



OHIO AUDITOR OF STATE
KEITH FABER



**NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
JUNE 30, 2018**

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NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2018

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program / Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Total Federal Expenditures	Non-Cash Expenditures
U.S. DEPARTMENT OF AGRICULTURE <i>Passed Through Ohio Department of Education</i>				
Child Nutrition Cluster:				
National School Breakfast Program	10.553		\$ 64,759	
National School Lunch Program	10.555		<u>367,866</u>	<u>\$ 75,358</u>
Total Child Nutrition Cluster			<u>432,625</u>	<u>75,358</u>
Total U.S. Department of Agriculture			<u>432,625</u>	<u>75,358</u>
U.S. DEPARTMENT OF EDUCATION <i>Passed Through Ohio Department of Education</i>				
Special Education Cluster (IDEA):				
Special Education-Grants to States (IDEA Part B) - 2017	84.027		146,893	
Special Education-Grants to States (IDEA Part B) - 2018	84.027		<u>680,328</u>	
Total Special Education-Grants to States (IDEA Part B)			827,221	
Special Education- Preschool Grants-(IDEA Preschool) - 2017	84.173		3,303	
Special Education- Preschool Grants-(IDEA Preschool) - 2018	84.173		<u>29,855</u>	
Total Special Education-Preschool Grants (IDEA Preschool)			33,158	
Total Special Education Cluster (IDEA)			860,379	
Title I Grants to Local Educational Agencies (Title I, Part A of EVSEA) - 2017	84.010		58,106	
Title I Grants to Local Educational Agencies (Title I, Part A of EVSEA) - 2018	84.010		<u>282,486</u>	
Total Title I Grants to Local Educational Agencies			340,592	
English Language LTD Proficiency Grant - 2018	84.365		<u>4,493</u>	
Total English Language Acquisition Grants			4,493	
Improving Teacher Quality State Grants - 2017	84.367		8,931	
Improving Teacher Quality State Grants - 2018	84.367		<u>68,246</u>	
Total Improving Teacher Quality State Grants			77,177	
Total U.S. Department of Education			<u>1,282,641</u>	
Total Expenditures of Federal Awards			<u>\$1,715,266</u>	<u>\$ 75,358</u>

The accompanying notes are an integral part of this schedule.

**NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED JUNE 30, 2018**

NOTE A – BASIS OF PRESENTATION

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

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C - CHILD NUTRITION CLUSTER

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

NOTE D – FOOD DONATION PROGRAM

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

OHIO AUDITOR OF STATE KEITH FABER



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

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

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the North Ridgeville City School District, Lorain County, (the District) as of and for the year ended June 30, 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 February 15, 2019, wherein we noted the District adopted Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our report also refers to other auditors that audited the financial statements of the Joint Insurance Health Plan Trust for the Benefit of North Ridgeville City School District Employees as described in our report on the District's financial statements. This report does not include the results of other auditors' testing of internal control over the financial reporting and compliance and other matters those auditors separately reported.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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



Keith Faber
Auditor of State
Columbus, Ohio

February 15, 2019

OHIO AUDITOR OF STATE KEITH FABER



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

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

To the Board of Education:

Report on Compliance for the Major Federal Program

We have audited North Ridgeville City School District's (the District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect North Ridgeville City School District's major federal program for the year ended June 30, 2018. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the District's major federal program.

Management's Responsibility

The District's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to opine on the District's compliance for the District's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on the Major Federal Program

In our opinion, North Ridgeville City School District complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended June 30, 2018.

Report on Internal Control Over Compliance

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

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

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

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

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

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the North Ridgeville City School District, Lorain County, Ohio (the District) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated February 15, 2019. Additionally, our opinion also explained that the District adopted *Governmental Accounting Standard No. 75* during the year. Our report refers to other auditors that audited the financial statements of the Joint Insurance Health Plan Trust for the Benefit of North Ridgeville City School District Employees, as described in our report on the District's financial statements. We conducted our audit to opine on the District's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Keith Faber
Auditor of State
Columbus, Ohio

February 15, 2019

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**NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2018**

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material weaknesses in internal control reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under 2 CFR § 200.516(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Special Education Cluster: CFDA #84.027- Special Education Grants to the States CFDA #84.173- Special Education Preschool Grants
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee under 2 CFR § 200.520?	Yes

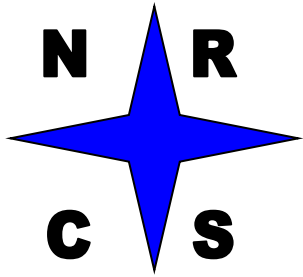
**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

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***North Ridgeville City
School District***

"Building On Success One Individual At A Time"

Comprehensive Annual Financial Report

**For the Fiscal Year Ended
June 30, 2018
North Ridgeville, Ohio**

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NORTH RIDGEVILLE CITY SCHOOL DISTRICT

NORTH RIDGEVILLE, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2018

Prepared by:

Treasurer's Office

Michael Verlingo, CPA, Treasurer

Julie Coughlin, Assistant Treasurer

Patricia Ellis, Treasurer's Assistant Payroll

Diane Ryman, Treasurer's Assistant Accounts Payable

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**NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
FOR THE YEAR ENDED JUNE 30, 2018**

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**NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
FOR THE YEAR ENDED JUNE 30, 2018**

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**NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
FOR THE YEAR ENDED JUNE 30, 2018**

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North Ridgeville City School District

34600 Bainbridge Road
North Ridgeville, Ohio 44039
Telephone: (440) 327-4444
Fax: (440) 327-9774
Web: www.nrcs.k12.Oh.us

“Building On Success One Individual At A Time”

February 15, 2019

Members of the Board of Education
Residents of North Ridgeville:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the North Ridgeville City School District for the fiscal year ended June 30, 2018. Responsibility for the accuracy of the data presented and completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the School District. This report will provide the taxpayers of the North Ridgeville City School District with comprehensive financial data in a format that will enable them to gain an understanding of the School District’s financial affairs. Copies will be made available to financial rating services, local bankers, and other interested parties upon request.

SCHOOL DISTRICT

The School District is one of the 612 public school districts in the State and 14 in the County. We provide education to 4,521 students in grades Pre-K through 12. It is located in Lorain County in north central Ohio, approximately 20 miles southwest of the City of Cleveland and approximately ten miles southeast of the City of Lorain. The School District’s territory is coterminous with the territory of the city.

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

The School District’s 2017 population was 33,436. Its area is approximately 25 square miles, broken down by land use as follows:

Residential	85.40%
Commercial/Industrial	11.78%
Public Utility	2.15%
Agricultural	0.67%
Undeveloped	(a)

(a) Included in above categories.

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

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

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

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

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

THE REPORTING ENTITY

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

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

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

ECONOMIC CONDITION AND OUTLOOK

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

Residential development has been significant in recent years and is expected to continue. Building permits for 194 residential and 7 commercial buildings were issued in 2016. In various stages of planning and construction are community developments throughout the City: Waterbury and Del Webb, a 640-acre development to include approximately 2,000 residential units is substantially complete. Meadow Lakes, a 570-acre development to include approximately 1,900 residential units is also close to completion.

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

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

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

Five separate industrial parks are located in the City of North Ridgeville. The largest of these is Taylor Woods Industrial Park, which is home to the facilities of Invacare Corporation (manufacturer of wheelchairs), Becket Gas, Incorporated (a manufacturer of gas burners) and Becket Air, Incorporated (a manufacturer of blower parts). In 2017, building permits were issued for commercial buildings and improvements with an estimated value of \$31,110,000 vs 28,322,479 in 2016. Previous years permits totaled \$6,218,345 in 2015, \$4,143,293 in 2014 and \$2,846,394 in 2013 respectively.

Commercial development in 2017 includes Riddell, Inc. and the University Hospital (UH) System plans to open an outpatient health center and freestanding emergency room department on a 30-acre site on Lorain Road near the intersection of I-480 and I-80 (James W. Shocknessy Ohio Turnpike). This center is expected to be completed at an estimated cost of \$32.4M.

The City, in cooperation with the Ohio Department of Transportation, is undertaking a major project to widen and reconstruct two major roadways within the city. Center Ridge Road, the major east-west route and Lear Nagle Road, a major north-south route at an estimated cost of \$67.4M (Federal and State share of the cost is approximately \$54.6M with the local share at \$8.5M).

Even though the School District is experiencing economic development in the area of real estate, it does not necessarily mean that the School District is experiencing revenue increases proportionately to the real estate development. Unfortunately, current state law prohibits school districts in Ohio from receiving additional tax revenue when the County Auditor reevaluates property values. In 1976, the Ohio General Assembly passed House Bill 920. This law requires the tax rate to be lowered by the same percentage property values are increased by the County Auditor's reevaluation. In calendar year 2017, North Ridgeville City Schools levied 55.04 mills of taxes to fund its operations. House Bill 920 lowered those mills to 39.98 mills for residential and agricultural properties and 39.37 mills for commercial and industrial properties.

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

MAJOR INITIATIVES – FISCAL YEAR 2018

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

Curriculum and Instruction

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

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

The School District continued working on the revision of the language arts course of study while beginning the math course of study review. Content areas are on cycle for review every five years. Full implementation of the revised standards and assessments will occur after materials are selected.

North Ridgeville City Schools continued to work in Co-Teaching as started with Dr. Marilyn Friend from the University of North Carolina – Greensboro. Nearly 50 effective Co-Teaching teams are in place throughout the District providing services to students based on Dr. Friend's work. Students with special needs are being educated in the least-restrictive environment as regular education teachers and intervention specialists work together in the regular classroom as teaching teams. The district has more co-teaching teams in each building than in any prior year.

We use the State Support Team to continue our work with District Leadership Team, Building Leadership Teams and Teacher Based Teams in addition to providing professional development for teachers and administrators.

Development, implementation and revision of Standards Based Report Cards in grade 6 was completed. Work is ongoing in grades 7 & 8 to move to a blended standards based report card which is scheduled to occur during the 19-20 school year.

Continued implementation of our Summer School Program, with services for Kindergarten students, that provides crucial intervention, remediation, and enhancement courses to students in grades K-12. We used the Apex On-line learning program for Summer School in grades 7 through 12. This program had 190 students working in an on-line learning environment to learn and provide intervention so our students had the skills to move forward and be successful in their future learning environments.

The School District has implemented the use of Apex as an on-line program to help students re-cover lost credit. We had 75 students re-cover credits using this program last year. This allowed some students to graduate with their cohort and other students stay in line with their cohort to graduate on-time as they work to re-cover credit they have lost due to being unsuccessful in the course prior to the Apex attempt.

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

The School District is in its second year as a 1:1 technology district for grades 3-12 with each student being provided a Chromebook to use at home and at school.

Completion of our Twelfth Annual Mini-Rangers Summer Camp that provided academic and language services for incoming Preschool, Kindergarten, and First Grade students.

The School District currently has teachers in all four years of the Resident Educator Program. At present, the school district has over fifty teachers participating in the Resident Educator Program. The program to this point has been a tremendous success.

Finances

- Continue to develop and submit a five-year forecast.
- Completed a Bank Qualified Refunding of \$34.8 million of the district Outstanding Bonds to lower overall interest cost to the taxpayers. The savings generated were \$6.3 million.
- Expanded investment options to increase the return on invested funds. General fund interest income totaled \$442k vs \$286k in the prior fiscal year.
- Obtained Lease-purchase financing in the amount of \$1.8M to take advantage of low interest rates for capital needs.
- Continued to spend less per pupil in total and for Administration than the State average or Local average of similarly sized school districts.
- Issued our seventeenth consecutive Comprehensive Annual Financial Report of the School District.
- Received several in recent years “Auditor of State Awards” which demonstrates our commitment to careful spending, and accurate fiscal recording and efficiency.
- Continued to refine and enhance reporting relative to the Health Trust and Food Service Operations in the district

Business Services (Facilities and Transportation)

- Fencing for Buses
- Liberty Entry Lockbox
- High School Entry Lockbox
- Sidewalk Repair at Liberty, HS & Early Childhood Learning Center (ECLC)
- Purchase of Maintenance Truck
- Rooftop units at the Ranger High Tech Academy (RHTA) & ECLC
- New Door System at Liberty, RHTA & Transportation
- New Athletic Fields
- Resurfaced HS gym floors
- New Security System at HS & Liberty
- Storage Container at ECLC
- Awnings for Stadium
- Sold Preschool Building and transferred classes to ECLC
- Roof restoration at ECLC & RHTA
- New Boilers for RHTA & Liberty
- RHTA Abatement project
- Baseball Fields at HS
- RHTA flooring & electrical upgrades

Communications and Marketing

- Developed a public relations strategy to introduce the new North Ridgeville City Schools Superintendent to staff, parents, students, and the community.
- Constant communication with the media. Distribute press releases and photos that promote positive news in the district.
- Maintain the North Ridgeville City Schools website. Verify that news and calendars are updated, postings are grammatically correct, and confirm that PDFs are compliant with the ADA.
- Publish a monthly electronic newsletter to distribute to staff, parents, students, and the community.
- Publish and mail three editions of a district newsletter to the residents of North Ridgeville (Summer, Winter, Spring).
- Continue to maintain positive relationships with teachers and principals to help promote positive news and events in our district.
- Design and publish an NRCS quality profile for the 2019-20 school year. Provides material about our district that includes information about curriculum, teachers, student activities, athletics, and finances.
- Collaborating with Burges and Burges Strategists to create a Communications Advisory Committee for the North Ridgeville City Schools
- Use social media platforms such as Facebook, Twitter, and Instagram to promote school events and news. Also use social media sites to post photographs and videos of happenings in the district.
- Since August 2017, the North Ridgeville City Schools Twitter account has increased the number of followers by 74% (814 to 1,418).
- Since August 2017, the North Ridgeville City Schools Facebook account has increased the number of followers by 16.7% (3,701 to 4,319). From August 2017, the account has increased its number of likes by 14% (3,716 to 4,236).
- Reintroduced the use of Instagram. The number of followers increased by 90% (501 to 954) after 55 posts.

Long Term and Capital Planning

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

The School District has completed the construction of a three through eight building which is considered the first phase in the central campus setting to enhance the areas of Academics, Finances, Business Services (Facilities and Transportation), and Communication and Marketing.

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

FINANCIAL OVERVIEW

Internal Controls

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

Budget Process

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

Accounting System

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

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

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

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

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

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

DEBT ADMINISTRATION

The School District operated within the established overall debt margin and the un-voted debt margin. As of June 30, 2018, the overall debt margin was \$ 19,750,000 and the un-voted debt margin was \$ 816,000. At June 30, 2018, outstanding bonds totaled \$ 55,640,636. For more information, see the Management's Discussion and Analysis and the Notes to the Basic Financial Statements.

INDEPENDENT AUDIT

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

AWARD

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

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

ACKNOWLEDGEMENTS

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

Respectfully Submitted,



Michael Verlingo, CPA
Treasurer



Ms. Roxann Ramsey Caserio
Superintendent (Interim)

NORTH RIDGEVILLE CITY SCHOOL BOARD OF EDUCATION
PRINCIPAL OFFICIALS

JUNE 30, 2018

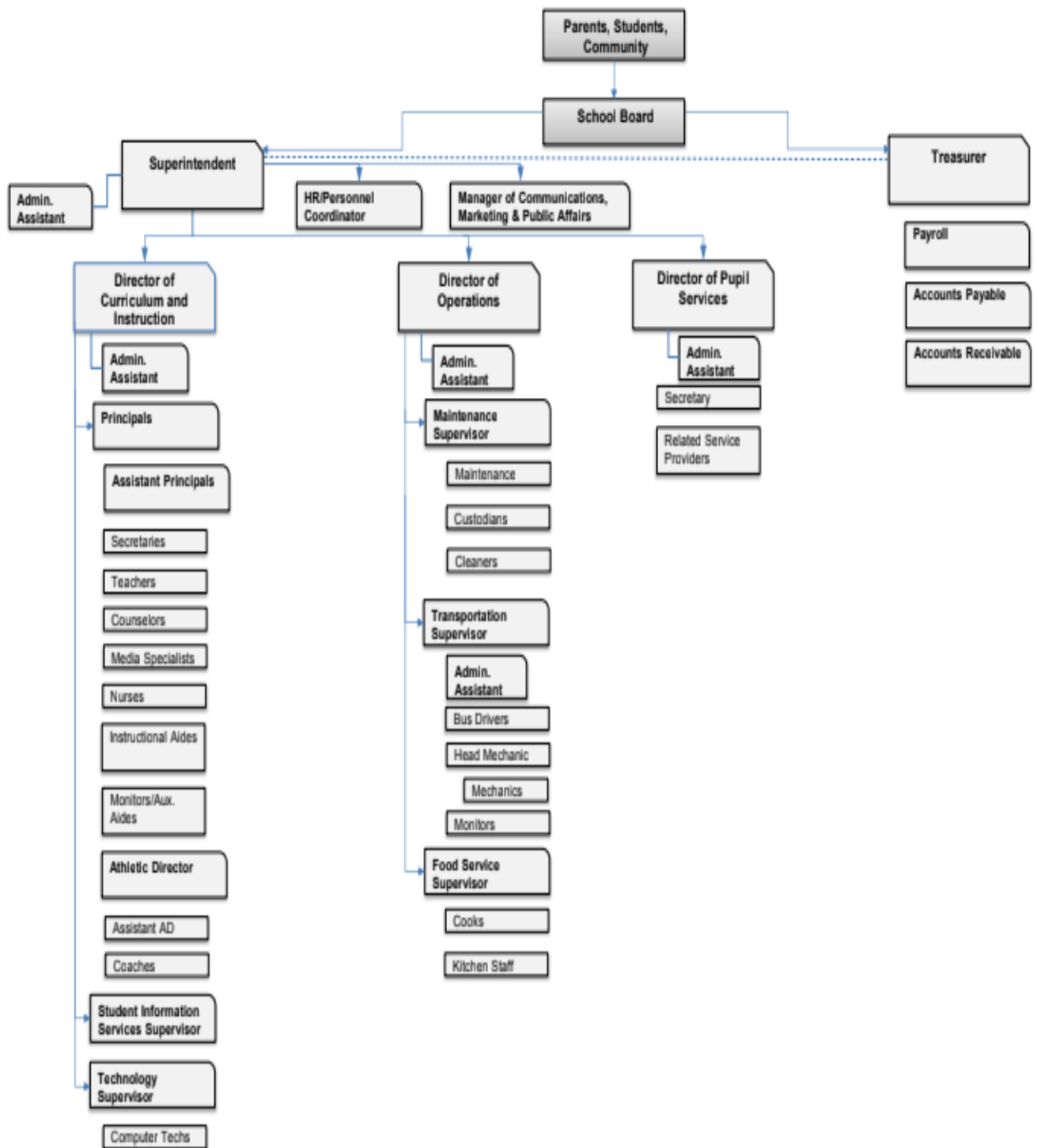
Board of Education

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

Administration

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

North Ridgeville City Schools Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

North Ridgeville City School District
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morill

Executive Director/CEO

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INDEPENDENT AUDITOR'S REPORT

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

To the Board of Education:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the North Ridgeville City School District, Lorain County, Ohio (the District), as of and for the year ended June 30, 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 preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We did not audit the financial statements of the Joint Insurance Health Plan Trust for the Benefit of North Ridgeville City School District Employees, which represent 18.91 percent and 36.94 percent, respectively, of the assets and revenues of the aggregate remaining fund information. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amount included for the Joint Insurance Health Plan Trust for the Benefit of North Ridgeville City School District Employees, is based solely on the report of other auditors. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the North Ridgeville City School District, Lorain County, Ohio, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the 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*. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we will also issue our report dated February 15, 2019, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio

February 15, 2019

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NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018
Unaudited

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

Financial Highlights

Key financial highlights for 2018 are as follows:

- In total, net position of governmental activities increased \$ 14,210,578.
- General revenues accounted for \$ 52,353,579 revenue or 92.4% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$ 4,322,300 or 7.6% of total revenues of \$ 56,675,879.
- The School District had \$ 42,465,301 in expenses related to governmental activities; only \$ 4,322,300 of these expenses were offset by program specific charges for services, grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) amounted to \$ 52,353,579. Total revenues were \$ 14,210,578 more than total expenses.
- At the close of the current fiscal year, the School District's governmental funds reported combined fund balances of \$ 33,206,573, a decrease of \$ 1,457,902 in comparison with the prior year. Approximately, 74.8% of fund balance, \$ 24,851,405, is available for spending at the School District's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$ 30,386,624 or 76.8% of total General Fund expenditures.
- The School District's total outstanding long-term liabilities decreased \$ 13,054,185 to \$ 121,504,705 primarily due to decreases in net pension liability and net OPEB liability.

Using this Comprehensive Annual Financial Report (CAFR)

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

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018
Unaudited

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

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

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

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

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

Reporting the School District's Most Significant Funds

Fund Financial Statements

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

Governmental Funds

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018
Unaudited

The School District as a Whole

The Statement of Net Position provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net position for 2018 compared to 2017:

TABLE I
Total Net Position

	<u>2018</u>	<u>Restated 2017</u>
Assets		
Current and other assets	\$ 70,159,067	\$ 74,914,002
Total capital assets, net	<u>67,369,653</u>	<u>68,491,221</u>
Total assets	<u>137,528,720</u>	<u>143,405,223</u>
Deferred outflows of resources		
Deferred charge on refunding	4,460,218	1,240,657
Pension	15,284,108	12,705,081
OPEB	<u>696,877</u>	<u>91,430</u>
Total deferred outflows of resources	<u>20,441,203</u>	<u>14,037,168</u>
Liabilities		
Current liabilities	12,593,327	11,035,704
Long term liabilities		
Due within one year	1,614,677	675,590
Due in more than one year		
Net pension liability	46,487,647	62,194,543
Net OPEB liability	10,551,890	12,774,363
Other amounts	<u>62,850,491</u>	<u>58,914,394</u>
Total liabilities	<u>134,098,032</u>	<u>145,594,594</u>
Deferred inflows of resources		
Property taxes	21,737,741	26,652,327
Pension	1,544,660	-
OPEB	<u>1,183,442</u>	<u>-</u>
Total deferred inflows of resources	<u>24,465,843</u>	<u>26,652,327</u>
Net position		
Net investment in capital assets	12,579,797	24,728,670
Restricted	2,809,945	2,233,317
Unrestricted	<u>(15,983,694)</u>	<u>(41,766,517)</u>
Total net position	<u>\$ (593,952)</u>	<u>\$ (14,804,530)</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018
Unaudited

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

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

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

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

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

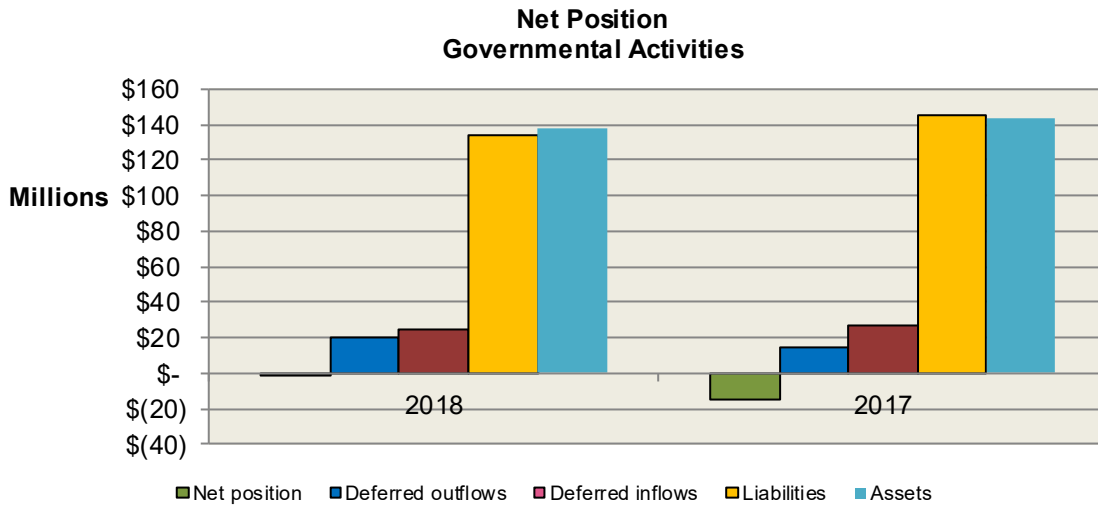
The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018
Unaudited

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

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

As a result of implementing GASB 75, the School District is reporting a net OPEB liability and deferred inflows/outflows of resources related to OPEB on the accrual basis of accounting. This implementation along with a correction of an error in the prior year's deferred inflows related to pension had the effect of restating net position at June 30, 2017, from (\$ 2,011,326) to (\$ 14,804,530).



Governmental Activities

Net position of the School District's governmental activities increased \$ 14,210,578. Total governmental expenses of \$ 42,465,301 were offset by program revenues of \$ 4,322,300 and general revenues of \$ 52,353,579. Program revenues supported 10.2% of the total governmental expenses.

The primary sources of revenue for governmental activities are derived from property taxes, and grants and entitlements. These revenue sources represent 93.5% of total governmental revenue.

Total expenses decreased by \$ 6,196,191 due to the effects of GASB 68 and GASB 75. The impact of these two GASBs was a net negative \$ 14,878,374 which greatly distorts a comparative analysis between 2018 and 2017 expenses.

Table 2 summarizes the revenues, expenses and the changes in net position for fiscal year 2018 and 2017.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018
Unaudited

Table 2
Changes in Net Position

	2018	2017
Revenues		
Program revenues		
Charges for services and sales	\$ 2,355,121	\$ 1,813,000
Operating grants, interest and contributions	1,967,179	2,224,699
Capital grants, interest and contributions	-	3,984,719
Total program revenues	4,322,300	8,022,418
General revenues		
Property taxes	34,458,396	26,401,975
Grants and entitlements not restricted to specific purposes	16,552,957	16,168,271
Investment earnings	557,469	656,614
Miscellaneous	784,757	1,141,246
Total general revenues	52,353,579	44,368,106
Total revenues	56,675,879	52,390,524
Program expenses		
Instruction	26,665,014	28,597,784
Supporting services		
Pupil and instructional staff	1,641,359	3,241,087
Board of education, administration, fiscal services and business	2,344,897	3,552,743
Operation and maintenance	3,766,366	3,885,598
Pupil transportation	2,938,454	3,324,228
Central services	202,008	217,707
Operation of non-instructional services		
Food service operation	1,338,977	1,334,204
Community services	185,319	640,279
Extracurricular activities	601,224	1,062,049
Interest and fiscal charges	2,781,683	2,805,813
Total expenses	42,465,301	48,661,492
Increase in net position	14,210,578	3,729,032
Net position at beginning of year, restated	(14,804,530)	N/A
Net position at end of year	\$ (593,952)	\$(14,804,530)

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

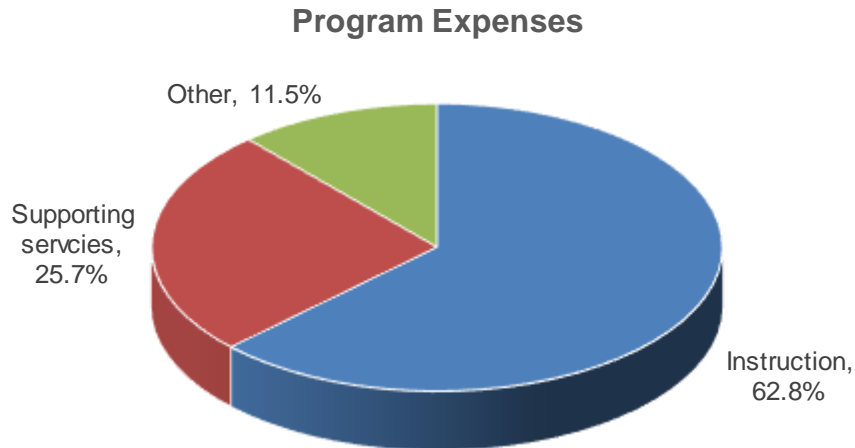
FOR THE YEAR ENDED JUNE 30, 2018

Unaudited

The information necessary to restate the 2017 beginning balances and the 2017 OPEB expense amounts for the effects of the initial implementation of GASB 75 is not available. Therefore, 2017 functional expenses still include OPEB expense of \$91,430 computed under GASB 45. GASB 45 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 75, OPEB expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of OPEB expense. Under GASB 75, the 2018 statements report negative OPEB expense of \$1,511,480. Consequently, in order to compare 2018 total program expenses to 2017, the following adjustments are needed:

Total 2018 program expenses under GASB 75	\$	42,465,301
Negative OPEB expense under GASB 75		1,511,480
2018 contractually required contribution		<u>132,997</u>
Adjusted 2018 program expenses		44,109,778
Total 2017 program expenses under GASB 45		<u>48,661,492</u>
Decrease in program expenses not related to OPEB	\$	<u>(4,551,714)</u>

62.8 percent of the School District's budget is used to fund instructional expenses. Additional supporting services for pupils, staff and business operations encompass an additional 25.7 percent. The remaining program expenses of 11.5 percent are budgeted to facilitate other obligations of the School District, such as the food service program, numerous extracurricular activities and debt service.



NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2018

Unaudited

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

Table 3

	Total Cost of Services		Net Cost of Services	
	2018	2017	2018	2017
Program expenses				
Instruction	\$ 26,665,014	\$ 28,597,784	\$(24,273,926)	\$(22,749,055)
Supporting services				
Pupil and instructional staff	1,641,359	3,241,087	(1,328,991)	(2,949,908)
Board of education, administration, fiscal services and business	2,344,897	3,552,743	(2,344,897)	(3,552,743)
Operation and maintenance	3,766,366	3,885,598	(3,736,647)	(3,885,598)
Pupil transportation	2,938,454	3,324,228	(2,938,454)	(3,324,228)
Central services	202,008	217,707	(202,008)	(217,707)
Operation of non-instructional services				
Food service operation	1,338,977	1,334,204	(110,394)	(159,797)
Community services	185,319	640,279	(9,283)	(109,047)
Extracurricular activities	601,224	1,062,049	(416,718)	(885,178)
Interest and fiscal charges	2,781,683	2,805,813	(2,781,683)	(2,805,813)
Total expenses	<u>\$ 42,465,301</u>	<u>\$ 48,661,492</u>	<u>\$(38,143,001)</u>	<u>\$(40,639,074)</u>

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

School District Funds

Information regarding the School District's major funds can be found on page 20. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$ 56,043,317, excluding other sources, and expenditures of \$ 59,737,890, excluding other uses. Other financing sources (uses) had a net increase of \$ 2,236,671. The net changes in fund balances for the year were as follows: General Fund \$ 8,752,246, Permanent Improvement Fund (\$ 447,923), Classroom Facilities Fund (\$ 7,549,387) and Other Governmental Funds (\$ 2,212,838).

General Fund taxes revenue increased by \$ 6,510,254 primarily due to the amount available for advance from the Lorain County Auditor. Additionally, the General Fund intergovernmental revenue increased by \$ 449,266 due to more funding being received from the state. The decrease in the Permanent Improvements fund is related to ongoing maintenance and capital improvements. The decrease in fund balances of the Classroom Facilities Fund is related to the construction of new school buildings and facilities and related improvements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018
Unaudited

General Fund Budgeting Highlights

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

During the course of fiscal year 2018, the School District amended its General Fund budget several times. Original budgeted receipts for the General Fund were \$ 41,103,036 and final budgeted receipts were \$ 45,245,979. Actual receipts were \$ 45,304,248 which were \$ 58,269` higher than final budgeted estimated receipts. Original appropriations were \$ 43,187,402 and final appropriations were \$ 43,431,028. Actual expenditures were \$ 43,246,618 which were \$ 184,410 less than final appropriations.

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

The above circumstances allowed the School District to end the school year with a General Fund unencumbered cash balance of \$ 23,737,024 which was \$ 242,679 more than projections.

Capital Assets and Debt Administration

Capital Assets

All capital assets, except land and construction in progress, are reported net of depreciation. At the end of fiscal 2018, the School District had \$ 67,369,353 invested in land, buildings, equipment and vehicles. Table 4 shows fiscal 2018 values compared to 2017.

Table 4
Capital Assets
(Net of Accumulated Depreciation)

	2018	2017
Land	\$ 1,940,230	\$ 1,740,513
Construction in progress	-	53,695,303
Buildings and improvements	55,074,345	9,802,291
Furniture and equipment	8,201,218	783,327
Vehicles	2,153,860	2,469,787
Total capital assets	\$ 67,369,653	\$ 68,491,221

During fiscal 2018, the School District purchased \$ 5,889,114 of capital assets and recorded depreciation expense of \$ 6,429,306. More detailed information is presented in Note 9 of the notes to the basic financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2018
Unaudited

Debt

At June 30, 2018 the School District had \$ 121,504,705 in long-term obligations a decrease of \$ 13,054,185. \$ 1,614,677 of the long-term obligations are due within one year. Net pension liability and net OPEB liability at June 30, 2018 were \$ 46,487,647 and \$ 10,551,890, respectively. Table 5 shows fiscal 2018 values compared to 2017.

Table 5
Outstanding Debt Year-End

	2018	Restated 2017
Term and serial bonds	\$ 53,855,000	\$ 56,060,000
Capital appreciation bonds	1,544,944	5,658
Accretion on capital appreciation bonds	240,692	1,026
Unamortized bond premium	6,683,370	3,074,923
Capital leases	1,609,799	-
Net pension liability	46,487,647	62,194,543
Net OPEB liability	10,551,890	12,774,363
Compensated absences	531,363	448,377
Total outstanding debt	\$ 121,504,705	\$ 134,558,890

The School District's overall legal debt margin was \$ 19,750,000 with an unvoted debt margin of \$ 816,000.

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

School District Outlook

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

The School District's current financial forecast prepared in October 2018 remains positive through the projected 5 year operating period ending in Fiscal Year 2023. Carryover balances in excess of required reserves exist through FY 2022 assuming the current level of funding is maintained through the renewal of existing levies. Despite this relatively strong position, several challenges exist relative to school funding in the State of Ohio. Among these challenges are frequent legislative actions amending the budget formula (positive and negative), restrictions on the growth of School District's operating revenues and new mandates relative to operational and educational requirements. These and other macro-economic factors require the School District to periodically seek additional funds from the taxpayers to offset rising operating costs. The North Ridgeville voters have shown support for the schools in recent years as illustrated with the passage of renewal levies and the passage of a 5.9 mil additional Emergency Levy that began collection in January 2013 yielding \$4.3M annually. The passage of a \$ 58,100,000 Bond Issue coupled with a one mill Permanent Improvement Levy in 2013 was used to erect new facilities in the district.

In addition to the mandates and changes mentioned above, school districts are faced with the challenge of losing traditional sources of tax revenue through the Ohio General Assembly legislative actions. These actions included the elimination of tangible personal property tax and most recently, the revenue distribution that was enacted by the commercial activities tax over a two year phase out period.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2018

Unaudited

Offsetting some of these reductions has been a change in the state funding formula methodology that moves districts toward their calculated funding amount. This change has benefited North Ridgeville City Schools, who have historically been underfunded. The increase in revenue from the formula approximated 2.8% in the last fiscal year. Despite this, inflationary cost increases and higher levels of enrollment require incremental levels of expenditures. North Ridgeville City Schools is experiencing a high level of growth in the number of new homes constructed in the city. Several large housing developments have led to increased enrollment and will continue to do so for the foreseeable future. Although property values are increasing, the School District does not realize a significant increase in funding due to House Bill 920 reductions. In addition, 37% of the School District revenues are provided by fixed dollar emergency levies that do not increase with property valuations or enrollment. Due to its high valuation per student the State considers North Ridgeville a wealthy school district, therefore it receives only a fraction of the State per student funding level to cover its recurring operating expenses.

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

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

Contacting the School District's Financial Management

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

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NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

STATEMENT OF NET POSITION

JUNE 30, 2018

	Governmental Activities
Assets	
Equity in pooled cash and investments	\$ 36,930,622
Investments	299,264
Accounts receivable	510,467
Due from other governments	133,165
Prepaid items	1,972,494
Taxes receivable	30,313,055
Capital assets	
Nondepreciable capital assets	1,940,230
Depreciable capital assets	65,429,423
Total assets	137,528,720
Deferred outflow s of resources	
Deferred charge on refunding	4,460,218
Pension	15,284,108
OPEB	696,877
Total deferred outflow s of resources	20,441,203
Liabilities	
Accounts and contracts payable	3,189,542
Retainage payable	801,470
Accrued salaries, wages and benefits	4,223,821
Claims payable	383,505
Accrued interest payable	160,100
Due to other governments	734,889
Tax anticipation note payable	3,100,000
Long-term liabilities	
Due w ithin one year	1,614,677
Due in more than one year	
Net pension liability	46,487,647
Net OPEB liability	10,551,890
Other amounts	62,850,491
Total liabilities	134,098,032
Deferred inflow s of resources	
Property taxes	21,737,741
Pension	1,544,660
OPEB	1,183,442
Total deferred inflow s of resources	24,465,843
Net position	
Net investment in capital assets	12,579,797
Restricted for:	
Debt service	2,797,986
State grants	5,338
Federal grants	6,174
Donations	447
Unrestricted	(15,983,694)
Total net position	\$ (593,952)

See accompanying notes to the basic financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2018

	Expenses	Program Revenues		Net (Expense) Revenues and Changes in Net Position
		Charges for Services and Sales	Operating Grants, Interest and Contributions	
Governmental activities:				
Instruction				
Regular	\$ 21,298,791	\$ 1,226,869	\$ 76,904	\$ (19,995,018)
Special	5,297,840	245	1,087,070	(4,210,525)
Vocational	68,383	-	-	(68,383)
Supporting services				
Pupil	1,112,745	277,914	4,296	(830,535)
Instructional staff	528,614	-	30,158	(498,456)
Board of education	154,850	-	-	(154,850)
Administration	1,013,686	-	-	(1,013,686)
Fiscal services	924,667	-	-	(924,667)
Business	251,694	-	-	(251,694)
Operation and maintenance	3,766,366	-	29,719	(3,736,647)
Pupil transportation	2,938,454	-	-	(2,938,454)
Central services	202,008	-	-	(202,008)
Operation of non-instructional services				
Food service operation	1,338,977	701,928	526,655	(110,394)
Community services	185,319	152	175,884	(9,283)
Extracurricular activities	601,224	148,013	36,493	(416,718)
Interest and fiscal charges	2,781,683	-	-	(2,781,683)
Total	\$ 42,465,301	\$ 2,355,121	\$ 1,967,179	(38,143,001)

General revenues

Property taxes levied for:

General purposes	29,361,364
Debt service	4,133,012
Capital improvements	964,020

Grants and entitlements not restricted to specific purposes	16,552,957
Investment earnings	557,469
Miscellaneous	784,757

Total general revenues 52,353,579

Change in net position 14,210,578

Net position at beginning of year, restated (14,804,530)

Net position at end of year \$ (593,952)

See accompanying notes to the basic financial statements.

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NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

BALANCE SHEET -
GOVERNMENTAL FUNDS

JUNE 30, 2018

	General Fund	Permanent Improvement Fund	Classroom Facilities Fund
Assets			
Equity in pooled cash and investments	\$ 25,141,084	\$ 2,678,899	\$ 4,312,921
Receivables, net of allowance			
Taxes, current	25,468,140	1,133,480	-
Taxes, delinquent	693,100	30,800	-
Accounts and other	387,963	67,733	-
Due from other governments	22,410	-	-
Prepaid items	82,895	-	-
Interfund receivables	4,882,150	-	-
Total assets	\$ 56,677,742	\$ 3,910,912	\$ 4,312,921
Liabilities			
Accounts and contracts payable	\$ 483,120	\$ 400,250	\$ 815,393
Retainage payable	-	-	657,232
Accrued salaries, wages and benefits	3,972,011	-	-
Due to other governments	649,074	-	-
Interfund payable	-	4,670,000	-
Tax anticipation note payable	-	3,100,000	-
Total liabilities	5,104,205	8,170,250	1,472,625
Deferred inflows of resources			
Property taxes levied for next year and unavailable resources	19,449,686	874,514	-
Total deferred inflows of resources	19,449,686	874,514	-
Fund balances (deficits)			
Nonspendable	82,895	-	-
Restricted	-	-	2,840,296
Assigned	1,654,332	-	-
Unassigned	30,386,624	(5,133,852)	-
Total fund balances (deficits)	32,123,851	(5,133,852)	2,840,296
Total liabilities, deferred inflows of resources and fund balances (deficits)	\$ 56,677,742	\$ 3,910,912	\$ 4,312,921

See accompanying notes to the basic financial statements.

Other Governmental Funds	Total Governmental Funds
\$ 3,646,777	\$ 35,779,681
2,908,335	29,509,955
79,200	803,100
-	455,696
110,755	133,165
1,692	84,587
-	4,882,150
<u>\$ 6,746,759</u>	<u>\$ 71,648,334</u>
\$ 459,827	\$ 2,158,590
144,238	801,470
251,810	4,223,821
85,815	734,889
212,150	4,882,150
-	3,100,000
<u>1,153,840</u>	<u>15,900,920</u>
<u>2,216,641</u>	<u>22,540,841</u>
<u>2,216,641</u>	<u>22,540,841</u>
1,692	84,587
3,775,953	6,616,249
-	1,654,332
<u>(401,367)</u>	<u>24,851,405</u>
<u>3,376,278</u>	<u>33,206,573</u>
<u>\$ 6,746,759</u>	<u>\$ 71,648,334</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2018

Total governmental fund balances	\$ 33,206,573
Amount reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore not reported in the funds.	67,369,653
Other long-term assets are not available to pay for current period expenditures and therefore are deferred inflow s in the funds:	
Property taxes	803,100
Prepaid items	1,819,250
Unamortized deferred charges on refundings are not recognized int the funds	4,460,218
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.	159,176
The net pension liability and net OPEB liability are not due and payable in the current period; therefore, the liability and related deferred inflow s/outflow s are not reported in the governmental funds.	
Deferred outflow s - pension	15,284,108
Deferred inflow s - pension	(1,544,660)
Net pension liability	(46,487,647)
Deferred outflow s - OPEB	696,877
Deferred inflow s - OPEB	(1,183,442)
Net OPEB liability	(10,551,890)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Compensated absences payable	(531,363)
Bonds payable	(55,640,636)
Unamortized bond premium	(6,683,370)
Capital lease payable	(1,609,799)
Accrued interest payable	(160,100)
	(160,100)
Net position of governmental activities	\$ (593,952)

See accompanying notes to the basic financial statements.

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NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2018

	General Fund	Permanent Improvement Fund	Classroom Facilities Fund
Revenue			
Taxes	\$ 29,382,064	\$ 964,520	\$ -
Tuition and fees	1,075,824	-	-
Interest	442,048	34,304	47,836
Intergovernmental	16,375,686	64,751	-
Extracurricular	313,599	-	-
Charges for services	1,558	-	-
Donations and contributions	42,687	-	-
Other	174,357	1,190	-
Total revenues	<u>47,807,823</u>	<u>1,064,765</u>	<u>47,836</u>
Expenditures			
Current			
Instruction			
Regular	18,966,072	90,905	-
Special	7,148,174	-	-
Vocational	227,979	-	-
Supporting services			
Pupil	2,328,404	-	-
Instructional staff	732,234	-	-
Board of education	182,943	-	-
Administration	2,095,155	890	-
Fiscal services	893,583	12,399	698
Business	314,766	-	-
Operation and maintenance	3,011,346	739,130	-
Pupil transportation	2,753,697	10,234	-
Central services	204,448	8,650	-
Operation of non-instructional services			
Food service operation	679	-	-
Community services	3,614	-	-
Extracurricular activities	611,397	-	-
Capital outlay	17,500	1,408,852	7,596,525
Debt service			
Principal	45,364	107,611	-
Interest	4,991	9,398	-
Total expenditures	<u>39,542,346</u>	<u>2,388,069</u>	<u>7,597,223</u>
Excess (deficiency) of revenues over expenditures	<u>8,265,477</u>	<u>(1,323,304)</u>	<u>(7,549,387)</u>
Other financing sources (uses)			
Proceeds from sale of capital assets	184,000	-	-
Issuance of refunding bonds	-	-	-
Premium on debt issue	-	-	-
Proceeds from capital lease	530,366	1,232,408	-
Payment to escrow agent	-	-	-
Transfers in	-	355,000	-
Transfers out	(227,597)	(712,027)	-
Total other financing sources (uses)	<u>486,769</u>	<u>875,381</u>	<u>-</u>
Net change in fund balances	8,752,246	(447,923)	(7,549,387)
Fund balances, beginning of year	23,371,605	(4,685,929)	10,389,683
Fund balances, end of year	<u>\$ 32,123,851</u>	<u>\$ (5,133,852)</u>	<u>\$ 2,840,296</u>

See accompanying notes to the basic financial statements.

Other Governmental Funds	Total Governmental Funds
\$ 4,135,312	\$ 34,481,896
-	1,075,824
22,104	546,292
2,079,699	18,520,136
142,594	456,193
706,668	708,226
36,493	79,180
23	175,570
<u>7,122,893</u>	<u>56,043,317</u>
84,847	19,141,824
1,156,390	8,304,564
-	227,979
-	2,328,404
29,341	761,575
-	182,943
-	2,096,045
56,610	963,290
-	314,766
55,557	3,806,033
-	2,763,931
-	213,098
1,384,895	1,385,574
206,077	209,691
416,554	1,027,951
3,719,410	12,742,287
665,000	817,975
<u>2,435,571</u>	<u>2,449,960</u>
<u>10,210,252</u>	<u>59,737,890</u>
<u>(3,087,359)</u>	<u>(3,694,573)</u>
24,082	208,082
34,829,286	34,829,286
3,792,995	3,792,995
-	1,762,774
(38,356,466)	(38,356,466)
939,624	1,294,624
(355,000)	(1,294,624)
<u>874,521</u>	<u>2,236,671</u>
(2,212,838)	(1,457,902)
5,589,116	34,664,475
<u>\$ 3,376,278</u>	<u>\$ 33,206,573</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2018

Net change in fund balances - total governmental funds		\$ (1,457,902)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period.		
	Capital outlay	\$ 5,889,114
	Depreciation expense	<u>(6,429,306)</u>
		(540,192)
Governmental funds only report the disposal of assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. This is the amount of the loss on the disposal of capital assets, net of proceeds received.		
		(581,376)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
	Property taxes	(23,500)
Other financing sources (uses) in the governmental funds that increase long-term liabilities in the statement of net position are not reported as revenues in the statement of activities.		
	Proceeds from debt refunding	(34,829,286)
	Payment to bond escrow agent	38,356,466
	Premium on debt issue	(3,792,995)
	Proceeds from capital lease	<u>(1,762,774)</u>
		(2,028,589)
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
		817,975
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in additional interest being reported in the statement of activities:		
	Accrued interest	30,300
	Amortization of deferred charges	(306,905)
	Accreted interest	(239,666)
	Amortization of bond premium	<u>184,548</u>
		(331,723)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
	Compensated absences	(93,576)
The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the government-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.		
		2,298
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of activities reports these amounts as deferred outflows.		
	Pension	3,374,369
	OPEB	<u>132,997</u>
		3,507,366
Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension/OPEB expense in the statement of activities.		
	Pension	13,366,894
	OPEB	<u>1,511,480</u>
		14,878,374
The internal service fund is a component unit of the School District and has a different fiscal year-end than the School District. This causes timing differences in the amounts recorded as revenue in the component unit and the amount of expenses recorded by the School District.		
	School District contributions to component unit for the period 1-1-18 through 6-30-18	1,819,250
	School District contributions to component unit for the period 7-1-17 through 12-31-17	<u>(1,757,827)</u>
		61,423
Change in net position of governmental activities		<u><u>\$ 14,210,578</u></u>

See accompanying notes to the basic financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2018

	General Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 41,103,036	\$ 45,245,979	\$ 45,304,248	\$ 58,269
Total expenditures and other uses	43,187,402	43,431,028	43,246,618	184,410
Net change in fund balance	(2,084,366)	1,814,951	2,057,630	242,679
Prior year encumbrances	609,003	609,003	609,003	-
Fund balances, beginning of year	21,070,391	21,070,391	21,070,391	-
Fund balances, end of year	<u>\$ 19,595,028</u>	<u>\$ 23,494,345</u>	<u>\$ 23,737,024</u>	<u>\$ 242,679</u>

See accompanying notes to the basic financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

STATEMENT OF FUND NET POSITION -
INTERNAL SERVICE FUND

JUNE 30, 2018

	<u>Self Insurance</u>
Assets	
Equity in pooled cash and investments	\$ 1,150,941
Investments	299,264
Accounts receivable	54,771
Prepaid items	68,657
Total assets	<u>1,573,633</u>
Liabilities	
Accounts and contracts payable	1,030,952
Claims payable	383,505
Total liabilities	<u>1,414,457</u>
Net position	
Restricted for self insurance claims	820,229
Unrestricted	(661,053)
Total net position	<u>\$ 159,176</u>

See accompanying notes to the basic financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION -
INTERNAL SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2018

	<u>Self Insurance</u>
Operating revenues	
Charges for services	\$ 4,160,539
Operating expenses	
Purchased services	287,993
Claims	3,881,425
Total operating expenses	4,169,418
Operating loss	(8,879)
Nonoperating revenues	
Interest income	11,177
Change in net position	2,298
Net position, beginning of year	156,878
Net position, end of year	\$ 159,176

See accompanying notes to the basic financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

STATEMENT OF CASH FLOWS -
INTERNAL SERVICE FUND

FOR THE YEAR ENDED JUNE 30, 2018

	Self Insurance
Cash flows from operating activities	
Cash received from interfund services	\$ 4,157,346
Cash payments for claims	(3,859,175)
Cash payments for goods and services	(299,615)
Net cash used in operating activities	(1,444)
 Cash flows from investing activities	
Interest income	13,534
Net cash provided by investing activities	13,534
 Net increase in cash and cash equivalents	12,090
 Cash and cash equivalents, beginning of year	1,138,851
 Cash and cash equivalents, end of year	\$ 1,150,941
 Reconciliation of operating income to net cash provided by operating activities:	
Operating loss	\$ (8,879)
Adjustments	
Increase in accounts receivable	(3,193)
Increase in prepaid expenses	(949)
Decrease in accounts payable	(560)
Increase in claims payable	12,137
Total adjustments	7,435
Net cash used in operating activities	\$ (1,444)

See accompanying notes to the basic financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2018

	Agency Funds
Assets	
Equity in pooled cash and investments	\$ 107,972
Total assets	\$ 107,972
 Liabilities	
Accounts payable	\$ 5,198
Due to students	85,170
Due to others	17,604
Total liabilities	\$ 107,972

See accompanying notes to the basic financial statements.

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NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

The North Ridgeville City School District (the School District) was established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The School District is a city school district as defined by Section 3311.03 of the Ohio Revised Code. The School District operates under an elected Board of Education consisting of five members and is responsible for providing public education to residents of the School District. Average daily membership on, or as of, October 1, 2017 was 4,521. The School District employs 301 certificated staff members and 221 non-teaching and support staff employees.

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

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

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

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

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

Financial information for the Trust's year ended December 31, 2017 is presented in these financial statements as an internal service fund. Complete financial statements for the Trust may be obtained by contacting the Plan Administrator at 10045 College Park, Concord, Ohio 44060.

The School District is associated with Connect, the Lorain County Joint Vocational School District, and the Ohio School Council Association which are considered to be jointly governed organizations. The School District also participates in a public risk pool managed by the Ohio Schools Boards Association Workers' Compensation Group Rating Program. These organizations and their relationships with the School District are described in more detail in Notes 11 and 20 to these financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. BASIS OF PRESENTATION

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

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

Government-wide Financial Statements

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

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

Fund Financial Statements

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

C. FUND ACCOUNTING

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. FUND ACCOUNTING (continued)

Governmental Funds

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

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

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

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

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

Proprietary Fund

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

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

Fiduciary Funds

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. MEASUREMENT FOCUS

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

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

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

E. BASIS OF ACCOUNTING

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

Revenues - Exchange and Non-exchange Transactions

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. BASIS OF ACCOUNTING (continued)

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

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding, for pension and OPEB. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 12 and 13.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the School District, deferred inflows of resources include property taxes, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 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 governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the School District, unavailable revenue includes delinquent property taxes. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities fund on page 22. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 12 and 13)

Expenditures/Expenses

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. BUDGETARY PROCESS

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

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

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

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

G. CASH AND INVESTMENTS

Cash received by the School District is deposited in one central bank account with individual fund balance integrity maintained through School District records. Monies for all funds are maintained in this account or temporarily transferred to the State Treasurer's investment pool (STAR Ohio) or other short term investments. Under existing Ohio statutes, interest earnings are allocated to funds based on average monthly cash balances. Interest revenue credited to the General Fund during fiscal year 2018 amounted to \$ 442,048 of which \$ 108,941 was assigned from other School District Funds.

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

During fiscal year 2018, investments were limited to Federal Home Loan Bank (FHLB) securities, Federal Farm Credit Bank (FFCB) securities, Federal Home Loan Mortgage Corporation (FHLMC) securities, Federal National Mortgage Association (FNMA) securities, commercial paper, U.S. treasury notes, U.S. government money market mutual funds and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio).

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. CASH AND INVESTMENTS (continued)

For 2018, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes.

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

The Trust documents specifically require the maintenance of an insurance reserve, consisting of cash and investments, to provide a minimum funding level within the Trust to provide for future claims. At December 31, 2017 and 2016 this calculated reserve amount was \$ 820,229 and \$ 773,744, respectively. The Trustees authorized use of this reserve to subsidize Trust expenses with an understanding that the funds would be replenished by increasing employee and School District contributions and changes in benefits provided. This amount is reflected as restricted in the net position section of the Statement of Fund Net Position – Internal Service Fund.

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

H. RESTRICTED ASSETS

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

I. PREPAID ITEMS

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. CAPITAL ASSETS

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

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

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

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

K. INTERFUND BALANCES

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

L. COMPENSATED ABSENCES

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means.

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

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS

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

N. NET POSITION

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

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

O. FUND BALANCE

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

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

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

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. FUND BALANCE (continued)

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

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

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

P. OPERATING REVENUES AND EXPENSES

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

Q. PENSIONS/OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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

R. INTERFUND TRANSACTIONS

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

S. ESTIMATES

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

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLES AND PRIOR PERIOD ADJUSTMENT

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

GASB 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 Statement No. 86, *Certain Debt Extinguishment Issues* establishes standards of accounting and financial reporting for in-substance defeasance transactions in which cash and other monetary assets acquired with only existing resources—that is, resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the purpose of extinguishing debt. This Statement also amends accounting and financial reporting requirements for prepaid insurance associated with debt that is extinguished, whether through a legal extinguishment or through an insubstance defeasance, regardless of how the cash and other monetary assets were acquired. Finally, this Statement establishes an additional disclosure requirement related to debt that is defeased in substance, regardless of how the cash and other monetary assets were acquired. 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 Postemployment benefit liabilities, deferred outflows of resources, deferred inflows of resources and expense/expenditure. The implementation of this pronouncement and the correction of the prior year's deferred outflow related to pension had the following effect on net position as reported June 30, 2017:

	Governmental Activities
Net position June 30, 2017	\$ (2,011,326)
Adjustments:	
Net OPEB liability	(12,774,363)
Deferred outflow - OPEB payments subsequent to measurement date	91,430
Deferred outflows - pension	(110,271)
Restated net position June 30, 2017	\$ (14,804,530)

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 3 – COMPLIANCE AND ACCOUNTABILITY

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

Special Revenue Funds	
Athletics	\$ 103,056
Data Communications	\$ 9,000
Idea Part B	\$ 114,350
Title I	\$ 75,376
EHA Preschool	\$ 3,229
Food Service	\$ 96,356

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

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING

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

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

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

Net Change in Fund Balance	
	General Fund
Budget basis	\$ 2,057,630
Adjustments, increase (decrease)	
Revenue accruals	997,814
Expenditure accruals	2,784,751
Funds budgeted elsewhere **	1,774,585
Encumbrances	1,137,466
GAAP basis, as reported	\$ 8,752,246

** As part of Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting", certain funds that are legally budgeted in separate special revenue funds are considered part of the General Fund on a GAAP basis.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 5 – FUND BALANCES

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

	General Fund	Permanent Improvement Fund	Classroom Facilities Fund	Nonmajor Governmental Funds	Total
Fund balances					
Nonspendable					
Prepaid items	\$ 82,895	\$ -	\$ -	\$ 1,692	\$ 84,587
Total nonspendable	<u>82,895</u>	<u>-</u>	<u>-</u>	<u>1,692</u>	<u>84,587</u>
Restricted					
Non-public schools	-	-	-	5,119	5,119
Classroom facilities maintenance	-	-	-	677,896	677,896
Miscellaneous State Grants	-	-	-	447	447
Miscellaneous Federal Grants	-	-	-	6,174	6,174
Debt service	-	-	-	2,718,786	2,718,786
Capital projects	-	-	2,840,296	367,531	3,207,827
Total restricted	<u>-</u>	<u>-</u>	<u>2,840,296</u>	<u>3,775,953</u>	<u>6,616,249</u>
Assigned					
Subsequent year's appropriations	704,644	-	-	-	704,644
Student instruction	380,135	-	-	-	380,135
Student and staff support	492,915	-	-	-	492,915
School supplies	65,331	-	-	-	65,331
Other	11,307	-	-	-	11,307
Total assigned	<u>1,654,332</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,654,332</u>
Unassigned (deficit)	<u>30,386,624</u>	<u>(5,133,852)</u>	<u>-</u>	<u>(401,367)</u>	<u>24,851,405</u>
Total fund balances	<u>\$32,123,851</u>	<u>\$(5,133,852)</u>	<u>\$ 2,840,296</u>	<u>\$ 3,376,278</u>	<u>\$33,206,573</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 6 - DEPOSITS AND INVESTMENTS

A. LEGAL REQUIREMENTS

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

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

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

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

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

Interim monies may be invested in the following securities:

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 6 - DEPOSITS AND INVESTMENTS(continued)

A. LEGAL REQUIREMENTS (continued)

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

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

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

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

B. DEPOSITS

Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits may not be returned. The School District does not have a deposit policy for custodial credit risk. At fiscal year end, the carrying amount of the School District's deposits was \$ 9,402,617 and the bank balance was \$ 9,548,195. Of the bank balance, \$ 6,715,695 was covered by federal depository insurance and \$ 2,832,500 was uninsured. Of the remaining balance, \$ 2,832,500 was collateralized with securities held by the pledging institution's trust department not in the School District's name. Although the securities were held by the pledging financial institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the School District to a successful claim by the FDIC.

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

Eligible securities pledged to the School District and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured; or

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

At December 31, 2017, the fiscal year end of the Trust, the School District's component unit, the carrying amount of the Trust's deposits was \$ 200,236 and the bank balance was the same, all of which was covered by Federal depository insurance or by collateral held by a qualified third party trustee in the name of the Trust.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 6 - DEPOSITS AND INVESTMENTS (continued)

C. INVESTMENTS

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

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

	Fair Value	Investment Maturities			Percentage of Investments
		Less than 1 yr	1 - 2 years	3 years and longer	
STAR Ohio	\$ 2,677,422	\$ 2,677,422	\$ -	\$ -	10.1%
U.S. Government securities	21,115,065	1,860,065	8,835,000	10,420,000	79.7%
Commercial paper	2,688,669	2,688,669	-	-	10.2%
	<u>\$ 26,481,156</u>	<u>\$ 7,226,156</u>	<u>\$ 8,835,000</u>	<u>\$ 10,420,000</u>	<u>100.0%</u>

The following table presents investments at December 31, 2017 of the Trust, the School District's component unit:

U.S. Government Agency	
Federal Home Loan Bank	
1.25%, due 3/23/2021	\$ 99,028
Total U.S. Government Agency	<u>99,028</u>
Federated Prime Cash Obligation - Money Market	<u>1,150,941</u>
Total investments	<u>\$ 1,249,969</u>

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above table identifies the School District's recurring fair value measurements as of June 30, 2018. As discussed further in Note 1G, STAR Ohio is reported at its share price. All other investments of the School District are valued using quoted market prices (Level 1 inputs).

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 6 - DEPOSITS AND INVESTMENTS (continued)

D. INTEREST RATE RISK

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

E. CREDIT RISK

The School District follows the Ohio Revised Code that limits its investment choices (see Note 6 A). The School District has no investment policy that would further limit its investment choices. As of June 30, 2018, the School District's investment STAR Ohio was rated AAAM by Standard & Poor's. The investments in commercial paper were rated A- and A-1+.

F. CONCENTRATION OF CREDIT RISK

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

NOTE 7 - PROPERTY TAXES

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

Property taxes include amounts levied against all real, public utility and tangible personal property (used in business) located in the School District. Real property tax revenue received in calendar 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 payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar 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, 2016, were levied after April 1, 2017 and are collected in 2018 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

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

Accrued property taxes receivable includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2018 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only delinquent settlement of tangible personal property taxes and the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 7 - PROPERTY TAXES (continued)

The amounts available as an advance at June 30, 2018, were \$ 6,711,554 in the General Fund, \$ 770,894 in the Debt Service Fund and \$ 289,766 in the Capital Projects Fund. The amounts available as an advance at June 30, 2017, were \$ 2,008,365 in the General Fund, \$ 230,542 in the Debt Service Fund and \$ 87,293 in the Capital Projects Fund.

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

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

	2017 Second Half Collections		2018 First Half Collections	
	Amount	%	Amount	%
Agricultural / Residential				
Real Estate	\$ 684,702,410	86.65 %	\$ 702,381,780	86.07 %
Other Commercial	89,565,790	11.33	96,189,360	11.79
Public Utility Tangible	15,999,020	2.02	17,460,040	2.14
	\$ 790,267,220	100.00 %	\$ 816,031,180	100.00 %
 Tax Rate per \$ 1,000 of Assessed Valuation:	53.56		53.02	

NOTE 8 - RECEIVABLES

Receivables at June 30, 2018, consisted of property taxes, accounts and other, due from other governments and interfund. All receivables are considered substantially collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds. All receivables are expected to be collected within one year. A summary of the principal items of due from other governments follows:

Fund	Amount
General Fund	\$ 22,410
Food service	10,559
IDEA Part B	90,935
Title VI-R	9,261
Total due from other governments	\$ 133,165

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 9 - CAPITAL ASSETS

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

<u>Governmental Activities</u>	<u>Balance June 30, 2017</u>	<u>Additions</u>	<u>Disposals</u>	<u>Balance June 30, 2018</u>
Nondepreciable capital assets				
Land	\$ 1,740,513	\$ 199,717	\$ -	\$ 1,940,230
Construction in progress	53,695,303	465,290	54,160,593	-
Total nondepreciable capital assets	<u>55,435,816</u>	<u>665,007</u>	<u>54,160,593</u>	<u>1,940,230</u>
Depreciable capital assets				
Buildings and improvements	22,396,305	51,489,977	9,268,207	64,618,075
Furniture and equipment	5,606,451	7,820,756	1,591,936	11,835,271
Vehicles	4,744,981	73,967	-	4,818,948
Total capital assets being depreciated	<u>32,747,737</u>	<u>59,384,700</u>	<u>10,860,143</u>	<u>81,272,294</u>
Less accumulated depreciation				
Buildings and improvements	12,594,014	5,719,922	8,770,206	9,543,730
Furniture and equipment	4,823,124	319,490	1,508,561	3,634,053
Vehicles	2,275,194	389,894	-	2,665,088
Total accumulated depreciation	<u>19,692,332</u>	<u>6,429,306</u>	<u>10,278,767</u>	<u>15,842,871</u>
Depreciable capital assets, net of accumulated depreciation	<u>13,055,405</u>	<u>52,955,394</u>	<u>581,376</u>	<u>65,429,423</u>
Governmental activities capital assets, net	<u>\$ 68,491,221</u>	<u>\$ 53,620,401</u>	<u>\$ 54,741,969</u>	<u>\$ 67,369,653</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 9 - CAPITAL ASSETS (continued)

Depreciation expense was charged to governmental functions as follows:

Instruction		
Regular	\$	5,680,149
Special		7,832
Supporting services		
Pupil		10,511
Instructional staff		419
Administration		504
Operation and maintenance of plant		274,197
Pupil transportation		377,485
Central services		334
Operation of non-instructional services		
Food service		13,073
Community services		32,662
Extracurricular activities		32,140
Total depreciation expense	\$	<u>6,429,306</u>

NOTE 10 - INTERFUND ASSETS/LIABILITIES

On the fund financial statements at June 30, 2018, interfund balances consisted of the following:

Due to:	Due from:		Total
	Permanent Improvement Fund	Nonmajor Governmental Funds	
General Fund	\$ 4,670,000	\$ 212,150	\$ 4,882,150

These amounts are represented as "Interfund Receivable/Payable" on the balance sheet. The loans were made to support programs and projects in the Special Revenue Funds and the Permanent Improvement Fund. The loans to the Permanent Improvement Fund and \$ 35,472 of loans to the Special Revenue Funds are not scheduled to be collected in the subsequent year.

NOTE 11 - RISK MANAGEMENT

A. PROPERTY AND LIABILITY

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 11 - RISK MANAGEMENT (continued)

A. PROPERTY AND LIABILITY (continued)

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

B. WORKERS' COMPENSATION

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

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

C. EMPLOYEE MEDICAL BENEFITS

In order to minimize the annual cost of medical insurance, the North Ridgeville City School District Board of Education and unions that represent its employees have entered into a Joint Insurance Health Plan Trust for the Benefit of North Ridgeville City School District Employees (the Trust). The Trust provides benefits for hospitalization, medical, dental, vision, and prescription drugs, in accordance with the terms and provisions as agreed to by the Plan Trustees, with enrollment periods as provided in the Trust agreement. Provisions in the union contracts limit contributions by the School District to fund benefits with its employees. Those union contracts require the Plan Trustees to devise cost containment measures in the event that benefit expenditures exceed money contributions that the Board of Education is required to make. Thus in future years, additional contributions from employees may be required, or other cost containment measures may be implemented.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 11 - RISK MANAGEMENT (continued)

C. EMPLOYEE MEDICAL BENEFITS (continued)

The claims liability of \$ 383,505 at December 31, 2017, is based on an estimate provided by the third party administrator and the requirements of Governmental Accounting Standards Board Statement No. 30. The Trust establishes a liability for both reported and unreported insured events. Changes in the balance of claims liability are summarized below. Incurred claims and claim payments are not segregated between current and prior year claims due to the impracticability of obtaining such information.

	12/31/17	12/31/16
Unpaid claims, beginning of year	\$ 314,232	\$ 322,804
Incurred claims	3,928,448	3,643,778
Paid claims	(3,859,175)	(3,652,350)
Unpaid claims, end of year	\$ 383,505	\$ 314,232

NOTE 12 - DEFINED BENEFIT PENSION PLANS

A. NET PENSION LIABILITY

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

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

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

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 12 - DEFINED BENEFIT PENSION PLANS (continued)

A. NET PENSION LIABILITY (continued)

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

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

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

Age and service requirements for retirement are as follows:

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

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

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

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 12 - DEFINED BENEFIT PENSION PLANS (continued)

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

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2018, the allocation to pension, death benefits, and Medicare B was 13.5 percent and .5 percent for health care.

The School District's contractually required contribution to SERS was \$ 827,199 for fiscal year 2018. Of this amount \$ 55,340 is reported as Due To Other Governments.

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

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

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. 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, 12 percent of the 14 percent member rate goes to the DC Plan and the remaining 2 percent is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of 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.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 12 - DEFINED BENEFIT PENSION PLANS (continued)

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

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

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

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For the fiscal year ended June 30, 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 contribution to STRS was \$ 2,547,170 for fiscal year 2018. Of this amount \$ 442,208 is reported as Due To Other Governments.

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

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate share of the net pension liability	\$ 10,028,051	\$ 36,459,596	\$ 46,487,647
Pension expense	\$ (229,961)	\$(13,136,933)	\$(13,366,894)
Proportion of the net pension liability prior measurement date	0.1659710%	0.14951446%	
Proportion of the net pension liability - current measurement date	<u>0.1678397%</u>	<u>0.15348039%</u>	
	<u>-0.0018687%</u>	<u>-0.00396593%</u>	

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 12 - DEFINED BENEFIT PENSION PLANS (continued)

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

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

	<u>SERS</u>	<u>STRS</u>	<u>TOTAL</u>
Deferred outflows of resources			
Difference between expected and actual experience	\$ 431,573	\$ 1,407,898	\$ 1,839,471
Change in proportionate share and difference between School District contributions and proportionate share of contributions	102,843	1,474,753	1,577,596
Change in assumptions	518,558	7,974,114	8,492,672
School District contributions subsequent to the measurement date	<u>827,199</u>	<u>2,547,170</u>	<u>3,374,369</u>
Total deferred outflows of resources	<u>\$ 1,880,173</u>	<u>\$ 13,403,935</u>	<u>\$ 15,284,108</u>
Deferred inflows of resources			
Difference between expected and actual experience	\$ -	\$ 293,850	\$ 293,850
Net difference between projected and actual earnings on pension plan investments	<u>47,601</u>	<u>1,203,209</u>	<u>1,250,810</u>
	<u>\$ 47,601</u>	<u>\$ 1,497,059</u>	<u>\$ 1,544,660</u>

\$ 3,374,369 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,	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
2019	\$ 437,229	\$ 2,231,603	\$ 2,668,832
2020	629,677	3,680,809	4,310,486
2021	172,242	2,569,865	2,742,107
2022	<u>(233,775)</u>	<u>877,429</u>	<u>643,654</u>
	<u>\$ 1,005,373</u>	<u>\$ 9,359,706</u>	<u>\$ 10,365,079</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 12 - DEFINED BENEFIT PENSION PLANS (continued)

E. ACTUARIAL ASSUMPTIONS - SERS

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

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

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 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	2.50 percent
Investment rate of return	7.50 percent of net of investments expense, including inflation
Actuarial cost method	Entry age normal (Level Percent of Payroll)

Mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. Mortality among service retired members, and beneficiaries were based upon the RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates. Mortality among disable members were based upon the RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 12 - DEFINED BENEFIT PENSION PLANS (continued)

E. ACTUARIAL ASSUMPTIONS – SERS (continued)

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Cash	1.00%	0.50%
U.S. stocks	22.50%	4.75%
Non-U.S. stocks	22.50%	7.00%
Fixed income	19.00%	1.50%
Private equity	10.00%	8.00%
Real assets	15.00%	5.00%
Multi-asset strategies	10.00%	3.00%
	<u>100.00%</u>	

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

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

	<u>1% Decrease (6.50%)</u>	<u>Current Discount Rate (7.50%)</u>	<u>1% Increase (8.50%)</u>
School District's proportionate share of the net pension liability	<u>\$ 13,916,329</u>	<u>\$ 10,028,051</u>	<u>\$ 6,770,826</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 12 - DEFINED BENEFIT PENSION PLANS (continued)

F. ACTUARIAL ASSUMPTIONS - STRS

The total pension liability in the June 30, 2017, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Projected salary increases	12.50% at age 20 to 2.50% at age 65
Investment rate of return	7.45 percent, net of investment expenses, including inflation
Payroll increases	3.00 percent
Cost-of-living adjustments (COLA)	0% effective July 1, 2017

Mortality rates were 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 Actuarial assumptions used in the June 30, 2016, valuation are based on the results of an actuarial experience study, effective July 1, 2012. improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016. Preretirement mortality rates are based on RP-2014 Employee Mortality Table, 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.

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic equity	28.00%	7.35%
International equity	23.00%	7.55%
Alternatives	17.00%	7.09%
Fixed income	21.00%	3.00%
Real estate	10.00%	6.00%
Liquidity reserves	1.00%	2.25%
	<u>100.00%</u>	

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 12 - DEFINED BENEFIT PENSION PLANS (continued)

F. ACTUARIAL ASSUMPTIONS - STRS

Discount Rate - The discount rate used to measure the total pension liability was 7.45 percent as of June 30, 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.

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

	1% Decrease (6.45%)	Current Discount Rate (7.45%)	1% Increase (8.45%)
School District's proportionate share of the net pension liability	\$ 52,263,590	\$ 36,459,596	\$ 23,147,100

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

Benefit Term Changes Since the Prior Measurement Date - Effective July 1, 2017, the Cost of Living Adjustment was reduced to zero.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 13 – DEFINED BENEFIT OPEB PLANS

A. NET 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 *due to other governments* on both the accrual and modified accrual bases of accounting.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 13 – DEFINED BENEFIT OPEB PLANS (continued)

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

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

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 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 \$ 102,358.

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 \$ 132,997 for fiscal year 2018. Of this amount \$ 104,408 is reported as an intergovernmental payable.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 13 – DEFINED BENEFIT OPEB PLANS (continued)

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

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

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

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

The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The 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:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate share of the net OPEB liability	\$ 4,563,652	\$ 5,988,238	\$ 10,551,890
OPEB expense	\$ 285,507	\$ (1,796,987)	\$ (1,511,480)
Proportion of the net OPEB liability prior measurement date	0.1676375%	0.14951446%	
Proportion of the net OPEB liability - current measurement date	<u>0.1700484%</u>	<u>0.15348039%</u>	
	<u>-0.0024109%</u>	<u>-0.00396593%</u>	

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 13 – DEFINED BENEFIT OPEB PLANS (continued)

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

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ -	\$ 345,678	\$ 345,678
Changes in proportionate share and differences between School District contributions and proportionate share of contributions	36,404	181,798	218,202
School District contributions subsequent to the measurement date	<u>132,997</u>	<u>-</u>	<u>132,997</u>
Total deferred outflows of resources	<u>\$ 169,401</u>	<u>\$ 527,476</u>	<u>\$ 696,877</u>
Deferred inflows of resources			
Change in assumptions	\$ 433,067	\$ 482,372	\$ 915,439
Net difference between projected and actual earnings on OPEB plan investments	<u>12,051</u>	<u>255,952</u>	<u>268,003</u>
Total deferred inflows of resources	<u>\$ 445,118</u>	<u>\$ 738,324</u>	<u>\$ 1,183,442</u>

\$ 132,997 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			
June 30:	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
2019	\$ (146,731)	\$ (56,470)	\$ (203,201)
2020	(146,731)	(56,470)	(203,201)
2021	(112,239)	(56,470)	(168,709)
2022	(3,013)	(56,470)	(59,483)
2023	-	7,516	7,516
Thereafter	-	7,516	7,516
	<u>\$ (408,714)</u>	<u>\$ (210,848)</u>	<u>\$ (619,562)</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
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NOTE 13 – DEFINED BENEFIT OPEB PLANS (continued)

E. ACTUARIAL ASSUMPTIONS – SERS

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

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

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

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

Wage inflation	3.00 percent
Future salary increases, including inflation	3.50 percent to 18.20 percent
Investment rate of return	7.50 percent of net of investments expense, including inflation
Municipal bond index rate:	
Measurement date	3.56 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 assumptions	
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.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 13 – DEFINED BENEFIT OPEB PLANS (continued)

E. ACTUARIAL ASSUMPTIONS – SERS (continued)

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.

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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Cash	1.00%	0.50%
U.S. stocks	22.50%	4.75%
Non-U.S. stocks	22.50%	7.00%
Fixed income	19.00%	1.50%
Private equity	10.00%	8.00%
Real assets	15.00%	5.00%
Multi-asset strategies	10.00%	3.00%
	<u>100.00%</u>	

Discount Rate - The 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.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 13 – DEFINED BENEFIT OPEB PLANS (continued)

E. ACTUARIAL ASSUMPTIONS – SERS (continued)

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates - The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.63%) 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.

	1% Decrease (2.63%)	Current Discount Rate (3.63%)	1% Increase (4.63%)
School District's proportionate share of the net OPEB liability	\$ 5,511,191	\$ 4,563,652	\$ 3,812,959

	1% Decrease	Current Trend Rate	1% Increase
School District's proportionate share of the net OPEB liability	\$ 3,703,062	\$ 4,563,652	\$ 5,702,658

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 (COLA)	0.0 percent, effective July 1, 2017
Blended discount rate of return	4.13 percent
Health care cost trends	6 to 11 percent initial, 4.5 percent ultimate

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 13 – DEFINED BENEFIT OPEB PLANS (continued)

F. ACTUARIAL ASSUMPTIONS – STRS (continued)

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.

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:

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 13 – DEFINED BENEFIT OPEB PLANS (continued)

F. ACTUARIAL ASSUMPTIONS – STRS (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return *</u>
Domestic equity	28.00%	7.35%
International equity	23.00%	7.55%
Alternatives	17.00%	7.09%
Fixed income	21.00%	3.00%
Real estate	10.00%	6.00%
Liquidity reserves	1.00%	2.25%
	<u>100.00%</u>	

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

Discount Rate -The discount rate used to measure the total OPEB liability 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.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 13 – DEFINED BENEFIT OPEB PLANS (continued)

F. ACTUARIAL ASSUMPTIONS – STRS (continued)

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability 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 pension liability	\$ 8,039,114	\$ 5,988,238	\$ 4,367,377
	1% Decrease	Current Trend Rate	1% Increase
School District's proportionate share of the net pension liability	\$ 4,160,371	\$ 5,988,238	\$ 8,393,925

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 14 - LONG-TERM OBLIGATIONS

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

	Balance June 30, 2017	Increase	Decrease	Balance June 30, 2018	Due In In One Year
General obligation bonds	\$ 59,141,607	\$ 38,861,947	\$ 35,679,548	\$ 62,324,006	\$ 1,310,000
Net pension liability					
STRS	50,046,997	-	13,587,401	36,459,596	-
SERS	12,147,546	-	2,119,495	10,028,051	-
Total net pension liability	<u>62,194,543</u>	<u>-</u>	<u>15,706,896</u>	<u>46,487,647</u>	<u>-</u>
Net OPEB liability					
STRS	7,996,074	-	2,007,836	5,988,238	-
SERS	4,778,289	-	214,637	4,563,652	-
Total net OPEB liability	<u>12,774,363</u>	<u>-</u>	<u>2,222,473</u>	<u>10,551,890</u>	<u>-</u>
Capital lease	-	1,762,774	152,975	1,609,799	304,677
Compensated absences	448,377	93,576	10,590	531,363	-
Total governmental activities	<u>\$ 134,558,890</u>	<u>\$ 40,718,297</u>	<u>\$ 53,772,482</u>	<u>\$ 121,504,705</u>	<u>\$ 1,614,677</u>

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

NOTE 15 – BONDS PAYABLE

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

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
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NOTE 15 – BONDS PAYABLE (continued)

Bonds payable at year end consisted of:

	Balance June 30, 2017	Increase	Decrease	Balance June 30, 2018	Due In One Year
General obligation bonds					
Various purpose - 2014					
Serial and term	\$ 47,945,000	\$ -	\$ 35,445,000	\$ 12,500,000	\$ 655,000
Refunding bonds - 2016					
Serial and term	8,115,000	-	50,000	8,065,000	50,000
Capital appreciation	5,658	-	-	5,658	-
Accretion on capital appreciation bonds	1,026	2,154	-	3,180	-
Refunding bonds - 2017					
Serial and term	-	33,290,000	-	33,290,000	605,000
Capital appreciation	-	1,539,286	-	1,539,286	-
Accretion on capital appreciation bonds	-	237,512	-	237,512	-
Unamortized bond premiums	3,074,923	3,792,995	184,548	6,683,370	-
Total general obligation bonds	<u>\$ 59,141,607</u>	<u>\$ 38,861,947</u>	<u>\$ 35,679,548</u>	<u>\$ 62,324,006</u>	<u>\$ 1,310,000</u>

Principal and interest requirements to retire bonds payable outstanding at June 30, 2018, were as follows:

Year ending June 30,	Principal	Interest	Total
2019	\$ 1,310,000	\$ 1,928,063	\$ 3,238,063
2020	1,133,235	1,947,443	3,080,678
2021	1,094,303	1,929,718	3,024,021
2022	1,083,630	1,906,868	2,990,498
2023	448,775	1,893,593	2,342,368
2024 - 2028	3,884,343	9,241,656	13,125,999
2029 - 2033	6,675,000	8,197,496	14,872,496
2034 - 2038	8,430,658	6,705,765	15,136,423
2039 - 2043	13,305,000	4,620,694	17,925,694
2044 - 2048	18,035,000	1,629,990	19,664,990
	<u>\$ 55,399,944</u>	<u>\$ 40,001,286</u>	<u>\$ 95,401,230</u>

The School District's overall legal debt margin was \$ 19,750,000 and the unvoted debt margin was \$ 816,000.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 16 – ADVANCE REFUNDING AND PRIOR YEAR DEFEASANCE OF DEBT

In December 2017 the School District issued \$ 34,829,286 of general obligation refunding bonds to provide resources to purchase U.S. government securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the School District's government-wide financial statements. This advance refunding was undertaken to reduce the total debt service payments by \$ 6,373,192 and to obtain an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$ 3,263,758. A deferred outflow of resources of \$ 3,526,466 has been recorded as a result of the refunding and is being amortized over 30 years. As of June 30, 2018, \$ 34,830,000 of these bonds are considered defeased.

In 2017, the School District defeased 2014 general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School District's financial statements. At June 30, 2018, \$ 8,125,000 of these bonds outstanding are considered to be defeased.

NOTE 17- TAX ANTICIPATION NOTE

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

Changes in the School District's tax anticipation notes during fiscal year 2018 were as follows:

	Outstanding June 30, 2017	Additions	Deductions	Outstanding June 30, 2018
Tax anticipation note, 1.99%	\$ 3,455,000	\$ -	\$ 355,000	\$ 3,100,000

NOTE 18 INTERFUND TRANSFERS

Transfers for the year ended June 30, 2018, consisted of the following:

	General Fund	Transfer from Permanent Improvement Fund	Nonmajor Governmental Funds	Total
Transfer to:				
Permanent Improvement Fund	\$ -	\$ 355,000	\$ 939,624	\$ 1,294,624
Nonmajor Governmental Funds	(227,597)	(712,027)	(355,000)	(1,294,624)
	\$ (227,597)	\$ (357,027)	\$ 584,624	\$ -

The General Fund transferred \$ 227,597 to the Food Service Fund to provide for payment of expenditures. The Permanent Improvements Fund transferred \$ 162,027 to the Classroom Facilities Maintenance Fund as required by the Ohio School Facilities Commission to be used for maintenance of facilities and \$ 550,000 to the Capital Projects Fund to provide resources for locally funded initiatives and projects. The Debt Service Fund made the principal payment of \$ 355,000 on the tax anticipation note, which is reflected as a fund liability in the Permanent Improvement fund. For financial statement reporting purposes, a transfer for the principal amount is reflected in the funds statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 19 CONTRACTUAL AND OTHER COMMITMENTS

A. CONTRACTUAL COMMITMENTS

At June 30, 2018 the School District had contractual commitments as follows:

	Total Project Costs	Expended	Remaining Balance
Renovation project	\$ 2,960,723	\$ 2,535,171	\$ 425,552

B. OTHER COMMITMENTS

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

Fund	Amount
General fund	\$ 688,990
Permanent Improvement Fund	973,843
Classroom Facilities Fund	785,849
Nonmajor Governmental Funds	515,411
	\$ 2,964,093

NOTE 20- JOINTLY GOVERNED ORGANIZATION

A. CONNECT

The North Coast Council became known as Connect effective April 1, 2016. The new governing Board of Directors, the Educational Service Centers of Cuyahoga, Lorain and Medina County and the Ohio Schools Council, have accepted the ownership, responsibility and liability of Connect in order to provide exemplary service to member districts. The Superintendent/Executive Director of the three ESCs and Ohio Schools Council shall serve on Connect's Board of Directors. The purpose of Connect is applying modern technology (with the aid of computers and other electronic equipment) to administrative and instructional functions for member districts. Fiscal information for Connect is available from the Treasurer of the Educational Service Center of Cuyahoga County (fiscal agent), located at 6393 Oak Tree Boulevard, Independence, Ohio 44131. During the year ended June 30, 2018, the School District paid \$ 86,736 to Connect.

B. LORAIN COUNTY JOINT VOCATIONAL SCHOOL DISTRICT

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 20- JOINTLY GOVERNED ORGANIZATION (continued)

C. OHIO SCHOOLS COUNCIL

The Ohio Schools Council Association (Council) is a jointly governed organization among 126 school districts. The organization was formed to purchase quality products and services at the lowest possible cost to the member School Districts. Each School District supports the Council by paying an annual participation fee. The Council's Board consists of nine superintendents of the participating School Districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2018, the School District paid \$ 3,124 to the Council. Financial information can be obtained by contacting David A. Cottrell, the Executive Director/Treasurer of the Ohio Schools Council at 6393 Oak Tree Boulevard, Suite 377, Independence, Ohio 44131.

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

NOTE 21 - CONTINGENCIES

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

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

NOTE 22 - FOUNDATION FUNDING

School District foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. There was no impact to the School District for it's June 30, 2018 fiscal year end.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 23- SET-ASIDES

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

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

	Capital Maintenance
Balance, July 1, 2017	\$ -
Required set aside	740,405
Qualifying expenditures	<u>(2,796,353)</u>
Balance June 30, 2018	<u><u>\$ (2,055,948)</u></u>

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

NOTE 24- TAX ABATEMENTS

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

For fiscal year 2018, the School District received \$ 60,916 in payments from the City and the business entities compared to an estimate of \$ 93,000 of abated real estate tax revenue.

NOTE 25- SUBSEQUENT EVENTS

On November 6, 2018, trustees of the Joint Insurance Health Plan Trust for the Benefit of North Ridgeville City School District Employees passed a resolution to dissolve the Trust, effective April 1, 2019.

REQUIRED SUPPLEMENTARY INFORMATION

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

REQUIRED SUPPLEMENTARY INFORMATION

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

LAST FIVE FISCAL YEARS (1)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
School District's proportion of the net pension liability	0.1678397%	0.1659710%	0.1647458%	0.156627%
School District's proportionate share of the net pension liability	\$ 10,028,051	\$ 12,147,546	\$ 9,400,555	\$ 7,926,803
School District's covered payroll	\$ 5,547,731	\$ 4,830,729	\$ 5,006,874	\$ 4,301,659
School District's proportionate share of the net pension liability as a percentage of its covered payroll	180.76%	251.46%	187.75%	184.27%
Plan fiduciary net position as a percentage of the total pension liability	69.50%	62.98%	69.16%	71.70%

(1) Information prior to 2014 is not available. This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

See notes to required supplementary information.

2014

0.156627%

\$ 9,314,105

\$ 4,129,595

225.55%

65.52%

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

REQUIRED SUPPLEMENTARY INFORMATION

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

LAST FIVE FISCAL YEARS (1)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
School District's proportion of the net pension liability	0.15348039%	0.14951446%	0.14660848%	0.143428%
School District's proportionate share of the net pension liability	\$ 36,459,596	\$ 50,046,997	\$ 40,518,296	\$ 34,886,626
School District's covered payroll	\$ 17,283,680	\$ 15,950,269	\$ 15,500,075	\$ 14,988,223
School District's proportionate share of the net pension liability as a percentage of its covered payroll	210.95%	313.77%	261.41%	232.76%
Plan fiduciary net position as a percentage of the total pension liability	75.30%	66.80%	72.10%	74.70%

(1) Information prior to 2014 is not available. This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

See notes to required supplementary information.

2014

0.143428%

\$ 41,556,721

\$ 14,301,715

290.57%

69.30%

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 827,199	\$ 776,682	\$ 676,302	\$ 659,906
Contributions in relation to the contractually required contribution	<u>(827,199)</u>	<u>(776,682)</u>	<u>(676,302)</u>	<u>(659,906)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District covered payroll	\$ 6,127,403	\$ 5,547,731	\$ 4,830,729	\$ 5,006,874
Contributions as a percentage of covered payroll	13.50%	14.00%	14.00%	13.18%

See notes to required supplementary information.

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 596,210	\$ 571,536	\$ 655,242	\$ 716,811	\$ 648,728	\$ 437,527
<u>(596,210)</u>	<u>(571,536)</u>	<u>(655,242)</u>	<u>(716,811)</u>	<u>(648,728)</u>	<u>(437,527)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 4,301,659	\$ 4,129,595	\$ 4,871,688	\$ 5,702,554	\$ 4,791,196	\$ 4,446,413
13.86%	13.84%	13.45%	12.57%	13.54%	9.84%

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 2,547,170	\$ 2,419,715	\$ 2,233,037	\$ 2,170,012
Contributions in relation to the contractually required contribution	<u>(2,547,170)</u>	<u>(2,419,715)</u>	<u>(2,233,037)</u>	<u>(2,170,012)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District covered payroll	\$ 18,194,072	\$ 17,283,680	\$ 15,950,269	\$ 15,500,075
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%

See notes to required supplementary information.

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 1,948,469	\$ 1,859,223	\$ 1,989,295	\$ 2,104,618	\$ 2,164,223	\$ 2,091,874
<u>(1,948,469)</u>	<u>(1,859,223)</u>	<u>(1,989,295)</u>	<u>(2,104,618)</u>	<u>(2,164,223)</u>	<u>(2,091,874)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 14,988,223	\$ 14,301,715	\$ 15,302,269	\$ 16,189,369	\$ 16,647,869	\$ 16,091,338
13.00%	13.00%	13.00%	13.00%	13.00%	13.00%

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TWO FISCAL YEARS (1)

	2018	2017
School District's proportion of the net OPEB liability	0.1700484%	0.1676375%
School District's proportionate share of the net OPEB liability	\$ 4,563,652	\$ 4,778,289
School District's covered payroll	\$ 5,547,731	\$ 4,830,729
School District's proportionate share of the net OPEB liability as a percentage of its covered payroll	82.26%	98.91%
Plan fiduciary net position as a percentage of the total OPEB liability	12.46%	11.49%

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

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

See notes to required supplementary information.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE SCHOOL DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
STATE TEACHERS RETIREMENT SYSTEM OF OHIO
LAST TWO FISCAL YEARS (1)

	<u>2018</u>	<u>2017</u>
School District's proportion of the net OPEB liability	0.15348039%	0.14951446%
School District's proportionate share of the net OPEB liability	\$ 5,988,238	\$ 7,996,074
School District's covered payroll	\$ 17,283,680	\$ 15,950,269
School District's proportionate share of the net OPEB liability as a percentage of its covered payroll	34.65%	50.13%
Plan fiduciary net position as a percentage of the total OPEB liability	47.10%	37.30%

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

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

See notes to required supplementary information.

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

LAST TEN FISCAL YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution (1)	\$ 132,997	\$ 91,430	\$ 82,440	\$ 41,056
Contributions in relation to the contractually required contribution	<u>(132,997)</u>	<u>(91,430)</u>	<u>(82,440)</u>	<u>(41,056)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District covered payroll	\$ 6,127,403	\$ 5,547,731	\$ 4,830,729	\$ 5,006,874
OPEB contributions as a percentage of covered payroll	2.17%	1.65%	1.71%	0.82%

(1) Includes Surcharge

See notes to required supplementary information.

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 34,589	\$ 77,281	\$ 93,651	\$ 112,130	\$ 61,929	\$ 236,332
<u>(34,589)</u>	<u>(77,281)</u>	<u>(93,651)</u>	<u>(112,130)</u>	<u>(61,929)</u>	<u>(236,332)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 4,301,659	\$ 4,129,595	\$ 4,871,688	\$ 5,702,554	\$ 4,791,196	\$ 4,446,413
0.80%	1.87%	1.92%	1.97%	1.29%	5.32%

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

LAST TEN FISCAL YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	-	-	-	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District covered payroll	\$ 18,194,072	\$ 17,283,680	\$ 15,950,269	\$ 15,500,075
OPEB contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%

See notes to required supplementary information.

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 149,882	\$ 143,017	\$ 153,023	\$ 161,894	\$ 166,479	\$ 160,913
<u>(149,882)</u>	<u>(143,017)</u>	<u>(153,023)</u>	<u>(161,894)</u>	<u>(166,479)</u>	<u>(160,913)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 14,988,223	\$ 14,301,715	\$ 15,302,269	\$ 16,189,369	\$ 16,647,869	\$ 16,091,338
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 1 - NET PENSION LIABILITY

A. SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Changes in benefit terms – The COLA was changed from a fixed 3.00% to a COLA that is indexed to CPI-W not greater than 2.5% with a floor of 0% beginning January 1, 2018. In additions, 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 - There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2018.

B. STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

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

Changes in assumptions - There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2018.

NOTE 2 – NET OPEB LIABILITY

A. SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

Changes in assumptions - 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

B. STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

Changes in assumptions 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.

COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS DESCRIPTIONS

SPECIAL REVENUE FUNDS

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

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

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

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

Miscellaneous State Grants Fund - The purpose of this fund is to account for various monies received from state agencies, which are not classified elsewhere. A separate special cost center must be used for each grant and be approved by the Auditor of State.

IDEA Part B Fund - This fund is for the provision of grants to assist states in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative service patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels.

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

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

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

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

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

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

NONMAJOR GOVERNMENTAL FUNDS DESCRIPTIONS (continued)

SPECIAL REVENUE FUNDS (continued)

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

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

Support Fund – This fund accounts for specific local revenue sources, other than taxes or expendable trusts (i.e. profits from vending machines, sales of pictures, etc.) that are restricted to expenditures for specified purposes approved by board resolution. Such expenditures may include curricular and extra-curricular related purchases.

Uniform School Supplies Fund – This is a rotary fund provided to account for the purchase and sale of school supplies as adopted by the board of education for use in the schools of the district. Profit derived from such sale is to be used for school purposes or activities in connection with the school.

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

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

DEBT SERVICE FUND

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

CAPITAL PROJECT FUND

The Building Fund is used to account for the receipts and expenditures related to all special bond funds in the district. All proceeds from the sale of bonds, notes, or certificates of indebtedness, except premium and accrued interest, must be paid into this fund. Expenditures recorded here represent the costs of acquiring capital facilities including real property.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2018

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets				
Equity in pooled cash and investments	\$ 767,297	\$ 1,947,892	\$ 931,588	\$ 3,646,777
Receivables, net of allowance				
Taxes, current	-	2,908,335	-	2,908,335
Taxes, delinquent	-	79,200	-	79,200
Due from other governments	110,755	-	-	110,755
Prepaid items	1,692	-	-	1,692
Total assets	<u>\$ 879,744</u>	<u>\$ 4,935,427</u>	<u>\$ 931,588</u>	<u>\$ 6,746,759</u>
Liabilities				
Accounts and contracts payable	\$ 40,008	\$ -	\$ 419,819	\$ 459,827
Retainage payable	-	-	144,238	144,238
Accrued salaries, wages and benefits	251,810	-	-	251,810
Due to other governments	85,815	-	-	85,815
Interfund payable	212,150	-	-	212,150
Total liabilities	<u>589,783</u>	<u>-</u>	<u>564,057</u>	<u>1,153,840</u>
Deferred inflows of resources				
Property taxes levied for next year and unavailable resources	-	2,216,641	-	2,216,641
Total deferred inflows of resources	<u>-</u>	<u>2,216,641</u>	<u>-</u>	<u>2,216,641</u>
Fund balances (deficits)				
Nonspendable	1,692	-	-	1,692
Restricted	689,636	2,718,786	367,531	3,775,953
Unassigned	(401,367)	-	-	(401,367)
Total fund balances (deficits)	<u>289,961</u>	<u>2,718,786</u>	<u>367,531</u>	<u>3,376,278</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 879,744</u>	<u>\$ 4,935,427</u>	<u>\$ 931,588</u>	<u>\$ 6,746,759</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2018

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenue				
Taxes	\$ -	\$ 4,135,312	\$ -	\$ 4,135,312
Interest	9,306	-	12,798	22,104
Intergovernmental	1,926,390	153,309	-	2,079,699
Extracurricular	142,594	-	-	142,594
Charges for services	706,668	-	-	706,668
Donations and contributions	36,493	-	-	36,493
Other	23	-	-	23
Total revenues	<u>2,821,474</u>	<u>4,288,621</u>	<u>12,798</u>	<u>7,122,893</u>
Expenditures				
Current				
Instruction				
Regular	84,847	-	-	84,847
Special	1,156,390	-	-	1,156,390
Supporting services				
Instructional staff	29,341	-	-	29,341
Fiscal services	-	56,377	233	56,610
Operation and maintenance	55,557	-	-	55,557
Operation of non-instructional services				
Food service operation	1,384,895	-	-	1,384,895
Community services	206,077	-	-	206,077
Extracurricular activities	282,217	-	134,337	416,554
Capital outlay	-	-	3,719,410	3,719,410
Debt service				
Principal	-	665,000	-	665,000
Interest	-	2,435,571	-	2,435,571
Total expenditures	<u>3,199,324</u>	<u>3,156,948</u>	<u>3,853,980</u>	<u>10,210,252</u>
Excess (deficiency) of revenues over expenditures	<u>(377,850)</u>	<u>1,131,673</u>	<u>(3,841,182)</u>	<u>(3,087,359)</u>
Other financing sources (uses)				
Proceeds from sale of capital assets	24,082	-	-	24,082
Issuance of refunding bonds	-	34,829,286	-	34,829,286
Premium on debt issue	-	3,792,995	-	3,792,995
Payment to escrow agent	-	(38,356,466)	-	(38,356,466)
Transfers in	389,624	-	550,000	939,624
Transfers out	-	(355,000)	-	(355,000)
Total other financing sources (uses)	<u>413,706</u>	<u>(89,185)</u>	<u>550,000</u>	<u>874,521</u>
Net change in fund balances	35,856	1,042,488	(3,291,182)	(2,212,838)
Fund balances (deficits), beginning of year	<u>254,105</u>	<u>1,676,298</u>	<u>3,658,713</u>	<u>5,589,116</u>
Fund balances (deficits), end of year	<u>\$ 289,961</u>	<u>\$ 2,718,786</u>	<u>\$ 367,531</u>	<u>\$ 3,376,278</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018

	Athletics	Auxiliary Service	Data Communications
Assets			
Equity in pooled cash	\$ 18,682	\$ 20,609	\$ 1,800
Due from other governments	-	-	-
Prepaid items	-	219	-
Total assets	<u>\$ 18,682</u>	<u>\$ 20,828</u>	<u>\$ 1,800</u>
Liabilities			
Accounts and contracts payable	\$ 2,997	\$ 2,799	\$ -
Accrued salaries, wages and benefits	-	10,801	-
Due to other governments	24,102	1,890	-
Interfund payable	94,639	-	10,800
Total liabilities	<u>121,738</u>	<u>15,490</u>	<u>10,800</u>
Fund balances			
Nonspendable	-	219	-
Restricted	-	5,119	-
Unassigned	(103,056)	-	(9,000)
Total fund balances (deficits)	<u>(103,056)</u>	<u>5,338</u>	<u>(9,000)</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ 18,682</u>	<u>\$ 20,828</u>	<u>\$ 1,800</u>

Miscellaneous State Grants	IDEA Part B	Classroom Facilities Maintenance
\$ 22,447	\$ -	\$ 678,494
-	90,935	-
-	-	-
<u>\$ 22,447</u>	<u>\$ 90,935</u>	<u>\$ 678,494</u>
\$ -	\$ -	\$ 598
-	151,557	-
-	23,416	-
22,000	30,312	-
<u>22,000</u>	<u>205,285</u>	<u>598</u>
-	-	-
447	-	677,896
-	(114,350)	-
<u>447</u>	<u>(114,350)</u>	<u>677,896</u>
<u>\$ 22,447</u>	<u>\$ 90,935</u>	<u>\$ 678,494</u>

(CONTINUED)

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018

(CONCLUDED)

	Title I	Limited English Proficiency	EHA Preschool
Assets			
Equity in pooled cash and investments	\$ -	\$ -	\$ -
Due from other governments	-	-	-
Prepaid items	-	-	-
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Liabilities			
Accounts and contracts payable	\$ -	\$ -	\$ -
Accrued salaries, wages and benefits	46,311	-	-
Due to other governments	5,989	-	229
Interfund payable	23,076	-	3,000
Total liabilities	<u>75,376</u>	<u>-</u>	<u>3,229</u>
Fund balances			
Nonspendable	-	-	-
Restricted	-	-	-
Unassigned	(75,376)	-	(3,229)
Total fund balances (deficits)	<u>(75,376)</u>	<u>-</u>	<u>(3,229)</u>
Total liabilities, deferred inflows of resources and fund balances (deficits)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Title VI-R	Food Service	Total Nonmajor Special Revenue Funds
\$ -	\$ 25,265	\$ 767,297
9,261	10,559	110,755
-	1,473	1,692
<u>\$ 9,261</u>	<u>\$ 37,297</u>	<u>\$ 879,744</u>
\$ -	\$ 33,614	\$ 40,008
-	43,141	251,810
-	30,189	85,815
3,087	25,236	212,150
<u>3,087</u>	<u>132,180</u>	<u>589,783</u>
-	1,473	1,692
6,174	-	689,636
-	(96,356)	(401,367)
<u>6,174</u>	<u>(94,883)</u>	<u>289,961</u>
<u>\$ 9,261</u>	<u>\$ 37,297</u>	<u>\$ 879,744</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2018

	Athletics	Auxiliary Service	Data Communications
Revenue			
Interest	\$ -	\$ 817	\$ -
Intergovernmental	-	175,884	-
Extracurricular	142,594	-	-
Charges for services	5,419	-	-
Donations and contributions	36,493	-	-
Other	23	-	-
Total revenues	<u>184,529</u>	<u>176,701</u>	<u>-</u>
Expenditures			
Current			
Instruction			
Regular	-	-	9,000
Special	-	-	-
Supporting services			
Instructional staff	-	-	-
Operation and maintenance	-	-	-
Operation of non-instructional services			
Food service operation	-	-	-
Community services	-	195,747	-
Extracurricular activities	282,217	-	-
Total expenditures	<u>282,217</u>	<u>195,747</u>	<u>9,000</u>
Excess (deficiency) of revenues over expenditures	<u>(97,688)</u>	<u>(19,046)</u>	<u>(9,000)</u>
Other financing sources (uses)			
Proceeds from sale of capital assets	-	-	-
Transfers in	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(97,688)	(19,046)	(9,000)
Fund balances (deficits), beginning of year	<u>(5,368)</u>	<u>24,384</u>	<u>-</u>
Fund balances (deficits), end of year	<u>\$ (103,056)</u>	<u>\$ 5,338</u>	<u>\$ (9,000)</u>

Miscellaneous State Grants	IDEA Part B	Classroom Facilities Maintenance
\$ -	\$ -	\$ 8,489
29,719	796,572	-
-	-	-
-	-	-
-	-	-
-	-	-
<u>29,719</u>	<u>796,572</u>	<u>8,489</u>
-	-	-
-	817,570	-
-	-	-
29,719	-	25,838
-	-	-
-	9,000	-
-	-	-
<u>29,719</u>	<u>826,570</u>	<u>25,838</u>
-	(29,998)	(17,349)
-	-	-
-	-	162,027
-	-	162,027
-	(29,998)	144,678
447	(84,352)	533,218
<u>\$ 447</u>	<u>\$ (114,350)</u>	<u>\$ 677,896</u>

(CONTINUED)

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2018

(CONCLUDED)

	Title I	Limited English Proficiency	EHA Preschool
Revenue			
Interest	\$ -	\$ -	\$ -
Intergovernmental	286,005	4,493	30,158
Extracurricular	-	-	-
Charges for services	-	-	-
Donations and contributions	-	-	-
Other	-	-	-
Total revenues	286,005	4,493	30,158
Expenditures			
Current			
Instruction			
Regular	-	-	-
Special	334,327	4,493	-
Supporting services			
Instructional staff	897	-	28,444
Operation and maintenance	-	-	-
Operation of non-instructional services			
Food service operation	-	-	-
Community services	-	-	-
Extracurricular activities	-	-	-
Total expenditures	335,224	4,493	28,444
Excess (deficiency) of revenues over expenditures	(49,219)	-	1,714
Other financing sources (uses)			
Proceeds from sale of capital assets	-	-	-
Transfers in	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	(49,219)	-	1,714
Fund balances (deficits), beginning of year	(26,157)	-	(4,943)
Fund balances (deficits), end of year	\$ (75,376)	\$ -	\$ (3,229)

Title VI-R	Food Service	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ 9,306
76,904	526,655	1,926,390
-	-	142,594
-	701,249	706,668
-	-	36,493
-	-	23
<u>76,904</u>	<u>1,227,904</u>	<u>2,821,474</u>
75,847	-	84,847
-	-	1,156,390
-	-	29,341
-	-	55,557
-	1,384,895	1,384,895
1,330	-	206,077
-	-	282,217
<u>77,177</u>	<u>1,384,895</u>	<u>3,199,324</u>
<u>(273)</u>	<u>(156,991)</u>	<u>(377,850)</u>
-	24,082	24,082
-	227,597	389,624
-	251,679	413,706
(273)	94,688	35,856
<u>6,447</u>	<u>(189,571)</u>	<u>254,105</u>
<u>\$ 6,174</u>	<u>\$ (94,883)</u>	<u>\$ 289,961</u>

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2018

	Permanent Improvement Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 1,219,506	\$ 3,026,966	\$ 3,026,966	\$ -
Total expenditures and other uses	1,688,708	4,096,468	4,096,468	-
Net change in fund balance	(469,202)	(1,069,502)	(1,069,502)	-
Prior year encumbrances	388,708	388,708	388,708	-
Fund balances, beginning of year	1,985,600	1,985,600	1,985,600	-
Fund balances, end of year	<u>\$ 1,905,106</u>	<u>\$ 1,304,806</u>	<u>\$ 1,304,806</u>	<u>\$ -</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2018

	Building Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 12,000	\$ 562,798	\$ 562,798	\$ -
Total expenditures and other uses	3,391,956	4,348,237	4,348,237	-
Net change in fund balance	(3,379,956)	(3,785,439)	(3,785,439)	-
Prior year encumbrances	1,680,756	1,680,756	1,680,756	-
Fund balances, beginning of year	2,114,948	2,114,948	2,114,948	-
Fund balances, end of year	<u>\$ 415,748</u>	<u>\$ 10,265</u>	<u>\$ 10,265</u>	<u>\$ -</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018

	Classroom Facilities Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 161,169	\$ 47,836	\$ 47,836	\$ -
Total expenditures and other uses	13,485,902	9,389,000	8,389,000	1,000,000
Net change in fund balance	(13,324,733)	(9,341,164)	(8,341,164)	1,000,000
Prior year encumbrances	4,053,606	4,053,606	4,053,606	-
Fund balances, beginning of year	6,999,237	6,999,237	6,999,237	-
Fund balances, end of year	<u>\$ (2,271,890)</u>	<u>\$ 1,711,679</u>	<u>\$ 2,711,679</u>	<u>\$ 1,000,000</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018

	Athletic Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 275,000	\$ 234,165	\$ 234,168	\$ 3
Total expenditures and other uses	309,148	291,495	291,495	-
Net change in fund balance	(34,148)	(57,330)	(57,327)	3
Prior year encumbrances	9,148	9,148	9,148	-
Fund balances, beginning of year	48,182	48,182	48,182	-
Fund balances, end of year	\$ 23,182	\$ -	\$ 3	\$ 3

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2018

	Auxiliary Services Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 220,000	\$ 176,701	\$ 176,701	\$ -
Total expenditures and other uses	264,139	207,930	207,930	-
Net change in fund balance	(44,139)	(31,229)	(31,229)	-
Prior year encumbrances	44,138	44,138	44,138	-
Fund balances, beginning of year	1,970	1,970	1,970	-
Fund balances, end of year	<u>\$ 1,969</u>	<u>\$ 14,879</u>	<u>\$ 14,879</u>	<u>\$ -</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018

	Data Communications Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 10,800	\$ 10,800	\$ 10,800	\$ -
Total expenditures and other uses	10,800	10,800	9,000	1,800
Net change in fund balance	-	-	1,800	1,800
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ 1,800	\$ 1,800

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018

	Miscellaneous State Grants Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 30,000	\$ 29,719	\$ 29,719	\$ -
Total expenditures and other uses	30,000	29,719	29,719	-
Net change in fund balance	-	-	-	-
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	22,447	22,447	22,447	-
Fund balances, end of year	<u>\$ 22,447</u>	<u>\$ 22,447</u>	<u>\$ 22,447</u>	<u>\$ -</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2018

	IDEA Part B Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 800,000	\$ 833,548	\$ 833,548	\$ -
Total expenditures and other uses	821,047	833,548	833,548	-
Net change in fund balance	(21,047)	-	-	-
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ (21,047)	\$ -	\$ -	\$ -

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018

	Classroom Facilities Maintenance Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 163,027	\$ 170,516	\$ 170,516	\$ -
Total expenditures and other uses	267,476	187,125	69,648	117,477
Net change in fund balance	(104,449)	(16,609)	100,868	117,477
Prior year encumbrances	117,476	117,476	117,476	-
Fund balances, beginning of year	455,908	455,908	455,908	-
Fund balances, end of year	<u>\$ 468,935</u>	<u>\$ 556,775</u>	<u>\$ 674,252</u>	<u>\$ 117,477</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2018

	Title I Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 370,000	\$ 330,865	\$ 330,865	\$ -
Total expenditures and other uses	295,653	340,593	340,593	-
Net change in fund balance	74,347	(9,728)	(9,728)	-
Prior year encumbrances	456	456	456	-
Fund balances, beginning of year	9,272	9,272	9,272	-
Fund balances, end of year	<u>\$ 84,075</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018

	Limited English Proficiency Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 9,000	\$ 4,493	\$ 4,493	\$ -
Total expenditures and other uses	9,044	4,493	4,493	-
Net change in fund balance	(44)	-	-	-
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ (44)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018

	EHA Preschool Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 21,000	\$ 33,158	\$ 33,158	\$ -
Total expenditures and other uses	29,855	33,158	33,158	-
Net change in fund balance	(8,855)	-	-	-
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ (8,855)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2018

	Title VI-R Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 80,000	\$ 79,265	\$ 79,265	\$ -
Total expenditures and other uses	82,481	79,265	79,265	-
Net change in fund balance	(2,481)	-	-	-
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ (2,481)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2018

	Food Service Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 1,400,000	\$ 1,418,903	\$ 1,418,903	\$ -
Total expenditures and other uses	1,412,940	1,431,843	1,431,843	-
Net change in fund balance	(12,940)	(12,940)	(12,940)	-
Prior year encumbrances	12,940	12,940	12,940	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2018

	Special Projects Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 5,000	\$ 4,220	\$ 4,220	\$ -
Total expenditures and other uses	7,330	18,266	7,195	11,071
Net change in fund balance	(2,330)	(14,046)	(2,975)	11,071
Prior year encumbrances	330	330	330	-
Fund balances, beginning of year	13,820	13,820	13,820	-
Fund balances, end of year	\$ 11,820	\$ 104	\$ 11,175	\$ 11,071

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018

	Support Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 290,000	\$ 339,717	\$ 339,880	\$ 163
Total expenditures and other uses	312,522	487,412	349,535	137,877
Net change in fund balance	(22,522)	(147,695)	(9,655)	138,040
Prior year encumbrances	12,523	12,523	12,523	-
Fund balances, beginning of year	135,183	135,183	135,183	-
Fund balances, end of year	<u>\$ 125,184</u>	<u>\$ 11</u>	<u>\$ 138,051</u>	<u>\$ 138,040</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2018

	Uniform School Supplies Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 100,000	\$ 69,241	\$ 69,316	\$ 75
Total expenditures and other uses	107,132	113,096	86,470	26,626
Net change in fund balance	(7,132)	(43,855)	(17,154)	26,701
Prior year encumbrances	7,132	7,132	7,132	-
Fund balances, beginning of year	73,999	73,999	73,999	-
Fund balances, end of year	<u>\$ 73,999</u>	<u>\$ 37,276</u>	<u>\$ 63,977</u>	<u>\$ 26,701</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET BASIS (NON-GAAP) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2018

	Summer School Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 72,000	\$ 69,305	\$ 69,590	\$ 285
Total expenditures and other uses	81,187	87,153	69,932	17,221
Net change in fund balance	(9,187)	(17,848)	(342)	17,506
Prior year encumbrances	1,189	1,189	1,189	-
Fund balances, beginning of year	17,087	17,087	17,087	-
Fund balances, end of year	\$ 9,089	\$ 428	\$ 17,934	\$ 17,506

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2018

	Debt Service Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 41,641,057	\$ 42,755,741	\$ 42,755,741	\$ -
Total expenditures and other uses	42,167,281	42,253,605	42,253,605	-
Net change in fund balance	(526,224)	502,136	502,136	-
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	1,445,756	1,445,756	1,445,756	-
Fund balances, end of year	<u>\$ 919,532</u>	<u>\$ 1,947,892</u>	<u>\$ 1,947,892</u>	<u>\$ -</u>

AGENCY FUNDS

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

Student Activities Fund - This fund is used to account for those student activity programs which have student participation in the activity and have students involved in the management of the program. This fund typically includes those student activities which consist of a student body, student president, student treasurer, and faculty advisor.

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2018

	<u>Student Activities</u>	<u>District Agency</u>	<u>Totals</u>
Assets			
Equity in pooled cash and investments	\$ 90,368	\$ 17,604	\$ 107,972
Total assets	<u>\$ 90,368</u>	<u>\$ 17,604</u>	<u>\$ 107,972</u>
Liabilities			
Accounts payable	\$ 5,198	\$ -	\$ 5,198
Due to students	85,170	-	85,170
Due to others	-	17,604	17,604
Total liabilities	<u>\$ 90,368</u>	<u>\$ 17,604</u>	<u>\$ 107,972</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

Student Activities Fund				
	Beginning Balance June 30, 2017	Additions	Reductions	Ending Balance June 30, 2018
Assets				
Equity in pooled cash and investments	\$ 97,883	\$ 92,318	\$ 99,833	\$ 90,368
Total assets	\$ 97,883	\$ 92,318	\$ 99,833	\$ 90,368
Liabilities				
Accounts payable	\$ 153	\$ 5,198	\$ 153	\$ 5,198
Due to students	97,730	87,120	99,680	85,170
Total liabilities	\$ 97,883	\$ 92,318	\$ 99,833	\$ 90,368

District Agency Fund				
	Beginning Balance June 30, 2017	Additions	Reductions	Ending Balance June 30, 2018
Assets				
Equity in pooled cash and investments	\$ 5,009	\$ 76,877	\$ 64,282	\$ 17,604
Total assets	\$ 5,009	\$ 76,877	\$ 64,282	\$ 17,604
Liabilities				
Due to others	\$ 5,009	\$ 76,877	\$ 64,282	\$ 17,604
Total liabilities	\$ 5,009	\$ 76,877	\$ 64,282	\$ 17,604

Total Agency Funds				
	Beginning Balance June 30, 2017	Additions	Reductions	Ending Balance June 30, 2018
Assets				
Equity in pooled cash and investments	\$ 102,892	\$ 169,195	\$ 164,115	\$ 107,972
Total assets	\$ 102,892	\$ 169,195	\$ 164,115	\$ 107,972
Liabilities				
Accounts payable	\$ 153	\$ 5,198	\$ 153	\$ 5,198
Due to students	97,730	87,120	99,680	85,170
Due to others	5,009	76,877	64,282	17,604
Total liabilities	\$ 102,892	\$ 169,195	\$ 164,115	\$ 107,972

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STATISTICAL SECTION

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

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.	S 2
Revenue Capacity These schedules contain information to help the reader assess the affordability of the School District's most significant local revenue source, the property tax.	S 12
Debt Capacity These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	S 26
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the School District's financial activities take place.	S 31
Operating Information These schedules contain service data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	S 33

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

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

	2018	Restated 2017 (b)	2016	2015
Governmental activities				
Net investment in capital assets	\$ 12,579,797	\$ 24,728,670	\$ 18,609,362	\$ 11,754,444
Restricted	2,809,945	2,233,317	2,565,411	2,218,843
Unrestricted	(15,983,694)	(41,766,517)	(26,915,131)	(29,115,971)
Total primary government net position	<u>\$ (593,952)</u>	<u>\$ (14,804,530)</u>	<u>\$ (5,740,358)</u>	<u>\$ (15,142,684)</u>

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

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

Restated 2014 (a)	2013	2012	2011	2010	2009
\$ 10,485,780	\$ 11,733,610	\$ 11,327,521	\$ 11,519,860	\$ 12,010,174	\$ 12,216,232
2,469,301	755,787	898,555	712,027	1,027,320	733,374
(36,143,924)	5,279,187	1,900,001	663,705	(453,917)	1,483,610
<u>\$ (23,188,843)</u>	<u>\$ 17,768,584</u>	<u>\$ 14,126,077</u>	<u>\$ 12,895,592</u>	<u>\$ 12,583,577</u>	<u>\$ 14,433,216</u>

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

	2018	2017	2016	2015
Expenses				
Governmental activities:				
Instruction				
Regular	\$ 21,298,791	\$ 20,502,215	\$ 18,830,366	\$ 16,849,020
Special	5,297,840	7,856,160	7,327,315	6,643,625
Vocational	68,383	236,725	224,084	162,453
Adult continuing	-	-	-	-
Other instruction	-	2,684	4,392	13,692
Supporting services				
Pupil	1,112,745	2,429,569	2,335,666	1,833,646
Instructional staff	528,614	811,518	795,657	755,381
Board of education	154,850	184,641	236,878	124,692
Administration	1,013,686	2,038,757	2,025,092	1,817,337
Fiscal services	924,667	1,060,240	1,046,959	950,941
Business	251,694	269,105	271,399	231,521
Operation and maintenance	3,766,366	3,885,598	2,694,290	2,552,076
Pupil transportation	2,938,454	3,324,228	2,913,277	2,580,862
Central services	202,008	217,707	169,047	218,688
Operation of non-instructional services				
Food service operation	1,338,977	1,334,204	1,210,209	1,067,707
Community services	185,319	640,279	508,440	501,063
Extracurricular activities	601,224	1,062,049	878,021	781,970
Interest	2,781,683	2,805,813	2,550,346	2,497,428
Total primary government expenses	<u>42,465,301</u>	<u>48,661,492</u>	<u>44,021,438</u>	<u>39,582,102</u>
Program revenues				
Governmental activities:				
Charges for services and sales				
Instruction	1,227,114	678,271	1,011,629	849,442
Supporting services	277,914	291,179	353,337	299,004
Food service	701,928	666,679	633,032	567,606
Community services	152	-	1,969	-
Extracurricular activities	148,013	176,871	251,769	197,286
Operating grants, interest and contributions	1,967,179	2,224,699	2,407,049	1,970,447
Capital grants, interest and contributions	-	3,984,719	3,910,000	657,841
Total primary government program revenues	<u>4,322,300</u>	<u>8,022,418</u>	<u>8,568,785</u>	<u>4,541,626</u>
Net (expense) revenue				
Total primary government net expense	<u>\$ (38,143,001)</u>	<u>\$ (40,639,074)</u>	<u>\$ (35,452,653)</u>	<u>\$ (35,040,476)</u>

2014	2013	2012	2011	2010	2009
\$ 16,401,112	\$ 13,726,250	\$ 14,825,748	\$ 14,394,222	\$ 14,715,532	\$ 14,918,937
6,389,566	4,901,355	4,888,882	4,850,255	4,614,251	4,296,050
216,249	116,219	112,438	110,316	296,883	331,312
-	-	1,002	-	-	-
4,026	1,808,468	1,525,239	1,256,977	1,255,761	1,076,261
1,939,224	1,794,791	1,864,381	1,752,229	1,789,256	1,751,588
612,732	2,055,316	2,358,860	2,674,993	3,039,915	2,696,766
136,735	154,245	119,382	160,490	85,439	87,447
1,968,907	2,065,148	2,019,304	2,142,857	2,225,696	2,207,492
877,678	873,272	805,425	808,594	789,869	735,038
248,688	186,165	257,393	276,687	306,856	267,577
2,528,510	3,071,152	2,709,029	2,874,846	3,120,377	3,065,138
2,643,317	2,134,495	2,493,805	2,609,473	2,589,963	2,328,188
365,184	72,684	51,111	82,320	66,050	60,837
1,041,632	1,115,629	1,110,397	1,138,120	1,106,927	1,115,919
398,861	584,043	356,911	489,295	443,542	579,679
791,344	807,780	782,720	768,442	821,490	769,471
2,063,552	61,927	79,461	302,470	296,713	308,459
<u>38,627,317</u>	<u>35,528,939</u>	<u>36,361,488</u>	<u>36,692,586</u>	<u>37,564,520</u>	<u>36,596,159</u>
824,237	855,594	428,513	452,493	508,133	472,937
1,000	255,254	255,107	217,015	189,109	195,078
594,600	635,633	709,900	716,665	733,968	758,889
-	-	-	-	-	-
229,098	232,722	219,608	176,535	193,536	194,453
2,150,282	2,280,113	2,280,103	3,052,274	3,538,202	2,014,180
-	-	-	-	-	-
<u>3,799,217</u>	<u>4,259,316</u>	<u>3,893,231</u>	<u>4,614,982</u>	<u>5,162,948</u>	<u>3,635,537</u>
<u>\$ (34,828,100)</u>	<u>\$ (31,269,623)</u>	<u>\$ (32,468,257)</u>	<u>\$ (32,077,604)</u>	<u>\$ (32,401,572)</u>	<u>\$ (32,960,622)</u>

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Net (expense) revenue				
Total primary government net expense	\$ (38,143,001)	\$ (40,639,074)	\$ (35,452,653)	\$ (35,040,476)
General revenues and other changes in net position				
Governmental activities:				
Property taxes levied for:				
General purposes	29,361,364	22,386,110	23,597,611	23,063,967
Debt service	4,133,012	3,355,433	3,484,569	3,418,062
Capital improvements	964,020	660,432	887,394	1,059,216
Grants and entitlements				
not restricted to specific purposes	16,552,957	16,168,271	15,503,827	14,452,217
Investment earnings	557,469	656,614	488,594	317,331
Miscellaneous	784,757	1,141,246	892,984	775,842
Total primary government	<u>52,353,579</u>	<u>44,368,106</u>	<u>44,854,979</u>	<u>43,086,635</u>
Change in net position				
Total primary government	<u>\$ 14,210,578</u>	<u>\$ 3,729,032</u>	<u>\$ 9,402,326</u>	<u>\$ 8,046,159</u>

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<u>\$ (34,828,100)</u>	<u>\$ (31,269,623)</u>	<u>\$ (32,468,257)</u>	<u>\$ (32,077,604)</u>	<u>\$ (32,401,572)</u>	<u>\$ (32,960,622)</u>
22,926,984	20,843,196	19,804,064	18,711,244	16,601,413	15,825,598
2,199,051	310,975	340,348	330,891	290,133	273,137
896,801	658,964	691,795	661,327	636,183	605,525
14,139,841	12,191,341	11,628,782	11,689,048	11,626,013	12,157,210
18,175	7,968	14,216	14,088	15,208	142,154
1,762,735	899,686	1,219,537	983,021	1,382,983	913,931
<u>41,943,587</u>	<u>34,912,130</u>	<u>33,698,742</u>	<u>32,389,619</u>	<u>30,551,933</u>	<u>29,917,555</u>
<u>\$ 7,115,487</u>	<u>\$ 3,642,507</u>	<u>\$ 1,230,485</u>	<u>\$ 312,015</u>	<u>\$ (1,849,639)</u>	<u>\$ (3,043,067)</u>

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

	2018	2017	2016	2015
General Fund				
Nonspendable	\$ 82,895	\$ -	\$ -	\$ -
Assigned	1,654,332	2,185,248	466,970	405,797
Unassigned	30,386,624	21,186,357	20,084,311	14,463,465
Total General Fund	<u>\$ 32,123,851</u>	<u>\$ 23,371,605</u>	<u>\$ 20,551,281</u>	<u>\$ 14,869,262</u>
All other governmental funds				
Nonspendable	\$ 1,692	\$ -	\$ -	\$ -
Restricted	6,616,249	16,289,190	40,543,905	58,493,316
Unassigned	(5,535,219)	(4,996,320)	(2,589,286)	(536,508)
Total all other governmental funds	<u>\$ 1,082,722</u>	<u>\$ 11,292,870</u>	<u>\$ 37,954,619</u>	<u>\$ 57,956,808</u>

The District implemented GASB Statement No. 54 in 2011.

2014	2013	2012	2011	2010
\$ -	\$ -	\$ -	\$ -	\$ -
197,061	476,910	417,359	382,694	131,179
9,986,702	3,674,725	(175,186)	(130,912)	(517,201)
<u>\$ 10,183,763</u>	<u>\$ 4,151,635</u>	<u>\$ 242,173</u>	<u>\$ 251,782</u>	<u>\$ (386,022)</u>

\$ -	\$ -	\$ -	\$ -	\$ -
60,757,897	792,127	932,875	772,193	895,156
(404,007)	(794,048)	(210,654)	(584,424)	(723,164)
<u>\$ 60,353,890</u>	<u>\$ (1,921)</u>	<u>\$ 722,221</u>	<u>\$ 187,769</u>	<u>\$ 171,992</u>

North Ridgeville City School District
Fund Balances – Governmental Funds
Prior Tenth Year
(Modified Accrual Basis of Accounting)

	2009
General Fund	
Reserved	\$ 1,156,577
Unreserved	600,117
Total General Fund	\$ 1,756,694

All other governmental funds	
Reserved	\$ 578,135
Unreserved, reported in	
Special Revenue Funds	158,525
Debt Service Funds	416,452
Capital Projects Funds	(937,748)
Total all other governmental funds	\$ 215,364

The District implemented GASB Statement No. 54 in 2011.

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

	<u>2018 (1)</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Taxes	\$ 34,481,896	\$ 26,972,875	\$ 28,110,574	\$ 27,464,945
Tuition and Fees	1,075,824	677,591	1,009,119	839,055
Interest	546,292	644,401	480,124	314,437
Intergovernmental	18,520,136	22,377,689	21,820,876	17,080,505
Extracurricular	456,193	469,672	546,797	354,029
Charges for services	708,226	668,824	627,397	587,296
Donations and contributions (1)	79,180	-	-	-
Other	<u>175,570</u>	<u>526,359</u>	<u>330,019</u>	<u>334,842</u>
Total	<u>\$ 56,043,317</u>	<u>\$ 52,337,411</u>	<u>\$ 52,924,906</u>	<u>\$ 46,975,109</u>

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

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 25,788,136	\$ 21,739,235	\$ 20,533,507	\$ 19,657,562	\$ 17,521,229	\$ 16,596,360
822,165	855,459	422,468	455,603	501,981	468,675
18,175	5,932	7,181	7,742	10,609	117,442
16,290,123	14,471,454	13,908,885	14,741,322	15,164,215	14,171,390
319,509	294,119	301,688	260,772	247,643	250,520
604,024	648,393	719,149	711,312	765,143	780,316
-	-	-	-	-	-
<u>866,572</u>	<u>451,264</u>	<u>496,271</u>	<u>346,922</u>	<u>460,661</u>	<u>442,570</u>
<u>\$ 44,708,704</u>	<u>\$ 38,465,856</u>	<u>\$ 36,389,149</u>	<u>\$ 36,181,235</u>	<u>\$ 34,671,481</u>	<u>\$ 32,827,273</u>

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

	2018	2017	2016	2015
Expenditures				
Instruction	\$ 27,674,367	\$ 26,760,850	\$ 24,894,509	\$ 23,821,584
Pupil support services	2,328,404	2,275,224	2,197,762	1,936,348
Instructional support	761,575	737,112	750,427	793,746
Administration / BOE	2,278,988	2,170,354	2,168,402	2,079,004
Business and fiscal	1,278,056	1,303,647	1,281,563	1,205,486
Operation and maintenance of plant	3,806,033	4,469,262	4,123,799	2,688,417
Pupil transportation	2,763,931	3,610,673	3,064,987	2,815,032
Central services	213,098	206,212	161,943	221,938
Operational of non- instructional services	1,595,265	1,896,819	1,674,978	1,628,770
Extracurricular activities	1,027,951	918,784	844,269	832,150
Capital outlay	12,742,287	28,478,375	22,663,276	3,031,265
Debt service				
Principal	817,975	835,000	860,000	1,086,518
Interest	2,449,960	2,686,885	2,601,847	2,548,929
Total expenditures	<u>\$ 59,737,890</u>	<u>\$ 76,349,197</u>	<u>\$ 67,287,762</u>	<u>\$ 44,689,187</u>
Debt service as a percentage of noncapital expenditures	<u>6.07%</u>	<u>7.70%</u>	<u>8.22%</u>	<u>8.70%</u>

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

2014 (a)	2013	2012	2011	2010	2009
\$ 22,442,223	\$ 19,897,214	\$ 20,785,134	\$ 19,839,212	\$ 21,129,873	\$ 19,900,211
1,862,218	1,725,861	1,833,762	1,728,384	1,775,939	1,706,512
601,198	1,968,298	2,261,856	2,483,934	2,856,942	2,529,360
2,069,528	2,162,506	2,193,784	2,198,833	2,187,437	2,103,129
1,151,744	1,013,098	1,051,084	1,091,951	1,021,968	1,021,140
2,589,219	2,555,351	2,554,880	2,711,994	2,892,985	3,031,637
2,345,750	2,553,907	2,390,744	2,482,790	2,535,715	2,579,314
140,285	69,959	54,457	74,260	61,890	64,070
1,427,373	1,699,924	1,456,476	1,585,513	1,466,357	1,621,665
771,322	796,922	764,130	762,269	766,983	716,867
231,833	385,915	35,404	150,216	58,999	373,483
401,586	388,654	390,834	150,047	154,385	108,393
1,914,453	62,927	91,761	343,239	303,963	278,022
<u>\$ 37,948,732</u>	<u>\$ 35,280,536</u>	<u>\$ 35,864,306</u>	<u>\$ 35,602,642</u>	<u>\$ 37,213,436</u>	<u>\$ 36,033,803</u>
<u>6.15%</u>	<u>1.31%</u>	<u>1.35%</u>	<u>1.42%</u>	<u>1.27%</u>	<u>1.08%</u>

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Excess of revenues over (under) expenditures	<u>\$ (3,694,573)</u>	<u>\$ (24,011,786)</u>	<u>\$ (14,362,856)</u>	<u>\$ 2,285,922</u>
Other financing sources (uses)				
Proceeds from bond issuance	-	-	-	-
Proceeds from sale of capital asset	208,082	16,000	42,686	2,495
Issuance of refunding bonds	34,829,286	8,120,658	-	-
Premium on debt issue	3,792,995	1,647,491	-	-
Proceeds from capital lease	1,762,774	-	-	-
Payment to bond escrow agent	(38,356,466)	(9,613,788)	-	-
Transfers in	1,294,624	507,027	179,093	387,595
Transfer out	(1,294,624)	(507,027)	(179,093)	(387,595)
Total other financing sources (uses)	<u>2,236,671</u>	<u>170,361</u>	<u>42,686</u>	<u>2,495</u>
Net change in fund balances	<u>\$ (1,457,902)</u>	<u>\$ (23,841,425)</u>	<u>\$ (14,320,170)</u>	<u>\$ 2,288,417</u>

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

2014 (a)	2013	2012	2011	2010	2009
<u>\$ 6,759,972</u>	<u>\$ 3,185,320</u>	<u>\$ 524,843</u>	<u>\$ 578,593</u>	<u>\$ (2,541,955)</u>	<u>\$ (3,206,530)</u>
57,895,000	-	-	-	-	-
35,101	-	-	-	-	-
-	-	-	1,610,000	-	-
1,697,866	-	-	74,988	-	-
-	-	-	-	355,867	-
-	-	-	(1,610,000)	-	-
98,014	23,182	68,983	17,000	108,619	107,612
(98,014)	(23,182)	(68,983)	(17,000)	(108,619)	(107,612)
<u>59,627,967</u>	<u>-</u>	<u>-</u>	<u>74,988</u>	<u>355,867</u>	<u>-</u>
<u>\$66,387,939</u>	<u>\$ 3,185,320</u>	<u>\$ 524,843</u>	<u>\$ 653,581</u>	<u>\$ (2,186,088)</u>	<u>\$ (3,206,530)</u>

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

Year	Real Property		Public Utility Property		Tangible Personal Property	
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (2)	Assessed Value	Estimated Actual Value (3)
2018	\$ 798,571,140	\$ 2,281,631,829	\$ 17,460,040	\$ 19,840,955	\$ - (4)	\$ -
2017	774,268,200	2,212,194,857	15,999,020	18,180,705	- (4)	-
2016	755,633,080	2,158,951,657	14,348,220	16,304,795	- (4)	-
2015	701,690,140	2,004,828,971	13,705,640	15,574,591	- (4)	-
2014	688,099,510	1,965,998,600	12,668,630	14,396,170	- (4)	-
2013	667,660,670	1,907,601,914	12,012,660	13,650,750	- (4)	-
2012	720,626,020	2,058,931,486	10,994,850	12,494,148	- (4)	-
2011	708,492,680	2,024,264,800	10,455,350	11,881,080	- (4)	-
2010	693,460,692	1,981,316,263	9,801,290	11,137,830	555,529 (4)	2,222,116
2009	711,641,722	2,033,262,063	9,364,430	10,641,398	591,014 (4)	2,364,056

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

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

Assessed Value	Total Estimated Actual Value	Total Direct Rate
\$ 816,031,180	\$ 2,301,472,784	53.02
790,267,220	2,230,375,562	53.56
769,981,300	2,175,256,452	54.24
715,395,780	2,020,403,562	55.70
700,768,140	1,980,394,770	56.29
679,673,330	1,921,252,664	51.90
731,620,870	2,071,425,634	44.63
718,948,030	2,036,145,880	44.79
703,817,511	1,994,676,209	42.19
721,597,166	2,046,267,517	42.01

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

Year	School District			Total
	General	Voted Debt	Permanent Improvements	
2018	46.06	3.96	3.00	53.02
2017	46.54	4.02	3.00	53.56
2016	46.91	4.33	3.00	54.24
2015	48.01	4.69	3.00	55.70
2014	48.34	4.95	3.00	56.29
2013	48.86	0.54	2.50	51.90
2012	41.62	0.51	2.50	44.63
2011	41.77	0.52	2.50	44.79
2010	39.20	0.49	2.50	42.19
2009	39.06	0.45	2.50	42.01

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

Lorain County	Lorain County Joint Vocational School	City	Total
15.08	2.45	12.81	83.36
15.08	2.45	13.35	84.44
15.08	2.45	13.55	85.32
14.48	2.45	12.71	85.34
14.48	2.45	12.71	85.93
13.66	2.45	12.71	80.72
13.69	2.45	12.71	73.48
13.69	2.45	12.71	73.64
13.39	2.45	12.71	70.74
13.39	2.45	12.71	70.56

North Ridgeville City School District
Principal Taxpayers
Real Estate Tax
As of June 30, 2018 and June 30, 2009

JUNE 30, 2018			
Taxpayer	Nature of Business	Assessed Valuation	% of Total Assessed Valuation
Riddell Sports Inc	Manufacturer	\$ 5,441,790	0.67%
Rini Realty Company	Commercial retail property	3,642,810	0.45%
R. W. Beckett Corp.	Manufacturer	3,263,650	0.40%
Ridgeville Two, LLC	Apartment complex	2,807,150	0.34%
Ridgeville One, LLC	Apartment complex	2,380,000	0.29%
Lake Ridge Holdings Ltd.	Education	2,172,290	0.27%
Ridgeville Stafford LLC	Apartment complex	2,045,690	0.25%
Ridgeville Three, LLC	Apartment complex	1,894,370	0.23%
Ridgeville Four LLC	Apartment complex	1,625,770	0.20%
Bliss Investments LLC	Manufacturer	1,555,540	0.19%
		<u>\$ 26,829,060</u>	
Total value in the School District		<u>\$ 816,031,180</u>	

JUNE 30, 2009			
Taxpayer	Nature of Business	Assessed Valuation	% of Total Assessed Valuation
Ohio Edison Co. (a)	Electric utility	\$ 5,222,450	0.72%
FJD Properties LLC	Residential land developer	3,552,090	0.49%
Pulte Homes	Residential construction	2,870,950	0.40%
Bob Schmitt Homes, Inc.	Residential developer	2,523,740	0.35%
Rini Realty Company	Commercial retail property	2,201,790	0.31%
Valore Properties, Inc.	Commercial developer	1,948,770	0.27%
Sugar Chestnut, LLC	Residential construction	1,900,850	0.26%
Invacare Corporation	Manufacturer	1,822,110	0.25%
R. W. Beckett Corporation	Manufacturer	1,798,700	0.25%
Lake Ridge Holding, Inc	Education	1,420,830	0.20%
		<u>25,262,280</u>	
Total value in the School District		<u>\$ 721,597,166</u>	

Source: County Auditor, Lorain County, Ohio

(1) Assessed Values are for the 2016 and 2007 collection year, respectively.

North Ridgeville City School District
Principal Taxpayers
Public Utility Tax
As of June 30, 2018 and June 30, 2009

JUNE 30, 2018			
Taxpayer	Nature of Business	Assessed Valuation	% of Total Assessed Valuation
Ohio Edison Company (a)	Electric	\$ 7,130,330	0.87%
Columbia Gas of Ohio Inc.	Natural gas	4,704,870	0.58%
American Transmission Systems, Inc. (a)	Electric	3,160,360	0.39%
Cleveland Electric Illuminating Company (a)	Electric	1,685,400	0.21%
Columbia Gas Transmission	Natural gas	823,820	0.10%
		\$ 17,504,780	
Total value in the School District		\$ 816,031,180	

JUNE 30, 2009			
Taxpayer	Nature of Business	Assessed Valuation	% of Total Assessed Valuation
Ohio Edison Company (a)	Electric	\$ 5,061,020	0.70%
Columbia Gas of Ohio Inc.	Natural gas	1,213,620	0.17%
Cleveland Electric Illuminating Company (a)	Electric	1,179,160	0.16%
Columbia Gas Transmission	Natural gas	869,470	0.12%
American Transmission Systems, Inc (a)	Electric	826,670	0.11%
Norfolk Southern Railroad	Railroad	299,100	0.04%
		\$ 4,388,020	
Total value in the School District		\$ 721,597,166	

Source: County Auditor, Lorain County, Ohio

(a) Subsidiary of First Energy Corp.

(1) Assessed Values are for the 2016 and 2007 collection year, respectively.

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

Collection Year	Current Taxes Levy	Delinquent Taxes Levy	Total Taxes Levy	Current Taxes Collections
2018	\$ 32,788,842	\$ 803,115	\$ 33,591,957	\$ 32,201,311
2017	32,198,361	826,615	33,024,976	31,583,602
2016	31,922,312	1,397,472	33,319,784	31,284,781
2015	31,298,497	1,495,341	32,793,838	30,590,723
2014	31,090,877	1,060,580	32,151,457	30,255,933
2013	27,259,483	1,227,448	28,486,931	26,543,822
2012	22,891,489	1,153,672	24,045,161	22,233,185
2011	22,569,624	927,458	23,497,082	21,908,546
2010	20,263,408	927,758	21,191,166	20,141,517
2009	20,053,094	967,660	21,020,754	19,396,105

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

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

Percent of Current Levy Collected	Delinquent Taxes Collections	Total Tax Collections	Total Collection As a Percent of Current Levy
98.208%	\$ 752,876	\$ 32,954,187	98.101%
98.091%	882,793	32,466,395	98.309%
98.003%	865,891	32,150,672	96.491%
97.739%	809,172	31,399,895	95.749%
97.315%	693,273	30,949,206	96.261%
97.375%	692,016	27,235,838	95.608%
97.124%	618,073	22,851,258	95.035%
97.071%	740,205	22,648,751	96.390%
99.398%	642,176	20,783,693	98.077%
96.724%	561,144	19,957,249	94.941%

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

Year	General Obligation Bonded Debt (1)	Capital Leases (1)	Total Primary Government	Percentage of Personal Income (3)	Per Capita (3)	Per ADM (2) (3)
2018	\$ 62,324,006	\$ -	\$ 62,324,006	5.85%	\$ 1,864	\$ 13,785
2017	59,141,607	-	59,141,607	6.21%	1,898	13,957
2016	58,453,763	-	58,453,763	6.34%	1,917	14,555
2015	59,363,464	-	59,363,464	6.17%	1,863	14,830
2014	58,845,000	6,518	58,851,518	6.36%	1,997	15,382
2013	1,275,000	83,104	1,358,104	0.20%	46	355
2012	1,590,000	156,758	1,746,758	0.26%	59	457
2011	1,910,000	227,592	2,137,592	0.32%	74	563
2010	2,006,593	295,715	2,302,308	0.35%	80	607
2009	2,110,076	-	2,110,076	0.33%	77	592

- Source: (1) School District Financial Records
(2) Average Daily Student Enrollment is compiled as of the first week in October reported to the Ohio Department of Education for the fiscal year.
(3) See Schedule S-31 for personal income, population, and ADM data. These ratios are calculated using data for the prior calendar year.

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

Year	General Obligation Bonded Debt (1)	Debt Service Funds Available	Net Bonded Debt	Percentage of Actual Taxable Property Value (2)	Per Capita (3)
2018	\$ 62,324,006	\$ 1,947,892	\$ 60,376,114	2.62%	1,805.7
2017	59,141,607	1,455,756	57,685,851	2.59%	1,749.0
2016	58,453,763	3,503,469	54,950,294	2.53%	1,864.9
2015	59,363,464	1,386,909	57,976,555	2.87%	1,819.1
2014	58,845,000	328,297	58,516,703	2.95%	1,986.0
2013	1,275,000	334,591	940,409	0.05%	31.9
2012	1,590,000	353,976	1,236,024	0.06%	41.9
2011	1,910,000	360,570	1,549,430	0.08%	53.9
2010	2,006,593	416,452	1,590,141	0.08%	55.3
2009	2,110,076	473,103	1,636,973	0.08%	59.4

Source: (1) School District Financial Records
(2) See Schedule S-19 for assessed valuation of property.
(3) See Schedule S-31 for population data.

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

(Amounts in thousands)

	2018	2017	2016	2015
Assessed Valuation	\$ 816,031	\$ 790,267	\$ 769,981	\$ 715,396
Debt Limit - 9% of Assessed Value (1)	73,443	71,124	69,298	64,386
Amount of Debt Application to Debt Limit:				
General Obligation Bonds	55,641	56,066	56,905	57,765
Less Amount Available in Debt Service Fund	1,948	1,446	1,464	1,279
Amount of Debt Subject to Limit	53,693	54,620	55,441	56,486
Legal Debt Margin	\$ 19,750	\$ 16,504	\$ 13,857	\$ 7,900
Legal Debt Margin as a Percentage of the Debt Limit	26.89%	23.20%	20.00%	12.27%
Unvoted Debt Limit - .10% of Assessed Value (1)	\$ 816	\$ 790	\$ 770	\$ 715
Amount of Debt Subject to Limit	-	-	-	-
Unvoted Legal Debt Margin	\$ 816	\$ 790	\$ 770	\$ 715
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	100.00%	100.00%	100.00%

Source: Lorain County Auditor and School District Financial Records.

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

2014	2013	2012	2011	2010	2009
\$ 700,768	\$ 679,673	\$ 731,621	\$ 708,493	\$ 693,461	\$ 711,642
63,069	61,171	65,846	63,764	62,411	64,048
58,845	1,275	1,590	1,910	2,007	2,110
1,387	328	335	-	380	437
57,458	947	1,255	1,910	1,627	1,673
\$ 5,611	\$ 60,224	\$ 64,591	\$ 61,854	\$ 60,784	\$ 62,375
8.90%	98.45%	98.09%	97.00%	97.39%	97.39%
\$ 701	\$ 680	\$ 732	\$ 708	\$ 693	\$ 712
-	-	-	-	-	-
\$ 701	\$ 680	\$ 732	\$ 708	\$ 693	\$ 712
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

North Ridgeville City School District
 Computation of Direct and Overlapping General Obligation Debt
 As of June 30, 2018

Jurisdiction	Debt Outstanding	Total Assessed Value	Percentage Applicable to School District (1)	Amount Applicable to School District
North Ridgeville City School District	\$ 55,641	\$ 816,031,180	100.00%	\$ 55,641
Lorain County	46,700 (2)	-	11.97%	5,590
Lorain County Joint Vocational School	2,434	-	13.46%	328
North Ridgeville City	<u>19,785 (2)</u>	<u>816,031,180</u>	100.00%	<u>19,785</u>
Sub Total				<u>25,703</u>
Total	<u>\$ 124,560</u>	<u>\$ 1,632,062,360</u>		<u>\$ 81,344</u>

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

- (1) Percentages are computed by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision.
- (2) Debt is as of December 31, 2017

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

Calendar Year	Population	Per Capita Income	Personal Income	Average Daily Student Enrollment (2)	Unemployment Rate		
					Lorain County	State	Country
2018	33,436 (4)	\$ 31,871	\$ 1,065,638,756	4,521	4.8% (4)	4.5% (4)	4.0% (4)
2017	32,983 (4)	30,577	1,008,521,191	4,485	6.8% (4)	5.4% (4)	4.3% (4)
2016	32,483 (4)	30,209	981,278,947	4,277	5.4% (4)	5.0% (4)	4.9% (4)
2015	31,871 (4)	30,209	962,791,039	4,003	6.9% (4)	5.2% (4)	5.3% (4)
2014	31,871 (4)	30,209	962,791,039	4,100	6.9% (4)	5.2% (4)	5.3% (4)
2013	31,269 (1)	29,584	925,062,096	3,965	7.2% (1)	6.6% (1)	6.7% (1)
2012	30,571 (1)	29,310	896,036,010	3,964	8.2% (1)	7.3% (1)	8.1% (1)
2011	29,465 (1)	22,971	676,840,515	3,841	8.1% (1)	8.9% (1)	8.9% (1)
2010	29,465 (1)	22,971	676,840,515	3,826	9.9% (1)	10.0% (1)	9.6% (1)
2009	28,768 (1)	22,971	660,829,728	3,795	9.8% (1)	10.6% (1)	9.3% (1)

Source: (1) Wikipedia, the free encyclopedia

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

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

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

North Ridgeville City School District
Principal Employers
As of Fiscal Years June 30, 2016 and June 30, 2007

December 31, 2017 (1)

Employer	Nature of Activity or Business	Approximate Number of Employees (2)	Percent of Total
North Ridgeville City School District	Public education	639	5.2%
All American Sports Corp	Manufacturer of helmets	412	3.4%
Beckett Gas, Inc.	Manufacturer of gas burners	245	2.0%
Invacare Corporation	Manufacturer of w heelchairs	245	2.0%
Center Ridge Nursing Home Inc	Skilled nursing home facility	190	1.6%
City of North Ridgeville, Ohio	Municipal government	188	1.5%
Beckett Air, Inc.	Manufacturer of blow er w heels	138	1.1%
R. W. Beckett Corporation	Manufacturer of oil burners	137	1.1%
University Hospitals Health Systems	Healthcare	126	1.0%
Lake Ridge Academy	Private education	114	0.9%
Total of all employees w ithin the city		12,185	

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

Source: State of Ohio, Labor Market Information

December 31, 2008 (1)

Employer	Nature of Activity or Business	Approximate Number of Employees (2)	Percent of Total
North Ridgeville City School District	Public education	490	3.3%
Invacare Corporation	Manufacturer of w heelchairs	370	2.5%
Beckett Gas, Inc.	Manufacturer of gas burners	230	1.6%
R.W. Beckett Corporation	Manufacturer of oil burners	210	1.4%
City of North Ridgeville, Ohio	Municipal government	210	1.4%
Center Ridge Nursing Home, Inc.	Skilled nursing home facility	200	1.4%
Northridge Health Center	Skilled nursing home facility	200	1.4%
Beckett Air, Inc.	Manufacturer of blow er w heels	140	1.0%
Estes Express Lines	Frieght carrier	140	1.0%
Riser Foods Company	Retail grocery	115	0.8%
Total of all employees w ithin the city		14,700	

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

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

(2) Approximate number of employees w ithin the City.

North Ridgeville City School District
Operating Statistics
Last Ten Fiscal Years

Year	Average Daily Student Enrollment	Operating Expenditures	Cost Per Pupil	Percent Change	Teaching Staff	Pupil Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
2018	4,521	\$ 59,737,890	\$ 13,213	22.38%	256	17.66	20.91%
2017	4,485	76,349,197	17,023	-8.21%	277	16.19	22.00%
2016	4,277	67,287,762	15,732	-40.92%	282	15.17	22.00%
2015	4,003	44,689,187	11,164	-0.81%	245	16.34	24.00%
2014	4,100	45,404,212	11,074	-24.45%	245	16.73	23.00%
2013	3,965	35,280,536	8,898	1.66%	215	18.44	28.00%
2012	3,964	35,864,306	9,048	2.38%	239	16.59	25.00%
2011	3,841	35,602,642	9,269	4.70%	246	15.61	25.00%
2010	3,826	37,213,436	9,726	-2.43%	254	15.06	23.00%
2009	3,795	36,033,803	9,495	-2.03%	251	15.12	18.00%

Source: School District Financial Records.

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Administrators and Supervisors				
Superintendent	1	1	1	1
Assistant Superintendents	0	0	1	1
Treasurer	1	1	1	1
Principals	7	6	6	6
Assistant Principals	4	3	3	3
Coordinators and Supervisors	13	8	9	8
Total Administrators and Supervisors	<u>26</u>	<u>19</u>	<u>21</u>	<u>20</u>
Instructional Staff				
Teachers	168	171	175	158
Phys. Ed., Art and Music Teachers	28	26	28	28
Title I	5	5	4	5
Intervention Specialists	51	50	47	48
Tutors	1	1	1	1
Vocational Education Teachers	3	3	3	5
Total Certified Staff	<u>256</u>	<u>256</u>	<u>258</u>	<u>245</u>
Student Services				
Guidance counselors	8	8	8	8
Psychologists	4	4	4	4
Speech and Language Pathologists	6	6	6	6
Librarians	5	5	6	6
Nurses	5	5	5	5
Other Professionals (Non-Instructional)	2	8	2	2
Technicians	2	2	2	2
Total Student Services	<u>32</u>	<u>38</u>	<u>33</u>	<u>33</u>
Support and Administration				
Administrative Assistants	13	12	11	13
Clerical and Secretarial	15	16	17	17
Paraprofessionals	69	69	67	60
Cafeteria Workers	29	29	29	27
Bus Drivers	50	47	42	39
Mechanics	2	3	3	3
Maintenance	30	31	33	34
Total Support and Administration	<u>208</u>	<u>207</u>	<u>202</u>	<u>193</u>
Total	<u>522</u>	<u>520</u>	<u>514</u>	<u>491</u>

Source: School District records.

2014	2013	2012	2011	2010	2009
1	1	1	1	1	1
1	1	2	2	2	2
1	1	1	1	1	1
6	6	6	6	6	6
3	3	3	3	3	3
10	6	8	8	8	8
<u>22</u>	<u>18</u>	<u>21</u>	<u>21</u>	<u>21</u>	<u>21</u>
160	147	157	162	168	166
28	25	24	24	22	22
4	4	4	4	4	4
49	34	47	49	52	52
1	1	1	1	1	1
3	4	6	6	7	6
<u>245</u>	<u>215</u>	<u>239</u>	<u>246</u>	<u>254</u>	<u>251</u>
8	8	6	6	7	6
4	4	4	4	4	4
7	7	6	6	5	5
5	2	2	2	2	2
5	5	6	6	6	6
15	3	5	5	5	5
2	1	1	1	1	1
<u>46</u>	<u>30</u>	<u>30</u>	<u>30</u>	<u>30</u>	<u>29</u>
12	9	12	12	12	12
16	15	18	18	18	17
57	51	67	81	86	86
28	29	29	29	28	28
37	32	31	34	35	35
3	3	3	3	3	3
34	34	36	36	37	37
<u>187</u>	<u>173</u>	<u>196</u>	<u>213</u>	<u>219</u>	<u>218</u>
<u>500</u>	<u>436</u>	<u>486</u>	<u>510</u>	<u>524</u>	<u>519</u>

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

	2018	2017	2016	2015
Elementary				
Fields Sweet (Year Built)	Sold	1920	1920	1920
Square Feet	-	25,000	25,000	25,000
Capacity	-	227	227	227
Enrollment	-	81	81	78
Education Center (Year Built)	1933	1933	1933	1933
Square Feet	22,500	22,500	22,500	22,500
Capacity	205	205	205	205
Enrollment	156	156	156	186
Lear North (Year Built)	1967	1967	1967	1967
Square Feet	22,920	22,920	22,920	22,920
Capacity	208	208	208	208
Enrollment	309	309	309	317
Liberty (Year Built)	1976	1976	1976	1976
Square Feet	48,570	48,570	48,570	48,570
Capacity	442	442	442	442
Enrollment	635	635	635	668
Wilcox (Year Built)	Closed/Razed	1958	1958	1958
Square Feet	-	52,793	52,793	52,793
Capacity	-	480	480	480
Enrollment	-	656	656	605
Middle School				
Middle School (Year Built)	Closed/Razed	1923	1923	1923
Square Feet	-	94,277	94,277	94,277
Capacity	-	773	773	773
Enrollment	-	957	957	960
North Ridgeville Academic Center (3-8)				
NRAC (Year Built)	2018	-	-	-
Square Feet	248,800	-	-	-
Capacity	2,300	-	-	-
Enrollment	1,871	-	-	-
High School				
High School (Year Built)	1967	1967	1967	1967
Square Feet	146,646	146,646	146,646	146,646
Capacity	978	978	978	978
Enrollment	1,240	1,240	1,240	1,189
Administrative				
Buildings (Included in NRAC)	1	1	1	1
Square Feet	11,200	11,200	11,200	11,200
Transportation				
Year Built	1968	1968	1968	1968
Garages	1	1	1	1
Square Feet	4,960	4,960	4,960	4,960
Buses	47	47	47	46
Maintenance				
Year Built	1991	1991	1991	1991
Buildings	1	1	1	1
Square Feet	7,200	7,200	7,200	7,200
Athletics				
Football fields	1	1	1	1
Soccer fields	1	1	1	1
Running tracks	1	1	1	1
Baseball/softball	2	2	2	2
Playgrounds	5	5	5	5
Tennis courts	1	1	1	1

Source: School District records.

2014	2013	2012	2011	2010	2009
1920	1920	1920	1920	1920	1920
25,000	25,000	25,000	25,000	25,000	25,000
227	227	227	227	227	227
76	79	95	73	73	51
1933	1933	1933	1933	1933	1933
22,500	22,500	22,500	22,500	22,500	22,500
205	205	205	205	205	205
150	154	152	150	150	150
1967	1967	1967	1967	1967	1967
22,920	22,920	22,920	22,920	22,920	22,920
208	208	208	208	208	208
313	346	292	305	305	309
1976	1976	1976	1976	1976	1976
48,570	48,570	48,570	48,570	48,570	48,570
442	442	442	442	442	442
658	549	607	582	582	550
1958	1958	1958	1958	1958	1958
52,793	52,793	52,793	52,793	52,793	52,793
480	480	480	480	480	480
620	706	627	630	630	602
1923	1923	1923	1923	1923	1923
94,277	94,277	94,277	94,277	94,277	94,277
773	773	773	773	773	773
969	937	922	930	930	856
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1967	1967	1967	1967	1967	1967
146,646	146,646	146,646	146,646	146,646	146,646
978	978	978	978	978	978
1,179	1,191	1,151	1,151	1,151	1,112
1	1	1	1	1	1
11,200	11,200	11,200	11,200	11,200	11,200
1968	1968	1968	1968	1968	1968
1	1	1	1	1	1
4,960	4,960	4,960	4,960	4,960	4,960
44	44	44	43	43	43
1991	1991	1991	1991	1991	1991
1	1	1	1	1	1
7,200	7,200	7,200	7,200	7,200	7,200
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
2	2	2	2	2	2
5	5	5	5	5	5
1	1	1	1	1	1

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OHIO AUDITOR OF STATE KEITH FABER



NORTH RIDGEVILLE CITY SCHOOL DISTRICT

LORAIN COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
MARCH 7, 2019**