EUCLID CITY SCHOOL DISTRICT CUYAHOGA COUNTY, OHIO

AUDIT REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

James G. Zupka, CPA, Inc.
Certified Public Accountants



Board of Education Euclid City School District 651 E 22nd St Euclid, OH 44123

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

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

Keith Faber Auditor of State Columbus, Ohio

February 19, 2019



EUCLID CITY SCHOOL DISTRICT CUYAHOGA COUNTY, OHIO AUDIT REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

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JAMES G. ZUPKA, C.P.A., INC.

Certified Public Accountants 5240 East 98th Street Garfield Hts., Ohio 44125

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Ohio Society of Certified Public Accountants

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

To the Members of Board of Education Euclid City School District Euclid, Ohio The Honorable Dave Yost Auditor of State State of Ohio

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Euclid City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 20, 2018, wherein we noted the District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of This Report

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

James G. Zupka, CPA, Inc. Certified Public Accountants

James D. Zupka, CPA, Inc.

December 20, 2018

JAMES G. ZUPKA, C.P.A., INC.

Certified Public Accountants 5240 East 98th Street Garfield Hts., Ohio 44125

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(216) 475 - 6136

Ohio Society of Certified Public Accountants

REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

To the Members of Board of Education Euclid City School District Euclid, Ohio The Honorable Dave Yost Auditor of State State of Ohio

Report on Compliance for Each Major Federal Program

We have audited the Euclid City School District, Cuyahoga County, Ohio's (the District) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on the District's major federal program for the year ended June 30, 2018. The District's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the District's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

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

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

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

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated December 20, 2018, which contained unmodified opinions on those financial statements, wherein we noted the District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for the purpose of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

James G. Zupka, CPA, Inc. Certified Public Accountants

James L. Zupka, CPA, Inc.

December 20, 2018



EUCLID CITY SCHOOL DISTRICT CUYAHOGA COUNTY, OHIO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Federal Grantor/	Federal				
Pass-Through Grantor/	CFDA		Non-Cash		Non-Cash
Program or Cluster Title	Number	Receipts	Receipts	Ependitures	Expenditures
U.S. Department of Agriculture					
Passed through Ohio Department of Education					
Child Nutrition Cluster:					
School Breakfast Program	10.553	\$ 518,667	\$ 0	\$ 518,667	\$ 0
National School Lunch Program	10.555	1,764,516	178,703	1,764,516	178,703
Summer Food Service Program for Children	10.559	37,008	0	37,008	0
Total Child Nutrition Cluster		2,320,191	178,703	2,320,191	178,703
Total U.S. Department of Agriculture		2,320,191	178,703	2,320,191	178,703
U.S. Department of Defense					
Direct Program					
Junior ROTC	12.000	40,118	0	54,925	0
Total U.S. Department of Defense		40,118	0	54,925	0
U.S. Department of Education					
Passed through Ohio Department of Education					
Special Education Cluster (IDEA):					
Special Education - Grants to States	84.027	1,363,470	0	1,567,390	0
Special Education - Claims to States Special Education - Preschool Grants	84.173	33,830	0	33,830	0
Total Special Education Cluster	04.173	1,397,300		1,601,220	
Total Special Education Cluster		1,397,300		1,001,220	
Title I - Grants to Local Educational Agencies	84.010	2,289,825	0	2,291,233	0
Improving Teacher Quality States Grants	84.367	230,614	0	232,205	0
Student Support and Academic Enrichment Program	84.424	27,029	0	27,029	0
Total U.S. Department of Education	07.727	3,944,768		4,151,687	
Total C.S. Department of Education		<i>5,9</i> 11 ,708		4,131,067	
U.S. Department of Transportation					
Passed through Ohio Department of Transportation					
Highway Planning and Construction	20.205	4,873	0	0	0
Total U.S. Department of Transportation		4,873	0	0	0
TOTAL EXPENDITURES OF FEDERAL AWARDS		\$ 6,309,950	\$ 178,703	\$ 6,526,803	\$ 178,703

See accompanying notes to the Schedule of Expenditures of Federal Awards.

EUCLID CITY SCHOOL DISTRICT CUYAHOGA COUNTY, OHIO NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS JUNE 30, 2018

NOTE 1: BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Euclid City School District under programs of the federal government for the year ended June 30, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Euclid City School District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Euclid City School District.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3: **INDIRECT COST RATE**

The Euclid City School District has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE 4: CHILD NUTRITION CLUSTER

Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first.

NOTE 5: **FOOD DONATION PROGRAM**

Program regulations do not require the District to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. This non-monetary assistance (expenditures) is reported in the Schedule at the fair market value of the commodities received.

EUCLID CITY SCHOOL DISTRICT CUYAHOGA COUNTY, OHIO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS UNIFORM GUIDANCE

JUNE 30, 2018

1	SUMMARY	OF A	UDITOR'S R	ESULTS
1.	DUMINIMA			LOCLID

2018(i)	Type of Financial Statement Opinion	Unmodified
2018(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
2018(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
2018(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
2018(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
2018(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
2018(v)	Type of Major Programs' Compliance Opinions	Unmodified
2018(vi)	Are there any reportable findings under 2 CFR 200.516(a)?	No
2018(vii)	Major Programs (list):	
	Child Nutrition Cluster - CFDA #10.553, CFDA #10.555, and CFDA	A #10.559
2018(viii)	Dollar Threshold: A/B Program	Type A: \$750,000 Type B: All Others
2018(ix)	Low Risk Auditee?	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.

EUCLID CITY SCHOOL DISTRICT CUYAHOGA COUNTY, OHIO SCHEDULE OF PRIOR AUDIT FINDINGS AND RECOMMENDATIONS JUNE 30, 2018

The prior audit report, as of June 30, 2017, included no citations or instances of noncompliance. Management letter recommendations have been corrected, repeated, or procedures instituted to prevent occurrences in this audit period.

EUCLID

COMPREHENSIVE ANNUAL FINANCIAL REPORT 2018









EUCLID CITY SCHOOL DISTRICT EUCLID, OHIO

EUCLID CITY SCHOOL DISTRICT

Euclid, Ohio

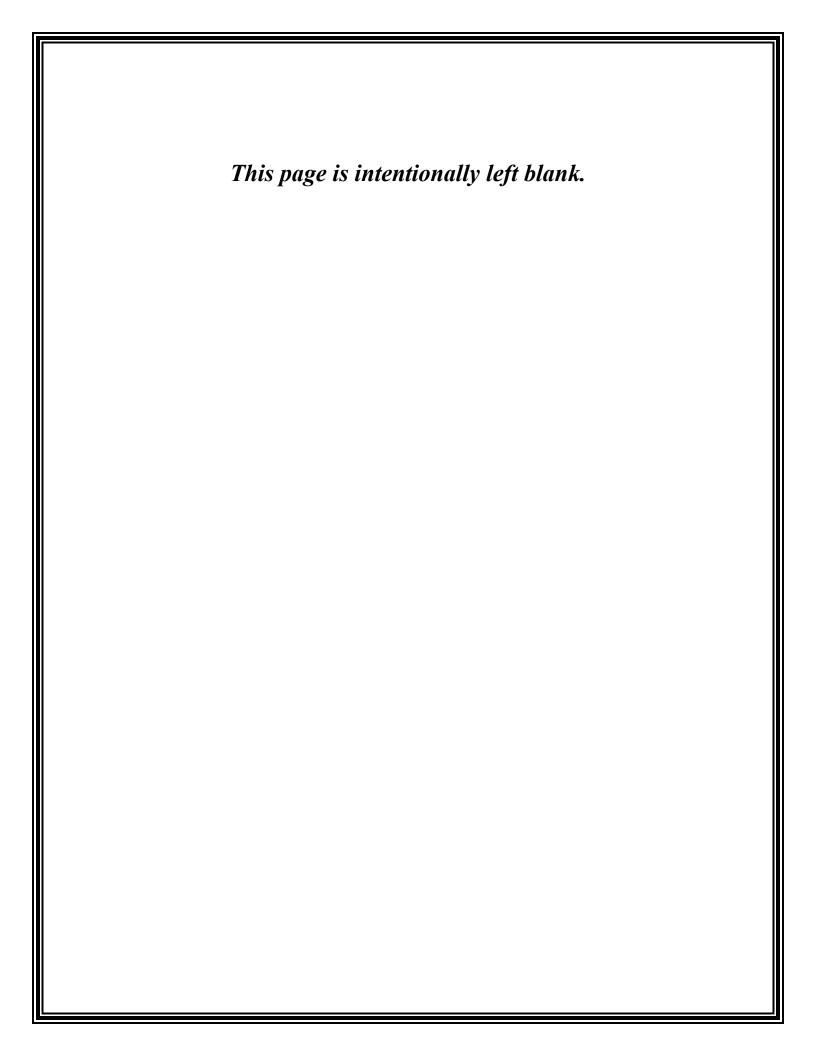


COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Prepared by:

Treasurer's Office





INTRODUCTORY SECTION

Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2018

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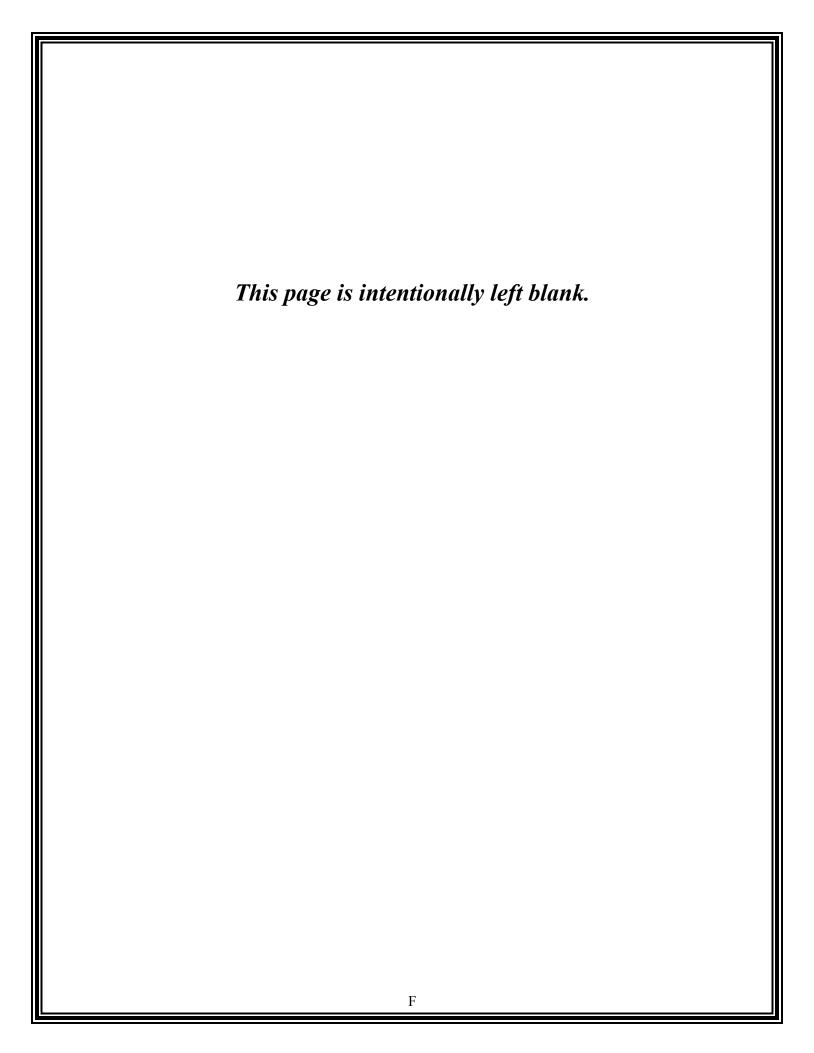
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December 20, 2018

Members of the Board of Education and Residents of the Euclid City School District

Dear Board Members and Residents:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the Euclid City School District, Ohio. This CAFR, which includes an unmodified ("clean") opinion from James G. Zupka, CPA, Inc. conforms to generally accepted accounting principles as applicable to governmental entities for the fiscal year ended June 30, 2018.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive frame-work of internal control that has been 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.

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

Profile of the School District

Euclid was officially settled in 1797 by eleven families. In 1830, the village meeting minutes indicated that a sum of \$300 was to be paid to the directors of the Euclid City School District. In 1868, a class of six high school pupils was organized. In 1895, the first high school building was erected. The first class graduated from that building in 1897. By 1896, the Euclid City School District was patterned after a School District plan dividing the City into eleven districts. The eleven districts were consolidated into five buildings. At the close of 1918, there were two high schools, Central and Shore.

During the peak enrollment years of the 1960's and 1970's, the School District maintained an enrollment of approximately 11,000 students, precipitating the need for additional buildings to be constructed. As enrollment declined during the 1980's by approximately 5,000 students, three elementary buildings and one junior high building were closed. Subsequent to that, the State of Ohio greatly expanded the Community School Program which resulted in a decline in enrollment for the School District. For fiscal year 2018, the School District's enrollment stands at 5,194 and approximately 1,436 resident students attend community schools. The School District currently consists of one high school, one middle school, four elementary schools, and an early learning center.

In 2009, a \$40.3 million bond issue was approved by the voters to build four new elementary schools (replacing six elementary buildings). The School District received a 41 percent match from the State's Ohio Schools Facilities Commission. Those new buildings opened in the fall of 2012. This was the first of two segments of a plan to rebuild the entire School District. In 2016, a \$96.3 million bond issue was passed to complete the second phase, which will include the rebuilding of the High School, a construction of a new middle school, a new preschool/kindergarten building and new athletic fields. Again, the State is providing a 41 percent match.

Statutorily, the School District operates under standards prescribed by the Ohio State Board of Education as provided in Division (D) of Section 3301.07 and Section 119.01 of the Ohio Revised Code, to provide educational services authorized and mandated by State and/or Federal agencies.

The School District has reviewed its reporting entity definition in order to ensure conformance with the Governmental Accounting Standards Board Statement No. 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34.* 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. Excluded from the reporting entity because they are fiscally independent of the School District are the City of Euclid, the Parent Teacher Organizations, Community Schools and the Parochial Schools. The School District is associated with two organizations, the Ohio Schools Council and the Euclid Public Library. The Ohio Schools' Council Association is a jointly governed organization whose relationship to the School District is described in Note 19 to the accompanying financial statements. The Euclid Public Library is a related organization and is described in Note 20 to the accompanying financial statements.

A complete discussion of the School District's reporting entity is provided in Note 1 to the basic financial statements.

The School District uses a team approach to meet today's educational challenges and to make school improvements a reality. This team consists of a five-member Board of Education which serves as the taxing authority, contracting body, and policy developers for the School District. The Board adopts the annual operating budget and approves all expenditures of the School District's monies. The administrative team consists of the Superintendent, who is the Chief Administrative Officer of the School District and is responsible for providing educational and administrative management leadership for the total operation of the School District, and the Treasurer, who is the Chief Fiscal Officer of the School District and is responsible for maintaining records of all financial matters, issuing warrants and payment of liabilities incurred by the School District, and who also serves as the Chief Financial Officer of all School District funds and investments as specified by law.

The remaining administrative team members appointed by the Superintendent/School Board include the following: Elementary Curriculum Director, Secondary Curriculum Director, Elementary Student Affairs Director, Secondary Student Affairs Director, Strategic Initiatives Coordinator, Business and Athletic Operations Director, Technology Director and Human Resource Manager. The above eights individuals, along with the Superintendent and the Treasurer, constitute the senior leadership team which meets to provide recommendations to the Superintendent and also provides problem-solving and policy implementing management to the School District.

Local Economy and Relevant Financial Policies

The School District has the same boundaries as the City of Euclid. The City is bounded on the west by the City of Cleveland, on the north by Lake Erie, and on the south and east by smaller cities.

The City of Euclid has experienced a deterioration of its commercial property tax base in recent years. The School District's commercial and industrial real estate assessed valuation has decreased from \$191 million in tax year 1995 to \$153 million in tax year 2017. The total assessed valuation for all property was \$755 million in tax year 1995 compared to \$555 million in tax year 2017. The City of Euclid has enacted a number of programs, including tax incentive programs, to encourage business growth and development.

The City of Euclid was hit particularly hard during the recession of the late 2000's. The County's sexennial reappraisal in 2012 resulted in a loss of total assessed valuation from \$738 million in tax year 2011 to \$587 million in tax year 2012. After a long, slow recovery, the local real estate market and commercial development news has been encouraging. A recent study reported that the median price of home sales in Euclid have risen by about 20 percent in recent years. Additionally, Amazon has begun construction of a 650,000 square foot fulfillment center, which will provide about 1,000 new jobs to the City and add value to the City's commercial tax base.

Of the School District's General Fund operations, 47 percent of the General Fund cash basis revenue is received from real estate taxes on residential, commercial, and industrial properties. Shared City income tax accounted for 8 percent. Approximately 40 percent is received from various forms of State aid. The balance represented Federal sources, interest earnings and miscellaneous receipts.

The State of Ohio's community school and voucher programs have had a negative effect on the School District's state revenues. Students who transfer to community schools or receive vouchers to attend private schools essentially take their state per pupil funding along with them to those schools. In fiscal year 2018, approximately \$16.3 million was deducted from the School District's State revenue for those programs.

The funding structure of public education in Ohio is such that school districts receive very little revenue growth as a result of inflationary increases in their tax base. This is a result of House Bill 920 which mandates that any reappraisal property increase results in an approximately equal value decrease in millage. As a result, school districts throughout Ohio must place operating funding issues on the ballot at regular intervals to keep pace with inflation and added programming.

The State of Ohio adopted its 2018-2019 biennial budget in the summer of 2017. This budget, House Bill 49, did not materially change the previous funding formula. The most significant impact to the School District is a "cap" on funding increases to certain districts. As a capped district, the Euclid City Schools increase in State funding will not exceed 3.2 percent in each year of the biennium. The capped increase in the previous biennium was 7.5 percent each year.

Financial Information

Internal Accounting and Budgetary Control

In developing the School District's accounting system, much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

The School District utilizes an automated accounting and payroll system as designed by third party vendors. An internal controls system for capital assets is provided by an outside company. These systems, coupled with the manual auditing of each voucher prior to payment, ensures that the financial information generated is both accurate and reliable.

Prior to the start of each fiscal year, the Board of Education adopts an appropriation measure for that fiscal year. The Board has the ability to adopt temporary appropriations prior to September 30th, if permanent appropriations are not yet available. If a temporary appropriation measure is first adopted, the permanent appropriation measure must be adopted upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates, which is usually within the first three months of the fiscal year.

Annual appropriations may not exceed the County Budget Commission's official estimate of resources. The County's Fiscal Officer certifies that the Board of Education's appropriation measures, including any supplements or amendments do not exceed the amount set forth in the latest of those official estimates (See Note 2 for additional budgetary information).

Long-Term Financial Planning

The School District is the only school district in the State of Ohio with an enacted shared City/School income tax. The shared City income tax, enacted in 1994, is 0.85 percent City voted income tax of which 0.47 percent was for the School District and 0.38 percent for the City. The School District and City continue to be partners in redeveloping various industrial sites in the City of Euclid that are currently vacant and/or under-utilized.

In 2004, a 2.5 mill continuing permanent improvement levy was passed by the voters. These funds were intended to be used for costs associated with a School District wide reorganization, which included the reopening of two elementary schools, and ongoing capital improvements.

In November 2008, a ten-year \$5.6 million emergency levy was approved by the voters of the School District. At that time, approximately 6.9 mills was assessed beginning with the 2008 tax year (2009 collection year) and end with the 2017 tax year (2018 collection year). The renewal of this levy in 2018 is vital to the ongoing financial stability of the School District and meet the continued funding challenges created by H.B. 920. This levy attempt failed in November 2018 and the revenue generated by the original levy will cease to be collected beginning in calendar year 2019.

In November 2012, a ten-year \$5.4 million emergency levy was approved by the voters of the School District. At that time, approximately 9.0 mills was assessed beginning with the 2012 tax year (2013 collection year) and end with the 2021 tax year (2022 collection year). The School District's current and future financial health is linked to the continuation of this emergency levy. As mentioned previously, the local community's share of the School District's operating revenue is approximately 47 percent.

The School District has a comprehensive technology plan for moving into the twenty-first century. The School District is well known for accomplishments in the area of integrating technology into the instructional process. Both students and staff are supported by trained personnel whose main focus is technology support.

The School District is beginning the second of two phases of completely rebuilding its facilities. This was made possible by entering into agreements with the Ohio Facilities Commission and passage of two bond issues previously mentioned. Any long range planning for the foreseeable future for facilities will focus on maintenance only.

Major Initiatives

In the fall of 2012, our School District established three clear, comprehensive goals that continue to guide our efforts:

- 1. Increase student achievement
- 2. Practice fiscal responsibility
- 3. Improve our credibility in the community

School District administrators craft all programs and initiatives within this framework and regularly report their specific efforts and progress.

In 2016-17, the Euclid City Schools achieved two milestones that will greatly shape the education we provide to our students for years to come. First, the voters of Euclid approved Issue 111 to fund a \$135 million construction project with three major foci:

- Conversion of the facility previously known as Forest Park Middle School to an Early Learning Village that will become in 2019 the home for all School District Kindergarten and Pre-Kindergarten students.
- Construction of a secondary complex on the current Euclid High School campus. This complex will include a new middle school for all School District sixth through eighth grade students, renovations to the athletic and music wings of the current EHS, and construction of new classroom wings for ninth through twelfth grade students.
- Improvements to the School District's athletic facilities directly behind Memorial Park and adjacent to our secondary campus in Memorial Park. These improvements include conversion of the current high school stadium into a smaller facility for middle school athletics, and the construction of a new varsity football stadium.

All improvements lead to the provision of first-class facilities and learning environments for our students and community.

The School District and community leaders continued the work that began in the 2016-2017 school year to collaboratively develop a Strategic Plan, entitled, "Our Euclid: 2017-21." Over 60 school administrators, teachers, staff members, parents, and civic representatives divided into six Pillar subcommittees to form vision statements, goals, data indicators, and action plans for their respective focus. Their efforts will structure our improvement efforts over the next four school years. The following are the vision statements for the School District and, then, for each Pillar:

- School District: From pre-kindergarten through senior year, the Euclid City School District will provide an excellent education to our students and serve as an asset to our community. Our graduates will emerge from their high school experiences with college credit and/or industrial certifications. Our professional staff will work to ensure that we deliver research-based instruction in every lesson, engaging every student, every day.
 - o Community Campuses: Our Euclid Schools will function as 18-hour facilities to serve the whole child, their families and the entire community.
 - Early Learning: Our Euclid Schools will provide a high-quality preschool program and transition early learners into kindergarten and beyond. We will strengthen the enrollment of our School District and ensure that our earliest learners are ready for success.
 - Schools of Choice: We will align each of our elementary schools to a theme and secure appropriate community partners that best meet the needs and/or interests of Euclid children. Themed elementary schools will feed into pathways at the secondary level that further develop students' interests and talents in a specific field.
 - Our Euclid Schools will feature environments that illustrate our School District's commitment to achievement. Schools will be organized, positive environments in which all students take responsibility for their achievement while interacting with role models that embrace and teach the growth mindset. Students will engage in both curricular and extracurricular opportunities to become proud members of their school and the Euclid community. We will celebrate academic achievement at all levels.
 - Career and College Preparation: Students will leave Euclid High School with an industry credential, college semester hours, or both. This distinction will make our graduates among the best prepared in the region for success after graduation. Our success will be reflected both in the testimonials of our graduates and in the "Prepared for Success" measure on our school report card.
 - Marketing and Recruiting: We will tell our story through channels that reach every member of our community. We will engage with, develop, and invest in the educational experience of our students, their families, and the greater community. Our community will view us as the best choice for education. Our "Block E" will become a symbol representing the excellence we produce.

The Strategic Planning committee members continue to meet to monitor progress toward our goals and ensure the implementation of action steps.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Euclid City School District for its comprehensive annual financial report for the fiscal year ended June 30, 2017. This was the first year that the government has achieved this prestigious award since last receiving the award in fiscal year 2010. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgements

The publication of this report maintains a high level of accountability of the School District to the taxpayers. This accomplishment would not have been possible without the support and efforts of the entire Treasurer's Office and various administrators and employees of the School District. Assistance of the County Fiscal Officer's staff and other outside agencies made possible the fair presentation of the statistical data.

Finally, sincere appreciation is extended to the Board of Education for its interest in and support of this project.

Respectfully submitted,

Stephen Vasek, Treasurer

Solled

Dr. Marvin B. Jones, II, Superintendent

PRINCIPAL OFFICIALS

JUNE 30, 2018

BOARD OF EDUCATION

Mrs. Donna Sudar President

Mrs. Kathy DeAngelis Vice-President

Mr. Steve Johnson, Jr. Member

Mrs. Angela Lisy Member

Mrs. Tisha Thomas Member

SUPERINTENDENT

TREASURER

Dr. Charles Smialek (See Note) Mr. Stephen Vasek

ADMINISTRATION

Florence Masella Director of Elementary Curriculum

Sherrell Benton Director of Elementary Student Affairs

Janis Svoboda Director of Secondary Curriculum

Tajuana Hunnicutt Director of Secondary Student Affairs

Patrick Higley Director of Business Affairs

James Yane Director of Research and Development

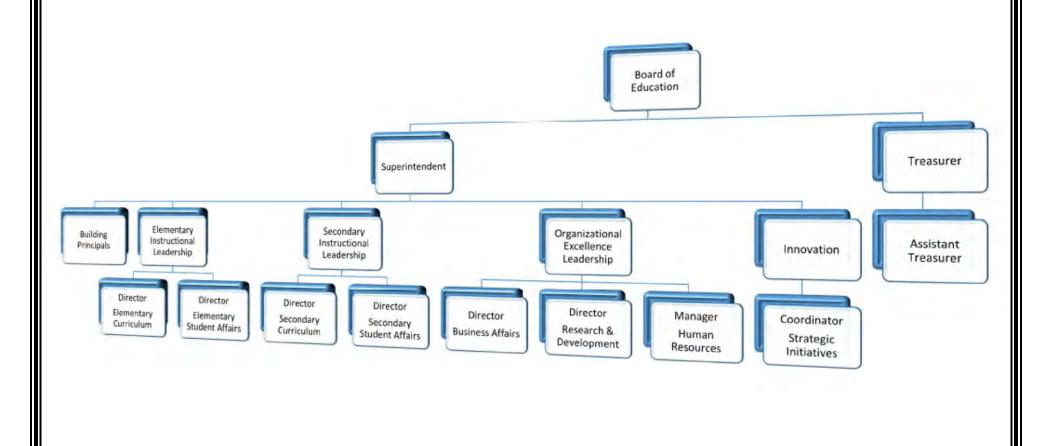
Sue Maroney Manager of Human Resources

Karen Brown Coordinator of Strategic Initiatives

Note: Effective August 1, 2018, Dr. Marvin B. Jones, II replaced Dr. Charles Smialek as superintendent of the Euclid City School District.

ORGANIZATIONAL CHART

JUNE 30, 2018





Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Euclid City School District Ohio

For its Comprehensive Annual Financial Report for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrill Executive Director/CEO



FINANCIAL SECTION



JAMES G. ZUPKA, C.P.A., INC.

Certified Public Accountants 5240 East 98th Street Garfield Hts., Ohio 44125

Member American Institute of Certified Public Accountants

(216) 475 - 6136

Ohio Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of Board of Education Euclid City School District Euclid, Ohio The Honorable Dave Yost Auditor of State State of Ohio

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Euclid City School District, Cuyahoga County, Ohio, (the District) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Euclid City School District as of June 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 4 to the basic financial statements, during 2018, the District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

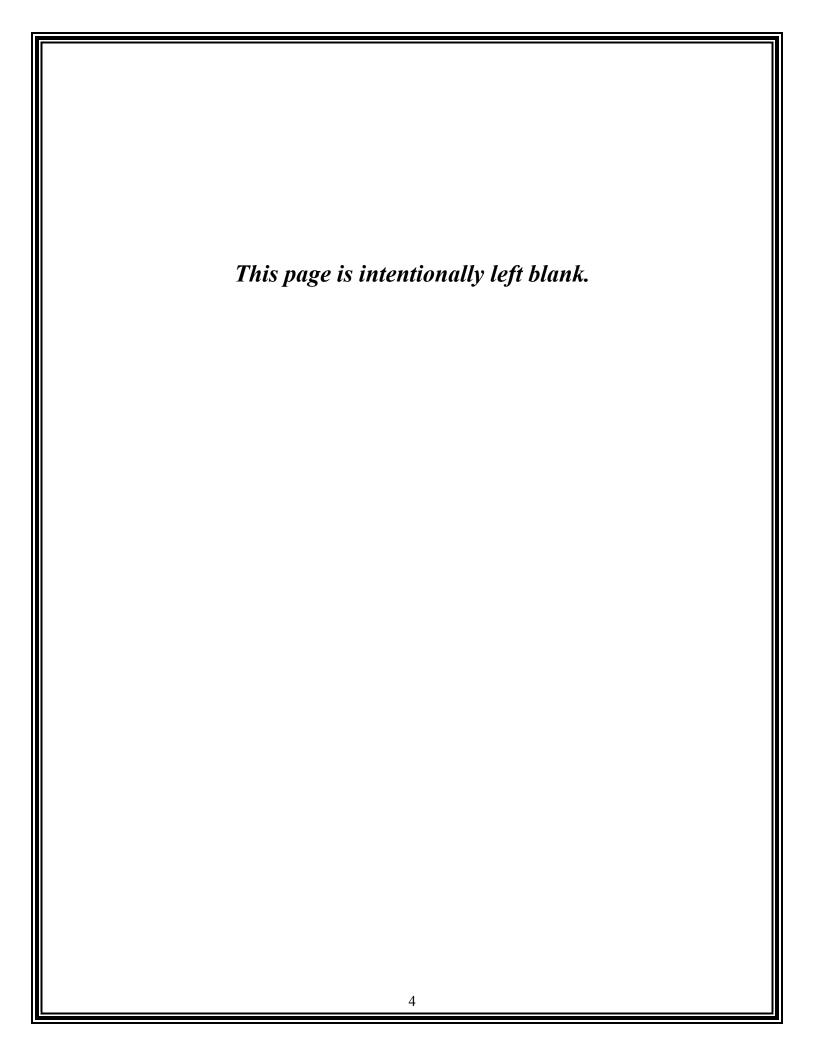
Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2018, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

James G. Zupka, CPA, Inc. Certified Public Accountants

James L. Zupka, CPA, Inc.

December 20, 2018



Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2018 (Unaudited)

The management's discussion and analysis of the Euclid City School District's (the "School District") financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2018. 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 the basic financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2018 are as follows:

- The School District implemented Governmental Accounting Standards Board (GASB) Statement 75, *Accounting and Financial Reporting for Post-Employment Benefits Other than Pensions*, which significantly revises accounting for post-employment benefits other than pension costs and liabilities, thus resulting in restatements to net position in the government-wide statements and the Food Service Fund (nonmajor enterprise fund). Further discussion on this restatement is provided later in this analysis.
- In total, net position increased \$82,838,165 or by 143.4 percent. Net position of governmental activities increased \$82,433,158 which represents a 144.7 percent increase from 2017 to 2018. Net position of business-type activities increased \$405,007 which represents a 50.8 percent increase from 2017 to 2018. Effects of GASB Statements 68 and 75 coupled with the revenue recognition of the Ohio Facilities Construction Commission (OFCC) receivable are the main drivers to these substantial increases in net position.
- General revenues accounted for \$119,136,136 or 90.6 percent of all governmental revenues. Program specific revenues in the form of charges for services and operating and capital grants and contributions accounted for \$12,315,591 or 9.4 percent of total governmental revenues of \$131,451,727.
- Total assets of governmental activities experienced an increase of \$42,156,828 as current assets increased by \$28,874,356 or 15.6 percent. This increase is mainly attributed to the creation of a receivable from OFCC related to its share of the construction projects. Total liabilities of governmental activities decreased by \$48,551,032 or 15.6 percent. As mentioned above, the effects of GASB Statements 68 and 75 are the main drivers for the decrease in total liabilities.
- The School District had \$49,018,569 in expenses related to governmental activities; only \$12,315,591 of those expenses were offset by program specific charges for services and operating grants and contributions. General revenues (primarily taxes and grants and entitlements) of \$119,136,136 were sufficient to fully cover these programs.
- The General Fund had \$77,467,100 in revenues (including other financing sources) and \$74,801,911 in expenditures (including other financing uses). The fund balance of the General Fund increased from \$5,405,327 to \$8,070,516.

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2018 (Unaudited)

Using this Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities. The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short term, as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds, with all other nonmajor funds presented in total in one column. In the case of the School District, the General Fund, Building Fund and Classroom Facilities Fund are considered to be significant funds.

Reporting the School District as a Whole

Statement of Net Position and Statement of Activities

While this document contains information about the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2018?" The Statement of Net Position and Statement of Activities answer this question. These statements include *all assets and deferred outflows of resources* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and changes in that position. This change in net position is important because it tells the reader that, for the School District as a whole, the *financial position* of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the School District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs, and other factors.

In the Statement of Net Position and Statement of Activities, the School District is divided into two distinct kinds of activities:

- Governmental Activities Most of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant services, pupil transportation, and extracurricular activities.
- Business-Type Activities These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The School District's food service and customer services are reported as business-type activities.

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2018 (Unaudited)

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major funds begins on page 14. Fund financial statements provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, Building Fund and the Classroom Facilities Fund. The School District's three types of funds: governmental, proprietary and fiduciary, use different accounting approaches as further described in the notes to the basic financial statements.

Governmental Funds Most of the School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial assets* that can readily be converted to cash. The governmental fund statements provide a detailed *short-term* view of the 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 Statement of Activities) and governmental funds is reconciled in the financial statements.

<u>Proprietary Funds</u> Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match. The School District uses internal service funds to account for a general rotary fund and self-insurance programs related to workers compensation insurance and medical/dental insurance. The assets, liabilities, and net position of the internal service funds have been included within the governmental activities.

<u>Fiduciary Funds</u> The School District has two agency funds including a Student Managed Activities and a School District Agency Fund which accounts for the hosting of Ohio High School Athletics Association Tournaments, for holding retainage balances from the School's construction projects and unclaimed funds. The School District's fiduciary activities are reported in the Statement of Assets and Liabilities - Fiduciary Funds. We exclude these activities from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2018 (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 2018 compared to 2017:

Table 1 - Net Position

	Gove rnme n	tal Activities	Business-Ty	pe Activities	Total		
		Restated		Restated		Restated	
	2018	2017	2018	2017	2018	2017	
ASSETS							
Current assets	\$ 214,429,098	\$ 185,554,742	\$ 1,855,040	\$ 1,694,206	\$ 216,284,138	\$ 187,248,948	
Capital assets	93,611,092	80,328,620	410,648	456,179	94,021,740	80,784,799	
Total Assets	308,040,190	265,883,362	2,265,688	2,150,385	310,305,878	268,033,747	
DEFERRED OUTFLOWS OF RESOURCES	28,952,857	25,802,162	344,800	571,401	29,297,657	26,373,563	
LIABILITIES							
Current liabilities	16,582,591	15,297,286	78,676	64,711	16,661,267	15,361,997	
Long-term liabilities							
Due within one year	3,352,922	4,046,664	7,394	7,160	3,360,316	4,053,824	
Due in more than one year:							
Other amounts	134,236,336	136,264,203	12,584	14,959	134,248,920	136,279,162	
Net pension liability	88,993,122	129,738,675	1,933,076	2,508,044	90,926,198	132,246,719	
Net other post-employment liability	19,822,865	26,192,040	693,698	780,300	20,516,563	26,972,340	
Total Liabilities	262,987,836	311,538,868	2,725,428	3,375,174	265,713,264	314,914,042	
DEFERRED INFLOWS OF RESOURCES	48,529,219	37,103,822	276,854	143,413	48,806,073	37,247,235	
NET POSITION							
Net investment in capital assets	33,107,881	34,024,515	410,648	456,179	33,518,529	34,480,694	
Restricted	60,472,059	18,799,650	-	-	60,472,059	18,799,650	
Unrestricted	(68,103,948)	(109,781,331)	(802,442)	(1,252,980)	(68,906,390)	(111,034,311)	
Total Net Position	\$ 25,475,992	\$ (56,957,166)	\$ (391,794)	\$ (796,801)	\$ 25,084,198	\$ (57,753,967)	

The School District has adopted GASB Statement 68, Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27 and (GASB) Statement 75, Accounting and Financial Reporting for Post-Employment Benefits Other than Pensions which significantly revises accounting for pension and other post-employment benefits (OPEB) 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/OPEB and the net pension/OPEB liability to the reported net position and subtracting deferred outflows related to pension/OPEB. It is important to note that the deficits reported in net position are solely attributed to the net pension liabilities.

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 Statement 27) and OPEB (GASB Statement 45) focused on a funding approach. This approach limited pension/OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension/OPEB liability*. GASB Statements 68 and 75 takes an earnings approach to pension/OPEB 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.

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2018 (Unaudited)

Under the standards required by GASB Statements 68 and 75, the net pension/OPEB liability equals the School District's proportionate share of each plan's collective:

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

GASB notes that pension/OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the School District is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The 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 liabilities of the retirement systems as against the public employer. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement systems are 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/OPEB liability. As explained above, changes in retirement benefits, contribution rates, and return on investments affect the balance of the net pension/OPEB liability, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required retirement payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension/OPEB liability is satisfied, these liabilities are separately identified within the long-term liability section of the Statement of Net Position.

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

As a result of implementing GASB Statements 68 and 75, the School District is reporting a net pension/OPEB liability and deferred inflows/outflows of resources related to pensions/OPEB on the accrual basis of accounting.

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2018 (Unaudited)

As the previous narrative explained in further detail, the recognition of the net pension/OPEB liability and the related deferred outflows/inflows distort the true picture of the School District's financial position. To gain a better picture of the School District's net position it is important to focus on the impact of other financial items within the Statement of Net Position. Some key items are as follows:

- Current assets of the governmental activities increased by \$28,874,356 or 15.6 percent. The contributing factor is the recognition of an intergovernmental receivable from the OFCC for its share of the school facilities construction project. The capital assets of the governmental activities increased by \$13,282,472 or 16.5 percent. This is due to additions to construction in progress from the ongoing school facilities construction project.
- The current liabilities of the governmental activities increased by \$1,285,305 or 8.4 percent. Construction projects related to the major facilities project continued near the end of fiscal year 2018, which lead to construction payment accruals being recognized. As a result, contracts payable increased \$1,199,391 over the prior fiscal year. Long-term liabilities, excluding the net pension/OPEB liabilities, decreased by \$2,721,609. This decrease is mainly contributed to the reduction of long-term debt from annual debt service payments made during the fiscal year.
- The changes in the governmental activities' deferred outflows of resources and deferred inflows of resources can solely be tied to the effects of GASB Statements 68 and 75.
- Current assets of the business-type activities increased by \$160,834 or 9.5 percent. The increase in current assets can mainly be attributed to the increase in the equity in pooled cash, cash equivalents and investment of \$75,991 over the prior year from the School District's efforts to control costs within the revenues generated in the food service operations.
- Total liabilities for the business-type activities decreased by \$649,746 or 19.3 percent. As stated earlier, the decrease in these liabilities is solely tied to the decrease in the net pension/OPEB liabilities

The net positions of both the governmental and business-type activities are reflecting increases from the prior fiscal year. Keeping the aforementioned discussions in mind of the impact of the net pension/OPEB liabilities and related deferred outflows/inflows, a more accurate picture of the School District's operations can be provided.

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2018 (Unaudited)

Table 2 shows the changes in net position for fiscal year 2018 compared to 2017.

Table 2 - Change in Net Position

	Governmen	tal Activities	Business-Ty	pe Activities	Total		
	2018	2017	2018	2017	2018	2017	
REVENUES						-	
Program Revenues							
Charges for services	\$ 1,333,160	\$ 1,178,860	\$ 111,729	\$ 266,647	\$ 1,444,889	\$ 1,445,507	
Operating grants and contributions	10,982,431	8,893,321	2,574,033	2,351,453	13,556,464	11,244,774	
Capital grants and contributions		3,246				3,246	
Total Program Revenues	12,315,591	10,075,427	2,685,762	2,618,100	15,001,353	12,693,527	
General Revenues							
Property taxes	43,340,061	38,636,489	-	-	43,340,061	38,636,489	
Income taxes	6,082,699	6,196,339	-	-	6,082,699	6,196,339	
Grants and entitlements	27,413,022	29,000,344	-	-	27,413,022	29,000,344	
Payments in lieu of taxes	80,482	60,570	-	-	80,482	60,570	
Earnings on investments	1,246,189	788,762	18,497	27,135	1,264,686	815,897	
Grant from Facilities Construction Commission	39,891,191	-	-	-	39,891,191	-	
All other revenues	1,082,492	1,280,462	42,324	37,667	1,124,816	1,318,129	
Total General Revenues	119,136,136	75,962,966	60,821	64,802	119,196,957	76,027,768	
Total Revenues	131,451,727	86,038,393	2,746,583	2,682,902	134,198,310	88,721,295	
EXPENSES							
Program Expenses							
Instruction:							
Regular	10,938,077	32,069,104			10,938,077	32,069,104	
Special	10,603,372	16,836,666	-	-	10,603,372	16,836,666	
Vocational	758,961	1,318,036	-	-	758,961	1,318,036	
Other	12,533	82,655	-	-	12,533	82,655	
Supporting Services:	12,333	62,033	-	-	12,333	82,033	
Pupils	3,549,229	7,643,438			3,549,229	7,643,438	
Instructional Staff	476,684	4,491,916	-	-	476,684	4,491,916	
Board of Education	43,582	57,230	-	-	43,582	4,491,916 57,230	
Administration			-	-			
	(408,856)	5,709,198	-	-	(408,856)	5,709,198	
Fiscal Services	2,358,695	2,343,510	-	-	2,358,695	2,343,510	
Business	354,973	651,351	-	-	354,973	651,351	
Operation and Maintenance of Plant Services	5,610,895	6,902,331	-	-	5,610,895	6,902,331	
Pupil Transportation	6,595,739	5,628,883	-	-	6,595,739	5,628,883	
Central	1,432,485	1,820,383	-	-	1,432,485	1,820,383	
Operation of Non-Instructional Services:	21.000				21 000		
Food Service Operations	21,008	-	-	-	21,008	-	
Community Services	660,290	1,101,236	-	-	660,290	1,101,236	
Extracurricular Activities	763,900	1,243,801	-	-	763,900	1,243,801	
Interest and Fiscal Charges	5,247,002	3,236,870	-	-	5,247,002	3,236,870	
Food Service	-	-	2,314,866	2,465,772	2,314,866	2,465,772	
Customer Services			26,710	38,894	26,710	38,894	
Total Expenses	49,018,569	91,136,608	2,341,576	2,504,666	51,360,145	93,641,274	
Change in Net Position before Transfers	82,433,158	(5,098,215)	405,007	178,236	82,838,165	(4,919,979	
Transfers		(1,114)	_	1,114			
Change in Net Position	82,433,158	(5,099,329)	405,007	179,350	82,838,165	(4,919,979)	
Net Position - Beginning, as Restated	(56,957,166)	N/A	(796,801)	N/A	(57,753,967)	N/A	
NET POSITION - ENDING	\$ 25,475,992	\$ (56,957,166)	\$ (391,794)	\$ (796,801)	\$ 25,084,198	\$ (57,753,967)	

It is important to note that the changes in net pension/OPEB liabilities are reflected as adjustments to current year expenses. As a result of the significant decreases in both liabilities, the proportionate share of the adjustments has greatly impacted fiscal year 2018 program expenses. This explains why program expenses related to Supporting Services: Administration are showing a negative amount in the above table.

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2018 (Unaudited)

Governmental Activities

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by the levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become 0.5 mills and the owner would still pay \$35.00.

Thus school districts' dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. The School District's largest revenue contributor, property taxes, made up 33.0 percent of revenues for governmental activities in fiscal year 2018. Property taxes increased by \$4,703,572 or 12.2 percent from prior year as a result of uneven amounts available for advance from year to year. The amounts available for advance related to fiscal year 2018 totaled \$6,734,691 compared to \$7,340,020 for fiscal year 2017.

The second largest revenue contributor, a grant from the Ohio Facilities Construction Commission (OFCC), represented 30.3 percent of governmental activity revenue in fiscal year 2018. The School District's project agreement with the OFCC provides funding for 41 percent of the total construction project. The OFCC's percentage share equals to \$39,891,191. The funds provided by OFCC are drawdown based off of need to cover construction costs. As of June 30, 2018, a receivable has been recorded for the outstanding amount due to the School District.

The third largest revenue contributor, state aid or grants and entitlements, represented 20.9 percent of the governmental activity revenue in fiscal year 2018. This revenue is solely generated through the State's Foundation program and is budgeted on a biennium by the State's Legislature. Unrestricted state aid decreased by \$1,587,322 or 5.5 percent and this decrease is mainly attributed to a portion of State funds being reclassified to operating grants and contributions due to changes in students' classification within the State's funding structure.

For the governmental activities, current year's program expenses of \$49,018,569 reflect a significant decrease from prior year's program expenses of \$91,136,608. As discussed previously, the effects of GASB Statements 68 and 75 on the School District's government-wide statements can create these significant fluctuations.

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2018 (Unaudited)

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services for 2018 and 2017. Table 3 shows the total cost for services for governmental activities and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3 – Governmental Activities

	Total Cost of Services				Net Cost of Services			
		2018		2017		2018		2017
EXPENSES								
Program Expenses								
Instruction	\$	22,312,943	\$	50,306,461	\$	12,808,526	\$	44,406,492
Supporting Services:								
Pupils and Instructional Staff		4,025,913		12,135,354		2,904,580		9,505,506
Board of Education, Administration,								
Fiscal Services and Business		2,348,394		8,761,289		2,189,417		8,527,000
Operation and Maintenance of Plant Services		5,610,895		6,902,331		5,248,106		6,705,999
Pupil Transportation		6,595,739		5,628,883		6,556,185		5,608,022
Central		1,432,485		1,820,383		1,432,485		1,820,383
Operation of Non-Instructional Services		681,298		1,101,236		(155,088)		245,985
Extracurricular Activities		763,900		1,243,801		471,765		1,004,924
Interest and Fiscal Charges		5,247,002		3,236,870		5,247,002		3,236,870
Total Expenses	\$	49,018,569	\$	91,136,608	\$	36,702,978	\$	81,061,181

The table above reflects how the School District funds its programs through program revenues. Instruction, supporting services, non-instructional services, extracurricular activities, and interest charges rely heavily on general revenues. The large decrease in program expenses is a result of GASB Statements 68 and 75, as previously discussed. To gain a better understanding of operations, refer to the fund analysis on the following pages.

Business Type Activities

Business-type activities include the food service operation and culinary arts customer service operation. These programs had revenues of \$2,746,583 and expenses of \$2,341,576 in fiscal year 2018. During fiscal year 2018, the food service program experienced an increase in net position while the culinary arts customer service program experienced a decrease in net position. The largest increase in net position can be attributed to the food service activity as a result of the School District's ability to control costs within the revenues generated. Reviews of these operations, including consideration of price adjustments and expense control, is ongoing.

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2018 (Unaudited)

The School District's Funds

The School District's governmental funds are accounted for using the modified accrual basis of accounting. These funds are reported in the fund financial statements which reflect the School District's most significant funds with all other nonmajor funds presented in total in one column. In the case of the School District, the General Fund, Building Fund and Classroom Facilities Fund are considered to be significant funds. The School District's governmental funds reported a total fund balance of \$108,545,315. This represents a decrease over the fiscal year 2017 total governmental fund balance of \$113,668,026. A closer look into what led to this change in fund balance is provided:

General Fund

When compared to fiscal year 2017, the fiscal year 2018 fund balance of the School District's General Fund increased \$2,665,189 or 49.3 percent. The following table provides a comparison by fiscal year of the revenue categories of the General Fund:

	2018	 2017		Change
Revenues:	_			
Taxes:				
Property	\$ 36,735,843	\$ 31,612,447	\$	5,123,396
Income	6,082,699	6,196,339		(113,640)
State aid	31,655,705	31,342,752		312,953
Federal aid	483,086	584,976		(101,890)
Earnings on investments	416,570	229,241		187,329
Other revenues	2,083,171	 2,065,761		17,410
Total Revenues	\$ 77,457,074	\$ 72,031,516	\$	5,425,558

As noted, property taxes increased considerably. This increase is attributed to uneven amounts available for advance from year to year provided by the County Budget Commission. Amounts available for advance are recognized as revenue and for fiscal year 2018 the net impact of this accrual was \$(505,027) compared to the net impact of this accrual for fiscal year 2017 of \$(4,828,094). On a cash basis, property taxes experienced an increase of \$800,329, mainly due to a large delinquent payment made in fiscal year 2018. From year to year, the net effect of property tax accruals can lead to such fluctuations. State aid increased as a result of the State's budgeted increase of state aid for capped districts. Federal aid decreased due to a decrease in the final Medicaid settlement received in fiscal year 2018.

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2018 (Unaudited)

As of June 30, 2018, the expenditures of the General Fund experienced an increase of \$899,902 from fiscal year 2017. The following table identifies the major expenditure functions of the General Fund and provides a comparison by fiscal year of these expenditures:

	2018	2017	Change
Expenditures:			
Instruction	\$ 43,240,701	\$ 42,468,512	\$ 772,189
Supporting services	30,062,932	30,061,680	1,252
Community services	161,976	44,370	117,606
Extracurricular activities	918,176	909,321	8,855
Debt service	77,626	77,626	
Total Expenditures	\$ 74,461,411	\$ 73,561,509	\$ 899,902

Increases in instruction and community services expenditures are mainly contributed to annual increases in salaries and wages as permitted through specific union contracts. These salaries and wages increases also impact those fringe benefits that are directly tied to them, such as pension contributions, Medicare contributions and workers' compensation contributions.

Building Fund

The fund balance of the Building Fund decreased by \$8,485,888 compared to fiscal year 2017. During fiscal year 2018, the School District began a substantial amount of the locally funded initiative (LFI) portion of the overall school facilities project which led to the significant decrease in fund balance. This fund is responsible for tracking the LFI portion of the school facilities project.

Classroom Facilities Fund

The fund balance of the Classroom Facilities Fund decreased slightly by \$380,647 compared to fiscal year 2017. Once the School District finalized the project agreement with the Ohio Facilities Construction Commission (OFCC), pre-construction and construction expenditures began on the co-funded portion of the school facilities project. Some of these expenditures were offset by OFCC's funding for its share of the project. This fund is responsible for tracking both the local share and state share established through the agreement with OFCC.

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 the course of fiscal year 2018, the School District amended its General Fund budget. The School District uses site-based budgeting and the budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2018 (Unaudited)

For the General Fund, the total final budget basis revenue was decreased to \$76,906,239 from the total original budget estimate of \$77,947,241 (including other financing sources), due mainly to a decrease in the estimates of unrestricted State Aid. In total, actual revenues of \$78,471,542 were higher than amended final revenues of \$76,906,239. Actual tax revenues were higher than the final amended budget in income taxes and unrestricted State Aid and lower in property taxes.

The final appropriations of \$79,051,235 (including other financing uses) were slightly higher than the original appropriations of \$78,676,735. Actual expenditures came in under the final appropriations.

The School District's ending unobligated cash balance was \$4,194,519 under the final budgeted amount.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2018, the School District had \$94,021,740 invested in land, construction in progress, intangible assets, land improvements, buildings and improvements, furniture and equipment, and vehicles of which, \$93,611,092 represented governmental activities. Table 4 shows fiscal year 2018 balances compared to 2017.

Table 4 - Capital Assets at June 30 (net of depreciation)

	Governmental Activities		Business-Ty	pe Activities	Total			
	2018	2017	2018	2017	2018	2017		
Nonde pre ciable								
Land	\$ 2,340,558	\$ 2,052,789	\$ -	\$ -	\$ 2,340,558	\$ 2,052,789		
Construction in progress	18,064,832	2,601,273	-	-	18,064,832	2,601,273		
Intangible	44,393				44,393			
Total Nondepreciable	20,449,783	4,654,062			20,449,783	4,654,062		
Depreciable								
Land improvements	5,151,892	5,523,531	_	-	5,151,892	5,523,531		
Buildings and improvements	66,909,916	68,741,580	8,850	9,150	66,918,766	68,750,730		
Furniture and equipment	773,452	1,033,454	401,798	447,029	1,175,250	1,480,483		
Vehicles	326,049	375,993	-	-	326,049	375,993		
Total Depreciable	73,161,309	75,674,558	410,648	456,179	73,571,957	76,130,737		
Total Capital Assets	\$ 93,611,092	\$ 80,328,620	\$ 410,648	\$ 456,179	\$ 94,021,740	\$ 80,784,799		

For fiscal year 2018, Ohio law required school districts to set aside a defined percent of certain revenues for capital improvements. For fiscal 2018, this amounted to \$900,950 for the set-aside. For fiscal year 2018, the School District had qualifying disbursements or offsets exceeding the requirement. The School District has budgeted to meet this requirement.

Additional information on capital asset policies and activity are contained in Notes 2 and 11 of the basic financial statements.

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2018 (Unaudited)

Debt

At June 30, 2018, the School District had \$135,066,489 in debt outstanding with \$1,893,154 due within one year. Table 5 summarizes the School District's bonds and notes outstanding.

Table 5 - Outstanding Debt at Year End

	Governmental Activities				
		2018	2017		
General Obligation Bonds, net:					
Energy conservation bonds	\$	619,700	\$	705,300	
Classroom facilities and school improvements:					
Series 2010		10,420,000		11,610,000	
Series 2014 - refunding		21,549,143		21,622,304	
Series 2017	1	00,067,446		100,602,855	
Long-term tax anticipation notes		2,255,000		2,665,000	
Capital lease		155,200		225,416	
Total Outstanding Debt	\$ 13	5,066,489	\$ 13	37,430,875	

At June 30, 2018, the School District's overall legal debt margin was \$0 with an unvoted debt margin of \$555,443. Section 133.06(I) of the Ohio Revised Code permits a school district to incur net indebtedness in excess of the 9.0 percent limitation when necessary to raise the school district's portion of the basic project cost and any additional funds necessary to participate in a project under Chapter 3318 of the Ohio Revised Code. Since the School District entered into a project under Chapter 3318 of the Ohio Revised Code, this exception was included during the calculation of the overall legal debt margin.

The School District's credit rating, as provided by Moody's, is A-2.

Additional information on debt policies and activity are contained in Notes 2 and 13 of the basic financial statements.

For the Future

The economic downturn that occurred nearly a decade ago presented the School District with financial challenges. Total assessed property values of the School District were reduced by 20.5 percent in the 2012 County sexennial reappraisal. This resulted in a loss in general revenue funds of \$2.1 million annually. Since the 2007 tax year, the total assessed valuation of the School District dropped by 35.8 percent.

Through a series of staff reductions, wage and benefit concessions and budgetary cuts, the School District has been able to maintain a sound fiscal footing. The 2017-18 fiscal year marked the fifth consecutive year in which the General Fund's operations ended with an operating surplus (budgetary basis).

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2018 (Unaudited)

A levy placed on the November, 2018 ballot to renew a \$5.6 million emergency levy failed. The revenue generated by the original levy will cease to be collected beginning in calendar year 2019. Planning for and addressing this significant loss of revenue is currently underway.

The second phase of the School District's facilities program is currently in the design and early construction stages. The High School/Middle School athletic complex will be substantially completed in summer, 2018. The Preschool/Kindergarten facility is expected to open in August, 2019 and the High School/Middle School complex is expected to open in August, 2020.

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 information, contact Stephen Vasek, Treasurer at Euclid City School District, 651 East 222 Street, Euclid, Ohio 44123-2090 or e-mail at svasek@euclidschools.org.

Statement of Net Position June 30, 2018

KSETS Equity in Pooled Cash. Cash Equivalents and Investments Investments Investments Investments Investments (as \$8,514,382) \$1,671,515 \$3,84,16,821 Income Taxes Receivable (acceptable) \$1,163,221 - \$622,830 Property Taxes Receivable (acceptable) \$1,163,221 - \$1,163,221 Lease Receivable (acceptable) \$16,83,231 3,000 \$36,508,300 Accounts Receivable (interportermental Receivable (interportermental Receivable) \$35,108,362 \$6,848 3,517,6885 Interportermental Receivable (interportermental Receivable) \$34,431 11,453 \$45,884 Materia's and Supples Inventory 20,869 99,678 \$120,547 Prepad Items 344,431 11,453 445,884 Capital Assets 20,449,783 - 20,449,783 Depreciable Capital Assets 73,161,309 410,648 73,571,957 Total Assets 20,449,783 - 20,356,688 Depreciable Capital Assets 20,449,783 - 263,956 Certain Capital Assets 20,449,783 - 263,956 Deferration Refunding 263,956		Governmental Activities		siness-Type Activities	 Total
Equity in Pooled Cash, Cash Equivalents and Investments \$3,745,300 \$1,671,515 \$8,814,1482 Income Taxes Receivable \$(22,830 \$	ASSETS				
Income Taxes Receivable		\$ 36,745,300	\$	1,671,515	\$ 38,416,815
Income Taxes Receivable				-	
Property Taxes Receivable	Income Taxes Receivable			_	
Lease Receivable	Property Taxes Receivable			-	51,163,321
Accnued Interest Receivable \$76,885 576,885 Intergovernmental Receivable \$51,08,362 68,489 35,176,851 Materials and Supplies Inventory 20,869 99,678 120,547 Prepuid Items 4344,31 11,453 445,884 Capital Assets 20,449,783 - 20,449,783 Depreciable Capital Assets 73,161,309 410,648 73,571,957 Total Assets 308,040,190 2,265,688 310,305,878 DEFERRED OUTFLOWS OF RESOURCES Deferral on Refunding 263,956 - 263,956 Pensions 27,807,859 327,301 28,135,250 Other Post-Employment Benefits 88,1042 71,409 89,8451 Total Deferred Outflows of Resources 28,952,857 344,800 29,297,657 ILIAL TIES Accounts Payable 444,738 15,835 460,573 Accounts Payable 3,60,406 - 3,60,406 Returning Payable 1,888,01 - 180,005 Accounts Payable <td< td=""><td>* *</td><td></td><td></td><td>-</td><td></td></td<>	* *			-	
Accourse Interest Receivable 35,08,85 68,489 35,176,851 Materials and Supplies Inventory 20,869 99,678 120,547 Prepaid Items 434,431 11,453 445,884 Capital Assetts 20,449,783 410,648 73,571,957 Total Assetts 27,807,859 327,391 28,135,250 DeFEERRED OUTFLOWS OF RESOURCES 27,807,859 327,391 28,135,250 Other Post-Employment Benefits 881,042 17,409 898,451 Total Deferred Outflows of Resources 28,952,857 344,800 29,297,657 Total Deferred Outflows of Resources 28,952,857 344,800 29,297,657 LIABILITIES 28,242 21,748 34,642,20 Accounts Payable 344,738 15,835 460,573 Accounts Payable 344,738 15,835 460,573 Accounts Payable 344,742 21,758 846,5230 Accrued Wages and Benefits 8,443,472 21,758 846,5230 Accrued Wages and Benefits 1,868,411 41,037 1,729,448 Accrued Interest Payable 39,658 46 39,704 Intergovermmental Payable 1,688,411 41,037 1,729,448 Accrued Interest Payable 33,658 46 39,704 Matured Compensated Absences Payable 33,658 46 39,704 Matured Compensated Absences Payable 10,000 - 10,000 Claims Payable 10,000				3.905	
Intergovernmental Receivable \$1,003.02 \$68,489 \$1,76,851 Prepaid Items \$434.31 \$11,433 \$445,884 Prepaid Items \$434.31 \$11,433 \$445,884 \$12,434 \$11,433 \$445,884 \$12,434 \$11,433 \$445,884 \$12,434 \$11,433 \$145,884 \$12,434 \$11,433 \$145,884 \$12,434 \$11,433 \$145,884 \$12,434 \$11,433 \$145,884 \$12,434 \$12,434 \$12,434 \$13,434,894 \$12,434 \$13,434,894 \$13,434 \$13,434,894 \$13,434	Accrued Interest Receivable				
Prepair Items	Intergovernmental Receivable			68,489	35,176,851
Pepaid Items	2				
Nondepreciable Capital Assets	**	434,431		11,453	445,884
Poper Pope	Capital Assets:	•		•	ŕ
Poper Pope	Nondepreciable Capital Assets	20,449,783		-	20,449,783
DEFERRED OUTFLOWS OF RESOURCES		73,161,309		410,648	
Deferral on Refunding 263,956 - 263,956 Pensions 27,807,859 327,311 28,135,250 Other Post-Employment Benefits 881,042 17,409 898,451 Total Deferred Outflows of Resources 28,952,857 344,800 29,297,657 LIABILITIES 444,738 15,835 460,573 Contracts Payable 444,738 15,835 460,573 Contracts Payable 180,805 - 180,805 Accrued Wages and Benefits 8,443,472 21,758 8,465,230 Intergovernmental Payable 1,688,411 41,037 1,729,448 Accrued Interest Payable 2,370,936 - 2,370,936 Matured Compensated Absences Payable 39,688 46 39,704 Unearmed Revenue 44,165 - 44,165 Claims Payable 10,000 - 10,000 Long-term Liabilities 3352,922 7,394 3,360,316 Other Amounts Due in more than One Year 134,236,336 12,584 134,248,920 Net Pension Liab	*			2,265,688	
Deferral on Refunding 263,956 - 263,956 Pensions 27,807,859 327,311 28,135,250 Other Post-Employment Benefits 881,042 17,409 898,451 Total Deferred Outflows of Resources 28,952,857 344,800 29,297,657 LIABILITIES 444,738 15,835 460,573 Contracts Payable 444,738 15,835 460,573 Contracts Payable 180,805 - 180,805 Accrued Wages and Benefits 8,443,472 21,758 8,465,230 Intergovernmental Payable 1,688,411 41,037 1,729,448 Accrued Interest Payable 2,370,936 - 2,370,936 Matured Compensated Absences Payable 39,688 46 39,704 Unearmed Revenue 44,165 - 44,165 Claims Payable 10,000 - 10,000 Long-term Liabilities 3352,922 7,394 3,360,316 Other Amounts Due in more than One Year 134,236,336 12,584 134,248,920 Net Pension Liab	DEFERRED OUTFLOWS OF RESOURCES				
Pensions 27,807,859 327,391 28,135,250 Other Post-Employment Benefits 881,042 17,409 898,451 Total Deferred Outflows of Resources 28,952,857 344,800 29,297,657 LIABILITIES 32,00406 - 3,360,406 Accounts Payable 180,805 - 180,805 Accrued Wages and Benefits 8,443,472 21,758 8,465,230 Intergovernmental Payable 1,688,411 41,037 1,729,448 Accrued Interest Payable 2,370,936 - 2,370,936 Matured Compensated Absences Payable 39,658 46 39,704 Unearned Revenue 44,165 - 41,165 Claims Payable 10,000 - 10,000 Long-term Liabilities 3,352,922 7,394 3,360,316 Other Amounts Due in more than One Year 13,425,336 12,584 134,248,200 Net Pension Liability 19,822,865 693,698 20,515,653 Total Liabilities 26,987,836 2,725,428 265,713,264 <		263 956		_	263 956
Other Post-Employment Benefits 881,042 17,409 898,451 Toal Deferred Outflows of Resources 28,952,857 344,800 29,297,657 LIABILITIES Secondary Sayable 444,738 15,835 460,573 Contracts Payable 3360,406 - 3360,406 Retainage Payable 180,805 - 180,805 Accrued Wages and Benefits 8,443,472 21,758 8,465,230 Intergovernmental Payable 1,688,411 41,037 1,729,448 Accrued Interest Payable 2,370,936 - 2370,936 Matured Compensated Absences Payable 39,658 46 39,704 Unearned Revenue 44,165 - 41,165 Claims Payable 10,000 - 10,000 Long-term Liabilities 132,232,23 7,394 3,360,316 Other Amounts Due in more than One Year 3,352,922 7,394 3,360,316 Other Post-Employment Benefits Liability 19,822,865 693,698 20,516,563 Toal Liabilities 262,987,836 2,725,428				327 391	
Total Deferred Outflows of Resources 28,952,857 344,800 29,297,657				-	
Accounts Payable	* *	 			
Accounts Payable 444,738 15,835 460,573 Contracts Payable 3,360,406 - 3,360,406 Retainage Payable 180,805 - 180,805 Accrued Wages and Benefits 8,443,472 21,758 8,652,30 Intergovernmental Payable 1,688,411 41,037 1,729,448 Accrued Interest Payable 2,370,936 - 2,370,936 Matured Compensated Absences Payable 39,658 46 39,704 Unearned Revenue 44,165 - 44,165 Claims Payable 10,000 - 10,000 Long-term Liabilities 2 7,394 3,360,316 Other Amounts Due in more than One Year 3,352,922 7,394 3,360,316 Other Pension Liabilities 28,993,122 1,933,076 90,926,198 Net Other Post-Employment Benefits Liability 1,982,265 693,698 20,516,563 Total Liabilities 262,987,836 2,725,428 265,713,264 DEFERRED INFLOWS OF RESOURCES Property Taxes 36,036,920		 20,752,057		311,000	 27,277,007
Contracts Payable 3,360,406 - 3,360,406 Retainage Payable 180,805 - 180,805					
Retainage Payable 180,805 - 180,805 Accrued Wages and Benefits 8,443,472 21,758 8,465,230 Intergovernmental Payable 1,688,411 41,037 1,729,448 Accrued Interest Payable 2,370,936 - 2,370,936 Matured Compensated Absences Payable 39,658 46 39,704 Unearned Revenue 44,165 - 44,165 Claims Payable 10,000 - 100,000 Long-term Liabilities: - 3,352,922 7,394 3,360,316 Other Amounts Due in more than One Year 3,352,922 7,394 3,360,316 0,003 10,000 Net Other Post-Employment Benefits Liability 19,822,865 693,698 20,516,563 12,584 134,248,920 DEFERRED INFLOWS OF RESOURCES 2 7,254,228 265,713,264 Personners 8,963,684 177,240 9,140,924 Other Post-Employment Benefits 3,468,615 99,614 3,568,229 Property Taxes 3,60,369,20 - 36,036,920	•			15,835	*
Accrued Wages and Benefits 8,443,472 21,758 8,465,230 Intergovernmental Payable 1,688,411 41,037 1,729,448 Accrued Interest Payable 2,370,936 - 2,370,936 Matured Compensated Absences Payable 39,658 46 39,704 Unearned Revenue 44,165 - 44,165 Claims Payable 10,000 - 10,000 Long-term Liabilities: - 3,352,922 7,394 3,360,316 Other Amounts Due in more than One Year 134,236,336 12,584 134,248,920 Net Pension Liability 88,993,122 1933,076 90,926,198 Net Other Post-Employment Benefits Liability 19,822,865 693,698 20,516,563 Total Liabilities 262,987,836 2,725,428 265,713,264 DEFERRED INFLOWS OF RESOURCES Property Taxes 36,036,920 - 36,036,920 Payments in Lieu of Taxes 60,000 - 60,000 Pensions 8,963,684 177,240 9,140,924 Other Post-Employm				-	
Intergovernmental Payable	<u> </u>			-	*
Accrued Interest Payable 2,370,936 - 2,370,936 Matured Compensated Absences Payable 39,658 46 39,704 Unearned Revenue 44,165 - 44,165 Claims Payable 10,000 - 10,000 Long-term Liabilities: - 3,352,922 7,394 3,360,316 Other Amounts Due in more than One Year 134,236,336 12,584 134,248,920 Net Pension Liability 88,993,122 1,933,076 90,926,198 Net Other Post-Employment Benefits Liability 19,822,865 693,698 20,516,563 Total Liabilities 262,987,836 2,725,428 265,713,264 DEFERRED INFLOWS OF RESOURCES Property Taxes 36,036,920 - 36,036,920 Payments in Lieu of Taxes 60,000 - 60,000 Pensions 8,963,684 177,240 9,140,924 Other Post-Employment Benefits 3,468,615 99,614 3,568,229 Total Deferred Inflows of Resources 48,529,219 276,854 48,806,073	-				
Matured Compensated Absences Payable 39,658 46 39,704 Unearned Revenue 44,165 - 44,165 Claims Payable 10,000 - 10,000 Long-term Liabilities: To the Within One Year 3,352,922 7,394 3,360,316 Other Amounts Due in more than One Year 134,236,336 12,584 134,248,920 Net Pension Liability 88,993,122 1,933,076 90,926,198 Net Other Post-Employment Benefits Liability 19,822,865 693,698 20,516,563 Total Liabilities 262,987,836 2,725,428 265,713,264 DEFERRED INFLOWS OF RESOURCES 36,036,920 - 36,036,920 Payments in Lieu of Taxes 60,000 - 60,000 Pensions 8,963,684 177,240 9,140,924 Other Post-Employment Benefits 3,468,615 99,614 3,568,229 Total Deferred Inflows of Resources 48,235,096 - 48,285,096 NET POSITION 3,107,881 410,648 33,518,529 Restricted: 2,217 9				41,037	
Unearned Revenue 44,165 - 44,165 Claims Payable 10,000 - 10,000 Long-term Liabilities: - 10,000 Due within One Year 3,352,922 7,394 3,360,316 Other Amounts Due in more than One Year 134,236,336 12,584 134,248,920 Net Pension Liability 88,993,122 1,933,076 90,926,198 Net Other Post-Employment Benefits Liability 19,822,865 693,698 20,516,563 Total Liabilities 262,987,836 2,725,428 265,713,264 DEFERRED INFLOWS OF RESOURCES Property Taxes 36,036,920 - 36,036,920 Payments in Lieu of Taxes 60,000 - 60,000 Pensions 8,963,684 177,240 9,140,924 Other Post-Employment Benefits 3,468,615 99,614 3,568,229 Total Deferred Inflows of Resources 48,529,219 276,854 48,806,073 NET POSITION Net Investment in Capital Assets 33,107,881 410,648 33,518,529 Restricted: <td></td> <td></td> <td></td> <td></td> <td></td>					
Claims Payable 10,000 - 10,000 Long-term Liabilities: Due within One Year 3,352,922 7,394 3,360,316 Other Amounts Due in more than One Year 134,236,336 12,584 134,248,920 Net Pension Liability 88,993,122 1,933,076 90,926,198 Net Other Post-Employment Benefits Liability 19,822,865 693,698 20,516,563 Total Liabilities 262,987,836 2,725,428 265,713,264 DEFERRED INFLOWS OF RESOURCES Property Taxes 36,036,920 - 36,036,920 Payments in Lieu of Taxes 60,000 - 60,000 Pensions 8,963,684 177,240 9,140,924 Other Post-Employment Benefits 3,468,615 99,614 3,568,229 Total Deferred Inflows of Resources 48,529,219 276,854 48,806,073 NET POSITION Net Investment in Capital Assets 33,107,881 410,648 33,518,529 Restricted: Capital Projects 48,235,096 - 48,235,096 Debt Service <td>· · · · · · · · · · · · · · · · · · ·</td> <td></td> <td></td> <td>46</td> <td></td>	· · · · · · · · · · · · · · · · · · ·			46	
Long-term Liabilities: Due within One Year 3,352,922 7,394 3,360,316 Other Amounts Due in more than One Year 134,236,336 12,584 134,248,920 Net Pension Liability 88,993,122 1,933,076 90,926,198 Net Other Post-Employment Benefits Liability 19,822,865 693,698 20,516,563 Total Liabilities 262,987,836 2,725,428 265,713,264 DEFERRED INFLOWS OF RESOURCES				-	
Due within One Year 3,352,922 7,394 3,360,316 Other Amounts Due in more than One Year 134,236,336 12,584 134,248,920 Net Pension Liability 88,993,122 1,933,076 90,926,198 Net Other Post-Employment Benefits Liability 19,822,865 693,698 20,516,563 Total Liabilities 262,987,836 2,725,428 265,713,264 DEFERRED INFLOWS OF RESOURCES Property Taxes 36,036,920 - 36,036,920 Payments in Lieu of Taxes 60,000 - 60,000 Pensions 8,963,684 177,240 9,140,924 Other Post-Employment Benefits 3,468,615 99,614 3,568,229 Total Deferred Inflows of Resources 48,529,219 276,854 48,806,073 NET POSITION Setsicted: 33,107,881 410,648 33,518,529 Restricted: Capital Projects 48,235,096 - 48,235,096 Capital Projects 48,235,096 - 9,915,190 State Funded Programs 86,113 - 9,915,190 </td <td>•</td> <td>10,000</td> <td></td> <td>-</td> <td>10,000</td>	•	10,000		-	10,000
Other Amounts Due in more than One Year 134,236,336 12,584 134,248,920 Net Pension Liability 88,993,122 1,933,076 90,926,198 Net Other Post-Employment Benefits Liability 19,822,865 693,698 20,516,563 Total Liabilities 262,987,836 2,725,428 265,713,264 DEFERRED INFLOWS OF RESOURCES Property Taxes 36,036,920 - 36,036,920 Payments in Lieu of Taxes 60,000 - 60,000 Pensions 8,963,684 177,240 9,140,924 Other Post-Employment Benefits 3,468,615 99,614 3,568,229 Total Deferred Inflows of Resources 48,529,219 276,854 48,806,073 NET POSITION Net Investment in Capital Assets 33,107,881 410,648 33,518,529 Restricted: Capital Projects 48,235,096 - 48,235,096 Debt Service 9,915,190 - 9,915,190 State Funded Programs 86,113 - 86,113 Classroom Facilities Maintenance 1,626,588 -	<u>c</u>				
Net Pension Liability 88,993,122 1,933,076 90,926,198 Net Other Post-Employment Benefits Liability 19,822,865 693,698 20,516,563 Total Liabilities 262,987,836 2,725,428 265,713,264 DEFERRED INFLOWS OF RESOURCES Property Taxes 36,036,920 - 36,036,920 Payments in Lieu of Taxes 60,000 - 60,000 Pensions 8,963,684 177,240 9,140,924 Other Post-Employment Benefits 3,468,615 99,614 3,568,229 Total Deferred Inflows of Resources 48,259,219 276,854 48,806,073 NET POSITION State Investment in Capital Assets 33,107,881 410,648 33,518,529 Restricted: Capital Projects 48,235,096 - 48,235,096 Debt Service 9,915,190 - 9,915,190 State Funded Programs 86,113 - 86,113 Classroom Facilities Maintenance 1,626,588 - 1,626,588 Student Activities 22,179 - 22,179<				-	3,360,316
Net Other Post-Employment Benefits Liability 19,822,865 693,698 20,516,563 Total Liabilities 262,987,836 2,725,428 265,713,264 DEFERRED INFLOWS OF RESOURCES Property Taxes 36,036,920 - 36,036,920 Payments in Lieu of Taxes 60,000 - 60,000 Pensions 8,963,684 177,240 9,140,924 Other Post-Employment Benefits 3,468,615 99,614 3,568,229 Total Deferred Inflows of Resources 48,529,219 276,854 48,806,073 NET POSITION Set Investment in Capital Assets 33,107,881 410,648 33,518,529 Restricted: Setricted: 9,915,190 - 48,235,096 Debt Service 9,915,190 - 9,915,190 State Funded Programs 86,113 - 86,113 Classroom Facilities Maintenance 1,626,588 - 1,626,588 Student Activities 22,179 - 22,179 Set-Asides 476,511 - 476,511 Other Purp					
DEFERRED INFLOWS OF RESOURCES 262,987,836 2,725,428 265,713,264 Property Taxes 36,036,920 - 36,036,920 Payments in Lieu of Taxes 60,000 - 60,000 Pensions 8,963,684 177,240 9,140,924 Other Post-Employment Benefits 3,468,615 99,614 3,568,229 Total Deferred Inflows of Resources 48,529,219 276,854 48,806,073 NET POSITION State Investment in Capital Assets 33,107,881 410,648 33,518,529 Restricted: Capital Projects 48,235,096 - 48,235,096 Debt Service 9,915,190 - 9,915,190 State Funded Programs 86,113 - 86,113 Classroom Facilities Maintenance 1,626,588 - 1,626,588 Student Activities 22,179 - 22,179 Set-Asides 476,511 - 476,511 Other Purposes 110,382 - 110,382 Unrestricted (Deficit) (68,103,948) (802,442) (68,906,390)	·				
DEFERRED INFLOWS OF RESOURCES Property Taxes 36,036,920 - 36,036,920 Payments in Lieu of Taxes 60,000 - 60,000 Pensions 8,963,684 177,240 9,140,924 Other Post-Employment Benefits 3,468,615 99,614 3,568,229 Total Deferred Inflows of Resources 48,529,219 276,854 48,806,073 NET POSITION Net Investment in Capital Assets 33,107,881 410,648 33,518,529 Restricted: Capital Projects 48,235,096 - 48,235,096 Debt Service 9,915,190 - 9,915,190 State Funded Programs 86,113 - 86,113 Classroom Facilities Maintenance 1,626,588 - 1,626,588 Student Activities 22,179 - 22,179 Set-Asides 476,511 - 476,511 Other Purposes 110,382 - 110,382 Unrestricted (Deficit) (68,103,948) (802,442) (68,906,390)		 			
Property Taxes 36,036,920 - 36,036,920 Payments in Lieu of Taxes 60,000 - 60,000 Pensions 8,963,684 177,240 9,140,924 Other Post-Employment Benefits 3,468,615 99,614 3,568,229 Total Deferred Inflows of Resources 48,529,219 276,854 48,806,073 NET POSITION Net Investment in Capital Assets 33,107,881 410,648 33,518,529 Restricted: Capital Projects 48,235,096 - 48,235,096 Debt Service 9,915,190 - 9,915,190 State Funded Programs 86,113 - 86,113 Classroom Facilities Maintenance 1,626,588 - 1,626,588 Student Activities 22,179 - 22,179 Set-Asides 476,511 - 476,511 Other Purposes 110,382 - 110,382 Unrestricted (Deficit) (68,103,948) (802,442) (68,906,390)	Total Liabilities	 262,987,836		2,725,428	 265,713,264
Payments in Lieu of Taxes 60,000 - 60,000 Pensions 8,963,684 177,240 9,140,924 Other Post-Employment Benefits 3,468,615 99,614 3,568,229 Total Deferred Inflows of Resources 48,529,219 276,854 48,806,073 NET POSITION Net Investment in Capital Assets 33,107,881 410,648 33,518,529 Restricted: Capital Projects 48,235,096 - 48,235,096 Debt Service 9,915,190 - 9,915,190 State Funded Programs 86,113 - 86,113 Classroom Facilities Maintenance 1,626,588 - 1,626,588 Student Activities 22,179 - 22,179 Set-Asides 476,511 - 476,511 Other Purposes 110,382 - 110,382 Unrestricted (Deficit) (68,103,948) (802,442) (68,906,390)	DEFERRED INFLOWS OF RESOURCES				
Pensions 8,963,684 177,240 9,140,924 Other Post-Employment Benefits 3,468,615 99,614 3,568,229 Total Deferred Inflows of Resources 48,529,219 276,854 48,806,073 NET POSITION Net Investment in Capital Assets 33,107,881 410,648 33,518,529 Restricted: Capital Projects 48,235,096 - 48,235,096 Debt Service 9,915,190 - 9,915,190 State Funded Programs 86,113 - 86,113 Classroom Facilities Maintenance 1,626,588 - 1,626,588 Student Activities 22,179 - 22,179 Set-Asides 476,511 - 476,511 Other Purposes 110,382 - 110,382 Unrestricted (Deficit) (68,103,948) (802,442) (68,906,390)	Property Taxes	36,036,920		-	36,036,920
Other Post-Employment Benefits 3,468,615 99,614 3,568,229 Total Deferred Inflows of Resources 48,529,219 276,854 48,806,073 NET POSITION Net Investment in Capital Assets 33,107,881 410,648 33,518,529 Restricted: Capital Projects 48,235,096 - 48,235,096 Debt Service 9,915,190 - 9,915,190 State Funded Programs 86,113 - 86,113 Classroom Facilities Maintenance 1,626,588 - 1,626,588 Student Activities 22,179 - 22,179 Set-Asides 476,511 - 476,511 Other Purposes 110,382 - 110,382 Unrestricted (Deficit) (68,103,948) (802,442) (68,906,390)	Payments in Lieu of Taxes	60,000		-	60,000
NET POSITION 48,529,219 276,854 48,806,073 Net Investment in Capital Assets 33,107,881 410,648 33,518,529 Restricted: Capital Projects 48,235,096 - 48,235,096 Debt Service 9,915,190 - 9,915,190 State Funded Programs 86,113 - 86,113 Classroom Facilities Maintenance 1,626,588 - 1,626,588 Student Activities 22,179 - 22,179 Set-Asides 476,511 - 476,511 Other Purposes 110,382 - 110,382 Unrestricted (Deficit) (68,103,948) (802,442) (68,906,390)	Pensions	8,963,684		177,240	9,140,924
NET POSITION Net Investment in Capital Assets 33,107,881 410,648 33,518,529 Restricted: Capital Projects 48,235,096 - 48,235,096 Debt Service 9,915,190 - 9,915,190 State Funded Programs 86,113 - 86,113 Classroom Facilities Maintenance 1,626,588 - 1,626,588 Student Activities 22,179 - 22,179 Set-Asides 476,511 - 476,511 Other Purposes 110,382 - 110,382 Unrestricted (Deficit) (68,103,948) (802,442) (68,906,390)		 3,468,615		99,614	3,568,229
Net Investment in Capital Assets 33,107,881 410,648 33,518,529 Restricted: Capital Projects 48,235,096 - 48,235,096 Debt Service 9,915,190 - 9,915,190 State Funded Programs 86,113 - 86,113 Classroom Facilities Maintenance 1,626,588 - 1,626,588 Student Activities 22,179 - 22,179 Set-Asides 476,511 - 476,511 Other Purposes 110,382 - 110,382 Unrestricted (Deficit) (68,103,948) (802,442) (68,906,390)	Total Deferred Inflows of Resources	 48,529,219	_	276,854	 48,806,073
Restricted: Capital Projects 48,235,096 - 48,235,096 Debt Service 9,915,190 - 9,915,190 State Funded Programs 86,113 - 86,113 Classroom Facilities Maintenance 1,626,588 - 1,626,588 Student Activities 22,179 - 22,179 Set-Asides 476,511 - 476,511 Other Purposes 110,382 - 110,382 Unrestricted (Deficit) (68,103,948) (802,442) (68,906,390)	NET POSITION				
Capital Projects 48,235,096 - 48,235,096 Debt Service 9,915,190 - 9,915,190 State Funded Programs 86,113 - 86,113 Classroom Facilities Maintenance 1,626,588 - 1,626,588 Student Activities 22,179 - 22,179 Set-Asides 476,511 - 476,511 Other Purposes 110,382 - 110,382 Unrestricted (Deficit) (68,103,948) (802,442) (68,906,390)	Net Investment in Capital Assets	33,107,881		410,648	33,518,529
Debt Service 9,915,190 - 9,915,190 State Funded Programs 86,113 - 86,113 Classroom Facilities Maintenance 1,626,588 - 1,626,588 Student Activities 22,179 - 22,179 Set-Asides 476,511 - 476,511 Other Purposes 110,382 - 110,382 Unrestricted (Deficit) (68,103,948) (802,442) (68,906,390)	Restricted:				
Debt Service 9,915,190 - 9,915,190 State Funded Programs 86,113 - 86,113 Classroom Facilities Maintenance 1,626,588 - 1,626,588 Student Activities 22,179 - 22,179 Set-Asides 476,511 - 476,511 Other Purposes 110,382 - 110,382 Unrestricted (Deficit) (68,103,948) (802,442) (68,906,390)	Capital Projects	48,235,096		-	48,235,096
Classroom Facilities Maintenance 1,626,588 - 1,626,588 Student Activities 22,179 - 22,179 Set-Asides 476,511 - 476,511 Other Purposes 110,382 - 110,382 Unrestricted (Deficit) (68,103,948) (802,442) (68,906,390)	Debt Service	9,915,190		-	9,915,190
Student Activities 22,179 - 22,179 Set-Asides 476,511 - 476,511 Other Purposes 110,382 - 110,382 Unrestricted (Deficit) (68,103,948) (802,442) (68,906,390)	State Funded Programs	86,113		-	86,113
Student Activities 22,179 - 22,179 Set-Asides 476,511 - 476,511 Other Purposes 110,382 - 110,382 Unrestricted (Deficit) (68,103,948) (802,442) (68,906,390)	_	1,626,588		-	
Set-Asides 476,511 - 476,511 Other Purposes 110,382 - 110,382 Unrestricted (Deficit) (68,103,948) (802,442) (68,906,390)	Student Activities	22,179		-	
Other Purposes 110,382 - 110,382 Unrestricted (Deficit) (68,103,948) (802,442) (68,906,390)	Set-Asides	476,511		-	
Unrestricted (Deficit) (68,103,948) (802,442) (68,906,390)	Other Purposes			-	
	Unrestricted (Deficit)	(68,103,948)		(802,442)	 (68,906,390)
	Total Net Position	\$ 25,475,992	\$	(391,794)	\$ 25,084,198

Statement of Activities For the Fiscal Year Ended June 30, 2018

			Program Revenues				
	Expenses			Charges for Services		Operating Grants and Contributions	
Governmental Activities:							
Instruction:							
Regular	\$	10,938,077	\$	999,022	\$	819,460	
Special		10,603,372		-		7,245,986	
Vocational		758,961		-		439,949	
Other		12,533		-		-	
Supporting Services:							
Pupils		3,549,229		-		406,486	
Instructional Staff		476,684		-		714,847	
Board of Education		43,582		-		-	
Administration (see NOTE 2 C)		(408,856)		-		156,425	
Fiscal Services		2,358,695		-		2,552	
Business		354,973		-		-	
Operation and Maintenance of Plant Services		5,610,895		70,930		291,859	
Pupil Transportation		6,595,739		39,554		-	
Central		1,432,485		-		-	
Operation of Non-Instructional Services:							
Food Service Operations		21,008		-		-	
Community Services		660,290		-		836,386	
Extracurricular Activities		763,900		223,654		68,481	
Interest and Fiscal Charges		5,247,002		-		-	
Total Governmental Activities		49,018,569		1,333,160		10,982,431	
Business-Type Activities:							
Food Services		2,314,866		100,909		2,569,016	
Customer Services		26,710		10,820		5,017	
Total Business-Type Activities		2,341,576		111,729		2,574,033	
Totals	\$	51,360,145	\$	1,444,889	\$	13,556,464	

General Revenues:

Property Taxes levied for:

General Purposes

Debt Service Purpose

Capital Outlay

Other Purposes

Income Taxes levied for:

General Purposes

Payments in Lieu of Taxes

Grants & Entitlements not restricted to specific programs

Grants & Entitlements restricted for Facilities Construction Commission

Earnings on Investments

Gain on Sale of Capital Assets

Miscellaneous Revenues

Total General Revenues

Change in Net Position

Net Position - Beginning, as Restated

Net Position - Ending

Governmental Activities	Business-Type Activities	Total
\$ (9,119,595)	\$ -	\$ (9,119,595)
(3,357,386)	Φ -	(3,357,386)
	-	
(319,012)	-	(319,012)
(12,533)	-	(12,533)
(3,142,743)	-	(3,142,743)
238,163	-	238,163
(43,582)	-	(43,582)
565,281	=	565,281
(2,356,143)	-	(2,356,143)
(354,973)	-	(354,973)
(5,248,106)	-	(5,248,106)
(6,556,185)	-	(6,556,185)
(1,432,485)	-	(1,432,485)
(21,008)	-	(21,008)
176,096	-	176,096
(471,765)	-	(471,765)
(5,247,002)	-	(5,247,002)
(36,702,978)		(36,702,978)
-	355,059	355,059
	(10,873)	(10,873)
	344,186	344,186
(36,702,978)	344,186	(36,358,792)
35,958,093	-	35,958,093
6,690,354	-	6,690,354
447,801	-	447,801
243,813	-	243,813
6,082,699	-	6,082,699
80,482	=	80,482
27,413,022	-	27,413,022
39,891,191	-	39,891,191
1,246,189	18,497	1,264,686
10,377	-	10,377
1,072,115	42,324	1,114,439
119,136,136	60,821	119,196,957
82,433,158	405,007	82,838,165
(56,957,166)	(796,801)	(57,753,967)
\$ 25,475,992	\$ (391,794)	\$ 25,084,198

Balance Sheet – Governmental Funds June 30, 2018

	General		Building			Classroom Facilities
Assets:						
Equity in Pooled Cash, Cash Equivalents, and Investments	\$	11,382,357	\$	42,557	\$	628,157
Investments		-		29,155,784		59,358,598
Materials and Supplies Inventory		20,869		-		-
Accrued Interest Receivable		104,546		163,563		308,776
Accounts Receivable		813,249		-		-
Due from Other Funds		374,500		-		-
Intergovernmental Receivable		523,631		-		33,638,691
Prepaid Items		115,767		-		-
Income Taxes Receivable		622,830		-		_
Property Taxes Receivable		42,410,814		-		_
Lease Receivable						_
Total Assets	\$	56,368,563	\$	29,361,904	\$	93,934,222
T. Salabata and		_		_		
Liabilities:	Ф	200.046	Ф	2.150	Ф	
Accounts Payable	\$	389,046	\$	3,158	\$	-
Accrued Wages and Benefits		8,079,347		-		-
Contracts Payable		-		1,175,706		2,184,700
Intergovernmental Payable		1,615,487		-		-
Matured Compensated Absences Payable		39,658		-		-
Retainage Payable		-		55,960		124,845
Due to Other Funds		-		-		-
Claims Payable						
Total Liabilities		10,123,538		1,234,824		2,309,545
Deferred Inflows of Resources:						
Property Taxes		29,921,098		_		_
Payments in Lieu of Taxes		60,000		_		_
Unavailable Revenue - Delinquent Property Taxes		6,928,950		_		_
Unavailable Revenue - Grants		-		_		33,638,691
Unavailable Revenue - Other		1,264,461		26,575		50,169
T. I.D.C. II G. CD.		20.174.500		26.575		22 (00 000
Total Deferred Inflows of Resources		38,174,509		26,575		33,688,860
Fund Balances:						
Nonspendable		136,636		-		-
Restricted		-		28,100,505		57,935,817
Committed		80,159		-		-
Assigned		5,439,287		-		-
Unassigned		2,414,434				-
Total Fund Balances		8,070,516		28,100,505	_	57,935,817
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$	56,368,563	\$	29,361,904	\$	93,934,222

	Nonmajor	G	Total overnmental	Reconciliation of Total Governm Net Position of Governm June 30, 20	ental Activities	ces to
	Funds		Funds	Total Fund Balances - Governmental Funds		\$ 1
\$	13,687,743	\$	25,740,814 88,514,382	Amounts reported for Governmental Activities in the State are different because:	ement of Net Position	
	- - 19,085		20,869 576,885 832,334	Capital Assets used in Governmental Activities are not finand, therefore, are not reported in the funds.	ancial resources	
	945,540		374,500 35,107,862	Other long-term assets are not available to pay for current and, therefore, are unavailable revenue in the funds:	-period expenditures	
	68,947 - 8,752,507		184,714 622,830 51,163,321	Delinquent property taxes Grants Other revenues	\$ 8,391,710 34,223,935 1,752,513	
	410,384		410,384	Total		
\$	23,884,206	\$	203,548,895	Internal Service funds are used by management to charge of certain activities, such as insurance to individual funds and liabilities of the District Internal Service funds are in Governmental Activities in the Statement of Net Position	. The assets cluded in	
\$	49,046 364,125	\$	441,250 8,443,472 3,360,406	The unearned revenue represents interest income received but not earned as of the inception of the lease receivable		
	72,924 - -		1,688,411 39,658 180,805	The net pension/other post-employment benefits liabilities a payable in the current period; therefore, the liabilities and inflows/outflows are not reported in the governmental fur	related deferred	
_	374,500 10,000		374,500 10,000	Deferred outflows - pensions Deferred outflows - other post-employment benefits Deferred inflows - pensions	27,807,859 881,042 (8,963,684)	
	870,595		14,538,502	Deferred inflows - other post-employment benefits Net pension liability Net other post-employment benefits	(3,468,615) (88,993,122) (19,822,865)	,
	6,115,822		36,036,920 60,000	Total Long-term liabilities, including bonds payable, are not due a	and pavable in	(
	1,462,760 585,244		8,391,710 34,223,935	the current period and therefore are not reported in the fi		
	411,308		1,752,513	General obligation bonds Tax anticipation notes payable Lease payable	(127,529,690) (2,255,000) (155,200)	
	8,575,134		80,465,078	Bond accretion Unamortized bond premiums Unamortized bond discounts	(129,630) (6,692,332) 1,695,363	
	68,947		205,583	Deferral on refunding Accrued interest payable	263,956 (2,370,936)	
	14,955,330 23,472		100,991,652	Compensated absences Total	(1,594,525)	(1
_	37,052 (646,324)		5,476,339 1,768,110	Total Net Position - Governmental Activities		\$
_	14,438,477		108,545,315			
\$	23,884,206	\$	203,548,895			

\$ 108,545,315

93,611,092

44,368,158

10,322,971

(44,165)

(92,559,385)

(138,767,994) \$ 25,475,992

Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds For the Fiscal Year Ended June 30, 2018

	General	Building	Classroom Facilities
Revenues:			
Taxes:			
Property	\$ 36,735,843	\$ -	\$ -
Income	6,082,699	-	-
Other Local	4,764	-	-
Tuition	877,272	-	-
Transportation Fees	38,904	-	-
Earnings on Investments	416,570	217,014	474,915
Extracurricular Activities	48,767	-	-
Classroom Materials and Fees	16,184	-	-
Rentals	68,530	-	-
Contributions and Donations from Private Sources	38,799	-	-
Miscellaneous Revenues	989,951	-	-
Revenues from State Sources:			
Unrestricted Grants-in-Aid	26,753,314	-	-
Restricted Grants-in-Aid	4,902,391	-	6,252,500
Revenues from Federal Sources:			
Restricted Grants-in-Aid	483,086		
Total Revenues	77,457,074	217,014	6,727,415
Expenditures:			
Current:			
Instruction:			
Regular	25,968,223	_	_
Special	15,694,577	_	_
Vocational	1,496,232	_	_
Other	81,669	_	_
Supporting Services:	,		
Pupils	6,740,296	_	-
Instructional Staff	1,702,382	_	_
Board of Education	49,066	_	_
Administration	4,767,248	_	_
Fiscal Services	2,394,572	15,936	28,408
Business	416,036	32,987	14,424
Operation and Maintenance of Plant Services	5,945,529	11,648	· -
Pupil Transportation	6,491,153	-	_
Central	1,556,650	_	_
Operation of Non-Instructional Services:	,,		
Food Service Operations	21,008	_	_
Community Services	140,968	_	-
Extracurricular Activities	918,176	_	_
Facilities Acquisition and Construction Services	-	8,642,631	7,065,230
Debt Service:			
Principal Retirements	70,216	-	-
Interest and Fiscal Charges	7,410	-	-
Total Expenditures	74,461,411	8,703,202	7,108,062
Excess (Deficiency) of Revenues over Expenditures	2,995,663	(8,486,188)	(380,647)
Other Financing Sources (Uses):			
Sale of Assets	7,903	300	-
Transfers In	2,123	-	-
Transfers Out	(340,500)	-	-
Total Other Financing Sources (Uses)	(330,474)	300	
Net Change in Fund Balances	2,665,189	(8,485,888)	(380,647)
Fund Balances - Beginning	5,405,327	36,586,393	58,316,464
Fund Balances - Ending	\$ 8,070,516	\$ 28,100,505	\$ 57,935,817
≅	, ,		

Nonmajor Funds	Total Governmental Funds		
Tunus	1 unus		
\$ 7,539,137 - - - - 650	\$ 44,274,980 6,082,699 4,764 877,272 39,554		
23,446	1,131,945		
168,407	217,174		
47,760	16,184 116,290		
65,355	104,154		
341,460	1,331,411		
659,708 1,460,670	27,413,022 12,615,561		
, ,	, ,		
4,010,710	4,493,796		
14,317,303	98,718,806		
1,188,546	27,156,769		
2,467,949	18,162,526		
-	1,496,232 81,669		
-	81,009		
395,265	7,135,561		
831,255	2,533,637		
124.562	49,066		
124,563 219,964	4,891,811 2,658,880		
15,005	478,452		
329,729	6,286,906		
-	6,491,153		
29,652	1,586,302		
- 748,795	21,008 889,763		
285,672	1,203,848		
31,083	15,738,944		
2,245,600	2,315,816		
4,668,264	4,675,674 103,854,017		
13,581,342	103,834,017		
735,961	(5,135,211)		
2,174	10,377		
340,500	342,623		
342,674	(340,500)		
1,078,635	(5,122,711)		
13,359,842	113,668,026		
\$ 14,438,477	\$ 108,545,315		

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Fiscal Year Ended June 30, 2018

For the Fiscal Year Ended	d June 30, 2018	
Total Net Change in Fund Balances - Governmental Fu	unds	\$ (5,122,711)
Amounts reported for Governmental Activities in the State are different because:	ement of Activities	
Governmental funds report capital outlays as expenditures. Statement of Activities, the cost of those assets is allocate estimated useful lives as depreciation expense. This is the capital outlay exceeded depreciation in the current period.	ed over their amount by which	
Capital outlay	\$ 15,910,901	
Depreciation	(2,628,429)	
Total		13,282,472
Revenues in the Statement of Activities that do not provide resources are not reported as revenues in the funds.	current financial	
Delinquent property taxes	(939,683)	
Grants	33,665,534	
Other revenues	(9,196)	
Total		32,716,655
Repayment of the District's debt principal are expenditures but the repayments reduce long-term liabilities in the State		2,315,816
Contractually required contributions are reported as expend		
governmental funds; however, the Statement of Net Posit	tion reports	C 402 051
these amounts as deferred outflows.		6,482,051
Except for amounts reported as deferred inflows/outflows,	changes in the	
net pension/other post-employment benefits liabilities are r	reported as pension	
expense in the Statement of Activities.		32,656,799
Revenue reported in the Statement of Activities from the ar	mortization	
of unearned revenue is not reported as revenue in the Gov	vernmental funds.	5,889
Some expenses reported in the Statement of Activities do n	not require	
the use of current financial resources and therefore are no		
as expenditures in Governmental funds.	•	
Compensated absences	129,960	
Bond accretion	(97,504)	
Amortization of bond premiums	203,451	
Amortization of bond discounts	(57,377)	
Amortization of deferral on refunding	(13,198)	
Accrued interest payable Total	(606,700)	(441,368)
Intermal Complete Conde and weed by	onata ta nautai:-	
Internal Service funds are used by management to charge of activities, such as insurance to individual funds. The net r		
of the Internal Service funds are reported in the Governm	` I /	537,555
Total Change in Net Position - Governmental Activitie	s	\$ 82,433,158

Statement of Revenues, Expenditures and Changes in Fund Balances Budget (Non-GAAP Budgetary Basis) and Actual General Fund For the Fiscal Year Ended June 30, 2018

	Budgeted	l Amounts		Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Taxes:				
Property	\$ 36,380,700	\$ 39,553,641	\$ 37,240,870	\$ (2,312,771)
Income	6,257,000	5,481,541	6,018,916	537,375
Other Local	-	4,339	4,764	425
Tuition	655,000	846,324	929,292	82,968
Transportation Fees	5,000	63,541	69,770	6,229
Earnings on Investments	295,000	479,836	526,876	47,040
Extracurricular Activities	-	1,995	2,191	196
Classroom Materials and Fees	45,200	16,785	18,430	1,645
Miscellaneous Revenues	414,500	378,403	382,445	4,042
Other Revenue Sources	25,000	6,985	7,670	685
Revenues from State Sources:				
Unrestricted Grants-in-Aid	29,323,090	24,287,642	26,668,643	2,381,001
Restricted Grants-in-Aid	3,056,648	4,464,701	4,902,391	437,690
Revenues from Federal Sources:				•
Restricted Grants-in-Aid	575,000	425,538	467,255	41,717
Total Revenues	77,032,138	76,011,271	77,239,513	1,228,242
Expenditures:				
Current:				
Instruction:				
Regular	26,054,583	26,054,583	26,283,462	(228,879)
Special	17,536,732	17,536,732	16,145,905	1,390,827
Vocational	1,718,718	1,718,718	1,442,797	275,921
Other	137,792	137,792	126,876	10,916
Supporting Services:		,	.,	
Pupils	6,965,543	6,965,543	6,803,902	161,641
Instructional Staff	2,003,583	2,003,583	1,726,543	277,040
Board of Education	96,663	96,663	51,095	45,568
Administration	5,108,318	5,108,318	4,824,966	283,352
Fiscal Services	2,117,642	2,117,642	2,466,350	(348,708)
Business	665,119	665,119	440,611	224,508
Operation and Maintenance of Plant Services	7,427,778	7,427,778	6,260,611	1,167,167
Pupil Transportation	5,495,715	5,495,715	6,480,833	(985,118)
Central		1,880,871		` ' '
Operation of Non-Instructional Services	1,880,871	1,880,871	1,603,835	277,036
Extracurricular Activities	146,659	860,938	159,928	(13,269)
Total Expenditures	860,938 78,216,654	78,216,654	835,305	25,633
Excess of Revenues over Expenditures	(1,184,516)	(2,205,383)	75,653,019 1,586,494	2,563,635 3,791,877
Other Financing Sources (Uses):				
Transfers In	50,000	29,865	29,878	13
Transfers Out	(180,381)	(180,381)	(394,500)	(214,119)
Advances In	276,000	276,000	276,000	(214,119)
Advances Out	270,000	(374,500)	(374,500)	-
	590 102			227.049
Refund of Prior Year's Expenditures	589,103	589,103	926,151	337,048
Contingencies Tatal Other Financing Sources (Uses)	(279,700)	(279,700)	462.020	279,700
Total Other Financing Sources (Uses) Net Change in Budgetary Fund Balance	455,022 (729,494)	(2,144,996)	<u>463,029</u> 2,049,523	402,642 4,194,519
Dudeston, Fund Dalance, Designing of Vern				
Budgetary Fund Balance - Beginning of Year	5,881,737	5,881,737	5,881,737	-
Prior Year Encumbrances Appropriated	1,953,078	1,953,078	1,953,078	e 4104510
Budgetary Fund Balance - End of Year	\$ 7,105,321	\$ 5,689,819	\$ 9,884,338	\$ 4,194,519

Statement of Net Position Proprietary Funds June 30, 2018

	Business-Type Activities	Governmental Activities Internal Service Funds	
	Enterprise Funds		
Assets:			
Current Assets			
Equity in Pooled Cash, Cash Equivalents, and Investments	\$ 1,671,515	\$ 11,004,486	
Materials and Supplies Inventory	99,678	-	
Accounts Receivable	3,905	-	
Intergovernmental Receivable	68,489	500	
Prepaid Items	11,453	249,717	
Total Current Assets	1,855,040	11,254,703	
Noncurrent Assets			
Capital Assets:			
Depreciable Capital Assets, Net of Depreciation	410,648	_	
Total Assets	2,265,688	11,254,703	
Deferred Outflows of Resources:			
Pensions	327,391	-	
Other Post-Employment Benefits	17,409		
Total Deferred Outflows of Resources	344,800		
Liabilities:			
<u>Current Liabilities</u>			
Accounts Payable	15,835	3,488	
Accrued Wages and Benefits	21,758	-	
Intergovernmental Payable	41,037	_	
Matured Compensated Absences Payable	46	-	
Insurance Claims Payable	-	894,300	
Workers Compensation Claims Payable	-	17,789	
Compensated Absences Payable	7,394		
Total Current Liabilities	86,070	915,577	
N			
Noncurrent Liabilities	12.594		
Compensated Absences Payable	12,584	16 155	
Workers Compensation Claims Payable Net Pension Liability	1,933,076	16,155	
Net Other Post-Employment Benefits Liability	693,698	_	
Total Noncurrent Liabilities	2,639,358	16,155	
Total Liabilities	2,725,428	931,732	
Deferred Inflows of Resources:			
Pensions	177,240	-	
Other Post-Employment Benefits	99,614		
Total Deferred Inflows of Resources	276,854		
Net Position:			
Investment in Capital Assets	410,648	_	
Unrestricted	(802,442)	10,322,971	
Total Net Position	\$ (391,794)	\$ 10,322,971	
	÷ (3)1,771)	J 10,022,7 / 1	

Euclid City School District Statement of Revenues, Expenses and Changes in Net Position Proprietary Funds For the Fiscal Year Ended June 30, 2018

	Business-Type Activities		Governmental Activities	
		nterprise Funds	Internal Service Funds	
Operating Revenues:				
Charges for Services:				
Food Services	\$	99,567	\$	-
Risk Management		-		9,755,903
Other		10,820		255,138
Commissions		1,342		-
Other Miscellaneous Revenues		42,324		45,700
Total Operating Revenues		154,053		10,056,741
Operating Expenses:				
Salaries and Wages		1,008,322		12,478
Employee's Retirement and Insurance Benefits		78,517		9,386,151
Purchased Services		28,448		120,680
Supplies and Materials		1,177,063		13,188
Depreciation Expense		45,531		-
Other		3,695		1,070
Total Operating Expenses		2,341,576		9,533,567
Operating Income (Loss)		(2,187,523)		523,174
Nonoperating Revenues (Expenses):				
Earnings on Investments		18,497		_
Contributions and Donations from Private Sources		7,517		13,490
Intergovernmental		2,387,813		3,014
Donated Commodities		178,703		
Total Nonoperating Revenues (Expenses)		2,592,530		16,504
Transfers Out		_		(2,123)
Change in Net Position		405,007		537,555
Net Position - Beginning of Year, as Restated		(796,801)		9,785,416
Net Position - End of Year	\$	(391,794)	\$	10,322,971

Euclid City School District Statement of Cash Flows Proprietary Funds For the Fiscal Year Ended June 30, 2018

		Business-Type Activities		Governmental Activities	
	Е	nte rpris e Funds		Internal vice Funds	
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Charges for Food Services	\$	95,796	\$	-	
Receipts from Charges for Risk Management		-		9,755,903	
Receipts from Charges for Other Services		10,820		227,396	
Other Receipts		39,009		45,700	
Payments to Employees for Salaries and Wages		(1,012,893)		(12,478)	
Payments to Employees for Retirement and Insurance Benefits		(366,902)		(9,578,866)	
Payments to Suppliers and Service Providers for Goods and Services		(1,074,406)		(132,420)	
Other Payments		(3,095)		(1,070)	
Net Cash provided by (used for) Operating Activities		(2,311,671)		304,165	
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIE	ES			(2.122)	
Transfers to Other Funds		-		(2,123)	
Contributions and Donations from Private Sources Received		7,517		16,721	
Operating Grants Received		2,361,648		3,704	
Net Cash provided by (used for) Noncapital Financing Activities		2,369,165		18,302	
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on Investments		18,497			
Net Cash provided by (used for) Investing Activities		18,497			
Net Increase (Decrease) in Cash and Cash Equivalents		75,991		322,467	
Cash and Cash Equivalents - Beginning of Year		1,595,524		10,682,019	
Cash and Cash Equivalents - End of Year	\$	1,671,515	\$	11,004,486	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTI Operating Income (Loss)	IVITI \$	(2,187,523)	\$	523,174	
Adjustment to Reconcile Operating Income (Loss) to					
Net Cash Provided By (Used For) Operating Activities:					
Depreciation Expense		45,531		_	
Federal Donated Commodities		178,703		_	
(Increase) Decrease in Assets and Deferred Outflows:		-, -,,			
Accounts Receivable		(3,771)		_	
Intergovernmental Receivable		(4,657)		_	
Materials and Supplies Inventory		(41,031)		_	
Prepaid Items		(9,219)		34,548	
Deferred Outflows - Pension		227,205		_	
Deferred Outflows - Other Post-Employment Benefits		(604)		_	
Increase (Decrease) in Liabilities and Deferred Inflows:		. ,			
Accounts Payable		3,252		1,448	
Accrued Wages and Payables		1,733		-	
Intergovernmental Payable		11,982		_	
Matured Compensated Absences Payable		(3,002)		_	
Compensated Absences Payable		(2,141)		_	
Insurance Claims Payable		-		(201,864)	
Workers Compensation Claims Payable		_		(25,399)	
Net Pension Liability		(574,968)		-	
Net Other Post-Employment Benefits Liability		(86,602)		_	
Deferred Inflows - Pension		33,827		_	
Deferred Inflows - Other Post-Employment Benefits		99,614		(27,742)	
Net Cash Provided By (Used For) Operating Activities	\$	(2,311,671)	\$	304,165	
SCHEDULE OF NON CASH CARREST AND DAY AND THE			EC		
SCHEDULE OF NON-CASH CAPITAL AND RELATED FINAN	NCIN	G ACTIVITI	ES		
FINANCING ACTIVITIES	_	450	_		
Donated Commodities	\$	178,703	\$	-	

Statement of Assets and Liabilities Fiduciary Funds June 30, 2018

	Agency Funds	
Assets:	Ф	02.222
Equity in Pooled Cash, Cash Equivalents, and Investments	_\$_	83,232
Total Assets	\$	83,232
Liabilities: Due to Students	\$	34,340
Deposits Held and Due to Others		48,892
Total Liabilities	\$	83,232

Notes to the Basic Financial Statements June 30, 2018

NOTE 1: <u>DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY</u>

The Euclid City School District (the "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 is a city district as defined by Section 3311.02 of the Ohio Revised Code. The School District operates under an elected Board of Education (five members) and is responsible for the provisions of public education to residents of the School District.

The School District provides public education from preschool to grade 12. The School District's enrollment as of June 30, 2018 was 5,194. The School District employed 468 certified employees and 327 non-certified employees.

Reporting Entity

The 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 School District, this includes general operations, food service, and student related activities.

Nonpublic Schools – Within the School District's boundaries, Our Lady of Lake and Sts. Robert and William schools are operated through the Cleveland Catholic Diocese. Current State legislation provides funding to these parochial schools. These monies are received and disbursed on behalf of the parochial schools by the Treasurer of the School District, as directed by the parochial schools. The activity of these state monies by the School District is reflected in a special revenue fund for financial reporting purposes.

Component units are legally separate organizations for which the School District is financially accountable. 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. The School District has no component units.

The School District is associated with two organizations which are defined as a jointly governed organization and a related organization. The Ohio School's Council Association is a jointly governed organization and the Euclid Public Library is a related organization. The jointly governed organization is presented in Note 19 and the related organization is presented in Note 20 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 body for establishing governmental accounting and financial reporting principles. The more significant of the School District's accounting policies are described below.

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Fund Accounting

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

Governmental Funds

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

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

<u>Building Fund</u> – The Building Fund is used to account for financial resources that are restricted to expenditures related to the special bonds for capital facilities.

<u>Classroom Facilities Fund</u> – The Classroom Facilities Fund is used to account for financial resources in connection with contracts entered into by the school district and the Ohio Facilities Construction Commission (OFCC) for the building and equipping of classroom facilities.

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

Proprietary Funds

Proprietary funds focus on the determination of the changes in net position, financial position and cash flows and are classified as either enterprise or internal service.

<u>Enterprise Funds</u> – Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The School District's enterprise funds account for the provision of food services and services to the general public financed by user charges (culinary arts restaurant). The School District has no major enterprise funds.

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Fund Accounting (Continued)

<u>Internal Service Funds</u> – Internal service funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the School District, or to other governmental units, on a cost-reimbursement basis. The internal service funds of the School District account for two self-insurance programs and a program for the purchase of services and equipment for internal use. The two self-insurance programs provide medical, drug and dental to employees along with workers' compensation claims.

Fiduciary Funds

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

B. Basis of Presentation

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. Internal service fund activity is eliminated to avoid "doubling up" revenues and expenses. An exception to this general rule is that interfund services provided and used are not eliminated in the process of consolidation. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities.

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements, but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Fund Accounting

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

Governmental Funds

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

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

<u>Building Fund</u> – The Building Fund is used to account for financial resources that are restricted to expenditures related to the special bonds for capital facilities.

<u>Classroom Facilities Fund</u> – The Classroom Facilities Fund is used to account for financial resources in connection with contracts entered into by the school district and the Ohio Facilities Construction Commission (OFCC) for the building and equipping of classroom facilities.

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

Proprietary Funds

Proprietary funds focus on the determination of the changes in net position, financial position and cash flows and are classified as either enterprise or internal service.

<u>Enterprise Funds</u> – Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The School District's enterprise funds account for the provision of food services and services to the general public financed by user charges (culinary arts restaurant). The School District has no major enterprise funds.

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

Revenues - Exchange and Non-Exchange Transactions

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

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements, and donations. On an accrual basis, revenue from income taxes is recognized in the fiscal year in which the exchange on which the tax is imposed takes place and revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 8). 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 fiscal year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes available as an advance, interest, tuition, grants, student 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, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, deferred outflows of resources are reported in the government-wide Statement of Net Position for deferral on refunding and for pensions and other post-employment benefits. 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 pensions and other post-employment benefits are explained in Notes 16 and 17, respectively.

Notes to the Basic Financial Statements

June 30, 2018

(continued)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting (Continued)

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the School District, deferred inflows of resources include property taxes, compensation payments from a tax increment financing (TIF) agreement, pensions, other post-employment benefits and unavailable revenue. Property taxes and the compensation payments from the TIF agreement represent amounts for which there is an enforceable legal claim as of June 30, 2018, but which were levied to finance fiscal year 2019 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and the governmental fund 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 other 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 pensions and other post-employment benefits are reported on the government-wide Statement of Net Position which is further explained in Notes 16 and 17, respectively.

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

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.

The negative expense reflected on the statement of activities is a result of the effects of GASB Statements 68 and 75. Changes in net pension/OPEB liabilities are reflected as adjustments to current year expenses, which can lead to the fluctuations in program expenses from year to year.

D. Cash, Cash Equivalents and Investments

Cash received by the School District is pooled for investment purposes. Interest in the pool is presented as "equity in pooled cash, cash equivalents, and investments" on the financial statements. Certain investments have been identified as not part of the School District's internal pool. These investments are presented separately on the financial statements and are related to specific construction projects.

Notes to the Basic Financial Statements

June 30, 2018

(continued)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Cash, Cash Equivalents and Investments (Continued)

During fiscal year 2018, investments were limited to US Bank First American Government Obligation money market mutual fund, negotiable certificates of deposit, U.S. Government Agency securities, U.S. Treasury notes, commercial paper, STAR Ohio, and STAR Plus.

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 are reported at cost.

During fiscal year 2018, the School District invested in STAR Ohio. STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, *Certain External Investment Pools and Pool Participants*. The School District measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

For the fiscal year 2018, there were no limitation or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during fiscal year 2018 amounted to \$416,570, which includes \$246,870 assigned from other School District funds.

For presentation on the financial statement, 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 considered to be cash equivalents. Investments with an initial maturity of more than three months that are not purchased from the pool are reported as investments.

E. Restricted Assets

Restricted assets represent cash and cash equivalents and other current assets whose use is limited by legal requirements. See Note 23 for additional information regarding set-asides. As of June 30, 2018, the School District did not have any restricted assets.

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Prepaid Items

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

G. **Inventory**

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental funds when used.

Inventories of proprietary funds consist of donated food, purchased food, and school supplies held for resale and are expensed when used.

H. Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. 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. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at the acquisition value. The School District's capitalization threshold for all capital assets is \$5,000. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of capital assets is not capitalized.

Notes to the Basic Financial Statements

June 30, 2018

(continued)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Capital Assets (Continued)

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

	Governmental	Business-Type
	Activities	Activities
<u>Description</u>	Estimated Lives	Estimated Lives
Land Improvements	20 years	N/A
Buildings and Improvements	10-80 years	N/A
Furniture and Equipment	5-10 years	3-10 years
Vehicles	10 years	N/A

I. <u>Interfund Balances</u>

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "Due from/to other fund". These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for the residual amounts due between governmental and business-type activities, which are presented as internal balances.

J. Compensated Absences

The School District reports compensated absences in accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*. Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the 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 by all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is an estimate based on the School District's past experience of making termination payments.

The entire compensated absence liability is reported on the government-wide financial statements.

K. Bond Premiums and Discounts

On the government-wide financial statements, bond premiums and discounts are deferred and amortized over the term of the bonds using the straight line method. Bond premiums are presented as an increase of the face amount of the general obligation bonds payable. Bond discounts are presented as a decrease of the face amount of the general obligation bonds payable. On fund financial statements, premiums are receipted and discounts are disbursed in the year bonds are issued.

Notes to the Basic Financial Statements

June 30, 2018

(continued)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments, compensated absences, and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current expendable available financial resources. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits. In general, liabilities that mature or come due for payment during the fiscal year are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

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

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

Committed – The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the School District's Board of Education. Those committed amounts cannot be used for any other purpose unless the School District's 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.

Notes to the Basic Financial Statements

June 30, 2018

(continued)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Balance (Continued)

Assigned – Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts would represent intended uses established by the School District's Board of Education or a School District official delegated that authority by State statute.

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

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

N. Net Position

Net position represents the difference between assets/deferred outflows of resources and liabilities/deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Deferred outflows and inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on their use through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The School District passed legislation to create a restriction to net position for budget stabilization. This is the only net position restriction imposed through enabling legislation. The net position restricted for state and federally fund programs and student activities have external and internal restrictions imposed by state and federal governments along with the School District's Board of Education.

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

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the School District, these revenues are sales for food service and special services along with charges for services for the School District's two self-insurance programs. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. Any revenues and expenses not meeting the definition of operating are reported as non-operating.

P. Interfund Transactions

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues.

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

Q. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the School District and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2018.

R. Estimates

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

Notes to the Basic Financial Statements June 30, 2018 (continued)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

S. Budgetary Accounting

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified.

All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control is at the fund level for all funds. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

Tax Budget

Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. Public hearings are publicized and conducted to obtain taxpayer's comments. The express purpose of this budget document is to reflect the need for existing (or increased) tax rates. The budget includes proposed expenditures and the means of financing for all funds. By no later than January 20, the Board-adopted budget is filed with the Cuyahoga County Budget Commission for rate determination.

Estimated Resources

Prior to April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the County Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the School District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the Certificate of Estimated Resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered cash balances from the preceding year. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the School District's Treasurer. The amounts reported in the budgetary statement reflect the amounts set forth in the original and final amended certificates of estimated resources issued during fiscal year 2018.

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

S. **Budgetary Accounting (Continued)**

Appropriations

Upon receipt from the County Auditor of an amended Certificate of Estimated Resources based on final assessed values and tax rates or a certification saying no new certificate is necessary, the annual appropriation resolution is legally enacted by the Board of Education at the fund level for all funds, which is the legal level of budgetary control. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the School District. The appropriation resolution, by fund, must be ordinary expenses of the School District. The appropriation resolution, by fund, must be within the estimated resources as certified by the County Budget Commission. The total of expenditures and encumbrances may not exceed the appropriation totals at any level of control.

Any revisions that alter the total of any fund appropriation must be approved by the Board of Education. The Board may pass supplemental fund appropriations provided the total appropriations by fund do not exceed the amounts set forth in the most recent Certificate of Estimated Resources. During the year, several supplemental appropriations were legally enacted; however, none of these amendments were significant. The budget figures which appear in the statements of budgetary comparisons represent the final appropriation amounts, including all supplemental appropriations. Formal budgetary integration is employed as a management control device during the year for all funds other than agency funds, consistent with statutory provisions.

Encumbrances

As part of formal budgetary control, purchase orders, contracts and other commitments for the expenditure of monies are recorded as the equivalent of expenditures on the non-GAAP budgetary basis in order to reserve that portion of the applicable appropriation and to determine and maintain legal compliance. Expenditures plus encumbrances may not legally exceed appropriations. On the governmental fund financial statements, encumbrances outstanding at year end are reported as part of the respective fund balance classification for subsequent year expenditures. Encumbrances outstanding at year end are not reported on government-wide financial statements.

Lapsing of Appropriations

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

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

T. Pensions and Other Post-Employment Benefits (OPEB)

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

NOTE 3: **ACCOUNTABILITY**

The following funds had negative fund balances at June 30, 2018:

	Deficit
Nonmajor Special Revenue Funds	
IDEA, Part B Special Education, Education of	
Handicapped Children	\$217,276
Project Head Start	33,355
Title I - Disadvantaged Children/Targeted Assistance	320,992
IDEA Preschool Grant for the Handicapped	8,594
Improving Teacher Quality	65,899
Miscellaneous Federal Grants	208
Total Nonmajor Special Revenue Funds	646,324
Nonmajor Enterprise Fund	404.050
Food Services	421,252

The fund deficits in the nonmajor special revenue and enterprise funds resulted from accrued liabilities. The General Fund is liable for the deficits in these funds and will provide operating transfers when cash is required, not when accruals occur. In addition, the total net position of business-type activities reflect a deficit \$391,794. The effects of GASB Statement No. 68 and No. 75 are solely responsible for this deficit. These GASB Statements are further explained in Notes 16 and 17, respectively.

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 4: CHANGE IN ACCOUNTING PRINCIPLE AND RESTATEMENT OF NET POSITION

For fiscal year 2018, the School District implemented the Governmental Accounting Standards Board (GASB) Statement No. 85, *Omnibus 2017*, Statement No. 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*, and related guidance from (GASB) Implementation Guide No. 2017-3, *Accounting and Financial Reporting for Postemployment Benefits other Than Pensions (and Certain Issues Related to OPEB Plan Reporting).*

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

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

	G	overnmental Activities	siness-Type Activities	Total	
Net Position - June 30, 2017 Restatements:	\$	(30,960,570)	\$ (33,306)	\$ (30,993,876)	
Net Other Post-Employment Benefit Liability Deferred Outflows - Payments subsequent to the Measurement Date		(26,192,040)	(780,300)	(26,972,340)	
		195,444	 16,805	 212,249	
Net Position - June 30, 2017, as Restated	\$	(56,957,166)	\$ (796,801)	\$ (57,753,967)	
		oprietary Fund			
Net Position - June 30, 2017	\$	(73,637)			
Restatements: Net Other Post-Employment Benefit Liability Deferred Outflows - Payments subsequent to		(780,300)			
the Measurement Date		16,805			
Net Position - June 30, 2017, as Restated	\$	(837,132)			

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.

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 5: BUDGETARY BASIS OF ACCOUNTING

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

- 1. Revenues are recorded when received in cash (budgetary basis) as opposed to when susceptible to accrual (GAAP basis);
- 2. Expenditures are recorded when paid in cash (budgetary basis) as opposed to when the fund liability is incurred (GAAP basis);
- 3. Encumbrances are treated as expenditures (budgetary basis) rather than as a part of restricted, committed, and assigned fund balances (GAAP basis); and
- 4. Some funds are included in the General Fund (GAAP basis), but have separate legally adopted budgets (budgetary basis).

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

Net Change in Fund Balance	
GAAP Basis	\$ 2,665,189
Net Adjustment for Revenue Accruals	1,125,432
Net Adjustments for Expenditure Accruals	(254,633)
Funds with Separate Legally Adopted Budgets	(63,462)
Adjustment for Encumbrances	(1,423,003)
Budget Basis	\$ 2,049,523

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 6: **FUND BALANCE**

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned which is 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 constraints placed on the fund balances of the major governmental funds and nonmajor governmental funds are presented below:

									Total		
	Classrooi							overnmental			
Fund Balances	 General		Building	Fa	acilities		Funds		Funds		
Nonspendable											
Prepaid Items	\$ 115,767	\$	-	\$	-	\$	68,947	\$	184,714		
Materials and Supplies Inventory	20,869		-		-		-		20,869		
Total Nonspendable	136,636		-		-		68,947		205,583		
Restricted for											
Classroom Facilities Maintenance	-		-		-		1,626,588		1,626,588		
District Managed Activities	-		-		-		22,179		22,179		
Auxiliary Services	-		-		-		85,684		85,684		
Title III - LEP	-		-		-		160		160		
Other Grants	-		-		-		86,910		86,910		
Debt Service	-		-		-	1	1,129,478		11,129,478		
Permanent Improvements	-		-		_		2,004,331		2,004,331		
Buildings	-		28,100,505	-		-			28,100,505		
Classroom Facilities Projects	-		-	57,935,817		-			57,935,817		
Total Restricted	-		28,100,505	57	57,935,817		57,935,817		4,955,330		100,991,652
Committed to											
Termination Benefits	80,159		-		-		-		80,159		
Special Programs	-		-		-		23,472		23,472		
Total Committed	80,159		-				23,472		103,631		
Assigned to											
Property Replacement	-		-		-		37,052		37,052		
Public School Support	48,880		-		-		-		48,880		
Instructional Activities	719,690		-		-		-		719,690		
Supporting Services	358,761		-		-		-		358,761		
Extracurricular Activities	573		-		_		-		573		
Subsequent Appropriations	4,311,383		-		-	-			4,311,383		
Total Assigned	5,439,287		-		-		37,052		5,476,339		
Unassigned (Deficit)	2,414,434		-		-		(646,324)		1,768,110		
Total Fund Balances	\$ 8,070,516	\$	28,100,505	\$ 57	,935,817	\$ 14	4,438,477	\$	108,545,315		

Notes to the Basic Financial Statements

June 30, 2018

(continued)

NOTE 7: **DEPOSITS AND INVESTMENTS**

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

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

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

Interim 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.

Interim monies may be deposited or invested in the following securities:

- 1. United States Treasury notes, bills, bonds, or any other obligations or security issued by the United States Treasury or any other obligation guaranteed as to payment of principal and interest by the United States;
- 2. Bonds, notes, debentures, or any other obligations or securities 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 or other obligations of the State of Ohio or Ohio local governments;
- 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 division (2) of this section and repurchase agreements secured by such obligations;
- 7. The State Treasurer's investment pool (STAR Ohio); and
- 8. Bankers' acceptances and commercial paper, 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.

Notes to the Basic Financial Statements

June 30, 2018

(continued)

NOTE 7: <u>DEPOSITS AND INVESTMENTS</u> (CONTINUED)

Cash on Hand

At June 30, 2018, the School District did not have any undeposited cash on hand, which would normally be included on the balance sheet of the School District as part of "Equity in Pooled Cash, Cash Equivalents, and Investments".

Deposits

At June 30, 2018, the carrying amount of the School District's deposits was \$(743,798) and the bank balance was \$5,788,089. The negative carrying deposit is due to outstanding checks exceeding amounts in the respective deposit accounts. The School District closely monitors its cash flow requirements and can provide necessary funds to cover any outstanding checks when they become due. \$2,723,294 of the School District's bank balance was covered by Federal Depository Insurance and \$3,054,795 was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent but not in the School District's name. Although the securities were held by the pledging institution's trust department and all statutory requirements for the investments of money had been followed, noncompliance with Federal requirements could potentially subject the School District to a successful claim by the FDIC.

Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits or collateral securities may not be returned. The School District's policy is to place deposits with major local banks approved by the School District's Board of Education. All deposits, except for deposits held by fiscal and escrow agents, are collateralized with (1) eligible securities in amounts equal to at least 105 percent of the carrying value of the deposits or (2) participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities pledged to be 102 percent of the deposits being secured or a reduced rate set by the Treasurer of State.

Investments

The School District has a formal investment policy and utilizes a pooled investment concept for all its funds to maximize its investment program. The objective of the policy shall be the preservation of capital and protection of principal while earning investment interest. STAR Ohio is measured at net asset value (NAV) per share while all other investments are measured at fair value. The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The table presented on the next page identifies the School District's recurring fair value measurement as of June 30, 2018. As previously discussed Star Ohio is reported at its net asset value. All other investments of the School District are valued using quoted market prices (Level 2 inputs).

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 7: **<u>DEPOSITS AND INVESTMENTS</u>** (**CONTINUED**)

During fiscal year 2018, the School District has invested the proceeds from previously issued debt that was specifically for the construction of school facilities and other improvements. The proceeds invested are not part of the School District's internal investment pool of funds. These debt proceeds are separately presented on the financial statements as "Investments" and the earnings on these investments are required to remain with the projects.

Investments at year end were as follows:

	Internal	nternal Specific			Total	Investment	Standard	
	Investment	nvestment Investments Fair Value of		Maturities	& Poor's			
Measurement/Investment Type	Pool	for	Construction	Investments		(in Years)	Rating	
Net Asset Value per Share:					_			
STAR Ohio	\$ 15,747,924	\$	6,779,202	\$	22,527,126	< 1	AAAm	
Money Market Mutual Fund	39,748		42,591		82,339	< 1	AAA	
Fair Value - Level Two Inputs:								
Negotiable CDs	6,204,487		7,505,317		13,709,804	1 - 3	N/A	
U.S. Government Agency Securities	6,386,935		43,592,941		49,979,876	1.5 - 3.5	AA+	
U.S. Treasury Notes	-		2,340,015		2,340,015	< 3.5	N/A	
Commercial Paper -								
Credit Suisse New York	728,293		4,393,708		5,122,001	< 1	A1	
Dexia Credit Local NY			3,288,707		3,288,707	< 1	A1+	
Credit Agricole CIB NY	642,691		5,584,934		6,227,625	< 1	A1	
JP Morgan Securities	746,205		4,275,879		5,022,084	< 1	A 1	
Toyota Motor Credit	-		3,829,820		3,829,820	< 1	A1+	
Caterpillar Financial Service Corp	2,786,028		-		2,786,028	< 1	A1	
GE Capital Corp	1,096,062		5,134,925		6,230,987	< 1	A 1	
ING Funding LLC	279,582		-		279,582	< 1	A 1	
MUFG Bank Ltd NY	3,589,470		-		3,589,470	< 1	A1	
Natixis NY	996,420		1,746,343		2,742,763	< 1	A1	
Total Investments	\$ 39,243,845	\$	88,514,382	\$	127,758,227			

Interest Rate Risk

As a means of limiting its exposure to fair value of losses caused by rising interest rates, the School District's investment policy requires that operating funds be invested primarily in short-term investments maturing within five years from the date of purchase and the School District's investment portfolio be structured so that securities mature to meet cash requirements for ongoing operations and/or long-term debt payments. The stated intent of the policy is to avoid the need to sell securities prior to maturity.

Credit Risk

The credit risks of the School District's investments are in the table above. 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 would further limit its investment choices.

Notes to the Basic Financial Statements

June 30, 2018

(continued)

NOTE 7: **<u>DEPOSITS AND INVESTMENTS</u>** (**CONTINUED**)

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 School District's investments in the money market mutual fund, commercial paper, U.S. Treasury Notes and U.S. Government Agency securities are exposed to custodial credit risk in that it is uninsured, unregistered, and held by the counterparty's trust department or agent but not in the School District's name. The School District's investments in negotiable certificates of deposit were fully covered by Federal Depository Insurance. The School District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

Concentration of Credit Risk

The School District places no limit on the amount it may invest in any one issuer.

NOTE 8: **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, public utility, and certain tangible personal property (used in business) located in the School District. Real property tax revenue received in calendar year 2018 represents collections of calendar year 2017 taxes. Real property taxes received in calendar year 2018 were levied after April 1, 2017, on the assessed value listed as of January 1, 2017, 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 paid 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 2018 represents collections of calendar year 2017 taxes. Public utility real and tangible personal property taxes received in calendar year 2018 became a lien December 31, 2017, were levied after April 1, 2017 and are collected in 2017 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 Cuyahoga 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 County by June 30, 2018, are available to finance fiscal year 2018 operations. The amount available to be advanced can significantly vary based on the date the tax bills are sent.

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 8: **PROPERTY TAXES** (CONTINUED)

The amount available as an advance at June 30, 2018 was \$5,560,766 in the General Fund, \$976,958 in the Bond Retirement Fund, and \$196,967 in the Permanent Improvement Capital Projects Fund. The amount available as an advance at June 30, 2017 was \$6,065,793 in the General Fund, \$1,061,856 in the Bond Retirement Fund, and \$212,371 in the Permanent Improvement Capital Projects Fund.

Accrued property taxes receivable includes real property, public utility property, and tangible personal property taxes which are measurable as of June 30, 2018, 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.

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

The assessed values upon which fiscal year 2018 taxes were collected are:

		2017 Secon	nd	2018 First					
	Half Collections					ons			
	<u></u>	Amount	Percent		Amount	Percent			
Agricultural/Residential		_			_				
and Other Real Estate	\$	537,164,000	96.09%	\$	532,140,150	95.80%			
Public Utility		21,846,670	3.91%		23,303,290	4.20%			
Totals	\$	559,010,670	100.00%	\$	555,443,440	100.00%			
Tax Rate per \$1,000 of Assessed Valuation	\$	110.92		\$	109.82				

NOTE 9: SCHOOL DISTRICT INCOME TAXES

The School District is the only school district in the State of Ohio with an enacted shared City/School income tax. The shared income tax, enacted in 1994, is a 0.85 percent voted income tax of which 0.47 percent is for the School District and 0.38 percent for the City of Euclid. Employers are required to withhold income tax on compensation and remit the tax to the City of Euclid. Taxpayers are required to file an annual return with the City of Euclid. The City makes monthly distributions to the School District after withholding amounts for administrative fees and estimated refunds. School District income tax revenue is credited to the General Fund.

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 10: **RECEIVABLES**

Receivables at June 30, 2018 consisted of property taxes, compensation payments from a TIF agreement, accounts (rent, billings for user charged services, and student fees), intergovernmental grants and interest. 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 fiscal year guarantee of federal funds. The Ohio Facilities Construction Commission receivable in the amount of \$\$33,638,691 will be collected over the life of the school facilities construction project.

A summary of the principal items of intergovernmental receivables follows:

	Governmental	Business-Type
	Activities	Activities
ROTC Grant	\$ 14,806	5 -
Cuyahoga County UPK Program	45,388	3
Mentor EVSD	98,343	-
Bureau of Workers Comp. Rebate	313,984	4 -
Special Education, Part B - IDEA	217,295	5 -
Title I	296,715	5 -
IDEA Early Childhood Special Education	8,594	4 -
Improving Teacher Quality	62,432	-
Title IV	208	-
SERS True-up	313,042	2 42,324
National School Lunch Program	-	26,165
TIF	60,000	-
Ohio Facilities Construction Commission	33,638,691	-
Other	38,864	4 -
Total Intergovernmental Receivables	\$ 35,108,362	\$ 68,489

This space is intentionally left blank.

Notes to the Basic Financial Statements June 30, 2018 (continued)

NOTE 11: **CAPITAL ASSETS**

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

	Balance 6/30/2017		Additions		Additions		Deletions	Balance 6/30/2018
Governmental Activities								
Capital Assets, not being depreciated:								
Land	\$ 2,052,789	\$	287,769	\$	-	\$ 2,340,558		
Intangible Asset	-		44,393		-	44,393		
Construction in Progress	2,601,273		15,463,559		-	18,064,832		
Total Capital Assets, not being depreciated	 4,654,062		15,795,721		-	20,449,783		
Capital Assets, being depreciated:								
Land Improvements	9,507,448		11,102		-	9,518,550		
Buildings and Improvements	102,848,672		-		-	102,848,672		
Furniture and Equipment	3,056,050		39,470		-	3,095,520		
Vehicles	3,144,035		64,608			 3,208,643		
Total Capital Assets, being depreciated	 118,556,205		115,180		-	118,671,385		
Less Accumulated Depreciation:								
Land Improvements	(3,983,917)		(382,741)		-	(4,366,658)		
Buildings and Improvements	(34,107,092)		(1,831,664)		-	(35,938,756)		
Furniture and Equipment	(2,022,596)		(299,472)		-	(2,322,068)		
Vehicles	(2,768,042)		(114,552)		-	(2,882,594)		
Total Accumulated Depreciation	(42,881,647)		(2,628,429)		-	(45,510,076)		
Total Capital Assets being depreciated, Net	75,674,558		(2,513,249)		-	73,161,309		
Governmental Activities' Capital Assets, Net	\$ 80,328,620	\$	13,282,472	\$	-	\$ 93,611,092		
Business-Type Activities								
Capital Assets, being depreciated:								
Buildings and Improvements	\$ 12,000	\$	-	\$	-	\$ 12,000		
Furniture and Equipment	785,240					 785,240		
Total Capital Assets, being depreciated	 797,240				-	797,240		
Less Accumulated Depreciation:								
Buildings and Improvements	(2,850)		(300)		-	(3,150)		
Furniture and Equipment	 (338,211)		(45,231)		-	 (383,442)		
Total Accumulated Depreciation	(341,061)		(45,531)		-	(386,592)		
Business-Type Activities' Capital Assets, Net	\$ 456,179	\$	(45,531)	\$	-	\$ 410,648		

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 11: CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to the governmental functions as follows:

Instruction:	
Regular	\$ 2,289,401
Special	1,599
Support Services:	
Instructional Staff	23,146
Administration	37,330
Operation and Maintenance of Plant	92,324
Pupil Transportation	104,573
Central	79,071
Extracurricular Activities	985
Total Depreciation Expense	\$ 2,628,429

NOTE 12: SIGNIFICANT CONTRACTUAL COMMITMENTS

The School District is undertaking several school facilities construction projects relating to segment two of the School District's project agreement with the Ohio Facilities Construction Commission. Below is a listing of significant outstanding contractual commitments at fiscal year-end:

Project Name		Contract Amount Amount Expended				Balance 6/30/2018
Athletic Fields:	Ф	7.057.046	Φ.	(7.70 (.722)	Φ.	151 114
Hammond Construction	\$	7,857,846	\$	(7,706,732)	\$	151,114
Early Learning Village:						
Hammond Construction		16,359,711		(654,840)		15,704,871
Then Design Architecture, Ltd		988,611		(690,200)		298,411
Total Building Fund		25,206,168		(9,051,772)		16,154,396
Forest Park Abatement & Demolition:						
Hammond Construction		1,751,346		(225,107)		1,526,239
High School/Middle School:						
Then Design Architecture, Ltd		8,146,439		(4,517,499)		3,628,940
Total Classroom Facilities Fund		9,897,785		(4,742,606)		5,155,179
Total Governmental Activities	\$	35,103,953	\$	(13,794,378)	\$	21,309,575

Notes to the Basic Financial Statements June 30, 2018 (continued)

NOTE 13: **LONG-TERM OBLIGATIONS**

The changes in the School District's long-term obligations during fiscal year 2018 were as follows:

	Restated Balance Outstanding 6/30/2017	ng		Deletions		Balance Outstanding 6/30/2018	Amounts Due in One Year
Governmental Activities	 			_		 	
General Obligation Bonds							
Energy Conservation Bonds:							
Series 2009 - \$1,253,000 - 5.25%	\$ 705,300	\$	-	\$	(85,600)	\$ 619,700	\$ 90,200
Classroom Facilities and School							
Improvement Bonds, Series 2010:							
Sinking Fund Bonds - \$15,165,000 - 1.85%	11,610,000		-		(1,190,000)	10,420,000	1,215,000
Classroom Facilities and School							
Improvement Refunding Bonds, Series 2014:							
Serial Bonds - \$9,575,000 - 1.00-4.00%	9,435,000		-		(70,000)	9,365,000	70,000
Term Bonds - \$11,815,000 - 3.50-3.625%	11,815,000		-		-	11,815,000	-
Capital Appreciation Bonds - \$9,996 - 41.48%	9,996		-		-	9,996	-
Accretion on Capital Appreciation Bonds	18,827		13,196		-	32,023	-
Unamortized Bond Premium	829,390		-		(39,495)	789,895	-
Unamortized Bond Discount	(485,909)		-		23,138	(462,771)	-
Classroom Facilities and School							
Improvement Bonds, Series 2017:							
Serial Bonds - \$22,375,000 - 2.00-5.00%	22,375,000		-		(480,000)	21,895,000	10,000
Term Bonds - \$73,195,000 - 3.00-5.25%	73,195,000		-		(10,000)	73,185,000	10,000
Capital Appreciation Bonds - \$219,994 - 29.988-30.00%	219,994		-		-	219,994	-
Accretion on Capital Appreciation Bonds	13,299		84,308		-	97,607	-
Unamortized Bond Premium	6,066,393		-		(163,956)	5,902,437	-
Unamortized Bond Discount	 (1,266,831)				34,239	 (1,232,592)	 -
Total General Obligation Bonds	134,540,459		97,504		(1,981,674)	132,656,289	 1,395,200
Other Long-Term Obligations							
Permanent Improvement Tax Anticipation -							
\$4,185,000 - 3.15%	2,665,000		-		(410,000)	2,255,000	425,000
Claims	1,155,507		9,192,435		(9,419,698)	928,244	912,089
Compensated Absences	1,724,485		479,675		(609,635)	1,594,525	547,679
Capital Lease - Copiers	225,416				(70,216)	155,200	72,954
Total Other Long-Term Obligations	 5,770,408		9,672,110		(10,509,549)	 4,932,969	 1,957,722
Net Pension Liability (See Note 16):							
STRS	107,134,416		-		(35,563,538)	71,570,878	-
SERS	22,604,259		-		(5,182,015)	17,422,244	-
Total Net Pension Liability	 129,738,675				(40,745,553)	 88,993,122	 -
Net OPEB Liability (See Note 17):							
STRS	17,117,002		-		(5,361,975)	11,755,027	-
SERS	 9,075,038				(1,007,200)	 8,067,838	 -
Total Net OPEB Liability	26,192,040				(6,369,175)	 19,822,865	 -
Total Governmental Activities							
Long-Term Liabilities	\$ 296,241,582	\$	9,769,614	\$	(59,605,951)	\$ 246,405,245	\$ 3,352,922
Business-Type Activities							
Compensated Absences	\$ 22,119	\$	5,019	\$	(7,160)	\$ 19,978	\$ 7,394
Net Pension Liability (See Note 16):							
SERS	2,508,044		-		(574,968)	1,933,076	-
Net OPEB Liability (See Note 17):							
SERS	 780,300			_	(86,602)	 693,698	
Total Business-Type Activities	 						
Long-Term Liabilities	\$ 3,310,463	\$	5,019	\$	(668,730)	\$ 2,646,752	\$ 7,394

Notes to the Basic Financial Statements June 30, 2018 (continued)

NOTE 13: LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds

In 2009, the School District issued \$1,253,000 in energy conservation improvement bonds for a fifteen year period. The bonds were issued to retire \$1,338,000 in bond anticipation notes that were provided to pay the costs of installations, modifications, and remodeling of school buildings to conserve energy. The bonds will be retired from the Bond Retirement Fund with transfers from the General Fund.

In 2010, the School District issued \$40,299,828 in voted general obligation bonds which comprised of serial, capital appreciation (deep discount), term, and sinking fund bonds in the amount of \$3,235,000, \$499,828, \$21,400,000 and \$15,165,000, respectively. The general obligation bonds were issued for the purpose of building new elementary schools within the Euclid City Schools system. The bonds were issued with a twenty-eight year period with final maturity on January 15, 2038. As discussed in further detail later, the serial, capital appreciation and term bonds were refunded in fiscal year 2015. The sinking fund bonds remained outstanding at June 30, 2018. The Bond Retirement Fund will fund the annual debt service requirements on these bonds.

\$15,165,000 of the bonds issued on March 4, 2010, consisted of Qualified School Construction Bonds (QSCBs). In addition to the aforementioned BABs, the QSCBs were authorized by the federal government through the ARRA. These bonds were issued as tax credit bonds under which the bond holders receive federal tax credits in lieu of interest as a means to significantly reduce the issuer's interest cost.

On September 10, 2014, the School District issued term bonds of \$11,815,000 with interest rates ranging from 3.50-3.625 percent; serial bonds of \$9,575,000 with interest rates ranging from 1.00-4.00 percent; and capital appreciation bonds of \$9,996 with an interest rate of 41.48 percent to currently refund the BAB portion of the Classroom Facilities and School Improvement Bonds, Series 2010. The BABs mature on January 15, 2033 and January 15, 2038, and are both callable on October 10, 2014. The net proceeds from the issuance of the refunding bonds of \$21,532,802 and the School District's contribution of \$181,196 were used to purchase U.S. government securities and those securities were deposited in an irrevocable trust with an escrow agent to provide the debt service requirements until the BABs were called on October 10, 2014. The current refunding met the requirements of an in-substance debt defeasance and the BABs were removed from the School District's government-wide financial statements.

As a result of the current refunding, the School District reduced its total debt service requirements by \$1,455,686, which resulted in an economic gain of (difference between the present value of the debt service payments on the old and new debt) of \$997,026.

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 13: LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds (Continued)

The QCSBs maturing January 15, 2026 are subject to extraordinary mandatory redemption and extraordinary optional redemption requirements on January 15 in the years (mandatory sinking fund dates) and in respective principal amounts as follows:

Year	Amount
2019	\$ 1,215,000
2020	1,240,000
2021	1,265,000
2022	1,290,000
2023	1,315,000
2024	1,340,000
2025	1,370,000
2026	1,385,000
Total	\$ 10,420,000

On March 8, 2017, the School District issued \$86,679,994 in voted general obligation bonds which comprised of serial, capital appreciation (deep discount) and term bonds in the amount of \$15,335,000, \$219,994 and \$71,125,000, respectively. The general obligation bonds were issued for the purpose of building and improving facilities of the School District. The bonds were issued with a thirty-seven year period with final maturity on January 15, 2054. The Bond Retirement Fund will fund the annual debt service requirements on these bonds.

On March 22, 2017, the School District issued \$9,110,000 in voted general obligation bonds which is comprised of serial and term bonds in the amount of \$7,040,000 and \$2,070,000, respectively. The general obligation bonds were issued for the purpose of retiring short-term bond anticipation notes that matured on April 4, 2017. The bonds were issued with a twenty-nine year period with final maturity on January 15, 2046. The Bond Retirement Fund will fund the annual debt service requirements on these bonds.

Tax Anticipation Notes

In 2012, the School District issued \$4,185,000 in long-term payable notes to provide for the renovation of the school buildings and other School District improvements. These notes will paid off over a ten year period of time

Notes to the Basic Financial Statements June 30, 2018 (continued)

NOTE 13: LONG-TERM OBLIGATIONS (CONTINUED)

Other Obligations

Compensated absences will be paid from the General Fund and Food Service enterprise fund. See Note 19 for further details on the School District's liability for claims. The net pension and OPEB liabilities recorded on the government-wide financial statements are further explained in Notes 16 and 17, respectively. There are no repayment schedules for the net pension and OPEB liabilities; however, employer pension and OPEB contributions are made from the School District's funds that record the respective salaries and wages.

Legal Debt Margin

At June 30, 2018, the School District's overall legal debt margin was \$0 with an unvoted debt margin of \$555,443. Section 133.06(I) of the Ohio Revised Code permits a school district to incur net indebtedness in excess of the 9.0 percent limitation when necessary to raise the school district's portion of the basic project cost and any additional funds necessary to participate in a project under Chapter 3318 of the Ohio Revised Code. Since the School District entered into a project under Chapter 3318 of the Ohio Revised Code, this exception was included during the calculation of the overall legal debt margin.

Principal and interest requirements to retire the general obligation debt outstanding at June 30, 2018 are as follows:

Fiscal Year	Permanent Imp	rovement Tax				
Ending	Anticipati	on Note	General Obligation Bonds		Totals	
June 30,	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 425,000	\$ 64,339	\$ 1,395,200	\$ 5,182,625	\$ 1,820,200	\$ 5,246,964
2020	435,000	50,794	1,475,100	5,176,011	1,910,100	5,226,805
2021	450,000	36,855	1,645,200	5,167,985	2,095,200	5,204,840
2022	465,000	22,444	1,860,600	5,156,882	2,325,600	5,179,326
2023	480,000	7,559	2,131,300	5,141,414	2,611,300	5,148,973
2024-2028	-	-	10,902,290	28,542,428	10,902,290	28,542,428
2029-2033	-	-	17,595,000	21,778,306	17,595,000	21,778,306
2034-2038	-	-	21,930,000	18,104,107	21,930,000	18,104,107
2039-2043	-	-	15,645,000	13,825,415	15,645,000	13,825,415
2044-2048	-	-	20,725,000	9,494,540	20,725,000	9,494,540
2049-2053	-	_	26,245,000	4,872,790	26,245,000	4,872,790
2054			5,980,000	284,042	5,980,000	284,042
Totals	\$ 2,255,000	\$ 181,991	\$ 127,529,690	\$ 122,726,545	\$129,784,690	\$ 122,908,536

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 14: CAPITALIZED LEASE – LEASEE DISCLOSURE

In 2015, the School District entered into a capitalized lease for copiers in the amount of \$352,718. This represents the present value of the minimum lease payments at the time of acquisition. A portion of the copier lease (\$39,742) did not meet the School District's capitalization threshold of \$5,000 and has not been included with the School District's capital assets. Accumulated depreciation as of June 30, 2018, was \$156,488, leaving a current book value of \$156,488. A corresponding liability is recorded in the government-wide financial statements. Principal payments in fiscal year 2018 totaled \$70,216 paid by the General Fund.

The following is a schedule of the future long-term minimum lease payments required under the capital lease and the present value of the future minimum lease payments as of June 30, 2018:

Fiscal Year	
Ending June 30,	Amount
2019	\$ 77,626
2020	77,626
2021	6,470
Total	161,722
Less: Amount representing interest	(6,522)
Total	\$ 155,200

NOTE 15: **OTHER EMPLOYEE BENEFITS**

A. Compensated Absences

Employees earn vacation at rates specified under State of Ohio law and based on credited service. Clerical, technical, and maintenance and operations employees with one or more years of service are entitled to vacation ranging from 5 to 25 days. Employees with less than one year of service earn one vacation day per month worked, not to exceed five days. Unused vacation is not cumulative to the next year. Teachers do not earn vacation.

All employees are entitled to a sick leave credit equal to one and one-quarter days for each month of service (earned on a pro rata basis for less than fill-time employees). This sick leave will either be absorbed by time off due to illness or injury or, within certain limitations, be paid to the employee upon retirement. The amount paid to an employee upon retirement is limited to one-quarter of the accumulated sick leave to a maximum payout of 40 to 60 days based on the collective bargaining agreements.

Notes to the Basic Financial Statements June 30, 2018 (continued)

NOTE 16: **PENSION PLANS**

A. Net Pension Liability

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

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

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

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

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.

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 16: **PENSION PLANS (CONTINUED)**

B. Plan Description – School Employees Retirement System (SERS)

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

Age and service requirements for retirement are as follows:

	Eligible to	Eligible to
	Retire on or before	Retire on or after
	August 1, 2017 *	August 1, 2017
Full Benefits	Any age with 30 years of service credit Age 65 with 5 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially Reduced Benefits	Age 60 with 5 years of service credit Age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or Age 60 with 25 years of service credit

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

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on year of service; 2.2 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 2.5 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, 2018, the allocation to pension, death benefits, and Medicare B was 13.5 percent. The remaining 0.5 percent of the employer contribution rate was allocated to the Health Care Fund.

The School District's contractually required contribution to SERS was \$1,444,190 for fiscal year 2018. Of this amount, \$21,642 is reported as an intergovernmental payable.

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 16: **PENSION PLANS (CONTINUED)**

C. Plan Description – State Teachers Retirement System (STRS)

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

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan, and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. Effective July 1, 2017 the cost-of-living adjustment was reduced to zero. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 26 years of service, or 31 years of service regardless of age. Age and service requirements for retirement will increase effective August 1, 2015, and will continue to increase periodically until they reach age 60 with 35 years of service or age 65 with five years of service on August 1, 2026.

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

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12.0 of the 14.0 percent member rates goes to the DC Plan and the remaining 2.0 percent goes to the DB plan. Member contributions to the DC plan are allocated among investment choices by the member, and contributions to the DB plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of services. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity after termination of employment at age 50 or later.

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 16: **PENSION PLANS (CONTINUED)**

C. Plan Description - State Teachers Retirement System (STRS) (Continued)

New members who choose the DC plan or Combined Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS plan. The optional annuitization of a member's defined contribution account or the defined contribution portion of a member's

Combined Plan account to a lifetime benefit results in STRS bearing the risk of investment gain or loss on the account. STRS has therefore included all three plan options in the GASB 68 schedules of employer allocation and pension amounts by employer.

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

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

The School District's contractually required contributions to STRS was \$4,665,838 for fiscal year 2018. Of this amount \$1,021,210 is reported as an intergovernmental payable.

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 16: **PENSION PLANS (CONTINUED)**

D. <u>Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions</u>

The net pension liability was measured as of June 30, 2016, 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:

	SERS	STRS	Total
Proportion of the Net Pension Liability			
Prior Measurement Date	0.3431075%	0.32006205%	
Proportion of the Net Pension Liability			
Current Measurement Date	0.3239504%	0.30128492%	
Change in Proportionate Share	-0.0191571%	-0.01877713%	
Proportionate Share of the Net Pension			
Liability	\$19,355,320	\$71,570,878	\$90,926,198
Pension Expense	(\$1,699,164)	(\$28,057,436)	(\$29,756,600)

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

		SERS		STRS		Total
Deferred Outflows of Resources						
Differences between expected and						
actual experience	\$	832,985	\$	2,763,731	\$	3,596,716
Changes of assumptions		1,000,878		15,653,338		16,654,216
Changes in proportion and differences						
between School District contributions						
and proportionate share of contributions		-		1,774,290		1,774,290
School District contributions subsequent to the						
measurement date		1,444,190		4,665,838		6,110,028
Total Deferred Outflows of Resources	\$	3,278,053	\$	24,857,197	\$	28,135,250
Deferred Inflows of Resources						
Differences between expected and	ø		ø	576 924	ø	576 924
actual experience	\$	-	\$	576,834	\$	576,834
Net difference between projected and		01.076		2 261 022		2 452 700
actual earnings on pension plan investments		91,876		2,361,923		2,453,799
Changes in proportion and differences						
between School District contributions		1 692 750		4 427 522		6 110 201
and proportionate share of contributions	-	1,682,759		4,427,532		6,110,291
Total Deferred Inflows of Resources	\$	1,774,635	\$	7,366,289	\$	9,140,924

Notes to the Basic Financial Statements June 30, 2018 (continued)

NOTE 16: **PENSION PLANS (CONTINUED)**

D. <u>Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions</u> (Continued)

\$6,110,028 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, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year			
Ending			
June 30:	SERS	STRS	Total
2019	(\$226,245)	\$2,798,665	\$2,572,420
2020	692,790	6,011,699	6,704,489
2021	43,894	3,871,282	3,915,176
2022	(451,211)	143,424	(307,787)
Total	\$59,228	\$12,825,070	\$12,884,298

E. Actuarial Assumptions - SERS

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

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

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

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 16: **PENSION PLANS (CONTINUED)**

E. <u>Actuarial Assumptions – SERS</u> (Continued)

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

Wage Inflation 3.00 percent

Future Salary Increases, including inflation 3.50 percent to 18.20 percent

COLA or Ad Hoc COLA 2.5 percent

Investment Rate of Return 7.50 percent net of investments expense, including inflation

Actuarial Cost Method Entry Age Normal

Prior to 2017, as assumption of 3 percent was used for COA or Ad Hoc COLA

The mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and Scale BB, 130% of male rates and 110% of female rates is used to evaluate allowances to be paid. The RP-2000 Disabled Mortality Table with 90% for male rates and 100% for female rates set back five years is used for the period after disability retirement.

The most recent experience study was completed June 30, 2015.

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

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

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 16: **PENSION PLANS (CONTINUED)**

E. <u>Actuarial Assumptions – SERS</u> (Continued)

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

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

	Current		
	1% Decrease	Discount Rate	1% Increase
	(6.50%)	(7.50%)	(8.50%)
School District's proportionate share		_	
of the net pension liability	\$26,860,155	\$19,355,320	\$13,068,491

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 16: **PENSION PLANS (CONTINUED)**

F. Actuarial Assumptions – STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the July 1, 2017, actuarial valuation, compared with July 1, 2016 are presented below:

	July 1, 2017
Inflation	2.50 percent
Projected salary increases	2.50 percent at age 65 to 12.50 percent at age 20
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation
Payroll Increases	3 percent
Cost-of-Living Adjustments (COLA)	0.0 percent, effective July 1, 2017
	July 1, 2016
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, including inflation
Payroll Increases	3.5 percent
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.

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

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

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

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 16: **PENSION PLANS (CONTINUED)**

F. <u>Actuarial Assumptions – STRS</u> (Continued)

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

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

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

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

Notes to the Basic Financial Statements

June 30, 2018

(continued)

NOTE 16: **PENSION PLANS** (CONTINUED)

F. <u>Actuarial Assumptions – STRS</u> (Continued)

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

	Current		
	1% Decrease	1% Increase	
	(6.45%)	(7.45%)	(8.45%)
School District's proportionate share			
of the net pension liability	\$102,594,419	\$71,570,878	\$45,438,196

G. Social Security System

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

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 17: **POST-EMPLOYMENT BENEFITS**

A. Net Other Post-Employment Benefits (OPEB) Liability

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

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

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

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

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

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 17: POST-EMPLOYMENT BENEFITS (CONTINUED)

B. Plan Description – School Employees Retirement System (SERS)

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

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2018, .5 percent of covered payroll was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2018, this amount was \$23,700. 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 2018, the School District's surcharge obligation was \$166,389.

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 17: POST-EMPLOYMENT BENEFITS (CONTINUED)

B. Plan Description - School Employees Retirement System (SERS) (Continued)

The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The School District's contractually required contribution to SERS was \$219,878 for fiscal year 2018. Of this amount \$188,833 is reported as an intergovernmental payable.

C. Plan Description – State Teachers Retirement System (STRS)

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

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

Notes to the Basic Financial Statements

June 30, 2018

(continued)

NOTE 17: POST-EMPLOYMENT BENEFITS (CONTINUED)

D. <u>OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of</u> Resources Related to OPEB

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

	SERS	STRS	Total
Proportion of the Net OPEB Liability Prior Measurement Date	0.34575647%	0.32006205%	
Proportion of the Net OPEB Liability Current Measurement Date	0.32646770%	0.30128492%	
Change in Proportionate Share	-0.01928877%	-0.01877713%	
Proportionate Share of the Net OPEB Liability OPEB Expense	\$8,761,536 \$376,585	\$11,755,027 (\$3,730,457)	\$20,516,563 (\$3,353,872)

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

	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between expected and			
actual experience	\$ -	\$ 678,573	\$ 678,573
School District contributions subsequent to the			
measurement date	219,878	_	219,878
Total Deferred Outflows of Resources	\$219,878	\$678,573	\$898,451
Deferred Inflows of Resources			
Changes of assumptions	\$ 831,424	\$ 946,906	\$ 1,778,330
Net difference between projected and			
actual earnings on OPEB plan investments	23,237	502,437	525,674
Changes in Proportionate Share and			
Difference between School District contributions			
and proportionate share of contributions	403,577	860,748	1,264,325
Total Deferred Inflows of Resources	\$1,258,238	\$2,310,091	\$ 3,568,329

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 17: POST-EMPLOYMENT BENEFITS (CONTINUED)

D. <u>OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB</u> (Continued)

\$219,878 reported as deferred outflows of resources related to OPEB resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending			
June 30:	SERS	STRS	Total
2019	(\$453,249)	(\$313,790)	(\$767,039)
2020	(453,249)	(313,790)	(767,039)
2021	(345,855)	(313,790)	(659,645)
2022	(5,785)	(313,791)	(319,576)
2023	0	(188,181)	(188,181)
Thereafter	0	(188,176)	(188,176)
			_
Total	(\$1,258,138)	(\$1,631,518)	(\$2,889,656)

E. Actuarial Assumptions – SERS

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

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

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

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 17: POST-EMPLOYMENT BENEFITS (CONTINUED)

E. <u>Actuarial Assumptions – SERS</u> (Continued)

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

Wage Inflation 3.00 percent

Future Salary Increases, including inflation

3.50 percent to 18.20 percent

7.50 percent net of investments

expense, including inflation

Municipal Bond Index Rate:

Measurement Date 3.56 percent
Prior Measurement Date 2.92 percent

Single Equivalent Interest Rate, net of plan investment expense,

including price inflation

Measurement Date 3.63 percent
Prior Measurement Date 2.98 percent

Medical Trend Assumption

Medicare 5.50 to 5.00 percent Pre-Medicare 7.50 to 5.00 percent

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

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

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

Notes to the Basic Financial Statements

June 30, 2018

(continued)

NOTE 17: POST-EMPLOYMENT BENEFITS (CONTINUED)

E. <u>Actuarial Assumptions – SERS</u> (Continued)

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

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

Discount Rate - The discount rate used to measure the total OPEB liability at June 30, 2017 was 3.63 percent. The discount rate used to measure total OPEB liability prior to June 30, 2017 was 2.98 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the state statute contribution rate of 2.00 percent of projected covered employee payroll each year, which includes a 1.50 percent payroll surcharge and 0.50 percent of contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2025. Therefore, the long-term expected rate of return on OPEB plan assets was used to present value the projected benefit payments through the fiscal year ending June 30, 2024 and the Fidelity General Obligation 20-year Municipal Bond Index rate of 3.56 percent, as of June 30, 2017 (i.e. municipal bond rate), was used to present value the projected benefit payments for the remaining years in the projection. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The projection of future benefit payments for all current plan members was until the benefit payments ran out.

Notes to the Basic Financial Statements

June 30, 2018

(continued)

NOTE 17: POST-EMPLOYMENT BENEFITS (CONTINUED)

E. <u>Actuarial Assumptions – SERS</u> (Continued)

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates - The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.63%) and higher (4.63%) than the current discount rate (3.63%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.5% decreasing to 4.0%) and higher (8.5% decreasing to 6.0%) than the current rate.

		Current	
	1% Decrease	Discount Rate	1% Increase
	(2.63%)	(3.63%)	(4.63%)
School District's proportionate share			
of the net OPEB liability	\$10,580,669	\$8,761,536	\$7,320,317
		Current	
	1% Decrease	Trend Rate	1% Increase
	(6.5 % decreasing	(7.5 % decreasing	(8.5 % decreasing
	to 4.0 %)	to 5.0 %)	to 6.0 %)
School District's proportionate share			
of the net OPEB liability	\$7,109,329	\$8,761,536	\$10,948,258

Notes to the Basic Financial Statements

June 30, 2018

(continued)

NOTE 17: POST-EMPLOYMENT BENEFITS (CONTINUED)

F. Actuarial Assumptions – STRS

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

Inflation 2.50 percent

Projected salary increases 12.50 percent at age 20 to

2.50 percent at age 65

Investment Rate of Return 7.45 percent, net of investment

expenses, including inflation

Payroll Increases 3 percent

Cost-of-Living Adjustments 0.0 percent, effective July 1, 2017

(COLA)

Blended Discount Rate of Return 4.13 percent

Health Care Cost Trends 6 to 11 percent initial, 4.5 percent ultimate

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

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

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

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

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 17: POST-EMPLOYMENT BENEFITS (CONTINUED)

F. <u>Actuarial Assumptions – STRS</u> (Continued)

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

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

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

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

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 17: POST-EMPLOYMENT BENEFITS (CONTINUED)

F. <u>Actuarial Assumptions – STRS</u> (Continued)

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

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount and Health Care Cost Trend Rate - The following table represents the net OPEB liability as of June 30, 2017, calculated using the current period discount rate assumption of 4.13 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.13 percent) or one percentage point higher (5.13 percent) than the current assumption. Also shown is the net OPEB liability as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease (3.13%)	Current Discount Rate (4.13%)	1% Increase (5.13%)
School District's proportionate share of the net OPEB liability	\$15,780,934	\$11,755,027	\$8,573,243
	1% Decrease	Current Trend Rate	1% Increase
School District's proportionate share of the net OPEB liability	\$8,166,888	\$11,755,027	\$16,477,435

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 18: **RISK MANAGEMENT**

A. Property and Liability

The School District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2018, the School District contracted with Liberty Mutual Insurance Company for fleet and liability insurance, boiler and machinery, property and inland marine coverage. Coverages provided were as follows:

Building, Contents, Boiler and Machinery Contents	
(\$5,000 deductible)	\$ 251,449,450
Crime Insurance (\$500 to \$50,000 deductible)	25,000 - 500,000
Automobile Liability (\$1,000 Comprehensive deductible/	
\$1,000 Collision deductible)	1,000,000
Uninsured Motorists	500,000
General Liability (per occurrence)	1,000,000
General Liability (total per year)	2,000,000

Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no significant change from prior year's coverage.

B. Self-Insurance Program

The self-insurance program for health care has been administered by Medical Mutual of Ohio since January, 2001. Medical Mutual of Ohio began administering the program in January, 2001. Payments are made to Medical Mutual of Ohio for the actual amount of claims processed, monthly stop-loss premiums, and administrative charges. Operating revenues of the fund consist of payments from other funds and are based on self-insurance losses, policy stop-loss premiums, and other operating expenses.

The claims liability of \$894,300 reported in the fund at June 30, 2018 was estimated by the third party administrator and is based on the requirements of GASB Statement No. 30, which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses (GASB Statement No. 30). Changes in the fund's claims liability amount for the fiscal years ended June 30, 2018 and 2017 were:

	Beginning	Current	Claim	
	of Year	Year Claims	Payments	End of Year
June 30, 2017	\$ 786,714	\$ 9,895,836	\$ (9,586,386)	\$1,096,164
June 30, 2018	1,096,164	8,723,829	(8,925,693)	894,300

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 18: **RISK MANAGEMENT (CONTINUED)**

C. Workers' Compensation Program

The School District participates in the State Workers' Compensation group retrospective rating and payment system. The plan involves the payment of a minimum premium for administrative services and stop loss coverage plus the actual claim costs for employees injured from 2004 through 2011. The program for workers' compensation is administered by Comp Management Inc. Payments are made directly to the Ohio Bureau of Workers' Compensation for actual claims processed. Operating revenues of the fund consist of payments from other funds and earnings on the investing of these funds that are based on self-insurance losses, policy stop-loss premiums, and other operating expenses.

The claims liability of \$33,944 reported in the fund at June 30, 2018 was estimated by the Bureau of Workers Compensation and is based on the requirement of Governmental Standards Board Statement No. 30, which requires that a liability for unpaid claim costs, including estimates of costs relating to incurred but not reported claims, be reported. Changes in the fund's current claims liability amount for the fiscal years ended June 30, 2018 and 2017 were:

	Beginning	Current	Claim	
	of Year_	Year Claims	Payments	End of Year
June 30, 2017	\$ 96,941	\$ 609,442	\$ (647,040)	\$ 59,343
June 30, 2018	59,343	468,606	(494,005)	33,944

For fiscal year 2018, the School District participated in the Ohio SchoolComp Group Retrospective Rating Program, which is administered by Comp Management, a third party administrator. The Group Retrospective Rating Program offers an opportunity for school districts that may not qualify for Group Rating or only qualify for a low discount and have an increased emphasis on safety and claims management. Through the program, school districts are grouped together to achieve premium refunds based on the performance of the group. However, school districts continue to pay their own individual merit-rated premium to the Ohio BWC and depending on the performance, the participating school districts can receive either a retrospective premium refund or assessment (maximum assessment selected per group). Retrospective refunds are achieved when the standard premium of the group exceeds the developed claims costs.

Notes to the Basic Financial Statements
June 30, 2018
(continued)

NOTE 19: JOINTLY GOVERNED ORGANIZATIONS

Ohio Schools' Council Association (Council) – The Council is a jointly governed organization among 210 members in 33 counties. The jointly governed organization was created by schools districts for the specific purpose of saving dollars 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 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 meets monthly September through 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 2018, the School District paid \$7,041 to the Council. Financial information can be obtained by contacting William J. Zelei, the Executive Director of the Ohio Schools' Council at 6393 Oak Tree Boulevard, Suite 377, Independence, Ohio 44131.

The School District participates in the natural gas purchase program. This program allows the School District to purchase natural gas at reduced rates. Constellation New Energy (formerly Compass Energy) has been selected as the supplier and program manager. There are currently 157 participants in the program. The participants make monthly payments based on estimated usage. Each September, these estimated payments are compared to their actual usage for the year (July to June). School Districts that paid more in estimated billings than their actual billings are issued credits on future billings beginning in September until the credits are exhausted and school districts that did not pay enough on estimated billings are invoiced for the difference on the September monthly estimated billing.

NOTE 20: **RELATED ORGANIZATION**

<u>Euclid Public Library</u> – The Euclid Public Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by a Board of Trustees appointed by the Euclid City School District's Board of Education. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel and does not depend on the School District for operational subsidies. Although the School District serves as the taxing authority and may issue tax related debt on behalf of the Library, its role is limited to a ministerial function. The determination to request approval of a tax, the rate, and the purpose are discretionary decisions made solely by the Library's Board of Trustees. Financial information can be obtained from the Euclid Public Library at 631 East 222nd Street, Euclid, Ohio 44123.

Notes to the Basic Financial Statements June 30, 2018 (continued)

NOTE 21: **CONTINGENCIES**

A. Grants

The School District received financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires 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, 2018, if applicable, cannot be determined at this time.

B. Litigation

The School District is party to legal proceedings. The School District is of the opinion that ultimate disposition of claims will not have a material effect, if any, on the financial condition of the School District.

C. State Foundation Funding

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

NOTE 22: INTERFUND TRANSACTIONS

A. <u>Due from/to Other Funds</u>

On June 30, 2018, interfund balances on fund financial statements consist of the following:

	Receivable	Payable
Major Governmental Fund General Fund	\$ 374,500	\$ -
Nonmajor Governmental Funds		
Special Revenue Funds	-	374,500
Total Due from/to Other Funds	\$ 374,500	\$ 374,500

Monies were advanced from the general fund to various nonmajor governmental funds to cover operating expenditures until additional monies are received. These interfund balances will be repaid once the anticipated revenues are received.

Notes to the Basic Financial Statements June 30, 2018 (continued)

NOTE 22: INTERFUND TRANSACTIONS (continued)

B. Interfund Transfers

On June 30, 2018, interfund transfers on fund financial statements consist of the following:

	Tr	ansfers In	Tra	ansfers Out
Major Governmental Funds General	\$	2,123	\$	340,500
Nonmajor Governmental Funds				
Special Revenue Funds		220,119		-
Bond Retirement Fund		120,381		-
Total Nonmajor Governmental Funds		340,500		
Nonmajor Proprietary Funds				
Internal Service Fund				2,123
Total Interfund Transfers	\$	342,623	\$	342,623

Transfers were made to provide additional resources for current operations. The interfund transfers between governmental activities were eliminated on the entity-wide financial statements.

NOTE 23: **SET-ASIDE REQUIREMENTS**

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at year-end and carried forward to be used for the same purposes in future years. In prior years, the School District was also required to set aside money for budget stabilization. At June 30, 2018, only the unspent portion of certain workers' compensation refunds continues to be a required set-aside. As a result of the implementation of GASB Statement No. 54, the School District's budget stabilization amount has been classified as unassigned fund balance. This fund balance classification is necessary since the School District does not provide specific circumstances and these circumstances could occur routinely.

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

Notes to the Basic Financial Statements June 30, 2018 (continued)

NOTE 23: **SET-ASIDE REQUIREMENTS** (continued)

	Capital	Budget
	Improvements	Stabilization
Set-Aside Constraint Balance as of June 30, 2017	\$ -	\$ 476,511
Current Year Set-Aside Requirements	900,950	-
Qualifying Disbursements	(1,286,512)	-
Current Year Offsets:		
Permanent Improvement Levy-related Proceeds	(900,824)	-
Totals	(1,286,386)	476,511
Set-Aside Balance Carried Forward to Future		
Fiscal Years	\$ -	\$ 476,511
Set-Aside Constraint Balance as of June 30, 2018	\$ -	\$ 476,511

Although the School District had qualifying disbursements or current year offsets during the year that reduced the capital improvements set-aside amount below zero, these extra amounts may not be used to reduce the set-aside requirement in future fiscal years.

NOTE 24: OTHER COMMITMENTS

The School District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year-end are components of fund balance for subsequent year expenditures and may be reported as part of restricted, committed, or assigned classifications of fund balance. As of June 30, 2018, the School District's commitments for encumbrances in the governmental funds were as follows:

	Encumbrances
	Outstanding
Major Governmental Funds	
General	\$ 1,088,984
Building	16,283,698
Classroom Facilities	5,423,029
Nonmajor Governmental Funds	
Special Revenue Funds	209,363
Capital Project Fund	3,015
Total Encumbrances Outstanding	\$ 23,008,089

Notes to the Basic Financial Statements

June 30, 2018

(continued)

NOTE 25: TAX ABATEMENTS

As of June 30, 2018, the School District had forgone tax revenue in the form of property taxes as a result of tax abatement agreements entered into by another government (the City of Euclid). The City provides tax abatements through Community Reinvestment Area programs. Pursuant to Ohio Revised Code Chapter 5709, the City established six Community Reinvestment Area Program districts targeting specific portions of the City for development and redevelopment. The City provides administrative approval of tax abatement for qualifying investments. The amount of the abatement is deducted from the recipient's property tax bill. For fiscal year 2018, the School District's value of the property taxes forgone amounted to \$906,164 (tax year 2017).

NOTE 26: SUBSEQUENT EVENT

The School District placed a levy on the November, 2018 ballot to renew a 10-year \$5.6 million emergency levy. This levy attempt failed and the revenue generated by the original levy will cease to be collected beginning in calendar year 2019.

REQUIRED SUPPLEMENTARY DATA

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

	2018	2017	2016	2015	2014
School District's Proportion of the Net Pension Liability	0.3239504%	0.3431075%	0.3485032%	0.388582%	0.388582%
School District's Proportionate Share of the Net Pension Liability	\$ 19,355,320	\$ 25,112,303	\$ 19,885,931	\$ 19,665,914	\$ 23,107,724
School District's Covered Payroll	\$ 10,474,979	\$ 10,661,107	\$ 10,471,662	\$ 11,113,947	\$ 13,149,689
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	184.78%	235.55%	189.90%	176.95%	175.73%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.50%	62.98%	69.16%	71.70%	65.52%

(1) Information prior to 2014 is not available. The Schedule is intended to show ten years of information, and additional years will be displayed as they become available.

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

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

	 2018	2017	2016	2015		2014
School District's Proportion of the Net Pension Liability	0.30128492%	0.32006205%	0.31291268%	0.30803718%	(0.30803718%
School District's Proportionate Share of the Net Pension Liability	\$ 71,570,878	\$ 107,134,416	\$ 86,479,912	\$ 74,925,303	\$	89,250,530
School District's Covered Payroll	\$ 33,205,336	\$ 33,868,636	\$ 32,764,671	\$ 32,379,377	\$	32,114,900
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	215.54%	316.32%	263.94%	231.40%		277.91%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.30%	66.80%	72.10%	74.70%		69.30%

(1) Information prior to 2014 is not available. The Schedule is intended to show ten years of information, and additional years will be displayed as they become available.

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

Required Supplementary Information Schedule of the School District's Pension Contributions School Employees Retirement System of Ohio Last Ten Fiscal Years

	2018	2017	2016	2015
Contractually Required Contribution	\$ 1,440,190	\$ 1,466,497	\$ 1,492,555	\$ 1,380,165
Contributions in Relation to the Contractually Required Contribution	(1,440,190)	 (1,466,497)	(1,492,555)	(1,380,165)
Contribution Deficiency (Excess)		 	 	
School District Covered Payroll	\$ 10,668,074	\$ 10,474,979	\$ 10,661,107	\$ 10,471,662
Contributions as a Percentage of Covered Payroll	13.50%	14.00%	14.00%	13.18%

	2014	 2013	 2012	 2011	 2010	2009
\$	1,540,393	\$ 1,819,917	\$ 1,874,909	\$ 1,623,663	\$ 1,781,136	\$ 1,243,226
	(1,540,393)	(1,819,917)	(1,874,909)	 (1,623,663)	(1,781,136)	(1,243,226)
_		 	 	 	 	
\$	11,113,947	\$ 13,149,689	\$ 13,939,844	\$ 12,916,969	\$ 13,154,623	\$ 12,634,411
	13.86%	13.84%	13.45%	12.57%	13.54%	9.84%

Required Supplementary Information Schedule of the School District's Pension Contributions State Teachers Retirement System of Ohio Last Ten Fiscal Years

	2018		2017	2016		2015	
Contractually Required Contribution	\$	4,665,838	\$ 4,648,747	\$	4,741,609	\$	4,587,054
Contributions in Relation to the Contractually Required Contribution		(4,665,838)	 (4,648,747)		(4,741,609)		(4,587,054)
Contribution Deficiency (Excess)	\$		\$ 	\$	_	\$	
School District Covered Payroll	\$	33,327,414	\$ 33,205,336	\$	33,868,636	\$	32,764,671
Contributions as a Percentage of Covered Payroll		14.00%	14.00%		14.00%		14.00%

 2014	2013	2012	 2011	 2010	 2009
\$ 4,209,319	\$ 4,174,937	\$ 4,271,755	\$ 4,684,882	\$ 4,747,383	\$ 4,635,825
 (4,209,319)	 (4,174,937)	 (4,271,755)	 (4,684,882)	 (4,747,383)	 (4,635,825)
\$ 	\$ 	\$ 	\$ 	\$ 	\$
\$ 32,379,377	\$ 32,114,900	\$ 32,859,654	\$ 36,037,554	\$ 36,518,331	\$ 35,660,192
13.00%	13.00%	13.00%	13.00%	13.00%	13.00%

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

	2018	2017
School District's Proportion of the Net OPEB Liability	0.3264677%	0.3457565%
School District's Proportionate Share of the Net OPEB Liability	\$ 8,761,536	\$ 9,855,338
School District's Covered Payroll	\$ 10,474,979	\$ 10,661,107
School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	83.64%	92.44%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	12.46%	11.49%

(1) Information prior to 2017 is not available. The Schedule is intended to show ten years of information, and additional years will be displayed as they become available.

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

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

	2018			2017
School District's Proportion of the Net OPEB Liability	(0.30128492%	(0.32006205%
School District's Proportionate Share of the Net OPEB Liability	\$	11,755,027	\$	17,117,002
School District's Covered Payroll	\$	33,205,336	\$	33,868,636
School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll		35.40%		50.54%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability		47.10%		37.30%

(1) Information prior to 2017 is not available. The Schedule is intended to show ten years of information, and additional years will be displayed as they become available.

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

Required Supplementary Information Schedule of the School District's OPEB Contributions State Employees Retirement System of Ohio Last Ten Fiscal Years

	2018		2017		2016		2015	
Contractually Required Contribution (1)	\$	219,878	\$	212,249	\$	166,608	\$	244,993
Contributions in Relation to the Contractually Required Contribution		(219,878)		(212,249)		(166,608)		(244,993)
Contribution Deficiency (Excess)		_		_		-		
School District Covered Payroll	\$	10,668,074	\$	10,474,979	\$	10,661,107	\$ 1	0,471,662
OPEB Contributions as a Percentage of Covered Payroll (1)		2.06%		2.03%		1.56%		2.34%

(1) Includes Surcharge

The notes to the required supplementary information are an integral part of this statement

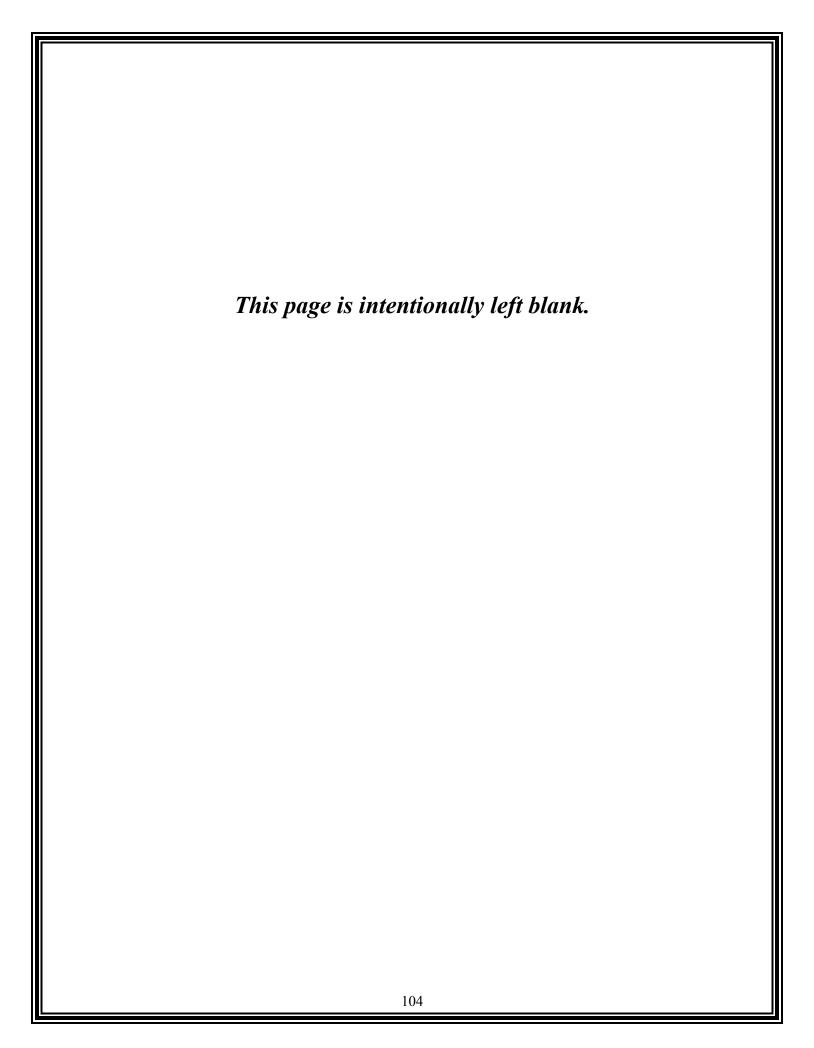
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 2014	 2013	2012		2011		2010		2009	
\$ 213,703	\$ 207,850	\$	248,837	\$	369,910	\$	259,566	\$	717,675
 (213,703)	 (207,850)		(248,837)		(369,910)		(259,566)		(717,675)
\$ 11,113,947	\$ 13,149,689	\$	13,939,844	\$	12,916,969	\$	13,154,623	\$ 1	2,634,411
1.92%	1.58%		1.79%		2.86%		1.97%		5.68%

Required Supplementary Information Schedule of the School District's OPEB Contributions State Teachers Retirement System of Ohio Last Ten Fiscal Years

	 2018	 2017	 2016	 2015
Contractually Required Contribution	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Contractually Required Contribution		 	 <u>-</u>	
Contribution Deficiency (Excess)	\$ -	\$ 	\$ 	\$
School District Covered Payroll	\$ 33,327,414	\$ 33,205,336	\$ 33,868,636	\$ 32,764,671
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%

2014	2013	2012		2011		2010		2009	
\$ 323,794	\$ 321,149	\$	328,597	\$	360,376	\$	365,183	\$	356,602
 (323,794)	 (321,149)		(328,597)		(360,376)	_	(365,183)		(356,602)
\$ 	\$ 	\$		\$		\$	_	\$	
\$ 32,379,377	\$ 32,114,900	\$	32,859,654	\$	36,037,554	\$	36,518,331	\$	35,660,192
1.00%	1.00%		1.00%		1.00%		1.00%		1.00%



Notes to the Required Supplementary Information June 30, 2018

Net Pension Liability

Changes of benefit terms- SERS

There were no changes in benefit terms from the amounts reported for fiscal years 2014-2017.

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

Changes in assumptions- SERS

There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2016 and 2018. For fiscal year 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females, (f) mortality among service retired members, and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates and (g) mortality among disable member was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement (h) change in discount rate from 7.75% to 7.5%.

Changes in benefit terms – STRS

There were no changes in benefit terms from the amounts reported for fiscal years 2014-2018.

Changes in assumptions – STRS

There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2017. For fiscal year 2018, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) inflation assumption lowered from 2.75% to 2.50%, (b) investment return assumption lowered from 7.75% to 7.45%, (c) total salary increases rates lowered by decreasing the merit component of the individual salary increases, as well as by 0.25% due to lower inflation, (d) payroll growth assumption lowered to 3.00%, (e) updated the healthy and disable mortality assumption to the "RP-2014" mortality tables with generational improvement scale MP-2016, (f) rates of retirement, termination and disability were modified to better reflect anticipated future experience.

Notes to the Required Supplementary Information June 30, 2018 (continued)

Net OPEB Liability

Changes in Assumptions – SERS

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

Municipal Bond Index Rate:

Fiscal year 2018	3.56 percent
Fiscal year 2017	2.92 percent

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

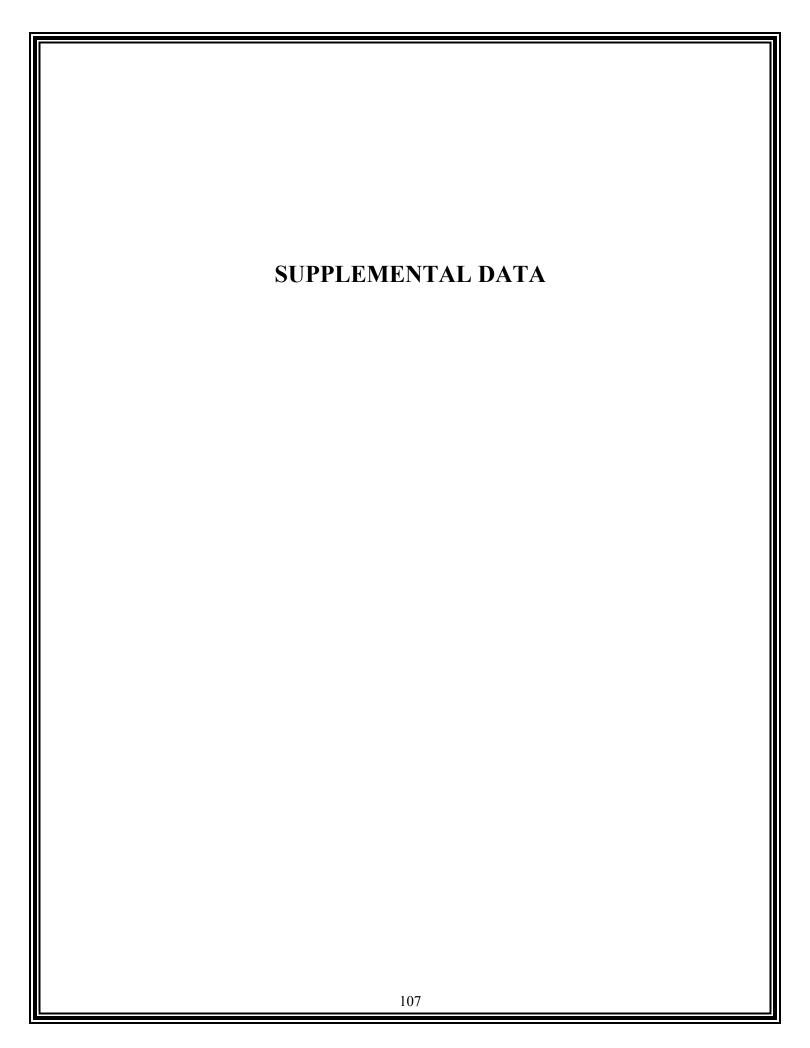
Fiscal year 2018	3.63 percent
Fiscal year 2017	2.98 percent

Changes in Assumptions – STRS

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

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

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



Fund Descriptions Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

Special Revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. Descriptions of the School District's nonmajor special revenue funds follow:

<u>Special Trust</u> – This fund accounts for monies used for purposes that are beneficial to the overall operation of the School District.

<u>Public School Support</u> - This fund is used for the general support of the school building, staff, and students. Due to the implementation of GASB Statement No. 54, this fund was combined with the General Fund on the governmental fund financial statements but remained a separate fund in the budgetary schedules because it has a separate legally adopted budget.

<u>Other Grants</u> - This fund is used to account for the proceeds of specific revenue sources, except for State and Federal grants that are legally restricted to expenditures for specified purposes

<u>Classroom Facilities Maintenance</u> – This fund is used to account for the proceeds of a levy for the maintenance of facilities. The School District utilizes the equivalent of 0.5 mill from its on-going Permanent Improvement Levy for 23 years.

<u>Termination Benefits</u> – This fund accumulated funds to pay termination benefits to eligible employees. Due to the implementation of GASB Statement No. 54, this fund was combined with the General Fund on the governmental fund financial statements but remained a separate fund in the budgetary schedules because it has a separate legally adopted budget.

<u>District Managed Student Activity</u> - This fund is used to account for those student activity programs which have student participation in the activity but do not have student management of the programs. This fund includes all athletic programs, except supplemental coaching contacts, and accounts for revenues and costs of the School District's athletic programs and other district managed student activities.

<u>Auxiliary Services</u> – This fund accounts for monies which provide services and materials to pupils attending non-public schools within the School District.

<u>Public School Preschool</u> – This fund accounts for monies which assist the School District in paying the cost of preschool programs for three and four year olds.

<u>Alternative Schools</u> – This grant was established to provide funding for Saturday School for discipline problem students. The funds will be used for salaries, benefits, supplies, purchased services, and equipment associated with the program.

<u>IDEA, Part B Special Education, Education of Handicapped Children</u> - The purpose of this Federal program is to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least-restrictive, alternative service patterns, and provision of full educational opportunities to handicapped children at the elementary and secondary levels.

Fund Descriptions Nonmajor Governmental Funds

<u>Project Head Start</u> – This fund accounts for monies restricted to promote school readiness by enhancing social and cognitive development of low income children through the provision of comprehensive health, educational, nutritional, social and other services.

<u>Title I - School Improvement A</u> – This fund accounts for monies restricted to help schools improve the teaching and learning of children failing, or most at risk of failing to meet challenging State academic achievement standards.

<u>Title III – Limited English Proficiency</u> – This fund accounts for monies restricted to develop and carry out elementary and secondary school programs, including activities at the preschool level, to meet the educational needs of children of limited English proficiency.

<u>Title I – Disadvantaged Children/Targeted Assistance</u> - This fund is used to provide financial assistance to state and local educational agencies to meet the special needs of educationally deprived children.

<u>IDEA Preschool Grant for the Handicapped</u> – The Preschool Grant Program, Section 619 of Public Law 99-457, addresses the improvement and expansion of services for handicapped children ages three through five years.

<u>Improving Teacher Quality</u> - This fund is used to account for monies to hire additional classroom teachers in grades 1 through 3 so that the number of students per teacher will be reduced.

<u>Miscellaneous Federal Grants</u> - This fund is used to account for various monies received through state agencies from the Federal government or directly from the Federal government. The School District utilizes this fund to account for monies restricted for the Safe Routes to School grant passed through from the Ohio Department of Transportation.

Nonmajor Debt Service Fund

Debt Service funds are established to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest and to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. A description of the School District's nonmajor debt service fund follows:

Bond Retirement Fund – This fund is used to account for and report financial resources that are restricted to expenditure for principal and interest.

Fund Descriptions Nonmajor Governmental Funds

Nonmajor Capital Projects Fund

Capital Projects funds are used to account for and report financial resources that are restricted, committed or assigned for the acquisition or construction of major capital facilities and other capital assets. Descriptions of the School District's nonmajor capital projects funds follow:

<u>Permanent Improvement</u> – This fund is used to account for all transactions relating to the acquiring, constructing, or improving such permanent improvements as are authorized by Ohio Revised Code, Chapter 5705.

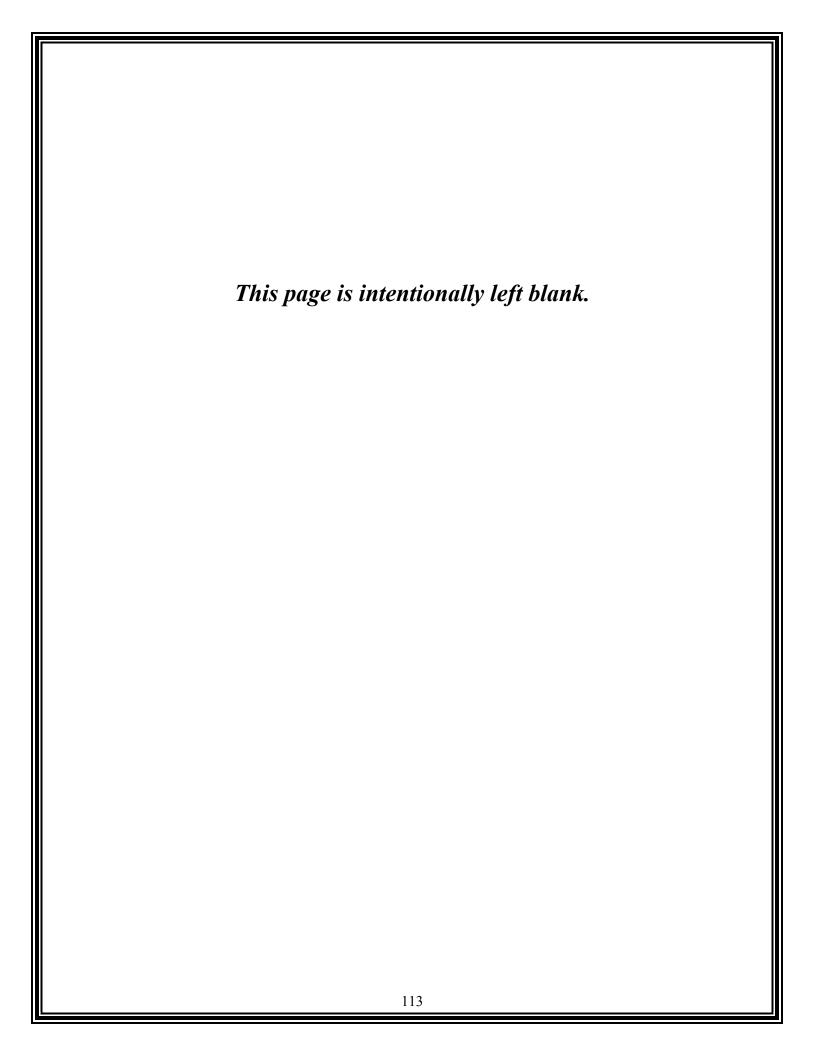
<u>Replacement</u> – This fund exists for the replacement of equipment and other items not covered by the School District's building and contents insurance.

Combining Balance Sheet Nonmajor Governmental Funds June 30, 2018

Assets:	Nonmajor cial Revenue Funds	nmajor Debt ervice Fund	Nonmajor oital Projects Funds		Total Nonmajor overnmental Funds
Equity in Pooled Cash, Cash Equivalents, and Investments	\$ 1,997,266	\$ 10,152,520	\$ 1,537,957	\$	13,687,743
Accounts Receivable	16,610	-	2,475		19,085
Intergovernmental Receivable	631,556	-	313,984		945,540
Prepaid Items	-	68,947	-		68,947
Property Taxes Receivable	-	7,342,794	1,409,713		8,752,507
Lease Receivable	 	 	 410,384		410,384
Total Assets	\$ 2,645,432	\$ 17,564,261	\$ 3,674,513	\$	23,884,206
Liabilities:					
Accounts Payable	\$ 49,046	\$ -	\$ -	\$	49,046
Accrued Wages and Benefits	364,125	-	-		364,125
Intergovernmental Payable	72,924	-	-		72,924
Due to Other Funds	374,500	-	-		374,500
Claims Payable	-	-	10,000		10,000
Total Liabilities	 860,595	 	10,000		870,595
Deferred Inflows of Resources:					
Property Taxes	-	5,148,505	967,317		6,115,822
Unavailable Revenue - Delinquent Property Taxes	-	1,217,331	245,429		1,462,760
Unavailable Revenue - Grants	585,244	-	-		585,244
Unavailable Revenue - Other	 924	 	 410,384		411,308
Total Deferred Inflows of Resources	 586,168	 6,365,836	 1,623,130	_	8,575,134
Fund Balances:					
Nonspendable	-	68,947	-		68,947
Restricted	1,821,521	11,129,478	2,004,331		14,955,330
Committed	23,472	-	-		23,472
Assigned	-	-	37,052		37,052
Unassigned	(646,324)				(646,324)
Total Fund Balances	1,198,669	11,198,425	2,041,383		14,438,477
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,645,432	\$ 17,564,261	\$ 3,674,513	\$	23,884,206

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds For the Fiscal Year Ended June 30, 2018

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds	
Revenues:					
Taxes:					
Property	\$ 243,813	\$ 6,822,964	\$ 472,360	\$ 7,539,137	
Transportation Fees	650	-	-	650	
Earnings on Investments	2,479	_	20,967	23,446	
Extracurricular Activities	168,407	_	_	168,407	
Rentals	6,480	_	41,280	47,760	
Contributions and Donations from Private Sources	65,355	_	-	65,355	
Miscellaneous Revenues	19,163	_	322,297	341,460	
Revenues from State Sources:	,		,	211,100	
Unrestricted Grants-in-Aid	_	490,461	169,247	659,708	
Restricted Grants-in-Aid	1,460,670	-	-	1,460,670	
Revenues from Federal Sources:	1,100,070			1,100,070	
Restricted Grants-in-Aid	4,010,710	_	_	4,010,710	
Total Revenues	5,977,727	7,313,425	1,026,151	14,317,303	
	3,711,121	7,515,125	1,020,131	11,317,303	
Expenditures:					
Instruction:					
Regular	591,257	-	597,289	1,188,546	
Special	2,467,949	_	-	2,467,949	
Supporting Services:	, ,			, ,	
Pupils	395,265	_	_	395,265	
Instructional Staff	797,550	_	33,705	831,255	
Administration	124,563	_	-	124,563	
Fiscal Services	54,636	137,689	27,639	219,964	
Business		-	15,005	15,005	
Operation and Maintenance of Plant Services	246,518	_	83,211	329,729	
Central	,	_	29,652	29,652	
Operation of Non-Instructional Services:			2,,002	25,002	
Community Services	748,795	_	_	748,795	
Extracurricular Activities	285,672	_	_	285,672	
Facilities Acquisition and Construction Services	31,083	_	_	31,083	
Debt Service:	31,003			31,003	
Principal Retirements	_	2,245,600	_	2,245,600	
Interest and Fiscal Charges	_	4,668,264	_	4,668,264	
Total Expenditures	5,743,288	7,051,553	786,501	13,581,342	
		7,001,000	700,001	15,501,512	
Excess (Deficiency) of Revenues over Expenditures	234,439	261,872	239,650	735,961	
Other Financing Sources (Uses):					
Sale and Loss of Assets	1,765	_	409	2,174	
Transfers In	220,119	120,381	-	340,500	
Total Other Financing Sources (Uses)	221,884	120,381	409	342,674	
Net Change in Fund Balances	456,323	382,253	240,059	1,078,635	
	150,525	302,233	210,037	1,070,033	
Fund Balances - Beginning	742,346	10,816,172	1,801,324	13,359,842	
Fund Balances - Ending	\$ 1,198,669	\$ 11,198,425	\$ 2,041,383	\$ 14,438,477	



Combining Balance Sheet Nonmajor Special Revenue Funds June 30, 2018

Assets:	Spe	ecial Trust	Otl	ner Grants]	lassroom Facilities aintenance
Equity in Pooled Cash, Cash Equivalents, and Investments Accounts Receivable	\$	25,020	\$	86,384	\$	1,628,878
Intergovernmental Receivable	-			45,388		-
Total Assets	\$	25,020	\$	131,772	\$	1,628,878
Liabilities:						
Accounts Payable	\$	1,548	\$	11,862	\$	2,290
Accrued Wages and Benefits Intergovernmental Payable		-		-		-
Due to Other Funds				33,000		<u>-</u>
Total Liabilities		1,548		44,862		2,290
Deferred Inflows of Resources:						
Unavailable Revenue - Grants		-		-		-
Unavailable Revenue - Other						
Total Deferred Inflows of Resources				<u> </u>		
Fund Balances:						
Restricted		-		86,910		1,626,588
Committed		23,472		-		-
Unassigned						
Total Fund Balances		23,472		86,910		1,626,588
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$	25,020	\$	131,772	\$	1,628,878

M S	District Ianaged Student Activity	Auxiliary Services		Public School Preschool		Alternative Schools		A, Part B al Education, acation of adicapped Children
\$	27,239	\$	124,263	\$ _	\$	_	\$	44,000
	4,050		4,500 924	- -		- -		- 217,295
\$	31,289	\$	129,687	\$ _	\$		\$	261,295
\$	9,110	\$	15,116	\$ -	\$	-	\$	-
	-		669	-		-		9,367
	-		27,294	-		-		1,909
								250,000
	9,110		43,079					261,276
	_		_	_		-		217,295
	-		924	-		-		
	-		924	-		-		217,295
	22,179		85,684	_		_		-
	,		-	_		_		_
			<u>-</u>	 				(217,276)
	22,179		85,684	 				(217,276)
\$	31,289	\$	129,687	\$ 	\$		\$	261,295

(continued)

Combining Balance Sheet Nonmajor Special Revenue Funds June 30, 2018 (continued)

		ect Head Start	Impro	- School ovement A	Limite	e III - d English iciency
Assets:	_		_		_	
Equity in Pooled Cash, Cash Equivalents, and Investments	\$	1,240	\$	-	\$	160
Accounts Receivable Intergovernmental Receivable		8,060		<u>-</u>		-
Total Assets	\$	9,300	\$		\$	160
Liabilities:						
Accounts Payable	\$	-	\$	-	\$	-
Accrued Wages and Benefits		28,566		-		-
Intergovernmental Payable		3,089		-		-
Due to Other Funds		11,000				-
Total Liabilities		42,655				_
Deferred Inflows of Resources:						
Unavailable Revenue - Grants		_		-		_
Unavailable Revenue - Other						-
Total Deferred Inflows of Resources						-
Fund Balances:						
Restricted		_		-		160
Committed		-		-		-
Unassigned		(33,355)				-
Total Fund Balances		(33,355)				160
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$	9,300	\$		\$	160

Disa Childre	Fitle I - dvantaged en/Targeted sistance	IDEA Preschool Grant for the Handicapped		Improving Teacher Quality		Miscellaneous Federal Grants		Total Nonmajor Special Revenue Funds
\$	43,173	\$	1,000	\$	14,409	\$	1,500	\$ 1,997,266 16,610
	296,715		8,594		62,432		208	 631,556
\$	339,888	\$	9,594	\$	76,841	\$	1,708	\$ 2,645,432
\$	- 268,532 33,633	\$	- 7,392 1,202	\$	9,120 49,599 5,589	\$	- - 208	\$ 49,046 364,125 72,924
	62,000		1,000		16,000		1,500	 374,500
	364,165		9,594		80,308		1,708	860,595
	296,715		8,594		62,432		208	585,244 924
	296,715		8,594		62,432		208	 586,168
	- -		-		-		-	1,821,521 23,472
	(320,992)		(8,594)		(65,899)		(208)	(646,324)
	(320,992)		(8,594)		(65,899)		(208)	1,198,669
\$	339,888	\$	9,594	\$	76,841	\$	1,708	\$ 2,645,432

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Special Revenue Funds For the Fiscal Year Ended June 30, 2018

Revenues:	Special Trust	Other Grants	Classroom Facilities Maintenance	
Taxes:		4		
Property	\$ -	\$ -	\$ 243,813	
Transportation Fees	=	-	-	
Earnings on Investments	-	-	-	
Extracurricular Activities	-	-	-	
Rentals	-	-	-	
Contributions and Donations from Private Sources	10,903	250	-	
Miscellaneous Revenues	-	-	-	
Revenues from State Sources:		252065	•00.0=0	
Restricted Grants-in-Aid	=	253,867	299,978	
Revenues from Federal Sources:				
Restricted Grants-in-Aid	-			
Total Revenues	10,903	254,117	543,791	
Expenditures:				
Instruction:				
Regular	-	92,134	-	
Special	300	24,976	-	
Supporting Services:				
Pupils	-	3,480	-	
Instructional Staff	=	15,462	-	
Administration	1,548	592	-	
Fiscal Services	- -	-	-	
Operation and Maintenance of Plant Services	-	-	246,518	
Operation of Non-Instructional Services:				
Community Services	6,250	250	-	
Extracurricular Activities	1,236	-	-	
Facilities Acquisition and Construction Services		31,083		
Total Expenditures	9,334	167,977	246,518	
Excess (Deficiency) of Revenues over Expenditures	1,569	86,140	297,273	
Other Financing Sources (Uses):				
Sale and Loss of Assets	-	-	-	
Transfers In				
Total Other Financing Sources (Uses)	<u> </u>			
Net Change in Fund Balances	1,569	86,140	297,273	
Fund Balances - Beginning	21,903	770	1,329,315	
Fund Balances - Ending	\$ 23,472	\$ 86,910	\$ 1,626,588	

District Managed Student Activity		Auxiliary Services		Public School Preschool		ernative	IDEA, Part B Special Education, Education of Handicapped Children		
\$	_	\$	_	\$ -	\$	<u>-</u>	\$	_	
	650		-	-		-		-	
	-		2,479	-		-		-	
	168,407		-	=		-		-	
	6,480 54,202		-	-		-		-	
	13,699		- 5,464	_		_		_	
	15,077		3,404						
	-		645,664	260,000		1,161		-	
				 				1,363,470	
	243,438		653,607	 260,000		1,161		1,363,470	
				260,101					
	<u>-</u>		<u>-</u> -	200,101		-		1,392,884	
								1,002,00	
	-		-	-		-		-	
	-		-	-		-		28,812	
	-		-	-		-		-	
	-		53,304	-		-		736	
	-		-	-		-		-	
	_		560,752	_		_		34,543	
	284,436		-	-		-		-	
				 <u>-</u>		<u>-</u>		<u>-</u>	
	284,436		614,056	260,101		-		1,456,975	
	(40,998)		39,551	(101)		1,161		(93,505)	
	1,765		-	=		-		-	
	60,000			101		-		-	
	61,765		<u>-</u>	 101		_		-	
	20,767		39,551	=		1,161		(93,505)	
	1,412		46,133	 		(1,161)		(123,771)	
\$	22,179	\$	85,684	\$ 	\$		\$	(217,276)	
	_			_			(co	ntinued)	

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Special Revenue Funds For the Fiscal Year Ended June 30, 2018 (continued)

	-	ect Head Start	- School ovement	Limite	e III - d English iciency
Revenues:					
Taxes:					
Property	\$	-	\$ -	\$	-
Transportation Fees		-	-		-
Earnings on Investments		-	-		-
Extracurricular Activities		-	-		-
Rentals		-	-		-
Contributions and Donations from Private Sources		-	-		-
Miscellaneous Revenues		-	-		-
Revenues from State Sources:					
Restricted Grants-in-Aid		-	-		-
Revenues from Federal Sources:					
Restricted Grants-in-Aid		61,069	 6,853		
Total Revenues		61,069	 6,853		
Expenditures:					
Instruction:					
Regular		-	-		-
Special		152,424	-		362
Supporting Services:					
Pupils		-	-		-
Instructional Staff		_	698		-
Administration		-	-		_
Fiscal Services		-	_		_
Operation and Maintenance of Plant Services		_	_		_
Operation of Non-Instructional Services:					
Community Services		_	_		_
Extracurricular Activities		_	_		_
Facilities Acquisition and Construction Services			 		
Total Expenditures		152,424	698		362
Excess (Deficiency) of Revenues over Expenditures		(91,355)	6,155		(362)
Other Financing Sources (Uses):					
Sale and Loss of Assets		-	-		-
Transfers In		104,752	 736		
Total Other Financing Sources (Uses)		104,752	736		_
Net Change in Fund Balances		13,397	6,891		(362)
Fund Balances - Beginning		(46,752)	 (6,891)		522
Fund Balances - Ending	\$	(33,355)	\$ 	\$	160

Disa Childr	Fitle I - dvantaged en/Targeted esistance	IDEA Preschool Grant for the Handicapped	Improving Teacher Quality		Miscellaneous Federal Grants		R	Total conmajor Special Levenue Funds
\$	-	\$ -	\$	_	\$	-	\$	243,813
	-	=		-		-		650
	-	=		-		-		2,479
	-	-		-		-		168,407
	-	-		-		-		6,480
	-	-		-		-		65,355
	-	=		-		-		19,163
	-	-		-		-		1,460,670
	2,282,972	33,830		230,614		31,902		4,010,710
	2,282,972	33,830		230,614		31,902		5,977,727
						A		
	217,259	21 120		-		21,763		591,257
	865,965	21,130		9,908		-		2,467,949
	391,785							395,265
	490,711	20,195		241,312		360		797,550
	122,423	20,173		-		-		124,563
	-	388		_		208		54,636
	_	-		_		-		246,518
								,
	100,103	-		41,991		4,906		748,795
	-	-		-		-		285,672
	_							31,083
	2 100 246	41.712		202 211		27.227		5 7 42 200
	2,188,246 94,726	41,713		293,211		27,237		5,743,288
	94,720	(7,883)		(62,597)		4,665		234,439
						_		1,765
	54,530	- -		-		-		220,119
	_							
	54,530 149,256	(7,883)		(62,597)	-	4,665		221,884 456,323
	(470,248)	(711)		(3,302)		(4,873)		742,346
\$	(320,992)	\$ (8,594)	\$	(65,899)	\$	(208)	\$	1,198,669

Combining Balance Sheet Nonmajor Capital Projects Funds June 30, 2018

						Total
					ľ	Nonmajor
	D.	ermanent				Capital Projects
		provement	Rer	lacement		Funds
Assets:		provement	rec	nacement		Tunus
Equity in Pooled Cash, Cash Equivalents, and Investments	\$	1,490,905	\$	47,052	\$	1,537,957
Accounts Receivable	*	2,475	-	-	-	2,475
Intergovernmental Receivable		313,984		_		313,984
Property Taxes Receivable		1,409,713		_		1,409,713
Lease Receivable		410,384				410,384
Total Assets	\$	3,627,461	\$	47,052	\$	3,674,513
Liabilities:						
Claims Payable	_\$		\$	10,000	\$	10,000
Total Liabilities				10,000		10,000
Deferred Inflows of Resources:						
Property Taxes		967,317		-		967,317
Unavailable Revenue - Delinquent Property Taxes		245,429		-		245,429
Unavailable Revenue - Other		410,384				410,384
Total Deferred Inflows of Resources		1,623,130				1,623,130
Fund Balances:						
Restricted		2,004,331		-		2,004,331
Assigned				37,052		37,052
Total Fund Balances		2,004,331		37,052		2,041,383
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$	3,627,461	\$	47,052	\$	3,674,513

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Capital Projects Funds For the Fiscal Year Ended June 30, 2018

	Permanent Improvement	Replacement	Total Nonmajor Capital Projects Funds
Revenues:			
Taxes:			
Property	\$ 472,360	\$ -	\$ 472,360
Earnings on Investments	20,366	601	20,967
Rentals	41,280	-	41,280
Miscellaneous Revenues	316,709	5,588	322,297
Revenues from State Sources:			
Unrestricted Grants-in-Aid	169,247		169,247
Total Revenues	1,019,962	6,189	1,026,151
Expenditures:			
Instruction:			
Regular	597,289	-	597,289
Supporting Services:			
Instructional Staff	33,705	-	33,705
Fiscal Services	27,639	-	27,639
Business	-	15,005	15,005
Operation and Maintenance of Plant Services	82,761	450	83,211
Central	29,652		29,652
Total Expenditures	771,046	15,455	786,501
Excess (Deficiency) of Revenues over Expenditures	248,916	(9,266)	239,650
Other Financing Sources (Uses):			
Sale and Loss of Assets	409		409
Total Other Financing Sources (Uses)	409	-	409
Net Change in Fund Balances	249,325	(9,266)	240,059
Fund Balances - Beginning	1,755,006	46,318	1,801,324
Fund Balances - Ending	\$ 2,004,331	\$ 37,052	\$ 2,041,383

Fund Descriptions
Nonmajor Enterprise Funds

Enterprise funds are established to account for operations that are financed and operated in a manner similar to private sector businesses where the intent is that the expense (including depreciation) of providing goods or services primarily or solely to the general public, be financed or recovered primarily through user charges.

<u>Food Service</u> – This fund accounts for the provision of food service to the School District.

<u>Customer Services</u> – This fund accounts for services provided primarily to the general public which are financed or recovered through user charges.

Combining Statement of Net Position Nonmajor Enterprise Funds June 30, 2018

	Custome Services Service		Total Nonmajor Enterprise Funds
Assets:			
Current Assets	e 1.642.057	e 20.450	e 1.671.515
Equity in Pooled Cash, Cash Equivalents, and Investments	\$ 1,642,057	\$ 29,458	\$ 1,671,515
Materials and Supplies Inventory	99,678	-	99,678
Accounts Receivable	3,905	-	3,905
Intergovernmental Receivable	68,489	-	68,489
Prepaid Items	11,453	20.450	11,453
Total Current Assets	1,825,582	29,458	1,855,040
Noncurrent Assets			
Capital Assets:			
Depreciable Capital Assets, Net of Depreciation	410,648		410,648
Total Assets	2,236,230	29,458	2,265,688
Deferred Outflows of Resources:			
Pensions	327,391	-	327,391
Other Post-Employment Benefits	17,409	-	17,409
Total Deferred Outflows of Resources	344,800		344,800
Liabilities:			
Current Liabilities			
Accounts Payable	15,835	-	15,835
Accrued Wages and Benefits	21,758	-	21,758
Intergovernmental Payable	41,037	-	41,037
Matured Compensated Absences Payable	46	-	46
Compensated Absences Payable	7,394		7,394
Total Current Liabilities	86,070		86,070
Noncurrent Liabilities			
Compensated Absences Payable	12,584	_	12,584
Net Pension Liability	1,933,076	_	1,933,076
Net Other Post-Employment Benefits Liability	693,698	_	693,698
Total Noncurrent Liabilities	2,639,358	_	2,639,358
Total Liabilities	2,725,428	-	2,725,428
Deferred Inflows of Resources:			
Pensions	177,240	_	177,240
Other Post-Employment Benefits	99,614	_	99,614
Total Deferred Inflows of Resources	276,854		276,854
Net Position:			
Investment in Capital Assets	410,648	_	410,648
Unrestricted	(831,900)	29,458	(802,442)
Total Net Position	\$ (421,252)	\$ 29,458	\$ (391,794)
Tomi I tel I usmon	$\varphi = (421,232)$	φ 29,436	φ (391,/94)

Combining Statement of Revenues, Expenses and Changes in Net Position Nonmajor Enterprise Funds For the Fiscal Year Ended June 30, 2018

	Food Services	Customer Services	Total Nonmajor Enterprise Funds	
Operating Revenues:				
Charges for Services:				
Food Services	\$ 99,567	\$ -	\$ 99,567	
Other	-	10,820	10,820	
Commissions	1,342	-	1,342	
Other Miscellaneous Revenues	42,324		42,324	
Total Operating Revenues	143,233	10,820	154,053	
Operating Expenses:				
Salaries and Wages	1,008,322	-	1,008,322	
Employee's Retirement and Insurance Benefits	78,517	-	78,517	
Purchased Services	27,960	488	28,448	
Supplies and Materials	1,151,477	25,586	1,177,063	
Depreciation Expense	45,531	-	45,531	
Other	3,059	636	3,695	
Total Operating Expenses	2,314,866	26,710	2,341,576	
Operating Income (Loss)	(2,171,633)	(15,890)	(2,187,523)	
Nonoperating Revenues (Expenses):				
Earnings on Investments	18,497	-	18,497	
Contributions and Donations from Private Sources	2,500	5,017	7,517	
Intergovernmental	2,387,813	-	2,387,813	
Donated Commodities	178,703		178,703	
Total Nonoperating Revenues (Expenses)	2,587,513	5,017	2,592,530	
Change in Net Position	415,880	(10,873)	405,007	
Net Position - Beginning of Year, as Restated	(837,132)	40,331	(796,801)	
Net Position - End of Year	\$ (421,252)	\$ 29,458	\$ (391,794)	

Combining Statement of Cash Flows Nonmajor Enterprise Funds For the Fiscal Year Ended June 30, 2018

	Food Services	Customer Services	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Charges for Food Services	\$ 95,796	\$ -	\$ 95,796
Receipts from Charges for Other Services	-	10,820	10,820
Other Receipts	39,009	-	39,009
Payments to Employees for Salaries and Wages	(1,012,893)	-	(1,012,893)
Payments to Employees for Retirement and Insurance Benefits	(366,902)	-	(366,902)
Payments to Suppliers and Service Providers for Goods and Services	(1,048,332)	(26,074)	(1,074,406)
Other Payments	(2,459)	(636)	(3,095)
Net Cash provided by (used for) Operating Activities	(2,295,781)	(15,890)	(2,311,671)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIE	es .		
Contributions and Donations from Private Sources Received	2,500	5,017	7,517
Operating Grants Received	2,361,648		2,361,648
Net Cash provided by (used for) Noncapital Financing Activities	2,364,148	5,017	2,369,165
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on Investments	18,497		18,497
Net Cash provided by (used for) Investing Activities	18,497		18,497
Net Increase (Decrease) in Cash and Cash Equivalents	86,864	(10,873)	75,991
Cash and Cash Equivalents - Beginning of Year	1,555,193	40,331	1,595,524
Cash and Cash Equivalents - End of Year	\$ 1,642,057	\$ 29,458	\$ 1,671,515
NET CASH PROVIDED BY (USED FOR) OPERATING ACTI Operating Income (Loss)	\$ (2,171,633)	\$ (15,890)	\$ (2,187,523)
Adjustment to Reconcile Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities:			
Depreciation Expense	45,531	_	45,531
Federal Donated Commodities	178,703	_	178,703
(Increase) Decrease in Assets and Deferred Outflows:	176,703	_	176,703
Accounts Receivable	(3,771)	_	(3,771)
Intergovernmental Receivable	(4,657)	_	(4,657)
Materials and Supplies Inventory	(41,031)	_	(41,031)
Prepaid Items	(9,219)	_	(9,219)
Deferred Outflows - Pension	227,205	_	227,205
Deferred Outflows - Other Post-Employment Benefits	(604)	_	(604)
Increase (Decrease) in Liabilities and Deferred Inflows:	` ′		` '
Accounts Payable	3,252	-	3,252
Accrued Wages and Payables	1,733	-	1,733
Intergovernmental Payable	11,982	-	11,982
Matured Compensated Absences Payable	(3,002)	-	(3,002)
Compensated Absences Payable	(2,141)	-	(2,141)
Net Pension Liability	(574,968)	-	(574,968)
Net Other Post-Employment Benefits Liability	(86,602)	-	(86,602)
Deferred Inflows - Pension	33,827	-	33,827
Deferred Inflows - Other Post-Employment Benefits	99,614		99,614
Net Cash Provided By (Used For) Operating Activities	\$ (2,295,781)	\$ (15,890)	\$ (2,311,671)
SCHEDULE OF NON-CASH CAPITAL AND RELATED FINAN	ICING ACTIVITIE	ES	
Donated Commodities	\$ 178,703	\$ -	\$ 178,703

Fund Descriptions Internal Service Funds

Internal Service funds are used to account for the financing of services provided by one department or agency to other departments or agencies of the School District or to other school districts on a cost reimbursement basis.

<u>General Rotary</u> – This fund provides for the purchase of services and equipment by internal persons and organizations.

<u>Health Insurance</u> – This fund is to account for the receipt and expense of funds for medical and dental claims for employees.

<u>Workers' Compensation</u> – This fund accounts for the claims and premiums paid to the State for workers' compensation insurance.

Combining Statement of Net Position Internal Service Funds June 30, 2018

	General Rotary		Health Insurance		Workers Compensation		Total Internal Service Funds
Assets:							
<u>Current Assets</u>							
Equity in Pooled Cash, Cash Equivalents, and Investments	\$	42,910	\$	8,866,508	\$	2,095,068	\$ 11,004,486
Intergovernmental Receivable		500		-		-	500
Prepaid Items				_		249,717	249,717
Total Assets		43,410		8,866,508		2,344,785	11,254,703
Liabilities:							
Current Liabilities							
Accounts Payable		2,788		-		700	3,488
Insurance Claims Payable		-		894,300		-	894,300
Workers Compensation Claims Payable		-		-		17,789	17,789
Total Current Liabilities		2,788		894,300		18,489	915,577
Noncurrent Liabilities							
Workers Compensation Claims Payable		-		-		16,155	16,155
Total Liabilities		2,788		894,300		34,644	931,732
Net Position:							
Unrestricted		40,622		7,972,208		2,310,141	10,322,971
Total Net Position	\$	40,622	\$	7,972,208	\$	2,310,141	\$ 10,322,971

Combining Statement of Revenues, Expenses and Changes in Net Position Internal Service Funds For the Fiscal Year Ended June 30, 2018

	General Rotary	He alth Insurance	Workers Compensation	Total Internal Service Funds	
Operating Revenues:					
Charges for Services:					
Risk Management	\$ -	\$ 9,340,567	\$ 415,336	\$ 9,755,903	
Other	255,138	-	-	255,138	
Other Miscellaneous Revenues		41,700	4,000	45,700	
Total Operating Revenues	255,138	9,382,267	419,336	10,056,741	
Operating Expenses:					
Salaries and Wages	12,478	-	-	12,478	
Employee's Retirement and Insurance Benefits	159,168	8,723,829	503,154	9,386,151	
Purchased Services	74,861	15,592	30,227	120,680	
Supplies and Materials	13,188	-	-	13,188	
Other	1,070			1,070	
Total Operating Expenses	260,765_	8,739,421	533,381	9,533,567	
Operating Income (Loss)	(5,627)	642,846	(114,045)	523,174	
Nonoperating Revenues (Expenses):					
Contributions and Donations from Private Sources	13,490	-	-	13,490	
Intergovernmental	3,014			3,014	
Total Nonoperating Revenues (Expenses)	16,504			16,504	
Transfers Out	(2,123)			(2,123)	
Change in Net Position	8,754	642,846	(114,045)	537,555	
Net Position - Beginning of Year	31,868_	7,329,362	2,424,186	9,785,416	
Net Position - End of Year	\$ 40,622	\$ 7,972,208	\$ 2,310,141	\$ 10,322,971	

Combining Statement of Cash Flows Internal Service Funds For the Fiscal Year Ended June 30, 2018

	Gen Rot		I1	Health		Workers mpensation	5	Total nternal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES	_				_			
Receipts from Charges for Risk Management	\$	-	\$	9,340,567	\$	415,336	\$	9,755,903
Receipts from Charges for Other Services		227,396		41.700		-		227,396
Other Receipts		(10.470)		41,700		4,000		45,700
Payments to Employees for Salaries and Wages		(12,478)		(0.025.602)		(404.005)		(12,478)
Payments to Employees for Retirement and Insurance Benefits	(159,168)		(8,925,693)		(494,005)		(9,578,866)
Payments to Suppliers and Service Providers for Goods and Services		(86,051)		(16,842)		(29,527)		(132,420)
Other Payments		(1,070)		420.722	-	(104.106)		(1,070)
Net Cash provided by (used for) Operating Activities		(31,371)		439,732		(104,196)		304,165
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	s							
Transfers to Other Funds		(2,123)		-		-		(2,123)
Contributions and Donations from Private Sources Received		16,721		-		-		16,721
Operating Grants Received		3,704						3,704
Net Cash provided by (used for) Noncapital Financing Activities		18,302		-		-		18,302
Net Increase (Decrease) in Cash and Cash Equivalents		(13,069)		439,732		(104,196)		322,467
Cash and Cash Equivalents - Beginning of Year		55,979		8,426,776		2,199,264		10,682,019
Cash and Cash Equivalents - End of Year	\$	42,910	\$	8,866,508	\$	2,095,068	\$	11,004,486
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIV Operating Income (Loss)	VITIES \$	(5,627)	\$	642,846	\$	(114,045)	\$	523,174
Adjustment to Reconcile Operating Income (Loss) to								
Net Cash Provided By (Used For) Operating Activities:								
(Increase) Decrease in Assets and Deferred Outflows:								
Prepaid Items		_		_		34,548		34,548
Increase (Decrease) in Liabilities and Deferred Inflows:						- ,-		- ,
Accounts Payable		1,998		(1,250)		700		1,448
Insurance Claims Payable		-		(201,864)		-		(201,864)
Workers Compensation Claims Payable		_		-		(25,399)		(25,399)
Due to Other Funds		(27,742)		-		-		(27,742)
Net Cash Provided By (Used For) Operating Activities	\$	(31,371)	\$	439,732	\$	(104,196)	\$	304,165

Fund Descriptions Fiduciary Funds

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

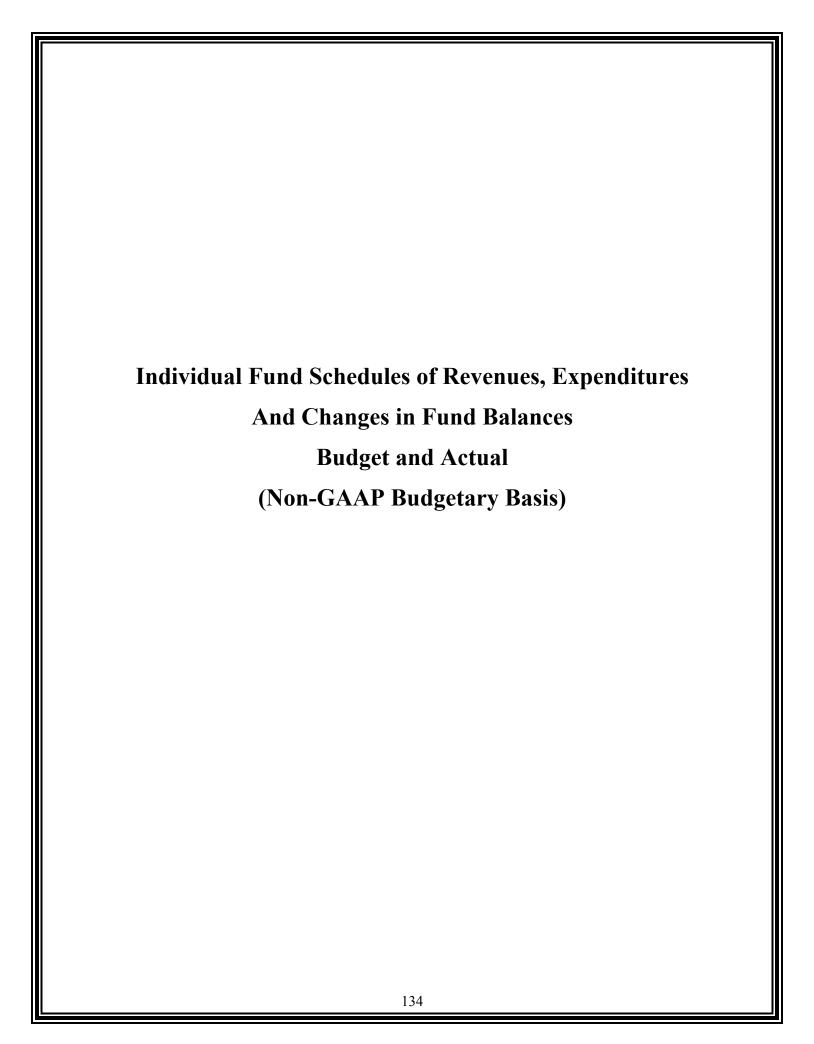
Agency Funds

<u>District Agency</u> – This fund accounts for those assets held by the School District as an agent for individuals, private organization, and other governmental units. The School District utilizes this fund for the purpose of hosting Ohio High School Athletics Association, retainage balances held for construction contractors, and for unclaimed funds.

<u>Student Activities</u> - This fund accounts for resources that belong to the student bodies of the various schools, accounting for sales and other revenue generating activities.

Combining Statement of Changes in Assets and Liabilities Fiduciary Funds For the Fiscal Year Ended June 30, 2018

	_	alance 30/2017	A	dditions	D	eletions	_	alance 80/2018
District Agency								
Assets								
Equity in Pooled Cash, Cash Equivalents, and Investments	\$	3,308	\$	188,999	\$	143,415	\$	48,892
Total Assets	\$	3,308	\$	188,999	\$	143,415	\$	48,892
Liabilities								
Deposits Held and Due to Others	\$	3,308	\$	188,999	\$	143,415		48,892
Total Liabilities	\$	3,308	\$	188,999	\$	143,415	\$	48,892
Student Activities								
Assets								
Equity in Pooled Cash, Cash Equivalents, and Investments	\$	37,170	\$	68,285	\$	71,115	\$	34,340
Total Assets	\$	37,170	\$	68,285	\$	71,115	\$	34,340
Liabilities								
Due to Students	\$	37,170	\$	68,285	\$	71,115		34,340
Total Liabilities	\$	37,170	\$	68,285	\$	71,115	\$	34,340
Total Agency Funds								
<u>Assets</u>								
Equity in Pooled Cash, Cash Equivalents, and Investments	\$	40,478	\$	257,284	\$	214,530	\$	83,232
Total Assets	\$	40,478	\$	257,284	\$	214,530	\$	83,232
<u>Liabilities</u>								
Due to Students	\$	37,170	\$	68,285	\$	71,115	\$	34,340
Deposits Held and Due to Others		3,308		188,999		143,415		48,892
Total Liabilities	\$	40,478	\$	257,284	\$	214,530	\$	83,232



Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
(Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2018

General Fund

	Budgeted	Amounts		Variance with Final Budget Positive
	Original	inal Final A		(Negative)
Revenues and Other Financing Sources	\$77,947,241	\$76,906,239	\$78,471,542	\$ 1,565,303
Expenditures and Other Financing Uses	78,676,735 79,051,235 76,422,019		76,422,019	2,629,216
Net Change in Budgetary Fund Balance	(729,494)	(2,144,996)	2,049,523	4,194,519
Budgetary Fund Balance - Beginning of Year	5,881,737	5,881,737	5,881,737	-
Prior Year Encumbrances Appropriated	1,953,078	1,953,078	1,953,078	
Budgetary Fund Balance - End of Year	\$ 7,105,321	\$ 5,689,819	\$ 9,884,338	\$ 4,194,519

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
(Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2018
(continued)

Building Fund

	Budgeted Original	Amounts Final	Actual	Variance with Final Budget Positive (Negative)
Revenues and Other Financing Sources	\$ 150,000	\$ 150,000	\$ 448,112	\$ 298,112
Expenditures and Other Financing Uses	13,058,751	26,258,751	25,985,305	273,446
Net Change in Budgetary Fund Balance	(12,908,751)	(26,108,751)	(25,537,193)	571,558
Budgetary Fund Balance - Beginning of Year Prior Year Encumbrances Appropriated	38,488,714 143,361	38,488,714 143,361	38,488,714 143,361	<u>-</u>
Budgetary Fund Balance - End of Year	\$25,723,324	\$12,523,324	\$13,094,882	\$ 571,558

Classroom Facilities Fund

	Budgeted	Amounts		Fina	ance with d Budget ositive
	Original	8		(Ne	egative)
Revenues and Other Financing Sources	\$ 5,350,000	\$ 5,350,000	\$ 7,088,052	\$	1,738,052
Expenditures and Other Financing Uses	16,399,213	16,399,213	10,227,472		6,171,741
Net Change in Budgetary Fund Balance	(11,049,213)	(11,049,213)	(3,139,420)		7,909,793
Budgetary Fund Balance - Beginning of Year Prior Year Encumbrances Appropriated	58,042,690 2,498	58,042,690 2,498	58,042,690 2,498		- -
Budgetary Fund Balance - End of Year	\$46,995,975	\$46,995,975	\$54,905,768	\$	7,909,793

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
(Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2018
(continued)

Special Trust Fund

	 Budgeted Priginal	ounts Final	 Actual	Fina P	ance with al Budget ositive egative)
Revenues and Other Financing Sources	\$ 32,500	\$ 32,500	\$ 73,956	\$	41,456
Expenditures and Other Financing Uses	 31,500	 37,500	 35,186		2,314
Net Change in Budgetary Fund Balance	1,000	(5,000)	38,770		43,770
Budgetary Fund Balance - Beginning of Year Prior Year Encumbrances Appropriated	21,402 500	 21,402 500	 21,402 500		<u>-</u>
Budgetary Fund Balance - End of Year	\$ 22,902	\$ 16,902	\$ 60,672	\$	43,770

Public School Support Fund

		Budgeted Priginal	ounts Final	 Actual	Fina Po	ance with al Budget asitive egative)	
Revenues and Other Financing Sources	\$	85,000	\$	85,000	\$ 90,867	\$	5,867
Expenditures and Other Financing Uses		105,337		105,337	 84,578		20,759
Net Change in Budgetary Fund Balance		(20,337)		(20,337)	6,289		26,626
Budgetary Fund Balance - Beginning of Year Prior Year Encumbrances Appropriated		20,865 10,337		20,865 10,337	20,865 10,337		- -
Budgetary Fund Balance - End of Year	\$	10,865	\$	10,865	\$ 37,491	\$	26,626

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
(Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2018
(continued)

Other Grants Fund

	Budgeted	Amounts		Variance with Final Budget Positive		
	Original Final		Actual	(Negative)		
Revenues and Other Financing Sources	\$ 245,000	\$ 245,000	\$ 241,729	\$ (3,271)		
Expenditures and Other Financing Uses	185,775	220,775	217,173	3,602		
Net Change in Budgetary Fund Balance	59,225	24,225	24,556	331		
Budgetary Fund Balance - Beginning of Year	770	770	770			
Budgetary Fund Balance - End of Year	\$ 59,995	\$ 24,995	\$ 25,326	\$ 331		

Classroom Facilities Maintenance Fund

	Budgeted Original	Amounts Final	Actual	Variance with Final Budget Positive (Negative)		
Revenues and Other Financing Sources	\$ 394,391	\$ 394,391	\$ 543,791	\$	149,400	
Expenditures and Other Financing Uses	404,592	419,592	264,086		155,506	
Net Change in Budgetary Fund Balance	(10,201)	(25,201)	279,705		304,906	
Budgetary Fund Balance - Beginning of Year Prior Year Encumbrances Appropriated	1,324,723 4,592	1,324,723 4,592	1,324,723 4,592		-	
Budgetary Fund Balance - End of Year	\$1,319,114	\$1,304,114	\$1,609,020	\$	304,906	

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
(Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2018
(continued)

Termination Benefits Fund

	Budgeted Amounts						Variance with Final Budget Positive		
	_0	riginal	<u>Final</u>		<u>Actual</u>		(Negative)		
Revenues and Other Financing Sources	\$	35,000	\$	35,000	\$	54,000	\$	19,000	
Expenditures and Other Financing Uses		35,000		35,000		10,084		24,916	
Net Change in Budgetary Fund Balance		-		-		43,916		43,916	
Budgetary Fund Balance - Beginning of Year		37,334		37,334		37,334			
Budgetary Fund Balance - End of Year	\$	37,334	\$	37,334	\$	81,250	\$	43,916	

District Managed Activity Fund

	Budgeted	Amounts		Variance with Final Budget Positive		
	Original	Final	Actual	(Negative)		
Revenues and Other Financing Sources	\$ 265,000	\$ 290,000	\$ 302,661	\$ 12,6	61	
Expenditures and Other Financing Uses	280,000	305,000	293,918	11,0	82	
Net Change in Budgetary Fund Balance	(15,000)	(15,000)	8,743	23,7	43	
Budgetary Fund Balance - Beginning of Year	16,782	16,782	16,782			
Budgetary Fund Balance - End of Year	\$ 1,782	\$ 1,782	\$ 25,525	\$ 23,7	43	

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
(Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2018
(continued)

Auxiliary Services Fund

	Budgeted Original	Variance with Final Budget Positive (Negative)			
	Original	<u>Final</u>	<u>Actual</u>	(11cgative	
Revenues and Other Financing Sources	\$ 756,500	\$ 756,500	\$ 649,107	\$ (107,3	893)
Expenditures and Other Financing Uses	867,999	867,999	785,462	82,5	537
Net Change in Budgetary Fund Balance	(111,499)	(111,499)	(136,355)	(24,8	356)
Budgetary Fund Balance - Beginning of Year	38,553	38,553	38,553	-	
Prior Year Encumbrances Appropriated	132,095	132,095	132,095		<u> </u>
Budgetary Fund Balance - End of Year	\$ 59,149	\$ 59,149	\$ 34,293	\$ (24,8	356)

Public School Preschool Fund

	Budgeted			Variance with Final Budget Positive		
	Original	<u>Final</u>	Actual	(Negative)		
Revenues and Other Financing Sources	\$ 260,000	\$ 260,102	\$ 260,101	\$ (1)		
Expenditures and Other Financing Uses	260,000	260,102	260,101	1_		
Net Change in Budgetary Fund Balance	-	-	-	-		
Budgetary Fund Balance - Beginning of Year		<u> </u>				
Budgetary Fund Balance - End of Year	\$ -	\$ -	\$ -	\$ -		

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
(Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2018
(continued)

Alternative Schools Grant Fund

		Budgeted riginal	ounts Final	Δ	ctual	Variance with Final Budget Positive (Negative)	
Revenues and Other Financing Sources	\$	1,200	\$ 1,200	\$	1,161	\$	(39)
Expenditures and Other Financing Uses		1,161	1,161		1,161		
Net Change in Budgetary Fund Balance		39	39		-		(39)
Budgetary Fund Balance - Beginning of Year			 				
Budgetary Fund Balance - End of Year	\$	39	\$ 39	\$	_	\$	(39)

IDEA, Part B Special Education, Education of Handicapped Children Fund

	Budgeted	Amounts		Variance with Final Budget Positive			
	Original	8		(Negative)		
Revenues and Other Financing Sources	\$1,544,743	\$1,809,743	\$1,613,470	\$ (196,2	73)		
Expenditures and Other Financing Uses	1,756,028	1,826,028	1,803,298	22,7	30		
Net Change in Budgetary Fund Balance	(211,285)	(16,285)	(189,828)	(173,5	43)		
Budgetary Fund Balance - Beginning of Year Prior Year Encumbrances Appropriated	36,892 176,028	36,892 176,028	36,892 176,028				
Budgetary Fund Balance - End of Year	\$ 1,635	\$ 196,635	\$ 23,092	\$ (173,54	43)		

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
(Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2018
(continued)

Project Head Start Fund

	Budgeted Original	eted Amounts al Final A		Variance with Final Budget Positive (Negative)		
Revenues and Other Financing Sources	\$ 159,000	\$ 174,000	\$ 168,761	\$ (5,239)		
Expenditures and Other Financing Uses	171,000	181,000	180,866	134		
Net Change in Budgetary Fund Balance	(12,000)	(7,000)	(12,105)	(5,105)		
Budgetary Fund Balance - Beginning of Year	13,345	13,345	13,345			
Budgetary Fund Balance - End of Year	\$ 1,345	\$ 6,345	\$ 1,240	\$ (5,105)		

Title I - School Improvement A Fund

	F	Budgeted	l Amo	ounts			Variance with Final Budget Positive	
	<u>O</u> 1	Original Final		Actual		(Negative)		
Revenues and Other Financing Sources	\$	6,900	\$	7,590	\$	7,589	\$	(1)
Expenditures and Other Financing Uses		2,694		7,590		7,589		1
Net Change in Budgetary Fund Balance		4,206		-		-		-
Budgetary Fund Balance - Beginning of Year								
Budgetary Fund Balance - End of Year	\$	4,206	\$		\$	-	\$	

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
(Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2018
(continued)

Title III - Limited English Proficiency Fund

		udgeted					Final Pos	Budget
	<u>Or</u>	iginal	F	'inal	A	ctual	(Neg	gative)
Revenues and Other Financing Sources	\$	-	\$	-	\$	-	\$	-
Expenditures and Other Financing Uses		522		522		362		160
Net Change in Budgetary Fund Balance		(522)		(522)		(362)		160
Budgetary Fund Balance - Beginning of Year		522		522		522		
Budgetary Fund Balance - End of Year	\$		\$		\$	160	\$	160

Title I - Disadvantaged Children/Targeted Assistance Fund

	Budgeted	Amounts		Fina	ance with I Budget ositive
	Original	Final	Actual	(Ne	gative)
Revenues and Other Financing Sources	\$2,732,649	\$2,732,649	\$2,399,502	\$	(333,147)
Expenditures and Other Financing Uses	2,730,000	2,730,000	2,357,384		372,616
Net Change in Budgetary Fund Balance	2,649	2,649	42,118		39,469
Budgetary Fund Balance - Beginning of Year	(1,431)	(1,431)	(1,431)		
Budgetary Fund Balance - End of Year	\$ 1,218	\$ 1,218	\$ 40,687	\$	39,469

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
(Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2018
(continued)

IDEA Preschool Grant for the Handicapped Fund

	 Budgeted Priginal	ounts Final		Actual	Fin:	iance with al Budget cositive egative)
Revenues and Other Financing Sources	\$ 25,990	\$ 65,000	\$	34,830	\$	(30,170)
Expenditures and Other Financing Uses	 26,644	 61,144	_	35,393		25,751
Net Change in Budgetary Fund Balance	(654)	3,856		(563)		(4,419)
Budgetary Fund Balance - Beginning of Year	356	356		356		-
Prior Year Encumbrances Appropriated	 644	 644		644		
Budgetary Fund Balance - End of Year	\$ 346	\$ 4,856	\$	437	\$	(4,419)

Improving Teacher Quality Fund

	Budgeted	l Amounts		Variance with Final Budget Positive	
	Original	Final	Actual	(Negative)	
Revenues and Other Financing Sources	\$ 285,985	\$ 285,985	\$ 246,614	\$ (39,371)	
Expenditures and Other Financing Uses	283,302	283,302	244,293	39,009	
Net Change in Budgetary Fund Balance	2,683	2,683	2,321	(362)	
Budgetary Fund Balance - Beginning of Year					
Budgetary Fund Balance - End of Year	\$ 2,683	\$ 2,683	\$ 2,321	\$ (362)	

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
(Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2018
(continued)

Miscellaneous Federal Grants

]	Budgeted	l Am	ounts			Fina	ance with al Budget ositive
	_0	riginal	Final		Actual		(Negative)	
Revenues and Other Financing Sources	\$	55,000	\$	55,000	\$	33,402	\$	(21,598)
Expenditures and Other Financing Uses		54,000		54,000		32,408		21,592
Net Change in Budgetary Fund Balance		1,000		1,000		994		(6)
Budgetary Fund Balance - Beginning of Year		127		127		127		
Budgetary Fund Balance - End of Year	\$	1,127	\$	1,127	\$	1,121	\$	(6)

Bond Retirement Fund

	Budgete	d Amounts		Fin	iance with al Budget ositive
	Original Final		Actual	(N	egative)
Revenues and Other Financing Sources	\$7,299,703	\$ 7,115,624	\$ 7,518,704	\$	403,080
Expenditures and Other Financing Uses	7,042,758	7,042,758	7,047,710		(4,952)
Net Change in Budgetary Fund Balance	256,945	72,866	470,994		398,128
Budgetary Fund Balance - Beginning of Year	9,681,526	9,681,526	9,681,526		
Budgetary Fund Balance - End of Year	\$9,938,471	\$ 9,754,392	\$10,152,520	\$	398,128

Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual
(Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2018
(continued)

Permanent Improvement Fund

	Budgeted	Amounts		Fin	iance with al Budget Positive	
	Original	Final	Actual	(Negative)		
Revenues and Other Financing Sources	\$1,421,955	\$1,386,061	\$ 719,316	\$	(666,745)	
Expenditures and Other Financing Uses	1,597,912	1,597,912	1,264,527		333,385	
Net Change in Budgetary Fund Balance	(175,957)	(211,851)	(545,211)		(333,360)	
Budgetary Fund Balance - Beginning of Year Prior Year Encumbrances Appropriated	1,335,189 697,912	1,335,189 697,912	1,335,189 697,912		- -	
Budgetary Fund Balance - End of Year	\$1,857,144	\$1,821,250	\$1,487,890	\$	(333,360)	

Replacement Fund

	 Budgeted	Am	ounts		Fina	ance with al Budget ositive
)riginal		Final	 Actual	(Ne	egative)
Revenues and Other Financing Sources	\$ 7,000	\$	7,000	\$ 6,189	\$	(811)
Expenditures and Other Financing Uses	33,500		33,500	5,455		28,045
Net Change in Budgetary Fund Balance	(26,500)		(26,500)	734		27,234
Budgetary Fund Balance - Beginning of Year	 46,318		46,318	 46,318		
Budgetary Fund Balance - End of Year	\$ 19,818	\$	19,818	\$ 47,052	\$	27,234



STATISTICAL SECTION



Statistical Section

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

Contents	Page(s)
Financial Trends These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.	S2 – S15
Revenue Capacity These schedules contain information to help the reader assess the School District's most significant local revenue sources and property taxes.	S16 – S22
Debt Capacity These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	S23 – S27
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place.	S28 – S29
Operating Information These schedules contain service data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	S30 – S41

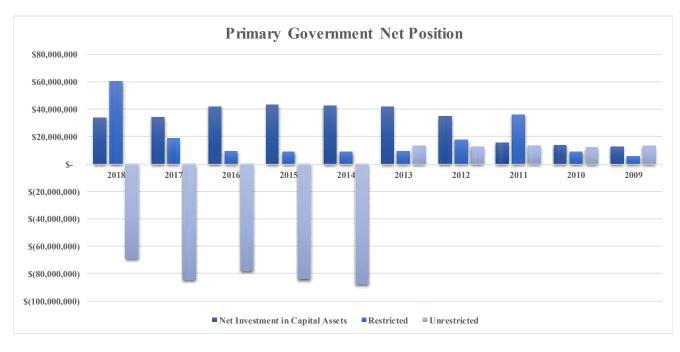
Sources: Unless otherwise noted, the information in these schedules is derived from the basic financial statements for the relevant year.

Net Position by Component Accrual Basis of Accounting Last Ten Fiscal Years

	2018 (a)		2017		2016	2015
Governmental Activities:						
Net Investment in Capital Assets	\$	33,107,881	\$	34,024,515	\$ 41,596,409	\$ 42,541,087
Restricted for:						
Capital Projects		48,235,096		6,548,027	3,248,866	3,378,610
Debt Service		9,915,190		10,369,751	4,171,701	3,724,728
State Funded Programs		86,113		51,961	128,115	70,870
Federally Funded Programs		-		-	522	30,364
Classroom Facilities Maintenance		1,626,588		1,329,315	1,300,962	1,305,850
Student Activities		22,179		1,412	20,254	15,674
Set-Asides		476,511		476,511	476,511	476,511
Other Purposes		110,382		22,673	49,315	50,654
Unrestricted		(68,103,948)		(83,784,735)	(76,853,896)	(83,010,869)
Total Governmental Activities Net Position		25,475,992		(30,960,570)	(25,861,241)	(31,416,521)
Business-Type Activities:						
Investment in Capital Assets		410,648		456,179	492,400	539,565
Unrestricted		(802,442)		(489,485)	(705,056)	(1,111,155)
Total Business-Type Activities Net Position		(391,794)		(33,306)	(212,656)	(571,590)
Primary Government:						
Net Investment in Capital Assets		33,518,529		34,480,694	42,088,809	43,080,652
Restricted		60,472,059		18,799,650	9,396,246	9,053,261
Unrestricted		(68,906,390)		(84,274,220)	(77,558,952)	(84,122,024)
Total Primary Government Net Position	\$	25,084,198	\$	(30,993,876)	\$ (26,073,897)	\$ (31,988,111)

Notes:

- (a) GASB Statement No. 75 was implemented in fiscal year 2018 and does not impact net position prior to fiscal year 2017.
- (b) GASB Statement No. 68 was implemented in fiscal year 2015 and does not impact net position prior to fiscal year 2014.
- (c) Fiscal year 2011 was the first year the School District segregated the Restricted Net Position category into further detail.



		Restated			
2014 (b)	2013	2012	2011 (c)	2010	2009
\$ 41,760,027	\$41,111,623	\$34,828,640	\$15,581,829	\$13,871,714	\$12,778,218
2,894,337	3,727,932	11,015,476	28,017,046	1,481,374	847,132
4,058,201	4,100,012	4,489,558	5,388,022	5,296,865	2,714,707
70,898	118,094	120,815	79,387	-	-
52,778	104,230	309,479	865,853	-	-
1,212,917	709,189	479,898	170,299	-	-
16,753	44,431	51,048	49,413	-	-
476,511	476,511	1,276,135	1,276,135	1,276,135	1,276,135
82,342	51,016	18,848	38,192	613,840	772,810
(86,523,887)	12,756,464	12,361,747	12,740,486	11,634,334	12,662,148
(35,899,123)	63,199,502	64,951,644	64,206,662	34,174,262	31,051,150
586,730	636,854	42,001	75,001	108,001	127,705
(1,360,863)	500,877	535,855	441,422	506,454	637,193
(774,133)	1,137,731	577,856	516,423	614,455	764,898
42,346,757	41,748,477	34,870,641	15,656,830	13,979,715	12,905,923
8,864,737	9,331,415	17,761,257	35,884,347	8,668,214	5,610,784
(87,884,750)	13,257,341	12,897,602	13,181,908	12,140,788	13,299,341
\$ (36,673,256)	\$64,337,233	\$65,529,500	\$64,723,085	\$34,788,717	\$31,816,048

Changes in Net Position Accrual Basis of Accounting Last Ten Fiscal Years

	2018	2017	2016
Expenses			
Governmental Activities:			
Instruction:			
Regular	\$ 10,938,077	\$ 32,069,104	\$ 29,249,527
Special	10,603,372	16,836,666	16,933,301
Vocational	758,961	1,318,036	1,149,487
Adult/Continuing	-	-	-
Other	12,533	82,655	54,538
Supporting Services:			
Pupils	3,549,229	7,643,438	6,650,201
Instructional Staff	476,684	4,491,916	5,135,370
Board of Education	43,582	57,230	87,800
Administration	(408,856)	5,709,198	5,127,739
Fiscal Services	2,358,695	2,343,510	2,076,228
Business	354,973	651,351	798,618
Operation and Maintenance of Plant Services	5,610,895	6,902,331	6,619,964
Pupil Transportation	6,595,739	5,628,883	5,592,852
Central	1,432,485	1,820,383	1,723,622
Operation of Non-Instructional Services	681,298	1,101,236	319,432
Extracurricular Activities	763,900	1,243,801	1,274,511
Interest and Fiscal Charges	5,247,002	3,236,870	1,207,684
Total Governmental Activities Expenses	49,018,569	91,136,608	84,000,874
Business-Type Activities:			
Food Services	2,314,866	2,465,772	2,477,170
Uniform School Supplies	-	-	-
Customer Services	26,710	38,894	26,666
Total Business-Type Activities Expenses	2,341,576	2,504,666	2,503,836
Total Primary Government Expenses	\$ 51,360,145	\$ 93,641,274	\$ 86,504,710
Program Revenues			
Governmental Activities:			
<u>Charges for Services:</u>			
Instruction:			
Regular	\$ 999,022	\$ 285,036	\$ 691,573
Special	-	525,533	-
Vocational	-	78,080	60,436
Other	-	-	-
Supporting Services:			
Administration	-	-	-
Operation and Maintenance of Plant Services	70,930	53,607	46,268
Pupil Transportation	39,554	20,861	18,354
Central	- -	-	-
Operation of Non-Instructional Services	-	_	30,697
Extracurricular Activities	223,654	215,743	245,638
Total Charges for Services	1,333,160	1,178,860	1,092,966
		, , , , , , , , ,	,

2015	2014	2013	2012	2011	2010	2009
\$ 26,929,027	\$ 28,523,851	\$ 25,854,329	\$ 25,842,967	\$ 29,400,824	\$ 29,897,814	\$ 29,685,825
17,498,876	16,727,493	15,998,660	15,583,365	15,850,323	16,347,412	14,747,557
1,116,634	1,188,650	1,123,135	1,311,831	1,113,993	1,236,761	1,292,997
-	4,812	127,155	152,170	151,581	153,632	80,245
24,478	35,288	24,037	12,978	61,117	253,532	737,533
6,394,045	6,303,209	4,391,061	4,493,068	4,659,136	4,541,877	4,102,032
3,058,516	2,985,751	5,383,985	5,288,715	6,802,144	5,846,569	5,349,115
57,323	126,078	96,477	205,005	51,915	61,406	63,413
5,178,735	5,394,761	4,745,436	4,779,028	5,285,593	5,245,661	5,325,009
1,965,151	1,973,807	2,009,442	1,904,032	1,996,702	1,977,032	2,013,309
640,879	734,019	594,531	616,646	674,104	814,625	758,527
6,977,602	7,103,981	6,930,699	7,099,301	7,749,641	8,052,726	8,039,562
4,654,039	4,735,717	4,519,965	4,851,679	5,057,123	4,584,065	3,801,548
1,649,986	1,912,031	1,710,140	1,637,045	1,812,798	1,633,202	1,240,344
786,421	1,280,188	879,096	815,280	1,076,841	982,236	1,152,878
1,100,794	1,124,057	1,025,761	1,099,543	1,114,355	1,116,742	1,281,346
1,597,092	1,926,077	1,959,815	2,045,555	2,101,947	875,110	537,331
79,629,598	82,079,770	77,373,724	77,738,208	84,960,137	83,620,402	80,208,571
2,424,539	2,419,472	2,401,155	2,396,687	2,505,439	2,619,356	2,450,210
-	-	2,683	6,424	17,820	12,816	5,909
8,647	89,468	571,772	601,315	723,755	811,241	816,342
2,433,186	2,508,940	2,975,610	3,004,426	3,247,014	3,443,413	3,272,461
\$ 82,062,784	\$ 84,588,710	\$ 80,349,334	\$ 80,742,634	\$ 88,207,151	\$ 87,063,815	\$ 83,481,032
\$ 554,222	\$ 222,585	\$ 181,918	\$ 170,638	\$ 607,576	\$ 444,689	\$ 404,385
ψ <i>33</i> ¬,222	ψ 222,303 -	2,021	13,335	206	900	272,408
44,771	94,668	29,680	36,895	-	-	28,362
-	-	-	-	27	-	1,781
-	-	3,893	15,852	1,194	67,504	3,620
20,515	26,185	21,223	22,953	32,201	58,044	55,897
8,981	31,238	35,942	48,858	108,075	90,493	63,127
-	13,500	13,500		-	-	,
640,647	-	-	-	-	-	-
259,727	300,623	321,935	290,917	286,626	256,706	277,449
1,528,863	688,799	610,112	599,448	1,035,905	918,336	1,107,029
						(continued)

(continued)

Changes in Net Position (continued) Accrual Basis of Accounting Last Ten Fiscal Years

	2018	2017	2016
gram Revenues (Continued)			
Sovernmental Activities:			
Operating Grants and Contributions:			
Instruction:			
Regular	819,460	544,446	387,142
Special	7,245,986	4,062,855	6,734,863
Vocational	439,949	404,019	-
Adult/Continuing	-	-	-
Other	-	-	-
Supporting Services:			
Pupils	406,486	352,909	264,143
Instructional Staff	714,847	2,276,939	2,029,538
Administration	156,425	169,188	136,207
Fiscal Services	2,552	65,101	31,707
Operation and Maintenance of Plant Services	291,859	139,479	577
Pupil Transportation	-	-	-
Central	-	-	4,670
Operation of Non-Instructional Services	836,386	855,251	743,723
Extracurricular Activities	68,481	23,134	40,672
Interest and Fiscal Charges	-	-	-
Total Operating Grants and Contributions	10,982,431	8,893,321	10,373,242
Capital Grants and Contributions:			
Supporting Services:			
Operation and Maintenance of Plant Services	-	3,246	-
Operation of Non-Instructional Services	-	· -	-
Total Capital Grants and Contributions		3,246	
Total Governmental Activities Program Revenues	12,315,591	10,075,427	11,466,208
Susiness-Type Activities:			
Charges for Services:			
Food Services	100,909	251,985	302,856
Customer Services	10,820	14,662	7,885
Total Charges for Services	111,729	266,647	310,741
Operating Grants and Contributions:			
Food Services	2,569,016	2,341,468	2,453,208
Customer Services	5,017	9,985	-
Total Operating Grants and Contributions	2,574,033	2,351,453	2,453,208
Total Business-Type Activities Program Revenues	2,685,762	2,618,100	2,763,949

2015	2014	2013	2012	2011	2010	2009
5,522,025	710,530	1,077,988	1,670,385	3,185,877	1,761,177	3,073,944
1,122,325	3,572,438	2,552,767	1,969,358	2,614,230	2,350,193	2,564,719
-	-	-	-	-,01.,250	-	-
-	3,650	131,775	123,152	163,454	158,140	74,797
-	-	-	14,330	34,393	-	472,543
216,577	263,801	32,414	277,844	468,255	259,458	53,475
917,025	982,949	1,426,712	1,363,661	2,557,680	2,630,560	1,816,605
144,714	158,991	140,866	41,612	316,433	354,798	54,559
68,825	36,255	203,962	1,068	100,187	139,201	120,963
2,371	872	19,119	29,520	22,783	-	111,633
-	-	42,147	42,147	10,536	7,297	4,460
-	-	-	-	10,804	11,272	18,112
140,118	806,356	850,739	858,507	1,030,091	989,805	1,096,254
6,336	420.507	-	-	402.550	-	-
0.140.216	429,587	- 470 400		402,559	0.661.001	0.462.064
8,140,316	6,965,429	6,478,489	6,391,584	10,917,282	8,661,901	9,462,064
_	1,544,867	_	_	_	_	_
_	4,105	_	_	_	_	_
	1,548,972					
9,669,179	9,203,200	7,088,601	6,991,032	11,953,187	9,580,237	10,569,093
215.010	217 204	224224	201.017	422.577	474.017	542.625
315,018	317,284	324,234	391,017	432,577	474,817	543,635
15,470 330,488	<u>44,222</u> 361,506	554,770 879,004	<u>598,559</u> 989,576	656,707 1,089,284	684,603 1,159,420	633,838
	301,300	679,004	969,370	1,009,204	1,139,420	1,177,473
2,305,419	2,224,500	1,987,086	2,066,628	2,026,857	2,066,280	1,793,880
-	73,096	-	-	-	28,441	62,787
2,305,419	2,297,596	1,987,086	2,066,628	2,026,857	2,094,721	1,856,667
						
2,635,907	2,659,102	2,866,090	3,056,204	3,116,141	3,254,141	3,034,140
\$ 12,305,086	\$ 11,862,302	\$ 9,954,691	\$ 10,047,236	\$ 15,069,328	\$ 12,834,378	\$ 13,603,233
						(continued)

Changes in Net Position (continued) Accrual Basis of Accounting Last Ten Fiscal Years

	2018	2017	2016
Net (Expense)/Revenue			
Governmental Activities	\$ (36,702,978)	\$ (81,061,181)	\$ (72,534,666)
Business-Type Activities	344,186	113,434	260,113
Total Driving Covernment Not Finance	\$ (26.259.702)	¢ (90 047 747)	\$ (70.074.552)
Total Primary Government Net Expense	\$ (36,358,792)	\$ (80,947,747)	\$ (72,274,553)
General Revenues and Transfers			
Governmental Activities:			
Property Taxes levied for:			
General Purposes	\$ 35,958,093	\$ 31,784,803	\$ 39,828,646
Debt Service Purpose	6,690,354	6,321,624	2,935,859
Capital Outlay	447,801	291,078	574,104
Other Purposes	243,813	238,984	242,900
Income Taxes levied for:			
General Purposes	6,082,699	6,196,339	6,098,827
Payments in Lieu of Taxes	80,482	60,570	64,303
Grants & Entitlements not restricted to specific programs	27,413,022	29,000,344	27,273,643
Earnings on Investments	1,246,189	788,762	257,872
Gain (Loss) on Sale of Capital Assets	10,377	36,162	138,545
Miscellaneous Revenues	1,072,115	1,244,300	675,247
Grant from School Facilities Commission	39,891,191	-	-
Transfers		(1,114)	
Total Governmental Activities General Revenues and Transfers	119,136,136	75,961,852	78,089,946
Business-Type Activities:			
Earnings on Investments	18,497	27,135	18,982
Miscellaneous Revenues	42,324	37,667	79,839
Transfers		1,114	
Total Business-Type Activities General Revenues and Transfers	60,821	65,916	98,821
Total Primary Government General Revenues and Transfers	\$110 106 057	\$ 76,027,768	\$ 78,188,767
Total Trinary Government General Revenues and Transfers	\$117,170,737	\$ 70,027,708	\$ 76,166,767
Change in Net Position			
Governmental Activities	\$ 82,433,158	\$ (5,099,329)	\$ 5,555,280
Business-Type Activities	405,007	179,350	358,934
Total Primary Government Change in Net Position	\$ 82,838,165	\$ (4,919,979)	\$ 5,914,214

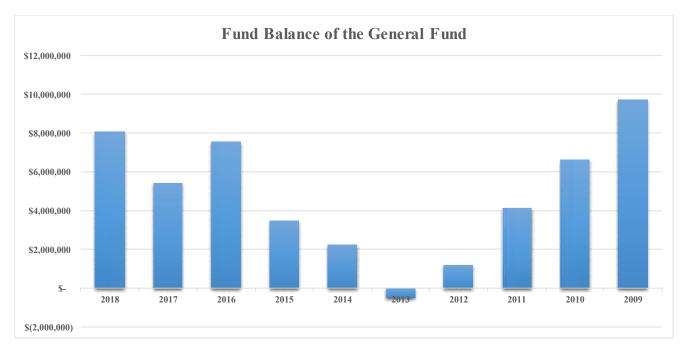
2015	2014	2013	2012	2011	2010	2009
\$ (69,960,419)	\$ (72,876,570)	\$ (70,285,123)	\$ (70,747,176)	\$ (73,006,950)	\$ (74,040,165)	\$ (69,639,478)
202,721	150,162	(109,520)	51,778	(130,873)	(189,272)	(238,321)
\$ (69,757,698)	\$ (72,726,408)	\$ (70,394,643)	\$ (70,695,398)	\$ (73,137,823)	\$ (74,229,437)	\$ (69,877,799)
\$ 36,127,360	\$ 39,219,098	\$ 31,667,892	\$ 31,759,316	\$ 35,812,723	\$ 34,566,784	\$ 33,921,534
2,870,466	3,615,611	2,797,652	3,297,770	4,712,476	4,709,405	2,701,072
646,499	393,418	259,797	785,137	847,060	758,942	751,398
120,284	-	-	-	-	-	-
6,189,984	6,081,191	6,115,885	5,885,496	5,530,287	5,232,280	5,745,681
87,391	31,043	39,723	109,124	63,096	58,214	287,593
26,960,587	28,203,345	27,282,085	29,756,947	30,853,230	31,539,926	29,350,742
237,835	16,217	78,912	46,868	384,997	244,143	332,880
15,564	10,287	-	-	-	-	-
1,147,036	719,328	925,533	70,918	99,798	65,583	96,400
-	-	-	-	24,735,683	-	-
40,015	(57,048)	(634,498)			(12,000)	57,638
74,443,021	78,232,490	68,532,981	71,711,576	103,039,350	77,163,277	73,244,938
15,729	768	1	35	100	222	712
24,108	34,155	34,896	9,620	32,741	26,607	26,132
(40,015)	57,048	634,498			12,000	(57,638)
(178)	91,971	669,395	9,655	32,841	38,829	(30,794)
\$ 74,442,843	\$ 78,324,461	\$ 69,202,376	\$ 71,721,231	\$103,072,191	\$ 77,202,106	\$ 73,214,144
\$ 4,482,602	\$ 5,355,920	\$ (1,752,142)	\$ 964,400	\$ 30,032,400	\$ 3,123,112	\$ 3,605,460
202,543	242,133	559,875	61,433	(98,032)	(150,443)	(269,115)
\$ 4,685,145	\$ 5,598,053	\$ (1,192,267)	\$ 1,025,833	\$ 29,934,368	\$ 2,972,669	\$ 3,336,345

Fund Balances – Governmental Funds Modified Accrual Basis of Accounting Last Ten Fiscal Years

	2018	2017	2016	2015	
General Fund					
Nonspendable	\$ 136,636	\$ 122,427	\$ 16,265	\$ 59,505	
Committed	80,159	37,004	64,865	97,787	
Assigned	5,439,287	1,642,670	1,499,825	1,349,137	
Unassigned	2,414,434	3,603,226	5,971,568	1,980,011	
Reserved	N/A	N/A	N/A	N/A	
Unreserved	N/A	N/A	N/A	N/A	
Total General Fund	8,070,516	5,405,327	7,552,523	3,486,440	
All Other Governmental Funds					
Nonspendable	68,947	72,790	-	2,488	
Restricted	100,991,652	108,779,397	8,138,370	8,127,604	
Committed	23,472	21,903	48,545	46,689	
Assigned	37,052	46,318	51,997	47,904	
Unassigned	(646,324)	(657,709)	(634,311)	(310,841)	
Reserved	N/A	N/A	N/A	N/A	
Unreserved, Undesignated,					
Reported in:					
Special Revenue Funds	N/A	N/A	N/A	N/A	
Debt Service Funds	N/A	N/A	N/A	N/A	
Capital Project Funds	N/A	N/A	N/A	N/A	
Total All Other Governmental Funds	100,474,799	108,262,699	7,604,601	7,913,844	
Total Governmental Funds	\$108,545,315	\$113,668,026	\$ 15,157,124	\$ 11,400,284	

Notes:

(a) In fiscal year 2011, the School District implemented GASB Statement No. 54. As a result, the fiscal year 2010 fund balances were reclassified to reflect the effects of this GASB Statement.



 2014	 2013		2012	 2011 (a)	 2010	 2009
\$ 41,928	\$ 107,155	\$	216,488	\$ 201,638	\$ 183,737	N/A
121,624	186,738		247,764	213,035	186,364	N/A
1,819,507	57,715		48,109	1,554,510	637,786	N/A
243,790	(865,885)		688,774	2,143,706	5,597,024	N/A
N/A	N/A		N/A	N/A	N/A	7,711,231
N/A	N/A		N/A	 N/A	 N/A	 2,007,347
2,226,849	(514,277)		1,201,135	4,112,889	6,604,911	9,718,578
_	_		165,734	6,295	3,447	N/A
7,897,855	8,613,858		19,376,202	46,655,335	45,354,275	N/A
81,741	50,415		18,848	38,192	39,528	N/A
56,684	101,143		143,947	157,396	157,206	N/A
(335,919)	(344,294)		(579,057)	(60,317)	(299,932)	N/A
N/A	N/A		N/A	N/A	N/A	821,493
N/A	N/A		N/A	N/A	N/A	353,347
N/A	N/A		N/A	N/A	N/A	2,492,528
 N/A	 N/A		N/A	 N/A	 N/A	 303,748
 7,700,361	8,421,122		19,125,674	 46,796,901	 45,254,524	 3,971,116
\$ 9,927,210	\$ 7,906,845	\$ 2	20,326,809	\$ 50,909,790	\$ 51,859,435	\$ 13,689,694

Changes in Fund Balances – Governmental Funds Modified Accrual Basis of Accounting Last Ten Fiscal Years

	2018	2017	2016 (a)	2015
Revenues:				
Taxes:				
Property	\$ 44,274,980	\$ 37,618,064	\$ 43,312,812	\$ -
Income	6,082,699	6,196,339	6,098,827	-
Other Local	4,764	-	-	45,594,004
Tuition	877,272	664,771	769,567	497,350
Transportation Fees	39,554	20,861	23,726	12,869
Earning on Investments	1,131,945	782,873	254,928	237,835
Extracurricular Activities	217,174	204,856	236,876	254,664
Classroom Materials and Fees	16,184	4,980	-	16,433
Rentals	116,290	96,480	59,207	
Contributions and Donations from Private Sources	104,154	75,633	77,775	29,705
Miscellaneous Revenues	1,331,411	1,256,081	706,749	1,189,401
Revenues from State Sources:				
Unrestricted Grants-in-Aid	27,413,022	29,000,344	27,133,666	36,008,756
Restricted Grants-in-Aid	12,615,561	4,110,466	4,905,594	-
Revenues from Federal Sources:				
Restricted Grants-in-Aid	4,493,796	4,416,604	5,321,408	
Total Revenues	98,718,806	84,448,352	88,901,135	83,841,017
Expenditures:				
Current:				
Instruction:				
Regular	27,156,769	27,256,698	27,228,762	25,903,122
Special	18,162,526	15,881,926	16,767,336	17,867,257
Vocational	1,496,232	1,228,691	1,157,383	1,147,905
Adult/Continuing	-	-	-	-
Other	81,669	76,050	59,669	30,059
Supporting Services:				
Pupils	7,135,561	7,129,477	6,915,008	6,585,363
Instructional Staff	2,533,637	4,189,779	5,249,206	3,095,997
Board of Education	49,066	56,442	90,806	58,054
Administration	4,891,811	5,055,272	5,246,431	5,427,357
Fiscal Services	2,658,880	2,284,864	2,117,039	1,987,183
Business	478,452	632,012	820,220	649,972
Operation and Maintenance of Plant Services	6,286,906	6,690,618	6,878,075	7,121,668
Pupil Transportation	6,491,153	5,510,566	5,460,586	4,486,912
Central	1,586,302	1,823,839	1,923,743	1,619,354
Operation of Non-Instructional Services	910,771	1,007,464	797,570	813,878
Extracurricular Activities	1,203,848	1,184,021	1,325,338	1,124,764
Facilities Acquisition and Construction Services	15,738,944	2,585,522	366,013	77,853
Debt Service:				
Principal Retirements	2,315,816	2,023,782	2,026,820	2,938,200
Interest and Fiscal Charges	4,675,674	1,982,275	1,229,363	1,432,347
Debt Issuance Costs	- -	- -	-	256,338
Current Refunding Escrow				181,196
Total Expenditures	103,854,017	86,599,298	85,659,368	82,804,779
Excess (Deficiency) of Revenues over Expenditures	(5,135,211)	(2,150,946)	3,241,767	1,036,238

2014	2013	2012	2011	2010	2009	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
-	-	-	-	-	-	
47,893,467	42,972,228	41,440,312	45,534,100	43,239,001	44,053,337	
146,448	102,590	53,523	461,653	151,078	424,084	
55,705	37,963	60,399	122,415	77,086	69,017	
16,217	78,912	46,868	356,411	244,143	332,880	
269,970	321,935	279,206	272,073	270,111	271,422	
81,095	109,008	71,143	-	158,150	138,005	
-	-	-	-	-	-	
6,186	-	-	-	-	-	
819,430	631,335	209,515	178,534	325,677	574,948	
37,092,322	34,447,396	54,862,293	46,584,339	40,202,883	38,813,475	
-	-	-	-	-	-	
86,380,840	78,701,367	97,023,259	93,509,525	84,668,129	84,677,168	
00,300,040	76,701,307	71,023,237	75,507,525	04,000,127	04,077,100	
26,439,013	25,608,051	26,326,656	29,859,520	29,885,006	29,513,925	
16,909,700	16,450,165	15,887,529	16,149,784	16,395,284	14,723,287	
1,206,645	1,218,513	1,306,183	1,122,036	1,246,927	1,288,483	
5,939	127,089	152,783	151,728	153,457	80,109	
39,672	30,310	21,130	78,515	284,979	727,357	
6,415,143	4,563,083	4,586,780	4,780,133	4,541,962	4,088,536	
3,016,902	5,457,395	5,421,105	6,810,183	5,861,131	5,334,449	
127,451	100,594	206,835	54,028	63,380	62,252	
5,470,888	4,947,608	4,980,072	5,348,000	5,298,161	5,275,109	
1,973,807	2,009,442	1,904,032	1,996,702	1,977,032	2,013,309	
734,904	597,727	615,421	702,247	815,927	757,615	
7,154,741	7,049,166	7,215,368	7,841,111	7,965,117	8,297,477	
4,579,601	4,389,554	4,700,253	4,919,999	4,384,344	3,937,938	
1,778,690	1,634,949	1,477,379	1,672,025	1,616,552	1,438,448	
1,271,702	890,386	828,156	1,095,179	988,144	1,153,314	
1,130,805	1,039,052	1,107,903	1,126,356	1,124,735	1,287,931	
1,299,506	10,660,001	49,365,433	5,345,016	1,281,198	176,011	
2,369,228	2,425,900	3,162,454	3,629,300	2,479,100	2,320,000	
2,389,377	2,015,581	2,511,336	1,783,315	435,817	497,565	
-	-	25,342	-	467,442	-	
	-					
84,313,714	91,214,566	131,802,150	94,465,177	87,265,695	82,973,115	
2,067,126	(12,513,199)	(34,778,891)	(955,652)	(2,597,566)	1,704,053	
2,007,120	(12,313,179)	(34,770,091)	(333,032)	(2,397,300)	(continued)	
					(commueu)	

Changes in Fund Balances – Governmental Funds (continued) Modified Accrual Basis of Accounting Last Ten Fiscal Years

	2018	2017	2016 (a)	2015
Other Financing Sources (Uses):				
Premium on the Sale of Bonds and Notes	-	6,113,620	-	-
Premium on the Sale of Refunded Bonds	-	-	-	939,647
Sale of Bonds	-	95,789,994	-	-
Sale of Refunded Bonds	-	-	-	21,399,996
Sale of Assets	10,377	36,162	138,545	15,564
Sale of Long-Term Tax Anticipation Notes	-	-	-	-
Inception of Capital Lease	-	-	352,718	-
Payment to Refunding Bond Escrow Agent	-	-	-	(21,532,802)
Discount on the Sale of Bonds	-	(1,276,814)	-	(550,503)
Transfers In	342,623	1,220,126	805,331	1,269,364
Transfers Out	(340,500)	(1,221,240)	(781,521)	(1,104,430)
Total Other Financing Sources (Uses)	12,500	100,661,848	515,073	436,836
Net Change in Fund Balance	\$ (5,122,711)	\$ 98,510,902	\$ 3,756,840	\$ 1,473,074
Debt Service as a percentage of Noncapital Expenditures	8.0%	4.8%	3.8%	5.3%

Notes:

⁽a) In fiscal year 2016, the School District provided further clarity within its tax revenue classification. This change will allow the user of the financial statements to gain a better understanding of the School District's various revenue sources.

2014	2013	2012	2011	2010	2009
-	-	-	-	467,442	-
=	-	-	=	-	-
=	-	-	-	40,299,828	1,253,000
-	-	-	-	-	-
10,287	103,235	10,910	6,007	12,037	12,744
=	-	4,185,000	-	-	-
=	-	-	-	-	-
=	-	-	-	-	-
=	-	-	=	=	-
250,169	1,338,749	421,689	304,732	368,252	1,710,505
(307,217)	(1,348,749)	(421,689)	(304,732)	(380,252)	(1,652,867)
(46,761)	93,235	4,195,910	6,007	40,767,307	1,323,382
\$ 2,020,365	\$ (12,419,964)	\$ (30,582,981)	\$ (949,645)	\$ 38,169,741	\$ 3,027,435
5.7%	5.5%	6.9%	6.1%	3.4%	3.4%

Assessed and Estimated Actual Value of Taxable Property

Last Ten Years

	-	Tangible Pers	sonal Property			
		Assessed Value		Public Utility		
Tax/ Collection Year	Residential/ Agricultural	Commercial/ Industrial	Total	Estimated Actual Value	Assessed Value	Estimated Actual Value
2017/2018	\$ 379,520,140	\$ 152,620,010	\$ 532,140,150	\$ 1,520,400,429	\$23,303,290	\$26,481,011
2016/2017	381,595,260	155,568,740	537,164,000	1,534,754,286	21,846,670	24,825,761
2015/2016	383,494,150	153,257,260	536,751,410	1,533,575,457	20,642,090	23,456,920
2014/2015	396,231,090	164,449,260	560,680,350	1,601,943,857	20,085,560	22,824,500
2013/2014	399,245,760	168,521,720	567,767,480	1,622,192,800	19,072,000	21,672,727
2012/2013	401,745,490	168,140,380	569,885,870	1,628,245,343	17,368,880	19,737,364
2011/2012	546,762,120	175,905,170	722,667,290	2,064,763,686	16,043,950	18,231,761
2010/2011	551,393,850	179,899,430	731,293,280	2,089,409,371	15,476,470	17,586,898
2009/2010	553,341,120	181,540,130	734,881,250	2,099,660,714	15,108,400	17,168,636
2008/2009	615,723,030	188,930,590	804,653,620	2,299,010,343	14,419,190	16,385,443

Notes:

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 actual value. The assessed value of public utility personal property ranges from 25 percent of the actual 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. General business tangible personal property tax began phasing out in 2006 and was completely phased out in 2009.

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 that year. For the 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. Beginning in 2006 collection year, the 10 percent rollback for commercial/industrial property has been eliminated.

Tangible Personal Prop	erty
------------------------	------

	General	Business	T	`otal	Total Taxable Property			
	ssessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio	Direct Tax Rate
\$	-	\$ -	\$23,303,290	\$26,481,011	\$ 555,443,440	\$ 1,546,881,440	35.91%	\$ 109.82
	-	-	21,846,670	24,825,761	559,010,670	1,559,580,047	35.84%	110.92
	-	-	20,642,090	23,456,920	557,393,500	1,557,032,377	35.80%	102.02
	-	-	20,085,560	22,824,500	580,765,910	1,624,768,357	35.74%	101.60
	-	-	19,072,000	21,672,727	586,839,480	1,643,865,527	35.70%	100.70
	-	-	17,368,880	19,737,364	587,254,750	1,647,982,707	35.63%	98.40
	-	-	16,043,950	18,231,761	738,711,240	2,082,995,447	35.46%	88.40
	-	-	15,476,470	17,586,898	746,769,750	2,106,996,269	35.44%	89.80
	-	-	15,108,400	17,168,636	749,989,650	2,116,829,350	35.43%	89.90
14,	,089,764	225,436,22	4 28,508,954	241,821,667	833,162,574	2,540,832,010	32.79%	85.20



Property Tax Effective Rates – Direct and Overlapping Governments (Per \$1,000 of Assessed Valuation) Last Ten Years

	Tax Year/ Tax Year/ Collection Year Collection Year 2017/2018 2016/2017		Tax Year/ Collection Year 2015/2016	Tax Year/ Collection Year 2014/2015	
Euclid City School District					
Unvoted Millage					
Operating	\$ 4.62	\$ 4.62	\$ 4.62	\$ 4.62	
Voted Millage by Levy (Effective Rates)					
1976 Current Expense - continuing	10.359008	10.301993	10.249081	9.916518	
1979 Current Expense - continuing	2.814047	2.798559	2.784188	2.693845	
1985 Current Expense - continuing	5.947296	5.914568	5.884200	5.693264	
1988 Current Expense - continuing	5.197494	5.168893	5.142356	4.975493	
1992 Current Expense - continuing	7.341967	7.301565	7.264080	7.028370	
1995 Bond/Library (\$5,000,000)	0.000000	0.000000	0.000000	0.180000	
1999 Current Expense - continuing	6.900000	6.900000	6.900000	6.900000	
2004 Permanent Improvement - continuing	2.500000	2.500000	2.500000	2.500000	
2005 Current Expense - continuing	5.900000	5.900000	5.900000	5.900000	
2008 Emergency (\$5,600,000)	11.000000	11.500000	10.900000	10.600000	
2009 Bond (\$40,300,000)	4.500000	4.600000	4.700000	4.700000	
2012 Emergency (\$5,400,000)	10.500000	11.000000	10.500000	10.200000	
2016 Bond (\$96,300,000)	7.900000	7.900000	0.000000	0.000000	
Total Voted Millage	80.859812	81.785578	72.723905	71.287490	
Total Millage - Euclid City School District	\$ 85.479812	\$ 86.405578	\$ 77.343905	\$ 75.907490	
Overlapping Millage by Taxing Districts (Effective R	Rates)				
Cuyahoga County	13.914095	13.880201	13.869781	14.050000	
Euclid City	7.463257	7.443535	7.425232	7.310196	
Cleveland Metro Parks	2.718302	2.711249	2.711903	2.750000	
Euclid Library	5.600000	5.600000	5.600000	5.600000	
Cuyahoga Community College	4.456854	3.946094	3.942787	4.000000	
Cleveland -Cuyahoga Port Authority	0.113078	0.112770	0.112676	0.114311	
Total Millage - Overlapping Taxing Districts	34.265586	33.693849	33.662379	33.824507	
Grand Total - All Direct and Overlapping Millages	\$ 119.745398	\$ 120.099427	\$ 111.006284	\$ 109.731997	

Notes:

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 voted levies are reduced so that inflationary increases in value do not generate additional revenue.

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

Col	Tax Year/ Collection Year 2013/2014		Tax Year/ llection Year 2012/2013	Co	Tax Year/ Collection Year 2011/2012		Tax Year/ Collection Year 2010/2011		Tax Year/ llection Year 2009/2010	Co	Tax Year/ llection Year 2008/2009
\$	4.62	\$	4.62	\$	4.62	\$	4.62	\$	4.62	\$	4.62
	9.831543 2.670761		9.769864 2.654008		7.212455 1.959281		7.158109 1.944514		7.138102 1.939080		6.417309 1.743280
	5.644480 4.932858		5.609072 4.901911		4.140816 3.618767		4.109608 3.591498		4.098120 3.581458		3.684304 3.219816
	6.968145 0.680000 6.900000		6.924435 0.680000 6.900000		5.111865 0.680000 5.771505		5.073345 2.580000 5.728014		5.059162 2.580000 5.712006		4.548307 2.380000 5.135228
	2.500000 5.900000		2.500000 5.900000		2.500000 5.900000		2.488612 5.873125		2.481657 5.856711		2.231070 5.265325
	10.100000 4.200000		9.100000 3.700000		8.300000 3.500000		8.300000 3.000000		8.000000 3.400000		6.900000 0.000000
	9.800000 0.000000 70.127787		9.000000 0.000000 67.639290		0.000000 0.000000 48.694689		0.000000 0.000000 49.846825		0.000000 0.000000 49.846296		0.000000 0.000000 41.524639
\$	74.747787	\$	72.259290	\$	53.314689	\$	54.466825	\$	54.466296	\$	46.144639
	14.050000		12 220000		12.110222		12.10.6615		12 150000		10.660522
	14.050000 7.280803		13.220000 7.259468		13.118223 6.374841		13.186617 6.356042		13.178886 6.857172		12.660733 6.556542
	2.750000		1.850000		1.818768		1.810574		1.806839		1.669811
	4.000000		4.000000		4.000000		4.000000		3.474320		3.123498
	3.100000		3.100000		3.082039		3.076462		2.597303		2.395197
	0.113900		0.113492		0.103340		0.102853		0.102733		0.094739
	31.294703		29.542960		28.497211		28.532548		28.017253		26.500520
\$	106.042490	\$	101.802250	\$	81.811900	\$	82.999373	\$	82.483549	\$	72.645159

Property Tax Levies and Collections

Last Ten Years

Tax/ Collection Year (3)	Current Tax Levy	_	Current Tax	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Ilections (2)	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy
2017/2018	\$ 50,069,533	\$	46,442,776	92.76%	\$ 3,304,934	\$ 49,747,710	99.36%
2016/2017	50,708,614		46,792,876	92.28%	2,644,093	49,436,969	97.49%
2015/2016	46,166,495		42,752,282	92.60%	3,136,660	45,888,942	99.40%
2014/2015	46,557,615		41,196,615	88.49%	2,645,887	43,842,502	94.17%
2013/2014	46,712,332		41,437,729	88.71%	2,875,448	44,313,177	94.86%
2012/2013	44,916,306		40,540,419	90.26%	2,575,333	43,115,752	95.99%
2011/2012	43,239,530		38,655,390	89.40%	2,892,542	41,547,932	96.09%
2010/2011	44,634,958		40,286,020	90.26%	2,511,413	42,797,433	95.88%
2009/2010	44,906,978		41,353,276	92.09%	3,309,735	44,663,011	99.46%
2008/2009	44,485,431		38,229,909	85.94%	2,897,358	41,127,267	92.45%

Notes:

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Revenues from State Sources: Unrestricted Grants-in-Aid.
- (2) The County does not maintain delinquency information by tax year see General Note below.
- (3) The 2018 information cannot be presented because all collections have not been made by June 30, 2018.

General Note:

The County is aware of the requirement to report delinquent tax collections by levy year rather than by collection year. The County's current computer system tracks levy amounts by either current levy or delinquent levy. Once amounts become part of the delinquent levy, the ability to track information by levy year is lost. This presentation will be updated as new information becomes available from the County.

Principal Taxpayers – Real Estate Tax

2018 and 2009

	20)18	
		Percent of	
		Real Estate	
Name of Taxpayer	Assessed Value	Assessed Value	
Cleveland Electric Illuminating Co.	\$ 16,372,490	3.08 %	
Euclid Indian Hills, LLC	10,748,540	2.02	
Northpointe Towers, Ltd.	7,546,010	1.42	
Harbor Crest, Ltd.	5,481,880	1.03	
Lincoln Electric Company	4,904,870	0.92	
HBP Euclid I, LLC	4,777,770	0.90	
American Transmission System	4,331,610	0.81	
Horizon House, Ltd.	3,087,010	0.58	
Euclid Leasing Housing Associates 1, Ltd.	2,954,760	0.56	
AE Portfolio, LLC	2,881,200	0.54	
Totals	\$ 63,086,140	11.86 %	
Total Real Estate Tax Assessed Valuation	\$ 532,140,150		
	24	200	
	2(Percent of	
	2(Percent of	
Name of Taxpayer	Assessed Value		
	Assessed Value	Percent of Real Estate Assessed Value	
Cleveland Electric Illuminating Co.	Assessed Value \$ 12,315,810	Percent of Real Estate Assessed Value 1.53 %	
Cleveland Electric Illuminating Co. Nierdest Indian Hills, LLC	Assessed Value \$ 12,315,810 11,822,510	Percent of Real Estate Assessed Value 1.53 % 1.47	
Cleveland Electric Illuminating Co. Nierdest Indian Hills, LLC Lincoln Electric Company	Assessed Value \$ 12,315,810 11,822,510 10,058,830	Percent of Real Estate Assessed Value 1.53 % 1.47 1.25	
Cleveland Electric Illuminating Co. Nierdest Indian Hills, LLC Lincoln Electric Company Northpointe Towers, Ltd.	Assessed Value \$ 12,315,810	Percent of Real Estate Assessed Value 1.53 % 1.47 1.25 0.83	
Cleveland Electric Illuminating Co. Nierdest Indian Hills, LLC Lincoln Electric Company Northpointe Towers, Ltd. Harbor Crest, Ltd.	Assessed Value \$ 12,315,810 11,822,510 10,058,830 6,685,000 5,510,970	Percent of Real Estate Assessed Value 1.53 % 1.47 1.25 0.83 0.68	
Cleveland Electric Illuminating Co. Nierdest Indian Hills, LLC Lincoln Electric Company Northpointe Towers, Ltd. Harbor Crest, Ltd. Willo Arms Euclid, LLC	Assessed Value \$ 12,315,810 11,822,510 10,058,830 6,685,000 5,510,970 5,017,300	Percent of Real Estate Assessed Value 1.53 % 1.47 1.25 0.83 0.68 0.62	
Cleveland Electric Illuminating Co. Nierdest Indian Hills, LLC Lincoln Electric Company Northpointe Towers, Ltd. Harbor Crest, Ltd. Willo Arms Euclid, LLC Horizon House, Ltd.	\$ 12,315,810 11,822,510 10,058,830 6,685,000 5,510,970 5,017,300 3,638,640	Percent of Real Estate Assessed Value 1.53 % 1.47 1.25 0.83 0.68 0.62 0.45	
Cleveland Electric Illuminating Co. Nierdest Indian Hills, LLC Lincoln Electric Company Northpointe Towers, Ltd. Harbor Crest, Ltd. Willo Arms Euclid, LLC Horizon House, Ltd. Depot Land Company, Ltd.	Assessed Value \$ 12,315,810 11,822,510 10,058,830 6,685,000 5,510,970 5,017,300 3,638,640 3,369,730	Percent of Real Estate Assessed Value 1.53 % 1.47 1.25 0.83 0.68 0.62 0.45 0.42	
Cleveland Electric Illuminating Co. Nierdest Indian Hills, LLC Lincoln Electric Company Northpointe Towers, Ltd. Harbor Crest, Ltd. Willo Arms Euclid, LLC Horizon House, Ltd. Depot Land Company, Ltd. AE Portfolio, LLC	Assessed Value \$ 12,315,810 11,822,510 10,058,830 6,685,000 5,510,970 5,017,300 3,638,640 3,369,730 2,975,000	Percent of Real Estate Assessed Value 1.53 % 1.47 1.25 0.83 0.68 0.62 0.45 0.42 0.37	
Cleveland Electric Illuminating Co. Nierdest Indian Hills, LLC Lincoln Electric Company Northpointe Towers, Ltd. Harbor Crest, Ltd. Willo Arms Euclid, LLC Horizon House, Ltd. Depot Land Company, Ltd.	Assessed Value \$ 12,315,810 11,822,510 10,058,830 6,685,000 5,510,970 5,017,300 3,638,640 3,369,730	Percent of Real Estate Assessed Value 1.53 % 1.47 1.25 0.83 0.68 0.62 0.45 0.42	
Cleveland Electric Illuminating Co. Nierdest Indian Hills, LLC Lincoln Electric Company Northpointe Towers, Ltd. Harbor Crest, Ltd. Willo Arms Euclid, LLC Horizon House, Ltd. Depot Land Company, Ltd. AE Portfolio, LLC	Assessed Value \$ 12,315,810 11,822,510 10,058,830 6,685,000 5,510,970 5,017,300 3,638,640 3,369,730 2,975,000	Percent of Real Estate Assessed Value 1.53 % 1.47 1.25 0.83 0.68 0.62 0.45 0.42 0.37	

Principal Taxpayers – Public Utilities Tax

2018 and 2009

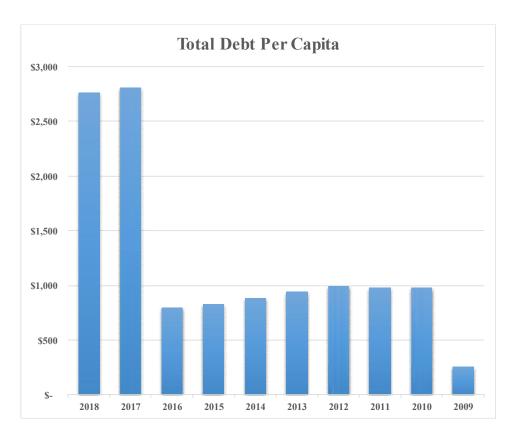
		2018	
Name of Taxpayer	Assessed V	Rea	cent of l Estate sed Value
Cleveland Electric Illuminating Co.	\$ 16,3	72,490	70.26 %
American Transmission System		31,610	18.59
East Ohio Gas Company	2,59	99,190	11.15
Norfolk Southern Combined	7:	22,650	3.10
CSX Transportation, Inc.		49,690	0.21
Totals	\$ 24,0	75,630	103.31 %
Total Public Utilities Tax Assessed Valuation	\$ 23,31	03,290	
		2009	
			cent of
		Rea	l Estate
Name of Taxpayer	Assessed V	Value Asses	sed Value
Cleveland Electric Illuminating Co.	\$ 12,3	15,810	85.41 %
East Ohio Gas Company	1,74	45,870	12.11
American Transmission System	1,0	55,370	7.32
Norfolk Southern	6	78,990	4.71
Ohio Bell	4	01,140	2.78
Totals	\$ 16,1	97,180	112.33 %
Total Public Utilities Tax Assessed Valuation	\$ 14,4	19,190	

Ratio of Outstanding Debt to Total Personal Income and Debt per Capita Last Ten Fiscal Years

		Government				
Fiscal Year	General Obligation Bonds (1)	Tax Anticipation Notes	Capital Leases	Total Outstanding Debt	Debt as a Percentage of Personal Income (2)	Debt Per Capita (2)
2018	\$ 132,656,289	\$ 2,255,000	\$ 155,200	\$ 135,066,489	12.95 %	\$ 2,761
2017	134,540,459	2,665,000	225,416	137,430,875	13.17 %	2,809
2016	35,497,949	3,065,000	292,998	38,855,947	3.72	794
2015	37,111,992	3,450,000	-	40,561,992	3.89	829
2014	38,564,212	4,600,000	-	43,164,212	4.14	882
2013	40,280,699	5,710,000	-	45,990,699	4.41	940
2012	42,019,254	6,435,000	-	48,454,254	4.64	990
2011	45,068,947	2,950,000	-	48,018,947	4.60	982
2010	48,004,937	3,615,000	-	51,619,937	4.98	979
2009	9,065,686	4,250,000	-	13,315,686	1.28	253

Notes:

- (1) The general obligation bonds are net of related unamortized premiums, discounts and adjustments.
- (2) The personal income and population data are presented on page S28.



Ratio of Net General Obligation Bonded Debt To Estimated Actual Value and Net Bonded Debt Per Capita Last Ten Fiscal Years

Fiscal Year	Population (1)	Estimated Actual Value of of Taxable Property (2)	Gross General Bonded Debt	Accumulated Resources Restricted for Repayment	Net General Bonded Debt	Ratio of Net General Bonded Debt to Estimated Actual Value of Taxable Property	Net General Bonded Debt Per Capita
2018	48,920 (a)	\$ 1,546,881,440	\$ 134,911,289	\$ (11,198,425)	\$ 123,712,864	8.00 %	\$ 2,529
2017	48,920 (a)	1,559,580,047	137,205,459	(10,816,172)	126,389,287	8.10	2,584
2016	48,920 (a)	1,557,032,377	38,562,949	(4,171,701)	34,391,248	2.21	703
2015	48,920 (a)	1,624,768,357	40,561,992	(3,724,728)	36,837,264	2.27	753
2014	48,920 (a)	1,643,865,527	43,164,212	(4,058,201)	39,106,011	2.38	799
2013	48,920 (a)	1,647,982,707	45,990,699	(4,100,012)	41,890,687	2.54	856
2012	48,920 (a)	2,082,995,447	48,454,254	(4,708,976)	43,745,278	2.10	894
2011	48,920 (a)	2,106,996,269	48,018,947	(5,388,022)	42,630,925	2.02	871
2010	52,717 (b)	2,116,829,350	51,619,937	(5,296,865)	46,323,072	2.19	879
2009	52,717 (b)	2,540,832,010	13,315,686	(2,714,707)	10,600,979	0.42	201

Sources:

- (1) U.S. Bureau of Census, Census of Population:
 - (a) 2010 Federal Census
 - (b) 2000 Federal Census
- (2) Office of the County Fiscal Officer, Cuyahoga County, Ohio

Notes:

The gross general bonded debt includes all general obligation and tax-backed bonds and their related unamortized premiums, discounts and adjustments. Capital leases are not included in this calculation.

Computation of Direct and Overlapping Debt Attributable to Governmental Activities June 30, 2018

Direct Debt:	Governmental Activities Outstanding Debt	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
Euclid City School District	\$ 135,066,489	100.00 %	\$ 135,066,489
Overlapping Debt:			
City of Euclid (2)	23,279,520	100.00 1.99	23,279,520
Cuyahoga County (2) Greater Cleveland Regional Transit Authority (2)	207,485,000 1,995,000	1.99	4,128,952 39,701
Total Overlapping Debt	232,759,520		27,448,173
Total Direct and Overlapping Debt	\$ 367,826,009		\$ 162,514,662

Source: Office of the Fiscal Officer, Cuyahoga County, Ohio

Notes:

- (1) Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the School District by the total assessed valuation of the government. The valuations used were for the 2018 collection year.
- (2) This governmental entity has a fiscal year end of December 31st. Therefore, the outstanding debt presented is as of that date.

Computation of Legal Debt Margin

Last Ten Fiscal Years

	2018	2017	2016	2015
Assessed Valuation	\$ 555,443,440	\$ 559,010,670	\$ 557,393,500	\$ 580,765,910
Debt Limit - 9.0% of Assessed Valuation (1)	\$ 49,989,910	\$ 50,310,960	\$ 50,165,415	\$ 52,268,932
Amount of Debt Applicable to the Debt Limit:				
General Obligation Bonds - Voted (2)	126,909,990	128,659,990	34,104,996	35,384,996
General Obligation Bonds - Unvoted (2)	619,700	705,300	1,026,500	1,328,600
Tax Anticipation Notes (2)	2,255,000	2,665,000	3,065,000	3,450,000
Less:				
Amount Available in the Bond Retirement Fund	(11,198,425)	(10,816,172)	(4,167,906)	(3,661,650)
Total	118,586,265	121,214,118	34,028,590	36,501,946
Exempt Debt:				
Tax Anticipation Notes	2,255,000	2,665,000	3,065,000	3,450,000
Debt pursuant to Section 133.06(I) - See (3)	66,410,302	68,238,158		
Amount of Debt Subject to Limit	49,920,963	50,310,960	30,963,590	33,051,946
Overall Debt Margin	\$ 68,947	\$ -	\$ 19,201,825	\$ 19,216,986
Legal Debt Margin as a Percentage of the Debt Limit	0.14%	0.00%	38.28%	36.77%
Unvoted Debt Limit - 0.1% of Assessed Valuation (1)	\$ 555,443	\$ 559,011	\$ 557,394	\$ 580,766
Amount of Debt Applicable to the Unvoted Debt Limit				
Unvoted Debt Margin	\$ 555,443	\$ 559,011	\$ 557,394	\$ 580,766
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	100.00%	100.00%	100.00%

Sources:

- School District Financial Records
- Office of the Fiscal Officer, Cuyahoga County, Ohio

Notes:

- (1) Ohio Bond Law sets a limit of 9.0% for overall debt and 1/10th of 1.0% for unvoted debt.
- (2) The debt reflects only the principal balance outstanding. Any unamortized premiums, discounts or other adjustments are not included in this amount.
- (3) Section 133.06(I) of the Ohio Revised Code permits a school district to incur net indebtedness in excess of the 9.0 percent limitation when necessary to raise the school district's portion of the basic project cost and any additional funds necessary to participate in a project under Chapter 3318 of the Ohio Revised Code. Since the School District entered into a project under Chapter 3318 of the Ohio Revised Code, this exception was included during the calculation of the overall legal debt margin.

2014	2013	2012	2011	2010	2009
\$ 586,839,480	\$ 587,254,750	\$ 738,711,240	\$ 746,769,750	\$ 749,989,650	\$ 833,162,574
\$ 52,815,553	\$ 52,852,928	\$ 66,484,012	\$ 67,209,278	\$ 67,499,069	\$ 74,984,632
36,885,000	37,869,828	39,309,828	41,519,782	44,244,782	5,554,954
1,616,800	1,891,200	2,152,100	2,404,600	2,643,900	2,878,000
4,600,000	5,710,000	6,435,000	2,950,000	3,615,000	4,250,000
(4,057,427)	(4,556,829)	(4,728,522)	(5,488,270)	(4,907,391)	(2,818,663)
39,044,373	40,914,199	43,168,406	41,386,112	45,596,291	9,864,291
4,600,000	5,710,000	6,435,000	2,950,000	3,615,000	4,250,000
34,444,373	35,204,199	36,733,406	38,436,112	41,981,291	5,614,291
\$ 18,371,180	\$ 17,648,729	\$ 29,750,606	\$ 28,773,166	\$ 25,517,778	\$ 69,370,341
34.78%	33.39%	44.75%	42.81%	37.80%	92.51%
\$ 586,839	\$ 587,255	\$ 738,711	\$ 746,770	\$ 749,990	\$ 833,163
\$ 586,839	\$ 587,255	\$ 738,711	\$ 746,770	\$ 749,990	\$ 833,163
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Demographic and Economic Statistics

Last Ten Calendar Years

Population (1)	Total Personal Income (2)	Per Capita Personal Income	Cuyahoga County Unemployment Rate (3)
48,920 (a)	\$ 1,043,365,760	\$ 21,328	5.9 %
48,920 (a)	1,043,365,760	21,328	5.4
48,920 (a)	1,043,365,760	21,328	5.2
48,920 (a)	1,043,365,760	21,328	6.3
48,920 (a)	1,043,365,760	21,328	7.0
48,920 (a)	1,043,365,760	21,328	6.8
48,920 (a)	1,043,365,760	21,328	7.6
48,920 (a)	1,043,365,760	21,328	8.5
52,717 (b)	1,036,627,088	19,664	8.7
52,717 (b)	1,036,627,088	19,664	6.2
	48,920 (a) 52,717 (b)	Personal Income (2) 48,920 (a) \$1,043,365,760 48,920 (a) 1,043,365,760 52,717 (b) 1,036,627,088	Population (1)Personal Income (2)Personal Income48,920 (a)\$1,043,365,760\$21,32848,920 (a)1,043,365,76021,32848,920 (a)1,043,365,76021,32848,920 (a)1,043,365,76021,32848,920 (a)1,043,365,76021,32848,920 (a)1,043,365,76021,32848,920 (a)1,043,365,76021,32848,920 (a)1,043,365,76021,32848,920 (a)1,043,365,76021,32848,920 (a)1,043,365,76021,32852,717 (b)1,036,627,08819,664

Sources:

- (1) U.S. Bureau of Census, Census of Population:
 - (a) 2010 Federal Census
 - (b) 2000 Federal Census
- (2) Computation of per capital personal income multiplied by population.
- (3) Annual Average obtained from Local Area Unemployment Statistics, Ohio Department of Job & Family Services

Principal Employers

Current and Nine Years Ago

	December	December 31, 2017		
Employer	Number of W-2s Issued	Percentage of Total City Employment		
Lincoln Electric Company	2,448	10.56 %		
Cleveland Clinic	1,448	6.24		
Euclid Board of Education	1,000	4.31		
City of Euclid	523	2.26		
Cuyahoga County	506	2.18		
Hose Masters	479	2.07		
Eaton Industrial Corporation	422	1.82		
Babcock & Wilcox Nuclear Operations	354	1.53		
University Hospital Health System	278	1.20		
HC Starck Incorporated	131	0.56		
Totals	7,589	32.73 %		
Total Estimated Employment within the City	23,187			

	December 31, 2008			
Employer	Number of W-2s Issued	Percent of Real Estate Assessed Value		
Lincoln Electric Company	2,663	10.86 %		
Cleveland Clinic	1,454	5.93		
Euclid Board of Education	1,417	5.78		
City of Euclid	712	2.90		
Cuyahoga County	595	2.43		
University Hospitals Health System	521	2.12		
Argo Tech Corporation	448	1.83		
HC Starck Inc.	339	1.38		
Hose Masters	321	1.31		
Nuclear Operations Division	224	0.91		
Totals	8,694	35.45 %		
Total Estimated Employment within the City	24,525			

Source: City of Euclid Income Tax Department

Per Pupil Cost

Last Ten Fiscal Years

Fiscal Year	(1) Expenditures	Enrollment (2)	Cost Per Pupil	Percentage Change	Teaching Staff (2)	Pupil/ Teacher Ratio	Percentage of Students Receiving Free or Reduced Lunch (3)
2018	\$ 103,854,017	5,194	\$ 19,995	20.48%	354.0	14.7	100.00 %
2017	86,599,298	5,218	16,596	3.48%	367.5	14.2	74.09
2016	85,659,368	5,341	16,038	4.24%	382.4	14.0	75.87
2015	82,804,779	5,382	15,386	-3.59%	369.0	14.6	77.89
2014	84,313,714	5,283	15,959	-5.89%	374.8	14.1	77.42
2013	91,214,566	5,379	16,958	-28.20%	369.0	14.6	72.93
2012	131,802,150	5,580	23,620	44.85%	378.4	14.7	74.34
2011	94,465,177	5,793	16,307	15.26%	386.9	15.0	75.49
2010	87,265,695	6,168	14,148	2.99%	392.9	15.7	70.22
2009	82,973,115	6,040	13,737	-5.68%	407.9	14.8	65.38

Sources:

- (1) Obtained from the School District's Governmental Fund Financial Statement.
- (2) Based upon EMIS information provided to the Ohio Department of Education
- (3) Information provided to the Ohio Department of Education from the Euclid City School District's Food Service Department. In 2018, the School District became eligible for the Community Eligibility Provision (CEP). This allows the School District to serve breakfast and lunch at no cost to all enrolled students without collection of household applications.

Notes:

Phase I of the School District's Classroom Facilities project commenced during fiscal year 2010 and ended in fiscal year 2013. Phase II began in late fiscal year 2017. The significant expenditure fluctuations in those years can mainly be attributed to the construction projects.

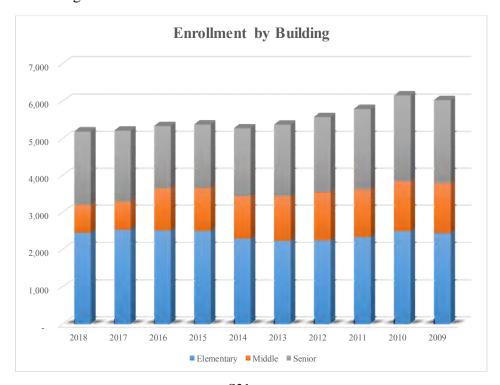
Enrollment Statistics

Last Ten Fiscal Years

Fiscal Year	Elementary Schools	Middle Schools	Senior High School	Total
2018	2,467	740	1,987	5,194
2017	2,546	753	1,919	5,218
2016	2,529	1,132	1,680	5,341
2015	2,516	1,155	1,711	5,382
2014	2,306	1,132	1,845	5,283
2013	2,241	1,205	1,933	5,379
2012	2,253	1,304	2,023	5,580
2011	2,353	1,284	2,156	5,793
2010	2,511	1,342	2,315	6,168
2009	2,460	1,340	2,240	6,040

Source: Based upon EMIS information provided to the Ohio Department of Education

Notes: In fiscal year 2017, the Euclid City School District closed Forest Park Middle School and consolidated all of 6th and 7th Grades at Central Middle School and all of 8th Grade at Senior High School.



Attendance and Graduation Rates

Last Ten Fiscal Years

			4-year Rate		5-year Rate		
Fiscal Year	District Attendance Rate (1)	State Average (1)	District Graduation Rate (2)	State Average (1)	District Graduation Rate (2)	State Average (1)	
2018	90.4 %	93.7 %	N/A %	N/A %	N/A %	N/A %	
2017	90.8	93.9	65.4	84.2	N/A	N/A	
2016	93.2	94.1	75.2	83.5	81.6	N/A	
2015	93.5	94.1	64.9	83.0	71.7	85.6	
2014	93.8	94.3	66.9	82.3	71.2	84.9	
2013	93.7	94.2	73.6	82.2	77.2	84.5	
2012	94.0	94.5	69.5	81.3	75.0	83.8	
2011	94.0	94.5	66.4	79.7	70.3	82.4	
2010	94.4	94.3	62.4	78.0	66.5	80.6	
2009	95.0	94.3	N/A	N/A	N/A	N/A	

Sources:

- (1) Based upon EMIS information provided to the Ohio Department of Education
- (2) Graduation rates were obtained from the Euclid City School District's Guidance Department coupled with EMIS information provided to the Ohio Department of Education.
- N/A Information is not available

Notes:

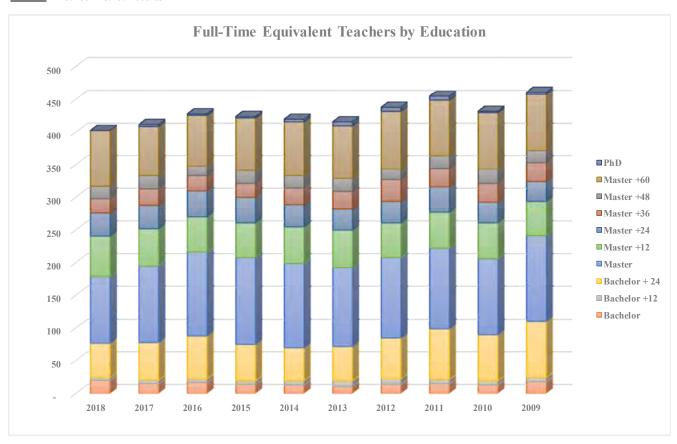
The 4 and 5 year graduation rates look at the percent of students who successfully finished high school with a diploma in four or five years.

Full-Time Equivalent Teachers by Education

Last Ten Fiscal Years

		Bach	elor's					Master's					
Fiscal		Degree	Degree		<u> </u>	Degree	Degree	Degree	Degree	Degree			Grand
Year	Degree	+12	+24	Total	Degree	+12	+24	+36	+48	+60	Total	PhD	Total
2018	20	4	53	77	102	62	35	22	19	86	326	0	403
2017	15	5	58	78	117	57	36	25	20	76	331	3	412
2016	17	5	66	88	128	54	40	23	15	78	338	2	428
2015	14	5	56	75	133	53	39	21	20	81	347	2	424
2014	13	6	51	70	129	56	34	25	19	83	346	4	420
2013	11	8	53	72	121	57	32	27	20	81	338	6	416
2012	14	8	63	85	123	53	33	33	16	89	347	6	438
2011	15	6	78	99	123	55	39	28	20	85	350	6	455
2010	13	6	71	90	116	55	32	28	22	87	340	2	432
2009	18	6	87	111	131	52	30	29	19	86	347	3	461

Source: School District Records



School District Employees by Function/Program

Last Ten Fiscal Years

Function/Program	2018	2017	2016	2015
Instruction:				
Regular				
Elementary Classroom Teachers	94.50	91.00	96.00	94.00
Middle School Classroom Teachers	36.00	34.00	63.00	63.00
High School Classroom Teachers	90.00	92.00	76.00	78.00
District wide Classroom Teachers	17.50	19.50	22.50	17.50
Specials - Art, Music, Health and Physical Education	31.50	33.00	37.00	39.50
Special				
Elementary Classroom Teachers	34.00	34.00	26.00	26.00
Middle School Classroom Teachers	13.00	11.00	21.00	22.00
High School Classroom Teachers	27.00	29.00	27.00	25.00
Gifted Education Teachers	4.00	5.00	4.00	5.00
Vocational				
High School Classroom Teachers	8.00	9.00	7.00	7.00
Other				
Elementary Tutors	12.00	9.00	16.00	12.50
Middle School Tutors	1.00	_	2.50	3.50
District wide Tutors	1.00	3.50	1.00	1.00
Supporting Services:				
Pupils				
Guidance Counselors	10.00	10.00	10.00	11.00
Librarians	1.00	1.00	1.00	1.00
Psychologists	8.00	8.00	8.00	8.00
Speech and Language Pathologists	8.00	8.00	8.00	8.00
OT/PT	4.00	4.00	3.00	3.00
Non-Teaching Support Staff Central	11.00	11.00	10.50	11.00
Instructional Staff				
Non-Teaching Support Staff Elementary	68.00	68.00	54.00	52.50
Non-Teaching Support Staff Middle	11.00	11.50	18.00	18.50
Non-Teaching Support Staff High	16.00	24.00	21.00	23.00
Administration				
Elementary	13.00	12.00	8.00	8.00
Middle School	3.00	3.00	6.00	6.00
High School	6.00	8.00	6.00	7.00
Central	7.00	7.00	9.00	8.00
Fiscal				
Treasurer's Department	8.50	8.50	9.00	9.00

2014	2013	2012	2011	2010	2009
92.00	91.50	96.00	103.00	113.00	125.00
62.50	61.00	60.00	68.00	47.50	55.50
82.50	91.00	79.00	82.00	79.00	84.00
21.50	8.50	18.50	14.50	-	-
35.00	36.00	38.00	41.00	-	-
26.00	25.00	22.50	22.00	20.00	16.00
26.00	25.00	32.50	33.00	20.00	16.00
21.00	23.00	24.00	23.00	27.00	22.00
21.00	22.00	22.00	19.50	15.55	13.00
4.00	3.00	3.00	3.00	8.00	5.50
6.00	6.00	7.00	6.00	8.00	9.00
13.00	-	=	-	-	-
1.50	-	-	-	-	-
-	1.00	1.00	-	-	-
11.00	11.00	11.00	16.50	15.00	18.00
1.00	1.00	1.00	1.00	1.00	1.00
9.00	8.00	8.00	8.00	8.00	8.00
7.00	7.00	7.00	7.00	6.70	7.00
3.00	3.00	3.00	3.00	_	-
12.00	9.00	9.00	9.00	18.00	19.00
40.00	50.00	54.00	54.50	46.58	48.00
14.00	21.00	23.00	20.00	8.50	8.50
19.00	25.00	22.00	33.00	13.50	14.50
8.00	8.00	7.00	8.00	8.00	8.00
6.00	6.00	6.00	6.00	6.00	6.00
5.00	6.00	6.00	6.00	6.00	6.00
9.00					
9.00	9.00	8.00	9.00	5.00	6.00
9.50	9.50	9.00	9.50	11.00	11.50
					(continued,

School District Employees by Function/Program (continued) Last Ten Fiscal Years

Function/Program	2018	2017	2016	2015
Supporting Services: (continued)				
Business				
Central	2.00	2.00	2.00	2.00
Operation and Maintenance of Plant Services	2.00	2.00	2.00	2.00
Custodial Department	11.00	8.00	10.00	10.00
Maintenance Department	38.00	34.00	38.00	39.00
Pupil Transportation	36.00	34.00	38.00	39.00
Bus Drivers	(a)	(2)	(2)	(2)
	(a)	(a)	(a)	(a)
Bus Aides	(a)	(a)	(a)	(a)
Mechanics	(a)	(a)	(a)	(a)
Transportation Support Staff	(a)	(a)	(a)	(a)
Central				
Technology	8.00	8.00	10.00	10.00
Personnel	4.00	4.00	4.00	4.00
Extracurricular Activities:				
Athletic Department	2.00	2.00	2.00	1.50
Food Services:				
Elementary	12.50	11.00	12.50	11.50
Middle	4.00	4.50	8.00	8.50
High School Cooks	3.00	3.00	3.00	3.00
Central	3.00	4.00	4.00	3.00
Adult Education/Community School:				
Preschool	16.00	15.00	15.00	9.00
Day Care	(b)	(b)	(b)	(b)
Totals	647.50	649.50	679.00	669.50
i utais	047.30	049.30	0/9.00	009.30

Method: Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee

Source: School District's Payroll Records

Notes:

- (a) Starting in school year 2013/2014, the School District contracted pupil transportation services with a third party vendor.
- (b) School year 2011/2012 was the last school year in which the School District provided a day care option.

2014	2013	2012	2011	2010	2009
2.00	2.00	2.00	2.00	2.00	2.00
14.00	14.00	16.00	22.00	21.00	22.00
14.00	14.00	16.00	22.00	21.00	22.00
44.00	45.50	38.00	43.00	46.00	41.00
(a)	14.50	42.50	36.50	31.50	30.00
(a)	7.00	8.50	11.00	8.00	6.00
(a)	1.00	2.00	2.00	2.00	2.00
(a)	2.00	3.00	3.00	3.00	3.00
10.00	0.00	0.00	9.00	6.00	6.00
	9.00	9.00	8.00	6.00	6.00
4.00	4.00	4.00	4.00	3.00	3.00
1.50	1.50	1.50	1.50	1.50	1.50
11.50	11.50	12.00	13.50	11.00	10.50
7.50	9.00	9.00	8.50	7.50	7.50
3.00	3.00	3.00	4.00	5.50	5.00
3.00	3.00	2.00	3.00	3.00	3.00
8.00	4.00	4.00	5.00	5.00	5.00
(b)	(b)	14.00	13.50	10.50	11.50
(49.00	(72.50	725.50	764.00	(27.92	(50.50
648.00	672.50	725.50	764.00	637.83	650.50

Building Statistics

Last Ten Fiscal Years

	2018	2017	2016	2015
Memorial Park (5)				
Constructed in 1956				
Total Building Square Footage	46,745	46,745	46,745	46,745
Student Capacity	560	560	560	560
% of Capacity in Use	49%	49%	46%	41%
Glenbrook (1)				
Constructed in 1965				
Total Building Square Footage	0	0	0	0
Student Capacity	0	0	0	0
% of Capacity in Use	0%	0%	0%	0%
Roosevelt (1)				
Constructed in 1920				
Total Building Square Footage	0	0	0	0
Student Capacity	0	0	0	0
% of Capacity in Use	0%	0%	0%	0%
Upson (1)				
Constructed in 1925				
Total Building Square Footage	0	0	0	0
Student Capacity	0	0	0	0
% of Capacity in Use	0%	0%	0%	0%
Thomas Jefferson (1)				
Constructed in 1953				
Total Building Square Footage	0	0	0	0
Student Capacity	0	0	0	0
% of Capacity in Use	0%	0%	0%	0%
Lincoln (6)				
Constructed in 1959				
Total Building Square Footage	30,195	30,195	30,195	30,195
Student Capacity	450	450	450	450
% of Capacity in Use	0%	0%	0%	0%
Indian Hills (6)				
Constructed in 1970				
Total Building Square Footage	33,224	33,224	33,224	33,224
Student Capacity	380	380	380	380
% of Capacity in Use	0%	0%	0%	0%
Arbor (2)				
Constructed in 2012				
Total Building Square Footage	72,500	72,500	72,500	72,500
Student Capacity	650	650	650	650
% of Capacity in Use	87%	92%	92%	93%

2014	2013	2012	2011	2010	2009
46,745	46,745	46,745	46,745	46,745	46,745
560	560	560	560	560	560
15%	5%	66%	64%	66%	69%
0	0	42,723	42,723	42,723	42,723
0	0	380	380	380	380
0%	0%	0%	30%	26%	73%
0	0	68,800	68,800	68,800	68,800
0	0	540	540	540	540
0%	0%	81%	86%	91%	77%
0	0	55,726	55,726	55,726	55,726
0	0	700	700	700	700
0%	0%	0%	0%	0%	0%
0	0	62,645	62,645	62,645	62,645
0 0%	0 0%	480 0%	480 0%	480 0%	480 0%
20.105	20.105	20.105	20.105	20 105	20 105
30,195 450	30,195 450	30,195 450	30,195 450	30,195 450	30,195 450
0%	0%	0%	0%	0%	0%
33,224	33,224	33,224	33,224	33,224	33,224
380	380	380	380	380	380
0%	0%	0%	0%	0%	0%
72,500	72,500	0	0	0	0
650 90%	650 79%	0 0%	0 0%	0 0%	0 0%
90%	/9%	U%0	U%0	U%0	(continued)
					(commuea)

Building Statistics (continued) Last Ten Fiscal Years

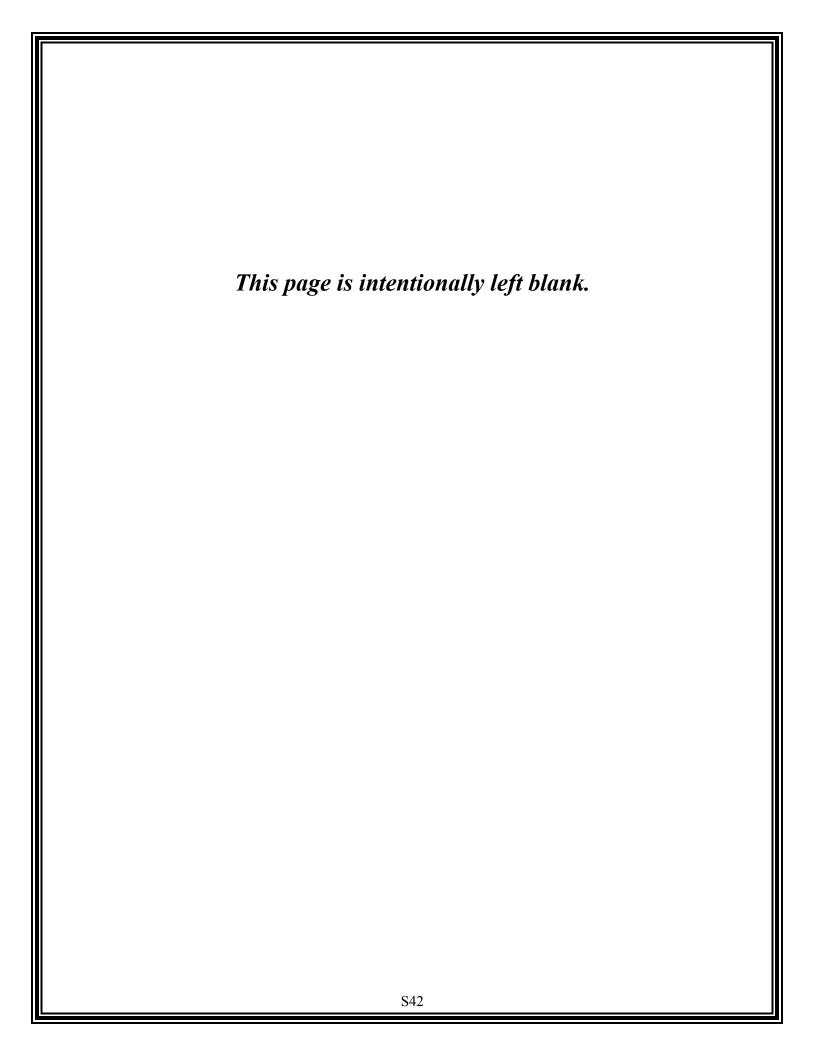
	2018	2017	2016	2015
Bluestone (2)				
Constructed in 2012				
Total Building Square Footage	72,500	72,500	72,500	72,500
Student Capacity	650	650	650	650
% of Capacity in Use	90%	91%	94%	94%
Chardon Hills (2)				
Constructed in 2012				
Total Building Square Footage	72,500	72,500	72,500	72,500
Student Capacity	650	650	650	650
% of Capacity in Use	78%	81%	80%	82%
Shoreview (2)				
Constructed in 2012				
Total Building Square Footage	72,500	72,500	72,500	72,500
Student Capacity	650	650	650	650
% of Capacity in Use	81%	86%	84%	82%
Forest Park (3)				
Constructed in 1962				
Total Building Square Footage	109,306	109,306	109,306	109,306
Student Capacity	820	820	820	820
% of Capacity in Use	0%	0%	63%	67%
Central (4)				
Constructed in 1968				
Total Building Square Footage	140,792	140,792	140,792	140,792
Student Capacity	900	900	900	900
% of Capacity in Use	82%	84%	68%	67%
Euclid High School (4)				
Constructed in 1950				
Total Building Square Footage	470,000	470,000	470,000	470,000
Student Capacity	2,040	2,040	2,040	2,040
% of Capacity in Use	97%	94%	82%	84%

Source: School District's Records

Notes:

- (1) The first phase of the Euclid City School District's school construction projects was completed in the 2012/2013 school year. These elementary school buildings were demolished and replaced with new elementary school buildings.
- (2) These elementary school buildings were completed and functional for the start of the 2012/2013 school year.
- (3) Due to declining enrollment and structural issues, the Euclid City School District closed this building after the 2015/2016 school year.
- (4) Starting in school year 2016/2017, students in grades 6 and 7 were placed in Central Middle School and the students in grade 8 were placed in the High School building
- (5) Beginning in school year 2012/2013, this school building went from being a school for students in grades K through 5 to solely students in the preschool grade level.
- (6) This school building was leased to another legal entity.

2014	2013	2012 2011		2010	2009
72,500	72,500	0	0	0	0
650	650	0	0	0	0
90%	77%	0%	0%	0%	0%
72,500	72,500	0	0	0	0
650	650	0	0	0	0
79%	84%	0%	0%	0%	0%
72,500	72,500	0	0	0	0
650	650	0	0	0	0
83%	92%	0%	0%	0%	0%
109,306	109,306	109,306	109,306	109,306	109,306
820	820	820	820	820	820
69%	77%	83%	82%	84%	81%
140,792	140,792	140,792	140,792	140,792	140,792
900	900	900	900	900	900
63%	64%	69%	68%	73%	75%
470,000	470,000	470,000	470,000	470,000	470,000
2,040	2,040	2,040	2,040	2,040	2,040
90%	95%	99%	106%	113%	110%





EUCLID CITY SCHOOL DISTRICT

CUYAHOGA 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.

CLERK OF THE BUREAU

Susan Babbitt

CERTIFIED MARCH 5, 2019