GLOBAL VILLAGE ACADEMY
CUYAHOGA COUNTY

REGULAR AUDIT

FOR THE YEAR ENDED JUNE 30, 2017

OHIO AUDITOR OF STATE
KEITH FABER

GLOBAL VILLAGE ACADEMY
CUYAHOGA COUNTY

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KEITH FABER

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INDEPENDENT AUDITOR'S REPORT

Global Village Academy
Cuyahoga County
5720 State Road
Parma, Ohio 44134

To the Board of Directors:

Report on the Financial Statements

We have audited the accompanying financial statements of Global Village Academy, Cuyahoga County, Ohio (the Academy), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Academy's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Global Village Academy, Cuyahoga County, Ohio as of June 30, 2017, and the changes in its financial position and its cash flows for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 5, 2019, on our consideration of the Academy's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Academy's internal control over financial reporting and compliance.

Keith Faber
Auditor of State

Columbus, Ohio

June 5, 2019

GLOBAL VILLAGE ACADEMY
CUYAHOGA COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(UNAUDITED)

The management's discussion and analysis of the Global Village Academy's (the "Academy") financial performance provides an overall review of the Academy's financial activities for the year ended June 30, 2017. The intent of this discussion and analysis is to look at the Academy's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the Academy's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2017 are as follows:

- In total, net position was a deficit of $671,909 at June 30, 2017.

- The Academy had operating revenues of $1,167,912, operating expenses of $1,464,788 and non-operating revenues of $159,081 for fiscal year 2017. The total change in net position for the fiscal year was a decrease of $137,795 from fiscal year 2016.

Using the Basic Financial Statements

This annual report consists of management's discussion and analysis, the basic financial statements and the notes to those statements. These statements are organized so the reader can understand the Academy's financial activities. The statement of net position and statement of revenues, expenses and changes in net position provide information about the activities of the Academy, including all short-term and long-term financial resources and obligations.

Reporting the Academy's Financial Activities

Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position and the Statement of Cash Flows

The statement of net position and the statement of revenues, expenses and changes in net position answer the question, "How did we do financially during fiscal year 2017?" These statements include all assets, deferred outflows, liabilities, deferred inflows, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the Academy's net position and changes in that position. This change in net position is important because it tells the reader that, for the Academy as a whole, the financial position of the Academy has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. These statements can be found on pages 9 and 10 of this report.

The statement of cash flows provides information about how the Academy finances and meets the cash flow needs of its operations. The statement of cash flows can be found on page 11 of this report.

The notes provide additional information that is essential to a full understanding of the data provided in the financial statements. These notes to the basic financial statements can be found on pages 13-32 of this report.

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Academy's net pension liability. The required supplementary information can be found on pages 34 through 40 of this report.

The table below provides a summary of the Academy's net position at June 30, 2017 and 2016.

Net Position

	2017	2016
Assets		
Current assets	$ 464,284	$ 591,373
Capital assets, net	141,029	11,962
Total assets	605,313	603,335
Deferred outflows of resources	568,921	162,557
Liabilities		
Current liabilities	130,392	97,330
Long-term liabilities:		
Net pension liability	1,715,751	1,130,491
Total liabilities	1,846,143	1,227,821
Deferred inflows of resources	-	72,185
Net Position		
Investment in capital assets	141,029	11,962
Restricted	254	26,216
Unrestricted (deficit)	(813,192)	(572,292)
Total net position (deficit)	$ (671,909)	$ (534,114)

During a prior fiscal year, the Academy adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27," and GASB Statement 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68" which significantly revises accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the Academy's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

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

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

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

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

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

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

As a result of implementing GASB 68, the Academy is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting.

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2017, the Academy's net position was a deficit of $671,909.

Current assets represent cash and cash equivalents, accounts receivable and intergovernmental receivables. Current liabilities represent accounts payable, accrued wages and benefits, pension and postemployment benefits payable, and intergovernmental payable during fiscal year 2017.

Current assets decreased during fiscal year 2017 due primarily to a decrease in cash and cash equivalents as a result of increased spending. The increase in capital assets was the result of the purchase of a new boiler for the currently leased building. Current liabilities increased during fiscal year 2017 due to an increase in accrued wages and benefits.

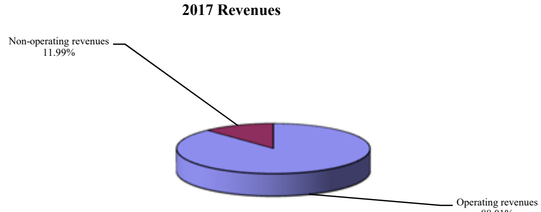
The table below shows the changes in net position for fiscal years 2017 and 2016.

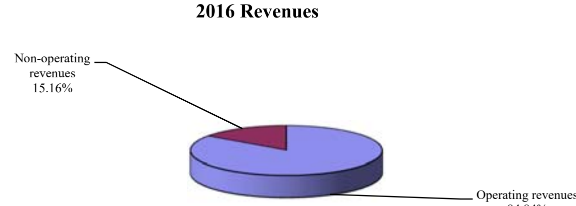
Change in Net Position

	2017	2016
Operating Revenues:		
State foundation	$ 1,101,858	$ 1,038,596
Other revenues	66,054	66,782
Total operating revenues	1,167,912	1,105,378
Operating Expenses:		
Salaries and wages	778,117	593,357
Fringe benefits	263,496	103,149
Purchased services	297,642	348,889
Materials and supplies	90,102	128,435
Other	18,076	4,466
Depreciation	17,355	1,747
Total operating expenses	1,464,788	1,180,043
Non-operating Revenues:		
Federal and State grants	140,341	197,527
Interest revenues	2,240	-
Contributions and donations	16,500	-
Total non-operating revenues	159,081	197,527
Change in net position	(137,795)	122,862
Net position (deficit) at beginning of year	(534,114)	(656,976)
Net position (deficit) at end of year	$ (671,909)	$ (534,114)

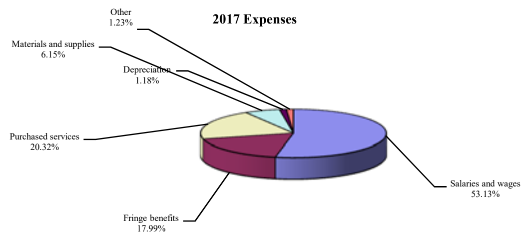
The revenue generated by community schools is heavily dependent upon per-pupil allotment given by the State foundation program. Foundation payments were 83.03% of total operating and non-operating revenues during fiscal year 2017. Due to an increase in the number of students at the Academy as the Academy continues to expand, revenues and expenditures saw large increases during fiscal year 2017.

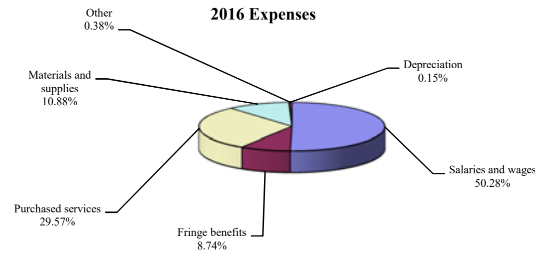
The chart below illustrates the revenues for the Academy for fiscal year 2017 and 2016.





The chart below illustrates the expenses for the Academy for fiscal year 2017 and 2016.





Capital Assets

At June 30, 2017, the Academy had $141,029 in buildings and improvements and furniture and equipment, net of accumulated depreciation. See Note 6 to the basic financial statements for detail on capital assets.

Debt Administration

As of June 30, 2017, the Academy had no outstanding debt.

Current Financial Related Activities

Global Village Academy, Inc. is an independent, non-profit Ohio public community school, under the sponsorship of the Ohio Department of Education, Office of School Sponsorship, The Ohio Department of Education, Office of School Sponsorship took over the legal authority of the Global Village Academy on April 28, 2015.

The Academy is funded through the State's foundation program, as it has no tax base to draw upon and cannot charge tuition, levy taxes, or issue bonds secured by tax revenues. The Academy may apply for grants and solicit funding support from public and private sources.

Students benefit to a great degree from federal programs, which enhance the overall curriculum. The Academy will aggressively pursue adequate funding to secure the financial stability of the Academy.

Contacting the Academy's Financial Management

This financial report is designed to provide our clients and creditors with a general overview of the Academy's finances and to show the Academy's accountability for the money it receives. If you have questions about this report or need additional financial information contact Deborah Hermann, Treasurer, Global Village Academy, 5720 State Road, Parma, Ohio 44134-2594.

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GLOBAL VILLAGE ACADEMY
CUYAHOGA COUNTY, OHIO

STATEMENT OF NET POSITION
JUNE 30, 2017

Assets:		
Current assets:		
Cash and cash equivalents	$	452,904
Receivables:		
Accounts		12
Intergovernmental.		11,368
Total current assets		464,284
Non-current assets:		
Depreciable capital assets, net		141,029
Total non-current assets.		141,029
Total assets.		605,313
Deferred outflows of resources:		
Pension - STRS		405,810
Pension - SERS		163,111
Total deferred outflows of resources		568,921
Liabilities:		
Current liabilities:		
Accounts payable.		682
Accrued wages and benefits		105,367
Pension and postemployment benefits payable. .		22,450
Intergovernmental payable		1,893
Total current liabilities		130,392
Non-current liabilities:		
Net pension liability		1,715,751
Total non-current liabilities		1,715,751
Total liabilities		1,846,143
Net position:		
Investment in capital assets.		141,029
Restricted for:		
Federal programs		254
Unrestricted (deficit)		(813,192)
Total net position (deficit)	$	(671,909)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

GLOBAL VILLAGE ACADEMY
CUYAHOGA COUNTY, OHIO

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Operating revenues:	
Foundation revenue	$ 1,101,858
Classroom materials and fees	40,736
Charges for services	10,020
Other	15,298
Total operating revenues	1,167,912
Operating expenses:	
Salaries and wages	778,117
Fringe benefits	263,496
Purchased services	297,642
Materials and supplies	90,102
Other	18,076
Depreciation	17,355
Total operating expenses	1,464,788
Operating loss	(296,876)
Non-operating revenues:	
Federal and state grants	140,341
Interest revenue	2,240
Contributions and donations	16,500
Total nonoperating revenues	159,081
Change in net position	(137,795)
Net position at beginning of year (deficit)	(534,114)
Net position at end of year (deficit)	$ (671,909)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

GLOBAL VILLAGE ACADEMY
CUYAHOGA COUNTY, OHIO

STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Cash flows from operating activities:		
Cash received from state foundation payments	$	1,096,332
Cash received from classroom materials and fees		40,736
Cash received from charges for services		10,008
Cash received from other operations		14,262
Cash payments for personal services		(901,591)
Cash payments for contractual services		(281,139)
Cash payments for materials and supplies		(90,198)
Cash payments for other expenses		(17,988)
Net cash used in operating activities		(129,578)
Cash flows from noncapital financing activities:		
Cash received from federal and state grants		162,386
Net cash provided by noncapital financing activities.		162,386
Cash flows from capital and related financing activities:		
Acquisition of capital assets		(146,422)
Net cash used in capital and related financing activities.		(146,422)
Cash flows from investing activities:		
Interest received		2,240
Net cash provided by investing activities		2,240
Net decrease in cash and cash equivalents		(111,374)
Cash and cash equivalents at beginning of year		564,278
Cash and cash equivalents at end of year	$	452,904
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	$	(296,876)
Adjustments:		
Depreciation		17,355
Contributions and donations		16,500
Changes in assets, deferred outflows, liabilities, and deferred inflows:		
Accounts receivable.		47
Intergovernmental receivable		(6,377)
Deferred outflows - pension.		(406,364)
Accounts payable		(477)
Accrued wages and benefits.		31,189
Intergovernmental payable		728
Pension and postemployment benefits payable		1,622
Net pension liability		585,260
Deferred inflows - pension		(72,185)
Net cash used in operating activities	$	(129,578)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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NOTE 1 - DESCRIPTION OF THE ACADEMY

The Global Village Academy (the "Academy") is a non-profit 501(c)(3) corporation established pursuant to Ohio Revised Code Sections 3314.02 and 3314.03 to develop a conversion school alternative educational program for elementary school age students, specifically for those interested in preparing for communicating, collaborating, and contributing in a global society. The Academy, which is part of the State's education program, is independent of any school district and is nonsectarian in its programs, admission policies, employment practices and all other operations. The Academy may sue and be sued, acquire facilities as needed and contract for any services necessary for the operation of the Academy. Management is not aware of any course of action or series of events that have occurred that might adversely affect the Academy's tax-exempt status.

On May 4, 2011, the Portage County Educational Service Center (the "Sponsor") accepted sponsorship of the Academy. The Academy became established as a non-profit corporation on May 11, 2011 and was approved under a five year contract with the Sponsor commencing July 1, 2011 through June 30, 2016. On April 28, 2015, the Ohio Department of Education assumed sponsorship of the Academy from the Portage County Educational Service Center. The Sponsor is responsible for evaluating the performance of the Academy and has the authority to deny renewal of the contract at its expiration. See Note 10 for future detail on the sponsor contract.

The Board of Directors, which consists of a minimum of five members, is responsible for the operations of the Academy. The Board of Directors is responsible for carrying out provisions of the contract, which include, but are not limited to, State-mandated provisions regarding student population, curriculum, academic goals, performance standards and admission standards. The Board of Directors controls the Academy's one instructional/support facility staffed by 13 full-time certified employees, 3 part-time certified employees, and 3 full-time classified employees who provide services to 156 students.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements (BFS) of the Academy have been prepared in conformity with accounting principles generally accepted in the United States of America (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 Academy's significant accounting policies are described below.

A. Basis of Presentation

The Academy's basic financial statements consist of a statement of net position, a statement of revenues, expenses and changes in net position, and a statement of cash flows. Enterprise fund accounting is used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that the costs (expenses) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where it has been decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

B. Measurement Focus

Enterprise fund accounting uses a flow of economic resources measurement focus. With this measurement focus, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources are included on the statement of net position. The difference between total assets and deferred outflows and liabilities and deferred inflows is defined as net position. Operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net position. The statement of cash flows provides information about how the Academy finances and meets the cash flow needs of its enterprise activities.

C. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the basic financial statements. The Academy's basic financial statements are prepared using the accrual basis of accounting.

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.

Nonexchange transactions, in which the Academy receives value without directly giving equal value in return, include grants, entitlements and donations. 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 fiscal year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the Academy must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Academy on a reimbursement basis.

Expenses are recognized at the time that they are incurred.

D. Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the government-wide statement of net position will 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. See Note 13 for deferred outflows of resources related to the Academy's net pension liability.

In addition to liabilities, the government-wide statement of net position will 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. See Note 13 for deferred inflows of resources related to the Academy's net pension liability.

E. Budgetary Process

Unlike other public schools located in the State of Ohio, community schools are not required to follow budgetary provisions set forth in Ohio Revised Code Chapter 5705, unless specifically provided in their contract with their Sponsor. The contract between the Academy and its sponsor, Ohio Department of Education, prescribes a budgetary process that requires the Academy to provide the Sponsor with budgetary information detailing annual revenues and expenses on or before June 30 of each fiscal year of the sponsorship agreement. The Sponsor also reserves the right to request further breakdown of the Academy's anticipated revenues and expenses as it deems necessary.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

F. Cash and Cash Equivalents

All monies received by the Academy are deposited in a demand deposit account and recorded on the statement of net position as "cash and cash equivalents".

During fiscal year 2017, the Academy 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 Academy measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For fiscal year 2017, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding $25 million. STAR Ohio reserves the right to limit the transaction to $50 million, requiring the excess amount to be transacted the following business day(s), but only to the $50 million limit. All accounts of the participant will be combined for these purposes.

G. Capital Assets and Depreciation

All capital assets are capitalized at cost and updated for additions and disposals during the year. Donated capital assets are recorded at their acquisition value on the date donated. The Academy maintains a capitalization threshold of $750. The Academy does not have infrastructure. Capital asset improvements are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. All capital assets are depreciated, which is computed using the straight-line method. Building and improvements are depreciated over the remaining life of the lease which is approximately 5 years. Furniture and equipment is depreciated over ten years.

H. Net Position

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. The net position component "net investment in capital assets," consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred 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 its use either through the enabling legislation adopted by the Academy or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The Academy did not have any amounts restricted for other purposes.

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

I. Prepayments

Certain payments to vendors reflect the costs applicable to future accounting periods and are recorded as prepaid items in the financial statements. These items are reported as assets on the statement of net position using the consumption method. A current asset for the prepaid amounts is recorded at the time of the purchase and the expense is reported in the year in which services are consumed. The Academy did not report any prepayments at June 30, 2017.

J. Inventory

On the financial statements, purchased inventories are presented at the lower of cost or market. Inventories are recorded on a first-in, first-out basis and are expensed when used. Inventories are accounted for using the consumption method. The Academy did not report any inventory at June 30, 2017.

K. Intergovernmental Revenue

The Academy currently participates in the State foundation program. The Academy also participates in Federal grant programs including IDEA-Part B, Title I and various other state and federal grant programs. Revenues from these programs are recognized in the accounting period in which they are earned, essentially the same as the fiscal year. State foundation revenue for fiscal year 2017 totaled $1,101,858 and is recognized as operating revenue.

Grants and entitlements are recognized as non-operating revenues in the accounting period in which all eligibility requirements have been met. Eligibility includes timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the Academy must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the Academy on a reimbursement basis. Federal and State grant revenue for fiscal year 2017 totaled $140,341.

L. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the Academy. For the Academy, these revenues are primarily payments from the State foundation program. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the Academy. All revenues and expenses not meeting this definition are reported as non-operating.

M. Estimates

The preparation of financial statements in conformity with GAAP 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.

N. Pensions

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

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

Change in Accounting Principles

For fiscal year 2017, the Academy has implemented GASB Statement No. 77, "*Tax Abatement Disclosures*", GASB Statement No. 78, "*Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans*", GASB Statement No. 80, "*Blending Requirements for Certain Component Units - An Amendment of GASB Statement No. 14*" and GASB Statement No. 82, "*Pension Issues - An Amendment of GASB Statements No. 67, No. 68 and No. 73*".

GASB Statement No. 77 requires governments that enter into tax abatement agreements to disclose certain information about the agreement. GASB Statement No. 77 also requires disclosures related to tax abatement agreements that have been entered into by other governments that reduce the reporting government's tax revenues. The implementation of GASB Statement No. 77 did not have an effect on the financial statements of the Academy.

GASB Statement No. 78 establishes accounting and financial reporting standards for defined benefit pensions provided to the employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan (cost-sharing pension plan) that meets the criteria in paragraph 4 of Statement 68 and that (a) is not a state or local governmental pension plan, (b) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (c) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). The implementation of GASB Statement No. 78 did not have an effect on the financial statements of the Academy.

GASB Statement No. 80 improves the financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement applies to component units that are organized as not-for-profit corporations in which the primary government is the sole corporate member. The implementation of GASB Statement No. 80 did not have an effect on the financial statements of the Academy.

GASB Statement No. 82 addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The implementation of GASB Statement No. 82 did not have an effect on the financial statements of the Academy.

NOTE 4 - DEPOSITS AND INVESTMENTS

A. Deposits with Financial Institutions

At June 30, 2017, the carrying amount of the Academy's deposits was $75,664. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of June 30, 2017, all of the Academy's bank balance of $90,269 was covered by the Federal Deposit Insurance Corporation (the "FDIC").

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

B. Investments

As of June 30, 2017, the Academy had the following investments and maturities:

Measurement/Investment Type:	Measurement Value	Investment Maturities 6 months or less
Amortized Cost:		
STAR Ohio	$ 377,240	$ 377,240

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the Academy's investment policy limits investment portfolio maturities to five years or less.

Credit Risk: Standard & Poor's has assigned STAR Ohio an AAAm money market rating. Ohio Law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The Academy's investment policy does not specifically address credit risk beyond the adherence to all relevant sections of the Ohio Revised Code.

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Academy will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Academy 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 Academy places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the Academy at June 30, 2017:

Measurement/Investment type	Measurement Value	% of Total
Amortized Cost:		
STAR Ohio	$ 377,240	100.00

C. Reconciliation of Cash and Investments to the Statement of Net Position

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of June 30, 2017:

Cash and investments per note	
Carrying amount of deposits	$ 75,664
Investments	377,240
Total	$ 452,904
Cash and investments per statement of net position	
Business-type activities	$ 452,904

NOTE 5 - RECEIVABLES

Receivables at June 30, 2017, consisted of accounts (billings for user charged services) and intergovernmental receivables arising from grants and entitlements. All receivables are considered collectible in full. A summary of the receivables follows:

	Amount
Accounts	$ 12
Intergovernmental	11,368
Total	$ 11,380

All receivables are expected to be collected in the subsequent year.

NOTE 6 - CAPITAL ASSETS

A summary of the Academy's capital assets at June 30, 2017 follows:

	Balance July 1, 2016	Additions	Disposals	Balance June 30, 2017
Capital assets:				
Capital assets, being depreciated:				
Buildings and improvements	$ -	$ 140,225	$ -	$ 140,225
Furniture and equipment	17,473	6,197	-	23,670
Total capital assets, being depreciated	17,473	146,422	-	163,895
Less: accumulated depreciation:				
Buildings and improvements	-	(15,297)	-	(15,297)
Furniture and equipment	(5,511)	(2,058)	-	(7,569)
Total accumulated depreciation	(5,511)	(17,355)	-	(22,866)
Capital assets, net	$ 11,962	$ 129,067	$ -	$ 141,029

NOTE 7 - RELATED PARTY TRANSACTION

The Academy had the following related party transactions:

- The Superintendent/Teacher/IT Coordinator received wages of $81,500 in fiscal year 2017. He received reimbursements of $4,051 for supply maintenance purchases made in fiscal year 2017.

- The spouse of the Superintendent served as the Academy's Principal and custodial cleaner. She received wages of $51,034 for serving as Principal and custodial cleaner in fiscal year 2017 and $16 in supply reimbursements in fiscal year 2017.

- The daughter of the Superintendent was employed as an Administrative Assistant and as Food Service Coordinator. She received payments involving payroll of $38,478 and reimbursements totaling $346 for mileage and office supply reimbursements in fiscal year 2017.

- The sister of the Superintendent served as the Academy's substitute secretary and substitute teacher. She received wages of $2,546 for serving as a substitute secretary and substitute teacher in fiscal year 2017.

NOTE 8 - RISK MANAGEMENT

A. Property and Liability

The Academy 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. For fiscal year 2017, the Academy contracted with Ohio Casualty Insurance Company for general and professional liability insurance with a $1,000,000 each occurrence limit, $3,000,000 annual aggregate, a $0 deductible for general liability insurance, and a $1,000 deductible for professional liability insurance. The Academy acquired blanket and building personal property insurance with a limit of $54,636 and a $1,000 deductible. The Academy also acquired umbrella liability insurance with a limit of $5,000,000 each occurrence and aggregate and a $1,000 deductible. Settled claims have not exceeded insurance coverage for the past three years, and there was no significant reduction in coverage from the prior year.

There have been no claims to report for fiscal year 2017.

B. Workers' Compensation

For fiscal year 2017, the Academy participated in the OASBO/OSBA CompManagement, Inc. Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The intent of the GRP is to achieve the benefit of a reduced premium for the Academy by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating schools is tiered into groups based upon past workers' compensation experience. Within each tiered group, a common premium rate is applied to all schools within that group. Each participant pays its workers' compensation premium to the state based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of their tiered group. Participation in the GRP is limited to schools that can meet the GRP's selection criteria. The firm of CompManagement, Inc. provides administrative, cost control and actuarial services to the GRP.

Beginning January 2016, the Academy began participating in the Workers' Compensation retro/current year premium program, paying premiums now in line with the fiscal year period.

C. Employee Benefits

In June 2015, the Academy joined membership in COSE (Council of Small Business Enterprises). Effective July 1, 2015, the Academy began purchasing employee health, dental, prescription drug and life insurance on the behalf of the Academy's employees, with Medical Mutual Insurance, through its membership with COSE, The Academy pays 70% of the monthly premium for single and family health, prescription drug and dental insurance coverage. The employee pays 30% of the monthly premium through payroll deduction. The Academy also provides Board paid vision insurance through VSP and Board paid life insurance of $40,000 to full-time employees.

NOTE 9 - PURCHASED SERVICES

For the fiscal year ended June 30, 2017, purchased services expenses were as follows:

Professional and technical services	$ 91,605
Property services	135,884
Training	12,501
Postage and advertising	5,090
Utilities	20,623
Contracted trade services	31,545
Other purchased services	394
Total	$ 297,642

NOTE 10 - SPONSOR CONTRACTS

Effective April 28, 2015, the Academy was notified via letter, the Portage County Education Service Center would no longer be accepted as a sponsor to the Academy. The letter further stated that the Ohio Department of Education would take over the sponsorship of the Academy for the balance of the contract. As sponsor, the Ohio Department of the Education is responsible for the following:

- Monitoring the Academy's compliance with the laws applicable to the Academy and with the terms of the contract;
- Monitoring and evaluating the academic and fiscal performance and the organization of the Academy on at least an annual basis;
- Providing reasonable technical assistance to the Academy in complying with the contract and with applicable laws (provided, however, the Sponsor shall not be obligated to give legal advice to the Academy);
- Taking steps to intervene in the Academy's operations at the Sponsor's discretion to correct problems in the Academy's overall performance, declare the Academy to be on probationary status pursuant to ORC Section 3314.073, suspend operation of the Academy pursuant to ORC Section 3314.072, or terminate or non-renew the contract pursuant to ORC Section 3314.07, as determined necessary by the Sponsor;
- Establishing and/or requiring a plan of action to be undertaken if the Academy experiences financial difficulties or closes before the end of the school year. Such plan or requirements for such plan shall be set out by the Sponsor as and when financial difficulties arise in a customized tailored manner to address the source of difficulties; and
- Reporting on an annual basis the results of the annual financial evaluation performed on the Academy by the Sponsor.

The Ohio Department of Education has maintained sponsorship of the Academy for the 2016-2017 fiscal year period.

During fiscal year 2017, the Academy paid $21,556 to the Ohio Department of Education for fiscal services and sponsorship fees.

NOTE 11 - OPERATING LEASES

The Sponsor entered into a lease agreement on March 1, 2014 with the Ukrainian Catholic Eparchy of St. Josaphat to lease classroom space located at the St. Josaphat Ukrainian School building in Parma, Ohio. The agreement is for twenty-four months, ending on July 31, 2016 and requiring a monthly lease payment of $4,333 per month through July 31, 2015 and $4,642 per month beginning August 1, 2015 through July 31, 2016. Lease payments are based on the rates set within the contract for the respective year. The Sponsor then entered into a sublease agreement with the Academy for the same classroom space with the same terms and lease payments. In accordance with the lease agreement, the Academy shall have use of the equipment and furnishings located on the lease premises. The Academy makes payments related to the lease agreement directly to the Ukrainian Catholic Eparchy of St. Josaphat. As of June 30, 2017 the Academy has no future debt obligations related to this lease.

The Academy entered into a lease agreement on July 27, 2016 with the Ukrainian Catholic Eparchy of St. Josaphat to lease classroom space located at the St. Josaphat Ukrainian School building in Parma, Ohio. The agreement is for five years, ending on July 31, 2021 and requiring a monthly lease payment of $4,642 per month through July 31, 2016, $4,833 per month beginning August 1, 2016 through July 31, 2017, $5,042 per month beginning August 1, 2017 through July 31, 2018, $5,250 per month beginning August 1, 2018 through July 31, 2019, $5,458 per month beginning August 1, 2019 through July 31, 2020, and $5,667 per month beginning August 1, 2020 through July 31, 2021. The Academy received a discount of $1,375 per month on rent for replacing the boiler in the building. During fiscal year 2017, the Academy received a total discount of $15,125. This amount is recorded as contributions and donations on the basic financial statements. Lease payments are based on the rates set within the contract for the respective year. The Academy makes payments related to the lease agreement directly to the Ukrainian Catholic Eparchy of St. Josaphat. Lease payments in fiscal year 2017 totaled $57,808.

The Academy entered into a lease agreement on June 17, 2015 with Vantage Financial to lease Chromebooks. The agreement is for thirty-six months, ending on December 5, 2018 and requiring a monthly lease payment of $1,527 per month. Lease payments are based on the rates set within the contract for the respective year. Lease payments in fiscal year 2017 totaled $18,324.

NOTE 12 - CONTINGENCIES

A. Grants

The Academy receives significant financial assistance from numerous federal, State and local 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 Academy. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial position of the Academy.

B. Litigation

There are currently no matters in litigation with the Academy as defendant.

C. State Foundation Funding

School foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. However, there is an important nexus between attendance and enrollment for Foundation funding purposes. Community schools must provide documentation that clearly demonstrates students have participated in learning opportunities. 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.

NOTE 12 - CONTINGENCIES - (Continued)

Under Ohio Rev. Code Section 3314.08, ODE may also perform a FTE Review subsequent to the fiscal year end that may result in an additional adjustment to the enrollment information as well as claw backs of Foundation funding due to a lack of evidence to support student participation and other matters of noncompliance. ODE performed such a review on the School for fiscal year 2017.

As of the date of this report, all ODE adjustments for fiscal year 2017 have been made.

In addition, the Academy's contracts with their Sponsor require payment based on revenues received from the State. A reconciliation between sponsor fees previously paid and the FTE adjustments has taken place with this contract.

NOTE 13 - DEFINED BENEFIT PENSION PLANS

Net Pension Liability

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

The Ohio Revised Code limits the Academy's obligation for this liability to annually required payments. The Academy cannot control benefit terms or the manner in which pensions are financed; however, the Academy 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 *pension and postemployment benefits payable* on the accrual basis of accounting.

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

Plan Description - School Employees Retirement System (SERS)

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

Age and service requirements for retirement are as follows:

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

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

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

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

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the Academy 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, 2017, the entire 14 percent was allocated to pension, death benefits, and Medicare B and no portion of the employer contribution rate was allocated to the Health Care Fund.

The Academy's contractually required contribution to SERS was $27,163 for fiscal year 2017. Of this amount, $3,610 is reported as pension and postemployment benefits payable.

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

Plan Description - State Teachers Retirement System (STRS)

Plan Description –Academy 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. With certain exceptions, the basic benefit is increased each year by two percent of the original base benefit. For members retiring August 1, 2013, or later, the first two percent is paid on the fifth anniversary of the retirement benefit. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 25 years of service, or 30 years of service regardless of age. Age and service requirements for retirement will increase effective August 1, 2015, and will continue to increase periodically until they reach age 60 with 35 years of service or age 65 with five years of service on August 1, 2026.

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

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

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

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

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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, 2017, plan members were required to contribute 14 percent of their annual covered salary. The Academy was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2017 contribution rates were equal to the statutory maximum rates.

The Academy's contractually required contribution to STRS was $76,521 for fiscal year 2017. Of this amount, $16,634 is reported as pension and postemployment benefits payable.

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

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Academy's proportion of the net pension liability was based on the Academy'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	0.00249130%	0.00357612%	
Proportion of the net pension liability current measurement date	0.00440350%	0.00416292%	
Change in proportionate share	0.00191220%	0.00058680%	
Proportionate share of the net pension liability	$ 322,296	$ 1,393,455	$ 1,715,751
Pension expense	$ 64,348	$ 146,047	$ 210,395

At June 30, 2017, the Academy reported deferred outflows of resources related to pensions from the following sources:

	SERS	STRS	Total
Deferred outflows of resources			
Differences between expected and actual experience	$ 4,346	$ 56,303	$ 60,649
Net difference between projected and actual earnings on pension plan investments	26,585	115,694	142,279
Changes of assumptions	21,515	-	21,515
Difference between Academy contributions and proportionate share of contributions/ change in proportionate share	83,502	157,292	240,794
Academy contributions subsequent to the measurement date	27,163	76,521	103,684
Total deferred outflows of resources	$ 163,111	$ 405,810	$ 568,921

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

$103,684 reported as deferred outflows of resources related to pension resulting from Academy contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2018	$ 43,886	$ 68,021	$ 111,907
2019	43,869	68,021	111,890
2020	40,551	112,416	152,967
2021	7,642	80,831	88,473
Total	$ 135,948	$ 329,289	$ 465,237

Actuarial Assumptions - SERS

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

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

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2016, 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	3 percent
Investment Rate of Return	7.50 percent net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal (level percent of payroll)

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

For post-retirement mortality, the table used in evaluating allowances to be paid is the RP-2014 Blue Collar Mortality Table with fully generational projection and Scale BB, with 120% of male rates and 110% of female rates used. 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. Special mortality tables are used for the period after disability retirement.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an experience study that was completed June 30, 2015. As a result of the actuarial experience study, 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 disabled members 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.

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

The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	1.00 %	0.50 %
US Equity	22.50	4.75
International Equity	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 %	

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (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 Academy'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.

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Academy's proportionate share of the net pension liability	$ 426,699	$ 322,296	$ 234,905

Actuarial Assumptions - STRS

The total pension liability in the June 30, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

Mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022—Scale AA) for Males and Females. Males' ages are set-back two years through age 89 and no set-back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89 and not set back from age 90 and above.

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

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

Asset Class	Target Allocation	Long Term Expected Real Rate of Return *
Domestic Equity	31.00 %	8.00 %
International Equity	26.00	7.85
Alternatives	14.00	8.00
Fixed Income	18.00	3.75
Real Estate	10.00	6.75
Liquidity Reserves	1.00	3.00
Total	100.00 %	7.61 %

* 10-Year annualized geometric nominal returns, which include the real rate of return and inflation of 2.50% and does not include investment expenses. The total fund long-term expected return reflects diversification among the asset classes and therefore is not a weighted average return of the individual asset classes.

Discount Rate - The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2016. 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, 2016. Therefore, the long-term expected rate of return on pension plan investments of 7.75 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2016.

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Academy's proportionate share of the net pension liability	$ 1,851,788	$ 1,393,455	$ 1,006,824

NOTE 13 - DEFINED BENEFIT PENSION PLANS - (Continued)

Changes Between Measurement Date and Report Date - In March 2017, the STRS Board adopted certain assumption changes which will impact their annual actuarial valuation prepared as of June 30, 2017. The most significant change is a reduction in the discount rate from 7.75 percent to 7.45 percent. In April 2017, the STRS Board voted to suspend cost of living adjustments granted on or after July 1, 2017. Although the exact amount of these changes is not known, the overall decrease to Academy's NPL is expected to be significant.

NOTE 14 - POSTEMPLOYMENT BENEFITS

A. School Employees Retirement System

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

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required basic benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. For fiscal year 2017, none of the employer contribution was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. For fiscal year 2017, this amount was $23,500. 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 2017, the Academy's surcharge obligation was $2,206.

The Academy's contributions for health care for the fiscal years ended June 30, 2017, 2016, and 2015 were $2,206, $1,514, and $1,869, respectively. The fiscal year 2017 amount has been reported as pension and postemployment benefits payable. The full amount has been contributed for fiscal years 2016 and 2015.

NOTE 14 - POSTEMPLOYMENT BENEFITS - (Continued)

B. State Teachers Retirement System

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

Funding Policy - Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2017, STRS Ohio did not allocate any employer contributions to the Health Care Stabilization Fund. The Academy's did not make any contributions for health care for the fiscal years ended June 30, 2017, 2016 and 2015.

NOTE 15 - JOINTLY GOVERNED ORGANIZATION

Northeast Ohio Network for Educational Technology (NEOnet)
NEOnet was established as a jointly governed organization among sixteen school districts and the Summit County Educational Service Center that was formed July 1, 1995. NEOnet was formed for the purpose of applying modern technology (with the aid of computers and other electronic equipment) to improve administrative and instructional functions of member districts. NEOnet has since been restructured and organized as a council of governments (COG) under Ohio Revised Code 3301.075 and Chapter 167. The new COG is called the Metropolitan Regional Service Council. The Council serves several program functions for the nineteen school district members, such as NEOnet ITC functions and as a collaborative purchasing agent. The Council is self-supporting and conducts its fiscal services in house with a licensed treasurer.

The Council employs an Executive Director who works cooperatively with a seven-member Board of Directors consisting of four superintendents, the ESC superintendent, one member of the treasurers' committee and one member of the technology committee. The degree of control exercised by any participating school district is limited to its representation on the assembly, which elects the board of directors, who exercises total control over the operation of NEOnet including budgeting, appropriating, contracting and designating management. All revenues are generated from State funding and an annual fee per student to participating districts. The Metropolitan Regional Services Council and NEOnet are located at 700 Graham Rd., Cuyahoga Falls, Ohio 44221. During the current fiscal year, the Academy paid $6,815 to NEOnet for services provided.

REQUIRED SUPPLEMENTARY INFORMATION

GLOBAL VILLAGE ACADEMY
CUYAHOGA COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE ACADEMY'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST FOUR FISCAL YEARS

	2017	2016	2015	2014
Academy's proportion of the net pension liability	0.00440350%	0.00249130%	0.00246800%	0.00246800%
Academy's proportionate share of the net pension liability	$ 322,296	$ 142,156	$ 124,904	$ 146,764
Academy's covered-employee payroll	$ 153,886	$ 75,000	$ 71,710	$ 45,824
Academy's proportionate share of the net pension liability as a percentage of its covered-employee payroll	209.44%	189.54%	174.18%	320.28%
Plan fiduciary net position as a percentage of the total pension liability	62.98%	69.16%	71.70%	65.52%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

GLOBAL VILLAGE ACADEMY
CUYAHOGA COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE ACADEMY'S PROPORTIONATE SHARE OF
THE NET PENSION LIABILITY
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST FOUR FISCAL YEARS

	2017	2016	2015	2014
Academy's proportion of the net pension liability	0.00416292%	0.00357612%	0.00347356%	0.00347356%
Academy's proportionate share of the net pension liability	$ 1,393,455	$ 988,335	$ 844,890	$ 1,006,427
Academy's covered-employee payroll	$ 496,450	$ 373,107	$ 354,900	$ 311,162
Academy's proportionate share of the net pension liability as a percentage of its covered-employee payroll	280.68%	264.89%	238.06%	323.44%
Plan fiduciary net position as a percentage of the total pension liability	66.80%	72.10%	74.70%	69.30%

Note: Information prior to 2014 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

GLOBAL VILLAGE ACADEMY
CUYAHOGA COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE ACADEMY'S CONTRIBUTIONS
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST SIX FISCAL YEARS

	2017	2016	2015	2014
Contractually required contribution	$ 27,163	$ 21,544	$ 9,885	$ 9,939
Contributions in relation to the contractually required contribution	(27,163)	(21,544)	(9,885)	(9,939)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Academy's covered-employee payroll	$ 194,021	$ 153,886	$ 75,000	$ 71,710
Contributions as a percentage of covered-employee payroll	14.00%	14.00%	13.18%	13.86%

Note: Information prior to fiscal year 2012 was unavailable as fiscal year 2012 was the first year of the Academy.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

	2013		2012
$	6,342	$	3,071
	(6,342)		(3,071)
$	-	$	-
$	45,824	$	22,833
	13.84%		13.45%

GLOBAL VILLAGE ACADEMY
CUYAHOGA COUNTY, OHIO

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE ACADEMY'S CONTRIBUTIONS
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST SIX FISCAL YEARS

	2017	2016	2015	2014
Contractually required contribution	$ 76,521	$ 69,503	$ 52,235	$ 46,137
Contributions in relation to the contractually required contribution	(76,521)	(69,503)	(52,235)	(46,137)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Academy's covered-employee payroll	$ 546,579	$ 496,450	$ 373,107	$ 354,900
Contributions as a percentage of covered-employee payroll	14.00%	14.00%	14.00%	13.00%

Note: Information prior to fiscal year 2012 was unavailable as fiscal year 2012 was the first year of the Academy.

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

2013		2012	
$	40,451	$	21,042
	(40,451)		(21,042)
$	-	$	-
$	311,162	$	161,862
	13.00%		13.00%

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

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

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2016. 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.

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

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

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2017. See the notes to the basic financial statements for the methods and assumptions in this calculation.

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

Global Village Academy
Cuyahoga County
5720 State Road
Parma, Ohio 44134

To the Board of Directors:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of Global Village Academy, Cuyahoga County, Ohio (the Academy) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Academy's basic financial statements and have issued our report thereon dated June 5, 2019.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Keith Faber
Auditor of State

Columbus, Ohio

June 5, 2019

OHIO AUDITOR OF STATE
KEITH FABER

GLOBAL VILLAGE ACADEMY

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.

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
JUNE 25, 2019

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