Schools”).

***Cuyahoga Valley Career Center***

The Cuyahoga Valley Career Center is a separate body politic and corporate, established by the Ohio Revised Code to provide for the vocational and special education needs of the students. The Board of Education is comprised of representatives from the board of each participating school district. The Board is responsible for approving its own budgets, appointing personnel and accounting and finance related activities. Nordonia Hills City School District students may attend the career center. Each school district’s control is limited to its representation on the Board. During fiscal year 2015, the School District did not make any payments to the Career Center.

**Note 17 – Shared Risk Pool**

The School District is a member of the Stark County Schools Council of Governments (Council) Health Benefits Plan. The Health Benefits Plan is a shared risk pool created pursuant to State statute for the purposes of administering from each participating school district (usually the superintendent or designee). The assembly elects officers for one year terms to serve on the Board of Directors. The assembly exercises control over the operation of the Council. All Council revenues are generated from charges for services received from the participating school districts, based on the established premiums for the insurance plans. Each school district reserves the right to terminate the plan in whole or in part, at any time. If it is terminated, no further contributions will be made, but the benefits under the insurance contract shall be paid in accordance with the terms of the contract.

**Note 18 – Risk Management**

***Workers’ Compensation***

The School District pays the State Workers’ Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

***Property and Liability***

The School District is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2015, the School District contracted with Ohio School Plan for various types of insurance as follows:

**Nordonia Hills City School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2015*

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<u>Type of Coverage</u>	<u>Coverage Amount</u>
Property	\$132,551,036
Flood and Earthquake	1,000,000
Crime	220,000
General Liability	5,000,000
Employee Benefits Liability	5,000,000
Employer's Liability	5,000,000
School Leaders Professional Liability	5,000,000
Sexual Misconduct and Molestation	5,000,000
Law Enforcement	5,000,000
Violent Event Response	1,000,000
Automobile	5,000,000
Boiler and Machinery	100,000,000
Cyber Coverage	20,000,000
Pollution Liability	25,000,000

Settled claims have not exceeded this commercial coverage in any of the last three years and there have been no significant reductions in insurance coverage from last year.

**Note 19 – 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 fiscal year end or offset by similarly restricted resources received during the year must be held in cash at fiscal year-end and carried forward to be used for the same purpose in future years.

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

	<u>Capital Improvement</u>
Set-aside Balances as of June 30, 2014	\$0
Current Year Set-aside Requirement	633,609
Qualifying Disbursements	<u>(1,598,922)</u>
Totals	<u><u>(\$965,313)</u></u>
Set-aside Balance Carried Forward to Future Fiscal Years	<u><u>\$0</u></u>
Set-aside Balance as of June 30, 2015	<u><u>\$0</u></u>

Although the School District had qualifying disbursements during the fiscal year that reduced the set-aside amount to below zero for the capital acquisition set-aside, this amount may not be used to reduce the set-aside requirement for future years. This negative balance is therefore not presented as being carried forward to future years.

**Nordonia Hills City School District**

*Notes to the Basic Financial Statements*

*For the Fiscal Year Ended June 30, 2015*

**Note 20 – Encumbrances**

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the amount of encumbrances expected to be honored upon performance by the vendor in the next year or soon thereafter were as follows:

General	\$451,025
Other Governmental Funds	<u>1,290,059</u>
Total	<u><u>\$1,741,084</u></u>

**Note 21 – Fund Balances**

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

<u>Fund Balances</u>	<u>General</u>	<u>Bond Retirement</u>	<u>Other Governmental Funds</u>	<u>Total</u>
<u>Nonspendable:</u>				
Unclaimed Monies	\$26,210	\$0	\$0	\$26,210
Inventory	<u>23,948</u>	<u>0</u>	<u>4,103</u>	<u>28,051</u>
<i>Total Nonspendable</i>	<u>50,158</u>	<u>0</u>	<u>4,103</u>	<u>54,261</u>
<u>Restricted for:</u>				
Debt Service	0	2,118,713	0	2,118,713
Capital Projects	0	0	1,717,079	1,717,079
Student Activities	0	0	224,066	224,066
State Grants	0	0	170,435	170,435
Other Purposes	<u>0</u>	<u>0</u>	<u>1,196</u>	<u>1,196</u>
<i>Total Restricted</i>	<u>0</u>	<u>2,118,713</u>	<u>2,112,776</u>	<u>4,231,489</u>
<u>Committed to:</u>				
School Store	<u>0</u>	<u>0</u>	<u>9,235</u>	<u>9,235</u>
<u>Assigned to:</u>				
Support Services	110,616	0	0	110,616
Purchases on Order:				
Instructional Services	315,014	0	0	315,014
Support Services	90,074	0	0	90,074
Appropriated Fund Balance	<u>1,801,341</u>	<u>0</u>	<u>0</u>	<u>1,801,341</u>
<i>Total Assigned</i>	<u>2,317,045</u>	<u>0</u>	<u>0</u>	<u>2,317,045</u>
Unassigned (Deficit)	<u>19,523,941</u>	<u>0</u>	<u>(21,654)</u>	<u>19,502,287</u>
Total Fund Balances	<u><u>\$21,891,144</u></u>	<u><u>\$2,118,713</u></u>	<u><u>\$2,104,460</u></u>	<u><u>\$26,114,317</u></u>

**Nordonia Hills City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2015*

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**Note 22 – Subsequent Events**

The School District placed a 1.49 mill permanent improvement levy on the November 3, 2015 ballot. The estimated revenue from the levy would have been \$1,378,004 beginning in January of 2016. The money would have been used for the replacement and repair of School District facilities, as well as upgrades to security and technology. Voters did not approve this levy.

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

	2014	2013
School District's Proportion of the Net Pension Liability	0.202033%	0.202033%
School District's Proportionate Share of the Net Pension Liability	\$10,224,775	\$12,014,254
School District's Covered-Employee Payroll	\$5,830,264	\$4,538,107
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	175.37%	264.74%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	71.70%	65.52%

(1) Information prior to 2013 is not available.

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

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

	2014	2013
School District's Proportion of the Net Pension Liability	0.15948273%	0.15948273%
School District's Proportionate Share of the Net Pension Liability	\$38,791,720	\$46,208,442
School District's Covered-Employee Payroll	\$15,994,071	\$17,009,954
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	242.54%	271.66%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.70%	69.30%

(1) Information prior to 2013 is not available.

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

**Nordonia Hills City School District, Ohio**  
*Required Supplementary Information*  
*Schedule of School District Contributions*  
*School Employees Retirement System of Ohio*  
*Last Ten Fiscal Years*

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually Required Contribution	\$821,844	\$816,237	\$594,492	\$561,336
Contributions in Relation to the Contractually Required Contribution	<u>(821,844)</u>	<u>(816,237)</u>	<u>(594,492)</u>	<u>(561,336)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
School District Covered-Employee Payroll	\$6,235,536	\$5,830,264	\$4,538,107	\$4,419,969
Contributions as a Percentage of Covered-Employee Payroll	13.18%	14.00%	13.10%	12.70%



<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$657,171	\$749,657	\$642,855	\$612,804	\$647,171	\$595,062
<u>(657,171)</u>	<u>(749,657)</u>	<u>(642,855)</u>	<u>(612,804)</u>	<u>(647,171)</u>	<u>(595,062)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$5,564,530	\$5,865,861	\$6,059,654	\$6,690,000	\$6,059,654	\$5,624,405
11.81%	12.78%	10.61%	9.16%	10.68%	10.58%

**Nordonia Hills City School District, Ohio**  
*Required Supplementary Information*  
*Schedule of School District Contributions*  
*State Teachers Retirement System of Ohio*  
*Last Ten Fiscal Years*

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually Required Contribution	\$2,403,988	\$2,079,229	\$2,211,294	\$2,237,670
Contributions in Relation to the Contractually Required Contribution	<u>(2,403,988)</u>	<u>(2,079,229)</u>	<u>(2,211,294)</u>	<u>(2,237,670)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
School District Covered-Employee Payroll	\$17,171,343	\$15,994,071	\$17,009,954	\$17,212,846
Contributions as a Percentage of Covered-Employee Payroll	14.00%	13.00%	13.00%	13.00%

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$2,146,476	\$2,248,179	\$2,289,109	\$2,291,685	\$2,167,412	\$2,075,491
<u>(2,146,476)</u>	<u>(2,248,179)</u>	<u>(2,289,109)</u>	<u>(2,291,685)</u>	<u>(2,167,412)</u>	<u>(2,075,491)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$16,511,354	\$17,293,685	\$17,608,531	\$17,628,346	\$16,672,400	\$15,965,315
13.00%	13.00%	13.00%	13.00%	13.00%	13.00%

## Combining and Individual Fund Statements and Schedules

### Combining Statements – Nonmajor Governmental Funds

#### *Nonmajor Special Revenue Funds*

The Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Following is a description of the School District's nonmajor special revenue funds:

***Food Service Fund*** – To account for and report restricted grants and charges for services related to the food service operations of the School District.

***Other Grants Fund*** – To account for and report restricted donations to the School District for miscellaneous purposes.

***High School Bookstore Fund*** – To account for and report committed funds received from and for the use of the activities of the high school bookstore.

***District Managed Activities Fund*** – To account for and report gate receipts and other restricted revenues from athletic events and all costs (except supplemental coaching contracts) of the School District's Athletic Program and transportation of the band to and from athletic events.

***Auxiliary Services Fund*** – To account for and report services to non-public schools within the School District which are provided for in State law. Restricted funds are primarily for educational supplies, materials, and testing.

***Data Communication Fund*** – To account for and report restricted grant monies appropriated for Ohio Educational Computer Network Connections.

***Miscellaneous State Grants Fund*** – To account for and report restricted grant monies from the State appropriated for miscellaneous purposes.

***Race to the Top Fund*** – To account for and report restricted Federal revenues received for programs to create innovation and reforms in state and local education.

***Title VI-B Fund*** – To account for and report restricted Federal revenues that assist states in identification of handicapped children and provide full educational opportunities to handicapped children at the preschool, elementary and secondary levels. It also accounts for Federal monies used to implement a variety of programs intended to provide instruction for early childhood education.

***Limited English Proficiency Fund*** – To account for and report restricted monies used for elementary and secondary school programs with the purpose of meeting the educational needs of students with limited English proficiency.

***Title I Fund*** – To account for and report restricted Federal monies used to assist the School District in meeting the special needs of educationally deprived children.

***Reducing Class Size Fund*** – To account for and report restricted grant monies to hire additional classroom teachers so the number of students per teacher will be reduced.

***Public School Support Fund*** – To account for and report school site sales revenue and expenditure for field trips, assemblies and other activity costs. This fund is included with the general fund for GAAP reporting as it does not have a restricted or committed revenue source.

(continued)

## **Combining Statements – Nonmajor Governmental Funds (continued)**

### ***Nonmajor Capital Projects Funds***

The Capital Projects Funds are used to account for financial resources that are restricted, committed or assigned to expenditures for capital outlays including the acquisition or construction of major capital facilities and other capital assets, other than those financed by proprietary fund or for assets that will be held in trust. Following is a description of the nonmajor capital projects funds:

***Permanent Improvement Fund*** – To account for and report all restricted transactions related to the acquiring, construction, or improving of such permanent improvements as are authorized by Chapter 5705, Revised Code.

***Building Fund*** – To account for and report restricted monies used for the building, restoration or improvement of the School District property.

**Nordonia Hills City School District**

*Combining Balance Sheet*

*Nonmajor Governmental Funds*

*June 30, 2015*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$518,169	\$1,717,079	\$2,235,248
Intergovernmental Receivable	85,931	0	85,931
Inventory Held for Resale	8,105	0	8,105
Materials and Supplies Inventory	4,103	0	4,103
<i>Total Assets</i>	<u>\$616,308</u>	<u>\$1,717,079</u>	<u>\$2,333,387</u>
<b>Liabilities</b>			
Accounts Payable	\$11,901	\$0	\$11,901
Accrued Wages and Benefits	68,918	0	68,918
Intergovernmental Payable	65,030	0	65,030
<i>Total Liabilities</i>	<u>145,849</u>	<u>0</u>	<u>145,849</u>
<b>Deferred Inflows of Resources</b>			
Unavailable Revenue	83,078	0	83,078
<b>Fund Balances</b>			
Nonspendable	4,103	0	4,103
Restricted	395,697	1,717,079	2,112,776
Committed	9,235	0	9,235
Unassigned (Deficit)	(21,654)	0	(21,654)
<i>Total Fund Balances</i>	<u>387,381</u>	<u>1,717,079</u>	<u>2,104,460</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</i>	<u>\$616,308</u>	<u>\$1,717,079</u>	<u>\$2,333,387</u>

**Nordonia Hills City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Fiscal Year Ended June 30, 2015*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>			
Intergovernmental	\$2,259,065	\$0	\$2,259,065
Interest	129	0	129
Tuition and Fees	2,975	0	2,975
Charges for Services	762,755	0	762,755
Extracurricular Activities	429,225	0	429,225
Contributions and Donations	21,355	88,500	109,855
Rentals	0	7,583	7,583
Miscellaneous	0	262	262
<i>Total Revenues</i>	<u>3,475,504</u>	<u>96,345</u>	<u>3,571,849</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	274,916	0	274,916
Special	530,371	0	530,371
Support Services:			
Pupils	107,961	0	107,961
Instructional Staff	96,104	0	96,104
Administration	2,500	0	2,500
Fiscal	1,204	0	1,204
Pupil Transportation	134,573	0	134,573
Central	10,800	0	10,800
Operation of Non-Instructional Services	703,940	0	703,940
Food Service Operations	1,164,548	0	1,164,548
Extracurricular Activities	456,577	0	456,577
Capital Outlay	0	377,378	377,378
<i>Total Expenditures</i>	<u>3,483,494</u>	<u>377,378</u>	<u>3,860,872</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(7,990)</u>	<u>(281,033)</u>	<u>(289,023)</u>
<b>Other Financing Sources</b>			
Sale of Capital Assets	0	1,600,000	1,600,000
Transfers In	15,300	0	15,300
<i>Total Other Financing Sources</i>	<u>15,300</u>	<u>1,600,000</u>	<u>1,615,300</u>
<i>Net Change in Fund Balances</i>	7,310	1,318,967	1,326,277
<i>Fund Balances Beginning of Year</i>	<u>380,071</u>	<u>398,112</u>	<u>778,183</u>
<i>Fund Balances End of Year</i>	<u>\$387,381</u>	<u>\$1,717,079</u>	<u>\$2,104,460</u>

**Nordonia Hills City School District**

*Combining Balance Sheet*

*Nonmajor Special Revenue Funds*

*June 30, 2015*

	Food Service	Other Grants	High School Bookstore	District Managed Activities
<b>Assets</b>				
Equity in Pooled Cash and				
Cash Equivalents	\$86,119	\$36,984	\$9,235	\$232,794
Intergovernmental Receivable	0	0	0	0
Inventory Held for Resale	8,105	0	0	0
Materials and Supplies Inventory	4,103	0	0	0
<i>Total Assets</i>	<u>\$98,327</u>	<u>\$36,984</u>	<u>\$9,235</u>	<u>\$232,794</u>
<b>Liabilities</b>				
Accounts Payable	\$0	\$0	\$0	\$8,692
Accrued Wages and Benefits	68,918	0	0	0
Intergovernmental Payable	46,960	0	0	36
<i>Total Liabilities</i>	<u>115,878</u>	<u>0</u>	<u>0</u>	<u>8,728</u>
<b>Deferred Inflows of Resources</b>				
Unavailable Revenue	0	0	0	0
<b>Fund Balances</b>				
Nonspendable	4,103	0	0	0
Restricted	0	36,984	0	224,066
Committed	0	0	9,235	0
Unassigned (Deficit)	(21,654)	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>(17,551)</u>	<u>36,984</u>	<u>9,235</u>	<u>224,066</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$98,327</u>	<u>\$36,984</u>	<u>\$9,235</u>	<u>\$232,794</u>



Auxiliary Services	Title VI-B	Limited English Proficiency	Title I	Reducing Class Size	Total Nonmajor Special Revenue Funds
\$2,460	\$136,660	\$8,029	\$3,388	\$2,500	\$518,169
0	31,803	11,026	42,763	339	85,931
0	0	0	0	0	8,105
0	0	0	0	0	4,103
<u>\$2,460</u>	<u>\$168,463</u>	<u>\$19,055</u>	<u>\$46,151</u>	<u>\$2,839</u>	<u>\$616,308</u>
\$1,259	\$1,950	\$0	\$0	\$0	\$11,901
0	0	0	0	0	68,918
5	17,636	0	160	233	65,030
<u>1,264</u>	<u>19,586</u>	<u>0</u>	<u>160</u>	<u>233</u>	<u>145,849</u>
0	31,803	8,173	42,763	339	83,078
0	0	0	0	0	4,103
1,196	117,074	10,882	3,228	2,267	395,697
0	0	0	0	0	9,235
0	0	0	0	0	(21,654)
<u>1,196</u>	<u>117,074</u>	<u>10,882</u>	<u>3,228</u>	<u>2,267</u>	<u>387,381</u>
<u>\$2,460</u>	<u>\$168,463</u>	<u>\$19,055</u>	<u>\$46,151</u>	<u>\$2,839</u>	<u>\$616,308</u>

**Nordonia Hills City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Fiscal Year Ended June 30, 2015*

	Food Service	Other Grants	High School Bookstore	District Managed Activities	Auxiliary Services
<b>Revenues</b>					
Intergovernmental	\$354,397	\$0	\$0	\$0	\$626,699
Interest	42	0	0	0	87
Tuition and Fees	0	0	2,975	0	0
Charges for Services	762,755	0	0	0	0
Extracurricular Activities	0	0	0	429,225	0
Contributions and Donations	0	19,255	0	2,100	0
<i>Total Revenues</i>	<u>1,117,194</u>	<u>19,255</u>	<u>2,975</u>	<u>431,325</u>	<u>626,786</u>
<b>Expenditures</b>					
Current:					
Instruction:					
Regular	0	4,266	2,238	0	0
Special	0	0	0	0	0
Support Services:					
Pupils	0	0	0	0	0
Instructional Staff	0	566	0	0	0
Administration	0	0	0	0	0
Fiscal	0	0	0	0	1,204
Pupil Transportation	0	0	0	0	0
Central	0	0	0	0	0
Operation of Non-Instructional Services	0	5,000	0	0	644,364
Food Service Operations	1,164,548	0	0	0	0
Extracurricular Activities	0	0	0	456,577	0
<i>Total Expenditures</i>	<u>1,164,548</u>	<u>9,832</u>	<u>2,238</u>	<u>456,577</u>	<u>645,568</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(47,354)	9,423	737	(25,252)	(18,782)
<b>Other Financing Sources</b>					
Transfers In	0	0	0	15,300	0
<i>Net Change in Fund Balances</i>	(47,354)	9,423	737	(9,952)	(18,782)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>29,803</u>	<u>27,561</u>	<u>8,498</u>	<u>234,018</u>	<u>19,978</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>(\$17,551)</u>	<u>\$36,984</u>	<u>\$9,235</u>	<u>\$224,066</u>	<u>\$1,196</u>

Data Communication	Miscellaneous State Grants	Race to the Top	Title VI-B	Limited English Proficiency	Title I	Reducing Class Size	Total Nonmajor Special Revenue Funds
\$10,800	\$25,000	\$2,054	\$894,023	\$14,480	\$273,819	\$57,793	\$2,259,065
0	0	0	0	0	0	0	129
0	0	0	0	0	0	0	2,975
0	0	0	0	0	0	0	762,755
0	0	0	0	0	0	0	429,225
0	0	0	0	0	0	0	21,355
10,800	25,000	2,054	894,023	14,480	273,819	57,793	3,475,504
0	0	2,054	7,685	9,723	248,950	0	274,916
0	25,000	0	505,371	0	0	0	530,371
0	0	0	107,961	0	0	0	107,961
0	0	0	35,938	2,397	2,060	55,143	96,104
0	0	0	2,500	0	0	0	2,500
0	0	0	0	0	0	0	1,204
0	0	0	134,154	419	0	0	134,573
10,800	0	0	0	0	0	0	10,800
0	0	0	35,146	0	19,430	0	703,940
0	0	0	0	0	0	0	1,164,548
0	0	0	0	0	0	0	456,577
10,800	25,000	2,054	828,755	12,539	270,440	55,143	3,483,494
0	0	0	65,268	1,941	3,379	2,650	(7,990)
0	0	0	0	0	0	0	15,300
0	0	0	65,268	1,941	3,379	2,650	7,310
0	0	0	51,806	8,941	(151)	(383)	380,071
\$0	\$0	\$0	\$117,074	\$10,882	\$3,228	\$2,267	\$387,381

**Nordonia Hills City School District**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*June 30, 2015*

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	<u>Permanent Improvement</u>	<u>Building</u>	<u>Total Nonmajor Capital Projects Funds</u>
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	<u>\$303</u>	<u>\$1,716,776</u>	<u>\$1,717,079</u>
<b>Fund Balances</b>			
Restricted	<u>\$303</u>	<u>\$1,716,776</u>	<u>\$1,717,079</u>

**Nordonia Hills City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Fiscal Year Ended June 30, 2015*

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
<b>Revenues</b>			
Contributions and Donations	\$0	\$88,500	\$88,500
Rentals	0	7,583	7,583
Miscellaneous	262	0	262
<i>Total Revenues</i>	262	96,083	96,345
<b>Expenditures</b>			
Capital Outlay	120,742	256,636	377,378
<i>Excess of Revenues Under Expenditures</i>	(120,480)	(160,553)	(281,033)
<b>Other Financing Sources</b>			
Sale of Capital Assets	0	1,600,000	1,600,000
<i>Net Change in Fund Balances</i>	(120,480)	1,439,447	1,318,967
<i>Fund Balances Beginning of Year</i>	120,783	277,329	398,112
<i>Fund Balances End of Year</i>	\$303	\$1,716,776	\$1,717,079

## Combining Statements - Fiduciary Fund

### *Agency Fund*

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations or other governments and therefore not available to support the School District's own programs. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results or operations. A description of the School District's agency fund follows:

***Student Managed Activities Fund*** This fund reflects resources that belong to the student bodies of the various schools, accounting for sales and other revenue generating activities.

**Nordonia Hills City School District**  
*Statement of Changes in Assets and Liabilities*  
*Agency Fund*  
*For the Fiscal Year Ended June 30, 2015*

	Balance 06/30/14	Additions	Deductions	Balance 06/30/15
<b><i>Student Managed Activities</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$136,624	\$253,296	\$269,695	\$120,225
<b>Liabilities</b>				
Due to Students	\$136,624	\$253,296	\$269,695	\$120,225

**Individual Fund Schedules of Revenues, Expenditures/Expenses  
and Changes in Fund Balance/Fund Equity – Budget (Non-GAAP Basis) and Actual**



**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2015*

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>				
Property Taxes	\$28,148,499	\$29,151,823	\$29,151,823	\$0
Payments in Lieu of Taxes	968,477	968,477	968,477	0
Intergovernmental	10,493,132	10,854,708	10,854,708	0
Interest	32,384	33,500	33,945	445
Tuition and Fees	850,861	880,180	880,136	(44)
Charges for Services	35,013	36,220	36,220	0
Extracurricular Activities	211,994	219,299	219,299	0
Contributions and Donations	2,587	2,676	2,676	0
Rentals	57,740	59,730	58,954	(776)
Miscellaneous	237,618	252,517	252,517	0
<i>Total Revenues</i>	<u>41,038,305</u>	<u>42,459,130</u>	<u>42,458,755</u>	<u>(375)</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular				
Salaries	11,779,211	11,644,901	11,644,701	200
Fringe Benefits	4,117,765	4,071,577	4,071,298	279
Purchased Services	1,006,316	995,028	993,608	1,420
Materials and Supplies	660,795	653,383	652,514	869
Capital Outlay	588,962	582,356	582,356	0
Other	1,451	1,435	1,435	0
Total Regular	<u>18,154,500</u>	<u>17,948,680</u>	<u>17,945,912</u>	<u>2,768</u>
Special				
Salaries	3,367,766	3,329,990	3,327,084	2,906
Fringe Benefits	1,501,343	1,484,503	1,483,377	1,126
Purchased Services	1,080,226	1,068,109	1,066,453	1,656
Materials and Supplies	69,972	69,187	68,909	278
Capital Outlay	42,956	42,474	42,187	287
Total Special	<u>6,062,263</u>	<u>5,994,263</u>	<u>5,988,010</u>	<u>6,253</u>
Vocational				
Salaries	83,198	82,265	82,260	5
Fringe Benefits	29,416	29,086	29,070	16
Purchased Services	3	3	3	0
Total Vocational	<u>112,617</u>	<u>111,354</u>	<u>111,333</u>	<u>21</u>
Student Intervention Services				
Purchased Services	86,271	85,303	85,303	0
Total Instruction	<u>\$24,415,651</u>	<u>\$24,139,600</u>	<u>\$24,130,558</u>	<u>\$9,042</u>

*(continued)*

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 2015*

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Support Services:</b>				
<b>Pupils</b>				
Salaries	\$1,835,317	\$1,814,731	\$1,810,104	\$4,627
Fringe Benefits	616,556	609,640	609,052	588
Purchased Services	722,160	714,060	713,590	470
Materials and Supplies	50,589	50,022	50,022	0
Capital Outlay	1,188	1,175	1,175	0
<b>Total Pupils</b>	<b>3,225,810</b>	<b>3,189,628</b>	<b>3,183,943</b>	<b>5,685</b>
<b>Instructional Staff</b>				
Salaries	536,703	530,683	527,236	3,447
Fringe Benefits	206,444	204,128	204,056	72
Purchased Services	26,341	26,046	26,029	17
Materials and Supplies	45,184	44,677	39,702	4,975
Capital Outlay	7,106	7,026	6,942	84
Other	2,109	2,085	2,085	0
<b>Total Instructional Staff</b>	<b>823,887</b>	<b>814,645</b>	<b>806,050</b>	<b>8,595</b>
<b>Board of Education</b>				
Salaries	12,389	12,250	12,250	0
Fringe Benefits	3,060	3,026	2,984	42
Purchased Services	4,004	3,959	3,939	20
Materials and Supplies	521	515	515	0
Other	7,414	7,331	7,331	0
<b>Total Board of Education</b>	<b>27,388</b>	<b>27,081</b>	<b>27,019</b>	<b>62</b>
<b>Administration</b>				
Salaries	1,726,885	1,707,515	1,706,026	1,489
Fringe Benefits	761,970	753,423	751,992	1,431
Purchased Services	185,809	183,725	183,484	241
Materials and Supplies	18,433	18,226	18,158	68
Capital Outlay	14,214	14,055	14,054	1
Other	37,030	36,615	36,592	23
<b>Total Administration</b>	<b>2,744,341</b>	<b>2,713,559</b>	<b>2,710,306</b>	<b>3,253</b>
<b>Fiscal</b>				
Salaries	373,868	369,674	369,226	448
Fringe Benefits	184,150	182,084	182,020	64
Purchased Services	35,441	35,043	34,864	179
Materials and Supplies	2,898	2,865	2,865	0
Capital Outlay	2,621	2,592	2,592	0
Other	553,979	547,765	547,765	0
<b>Total Fiscal</b>	<b>\$1,152,957</b>	<b>\$1,140,023</b>	<b>\$1,139,332</b>	<b>\$691</b>

*(continued)*

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 2015*

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Business</b>				
Salaries	\$156,777	\$155,018	\$155,018	\$0
Fringe Benefits	62,127	61,430	61,361	69
Purchased Services	86,184	85,217	84,815	402
Materials and Supplies	1,922	1,900	1,823	77
Capital Outlay	22,270	22,020	21,986	34
Other	5,773	5,708	5,708	0
<b>Total Business</b>	<b>335,053</b>	<b>331,293</b>	<b>330,711</b>	<b>582</b>
<b>Operation and Maintenance of Plant</b>				
Salaries	1,383,031	1,367,518	1,364,808	2,710
Fringe Benefits	635,183	628,058	627,917	141
Purchased Services	1,284,332	1,269,926	1,260,246	9,680
Materials and Supplies	273,363	270,297	270,007	290
Capital Outlay	23,929	23,661	23,661	0
Other	146,074	144,436	144,355	81
<b>Total Operation and Maintenance of Plant</b>	<b>3,745,912</b>	<b>3,703,896</b>	<b>3,690,994</b>	<b>12,902</b>
<b>Pupil Transportation</b>				
Fringe Benefits	1,517	1,500	1,382	118
Purchased Services	1,981,413	1,959,188	1,957,954	1,234
Materials and Supplies	171,407	169,484	169,120	364
<b>Total Pupil Transportation</b>	<b>2,154,337</b>	<b>2,130,172</b>	<b>2,128,456</b>	<b>1,716</b>
<b>Central</b>				
Fringe Benefits	0	0	0	0
Purchased Services	181,391	179,356	178,828	528
Materials and Supplies	33,337	32,963	32,845	118
Capital Outlay	161,230	159,422	159,413	9
<b>Total Central</b>	<b>375,958</b>	<b>371,741</b>	<b>371,086</b>	<b>655</b>
<b>Total Support Services</b>	<b>14,585,643</b>	<b>14,422,038</b>	<b>14,387,897</b>	<b>34,141</b>
<b>Extracurricular Activities:</b>				
<b>Academic and Subject Oriented Activities</b>				
Salaries	42,867	42,386	42,386	0
Fringe Benefits	7,617	7,532	7,311	221
Purchased Services	49,992	49,431	49,431	0
Materials and Supplies	6,907	6,830	6,811	19
Capital Outlay	5,743	5,679	5,679	0
Other	470	465	465	0
<b>Total Academic and Subject Oriented Activities</b>	<b>\$113,596</b>	<b>\$112,323</b>	<b>\$112,083</b>	<b>\$240</b>

(continued)

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 2015*

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Sport Oriented Activities				
Salaries	\$499,537	\$493,934	\$493,899	\$35
Fringe Benefits	123,825	122,436	121,881	555
Purchased Services	25,666	25,378	25,378	0
Materials and Supplies	14,180	14,021	14,021	0
Capital Outlay	13,034	12,888	12,888	0
Total Sport Oriented Activities	676,242	668,657	668,067	590
School and Public Service Co-Curricular Activities				
Salaries	49,883	49,323	49,281	42
Fringe Benefits	8,719	8,621	8,477	144
Total School and Public Service Co-Curricular Activities	58,602	57,944	57,758	186
Total Extracurricular Activities	848,440	838,924	837,908	1,016
Total Expenditures	39,849,734	39,400,562	39,356,363	44,199
Excess of Revenues Over Expenditures	1,188,571	3,058,568	3,102,392	43,824
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	30,664	31,721	31,721	0
Transfers Out	(73,085)	(72,265)	(72,265)	0
Total Other Financing Sources (Uses)	(42,421)	(40,544)	(40,544)	0
Net Change in Fund Balance	1,146,150	3,018,024	3,061,848	43,824
Fund Balance Beginning of Year	14,789,622	14,789,622	14,789,622	0
Prior Year Encumbrances Appropriated	617,571	617,571	617,571	0
Fund Balance End of Year	\$16,553,343	\$18,425,217	\$18,469,041	\$43,824

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Bond Retirement Fund*  
*For the Fiscal Year Ended June 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$2,981,949	\$2,981,949	\$0
Intergovernmental	427,873	427,873	0
<i>Total Revenues</i>	<u>3,409,822</u>	<u>3,409,822</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
Support Services:			
Fiscal			
Other	49,111	49,111	0
Debt Service:			
Principal Retirement	983,125	983,125	0
Interest and Fiscal Charges	1,003,019	1,003,019	0
Capital Appreciation Bond Interest	1,269,963	1,269,963	0
Total Debt Service	<u>3,256,107</u>	<u>3,256,107</u>	<u>0</u>
<i>Total Expenditures</i>	<u>3,305,218</u>	<u>3,305,218</u>	<u>0</u>
<i>Excess of Revenues Over Expenditures</i>	<u>104,604</u>	<u>104,604</u>	<u>0</u>
<b>Other Financing Sources (Uses)</b>			
Refunding Bonds Issued	14,975,000	14,975,000	0
Premium on Debt Issuance	2,057,168	2,057,168	0
Payment to Refunded Bond Escrow Agent	(16,786,772)	(16,786,772)	0
Transfers In	57,265	57,265	0
Issuance Costs	(242,101)	(242,101)	0
<i>Total Other Financing Sources (Uses)</i>	<u>60,560</u>	<u>60,560</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	165,164	165,164	0
<i>Fund Balance Beginning of Year</i>	<u>1,283,066</u>	<u>1,283,066</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$1,448,230</u>	<u>\$1,448,230</u>	<u>\$0</u>

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Food Service Fund*  
*For the Fiscal Year Ended June 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$444,595	\$403,397	(\$41,198)
Interest	42	42	0
Charges for Services	764,394	763,255	(1,139)
<i>Total Revenues</i>	<u>1,209,031</u>	<u>1,166,694</u>	<u>(42,337)</u>
<b>Expenditures</b>			
Current:			
Food Service Operations:			
Salaries	449,867	447,276	2,591
Fringe Benefits	207,168	205,913	1,255
Purchased Services	14,453	14,226	227
Materials and Supplies	457,500	457,340	160
Capital Outlay	20,260	20,260	0
Other	2,552	2,454	98
<i>Total Expenditures</i>	<u>1,151,800</u>	<u>1,147,469</u>	<u>4,331</u>
<i>Net Change in Fund Balance</i>	57,231	19,225	(38,006)
<i>Fund Balance Beginning of Year</i>	<u>66,894</u>	<u>66,894</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$124,125</u></u>	<u><u>\$86,119</u></u>	<u><u>(\$38,006)</u></u>

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Other Grants Fund*  
*For the Fiscal Year Ended June 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Contributions and Donations	\$19,255	\$19,255	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Regular			
Fringe Benefits	11	11	0
Materials and Supplies	285	0	285
Capital Outlay	1,823	1,788	35
Other	2,470	2,467	3
Total Regular	4,589	4,266	323
Support Services:			
Instructional Staff			
Purchased Services	566	566	0
Operation of Non-Instructional Services:			
Community Services			
Other	5,045	5,000	45
<i>Total Expenditures</i>	10,200	9,832	368
<i>Net Change in Fund Balance</i>	9,055	9,423	368
<i>Fund Balance Beginning of Year</i>	27,561	27,561	0
<i>Fund Balance End of Year</i>	\$36,616	\$36,984	\$368

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*High School Bookstore Fund*  
*For the Fiscal Year Ended June 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Tuition and Fees	\$2,975	\$2,975	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Regular			
Purchased Services	164	164	0
Materials and Supplies	2,074	2,074	0
<i>Total Expenditures</i>	2,238	2,238	0
<i>Net Change in Fund Balance</i>	737	737	0
<i>Fund Balance Beginning of Year</i>	8,498	8,498	0
<i>Fund Balance End of Year</i>	\$9,235	\$9,235	\$0



**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*District Managed Activities Fund*  
*For the Fiscal Year Ended June 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Extracurricular Activities	\$429,553	\$429,225	(\$328)
Contributions and Donations	2,100	2,100	0
<i>Total Revenues</i>	<u>431,653</u>	<u>431,325</u>	<u>(328)</u>
<b>Expenditures</b>			
Current:			
Extracurricular Activities:			
Academic and Subject Oriented Activities			
Fringe Benefits	45	41	4
Other	6,000	5,914	86
Total Academic and Subject Oriented Activities	<u>6,045</u>	<u>5,955</u>	<u>90</u>
Sport Oriented Activities			
Salaries	20,416	20,416	0
Fringe Benefits	264	264	0
Purchased Services	135,037	134,798	239
Materials and Supplies	12,448	11,915	533
Capital Outlay	258,345	251,434	6,911
Other	9,049	8,992	57
Total Sport Oriented Activities	<u>435,559</u>	<u>427,819</u>	<u>7,740</u>
School and Public Service Co-Curricular Activities			
Purchased Services	17,575	17,438	137
Materials and Supplies	5,565	5,521	44
Other	16,800	16,676	124
Total School and Public Service Co-Curricular Activities	<u>39,940</u>	<u>39,635</u>	<u>305</u>
<i>Total Expenditures</i>	<u>481,544</u>	<u>473,409</u>	<u>8,135</u>
<i>Excess of Revenues Under Expenditures</i>	(49,891)	(42,084)	7,807
<b>Other Financing Sources</b>			
Transfers In	15,300	15,300	0
<i>Net Change in Fund Balance</i>	(34,591)	(26,784)	7,807
<i>Fund Balance Beginning of Year</i>	221,130	221,130	0
Prior Year Encumbrances Appropriated	20,737	20,737	0
<i>Fund Balance End of Year</i>	<u>\$207,276</u>	<u>\$215,083</u>	<u>\$7,807</u>

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Auxiliary Services Fund*  
*For the Fiscal Year Ended June 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$626,699	\$626,699	\$0
Interest	87	87	0
<i>Total Revenues</i>	<u>626,786</u>	<u>626,786</u>	<u>0</u>
<b>Expenditures</b>			
Current:			
Support Services:			
Fiscal			
Salaries	1,200	1,200	0
Fringe Benefits	10	10	0
Total Support Services	<u>1,210</u>	<u>1,210</u>	<u>0</u>
Operation of Non-Instructional Services:			
Community Services			
Purchased Services	434,518	434,518	0
Materials and Supplies	200,170	200,170	0
Capital Outlay	3,632	3,632	0
Other	16,656	16,656	0
Total Operation of Non-Instructional Services	<u>654,976</u>	<u>654,976</u>	<u>0</u>
<i>Total Expenditures</i>	<u>656,186</u>	<u>656,186</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(29,400)	(29,400)	0
<i>Fund Balance Beginning of Year</i>	17,088	17,088	0
Prior Year Encumbrances Appropriated	<u>12,312</u>	<u>12,312</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Data Communication Fund*  
*For the Fiscal Year Ended June 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$10,800	\$10,800	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Central			
Purchased Services	10,800	10,800	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Miscellaneous State Grants Fund*  
*For the Fiscal Year Ended June 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$25,000	\$25,000	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Special			
Purchased Services	24,849	24,849	0
Materials and Supplies	151	151	0
<i>Total Expenditures</i>	<u>25,000</u>	<u>25,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Race to the Top Fund*  
*For the Fiscal Year Ended June 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$2,054	\$2,054	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Regular			
Capital Outlay	2,054	2,054	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Title VI-B Fund*  
*For the Fiscal Year Ended June 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$894,023	\$894,023	\$0
<b>Expenditures</b>			
Current:			
Instruction:			
Regular			
Salaries	9,195	9,195	0
Special			
Salaries	10,000	10,000	0
Purchased Services	528,200	528,200	0
Materials and Supplies	33,780	33,780	0
Total Special	571,980	571,980	0
Total Instruction	581,175	581,175	0
Support Services:			
Pupils			
Purchased Services	110,000	110,000	0
Instructional Staff			
Purchased Services	26,298	26,298	0
Administration			
Capital Outlay	2,500	2,500	0
Pupil Transportation			
Purchased Services	192,773	192,773	0
Total Support Services	331,571	331,571	0
Operation of Non-Instructional Services:			
Community Services			
Purchased Services	35,346	35,346	0
Materials and Supplies	200	200	0
Total Community Services	35,546	35,546	0
<i>Total Expenditures</i>	948,292	948,292	0
<i>Net Change in Fund Balance</i>	(54,269)	(54,269)	0
<i>Fund Balance Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	54,269	54,269	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Limited English Proficiency Fund*  
*For the Fiscal Year Ended June 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$21,736	\$11,627	(\$10,109)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular			
Salaries	3,500	0	3,500
Purchased Services	1,000	887	113
Materials and Supplies	13,391	7,067	6,324
Capital Outlay	1,769	1,769	0
Total Instruction	19,660	9,723	9,937
Support Services:			
Instructional Staff			
Purchased Services	2,493	2,397	96
Pupil Transportation			
Purchased Services	500	419	81
Total Support Services	2,993	2,816	177
<i>Total Expenditures</i>	22,653	12,539	10,114
<i>Net Change in Fund Balance</i>	(917)	(912)	5
<i>Fund Balance Beginning of Year</i>	8,941	8,941	0
<i>Fund Balance End of Year</i>	\$8,024	\$8,029	\$5

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Title I Fund*  
*For the Fiscal Year Ended June 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$316,582	\$273,819	(\$42,763)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular			
Salaries	40,000	28,766	11,234
Purchased Services	246,408	220,260	26,148
Total Instruction	286,408	249,026	37,382
Support Services:			
Instructional Staff			
Purchased Services	6,000	2,060	3,940
Administration			
Purchased Services	3,000	3,000	0
Total Support Services	9,000	5,060	3,940
Operation of Non-Instructional Services:			
Community Services			
Purchased Services	21,174	19,430	1,744
<i>Total Expenditures</i>	316,582	273,516	43,066
<i>Net Change in Fund Balance</i>	0	303	303
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$303	\$303



**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Reducing Class Size Fund*  
*For the Fiscal Year Ended June 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$58,132	\$57,793	(\$339)
<b>Expenditures</b>			
Current:			
Support Services:			
Instructional Staff			
Salaries	55,456	53,908	1,548
Purchased Services	1,476	1,385	91
Total Support Services	56,932	55,293	1,639
Operation of Non-Instructional Services:			
Community Services			
Purchased Services	1,200	1,200	0
<i>Total Expenditures</i>	58,132	56,493	1,639
<i>Net Change in Fund Balance</i>	0	1,300	1,300
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$1,300	\$1,300

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Public School Support Fund*  
*For the Fiscal Year Ended June 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Extracurricular Activities	\$425,077	\$423,527	(\$1,550)
Contributions and Donations	3,690	3,690	0
Miscellaneous	21,520	21,520	0
<i>Total Revenues</i>	<u>450,287</u>	<u>448,737</u>	<u>(1,550)</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular			
Other	6,800	6,730	70
Support Services:			
Instructional Staff			
Other	105	105	0
Extracurricular Activities:			
Academic and Subject Oriented Activities			
Salaries	486	486	0
Fringe Benefits	4	4	0
Purchased Services	9,696	9,651	45
Materials and Supplies	406,562	405,242	1,320
Capital Outlay	6,745	6,717	28
Other	22,756	22,303	453
Total Academic and Subject Oriented Activities	446,249	444,403	1,846
School and Public Service Co-Curricular Activities			
Materials and Supplies	142	142	0
Total Extracurricular Activities	446,391	444,545	1,846
<i>Total Expenditures</i>	<u>\$453,296</u>	<u>\$451,380</u>	<u>\$1,916</u>

*(continued)*

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Public School Support Fund (continued)*  
*For the Fiscal Year Ended June 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<i>Excess of Revenues Under Expenditures</i>	(\$3,009)	(\$2,643)	\$366
<b>Other Financing Uses</b>			
Transfers Out	(300)	(300)	0
<i>Net Change in Fund Balance</i>	(3,309)	(2,943)	366
<i>Fund Balance Beginning of Year</i>	113,166	113,166	0
Prior Year Encumbrances Appropriated	346	346	0
<i>Fund Balance End of Year</i>	\$110,203	\$110,569	\$366

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Permanent Improvement Fund*  
*For the Fiscal Year Ended June 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Miscellaneous	\$262	\$262	\$0
<b>Expenditures</b>			
Capital Outlay:			
Site Improvement Services			
Capital Outlay	120,742	120,742	0
<i>Net Change in Fund Balance</i>	(120,480)	(120,480)	0
<i>Fund Balance Beginning of Year</i>	120,783	120,783	0
<i>Fund Balance End of Year</i>	\$303	\$303	\$0

**Nordonia Hills City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Building Fund*  
*For the Fiscal Year Ended June 30, 2015*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Contributions and Donations	\$88,500	\$88,500	\$0
Rentals	7,583	7,583	0
<i>Total Revenues</i>	<u>96,083</u>	<u>96,083</u>	<u>0</u>
<b>Expenditures</b>			
Capital Outlay:			
Site Improvement Services			
Capital Outlay	60,612	60,612	0
Architecture and Engineering Services			
Purchased Services	12,916	12,916	0
Building Acquisition and Construction Services			
Capital Outlay	1,202,400	1,202,400	0
Building Improvement Services			
Capital Outlay	109,054	109,054	0
<i>Total Expenditures</i>	<u>1,384,982</u>	<u>1,384,982</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	(1,288,899)	(1,288,899)	0
<b>Other Financing Sources</b>			
Proceeds from Sale of Capital Assets	1,600,000	1,600,000	0
<i>Net Change in Fund Balance</i>	311,101	311,101	0
<i>Fund Balance Beginning of Year</i>	168,275	168,275	0
Prior Year Encumbrances Appropriated	109,054	109,054	0
<i>Fund Balance End of Year</i>	<u>\$588,430</u>	<u>\$588,430</u>	<u>\$0</u>

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# Statistical Section

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# Statistical Section

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

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the School District's financial position has changed over time.	<b>S2 - S11</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader understand and assess the factors affecting the School District's ability to generate its most significant local revenue source, the property tax.	<b>S12 - S21</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	<b>S23 - S27</b>
<b>Economic and Demographic Information</b> These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	<b>S28 - S29</b>
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	<b>S30 - S39</b>

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

**Nordonia Hills City School District**

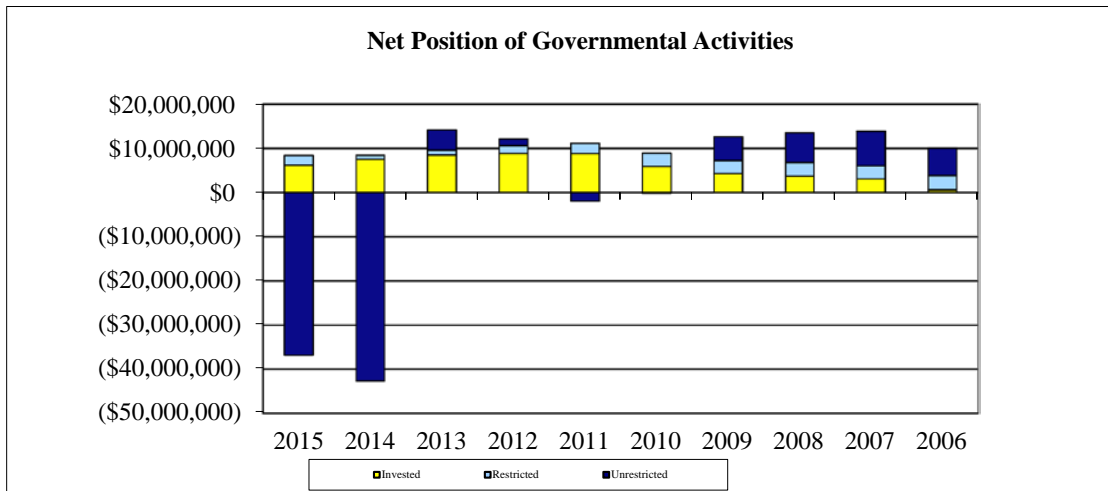
*Net Position by Component*

*Last Ten Fiscal Years*

*(accrual basis of accounting)*

	2015	2014 (1)	2013	2012
<b>Governmental Activities:</b>				
Net Investment in Capital Assets	\$6,204,815	\$7,581,884	\$8,509,093	\$8,850,162
Restricted for:				
Debt Service	2,096,504	1,739,717	1,328,964	1,369,449
Capital Projects	1,717,079	398,112	692,565	1,233,186
Other Purposes	478,775	442,212	379,531	526,632
Unrestricted (Deficit)	<u>(36,780,435)</u>	<u>(42,634,928)</u>	<u>4,586,389</u>	<u>1,529,032</u>
<b>Total Governmental Activities Net Position</b>	<u><u>(\$26,283,262)</u></u>	<u><u>(\$32,473,003)</u></u>	<u><u>\$15,496,542</u></u>	<u><u>\$13,508,461</u></u>

(1) GASB Statement No. 68 was implemented in fiscal year 2015 and does not impact net position prior to fiscal year 2014.



2011	2010	2009	2008	2007	2006
\$8,840,009	\$5,953,017	\$4,296,352	\$3,754,077	\$3,120,420	\$615,164
1,349,882	1,311,046	1,675,185	1,139,361	1,212,705	1,382,005
1,479,226	2,355,266	2,424,827	2,608,996	2,594,477	2,742,995
836,109	594,543	530,496	434,971	350,828	506,636
(1,857,846)	(181,594)	5,391,879	6,767,582	7,799,921	6,208,200
<u>\$10,647,380</u>	<u>\$10,032,278</u>	<u>\$14,318,739</u>	<u>\$14,704,987</u>	<u>\$15,078,351</u>	<u>\$11,455,000</u>

**Nordonia Hills City School District**

*Changes in Net Position*

*Last Ten Fiscal Years*

*(accrual basis of accounting)*

	2015	2014	2013	2012
<b>Expenses</b>				
Governmental Activities:				
Regular Instruction	\$18,550,105	\$18,738,003	\$18,249,173	\$17,230,661
Special Instruction	6,108,542	6,036,343	5,390,882	4,092,913
Vocational Instruction	138,542	140,339	127,008	105,638
Adult/Continuing	0	0	0	17,990
Student Intervention Services	85,303	87,536	133,867	941,216
Other	0	0	0	0
Pupil Support	3,164,056	3,084,212	2,836,378	3,679,370
Instructional Staff Support	911,162	891,630	693,943	868,221
Board of Education	26,999	25,382	16,058	101,811
Administration	2,601,135	2,751,025	2,581,795	2,659,546
Fiscal	1,157,432	1,455,160	1,482,023	1,182,471
Business	310,434	322,065	289,958	259,360
Operation and Maintenance of Plant	3,927,891	3,849,829	3,725,872	3,747,786
Pupil Transportation	2,338,284	2,391,133	2,370,306	2,355,359
Central	383,035	695,317	1,001,531	907,526
Operation of Non-Instructional Services	703,621	656,335	724,346	592,258
Food Service Operations	1,193,894	1,295,629	1,239,531	1,276,824
Extracurricular Activities	1,868,849	1,925,689	1,740,542	1,468,048
Interest and Fiscal Charges	1,475,149	1,704,189	1,906,793	1,799,548
<i>Total Governmental Activities Expenses</i>	<u>44,944,433</u>	<u>46,049,816</u>	<u>44,510,006</u>	<u>43,286,546</u>
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services				
Regular Instruction	450,421	379,065	420,685	324,125
Special Instruction	129,215	114,168	117,356	65,386
Vocational Instruction	2,545	2,245	2,273	1,320
Student Intervention Services	1,911	1,732	3,135	16,412
Pupil Support	70,390	56,043	47,347	42,553
Instructional Staff Support	17,594	20,350	13,211	12,401
Board of Education	605	502	376	1,775
Administration	59,596	92,575	59,400	45,934
Fiscal	24,995	35,730	32,659	19,609
Business	6,982	9,620	6,715	4,465
Operation and Maintenance of Plant	80,923	95,187	78,452	58,482
Pupil Transportation	46,945	42,364	51,324	37,611
Central	8,165	12,464	18,264	12,285
Operation of Non-Instructional Services	0	10	7	0
Food Service Operations	762,755	827,776	882,968	982,010
Extracurricular Activities	1,155,459	1,237,833	1,194,487	842,616
Operating Grants and Contributions				
Regular Instruction	349,410	318,550	627,752	126,809
Special Instruction	860,647	557,684	3,984	0
Vocational Instruction	1,761	1,733	0	0
Student Intervention Services	0	0	0	0
Other	0	0	0	0
Pupil Support	109,746	441,240	767,682	883,376
Instructional Staff Support	95,779	127,103	73,047	92,750
Administration	2,541	2,083	2,174	71
Fiscal	0	0	1,109	1,103
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	254,253	232,679	30,555	14,198
Central	10,800	10,800	122,593	48,335
Operation of Non-Instructional Services	672,218	658,284	671,230	590,809
Food Service Operations	354,439	406,274	428,304	391,662
Extracurricular Activities	96,966	1,720	0	0

2011	2010	2009	2008	2007	2006
\$18,569,476	\$19,909,252	\$18,341,443	\$18,312,804	\$16,613,376	\$15,249,743
4,347,481	5,114,678	4,765,679	4,106,631	3,460,207	3,190,543
270,211	341,786	382,247	464,745	389,503	378,831
0	0	0	0	0	0
955,132	1,025,787	0	0	0	0
0	0	644,108	633,468	471,689	522,765
3,968,792	3,999,333	3,736,451	3,663,642	3,291,704	3,061,460
1,567,498	1,282,487	1,294,769	1,503,938	1,556,012	1,525,948
95,436	101,028	86,547	83,051	80,990	82,426
2,654,376	2,844,324	2,760,485	2,655,708	2,453,920	2,439,850
1,140,067	1,150,873	1,113,388	1,048,855	794,472	902,046
241,543	286,306	285,569	278,440	264,945	256,736
3,974,307	4,024,975	5,162,153	4,810,582	4,844,818	4,475,678
2,579,917	3,349,773	2,684,699	2,511,525	2,270,033	2,272,174
871,639	217,227	173,619	159,151	36,347	179,994
608,161	491,588	719,252	542,086	469,365	486,556
1,395,875	1,520,020	1,501,302	1,493,571	1,377,966	1,325,796
1,227,122	1,578,579	1,528,821	1,475,894	1,298,734	1,248,925
1,947,120	1,928,133	1,699,038	1,568,386	1,750,304	3,099,578
46,414,153	49,166,149	46,879,570	45,312,477	41,424,385	40,699,049

154,798	189,538	123,761	334,521	128,518	422,736
31,899	41,449	110,889	0	0	35,584
1,975	2,982	0	0	0	0
7,851	8,809	0	0	0	0
24,301	29,158	0	0	0	0
7,463	10,360	0	0	0	0
784	966	0	0	0	0
21,547	26,955	0	0	0	0
12,628	10,562	0	0	0	0
2,133	2,664	0	0	0	0
29,789	34,980	126,771	65,626	53,474	0
17,743	26,353	0	0	0	0
6,983	2,049	0	0	0	0
0	0	20,430	3,344	0	0
991,621	971,663	978,924	984,537	950,432	908,810
834,568	788,327	795,044	691,916	617,107	586,978
849,761	238,718	219,985	153,655	82,439	61,343
48,197	23,272	0	59,083	116,770	90,538
0	0	0	0	0	0
0	115,162	0	0	0	0
0	0	29,402	36,502	242,479	21,601
1,075,762	998,643	801,786	805,303	587,273	776,276
643,875	145,861	136,728	173,107	175,100	205,213
167	0	2,723	14,684	6,335	0
2,034	8,659	2,120	13,686	0	0
0	0	0	0	49,207	0
220,711	1,026,383	21,069	0	90,411	0
19,192	2,934	0	0	329,896	0
582,107	569,154	608,624	634,735	464,390	467,039
333,884	433,045	426,036	359,042	0	298,287
0	10,034	5,547	9,807	1,891	13,661

(continued)

**Nordonia Hills City School District**

*Changes in Net Position (continued)*

*Last Ten Fiscal Years*

*(accrual basis of accounting)*

	2015	2014	2013	2012
Capital Grants and Contributions				
Pupil Transportation	\$0	\$0	\$0	\$0
<i>Total Governmental Activities Program Revenues</i>	<u>5,627,061</u>	<u>5,685,814</u>	<u>5,657,089</u>	<u>4,616,097</u>
<b>Net (Expense)/Revenue</b>	<u>(39,317,372)</u>	<u>(40,364,002)</u>	<u>(38,852,917)</u>	<u>(38,670,449)</u>
<b>General Revenues</b>				
Governmental Activities:				
Property Taxes Levied for:				
General Purposes	29,871,761	32,584,461	26,454,225	26,954,060
Debt Service	3,052,809	3,394,591	2,785,818	2,994,057
Capital Projects	0	0	15	165,583
Payments in Lieu of Taxes	968,477	483,379	225,094	0
Grants and Entitlements not				
Restricted to Specific Programs	10,770,864	11,160,608	11,278,886	11,269,425
Investment Earnings	39,382	19,396	13,741	11,240
Gain on Sale of Capital Assets	526,951	0	5,295	0
Miscellaneous	276,869	79,252	77,924	137,165
<i>Total Governmental Activities General Revenues</i>	<u>45,507,113</u>	<u>47,721,687</u>	<u>40,840,998</u>	<u>41,531,530</u>
<i>Total Primary Government Change in Net Position</i>	<u>\$6,189,741</u>	<u>\$7,357,685</u>	<u>\$1,988,081</u>	<u>\$2,861,081</u>

(1) GASB Statement No. 68 was implemented in fiscal year 2015 and does not impact net position prior to fiscal year 2014.

2011	2010	2009	2008	2007	2006
\$0		\$51,990	\$26,258	\$39,274	\$30,704
5,921,773	5,718,680	4,461,829	4,365,806	3,934,996	3,918,770
(40,492,380)	(43,447,469)	(42,417,741)	(40,946,671)	(37,489,389)	(36,780,279)
25,143,381	23,858,467	26,064,562	25,720,519	27,085,576	27,021,680
3,058,893	2,905,888	3,045,139	2,542,656	2,657,346	2,867,770
609,596	581,552	635,900	630,844	659,559	668,938
0	0	0	0	0	0
12,200,323	11,522,079	11,796,620	10,751,409	9,711,340	8,937,112
16,087	140,532	423,624	847,659	959,633	614,098
0	0	0	0	0	0
79,202	152,490	65,648	80,220	39,286	59,163
41,107,482	39,161,008	42,031,493	40,573,307	41,112,740	40,168,761
\$615,102	(\$4,286,461)	(\$386,248)	(\$373,364)	\$3,623,351	\$3,388,482

**Nordonia Hills City School District**

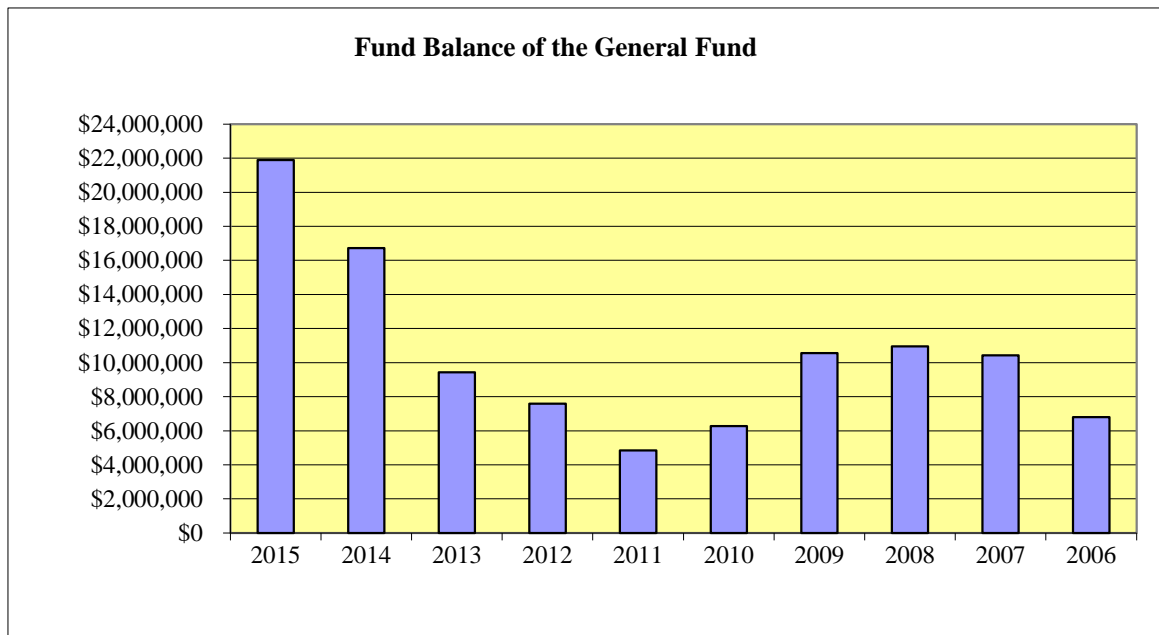
*Fund Balances, Governmental Funds*

*Last Ten Fiscal Years*

*(modified accrual basis of accounting)*

	2015	2014	2013	2012
<b>General Fund</b>				
Nonspendable	\$50,158	\$44,951	\$44,626	\$46,854
Committed	0	0	63,370	0
Assigned	2,317,045	676,253	371,891	1,498,652
Unassigned	19,523,941	16,007,826	8,942,703	6,042,002
Reserved	N/A	N/A	N/A	N/A
Unreserved	N/A	N/A	N/A	N/A
<b>Total General Fund</b>	<b>21,891,144</b>	<b>16,729,030</b>	<b>9,422,590</b>	<b>7,587,508</b>
<b>All Other Governmental Funds</b>				
Nonspendable	4,103	5,307	5,693	5,541
Restricted	4,231,489	2,538,172	2,434,029	3,142,173
Committed	9,235	8,498	0	0
Unassigned (Deficit)	(21,654)	(534)	(1,911)	(126,885)
Reserved	N/A	N/A	N/A	N/A
Unreserved, Undesignated, Reported in:				
Special Revenue Funds (Deficit)	N/A	N/A	N/A	N/A
Debt Service Funds	N/A	N/A	N/A	N/A
Capital Projects Funds	N/A	N/A	N/A	N/A
<b>Total All Other Governmental Funds</b>	<b>4,223,173</b>	<b>2,551,443</b>	<b>2,437,811</b>	<b>3,020,829</b>
<b>Total Governmental Funds</b>	<b>\$26,114,317</b>	<b>\$19,280,473</b>	<b>\$11,860,401</b>	<b>\$10,608,337</b>

**Note:** GASB 54 was implemented in fiscal year 2011.





2011	2010	2009	2008	2007	2006
\$154,800	N/A	N/A	N/A	N/A	N/A
0	N/A	N/A	N/A	N/A	N/A
1,379,104	N/A	N/A	N/A	N/A	N/A
3,310,508	N/A	N/A	N/A	N/A	N/A
N/A	3,349,527	814,768	1,383,180	1,165,939	1,010,927
N/A	2,928,982	9,747,311	9,579,351	9,267,374	5,786,456
4,844,412	6,278,509	10,562,079	10,962,531	10,433,313	6,797,383
5,237	N/A	N/A	N/A	N/A	N/A
3,389,399	N/A	N/A	N/A	N/A	N/A
0	N/A	N/A	N/A	N/A	N/A
(731,389)	N/A	N/A	N/A	N/A	N/A
N/A	2,128,717	826,436	560,934	448,983	200,355
N/A	(45,507)	108,401	322,472	293,511	457,788
N/A	1,200,690	1,705,131	1,170,799	1,267,007	1,439,987
N/A	804,559	7,437,335	2,140,530	2,225,860	2,595,646
2,663,247	4,088,459	10,077,303	4,194,735	4,235,361	4,693,776
\$7,507,659	\$10,366,968	\$20,639,382	\$15,157,266	\$14,668,674	\$11,491,159

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

	2015	2014	2013	2012
<b>Revenues</b>				
Property Taxes	\$34,061,836	\$36,013,119	\$29,178,336	\$30,004,522
Payments in Lieu of Taxes	968,477	483,379	225,094	0
Intergovernmental	13,471,493	13,842,819	14,029,617	14,278,190
Interest	39,424	19,450	13,801	11,240
Tuition and Fees	882,819	849,545	859,882	652,259
Charges for Services	798,975	858,560	906,856	982,010
Extracurricular Activities	1,073,115	1,154,818	1,100,659	737,382
Contributions and Donations	116,221	23,216	16,451	16,349
Rentals	63,592	64,741	61,262	95,333
Miscellaneous	276,869	79,252	77,924	137,165
<i>Total Revenues</i>	<u>51,752,821</u>	<u>53,388,899</u>	<u>46,469,882</u>	<u>46,914,450</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	18,323,735	17,559,996	17,638,813	16,641,266
Special	6,285,801	5,996,400	5,359,158	4,132,807
Vocational	111,564	119,812	109,137	107,582
Adult/Continuing	0	0	0	17,990
Student Intervention Services	85,303	87,536	133,867	941,216
Other	0	0	0	0
Support Services:				
Pupils	3,262,075	3,128,396	2,917,631	3,601,348
Instructional Staff	877,676	843,635	665,126	848,390
Board of Education	26,999	25,382	16,058	101,811
Administration	2,647,209	2,730,787	2,607,202	2,641,865
Fiscal	1,164,884	1,442,065	1,501,536	1,176,202
Business	308,746	324,923	277,533	256,689
Operation and Maintenance of Plant	3,618,716	3,459,711	3,385,584	3,409,811
Pupil Transportation	2,230,451	2,248,140	2,223,398	2,250,946
Central	375,334	641,237	920,197	741,414
Operation of Non-Instructional Services	703,940	651,988	719,999	587,911
Food Service Operations	1,164,548	1,243,968	1,190,548	1,220,781
Extracurricular Activities	1,733,527	1,775,336	1,664,849	1,286,482
Capital Outlay	377,378	1,054,531	547,984	503,239
Debt Service:				
Principal Retirement	983,125	1,004,223	1,215,683	1,297,917
Current Refunding	0	0	1,145,335	0
Interest and Fiscal Charges	1,003,019	1,151,783	0	1,117,525
Capital Appreciation Bonds Interest	1,269,963	1,210,777	984,317	930,580
Issuance Costs	242,101	0	0	0
<i>Total Expenditures</i>	<u>46,796,094</u>	<u>46,700,626</u>	<u>45,223,955</u>	<u>43,813,772</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>4,956,727</u>	<u>6,688,273</u>	<u>1,245,927</u>	<u>3,100,678</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	1,631,721	2,055	6,137	0
Energy Conservation Bonds Issued	0	729,744	0	0
General Obligation Bonds Issued	0	0	0	0
Refunding Bonds Issued	14,975,000	0	0	0
Premium on Debt Issuance	2,057,168	0	0	0
Payment to Refunded Bond Escrow Agent	(16,786,772)	0	0	0
Purchase Agreement	0	0	0	0
Transfers In	72,565	43,277	15,000	78,089
Transfers Out	(72,565)	(43,277)	(15,000)	(78,089)
<i>Total Other Financing Sources (Uses)</i>	<u>1,877,117</u>	<u>731,799</u>	<u>6,137</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>\$6,833,844</u>	<u>\$7,420,072</u>	<u>\$1,252,064</u>	<u>\$3,100,678</u>
Debt Service as a Percentage of Noncapital Expenditures	7.0%	7.2%	7.5%	7.7%

2011	2010	2009	2008	2007	2006
\$28,635,403	\$26,949,636	\$29,667,748	\$28,806,731	\$30,346,784	\$30,817,379
0	0	0	0	0	0
15,004,291	15,140,010	13,987,982	12,984,055	11,870,969	10,934,222
16,087	140,759	425,552	854,120	966,672	616,409
315,869	396,038	232,712	334,520	126,047	483,133
991,756	971,663	978,924	984,537	950,432	908,810
734,504	678,783	805,725	695,259	608,414	586,977
32,371	26,215	51,767	12,221	13,481	17,683
103,954	100,331	126,771	65,626	53,474	41,444
79,202	152,490	77,335	94,318	50,451	31,177
<u>45,913,437</u>	<u>44,555,925</u>	<u>46,354,516</u>	<u>44,831,387</u>	<u>44,986,724</u>	<u>44,437,234</u>
18,264,469	19,113,434	17,668,722	17,111,669	16,064,106	14,770,814
4,345,719	4,678,469	4,603,102	3,930,759	3,409,775	3,146,653
250,052	329,357	347,015	369,725	354,277	342,194
0	0	0	0	0	0
955,132	1,025,787	0	0	0	0
0	0	644,108	633,468	471,689	522,765
4,001,128	3,968,206	3,610,833	3,496,254	3,230,393	3,032,383
1,549,434	1,227,438	1,224,654	1,377,915	1,472,514	1,439,458
95,436	101,028	86,547	83,051	80,990	82,426
2,649,260	2,772,107	2,645,607	2,571,781	2,354,882	2,345,441
1,149,480	1,267,239	1,105,859	1,048,794	788,498	897,983
285,158	274,430	282,062	277,024	264,566	254,839
3,652,873	3,659,000	4,682,669	4,433,096	4,551,169	4,099,191
2,391,540	2,772,215	2,447,298	2,318,740	2,047,497	2,011,365
871,639	217,227	173,619	159,151	36,347	179,994
603,814	486,620	713,415	536,249	463,528	480,719
1,336,248	1,459,847	1,440,136	1,433,392	1,320,696	1,266,901
1,446,343	1,525,697	1,473,627	1,407,983	1,231,440	1,174,120
1,572,578	6,481,645	1,030,569	213,318	576,047	293,667
2,138,497	2,123,497	1,773,412	1,712,833	1,790,000	1,342,497
0	0	0	0	0	0
1,213,946	1,345,096	1,202,699	1,227,593	1,300,795	1,303,915
0	0	0	0	0	0
0	0	117,168	0	0	362,027
<u>48,772,746</u>	<u>54,828,339</u>	<u>47,273,121</u>	<u>44,342,795</u>	<u>41,809,209</u>	<u>39,349,352</u>
<u>(2,859,309)</u>	<u>(10,272,414)</u>	<u>(918,605)</u>	<u>488,592</u>	<u>3,177,515</u>	<u>5,087,882</u>
0	0	0	0	0	0
0	0	0	0	0	0
0	0	5,999,998	0	0	0
0	0	0	0	0	23,959,987
0	0	226,735	0	0	1,945,455
0	0	0	0	0	(25,542,483)
0	0	173,988	0	0	0
20,530	35,520	37,860	34,160	30,160	25,560
<u>(20,530)</u>	<u>(35,520)</u>	<u>(37,860)</u>	<u>(34,160)</u>	<u>(30,160)</u>	<u>(25,560)</u>
<u>0</u>	<u>0</u>	<u>6,400,721</u>	<u>0</u>	<u>0</u>	<u>362,959</u>
<u>(\$2,859,309)</u>	<u>(\$10,272,414)</u>	<u>\$5,482,116</u>	<u>\$488,592</u>	<u>\$3,177,515</u>	<u>\$5,450,841</u>
7.1%	7.2%	6.4%	6.7%	7.5%	6.8%

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

Collection Year	Real Property			Estimated Actual Value	Tangible Personal Property	
	Assessed Value				General	Business
	Residential/ Agricultural	Commercial/ Industrial	Total		Assessed Value	Estimated Actual Value
2015	\$738,025,160	\$155,684,700	\$893,709,860	\$2,553,456,743	\$0	\$0
2014	752,937,530	154,814,340	907,751,870	2,593,576,771	0	0
2013	750,842,030	153,156,060	903,998,090	2,582,851,686	0	0
2012	748,050,370	157,943,220	905,993,590	2,588,553,114	0	0
2011	812,050,720	176,758,250	988,808,970	2,825,168,486	0	0
2010	809,996,680	177,939,220	987,935,900	2,822,674,000	1,556,470	24,903,520
2009	807,250,520	177,175,180	984,425,700	2,812,644,857	18,156,820	290,509,120
2008	792,278,770	166,650,460	958,929,230	2,739,797,800	36,453,440	583,255,040
2007	772,754,530	162,886,210	935,640,740	2,673,259,257	51,366,471	821,863,536
2006	750,104,630	159,798,720	909,903,350	2,599,723,857	60,257,447	964,119,152

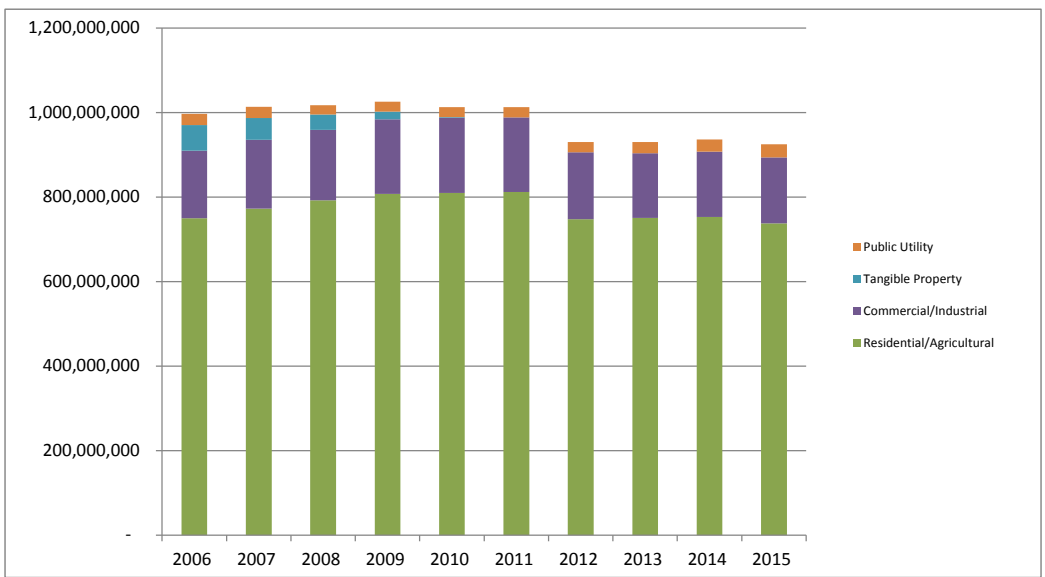
Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. 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 was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated 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 percent, 2 1/2 percent and homestead exemptions before being billed. The 10 percent rollback for commercial/industrial property was eliminated in 2006.

**Source:** Office of the County Fiscal Officer, Summit County, Ohio

Tangible Personal Property		Total		Total Tax Rate	Weighted Average Tax Rate
Public Utility					
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value		
\$31,124,800	\$35,369,091	\$924,834,660	\$2,588,825,834	\$68.940000	\$39.05403
28,468,580	32,350,659	936,220,450	2,625,927,431	68.920000	39.03694
26,459,950	30,068,125	930,458,040	2,612,919,811	68.990000	38.80326
24,400,460	27,727,795	930,394,050	2,616,280,910	69.100000	38.77541
24,399,910	27,727,170	1,013,208,880	2,852,895,656	62.600000	30.41911
23,600,380	26,818,614	1,013,092,750	2,874,396,134	62.600000	30.08352
23,272,230	26,445,716	1,025,854,750	3,129,599,693	62.670000	30.96950
22,416,470	25,473,261	1,017,799,140	3,348,526,101	62.260000	31.25229
26,265,850	29,847,557	1,013,273,061	3,524,970,350	61.970000	31.70925
26,559,530	30,181,284	996,720,327	3,594,024,293	62.580000	32.76763



**Nordonia Hills City School District**  
*Property Tax Rates - Direct and Overlapping Governments*  
(per \$1,000 of assessed value)  
*Last Ten Years*

	2015	2014	2013	2012
<b>Unvoted Millage</b>				
Operating	\$4.970000	\$4.970000	\$4.970000	\$4.970000
<b>Voted Millage - by levy</b>				
1976 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	7.165100	6.988088	6.981019	6.973700
Commercial/Industrial and Public Utility Real	7.204600	7.233386	7.259797	7.158600
General Business and Public Utility Personal	26.280000	26.280000	26.280000	26.280000
1978 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	1.226900	1.196590	1.195380	1.194100
Commercial/Industrial and Public Utility Real	1.233700	1.238593	1.243116	1.225800
General Business and Public Utility Personal	4.500000	4.500000	4.500000	4.500000
1984 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	2.297000	2.240254	2.237986	2.235600
Commercial/Industrial and Public Utility Real	2.432300	2.441988	2.450908	2.416800
General Business and Public Utility Personal	5.400000	5.400000	5.400000	5.400000
1987 Permanent Improvement				
Effective Millage Rates				
Residential/Agricultural Real	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial and Public Utility Real	0.000000	0.000000	0.000000	0.000000
General Business and Public Utility Personal	0.000000	0.000000	0.000000	0.000000
1988 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	2.173900	2.120189	2.118044	2.115800
Commercial/Industrial and Public Utility Real	2.598000	2.608380	2.617908	2.581400
General Business and Public Utility Personal	4.450000	4.450000	4.450000	4.450000
1993 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	4.084700	3.983796	3.979771	3.975600
Commercial/Industrial and Public Utility Real	4.872900	4.892342	4.910220	4.841800
General Business and Public Utility Personal	7.200000	7.200000	7.200000	7.200000
2000 Bond (\$38,500,000)	3.140000	3.150000	3.150000	3.300000
2004 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	6.500000	6.432101	6.425601	6.418800
Commercial/Industrial and Public Utility Real	6.307500	6.332677	6.355817	6.267200
General Business and Public Utility Personal	6.500000	6.500000	6.500000	6.500000
2008 Bond (\$6,000,000)	0.500000	0.470000	0.540000	0.500000
2011 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	6.000000	6.000000	6.000000	6.000000
Commercial/Industrial and Public Utility Real	5.954400	5.978154	6.000000	6.000000
General Business and Public Utility Personal	6.000000	6.000000	6.000000	6.000000

2011	2010	2009	2008	2007	2006
\$4.970000	\$4.970000	\$4.970000	\$4.970000	\$4.970000	\$4.970000
6.395200	6.401900	6.388300	6.441000	6.474200	6.504300
6.338400	6.300800	6.219100	6.614900	6.697600	6.748500
26.280000	26.280000	26.280000	26.280000	26.280000	26.280000
1.095100	1.096200	1.093900	1.102900	1.108600	1.113800
1.085300	1.078900	1.064900	1.132700	1.146900	1.155600
4.500000	4.500000	4.500000	4.500000	4.500000	4.500000
2.050200	2.052300	2.048000	2.064900	2.075500	2.085200
2.139800	2.127200	2.099600	2.233200	2.261100	2.278300
5.400000	5.400000	5.400000	5.400000	5.400000	5.400000
0.000000	0.608100	0.606800	0.611800	0.615000	0.617800
0.000000	0.749600	0.739900	0.786900	0.796800	0.802800
0.000000	1.490000	1.490000	1.490000	1.490000	1.490000
2.285600	1.942300	1.938200	1.954200	1.964300	1.973400
1.940300	2.272100	2.242600	2.385400	2.415200	2.433500
4.450000	4.450000	4.450000	4.450000	4.450000	4.450000
3.645800	3.649600	3.641900	3.672000	3.690900	3.708000
4.287000	4.261600	4.206400	4.474000	4.530000	4.564400
7.200000	7.200000	7.200000	7.200000	7.200000	7.200000
2.900000	2.900000	2.910000	2.960000	2.670000	3.280000
5.886400	5.892500	5.880000	5.928600	5.959100	5.986900
5.549100	5.516300	5.444800	5.791200	5.863700	5.908200
6.500000	6.500000	6.500000	6.500000	6.500000	6.500000
0.400000	0.400000	0.460000	0.000000	0.000000	0.000000
0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
0.000000	0.000000	0.000000	0.000000	0.000000	0.000000

(continued)

**Nordonia Hills City School District**  
*Property Tax Rates - Direct and Overlapping Governments (continued)*  
(per \$1,000 of assessed value)  
Last Ten Years

	2015	2014	2013	2012
<b>Total Voted Millage by type of Property</b>				
Residential/Agricultural Real	\$33.087600	\$32.581018	\$32.627801	\$32.713600
Commercial/Industrial and Public Utility Real	34.243400	34.345520	34.527766	34.291600
General Business and Public Utility Personal	<u>63.970000</u>	<u>63.950000</u>	<u>64.020000</u>	<u>64.130000</u>
<b>Total Millage by type of Property</b>				
Residential/Agricultural Real	\$38.057600	\$37.551018	\$37.597801	\$37.683600
Commercial/Industrial and Public Utility Real	39.213400	39.315520	39.497766	39.261600
General Business and Public Utility Personal	<u>68.940000</u>	<u>68.920000</u>	<u>68.990000</u>	<u>69.100000</u>
<b>Total Weighted Average Tax Rate</b>				
	<u>\$39.054030</u>	<u>\$39.036940</u>	<u>\$38.803260</u>	<u>\$38.775410</u>
<b>Overlapping Rates by Taxing District</b>				
Boston Heights Village				
Effective Millage Rates				
Residential/Agricultural Real	\$6.100000	\$6.100000	\$6.100000	\$5.583600
Commercial/Industrial and Public Utility Real	6.100000	6.100000	6.100000	5.336700
General Business and Public Utility Personal	6.100000	6.100000	6.100000	5.600000
City of Macedonia				
Effective Millage Rates				
Residential/Agricultural Real	5.029500	4.998792	4.997900	4.879700
Commercial/Industrial and Public Utility Real	5.135800	5.173519	5.164700	4.944700
General Business and Public Utility Personal	8.900000	8.900000	8.900000	8.900000
Northfield Center Township				
Effective Millage Rates				
Residential/Agricultural Real	12.276000	9.192819	9.187500	8.825300
Commercial/Industrial and Public Utility Real	11.937400	8.802501	8.761300	8.382000
General Business and Public Utility Personal	17.150000	14.150000	14.150000	14.150000
Northfield Village				
Effective Millage Rates				
Residential/Agricultural Real	7.223000	7.138902	7.137600	6.905400
Commercial/Industrial and Public Utility Real	6.920300	7.130170	6.914500	6.548500
General Business and Public Utility Personal	7.480000	7.480000	7.480000	7.480000
Sagamore Hills Township				
Effective Millage Rates				
Residential/Agricultural Real	10.801000	10.748034	9.401100	8.844500
Commercial/Industrial and Public Utility Real	10.416600	10.484373	8.699200	7.984700
General Business and Public Utility Personal	11.180000	11.180000	10.180000	10.180000
Twinsburg Township				
Effective Millage Rates				
Residential/Agricultural Real	9.926700	10.074887	10.074400	7.981500
Commercial/Industrial and Public Utility Real	11.762800	11.935621	11.733700	9.021600
General Business and Public Utility Personal	14.610000	14.610000	14.610000	12.860000

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

Real property tax rates for continuing operating levies are reduced so that inflationary increases in value do not generate additional taxes.

Overlapping rates are those of local and county governments that apply to property owners within the School District.

**Source:** Ohio Department of Taxation

**Note:** Emergency and Debt Service levies are designed to raise a fixed amount of revenue each year. A rate is set each year so that when it is applied to the total assessed value, that fixed amount is generated.



2011	2010	2009	2008	2007	2006
\$24.658300	\$24.334800	\$24.360300	\$24.123600	\$23.942600	\$24.651600
24.639900	24.856900	24.647400	25.591400	25.584500	26.368500
<u>57.630000</u>	<u>57.630000</u>	<u>57.700000</u>	<u>57.290000</u>	<u>57.000000</u>	<u>57.610000</u>
\$29.628300	\$29.304800	\$29.330300	\$29.093600	\$28.912600	\$29.621600
29.609900	29.826900	29.617400	30.561400	30.554500	31.338500
<u>62.600000</u>	<u>62.600000</u>	<u>62.670000</u>	<u>62.260000</u>	<u>61.970000</u>	<u>62.580000</u>
<u>\$30.419110</u>	<u>\$30.083520</u>	<u>\$30.969500</u>	<u>\$31.252290</u>	<u>\$31.709250</u>	<u>\$32.767630</u>
\$6.081400	\$6.025600	\$6.065100	\$5.636500	\$5.671100	\$6.015500
6.100000	6.280300	6.135900	6.294700	6.492100	6.579800
6.100000	6.600000	6.600000	6.850000	6.850000	6.850000
4.887800	4.883000	4.100300	4.115500	4.119200	4.203400
4.927900	4.909300	4.265000	4.266800	4.273400	4.331500
8.900000	8.900000	8.700000	8.700000	8.700000	8.700000
8.821900	8.814300	8.812300	7.233500	7.265600	7.576900
8.406300	8.136600	8.401600	6.795300	6.861900	6.935400
14.150000	14.150000	14.150000	13.150000	13.150000	13.150000
6.902800	5.401000	5.381700	5.381800	5.377800	5.545000
6.493200	5.120500	5.345000	5.386400	5.391600	5.712100
7.480000	5.980000	5.980000	5.980000	5.980000	5.980000
8.839100	8.823600	8.839600	8.844300	8.118600	8.649100
7.986700	7.965100	7.932400	8.377100	7.674200	8.314600
10.180000	10.180000	10.180000	10.180000	9.430000	9.430000
7.973800	7.966100	8.179000	8.152500	8.158400	8.605000
9.020600	8.944700	9.799100	9.836300	9.857500	9.982600
12.860000	12.860000	12.860000	12.860000	12.860000	12.860000

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

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Collection Year (2)	Current Tax Levy	Delinquent Levy	Total Levy	Current Tax Collections
2014	\$36,108,198	\$1,913,728	\$38,021,926	\$35,562,444
2013	36,108,198	2,983,077	39,091,275	35,319,692
2012	36,076,774	2,735,125	38,811,899	34,934,389
2011	31,220,858	2,502,617	33,723,475	30,028,940
2010	31,228,709	2,387,010	33,615,719	30,307,223
2009	31,138,340	2,734,649	33,872,989	30,255,260
2008	31,392,444	2,639,064	34,031,508	30,402,110
2007	31,939,091	2,685,199	34,624,290	30,864,286
2006	32,832,504	2,775,663	35,608,167	32,038,879
2005	32,308,051	2,332,573	34,640,624	31,237,357

**Source:** Office of the Fiscal Officer, Summit County, Ohio

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenue.
- (2) The 2015 information cannot be presented because all collections have not been made by June 30, 2015.

**Note:** The County's current reporting system does not track delinquency tax collections by tax year. Outstanding delinquencies are tracked in total by the date the parcel is first certified delinquent. Penalties and interest are applied to the total outstanding delinquent balance. The presentation will be updated as new information becomes available.

Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy
98.49%	\$896,938	\$36,459,382	95.89%
97.82	1,258,776	36,578,468	93.57
96.83	1,118,557	36,052,946	92.89
96.18	803,118	30,832,058	91.43
97.05	842,887	31,150,110	92.67
97.16	1,373,400	31,628,660	93.37
96.85	1,104,728	31,506,838	92.58
96.63	1,251,644	32,115,930	92.76
97.58	917,191	32,956,070	92.55
96.69	1,223,371	32,460,728	93.71

**Nordonia Hills City School District**

*Principal Taxpayers*

*Real Estate Tax*

*2015 and 2006*

Name of Taxpayer	2015	
	Assessed Valuation	Percent of Real Assessed Value
DOTRS, LLC	\$8,049,330	0.90 %
AERC Williamsburg, Incorporated	4,221,090	0.47
Eaton Ridge, LLC	4,136,190	0.46
Musca Properties, LLC	3,524,060	0.39
GW Macedonia, LLC	3,272,110	0.37
Northfield Park Associates, LLC	2,952,700	0.33
Sacco of Macedonia, LLC	2,520,460	0.28
Sagamore Square Enterprises, LTD	2,491,350	0.28
Sagamore Hills Nominee, LP	2,432,800	0.27
Lowes Home Center, Incorporated	2,167,310	0.24
<b>Total</b>	<b>\$35,767,400</b>	<b>4.00 %</b>
<b>Total Real Estate Valuation</b>	<b>\$893,709,860</b>	
Name of Taxpayer	2006	
	Assessed Valuation	Percent of Real Assessed Value
DOTRS, LLC	\$8,858,720	0.97 %
AERC Williamsburg, Incorporated	4,736,320	0.52
Eaton Ridge, LTD	4,686,800	0.52
Developers Diversified Realty Corporation	4,509,730	0.50
Lowes Home Centers, Incorporated	3,703,320	0.41
GW Macedonia, LLC	3,404,370	0.37
Target Corporation	3,289,270	0.36
Northfield Park Associates, LLC	3,267,020	0.36
Cleveland Steel Warehouse, LTD	2,822,760	0.31
Sacco of Macedonia, LLC	2,730,260	0.30
<b>Total</b>	<b>\$42,008,570</b>	<b>4.62 %</b>
<b>Total Real Estate Valuation</b>	<b>\$909,903,350</b>	

**Source:** Office of the Fiscal Officer, Summit County, Ohio

**Nordonia Hills City School District**

*Principal Taxpayers*

*Public Utilities Tax*

*2015 and 2006*

Name of Taxpayer	2015	
	Assessed Valuation	Percent of Public Utility Assessed Value
Ohio Edison	\$13,678,260	43.95 %
American Transmission	9,812,780	31.53
Cleveland Electric Illuminating	4,206,080	13.51
East Ohio Gas	3,122,300	10.03
Aqua Ohio, Incorporated	280,600	0.90
Buckeye Pipe Line Co. LP	12,280	0.04
Orwell Natural Gas Co.	11,010	0.04
GE Capital Information Tech Solutions	1,490	0.00
<b>Total</b>	<b>\$31,124,800</b>	<b>100.00 %</b>
<b>Total Public Utility Valuation</b>	<b>\$31,124,800</b>	

Name of Taxpayer	2006	
	Assessed Valuation	Percent of Public Utility Assessed Value
American Transmission	\$8,125,900	30.60 %
Ohio Edison	7,696,150	28.98
Western Reserve Telephone	3,390,730	12.77
Cleveland Electric Illuminating	2,426,180	9.13
East Ohio Gas	1,882,560	7.09
Norfolk Southern	944,530	3.56
Alltel Ohio LP	667,880	2.51
New Par	382,690	1.44
Level 3 Communications	205,880	0.78
Aqua Ohio, Inc.	153,440	0.58
<b>Total</b>	<b>\$25,875,940</b>	<b>97.44 %</b>
<b>Total Public Utility Valuation</b>	<b>\$26,559,530</b>	

**Source:** Office of the Fiscal Officer, Summit County, Ohio

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**Nordonia Hills City School District**  
*Computation of Direct and Overlapping*  
*Debt Attributable to Governmental Activities*  
*June 30, 2015*

	Governmental Activities Debt Outstanding	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
Direct:			
Nordonia Hills City School District			
General Obligation Bonds	\$31,771,931	100.00 %	\$31,771,931
Overlapping:			
City of Macedonia			
General Obligation Bonds	6,605,000	97.70	6,453,085
Special Assessment Bonds	1,109,600	97.70	1,084,079
OPWC Loans	424,347	97.70	414,587
Northfield Village			
General Obligation Bonds	125,495	100.00	125,495
OPWC Loans	2,290,614	100.00	2,290,614
Capital Lease Obligations	237,020	100.00	237,020
Summit County			
General Obligation Bonds	68,791,952	7.18	4,939,262
Capital Appreciation Bonds	1,029,554	7.18	73,922
Capital Lease Obligations	109,473	7.18	7,860
Total Overlapping	80,723,055		15,625,925
Total	\$112,494,986		\$47,397,856

**Source:** Office of the Fiscal Officer, Summit County, Ohio

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision. The valuations used were for the 2015 collection year.

**Nordonia Hills City School District**  
*Ratio of Outstanding Debt  
to Estimated Actual Value, Personal Income, and Population  
Last Ten Fiscal Years*

Fiscal Year	Estimated Population	Estimated Actual Value	General Bonded Debt		
			General Bonded Debt	Ratio of General Bonded Debt to Estimated Actual Value	General Bonded Debt per Capita
2015	32,247	\$2,588,825,834	\$31,771,931	1.23%	\$985
2014	32,247	2,625,927,431	32,624,796	1.24	1,012
2013	32,247	2,612,919,811	33,559,133	1.28	1,041
2012	32,247	2,616,280,910	35,146,548	1.34	1,090
2011	32,247	2,852,895,656	36,674,521	1.29	1,137
2010	32,247	2,874,396,134	38,128,165	1.33	1,182
2009	27,835	3,129,599,693	39,632,608	1.27	1,424
2008	27,835	3,348,526,101	34,682,205	1.04	1,246
2007	27,835	3,524,970,350	36,014,017	1.02	1,294
2006	27,835	3,594,024,293	37,376,774	1.04	1,343

(1) Personal income for this calculation is from the Demographic and Economic Statistics table on S28.

**Sources:** Office of the Treasurer, Nordonia Hills City School District and the U.S. Census Bureau (Census 2010) 2011 - 2015; (Census 2000) 2006 - 2010

**Note:** Although the general obligation bond retirement fund is restricted for debt service, it is not specifically restricted to the payment of principal. Therefore, these resources are not shown as a deduction from general obligation bonded debt.

N/A - Not Available



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Capital Leases	Total Debt	Percentage of Personal Income (1)	Per Capita
\$0	\$31,771,931	N/A	\$985
0	32,624,796	N/A	1,012
0	33,559,133	N/A	1,041
0	35,146,548	2.52	1,090
0	36,674,521	2.66	1,137
0	38,128,165	2.84	1,182
0	39,632,608	3.33	1,424
9,915	34,692,120	2.89	1,246
67,748	36,081,765	3.05	1,296
122,848	37,499,622	3.27	1,347

**Nordonia Hills City School District**  
*Computation of Legal Debt Margin*  
*Last Ten Fiscal Years*

	2015	2014	2013	2012
Total Assessed Valuation	\$924,834,660	\$936,220,450	\$930,458,040	\$930,394,050
Less Railroad and Telephone Property Valuation	(1,186,610)	(1,128,840)	(1,053,220)	(923,780)
Less General Business Tangible Personal Property Valuation	0	0	0	0
Total Assessed Valuation used to Calculate Legal Debt Margin (1)	<u>\$923,648,050</u>	<u>\$935,091,610</u>	<u>\$929,404,820</u>	<u>\$929,470,270</u>
Debt Limit - 9% of Assessed Value (2)	\$83,128,325	\$84,158,245	\$83,646,434	\$83,652,324
Amount of Debt Outstanding				
General Obligation Bonds	24,780,000	25,420,000	25,650,000	26,150,000
Capital Appreciation Bonds	1,210,585	1,925,622	2,699,845	3,415,528
Energy Conservation Bonds	696,656	729,744	0	0
Less Amount Available in Bond Retirement Fund	<u>(2,118,713)</u>	<u>(1,773,260)</u>	<u>(1,369,260)</u>	<u>(1,582,617)</u>
Total	24,568,528	26,302,106	26,980,585	27,982,911
Exemptions:				
Energy Conservation Bonds	<u>(696,656)</u>	<u>(729,744)</u>	0	0
Amount of Debt Subject to Limit	<u>23,871,872</u>	<u>25,572,362</u>	<u>26,980,585</u>	<u>27,982,911</u>
Overall Debt Margin	<u>\$59,256,453</u>	<u>\$58,585,883</u>	<u>\$56,665,849</u>	<u>\$55,669,413</u>
Legal Debt Margin as a Percentage of Debt Limit	71.28%	69.61%	67.74%	66.55%
Unvoted Legal Debt Limit - .10% of Assessed Value	\$923,648	\$935,092	\$929,405	\$929,470
Amount of Debt Subject to Limit	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Debt Margin	<u>\$923,648</u>	<u>\$935,092</u>	<u>\$929,405</u>	<u>\$929,470</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	100.00%	100.00%	100.00%	100.00%
Additional Limit for Unvoted Energy Conservation Bonds/Loans				
Debt Limit - 1% of Assessed Valuation	\$9,236,481	\$9,350,916	\$9,294,048	\$9,294,703
Energy Conservation Bonds	<u>(696,656)</u>	<u>(729,744)</u>	0	0
Additional Unvoted Debt Margin	<u>\$8,539,825</u>	<u>\$8,621,172</u>	<u>\$9,294,048</u>	<u>\$9,294,703</u>
Additional Unvoted Debt Margin as a Percentage of the Unvoted Debt Limitation	92.46%	92.20%	100.00%	100.00%

**Source:** Summit County Fiscal Officer and School District Financial Records

(1) Beginning in fiscal year 2006, HB530 changed the assessed valuation utilized in the legal debt margin calculation to exclude tangible personal property as well as railroad and telephone tangible property.

(2) Ohio Bond Law sets a limit of 9% for overall debt and 1/10 of 1% for unvoted debt.

2011	2010	2009	2008	2007	2006
\$1,013,208,880	\$1,013,092,750	\$1,025,854,750	\$1,017,799,140	\$1,013,273,061	\$996,720,327
(862,670)	(876,450)	(786,660)	(914,180)	(695,530)	(479,650)
0	(1,556,470)	(18,156,820)	(36,453,440)	(51,366,471)	(60,257,447)
<u>\$1,012,346,210</u>	<u>\$1,010,659,830</u>	<u>\$1,006,911,270</u>	<u>\$980,431,520</u>	<u>\$961,211,060</u>	<u>\$935,983,230</u>
\$91,111,159	\$90,959,385	\$90,622,014	\$88,238,837	\$86,508,995	\$84,238,491
26,635,000	28,730,000	30,810,000	26,630,000	28,285,000	30,075,000
4,184,948	4,184,948	4,184,948	4,084,950	4,084,950	4,084,950
0	0	0	0	0	0
(1,577,251)	(1,200,690)	(1,705,131)	(1,170,799)	(1,267,007)	(1,439,987)
29,242,697	31,714,258	33,289,817	29,544,151	31,102,943	32,719,963
0	0	0	0	0	0
<u>29,242,697</u>	<u>31,714,258</u>	<u>33,289,817</u>	<u>29,544,151</u>	<u>31,102,943</u>	<u>32,719,963</u>
<u>\$61,868,462</u>	<u>\$59,245,127</u>	<u>\$57,332,197</u>	<u>\$58,694,686</u>	<u>\$55,406,052</u>	<u>\$51,518,528</u>
67.90%	65.13%	63.27%	66.52%	64.05%	61.16%
\$1,012,346	\$1,010,660	\$1,006,911	\$980,432	\$961,211	\$935,983
0	0	0	0	0	0
<u>\$1,012,346</u>	<u>\$1,010,660</u>	<u>\$1,006,911</u>	<u>\$980,432</u>	<u>\$961,211</u>	<u>\$935,983</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
\$10,123,462	\$10,106,598	\$10,069,113	\$9,804,315	\$9,612,111	\$9,359,832
0	0	0	0	0	0
<u>\$10,123,462</u>	<u>\$10,106,598</u>	<u>\$10,069,113</u>	<u>\$9,804,315</u>	<u>\$9,612,111</u>	<u>\$9,359,832</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

**Nordonia Hills City School District**  
*Demographic and Economic Statistics*  
*Last Ten Years*

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Year	Population	Total Personal Income	Per Capita Personal Income	Summit County Unemployment Rate
2015	32,247	N/A	N/A	5.0%
2014	32,247	N/A	N/A	4.8
2013	32,247	1,406,743,128	43,624	7.0
2012	32,247	1,397,230,263	43,329	6.4
2011	32,247	1,378,623,744	42,752	8.1
2010	32,247	1,342,474,857	41,631	9.2
2009	27,835	1,191,198,825	42,795	9.9
2008	27,835	1,201,525,610	43,166	6.2
2007	27,835	1,182,486,470	42,482	5.1
2006	27,835	1,147,664,885	41,231	4.8

**Sources:** U.S. Census Bureau  
Summit County Fiscal Officer's Office  
Ohio Department of Job and Family Services

N/A - Not Available

**Nordonia Hills City School District**

*Principal Employers*

2015 and 2006

2015			
Employer	Nature of Business or Activity	Number of Employees	Percentage of Total County Employment
Hard Rock Rocksino	Gaming/Entertainment	750	0.29 %
Nordonia Hills City School District	Public Education	451	0.18
Ohio State Home Services, Incorporated	Special Trades Contractor	255	0.10
Great Day Improvements, LLC	Patio Enclosures	210	0.08
Empire Die Casting Company, Incorporated	Manufacturing	200	0.08
IER Fujikura, Incorporated	Custom Molded Rubber	170	0.07
City of Macedonia	Government	160	0.06
Ohio Materials Handling, Incorporated	Equipment Dealership	131	0.05
TPC Wire and Cable Corporation	Supplies of Industrial Wire and Cable	150	0.06
Design Molded Plastics, Incorporated	Manufacturing	140	0.05
Total		2,617	1.02 %
Total Employment within County		256,100	

2006			
Employer	Nature of Business or Activity	Number of Employees	Percentage of Total County Employment
Nordonia Hills City Schools	Public Education	441	0.16 %
Graco Children's Products	Children's Automotive Seats	370	0.13
Acme Arseno Company, Incorporated	Drywall Contracting	300	0.11
Empire Die Casting Company, Incorporated	Manufacturing	200	0.07
Patio Enclosures, Incorporated	Retail Furniture	185	0.07
Brentwood Enterprises, LLC	Retirement Community with Nursing	135	0.05
IER Industries, Incorporated	Custom Molded Rubber	128	0.05
AGS Custom Graphics, Incorporated	Printing Services	120	0.04
Polyone Corporation	Powder and Pellet Plastic Compounds	100	0.04
Total		1,979	0.71 %
Total Employment within County		278,400	

**Source:** Summit County Fiscal Officer's Office

**Nordonia Hills City School District**  
*Building Statistics by School Building/Facility*  
*Last Ten Fiscal Years*

	2015	2014	2013	2012
<b>Lee Eaton Elementary</b>				
Constructed in 1953				
Total Building Square Footage	64,719	64,719	64,719	64,719
Enrollment - Grades 5-6	543	564	566	578
<b>Ledgeview Elementary</b>				
Constructed in 1963				
Total Building Square Footage	66,438	66,438	66,438	66,438
Enrollment - Grades K - 4	470	468	487	506
<b>Northfield Elementary</b>				
Constructed in 1963				
Total Building Square Footage	63,072	63,072	63,072	63,072
Enrollment - Grades K - 4	419	374	421	437
<b>Rushwood Elementary</b>				
Constructed in 1970				
Total Building Square Footage	49,194	49,194	49,194	49,194
Enrollment - Grades K - 4	390	369	387	402
<b>Nordonia Middle School</b>				
Constructed in 1928				
Total Building Square Footage	115,067	115,067	115,067	115,067
Enrollment - Grades 7-8	587	579	551	588
<b>Nordonia High School</b>				
Constructed in 1960				
Total Building Square Footage	227,862	227,862	227,862	227,862
Enrollment - Grades 9 - 12	1,164	1,301	1,365	1,411

**Source:** School District Records

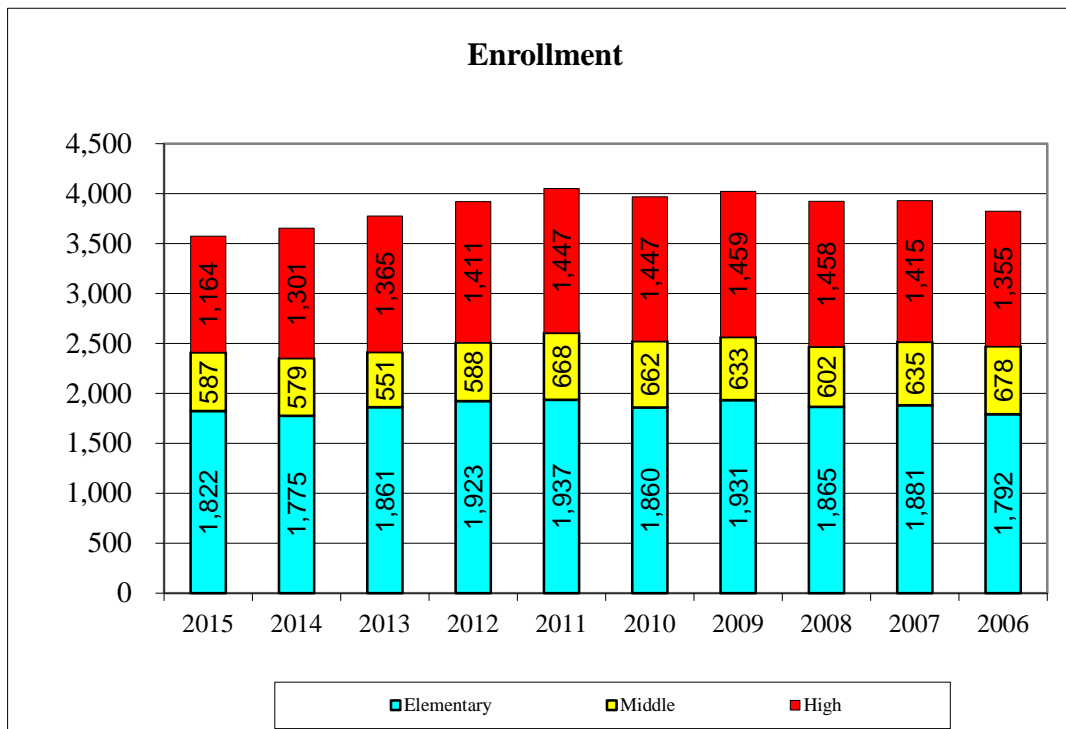
2011	2010	2009	2008	2007	2006
64,719 545	64,719 561	64,719 614	64,719 602	64,719 591	64,719 562
66,438 538	66,438 463	66,438 499	66,438 491	66,438 548	66,438 496
63,072 440	63,072 423	63,072 396	63,072 384	63,072 343	63,072 333
49,194 414	49,194 413	49,194 422	49,194 388	49,194 399	49,194 401
115,067 668	115,067 662	115,067 633	115,067 602	115,067 635	115,067 678
227,862 1,447	227,862 1,447	227,862 1,459	227,862 1,458	227,862 1,415	227,862 1,355

## Nordonia City School District

### *Enrollment Statistics*

#### *Last Ten Fiscal Years*

Fiscal Year	Elementary Schools	Middle Schools	High School	Total
2015	1,822	587	1,164	3,573
2014	1,775	579	1,301	3,655
2013	1,861	551	1,365	3,777
2012	1,923	588	1,411	3,922
2011	1,937	668	1,447	4,052
2010	1,860	662	1,447	3,969
2009	1,931	633	1,459	4,023
2008	1,865	602	1,458	3,925
2007	1,881	635	1,415	3,931
2006	1,792	678	1,355	3,825



**Sources:** Ohio Department of Education Local Report Cards and Data Warehouse Reports



## Nordonia Hills City School District

### *Attendance and Graduation Rates*

#### *Last Ten Fiscal Years*

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<u>Fiscal Year</u>	<u>Nordonia Hills City School District Attendance Rate</u>	<u>State Average</u>	<u>Nordonia Hills City School District Graduation Rate</u>	<u>State Average</u>
2015	96.20%	94.50%	94.60%	81.30%
2014	96.20	95.20	96.40	81.30
2013	95.60	94.50	96.40	82.20
2012	95.60	94.50	94.60	81.30
2011	95.40	94.50	91.60	79.70
2010	95.40	94.30	96.20	84.30
2009	95.80	94.30	95.60	83.00
2008	95.60	94.20	96.50	84.60
2007	95.50	94.10	96.40	86.90
2006	95.60	94.10	94.20	86.10

**Sources:** Ohio Department of Education Local Report Cards and Data Warehouse Reports

**Nordonia Hills City School District**

*Per Pupil Cost  
Last Ten Fiscal Years*

Fiscal Year	Student Enrollment		General Governmental	
	Average Enrollment	Percentage of Change	Total Expenditures (1)	Per Pupil Cost
2015	3,573	(2.24) %	\$43,297,886	\$12,118
2014	3,655	(3.23)	43,333,843	11,856
2013	3,777	(3.70)	41,878,620	11,088
2012	3,922	(3.21)	40,467,750	10,318
2011	4,052	2.09	45,420,303	11,209
2010	3,969	(1.34)	51,359,746	12,940
2009	4,023	2.50	44,179,842	10,982
2008	3,925	(0.15)	41,402,369	10,548
2007	3,931	2.77	38,718,414	9,850
2006	3,825	N/A	36,340,913	9,501

(1) Debt Service totals have been excluded.

**Source:** School District Records

Governmental Activities		Students Receiving Free and Reduced Lunches		
Total Expenses (1)	Per Pupil Cost	Number of Lunches Served	Percentage of Free Lunches	Percentage of Reduced Lunches
\$43,469,284	\$12,166	233,603	28.44 %	8.59 %
44,345,627	12,133	259,260	29.30	9.37
42,603,213	11,280	287,858	25.10	8.43
41,486,998	10,578	331,201	23.40	9.62
44,467,033	10,974	345,289	23.10	9.36
47,238,016	11,902	352,905	20.81	9.10
45,180,532	11,231	328,901	17.67	9.15
43,744,091	11,145	353,698	12.78	7.13
39,674,081	10,093	349,397	11.45	6.48
37,599,471	9,830	348,266	10.00	4.81

**Nordonia Hills City School District**  
*School District Employees by Function/Program*  
*Last Ten Fiscal Years*

Function/Program	2015	2014	2013	2012
<b>Regular Instruction</b>				
Elementary Classroom Teachers	81.00	75.00	75.00	72.00
Middle School Classroom Teachers	20.00	20.00	20.00	19.00
High School Classroom Teachers	55.00	55.00	54.00	53.00
Special Teachers (Art, Music, PE)	28.00	28.00	27.00	26.00
Tutors/Small Group Instructors	3.00	2.00	2.00	3.00
<b>Special Instruction</b>				
Gifted Education Teachers	2.00	2.00	2.00	2.00
Special Education Teachers	31.00	30.00	29.00	31.00
<b>Vocational Instruction</b>				
	1.00	1.00	1.00	1.00
<b>Pupil Support Services</b>				
Guidance Counselors	10.00	10.00	10.00	10.00
Psychologist	5.00	5.00	5.00	5.00
Speech Pathologists	4.00	4.00	4.00	4.00
Community Intervention	1.00	1.00	1.00	1.00
<b>Instructional Staff Support Services</b>				
Teacher Aides	13.00	13.00	13.00	13.00
Attendants	55.00	60.00	54.00	51.00
Monitors	31.00	21.00	20.00	20.00
Technicians	1.00	1.00	0.00	0.00
Media Specialist/Librarian	1.00	1.00	1.00	1.00
Library Aides	8.00	8.00	8.00	8.00
<b>Administration Support Services</b>				
Elementary Schools	5.00	5.00	4.00	4.00
Middle School	2.00	2.00	2.00	2.00
High School	4.00	4.00	4.00	4.00
Districtwide	6.00	6.00	6.00	7.00
Clerical	18.00	17.00	17.00	18.00
Fiscal Staff	7.00	7.00	7.00	7.00
<b>Operation of Plant</b>				
Custodians	25.00	28.00	26.00	26.00
Maintenance	4.00	4.00	3.00	3.00
Courier	1.00	1.00	1.00	1.00
<b>Pupil Transportation</b>				
Bus Drivers	0.00	0.00	0.00	0.00
Mechanics	0.00	0.00	0.00	0.00
Mechanics	0.00	0.00	0.00	0.00
Mechanics	0.00	0.00	0.00	0.00
<b>Food Service Program</b>				
Supervisor	1.00	1.00	1.00	1.00
Food Service Workers	28.00	28.00	27.00	28.00
<b>Total</b>	<u>451.00</u>	<u>440.00</u>	<u>424.00</u>	<u>421.00</u>

**Method:** The amounts are based on a headcount by function including both full and part-time employees, as of June 30.

**Source:** School District Payroll Records

2011	2010	2009	2008	2007	2006
82.00	84.00	80.00	82.00	86.00	82.00
27.00	28.00	29.00	29.00	29.00	25.00
62.00	64.00	65.00	60.00	58.00	56.00
29.00	25.00	27.00	28.00	28.00	28.00
8.00	8.00	8.00	7.00	6.00	6.00
2.00	2.00	2.00	2.00	2.00	2.00
31.00	31.00	32.00	31.00	28.00	30.00
3.00	3.00	4.00	7.00	7.00	7.00
10.00	10.00	10.00	10.00	10.00	10.00
5.00	4.00	5.00	4.00	5.00	5.00
4.00	4.00	4.00	4.00	4.00	4.00
1.00	1.00	1.00	1.00	1.00	1.00
26.00	26.00	26.00	27.00	25.00	25.00
64.00	65.00	64.00	52.00	42.00	42.00
23.00	21.00	22.00	22.00	22.00	22.00
0.00	0.00	0.00	0.00	0.00	0.00
2.00	2.00	2.00	2.00	2.00	2.00
7.00	7.00	7.00	7.00	7.00	7.00
5.00	5.00	5.00	5.00	4.00	4.00
2.00	2.00	2.00	2.00	2.00	2.00
4.00	4.00	4.00	4.00	4.00	4.00
8.00	8.00	9.00	9.00	9.00	9.00
18.00	20.00	20.00	22.00	23.00	23.00
7.00	7.00	7.00	7.00	7.00	7.00
27.00	33.00	33.00	32.00	31.00	32.00
3.00	3.00	3.00	3.00	4.00	3.00
1.00	1.00	1.00	1.00	1.00	1.00
30.00	47.00	49.00	48.00	43.00	43.00
3.00	3.00	3.00	2.50	2.50	2.50
6.00	5.00	5.00	7.00	6.00	6.00
2.00	2.00	2.00	2.00	2.00	2.00
1.00	1.00	1.00	1.00	1.00	1.00
30.00	34.00	32.00	29.00	28.00	31.00
533.00	560.00	564.00	549.50	529.50	524.50

**Nordonia Hills City School District**  
*Full-Time Equivalent Certified School District Employees by Education*  
*Last Ten Fiscal Years*

Degree	2015	2014	2013	2012
Bachelor	19.50	15.00	9.00	5.00
Bachelor + 15	4.00	6.00	6.00	5.00
Bachelor + 30	31.00	31.00	32.00	26.00
Master	97.00	101.50	103.40	99.40
Master + 15	43.79	38.76	37.60	38.60
Master + 30	40.60	37.00	40.00	48.00
PhD	3.00	2.00	3.00	3.00
Total	238.89	231.26	231.00	225.00

**Source:** School District Records

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<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
25.00	24.94	32.94	49.00	45.00	40.00
23.00	20.00	18.00	18.00	16.00	19.00
31.15	31.55	35.55	39.15	39.15	38.15
103.90	99.50	99.10	81.00	81.00	84.00
35.60	34.00	29.60	29.20	30.01	27.41
44.00	46.00	48.00	46.81	51.00	46.00
<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
<u>264.65</u>	<u>257.99</u>	<u>265.19</u>	<u>265.16</u>	<u>264.16</u>	<u>256.56</u>

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# Dave Yost • Auditor of State

**NORDONIA HILLS CITY SCHOOL DISTRICT**

**SUMMIT 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  
DECEMBER 29, 2015**