



Dave Yost • Auditor of State



**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY**

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SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program / Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<b>U.S. DEPARTMENT OF AGRICULTURE</b>				
<i>Passed Through Ohio Department of Education</i>				
<u>Child Nutrition Cluster:</u>				
School Breakfast Program	10.553			\$128,591
National School Lunch Program	10.555			
Cash Assistance				665,872
Non-Cash Assistance (Food Distribution)				79,948
Total National School Lunch Program				<u>745,820</u>
Total Child Nutrition Cluster				<u>874,411</u>
Total U.S. Department of Agriculture				<u><b>874,411</b></u>
<b>U.S. DEPARTMENT OF EDUCATION</b>				
<i>Passed Through Ohio Department of Education</i>				
Adult Education - Basic Grants to States	84.002			87,602
Title I Grants to Local Educational Agencies	84.010			890,895
Career and Technical Education - Basic Grants to States	84.048			132,567
<u>Special Education Cluster:</u>				
Special Education_Grants to States	84.027			2,107,763
Special Education_Preschool Grants	84.173			35,927
Total Special Education Cluster				<u>2,143,690</u>
English Language Acquisition State Grants	84.365			41,210
Supporting Effective Instruction State Grants	84.367			192,636
Total U.S. Department of Education				<u><b>3,488,600</b></u>
<b>Total Expenditures of Federal Awards</b>				<u><b>\$4,363,011</b></u>

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

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
2 CFR 200.510(b)(6)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Sylvania City School District, Lucas County, Ohio (the District) under programs of the federal government for the year ended June 30, 2017. 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 or changes in net position of the District.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The District has elected 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 entitlement value. The District allocated donated food commodities to the respective program that benefitted from the use of those donated food commodities.

**NOTE E - TRANSFERS BETWEEN PROGRAM YEARS**

Federal regulations require schools to obligate certain federal awards by June 30. However, with the Ohio Department of Education's consent, schools can transfer unobligated amounts to the subsequent fiscal year's program. The District transferred the following amounts from 2017 to 2018 programs:

<u>Program Title</u>	<u>CFDA Number</u>	<u>Amt. Transferred</u>
Title I Grants to Local Educational Agencies	84.010	\$15,510
Special Education_Grants to States	84.027	13,633
English Language Acquisition State Grants	84.365	900
Supporting Effective Instruction State Grant	84.367	927



# Dave Yost • Auditor of State

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

Sylvania City School District  
Lucas County  
4747 North Holland-Sylvania Road  
Sylvania, Ohio 43560

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 Sylvania City School District, Lucas County, Ohio (the District) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 22, 2017.

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

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

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

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

### ***Compliance and Other Matters***

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

***Purpose of this Report***

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

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

**Dave Yost**  
Auditor of State

Columbus, Ohio

December 22, 2017



# Dave Yost • Auditor of State

## 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

Sylvania City School District  
Lucas County  
4747 North Holland-Sylvania Road  
Sylvania, Ohio 43560

To the Board of Education:

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

We have audited Sylvania City School District, Lucas County, Ohio's (the District's) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the District's major federal program for the year ended June 30, 2017. 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, Sylvania City School District, Lucas County, Ohio, 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, 2017.

***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 Sylvania City School District, Lucas County, Ohio, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated December 22, 2017. 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

Sylvania City School District  
Lucas County  
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  
Page 3

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.

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

**Dave Yost**  
Auditor of State

Columbus, Ohio

December 22, 2017

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**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
JUNE 30, 2017**

**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):	Title I Grants to Local Educational Agencies
<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 FOR FEDERAL AWARDS**

None

# Office of the Treasurer

Lisa Shanks, Treasurer/CFO



**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**2 CFR 200.511(b)**  
**JUNE 30, 2017**

<b>Finding Number</b>	<b>Finding Summary</b>	<b>Status</b>	<b>Additional Information</b>
2017-001	Noncompliance and material weakness due to material errors in the Schedule of Expenditures of Federal Awards.	Corrective Action Taken and Finding is Fully Corrected.	



# Sylvania Schools

## Comprehensive Annual Financial Report



Sylvania, Ohio  
Fiscal Year Ended June 30, 2017



Quality education is a priority in the Sylvania area. This community boasts an excellent public school system and an outstanding university.

Families move to and stay in the Sylvania community for its outstanding public school system. Sylvania Schools is a comprehensive K-12 program serving about 7,600 students through seven elementary, three junior high, and two high schools. The district incorporates a rigorous course of study, exceeding state and national standards. Implementation of Ohio's New Learning Standards and a digital learning initiative provide the personal attention that empowers a diverse student population, beginning with preschool and all-day kindergarten programs and culminating with college-level AP and authentic career technical programs. Throughout Sylvania Schools, students with unique needs, including physical and learning challenges as well as advanced cognitive gifts, enjoy a support system tailored to their needs.

Sylvania Schools goes above and beyond those basic requirements of public education through its incredible diversity of academic and extracurricular opportunities. Students in Sylvania can enroll in special gifted and talented education programs from grades three through eight and take advantage of 21 AP classes in the two high schools. Many high school students complete college-credit courses through articulation agreements with local colleges and universities. Students also compete in extracurricular programs from junior high Power of the Pen to high school mock trial or any one of the over 50 others. Student athletes compete in 25 different varsity sports. Perhaps most impressive is the range of career technical offerings at Sylvania Schools, where students work in authentic environments to study career fields such as cosmetology, robotic engineering, medical technologies, and computer programming. These career technical programs often help students earn professional licences, hold internships, and compete in career-based extracurricular activities. This range of opportunities demonstrates the district's commitment to serving each student at his or her interest and ability level, moving beyond the mere fundamentals.

The Sylvania Schools' mission is "Preparing students to be life-long learners and engaged citizens." This is accomplished through the core values of Innovation, Diversity, Achievement, Collaboration, Leadership, and Integrity. These values help support the district's vision to be an exceptional public school district that teaches and inspires students to contribute to society in meaningful and compassionate ways.

Sylvania Schools has been and will continue to empower each Sylvania child to succeed.

\*Pictured on the cover:

Clockwise from top left: High school student performing music solo- the arts will feel positive effects from new instructional materials; Technology gaining ground in the classroom - pictured is a device being used that a student brought from home; Both Sylvania Northview and Sylvania Southview marching bands will be the recipients of the Sylvania Chamber of Commerce Fall Festival proceeds this fall; Sylvania Northview soccer player playing on the fieldturf - part of a facilities partnership with Lourdes University in Sylvania Ohio.

COMPREHENSIVE  
ANNUAL FINANCIAL REPORT

OF THE

SYLVANIA CITY  
SCHOOL DISTRICT

FOR THE

FISCAL YEAR ENDED JUNE 30, 2017

PREPARED BY  
TREASURER'S DEPARTMENT  
LISA SHANKS, TREASURER/CFO

4747 N. HOLLAND SYLVANIA RD.  
SYLVANIA, OHIO 43560

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**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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# INTRODUCTORY SECTION

## 21st Century Learning: 1:1 Implementation

Sylvania Schools began a pilot using 1 to 1 technology in the 2012-13 school year with the vision of transforming student learning environments into dynamic communities of connected learners prepared for 21st century college and careers. We designed the 21st Century Learning Initiative around the 4 C's: Communication, Collaboration, Critical Thinking and Problem Solving, Creativity and Collaboration. Five years later, we have developed the infrastructure to support the 1:1 initiative, trained our teachers, and purchased enough Chromebooks to be 1:1 in grades 3-12. By using this technology students gain an increased capacity for research, production, collaboration, and engagement in the learning process. The 21st Century Learning Initiative empowers teachers to create and sustain a digitally rich classroom that supports differentiated, authentic student learning. Through technology integration, students' interests and abilities can be engaged in authentic, real-world activities that allows for differentiation to promote personalized learning. Over the next five years, we will continue to offer professionally develop our teachers to promote classroom transformation and will add devices at the elementary to provide age appropriate K-2 access to digital instruction.

\*Elementary students using Chromebooks to independently research in the classroom.

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# Office of the Treasurer

Lisa Shanks, Treasurer/CFO



December 22, 2017

Board of Education Members and Citizens of the Sylvania City School District:

As the Superintendent and Treasurer/CFO of the Sylvania City School District (the “District”), we are pleased to submit to you the twenty-first Comprehensive Annual Financial Report (CAFR) issued by the District. This report provides full disclosure of the financial operation of the District for the fiscal year ended June 30, 2017. This CAFR, which includes an opinion from Dave Yost, Auditor of State, who performed the District’s audit, conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental entities. The responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the District. This report will provide the taxpayers of the District with comprehensive financial data in a format which will enable them to gain an understanding of the District’s financial affairs. This report is available to the Chamber of Commerce, major taxpayers, the public library, financial rating services, and other interested parties.

The District is located in Northwestern Ohio on the Ohio-Michigan border and is comprised of the City of Sylvania, Sylvania Township, a portion of the City of Toledo and a portion of the Village of Ottawa Hills, which are all part of Lucas County. As a suburb of Toledo, Sylvania is basically a residential community with a broad service-based economy. Socioeconomic indicators continue to describe Sylvania as an affluent community with housing values and income levels well above state and county norms.

The District provides a full range of educational programs and services. These include diverse learning opportunities at the elementary and secondary levels. Educational opportunities range from comprehensive career and technical programs to college preparatory classes with an emphasis on honors and Advanced Placement course work. A broad range of clubs, co-curricular and extracurricular activities are available to students so that they may have a well-rounded educational experience in Sylvania Schools. Special education services are in-depth and provide the support necessary for our students with disabilities to be successful. The district also provides support for adult and community learning. In addition, the District provides state-financed assistance to non-public schools located within its boundaries. This assistance is accounted for in a non-major governmental fund. The District currently serves approximately 7,600 students in grades pre-K through 12<sup>th</sup> Grade.

Statutorily, the District operates under standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 and Section 119.01 of the Ohio Revised Code for the purpose of providing educational services authorized by charter and further mandated by State and/or Federal agencies. A five member Board of Education (the “Board”) serves as the taxing authority, contracting body and policy maker for the District. The Board adopts the annual operating budget and approves all expenditures of District monies.

The Superintendent is the chief administrative officer of the District, responsible for both education and support operations. The Treasurer/CFO is the chief financial officer of the District, responsible for maintaining records of all financial matters, issuing warrants in payment of liabilities incurred by the District, acting as custodian of all District funds, and investing idle funds as specified by Ohio law.

Other Board appointed officials includes directors of educational and support services and building principals.

## ***THE REPORTING ENTITY***

The District has reviewed its reporting entity definition in order to ensure conformance with GASB. In evaluating how to define the District for financial reporting purposes, management has considered all agencies, departments, and organizations making up the District (the primary government) and its potential component units. The District has no component units nor is it a component unit of any other governmental entity.

The Cities of Sylvania and Toledo, Sylvania Township, and the Village of Ottawa Hills have all been excluded from the accompanying financial statements. The Northwest Ohio Computer Association (NWOCA) and the Sylvania Area Joint Recreation District (SAJRD) are reported as jointly governed organizations.

## ***QUALITY IN EDUCATION***

The District strives to maintain quality schools that not only reflect the philosophy of the community, but help to maintain property values as well. While the emphasis is on the educational program itself, the District continues to maintain expectations for excellence in our students, staff, and programs. We feel it is appropriate to briefly review some of the District's quality benchmarks that define the foundation upon which the success of our programs are built.

**Curriculum Development.** The District is implementing Ohio's Learning Standards in the four core areas: English Language Arts, Mathematics, Science, and Social Studies and in all supporting discipline areas. Teachers are continuing to participate in intensive training that emphasizes ways to raise student achievement with a heavy emphasis on differentiation and closing the gap. The District is continuing to focus on and support innovative thought-provoking learning experiences. Teacher leadership teams at all levels have targeted areas to help train academic leaders in each building. Teachers are continuing to design rigorous lessons for their students and are creating hands-on, 21<sup>st</sup> century skills to help prepare them to be life-long learners and engaged citizens. As the new standards continue to take shape over the next year, resources will be chosen to best support the new curriculum. The District is now 1:1, assigning a digital device to each student 6-12 and providing access at all grades in the elementary. Through the daily use of technology students become better prepared for college and careers.

**Technology.** Technology is one of the District's top initiatives in preparing our students for their future. We utilize technology in a variety of ways to enhance differentiated learning, digital citizenship and increased access to up to date curriculum tools. We have also implemented a pervasive wireless access system to provide staff and student access to the internet from anywhere in all of our buildings. Lastly, we are continuing with our district-wide Digital Learning Initiative which includes professional development for staff to integrate technology into our rich student experience. The goal is to ensure that our students develop into contributing community members.

**Testing.** Our SAT and ACT scores continue to improve from year to year and are higher than the national and State average. 74% of the students participating in advance placement testing qualify for college credit. The District continues to grow the number of students qualifying as National Merit Scholars and now boasts over 15 perfect scores on the PSAT and ACT tests in the past four years. Over 92% of the graduates pursue post-secondary/military education, earning millions in scholarships each year.

**Class Size.** There is an average of 23-24 students per class in grades K through 5. The class size for grades 6 – 12 is dependent upon the class offered and ranges from 25-30 students. This range compares very favorably among our comparable districts across the State as well as other districts in the area.

**Co-curricular and Extra-curricular.** Over 90% of our students are involved in inter-scholastic athletics, programs, clubs, AP/honors, and contests representing about 120 academic and athletic teams and organizations. Many of these teams and clubs receive regional and state rankings in contests annually.

**Staff Development.** Professional development is a top focus of the District to help teachers learn new ways to differentiate learning through digital instruction directly in the classroom. Teacher leaders have been developing the training framework and supporting teachers in every department and grade level in each of the District's 12 schools. As Ohio's Learning Standards are implemented, the professional development efforts are combining with technology to help teachers best create a 21<sup>st</sup> century learning environment for students.

**Comprehensive Support for Special Needs.** The District is prepared to meet the needs of all students, but extra attention has been given to ensure that the District provides an outstanding and comprehensive special-needs and gifted program, along with interventions for identified students in specific areas. With the digital classrooms, the ability to differentiate education to better meet individual needs of every student increases and allows us to focus on closing the gap for all our students. The District is implementing new schedules to meet the needs of all students and to help provide time and support for continued student growth at all levels.

### ***ECONOMIC CONDITIONS AND OUTLOOK***

The District's population has been stable the past several years with only minimal changes, if any, from year to year. The U.S. Census completed in 2010, represented a combined population of 63,000 people in 25,000 households living in the City of Sylvania and Sylvania Township. Sylvania Township has realized the most residential growth as it encompasses land available for expansion. Unfortunately, the City of Sylvania has limited land available for residential development. On the other hand, commercial development has increased modestly in both Sylvania Township and the City of Sylvania.

In November of 2016, the District passed a combination operating-permanent improvement levy. The levy generates an additional \$6.4 million annually for operating expenditures and \$1.4 million for general permanent improvements. The District began collecting on this levy in February 2017 and will realize full collection in fiscal year 2018. The need for additional revenue became unavoidable when real estate receipts declined as a result of the depreciation of property values that occurred in 2009 and 2012. Through calendar year 2017 collections, the District realized an accumulated shortfall of real estate receipts totaling \$12.5 million. Additional operating revenues will eliminate the immediate need for drastic reductions to the normal operations of the District. However, a conservative long term spending plan is necessary to preserve tax dollars indefinitely.

The State of Ohio is in the first year of the biennial budget. The District is expecting to receive slightly more funding in fiscal year 2018 than it received in 2017. However, the funding cap limit prohibits the district from receiving in excess of 3.0% of what it received in the prior fiscal year. This places additional financial hardship on the District and moves the funding mechanism away from a true per pupil calculation. The funding cap limit further shifts the financial responsibility from the State of Ohio to Sylvania Schools and its taxpayers.

### ***MAJOR INITIATIVES FOR THE FUTURE***

Full implementation of the newly revised Strategic Plan will keep the District focused on student learning through high-quality, differentiated instruction, efficiency and effectiveness of district operations, and vibrant school-community partnerships.

Fundraising efforts by the Sylvania Schools' Athletic Foundation and Academic Excellence Foundation will raise money privately to help support the District's ongoing initiatives. The Athletic Foundation is providing support to renovate and replace athletic facilities, while the Academic Excellence Foundation is currently raising funds to support the Digital Learning Initiative.

With the full implementation of these plans and directives, the District will continue the academic excellence and fiscal accountability standards that the community has come to expect of the Sylvania City School District.

## ***LONG-TERM FINANCIAL PLANNING***

The Ohio Department of Education requires school districts to submit a five year forecast in October and May each year. The forecast provides three years of historical financial data and five years of revenue and expenditure estimates. The forecast is a benchmark used by administrators and the Sylvania Board of Education to determine the current and future costs of existing educational programs and sustainability of proposed educational initiatives.

The need for general permanent improvements is at the forefront of concerns. The recent passage of a new permanent improvement levy will allow the District to plan for the necessary repairs to its buildings and grounds. Building administrators are working closely together to prioritize and develop preventative maintenance plans and replacement schedules so resources are allocated effectively.

## ***FINANCIAL INFORMATION***

**Internal Accounting and Budgetary Control.** The District's accounting system is organized on a "fund" basis. Each fund is a distinct self-balancing accounting entity. Governmental fund operations are presented on the modified accrual basis, whereby revenues are recognized when measurable and available, and expenditures are recognized when goods and services are received. Proprietary funds and the private-purpose trust fund operations are presented on the accrual basis, whereby revenues are recognized when earned, and expenses when incurred.

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

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

At the beginning of each fiscal year, the Board of Education adopts either a temporary appropriation measure or a permanent appropriation measure for that fiscal year. If a temporary appropriation is first adopted, the permanent appropriation measure must be adopted upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates, which is usually within the first three months of the fiscal year. Annual appropriations may not exceed the County Budget Commission's official estimate of resources. The County Auditor must certify that the Board of Education's appropriation measures, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the fund level for all budgeted funds. All purchase order requests must be approved by the Director of Business Affairs and certified by the Treasurer/CFO; necessary funds are then encumbered and purchase orders released to vendors. Those requests which exceed the available appropriation are rejected until additional appropriations are secured.

The accounting system used by the District provides interim financial reports, which detail year-to-date expenditures and encumbrances versus the original appropriation, plus any additional appropriations made to date. In addition to interim financial statements, each administrator and school principal is furnished monthly reports showing the status of the budget accounts for which they are responsible. As an additional safeguard, a blanket bond covers all employees, and a separate, higher limit bond covers certain individuals in policy-making roles.

The basis of accounting, the basis of presentation of the District's various funds, and information on budgetary accounting can be found in Note 2 to the financial statements.

## ***FINANCIAL REPORTING***

The basic financial statements for reporting on the District's financial activities are as follows:

**Government-wide financial statements:** These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by business enterprises. The government-wide statements distinguish between those activities of the District that are governmental and those that are considered business-type activities. The District did not have any 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 to the governmental activities accrual information presented in the government-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting. The District has no proprietary funds.

**Schedule of budgetary comparisons:** This schedule presents comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The budgetary comparison for the general fund has been presented as required supplementary information and is not considered part of the basic financial statements.

Management is responsible for preparing a Discussion and Analysis (MD&A) of the District. This discussion appears after the Report of Independent Auditors in the financial section of this report. The MD&A provides an assessment of the District's finances for 2017. The MD&A is intended to be read in conjunction with this letter of transmittal.

## ***INDEPENDENT AUDIT***

State statutes require the District to be subjected to an annual examination by an independent auditor. An annual audit serves to maintain and strengthen the District's accounting and budgetary controls. Independent auditor Dave Yost, Auditor of State, was selected to render an opinion on the District's financial statements as of and for the year ended June 30, 2017. The opinion appears at the beginning of the financial section of this report.

Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all school governments in Ohio. The District adopted and has been in conformance with that system beginning with its financial report for the 1979 year.

## ***AWARDS***

**Certificate of Achievement.** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Sylvania City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2016.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose content conforms to program standards. Such a report must satisfy both accounting principles generally accepted in the United States of America as applied to governmental units and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA for review.

**ACKNOWLEDGMENTS**

The publication of this report significantly increases the accountability of the District to the taxpayers. This accomplishment would not have been possible without the support and efforts of the staff of the Treasurer's office and various administrators and employees of the District. Assistance of the County Auditor's office staff and other outside agencies made possible the fair presentation of statistical data.

Special appreciation is expressed to Julian & Grube, Inc. who provided technical assistance on this report. Finally, sincere appreciation is extended to the Board of Education for its interest in and support of this project.

Respectfully,



Lisa Shanks  
Treasurer/CFO



Scott D. Nelson  
Superintendent

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO  
List of Principal Officials**

**MEMBERS OF THE BOARD OF EDUCATION**

The Board of Education is a body politic and corporate with the responsibility of managing and controlling affairs of the District and is, together with the District, governed by laws of the State of Ohio. The Board is comprised of five members who are elected for overlapping four-year terms. The current members of the Board of Education of the Sylvania City School District are:

<u>Board Member</u>	<u>Began Service as a Board member</u>	<u>Present Term Expires</u>
Stephen Rothschild, President	January, 2014	December 31, 2017
David Spiess, Vice President	January, 2002	December 31, 2017
Jim Nusbaum, Member	January, 2004	December 31, 2019
Vicki Donovan Lyle, Member	January, 2004	December 31, 2019
Julie Hoffman, Member	January, 2010	December 31, 2017

**SUPERINTENDENT OF SCHOOLS**

The superintendent is the executive officer of the District and is responsible for administering policies adopted by the Board of Education. The superintendent is expected to provide leadership in all phases of policy formulation and is the chief advisor to the Board on all aspects of the educational program and total operation of the District. Scott Nelson was appointed on July 1, 2015 to serve in this capacity. Scott left the District July 31, 2017. Adam Fineske was appointed by the board to be Superintendent effective August 1, 2017. Adam has been with the District for seventeen years prior to this appointment.

**TREASURER/CFO**

The treasurer serves as the chief financial officer of the District and, with the Board president, executes all conveyances made by the Board of Education. The Board appointed Lisa Shanks, Treasurer/CFO of the District effective September 1, 2016.

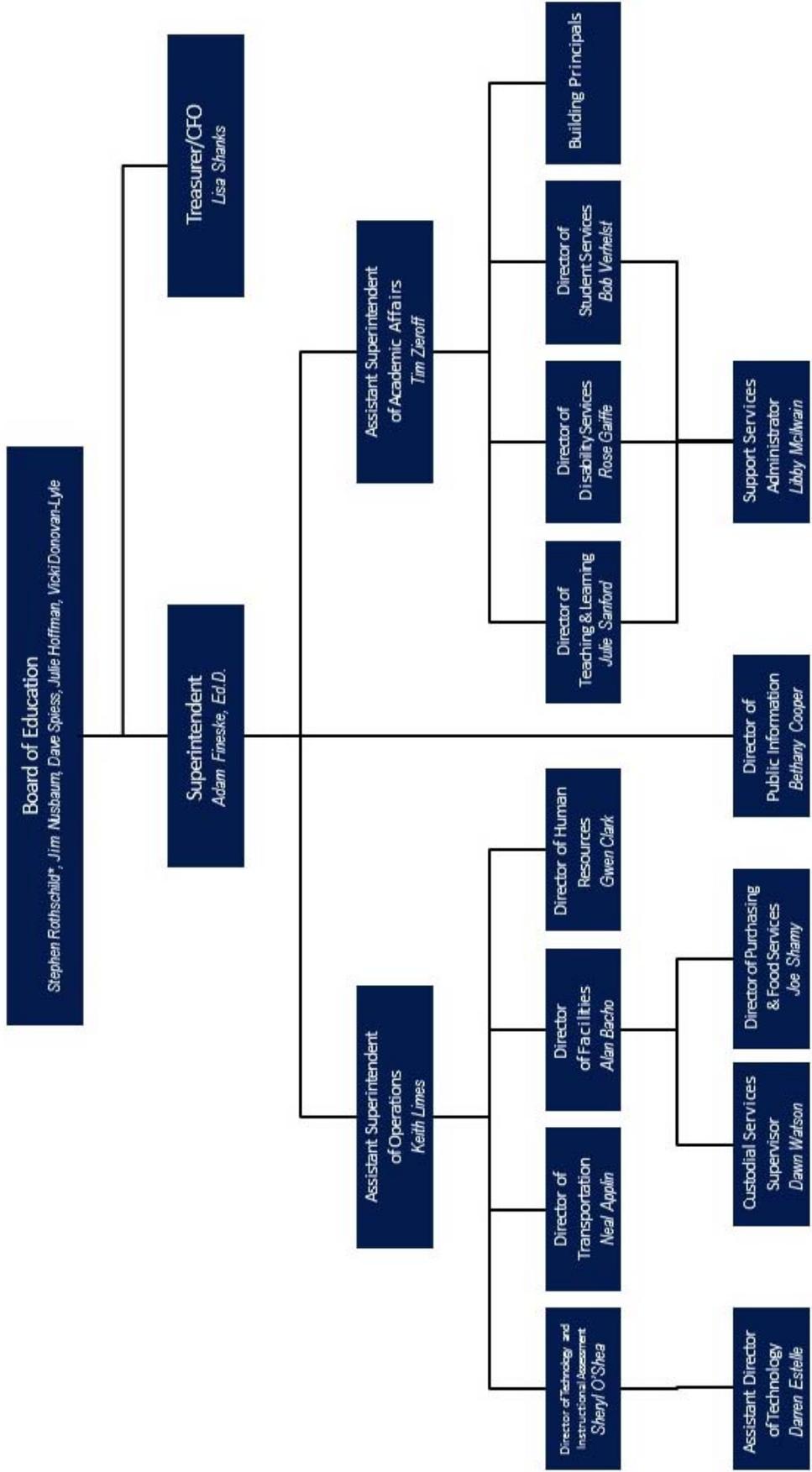
**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

**MANAGEMENT TEAM**

Adam Fineske	Superintendent of Schools
Lisa Shanks	Treasurer/CFO
Keith Limes	Asst Superintendent/Operations
Tim Zieroff	Asst Superintendent/Academic Affairs
Sheryl O'Shea	Dir Technology/Instructional Assessment
Alan Bacho	Director Facilities
Rose Gaiffe	Director Disability Services
Bob Verhelst	Director Student Services
Neal Applin	Director Transportation
Bethany Cooper	Director Public Information
Joe Shamy	Director Purchasing/Food Service
Gwen Clark	Director Human Resources
Julie Sanford	Director Teaching/Learning
Darren Estelle	Assistant Director Technology
Dawn Watson	Custodial Services Supervisor
Libby McIlwain	Support Services Administrator
Steve Swaggerty	Northview High School Principal
Kasey Vens	Southview High School Principal
Mellisa McDonald	Arbor Hills Junior High School Principal
Josh Tyburski	McCord Junior High School Principal
Mike Bader	Timberstone Principal
Amanda Ogren	Central Elementary Principal
Mark Pugh	Highland Elementary Principal
Chad Kolebuck	Hill View Elementary Principal
John Duwve	Maplewood Elementary Principal
Jeremy Bauer	Stranahan Elementary Principal
Julie Gault	Sylvan Elementary Principal
Andrew Duncan	Whiteford Elementary Principal

\*The Organizational Chart was changed for the 2017/18 school year and the management team reflects those changes.

# SYLVANIA CITY SCHOOL DISTRICT 2017/18 ADMINISTRATIVE ORGANIZATIONAL CHART





Government Finance Officers Association

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

Presented to

**Sylvania City School District  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2016**

Executive Director/CEO



# FINANCIAL SECTION

## Instructional Standards & Materials

The Ohio Department of Education adopted new academic content standards in 2010 and has recently approved revisions in 2017. In addition, the state has implemented new state tests in 2014 and 2015. As a district, the Sylvania Schools, have provided professional development to align classroom practices to the state standards and to address the more rigorous demands of the assessments with the ultimate goal of preparing students for success in college and careers. We also have researched instructional materials to align to the new expectations. In the last five years, the district has adopted new instructional materials for K-5 English/Language Arts and math, grades 6-10 English and math, and grades 6-8 science. In the next five years, the district will work to update instructional materials aligned to the most recent version of the state standards in the areas of high school and elementary science, K-8 social studies, and the supporting disciplines (world languages, art, music, etc.) Working together, we will ensure that students have the skills and materials necessary to be successful in postsecondary education and 21st century careers.

\*Pictured are Sylvania Southview Speech and Debate team members. Many regard the extracurriculars of this district to be a key player in supporting our curriculum; this program competing Nationally year after year.

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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

Sylvania City School District  
Lucas County  
4747 North Holland-Sylvania Road  
Sylvania, Ohio 43560

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 Sylvania City School District, Lucas County, Ohio (the District), as of and for the year ended June 30, 2017, 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 audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

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

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

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Sylvania City School District, Lucas County, Ohio, as of June 30, 2017, and the respective changes in financial position therefore for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

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

#### *Supplementary and Other Information*

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

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

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected 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 have also issued our report dated December 22, 2017, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting

or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

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

**Dave Yost**  
Auditor of State

Columbus, Ohio

December 22, 2017

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**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

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

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

**Financial Highlights**

Key financial highlights for 2017 are as follows:

- In total, the net position deficit of governmental activities decreased \$435,369 which represents a 0.42% decrease from 2016.
- General revenues accounted for \$91,482,801 in revenue or 88.66% of all revenues. Program specific revenues in the form of charges for services and sales, operating grants and contributions, and capital grants and contributions accounted for \$11,695,487 or 11.34% of total revenues of \$103,178,288.
- The District had \$103,613,657 in expenses related to governmental activities; only \$11,695,487 of these expenses was offset by program specific charges for services, operating grants or contributions or capital grants and contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$91,482,801 were not adequate to provide for these programs.
- The general fund and debt service fund are the only major funds of the District. The general fund had \$87,858,130 in revenues and \$83,189,827 in expenditures and other financing uses. During fiscal year 2017, the general fund's fund balance increased \$4,668,303 from a deficit of \$2,186,957 to a balance of \$2,481,346.
- The debt service fund had \$13,679,635 in revenues and other financing sources and \$13,857,673 in expenditures and other financing uses. During fiscal year 2017, the debt service fund's fund balance decreased \$178,038 from \$4,210,039 to \$4,032,001.

**Using this Comprehensive Annual Financial Report (CAFR)**

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

The *statement of net position* and *statement of activities* provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other nonmajor funds presented in total in one column. In the case of the District, the general fund and debt service fund are by far the most significant funds, and the only governmental funds reported as major funds.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

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

**Reporting the District as a Whole**

***Statement of net position and the statement of activities***

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2017?" The statement of net position and the 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 will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's *net position* and changes in that position. This change in net position is important because it tells the reader that, for the District as a whole, the *financial position* of the 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 District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

The statement of net position and the statement of activities include the District's programs and services, including instruction, support services, operation and maintenance of plant, pupil transportation, extracurricular activities, food service operations, uniform school supplies activities and natatorium operations.

The District's statement of net position and statement of activities can be found on pages F19-F20 of this report.

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

***Fund Financial Statements***

The analysis of the District's major governmental funds begins on page F14. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the general fund and debt service fund. All other governmental funds are considered nonmajor.

***Governmental Funds***

Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial assets* that can readily be converted to cash. The governmental fund financial statements provide a detailed *short-term* view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental *activities* (reported in the statement of net position and the statement of activities) and governmental *funds* is reconciled in the basic financial statements. The basic governmental fund financial statements can be found on pages F21 and F23 of this report. Reconciliations between amounts reported in the governmental funds and amounts reported on the statement of net position and the statement of activities is presented on pages F22 and F24.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

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

***Reporting the District's Fiduciary Responsibilities***

The District is the trustee, or fiduciary, for its scholarship programs. This activity is presented as a private-purpose trust fund. The District also acts in a trustee capacity as an agent for students. These activities are reported in an agency fund. All of the District's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position on pages F25 and F26. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

***Notes to the Basic Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages F27-F66 of this report.

***Required Supplementary Information***

The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) for the general fund is provided on pages F68 and F69 of this report.

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's net pension liability. The required supplementary information can be found on pages F70 through F76 of this report.

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**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

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

**The District as a Whole**

The statement of net position provides the perspective of the District as a whole. The table below provides a summary of the District's net position for the fiscal years ended June 30, 2017 and 2016.

	Net Position - Governmental Activities	
	2017	2016
<b><u>Assets</u></b>		
Current and other assets	\$ 85,606,376	\$ 73,203,473
Capital assets, net	100,722,378	104,303,840
Total assets	186,328,754	177,507,313
<b><u>Deferred outflows of resources</u></b>		
Unamortized deferred charges	6,281,628	6,795,790
Pension	26,791,854	11,675,994
Total deferred outflows	33,073,482	18,471,784
<b><u>Liabilities</u></b>		
Current liabilities	8,852,917	9,648,505
Long-term liabilities:		
Due within one year	5,948,811	5,697,945
Due in more than one year:		
Net pension liability	145,579,330	118,963,886
Other amounts	97,068,320	99,095,964
Total liabilities	257,449,378	233,406,300
<b><u>Deferred inflows of resources</u></b>		
Property taxes and PILOTS	66,294,753	59,093,337
Pensions	621,277	8,007,263
Total deferred inflows	66,916,030	67,100,600
<b><u>Net Position</u></b>		
Net investment in capital assets	15,023,837	15,548,098
Restricted	4,579,852	4,145,252
Unrestricted (deficit)	(124,566,861)	(124,221,153)
Total net position (deficit)	\$ (104,963,172)	\$ (104,527,803)

**Net Pension Liability**

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

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

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

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

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

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

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

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

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

*Analysis of Net Position*

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2017, the District's liabilities plus deferred inflows exceeded assets plus deferred outflows by \$104,963,172. Of this total \$4,579,852 is restricted in use and \$15,023,837 is invested in capital assets (net of related debt), resulting in a deficit in unrestricted net position of \$124,566,861.

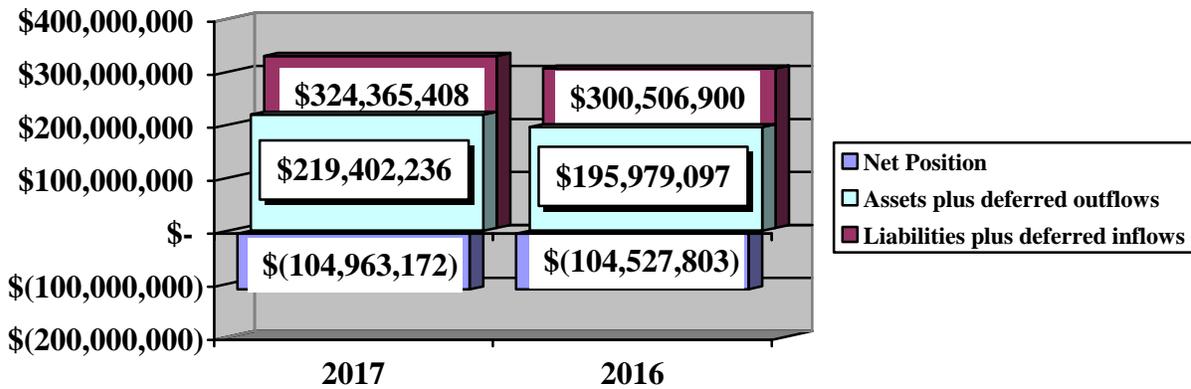
**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

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

At year-end, capital assets represented 54.06% of total assets. Capital assets include land, construction in progress, land improvements, buildings and improvements, furniture and equipment, and vehicles. The net investment in capital assets at June 30, 2017, was \$15,023,837. These capital assets are used to provide services to the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

Current and other assets increased 16.94% from the prior year. The primary increase was in the area of property taxes receivable which increased \$7,329,759 primarily due to the passage of a combined operating-permanent improvement levy in November 2016. Full collection on the levy will be realized in fiscal year 2018. Current property taxes receivable is offset by a deferred inflow since the taxes were levied in fiscal year 2017 but are intended to finance fiscal year 2018. In addition, the District had a decrease in capital assets of \$3,581,462 due primarily to depreciation expense exceeding capital asset additions in the fiscal year. Current liabilities decreased due primarily to a decrease in accrued wages and benefits payable of \$975,533. Long-term liabilities increased as a result of an increase in the net pension liability discussed above. In relation to its effect on net position, the impact of the increase in the net pension liability is partially offset by an increase in deferred outflows of resources related to pension and a decrease in deferred inflows of resources related to pension. These factors are outside of the control of the District. The District contributes its statutorily required contributions to the pension systems; however, it's the pension systems that collect, hold and distribute pensions to District employees, not the District. The graph below illustrates the total assets plus deferred outflows, liabilities plus deferred inflows and net position of the governmental activities at June 30, 2017 and 2016.

**Governmental Activities**



**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

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

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

	Change in Net Position - Governmental Activities	
	2017	2016
<b><u>Revenues</u></b>		
Program revenues:		
Charges for services and sales	\$ 3,108,905	\$ 2,900,573
Operating grants and contributions	8,586,582	8,594,722
General revenues:		
Property taxes	67,170,754	62,939,688
Payments in lieu of taxes	336,593	384,847
Grants and entitlements	23,480,318	21,821,964
Investment earnings	137,152	41,732
Miscellaneous	357,984	363,926
Total revenues	<u>103,178,288</u>	<u>97,047,452</u>
<b><u>Expenses</u></b>		
Program expenses:		
Instruction:		
Regular	38,598,123	35,316,565
Special	14,555,048	13,291,068
Vocational	2,517,544	1,814,688
Adult/continuing	93,014	71,055
Other	2,286,573	2,186,237
Support services:		
Pupil	6,235,878	5,521,918
Instructional staff	2,257,483	1,926,976
Board of education	35,293	32,820
Administration	8,114,875	7,358,021
Fiscal	1,950,168	1,800,082
Business	209,399	242,293
Operations and maintenance	9,945,554	9,336,202
Pupil transportation	4,780,637	4,477,720
Central	1,328,922	784,648
Operation of non-instructional services:		
Food service operations	2,495,494	2,215,835
Other non-instructional services	1,136,233	1,125,676
Extracurricular activities	2,999,186	2,666,350
Interest and fiscal charges	4,074,233	4,165,290
Total expenses	<u>103,613,657</u>	<u>94,333,444</u>
Change in net position	(435,369)	2,714,008
Net position (deficit) at beginning of year	<u>(104,527,803)</u>	<u>(107,241,811)</u>
Net position (deficit) at end of year	<u>\$ (104,963,172)</u>	<u>\$ (104,527,803)</u>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

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

**Governmental Activities**

Net position of the District's governmental activities decreased \$435,369 as expenses exceeded revenues in fiscal year 2017. Net position decreased in fiscal year 2017 because the fact that revenues increased approximately 6.32% over fiscal year 2016 while expenses increased approximately 9.84% from fiscal year 2016. Total governmental expenses of \$103,613,657 were offset by program revenues of \$11,695,487 and general revenues of \$91,482,801. Program revenues supported 11.29% of the total governmental expenses.

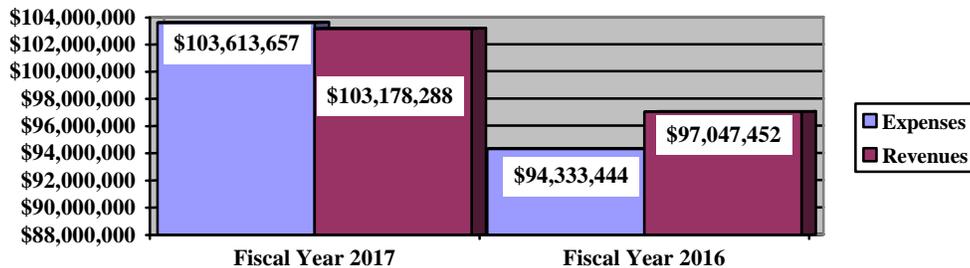
The primary sources of revenue for governmental activities are derived from property taxes and grants and entitlements. These revenue sources represent 87.86% of total governmental revenue. In the general revenues area, property taxes increased due to the passage of a combined operating-permanent improvements levy in November 2016. Collections on this levy began in February 2017. Unrestricted grants and entitlements revenue increased as the District received more unrestricted State Foundation aid from the State of Ohio in fiscal year 2017. Investment earnings increased as the District had more monies to invest and earned higher interest rates. In the program revenues area, operating grants and contributions remained comparable to the prior year. Charges for services and sales revenue increased due to increased tuition revenue.

Overall, expenses increased 9.84% in total. Pension expense was the primary reason for the increase in expenses. Pension expense for fiscal year 2017 was \$11,335,571 compared to \$5,646,917 for fiscal year 2016. Pension expense is reported as a program expense of the program benefitting from the employee's service.

The overall change in net position was a decrease in fiscal year 2017 of \$435,369.

The graph below presents the District's governmental activities revenue and expenses for fiscal years 2017 and 2016.

**Governmental Activities - Revenues and Expenses**



The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

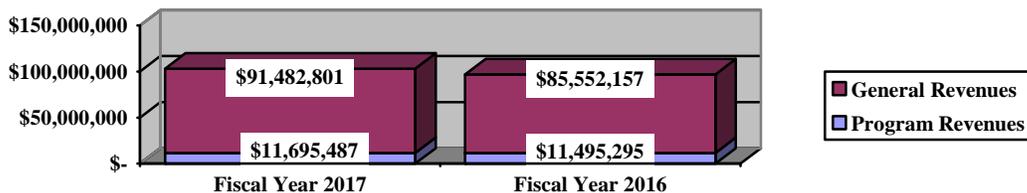
**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017  
(UNAUDITED)**

The following table shows, for governmental activities, the total cost of services and the net cost of services.

<b>Governmental Activities</b>				
	Total Cost of Services <u>2017</u>	Net Cost of Services <u>2017</u>	Total Cost of Services <u>2016</u>	Net Cost of Services <u>2016</u>
<b>Program expenses</b>				
Instruction:				
Regular	\$ 38,598,123	\$ 37,781,901	\$ 35,316,565	\$ 34,379,774
Special	14,555,048	8,613,511	13,291,068	7,372,142
Vocational	2,517,544	1,826,129	1,814,688	1,203,894
Adult/continuing	93,014	5,413	71,055	16,600
Other	2,286,573	2,286,573	2,186,237	2,186,237
Support services:				
Pupil	6,235,878	6,035,215	5,521,918	5,380,642
Instructional staff	2,257,483	2,221,271	1,926,976	1,899,595
Board of education	35,293	35,293	32,820	32,820
Administration	8,114,875	8,114,875	7,358,021	7,358,021
Fiscal	1,950,168	1,950,168	1,800,082	1,800,082
Business	209,399	209,399	242,293	242,293
Operations and maintenance	9,945,554	9,869,933	9,336,202	9,276,856
Pupil transportation	4,780,637	4,734,459	4,477,720	4,436,338
Central	1,328,922	1,307,322	784,648	763,048
Operations of non-instructional services:				
Food service operations	2,495,494	524,340	2,215,835	384,762
Other non-instructional services	1,136,233	81,040	1,125,676	13,054
Extracurricular activities	2,999,186	2,247,095	2,666,350	1,926,701
Interest and fiscal charges	<u>4,074,233</u>	<u>4,074,233</u>	<u>4,165,290</u>	<u>4,165,290</u>
Total expenses	<u>\$ 103,613,657</u>	<u>\$ 91,918,170</u>	<u>\$ 94,333,444</u>	<u>\$ 82,838,149</u>

The dependence upon tax and other general revenues for governmental activities is apparent, 87.02% of instruction activities are supported through taxes and other general revenues. For all governmental activities, general revenue support is 88.71%. The District's taxpayers and unrestricted grants and entitlements from the State of Ohio, as a whole, are by far the primary support for the District's students. The graph below presents the District's governmental activities revenue for fiscal years 2017 and 2016.

**Governmental Activities - General and Program Revenues**



**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

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

**The District's Funds**

The District's governmental funds (as presented on the balance sheet on page F21) reported a combined fund balance of \$8,674,120, which is higher than last year's total of \$2,609,163. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2017 and 2016.

	Fund Balance <u>June 30, 2017</u>	Fund Balance (deficit) <u>June 30, 2016</u>	Increase (Decrease)
General	\$ 2,481,346	\$ (2,186,957)	\$ 4,668,303
Debt service	4,032,001	4,210,039	(178,038)
Nonmajor Governmental	<u>2,160,773</u>	<u>586,081</u>	<u>1,574,692</u>
Total	<u>\$ 8,674,120</u>	<u>\$ 2,609,163</u>	<u>\$ 6,064,957</u>

The fund balance of the nonmajor governmental funds increased 268.68% from the prior year. The building fund balance increased due to the inception of a lease-purchase obligation in fiscal year 2017. There were no other significant variances in the other nonmajor governmental funds.

**General Fund**

The District's general fund balance increased \$4,668,303. The table that follows assists in illustrating the financial activities of the general fund.

	<u>General Fund</u>			
	2017	2016	Increase	Percentage
<u>Revenues</u>	<u>Amount</u>	<u>Amount</u>	<u>(Decrease)</u>	<u>Change</u>
Taxes	\$ 59,084,836	\$ 55,474,876	\$ 3,609,960	6.51 %
Tuition	752,934	593,769	159,165	26.81 %
Earnings on investments	137,152	41,732	95,420	228.65 %
Intergovernmental	26,270,298	24,489,904	1,780,394	7.27 %
Other revenues	<u>1,612,910</u>	<u>1,651,017</u>	<u>(38,107)</u>	(2.31) %
Total	<u>\$ 87,858,130</u>	<u>\$ 82,251,298</u>	<u>\$ 5,606,832</u>	6.82 %
<u>Expenditures</u>				
Instruction	\$ 48,368,195	\$ 47,657,971	\$ 710,224	1.49 %
Support services	32,490,631	30,817,850	1,672,781	5.43 %
Operation of non-instructional services	105,177	137,997	(32,820)	(23.78) %
Extracurricular activities	1,652,589	1,695,967	(43,378)	(2.56) %
Facilities acquisition and construction	3,310	56,597	(53,287)	(94.15) %
Debt service	<u>459,350</u>	<u>460,400</u>	<u>(1,050)</u>	(0.23) %
Total	<u>\$ 83,079,252</u>	<u>\$ 80,826,782</u>	<u>\$ 2,252,470</u>	2.79 %

As can be seen in the above table, revenues generated are sufficient to cover expenditures in the general fund.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

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

Tax revenue increased due to the passage of a combined operating-permanent improvement levy in November 2016. Collections on the levy began in February 2017. Intergovernmental revenue increased as the District received more Foundation funding from the State of Ohio in fiscal year 2017. Earnings on investment revenues increased due to the District having more monies to invest and improved interest rates.

Instruction expenditures increased primarily in the area of vocational programs. Support services expenditures increased primarily in the areas of pupil support, instructional staff support and central support functions. All other expenditures remained comparable to the prior year or were immaterial in amount.

***Debt Service Fund***

The District's debt service fund decreased \$178,038. Tax revenues were not sufficient to cover debt service payments for the fiscal year. The District refunded the Series 2006 current interest bonds in 2017.

***General Fund Budgeting Highlights***

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

During the course of fiscal 2017, the District did amend its general fund budget. For the general fund, original and final budgeted revenues and other financing sources were \$81,925,014 and \$87,430,466 respectively. Actual revenues and other financing sources for fiscal 2017 was \$87,458,176. This represents a \$27,710 increase, or less than two percent, from final budgeted revenues. This increase is primarily due to property tax revenues being more than estimated. General fund original and final appropriations (appropriated expenditures plus other financing uses) were \$84,509,968 and \$85,544,945 respectively. The actual budget basis expenditures and other financing uses for fiscal year 2017 totaled \$84,845,204, which was \$699,741 less than the final budget appropriations. Actual expenditures were less than budgeted expenditures as salary and fringe benefit costs proved to be lower than anticipated in the original and final budget.

The budgetary statement for the general fund has been presented as required supplementary information.

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**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

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

**Capital Assets and Debt Administration**

**Capital Assets**

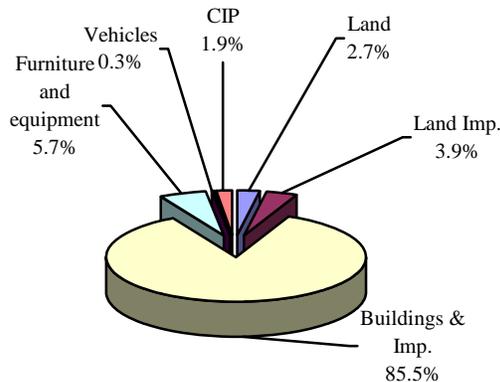
At the end of fiscal 2017, the District had \$100,722,378 invested in land, construction in progress, land improvements, buildings and improvements, furniture and equipment, and vehicles. This entire amount is reported in governmental activities. The following table shows fiscal 2017 balances compared to 2016:

**Capital Assets at June 30  
(Net of Depreciation)**

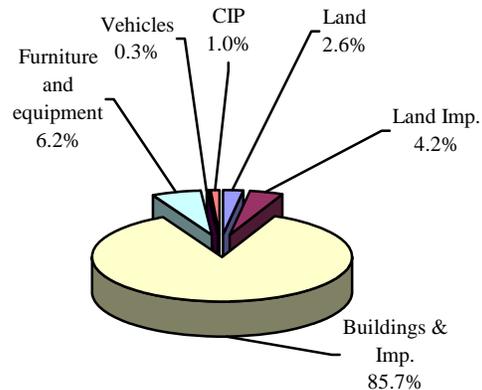
	Governmental Activities	
	2017	2016
Land	\$ 2,694,493	\$ 2,694,493
Land improvements	3,959,012	4,330,392
Buildings and improvements	86,087,682	89,455,632
Furniture and equipment	5,766,744	6,452,510
Vehicles	266,413	273,904
Construction in progress	1,948,034	1,096,909
<b>Total</b>	<b>\$ 100,722,378</b>	<b>\$ 104,303,840</b>

Total additions to capital assets for 2017 were \$1,004,082. The overall decrease in capital assets of \$3,581,462 (net of accumulated depreciation) is primarily due to depreciation expense of \$4,585,544 being recorded in fiscal year 2017. The construction in progress represents costs incurred on the replacement of buildings and upgrades and renovations to existing structures and upgrades to HVAC systems. These projects are being funded by the Series 2011 bond issue and energy improvements are being funded by H.B. 264 energy conservation notes issued in fiscal year 2014. The graphs below present the District's capital assets for fiscal 2017 and fiscal 2016.

**Capital Assets - Governmental Activities  
2017**



**Capital Assets - Governmental Activities  
2016**



See Note 8 for further information on the District's capital assets.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

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

***Debt Administration***

At June 30, 2017, the District had \$87,065,922 in general obligation bonds, energy conservation bonds and lease purchase obligations outstanding. Of this total, \$5,036,969 is due within one year and \$82,028,953 is due within greater than one year.

The following table summarizes the bonds, notes and leases outstanding.

**Outstanding Debt, at Year End**

	Governmental Activities <u>2017</u>	Governmental Activities <u>2016</u>
General obligation bonds	\$ 79,780,922	\$ 83,432,524
Lease purchase obligation	2,850,000	-
Energy conservation bonds	<u>4,435,000</u>	<u>4,740,000</u>
Total	<u>\$ 87,065,922</u>	<u>\$ 88,172,524</u>

The District's lease purchase obligation was issued in fiscal year 2017 to provide financing for boilers, chillers and HVAC (see Note 16). The energy conservation notes were issued in fiscal year 2014 to provide financing for HVAC, electrical, and plumbing system upgrades to create energy savings by reducing energy consumption. The project will be funded from the savings created from reduced energy consumption. Prior to the issuance of the financial statements, these energy conservation notes were refinanced on a long-term basis through the issuance of energy conservation bonds (see Note 9).

The District has issued various general obligation bonds to provide resources to finance construction projects throughout the District and to refund previous bonds outstanding. The District's general obligation bonds consist of both current interest bonds and capital appreciation bonds.

The District's general obligation bond, energy conservation bond and lease purchase obligation activity is detailed in Note 9 to the basic financial statements.

**Current Financial Related Activities**

The District's largest revenue source is property taxes and state reimbursements associated with property taxes. Real estate receipts generate approximately 76% of annual revenues received by Sylvania Schools. Sylvania residents approved a combination Operating-Permanent Improvement Levy in November 2016. The proceeds from this levy will help alleviate the financial stress experienced by District over the past several years. The revenue will stabilize the District's financial position in the short-term. However, a conservative long-term spending plan is necessary to ensure a healthy financial environment in future years. Currently, the state is operating in the first year of a two year budget cycle. Revenue shortfall experienced at the state level led to a reduction of \$2.4 million in state funding under the current budget through a reduction to the funding cap limit. Since fiscal year 2013, the funding cap limit has restricted the amount the District would otherwise receive through the normal calculation process.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

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

The District entered into a three-year agreement with the Sylvania Education Association and OAPSE, effective July 1, 2017. Base increases were awarded in each year of the contract in the amount of 3%, 1.25% and 1.25%, respectively. The District extended its contract with Paramount Insurance Company Inc. through December 31, 2019. Insurance premiums will increase 8% in calendar year 2018 and increases are capped at 10% in 2019.

**Contacting the District's Financial Management**

This financial report is designed to provide our citizen's taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Ms. Lisa Shanks, Treasurer/CFO, Sylvania City School District, 4747 N. Holland Sylvania Rd., Sylvania, Ohio 43560.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

STATEMENT OF NET POSITION  
JUNE 30, 2017

	<b>Governmental Activities</b>
<b>Assets:</b>	
Equity in pooled cash and cash equivalents. . . . .	\$ 12,359,364
Cash with escrow agent . . . . .	901,966
Receivables:	
Property taxes . . . . .	70,561,085
Payment in lieu of taxes . . . . .	388,794
Accounts. . . . .	45,750
Intergovernmental . . . . .	1,209,996
Prepayments . . . . .	134,559
Inventory held for resale. . . . .	4,661
Loans receivable . . . . .	201
Capital assets:	
Nondepreciable capital assets . . . . .	4,642,527
Depreciable capital assets, net. . . . .	96,079,851
Capital assets, net. . . . .	100,722,378
Total assets. . . . .	186,328,754
<b>Deferred outflows of resources:</b>	
Unamortized deferred charges on debt refunding	6,281,628
Pension - STRS . . . . .	20,820,201
Pension - SERS . . . . .	5,971,653
Total deferred outflows of resources . . . . .	33,073,482
<b>Liabilities:</b>	
Accounts payable. . . . .	291,246
Accrued wages and benefits payable . . . . .	6,720,869
Intergovernmental payable . . . . .	175,958
Pension and postemployment benefits payable. . . . .	1,300,100
Accrued interest payable . . . . .	364,744
Long-term liabilities:	
Due within one year. . . . .	5,948,811
Due in more than one year:	
Net pension liability (See Note 11) . . . . .	145,579,330
Other amounts due in more than one year . . . . .	97,068,320
Total liabilities . . . . .	257,449,378
<b>Deferred inflows of resources:</b>	
Property taxes levied for the next fiscal year. . . . .	65,905,959
Payment in lieu of taxes levied for the next fiscal year	388,794
Pension - STRS. . . . .	57,947
Pension - SERS. . . . .	563,330
Total deferred inflows of resources . . . . .	66,916,030
<b>Net position:</b>	
Net investment in capital assets . . . . .	15,023,837
Restricted for:	
Capital projects . . . . .	2,853,571
Debt service. . . . .	1,521,469
Locally funded programs . . . . .	1,470
State funded programs. . . . .	15,332
Student activities . . . . .	188,010
Unrestricted (deficit) . . . . .	(124,566,861)
Total net position (deficit). . . . .	\$ (104,963,172)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Program Revenues			Net (Expense) Revenue and Changes in Net Position
Expenses	Charges for Services and Sales	Operating Grants and Contributions	Governmental Activities	
<b>Governmental activities:</b>				
Instruction:				
Regular . . . . .	\$ 38,598,123	\$ 678,788	\$ 137,434	\$ (37,781,901)
Special . . . . .	14,555,048	501,889	5,439,648	(8,613,511)
Vocational . . . . .	2,517,544	-	691,415	(1,826,129)
Adult/continuing. . . . .	93,014	-	87,601	(5,413)
Other . . . . .	2,286,573	-	-	(2,286,573)
Support services:				
Pupil. . . . .	6,235,878	-	200,663	(6,035,215)
Instructional staff . . . . .	2,257,483	-	36,212	(2,221,271)
Board of education . . . . .	35,293	-	-	(35,293)
Administration. . . . .	8,114,875	-	-	(8,114,875)
Fiscal. . . . .	1,950,168	-	-	(1,950,168)
Business. . . . .	209,399	-	-	(209,399)
Operations and maintenance . . . . .	9,945,554	75,621	-	(9,869,933)
Pupil transportation. . . . .	4,780,637	46,178	-	(4,734,459)
Central . . . . .	1,328,922	-	21,600	(1,307,322)
Operation of non-instructional services:				
Food service operations . . . . .	2,495,494	1,082,254	888,900	(524,340)
Other non-instructional services . . . . .	1,136,233	72,992	982,201	(81,040)
Extracurricular activities. . . . .	2,999,186	651,183	100,908	(2,247,095)
Interest and fiscal charges . . . . .	4,074,233	-	-	(4,074,233)
Total governmental activities . . . . .	\$ 103,613,657	\$ 3,108,905	\$ 8,586,582	(91,918,170)
 <b>General revenues:</b>				
Property taxes levied for:				
General purposes . . . . .				59,250,144
Debt service. . . . .				6,793,908
Capital outlay. . . . .				1,126,702
Payments in lieu of taxes. . . . .				336,593
Grants and entitlements not restricted				
to specific programs . . . . .				23,480,318
Investment earnings . . . . .				137,152
Miscellaneous . . . . .				357,984
Total general revenues . . . . .				91,482,801
Change in net position . . . . .				(435,369)
<b>Net position (deficit) at beginning of year . . . . .</b>				<b>(104,527,803)</b>
<b>Net position (deficit) at end of year. . . . .</b>				<b>\$ (104,963,172)</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2017

	<u>General</u>	<u>Debt Service</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 6,562,370	\$ 3,680,750	\$ 2,116,244	\$ 12,359,364
Cash with escrow agent. . . . .	-	-	901,966	901,966
Receivables:				
Property taxes. . . . .	61,907,365	6,947,725	1,705,995	70,561,085
Payment in lieu of taxes . . . . .	345,326	35,026	8,442	388,794
Accounts . . . . .	28,533	-	17,217	45,750
Interfund loans . . . . .	552,199	-	-	552,199
Intergovernmental. . . . .	561,067	-	648,929	1,209,996
Prepayments. . . . .	134,559	-	-	134,559
Inventory held for resale. . . . .	-	-	4,661	4,661
Loans receivable. . . . .	201	-	-	201
Total assets . . . . .	<u>\$ 70,091,620</u>	<u>\$ 10,663,501</u>	<u>\$ 5,403,454</u>	<u>\$ 86,158,575</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 264,671	\$ -	\$ 26,575	\$ 291,246
Accrued wages and benefits payable . . . . .	6,405,054	-	315,815	6,720,869
Compensated absences payable . . . . .	591,468	-	-	591,468
Intergovernmental payable . . . . .	172,247	-	3,711	175,958
Pension and postemployment benefits payable . . . . .	1,218,500	-	81,600	1,300,100
Interfund loans payable. . . . .	-	-	552,199	552,199
Total liabilities. . . . .	<u>8,651,940</u>	<u>-</u>	<u>979,900</u>	<u>9,631,840</u>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year. . . . .	57,801,796	6,510,249	1,593,914	65,905,959
Payment in lieu of taxes levied for the next fiscal year. . . . .	345,326	35,026	8,442	388,794
Delinquent property tax revenue not available. . . . .	811,212	86,225	20,795	918,232
Intergovernmental revenue not available. . . . .	-	-	639,630	639,630
Total deferred inflows of resources . . . . .	<u>58,958,334</u>	<u>6,631,500</u>	<u>2,262,781</u>	<u>67,852,615</u>
<b>Fund balances:</b>				
Nonspendable:				
Prepays. . . . .	134,559	-	-	134,559
Restricted:				
Debt service . . . . .	-	4,032,001	-	4,032,001
Capital improvements . . . . .	-	-	2,832,776	2,832,776
Non-public schools . . . . .	-	-	13,567	13,567
Other purposes. . . . .	-	-	1,470	1,470
Extracurricular . . . . .	-	-	188,010	188,010
Assigned:				
Student instruction . . . . .	10,967	-	-	10,967
Student and staff support. . . . .	286,232	-	-	286,232
Extracurricular activities . . . . .	155	-	-	155
Facilities acquisition and construction . . . . .	11,760	-	-	11,760
Other purposes. . . . .	44,585	-	-	44,585
Unassigned (deficit) . . . . .	1,993,088	-	(875,050)	1,118,038
Total fund balances (deficit) . . . . .	<u>2,481,346</u>	<u>4,032,001</u>	<u>2,160,773</u>	<u>8,674,120</u>
Total liabilities, deferred inflows and fund balances . . . . .	<u>\$ 70,091,620</u>	<u>\$ 10,663,501</u>	<u>\$ 5,403,454</u>	<u>\$ 86,158,575</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES  
JUNE 30, 2017

<b>Total governmental fund balances</b>		\$	8,674,120
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			100,722,378
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.			
Delinquent property taxes receivable	\$	918,232	
Intergovernmental receivable		639,630	
Total		1,557,862	1,557,862
Unamortized premiums on bonds issued are not recognized in the funds.			(8,067,154)
Unamortized deferred charges on debt refundings are not recognized in the funds.			6,281,628
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.			(364,744)
The net pension liability is not due and payable in the current period; therefore, liability and related deferred inflows are not reported in governmental funds.			
Deferred outflows - Pension		26,791,854	
Deferred Inflows - Pension		(621,277)	
Net pension liability		(145,579,330)	
Total		(119,408,753)	(119,408,753)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.			
General obligation bonds		(84,215,922)	
Lease-purchase obligation		(2,850,000)	
Compensated absences		(7,292,587)	
Total		(94,358,509)	(94,358,509)
<b>Net position (deficit) of governmental activities</b>		\$	(104,963,172)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	General	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
From local sources:				
Property taxes . . . . .	\$ 59,084,836	\$ 6,792,118	\$ 1,110,068	\$ 66,987,022
Payment in lieu of taxes . . . . .	297,464	33,846	5,283	336,593
Tuition . . . . .	752,934	-	-	752,934
Transportation fees . . . . .	46,178	-	-	46,178
Earnings on investments . . . . .	137,152	-	1,963	139,115
Charges for services . . . . .	-	-	1,082,254	1,082,254
Extracurricular . . . . .	187,201	-	468,572	655,773
Classroom materials and fees . . . . .	427,743	-	-	427,743
Rental income . . . . .	71,031	-	-	71,031
Contributions and donations . . . . .	152,317	-	-	152,317
Contract services . . . . .	72,992	-	-	72,992
Other local revenues . . . . .	357,984	-	2,975	360,959
Intergovernmental - state . . . . .	26,091,913	913,671	1,002,192	28,007,776
Intergovernmental - federal . . . . .	178,385	-	3,938,947	4,117,332
<b>Total revenues . . . . .</b>	<b>87,858,130</b>	<b>7,739,635</b>	<b>7,612,254</b>	<b>103,210,019</b>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	33,239,294	-	179,877	33,419,171
Special . . . . .	10,995,800	-	2,662,440	13,658,240
Vocational . . . . .	1,846,528	-	130,292	1,976,820
Adult/continuing . . . . .	-	-	87,211	87,211
Other . . . . .	2,286,573	-	-	2,286,573
Support services:				
Pupil . . . . .	5,697,459	-	260,299	5,957,758
Instructional staff . . . . .	2,012,278	-	15,233	2,027,511
Board of education . . . . .	34,285	-	-	34,285
Administration . . . . .	7,668,128	-	-	7,668,128
Fiscal . . . . .	1,768,053	109,482	18,914	1,896,449
Business . . . . .	211,435	-	-	211,435
Operations and maintenance . . . . .	9,213,122	-	50,626	9,263,748
Pupil transportation . . . . .	4,598,474	-	36,300	4,634,774
Central . . . . .	1,287,397	-	21,600	1,308,997
Operation of non-instructional services:				
Food service operations . . . . .	-	-	2,108,408	2,108,408
Other non-instructional services . . . . .	105,177	-	1,028,213	1,133,390
Extracurricular activities . . . . .	1,652,589	-	432,853	2,085,442
Facilities acquisition and construction . . . . .	3,310	-	1,968,525	1,971,835
Debt service:				
Principal retirement . . . . .	305,000	4,450,000	-	4,755,000
Interest and fiscal charges . . . . .	154,350	3,199,656	-	3,354,006
Bond issuance costs . . . . .	-	52,275	-	52,275
<b>Total expenditures . . . . .</b>	<b>83,079,252</b>	<b>7,811,413</b>	<b>9,000,791</b>	<b>99,891,456</b>
Excess of revenues over (under) expenditures . . . . .	4,778,878	(71,778)	(1,388,537)	3,318,563
<b>Other financing sources (uses):</b>				
Issuance of refunding bonds . . . . .	-	5,940,000	-	5,940,000
Payment to refunded bond escrow agent . . . . .	-	(6,046,260)	-	(6,046,260)
Transfers in . . . . .	-	-	110,575	110,575
Transfers (out) . . . . .	(110,575)	-	-	(110,575)
Inception of lease-purchase obligation . . . . .	-	-	2,850,000	2,850,000
<b>Total other financing sources (uses) . . . . .</b>	<b>(110,575)</b>	<b>(106,260)</b>	<b>2,960,575</b>	<b>2,743,740</b>
Net change in fund balances . . . . .	4,668,303	(178,038)	1,572,038	6,062,303
<b>Fund balances (deficit) at beginning of year . . . . .</b>	<b>(2,186,957)</b>	<b>4,210,039</b>	<b>586,081</b>	<b>2,609,163</b>
<b>Increase in reserve for inventory . . . . .</b>	<b>-</b>	<b>-</b>	<b>2,654</b>	<b>2,654</b>
<b>Fund balances at end of year . . . . .</b>	<b>\$ 2,481,346</b>	<b>\$ 4,032,001</b>	<b>\$ 2,160,773</b>	<b>\$ 8,674,120</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

<b>Net change in fund balances - total governmental funds</b>	\$	6,062,303
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense.		
Capital asset additions	\$ 1,004,082	
Current year depreciation	<u>(4,585,544)</u>	
Total		(3,581,462)
Governmental funds report expenditures for inventory when purchased. However, in the statement of activities, they are reported as an expense when consumed.		
		2,654
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Delinquent property tax revenue	183,732	
Intergovernmental	<u>(215,463)</u>	
Total		(31,731)
Repayment of bond principal is an expenditure in the funds but the repayment reduces long-term liabilities on the statement of net position.		
		4,755,000
Issuance of refunding bonds are recorded as other financing source in the funds; however, in the statement of activities, they are not reported as revenue as they increase liabilities on the statement of net position.		
		(5,940,000)
Inception of lease-purchase obligations are recorded as other financing source in the funds; however, in the statement of activities, they are not reported as revenue as they increase liabilities on the statement of net position.		
		(2,850,000)
Payment to refunded bond escrow agent for the retirement of bonds is an other financing use in the funds but the payment reduces long-term liabilities on the statement of net position. Deferred charges related to bond refundings are amortized over the life of the issuance in the statement of activities. The following refunding transactions occurred during the year:		
Bonds refunded	5,940,000	
Unamortized premium on refunded bonds removed	277,489	
Deferred charges on refundings	<u>(171,229)</u>	
Total		6,046,260
In the statement of activities, interest is accrued on outstanding bonds, whereas in the funds, an interest expenditure is reported when due. The following items contributed in additional interest being reported in the statement of activities:		
Decrease in accrued interest payable	(13,529)	
Accreted interest on capital appreciation bonds	(798,398)	
Amortization of bond premiums	486,908	
Amortization of deferred charges on debt refundings	<u>(342,933)</u>	
Total		(667,952)
Contractually required pension contributions are reported as expenditures in the funds; however, the statement of activities reports these amounts as deferred outflows.		
		7,221,973
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.		
		(11,335,571)
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in the funds.		
		<u>(116,843)</u>
<b>Change in net position of governmental activities</b>	<b>\$</b>	<b><u>(435,369)</u></b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2017

	<b>Private-Purpose Trust</b>	
	<b>Scholarship</b>	<b>Agency</b>
<b>Assets:</b>		
Equity in pooled cash and cash equivalents . . . . .	\$ 9,429	\$ 99,597
Total assets. . . . .	9,429	\$ 99,597
<b>Liabilities:</b>		
Accounts payable. . . . .	-	\$ 3,486
Loan payable . . . . .	-	201
Intergovernmental payable . . . . .	-	317
Due to students. . . . .	-	95,593
Total liabilities . . . . .	-	\$ 99,597
<b>Net position:</b>		
Held in trust for scholarships . . . . .	9,429	
Total net position. . . . .	\$ 9,429	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<b>Private-Purpose Trust</b>
	<b>Scholarship</b>
<b>Additions:</b>	
Interest . . . . .	\$ 66
Gifts and contributions . . . . .	1,965
Total additions . . . . .	2,031
 <b>Deductions:</b>	
Scholarships awarded . . . . .	2,001
Change in net position . . . . .	30
<b>Net position at beginning of year . . . . .</b>	<b>9,399</b>
<b>Net position at end of year . . . . .</b>	<b>\$ 9,429</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS, COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT**

The Sylvania City School District (the "District") is located in the greater metropolitan Toledo area of Lucas County in northwestern Ohio. The District encompasses all of the City of Sylvania, and portions of Sylvania Township.

The District is organized under Section 2 and 3, Article VI of the Constitution of the State of Ohio. Under such laws, there is no authority for a school district to have a charter or adopt local laws. The legislative power of the District is vested in the Board of Education, consisting of five members elected at large for staggered four-year terms.

The District currently operates 7 elementary schools, 3 middle schools, and 2 comprehensive high schools. The District employs 263 non-certified, 43 administrative, and 501 certified employees (full time equivalents) to provide services to 7,559 students in grades K through 12 and various community groups.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Reporting Entity**

The reporting entity has been defined in accordance with GASB 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 an Amendment of GASB Statements No. 14 and No. 34". The reporting entity is composed of the primary government and component units. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's Governing Board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government's financial statements incomplete or misleading. Based upon the application of these criteria, the District has no component units. The basic financial statements of the reporting entity include only those of the District (the primary government).

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS, COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

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

The following organizations are described due to their relationship to the District:

*JOINTLY GOVERNED ORGANIZATIONS*

Northwest Ohio Computer Association (NWOCA)

The District is a participant with 41 other public entities in a jointly governed organization to operate NWOCA. NWOCA was formed for the purpose of providing computer services. NWOCA is governed by a board of directors consisting of the superintendents of the member school districts. The degree of control exercised by any participating school district is limited to its representation on the board. The District does not have an ongoing financial interest or responsibility in NWOCA.

Sylvania Area Joint Recreation District (SAJRD)

The District, in conjunction with the City of Sylvania and the Sylvania Township, formed the Sylvania Area Joint Recreation District under the authority of Ohio Revised Code Section 755.14(C). The SAJRD Board of Trustees is composed of twelve members, four of whom are appointed by each of the separate governmental entities identified above. Funding for the SAJRD is provided by a voter-approved tax levy on all real property located within the Sylvania School District. Taxes are collected by the County Auditor and remitted to the SAJRD Board of Trustees.

**B. Fund Accounting**

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

*GOVERNMENTAL FUNDS*

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

General fund - The general fund is used to account for and report all financial resources not accounted for and reported in another fund. The general fund balance is available for any purpose provided it is expended or transferred according to the general laws of Ohio.

Debt service fund - The debt service fund is used to account for the resources restricted for the payment of general long-term debt principal, interest and related costs including the retirement of current interest term and serial bonds, capital appreciation bonds and both short-term and long-term notes and loans. All revenues derived from general or special levies, either within or exceeding the statutory unvoted ten mill limitation, which is levied for debt service on bonds or loans are paid into this fund.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS, COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

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

Other governmental funds of the District are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets, and (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects.

*PROPRIETARY FUNDS*

Proprietary funds are used to account for the District's ongoing activities which are similar to those often found in the private sector. The District has no proprietary funds.

*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 District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. The District's only trust fund is a private purpose trust which accounts for scholarship programs for students. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District's agency fund accounts for student activities.

**C. Basis of Presentation and Measurement Focus**

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

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the governmental activities of the District. 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 amounts paid by the recipient of 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 not classified as program revenues are presented as general revenues of the District.

The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the District are included on the statement of net position.

Fund Financial Statements - Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column, and all nonmajor funds are aggregated into one column. Fiduciary funds are reported by fund type.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS, COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

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

Like the government-wide statements, the private-purpose trust fund is accounted for on a flow of economic resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of this fund are included on the statement of fund net position. The statement of changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Agency funds do not report a measurement focus as they do not report operations.

**D. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Fiduciary funds also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows, 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. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of fiscal year end.

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donation. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 6).

Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

**SYLVANIA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

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

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the District, deferred outflows of resources have been reported for the following two items related the District's net pension liability: (1) the difference between expected and actual experience of the pension systems, and (2) the District's contributions to the pension systems subsequent to the measurement date. In addition, deferred outflows of resources include a deferred charge on debt refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes, payments in lieu of taxes and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of June 30, 2017, but which were levied to finance fiscal year 2018 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the District unavailable revenue includes, but is not limited to, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

The District also reports a deferred inflow of resources for the net difference between projected and actual earnings on pension plan investments related to the District's net pension liability. This deferred inflow of resources is only reported on the government-wide statement of net position.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The entitlement value of donated commodities received during the year is reported in the statement of revenues, expenditures and changes in fund balances as an expenditure with a like amount reported as intergovernmental revenue.

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

**SYLVANIA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

**E. Budgets**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The Certificate of Estimated Resources and the Appropriations Resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control has been established by the Board of Education at the fund level for all budgeted funds.

Although the legal level of budgetary control was established at the fund level of expenditures, the District has elected to present budgetary statement comparisons at the fund and function level of expenditures. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

Tax Budget:

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

Estimated Resources:

By April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's certificate of estimated resources, which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered cash balances from the preceding year. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts from the certificate of estimated resources that was in effect at the time the original permanent appropriations covering the entire fiscal year were passed by the Board of Education. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts from the certificate of amended resources that was in effect at the time the final appropriations were passed by the Board of Education.

**SYLVANIA CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

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

Appropriations:

Upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates or a certificate saying no new certificate is necessary, the annual appropriation resolution is enacted by the Board of Education. Prior to the passage of the annual appropriation measure, the Board may pass a temporary appropriation measure to meet the ordinary expenses of the District. The District's legal level of budgetary control has been established at the fund level for all budgeted funds. The appropriation resolution, established at the legal level of control funds, must be within the estimated resources as certified by the County Budget Commission and the total of expenditures may not exceed the appropriation totals at the legal level of control. Any revisions that alter the legal level of budgetary control must be approved by the Board of Education.

The Board may pass supplemental fund appropriations so long as the total appropriations by fund do not exceed the amounts set forth in the most recent certificate of estimated resources. During the year, all supplemental appropriations were legally enacted.

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

Lapsing of Appropriations:

Unencumbered appropriations lapse at year end. Encumbered appropriations are carried forward to the succeeding fiscal year and need not be re-appropriated. Cash disbursements plus encumbrances may not legally exceed budgeted appropriations at the legal level of control.

**F. Cash and Investments**

To improve cash management, cash received by the District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the District's records. Each fund's interest in the pool is presented as "equity in pooled cash and cash equivalents" on the basic financial statements.

During fiscal year 2017, the District invested in the State Treasury Asset Reserve of Ohio (STAR Ohio). STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The District measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

**SYLVANIA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

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

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund or the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2017 amounted to \$137,152, which includes \$69,632 assigned from other District funds.

For presentation on the basic financial statements, investments purchased by the cash management pool and investments with original maturities of three months or less at the time they are purchased by the District are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments. An analysis of the District's investment account at fiscal year end is provided in Note 4.

**G. Inventory**

On government-wide and fund financial statements, inventories of supplies are reported at cost, inventories held for resale are reported at the lower of cost or market, and donated commodities are presented at their entitlement value. Inventories are recorded on a first-in, first-out basis and are expensed when received. Inventories are accounted for using the purchase method on the fund statements and using the consumption method on the government-wide statements.

On the fund financial statements, reported materials and supplies inventory is equally offset by nonspendable fund balance in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets. Inventory consists of expendable supplies held for consumption, donated food and purchased food.

**H. Capital Assets**

General capital assets are those assets specifically related to governmental activities. These assets result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value. The District maintains a capitalization threshold of \$5,000. The 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.

**SYLVANIA CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

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

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

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>
Land improvements	5 - 50 years
Buildings and improvements	7 - 45 years
Furniture and equipment	5 - 20 years
Vehicles	5 - 15 years

**I. Interfund Balances**

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund loans receivable/payable.” Interfund balances between governmental funds are eliminated in the governmental activities column on the statement of net position.

**J. Compensated Absences**

In accordance with the provisions of GASB Statement No. 16, “Accounting for Compensated Absences”, a liability for vacation leave is accrued if a) the employees’ rights to payment are attributable to services already rendered; and b) it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as cash payment at termination or retirement. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination (severance) payments. A liability for sick leave is accrued using the vesting method; i.e., the liability is based on the sick leave accumulated at the balance sheet date by those employees who are currently eligible to receive termination (severance) payments, as well as those employees expected to become eligible in the future. For purposes of establishing a liability for sick leave on employees expected to become eligible to retire in the future, all employees age 50 or greater with at least 10 years of service; or 20 years service at any age were considered expected to become eligible to retire in accordance with GASB Statement No. 16.

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at June 30, 2017, and reduced to the maximum payment allowed by labor contract and/or statute, plus any additional salary related payments.

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

For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements.

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

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

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS, COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

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

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, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds and notes are recognized as a liability on the fund financial statements when due.

**L. Fund Balance**

Fund balance is divided into five classifications based primarily on the extent to which the 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 classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

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

*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 District Board of Education (the highest level of decision making authority). Those committed amounts cannot be used for any other purpose unless the 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.

*Assigned* - Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the District Board of Education, which includes giving the Treasurer the authority to constrain monies for intended purposes. When unassigned fund balance is a deficit in the general fund, assigned fund balance may not be presented in the general fund.

*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 only used to report a deficit fund balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The District applies restricted resources first when expenditures are incurred for purposes for which restricted and unrestricted (committed, assigned, and unassigned) fund balance is 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.

**SYLVANIA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

**M. Net Position**

Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. The net position component “net investment in capital assets,” consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

**N. Estimates**

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

**O. Interfund Activity**

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

**P. Nonpublic Schools**

Within the District boundaries, St. Joseph and St. Francis schools are operated through the Toledo Catholic Diocese; and Toledo Junior, Emmanuel Baptist, and Toledo Islamic are operated as private schools. All of these schools provide instruction for grades K-8. Current state legislation provides funding to these parochial schools. These monies are received and disbursed on behalf of the parochial schools by the Treasurer of the District, as directed by the parochial school. The receipt and expenditure of these state monies by the District are reflected in a nonmajor governmental fund for financial reporting purposes.

**Q. Issuance Costs/Bond Premiums and Discounts and Accounting Gain or Loss on Debt Refunding**

On the governmental fund financial statements, issuance costs, bond premiums, bond discounts, and deferred charges from debt refunding are recognized in the current period.

**SYLVANIA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

On the government-wide financial statements, issuance costs are recognized in the current period and are not amortized. Bond premiums and discounts are amortized over the term of the bonds using the straight-line method. Unamortized bond premiums are presented as an addition to the face amount of the bonds reported on the statement of net position. Unamortized bond discounts are presented as a reduction to the face amount of the bonds reported on the statement of net position. The reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 9.

For advance refunding resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a deferred outflow of resources.

**R. Pensions**

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

**S. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither one of these transactions occurred during fiscal year 2017.

**T. Fair Value**

The District categorizes its fair value measurements within the fair value hierarchy established by GAAP. 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. At June 30, 2017, the District had no investments subject to fair value measurements.

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE**

**A. Change in Accounting Principles**

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

**SYLVANIA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)**

GASB Statement No. 77 requires governments that enter into tax abatement agreements to disclose certain information about the agreement. GASB Statement No. 77 also requires disclosures related to tax abatement agreements that have been entered into by other governments that reduce the reporting government's tax revenues. These disclosures were incorporated in the District's fiscal year 2017 financial statements (see Note 17); however, there was no effect on beginning net position/fund balance.

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

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

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

**B. Deficit Fund Balances**

Fund balances at June 30, 2017 included the following individual fund deficits:

<u>Nonmajor funds</u>	<u>Deficit</u>
Food service	\$ 117,459
Vocational education enhancement	4,911
Adult basic education	1,090
IDEA Part B	560,839
Vocational education	5,158
Title III - limited english proficiency	7,062
Title I	136,883
IDEA Part B - preschool stimulus	3,188
Improving teacher quality	38,460

**SYLVANIA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)**

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

**NOTE 4 - DEPOSITS AND INVESTMENTS**

The District maintains a cash and investment pool used by all funds. Each fund type's portion of this pool is displayed on the financial statements as "equity in pooled cash and cash equivalents". State statutes require the classification of monies held by the 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 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 deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories.

Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings accounts, including passbook accounts.

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or interest by the United States;
2. Bonds, Notes, Debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above 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% and be marked to market daily, and that 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 items (1) and (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasury Asset Reserve of Ohio (STAR Ohio);

**SYLVANIA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

7. Certain bankers' acceptances and commercial paper notes for a period not to exceed 180 days in an amount not to exceed 25% of the interim monies available for investment at any one time; and
8. Under limited circumstances, corporate debt instruments rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

Protection of the District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the finance 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.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

**A. Cash with Escrow Agent**

At June 30, 2017, the District had \$901,966 in a separate escrow account related to unspent proceeds of a lease-purchase agreement (see Note 16) that is held separate from the District's internal investment pool. The balance of this escrow account is not included in "deposits with financial institutions" below.

**B. Deposits with Financial Institutions**

At June 30, 2017, the carrying amount of all District deposits was \$1,930,982. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of June 30, 2017, \$717,547 of the District's bank balance of \$3,020,964 was exposed to custodial risk as discussed below, while \$2,303,417 was covered by the Federal Deposit Insurance Corporation.

Custodial credit risk is the risk that, in the event of bank failure, the District's deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the District. The District has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the District to a successful claim by the FDIC.

**SYLVANIA CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

**B. Investments**

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

<u>Measurement/ Investment type</u>	<u>Measurement Value</u>	<u>Investment Maturity 6 months or less</u>
Amortized Cost:		
STAR Ohio	<u>\$ 10,537,408</u>	<u>\$ 10,537,408</u>

The District's weighted average length to maturity for investments in STAR Ohio is one day.

*Interest Rate Risk:* As a means of limiting its exposure to fair value losses arising from rising interest rates and according to state law, the District's investment policy limits investment portfolio maturities to five years or less. State law and the District policy requires that repurchase agreements cannot exceed thirty (30) days. In addition, securities subject to repurchase agreements must exceed the principal value by greater or equal to two (2) percent.

*Credit Risk:* STAR Ohio must maintain the highest letter or numerical rating provided by at least one nationally recognized standard service. Standard & Poor's has assigned STAR Ohio an AAAM money market rating. The District's investment policy does not specifically address credit risk beyond the adherence to Chapter 135 of the Ohio Revised Code, of which all relevant provisions are described previously in this note disclosure (Note 4).

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

*Concentration of Credit Risk:* The District's investment policy places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the District at June 30, 2017:

<u>Measurement/ Investment type</u>	<u>Measurement Value</u>	<u>% of Total</u>
Amortized Cost:		
STAR Ohio	<u>\$ 10,537,408</u>	<u>100.00</u>

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**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

**C. Reconciliation of cash and investments to the Statement of Net Position**

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

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 1,930,982
Cash with escrow agent	901,966
Investments	<u>10,537,408</u>
Total	<u>\$ 13,370,356</u>
 <u>Cash and investments per statement of net position</u>	
Governmental activities	\$ 13,261,330
Private-purpose trust funds	9,429
Agency funds	<u>99,597</u>
Total	<u>\$ 13,370,356</u>

**NOTE 5 - INTERFUND TRANSACTIONS**

- A.** Interfund loans receivable/payable consisted of the following at June 30, 2017, as reported on the fund statements:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General fund	Nonmajor governmental funds	<u>\$ 552,199</u>

The primary purpose of the interfund balances is to cover costs in specific funds where revenues were not received by June 30. These interfund balances will be repaid once the anticipated revenues are received. Interfund balances between governmental funds are eliminated on the government-wide financial statements.

- B.** Interfund transfers for the fiscal year ended June 30, 2017, consisted of the following, as reported on the fund statements:

<u>Transfers from general fund to:</u>	<u>Amount</u>
Nonmajor governmental funds	<u>\$ 110,575</u>

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**NOTE 5 - INTERFUND TRANSACTIONS – (Continued)**

Interfund transfers represent the use of unrestricted revenues collected in the general fund that are used to finance various programs accounted for in other funds in accordance with budgetary authorizations. The transfer above was made from the general fund to supported food service operations. Interfund transfers between governmental funds are eliminated for reporting on the statement of activities. All transfers were made in compliance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

- C. Loans between governmental funds and agency funds are reported as loans receivable/payable on the financial statements. The District had the following loan outstanding at June 30, 2017:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General	Agency	\$ <u>201</u>

This loan is expected to be repaid within one year, as resources become available in the agency fund.

**NOTE 6 - PROPERTY TAXES**

Property taxes are levied and assessed on a calendar year basis while the District fiscal year runs from July through June. First half tax collections are received by the 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 property and public utility property. Real property tax revenues received in calendar year 2017 represent the collection of calendar year 2016 taxes. Real property taxes received in calendar year 2017 were levied after April 1, 2016, on the assessed values as of January 1, 2016, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, 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 revenues received in calendar year 2017 represent the collection of calendar year 2016 taxes. Public utility real and personal property taxes received in calendar year 2017 became a lien on December 31, 2015, were levied after April 1, 2016, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The District receives property taxes from Lucas County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2017, are available to finance fiscal year 2017 operations. The amount available as an advance at June 30, 2017 was \$3,294,357 in the general fund, \$351,251 in the debt service fund and \$91,286 in the permanent improvement fund (a nonmajor governmental fund). This amount is recorded as revenue. The amount available for advance at June 30, 2016 was \$3,206,334 in the general fund, \$422,356 in the debt service fund and \$20,825 in the permanent improvement fund (a nonmajor governmental fund). The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

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**NOTE 6 - PROPERTY TAXES - (Continued)**

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2017 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows.

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

The assessed values upon which the fiscal year 2017 taxes were collected are:

	2016 Second Half Collections		2017 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 1,341,184,900	97.98	\$ 1,361,791,310	97.58
Public utility personal	<u>27,592,880</u>	<u>2.02</u>	<u>33,742,650</u>	<u>2.42</u>
Total	<u>\$ 1,368,777,780</u>	<u>100.00</u>	<u>\$ 1,395,533,960</u>	<u>100.00</u>
Tax rate per \$1,000 of assessed valuation	\$ 83.30		\$ 88.45	

**NOTE 7 - RECEIVABLES**

Receivables at June 30, 2017 consisted of taxes, payments in lieu of taxes, accounts (billings for user charged services and student fees), and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs and the current year guarantee of federal funds. A summary of the principal items of receivables reported on the statement of net position follows:

<b>Governmental Activities</b>	
Property taxes	\$ 70,561,085
Payments in lieu of taxes	388,794
Accounts	45,750
Intergovernmental	<u>1,209,996</u>
Total	<u>\$ 72,205,625</u>

Receivables have been disaggregated on the face of the basic financial statements. All receivables are expected to be collected within the subsequent year.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 8 - CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2017, was as follows:

<b>Governmental activities:</b>	<u>Balance</u> 06/30/16	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> 06/30/17
<i>Capital assets, not being depreciated:</i>				
Land	\$ 2,694,493	\$ -	\$ -	\$ 2,694,493
Construction in progress	<u>1,096,909</u>	<u>1,948,034</u>	<u>(1,096,909)</u>	<u>1,948,034</u>
Total capital assets, not being depreciated	<u>3,791,402</u>	<u>1,948,034</u>	<u>(1,096,909)</u>	<u>4,642,527</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	9,006,438	5,387	-	9,011,825
Building and improvements	128,112,639	-	-	128,112,639
Furniture and equipment	11,621,269	28,410	-	11,649,679
Vehicles	<u>6,345,551</u>	<u>119,160</u>	<u>-</u>	<u>6,464,711</u>
Total capital assets, being depreciated	<u>155,085,897</u>	<u>152,957</u>	<u>-</u>	<u>155,238,854</u>
<i>Less: accumulated depreciation</i>				
Land improvements	(4,676,046)	(376,767)	-	(5,052,813)
Building and improvements	(38,657,007)	(3,367,950)	-	(42,024,957)
Furniture and equipment	(5,168,759)	(714,176)	-	(5,882,935)
Vehicles	<u>(6,071,647)</u>	<u>(126,651)</u>	<u>-</u>	<u>(6,198,298)</u>
Total accumulated depreciation	<u>(54,573,459)</u>	<u>(4,585,544)</u>	<u>-</u>	<u>(59,159,003)</u>
Governmental activities capital assets, net	<u>\$ 104,303,840</u>	<u>\$ (2,484,553)</u>	<u>\$ (1,096,909)</u>	<u>\$ 100,722,378</u>

Depreciation expense was charged to governmental functions as follows:

Instruction:

Regular	\$ 2,557,040
Special	163,915
Vocational	237,302

Support Services:

Pupil	11,824
Instructional staff	143,928
Administration	140,679
Fiscal	13,016
Operations and maintenance	408,808
Pupil transportation	101,011

Operation of non-instructional services:

Food service operations	256,914
Other non-instructional services	2,843
Extracurricular activities	<u>548,264</u>
Total depreciation expense	<u>\$ 4,585,544</u>

**SYLVANIA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 8 - CAPITAL ASSETS - (Continued)**

During fiscal year 2017, the District expensed \$1,096,909 of previously reported construction in progress that was determined to be items that should not be capitalized.

**NOTE 9 - LONG-TERM OBLIGATIONS**

**A. General Obligation Bonds**

General obligation bonds are general obligations of the District for which the full faith and credit of the District is pledged for repayment. Accordingly, such unmatured obligations are reported on the statement of net position. Payments of principal and interest relating to these liabilities are recorded as expenditures in the debt service fund. The source of payment is derived from bonded debt tax levies.

Series 2006 Refunding General Obligation Bonds

On December 27, 2006, the District issued general obligation bonds (Series 2006 Refunding Bonds) to advance refund the callable of the Series 2001 and Series 2002 school improvement current interest bonds. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded current interest bonds at June 30, 2017 is \$5,940,000. The Series 2006 refunding general obligation bonds were advance refunded in fiscal year 2017 with the issuance of the Series 2017 refunding general obligation bonds described below.

The refunding issue is comprised of both current interest bonds, par value \$8,315,000, and capital appreciation bonds par value \$509,990. The interest rates on the current interest bonds range from 3.75% - 4.00%. The capital appreciation bonds matured on December 1, 2014 (effective interest rate 11.8708%) and December 1, 2015 (effective interest rate 16.0366%) at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bond which matured December 1, 2014 was \$580,000. The accreted value at maturity for the capital appreciation bond which matured December 1, 2015 was \$1,100,000.

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is December 1, 2021.

The reacquisition price exceeded the net carrying amount of the old debt by \$597,320. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued.

Series 2009 School Improvement General Obligation Bonds

During fiscal year 2009, the voters of the District authorized the issuance of \$78,999,981 in general obligation bonds, for the purpose of renovating and otherwise improving school facilities. These bonds will be retired from proceeds of an additional 2.89 (average) mil bonded debt tax levy. On April 9, 2015, the District advance refunded \$70,580,000 of these bonds with proceeds from the Series 2015 refunding bonds (see below). After the refunding, there were \$3,130,000 of Series 2009 School Improvement current interest bonds remaining. The Series 2009 School Improvement current interest bonds matured in fiscal year 2017.

The remaining portion of the Series 2009 School Improvement bonds are capital appreciation bonds. The capital appreciation bonds mature on December 1, 2017 (effective interest rate 11.517%) at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bond maturing December 1, 2017 is \$1,990,000.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

Total accreted interest of \$1,104,462 has been included in the statement of net position at June 30, 2017.

Series 2011 Refunding General Obligation Bonds

On September 7, 2011, the District issued general obligation bonds (Series 2011 Refunding Bonds) to advance refund the callable of the Series 1998 refunding current interest bonds, the Series 2001 refunding current interest bonds and the Series 2002 school improvement current interest bonds. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded current interest bonds at June 30, 2017, is \$5,940,000.

The refunding issue is comprised of both current interest bonds, par value \$8,615,000, and capital appreciation bonds par value \$415,000. The interest rates on the current interest bonds range from 2.00% - 4.00%. The capital appreciation bonds matured on December 1, 2014 (effective interest rate 4.55%) at an accreted value of \$485,000.

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is December 1, 2022.

The reacquisition price exceeded the net carrying amount of the old debt by \$312,919. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued.

Series 2014 Energy Conservation Bonds

On July 29, 2014, the District issued \$5,255,000 of House Bill 264 (H.B. 264) energy conservation bonds to retire energy conservation notes previously issued on January 17, 2014. Proceeds of the issuances are to provide financing to perform various energy improvement capital projects at the District. HVAC, electrical, and plumbing systems are being updated further to create energy savings by reducing energy consumption. The project will be funded from the savings created from reduced energy consumption. The bonds bear an interest rates from 1.00% - 4.00% and mature on December 1, 2028.

Series 2015 Refunding General Obligation Bonds

On April 9, 2015, the District issued general obligation bonds (Series 2015 Refunding Bonds) to advance refund the callable of the Series 2009 refunding current interest bonds. The refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded Series 2009 current interest bonds at June 30, 2017, is \$67,450,000.

The refunding issue is comprised of both current interest bonds serial bonds, par value \$55,855,000, current interest term bonds, par value \$9,750,000, and capital appreciation bonds par value \$1,845,000. The interest rates on the current interest bonds range from 2.00% - 5.00%. The capital appreciation bonds mature on December 1, 2018 (effective interest rate 24.173%) and December 1, 2019 (effective interest rate 24.259%) at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bonds maturing December 1, 2018 and December 1, 2019 are \$2,325,000 and \$2,345,000, respectively. Total accreted interest of \$1,146,479 has been included in the statement of net position at June 30, 2017.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is December 1, 2036.

The reacquisition price exceeded the net carrying amount of the old debt by \$6,753,487. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued.

Series 2017 Refunding General Obligation Bonds

On April 11, 2017, the District issued general obligation bonds (Series 2017 Refunding General Obligation Bonds) to advance refund the callable portion of the Series 2006 Refunding General Obligation Bonds (principal \$5,940,000; interest rate of 3.75% to 4.00%). Issuance proceeds of \$6,046,260 were used to purchase securities which were placed in an irrevocable trust to provide resources for all future debt service payments on the refunded debt. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded bonds was \$5,940,000 at June 30, 2017.

The refunding issue is comprised of current interest bonds, par value \$5,940,000. The interest rate on the current interest bonds is 2.100%.

The reacquisition price exceeded the net carrying amount of the old debt (including unamortized deferred changes and unamortized premiums) by \$47,789. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued. The refunding was undertaken to reduce future debt service payments by \$372,090.

Payments of principal and interest relating to the Series 2017 refunding general obligation bonds are recorded as expenditures in the bond retirement fund. Interest payments on the current interest bonds are due on June 1 and December 1 each year. The final maturity stated in the issue is December 1, 2021.

**B. Other Long-Term Obligations**

*Net pension liability:* The District's net pension liability is described in Note 11. The District pays obligations related to employee compensation from the fund benefitting from their service.

*Compensated absences:* The liability for compensated absences will be paid from the fund from which the employee was paid. For the District, this is primarily the general fund.

*Lease-Purchase Obligation:* The District's lease-purchase obligation is described in Note 16.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

C. During fiscal year 2017, the following changes occurred in governmental activities long-term obligations:

	<u>Balance</u> <u>06/30/16</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>06/30/17</u>	<u>Amount</u> <u>Due in</u> <u>One Year</u>
<u>General Obligation Bonds</u>					
Series 2006, Refunding					
Current Interest Bonds					
3.75% - 4.00%					
12/01/21 maturity	\$ 7,065,000	\$ -	\$ (7,065,000)	\$ -	\$ -
Series 2009, Improvement					
Current Interest Bonds					
4.835% - 5.25%					
12/01/16 maturity	1,660,000	-	(1,660,000)	-	-
Series 2009, Improvement					
Capital Appreciation Bonds					
11.5170% (average effective)					
12/01/17 maturity	779,981	-	-	779,981	779,981
Series 2009, Improvement					
Capital Appreciation Bonds					
Accreted interest	909,848	194,614	-	1,104,462	1,104,462
Series 2011, Refunding					
Current Interest Bonds					
2.00% - 4.00%					
12/01/22 maturity	6,570,000	-	(1,245,000)	5,325,000	1,000,000
Series 2014, Energy					
Current Interest Bonds					
1.00% - 4.00%					
12/01/28 maturity	4,740,000	-	(305,000)	4,435,000	310,000
Series 2015, Refunding					
Current Interest Bonds					
2.00% - 5.00%					
12/01/36 maturity	64,060,000	-	(420,000)	63,640,000	430,000

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

	<u>Balance</u> <u>06/30/16</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>06/30/17</u>	<u>Amount</u> <u>Due in</u> <u>One Year</u>
<u>General Obligation Bonds (continued):</u>					
Series 2015, Refunding					
Capital Appreciation Bonds					
24.22% (average effective)					
12/01/18 and 12/01/19 maturity	1,845,000	-	-	1,845,000	-
Series 2015, Refunding					
Capital Appreciation Bonds					
Accreted interest	542,695	603,784	-	1,146,479	-
Series 2017, Refunding					
Current Interest Bonds					
2.100%					
12/01/21 maturity	-	5,940,000	-	5,940,000	1,160,000
<b>Total General Obligation Bonds</b>	<u>88,172,524</u>	<u>6,738,398</u>	<u>(10,695,000)</u>	<u>84,215,922</u>	<u>4,784,443</u>
<u>Other Obligations:</u>					
Net Pension Liability:					
STRS	\$ 97,548,060	\$ 21,301,670	\$ -	\$ 118,849,730	\$ -
SERS	<u>21,415,826</u>	<u>5,313,774</u>	<u>-</u>	<u>26,729,600</u>	<u>-</u>
<b>Total Net Pension Liability</b>	<u>118,963,886</u>	<u>26,615,444</u>	<u>-</u>	<u>145,579,330</u>	<u>-</u>
Compensated Absences	<u>7,789,834</u>	<u>880,669</u>	<u>(786,448)</u>	<u>7,884,055</u>	<u>911,842</u>
Lease-Purchase Obligation	<u>-</u>	<u>2,850,000</u>	<u>-</u>	<u>2,850,000</u>	<u>252,526</u>
<b>Total, Other Obligations</b>	<u>126,753,720</u>	<u>30,346,113</u>	<u>(786,448)</u>	<u>156,313,385</u>	<u>1,164,368</u>
<b>Total, All Governmental Activities</b>					
Long-Term Liabilities	214,926,244	<u>\$ 37,084,511</u>	<u>\$ (11,481,448)</u>	240,529,307	<u>\$ 5,948,811</u>
Add: Unamortized Bond Premiums	<u>8,831,551</u>			<u>8,067,154</u>	
<b>Total on Statement of Net Position</b>	<u>\$ 223,757,795</u>			<u>\$ 248,596,461</u>	

**SYLVANIA CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

D. Principal and interest requirements to retire general obligation school improvement bonds and general obligation refunding bonds outstanding at June 30, 2017, are as follows:

Fiscal Year Ending June 30	Current Interest Refunding Bonds			Current Interest Energy Conservation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2018	\$ 2,590,000	\$ 3,076,597	\$ 5,666,597	\$ 310,000	\$ 148,200	\$ 458,200
2019	2,285,000	3,004,143	5,289,143	315,000	141,950	456,950
2020	2,350,000	2,936,681	5,286,681	325,000	133,925	458,925
2021	4,775,000	2,809,515	7,584,515	335,000	124,025	459,025
2022	4,220,000	2,625,763	6,845,763	345,000	113,825	458,825
2023 - 2027	16,010,000	11,098,369	27,108,369	1,925,000	372,725	2,297,725
2028 - 2032	19,330,000	7,386,100	26,716,100	880,000	35,600	915,600
2033 - 2037	23,345,000	2,894,900	26,239,900	-	-	-
Total	<u>\$ 74,905,000</u>	<u>\$ 35,832,068</u>	<u>\$ 110,737,068</u>	<u>\$ 4,435,000</u>	<u>\$ 1,070,250</u>	<u>\$ 5,505,250</u>

Fiscal Year Ending June 30	Capital Appreciation Improvement Bonds			Capital Appreciation Refunding Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2018	\$ 779,981	\$ 1,210,019	\$ 1,990,000	\$ -	\$ -	\$ -
2019	-	-	-	1,025,000	1,300,000	2,325,000
2020	-	-	-	820,000	1,525,000	2,345,000
Total	<u>\$ 779,981</u>	<u>\$ 1,210,019</u>	<u>\$ 1,990,000</u>	<u>\$ 1,845,000</u>	<u>\$ 2,825,000</u>	<u>\$ 4,670,000</u>

**E. Legal Debt Margin**

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1% of the property valuation of the District. The assessed valuation use in determining the District's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in the District's legal debt margin calculation excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The effects of these debt limitations at June 30, 2017, are a voted debt margin of \$58,040,076 (including available funds of \$4,032,001), an unvoted debt margin of \$1,395,534, and an energy conservation debt margin of \$8,124,806.

**SYLVANIA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 10 - RISK MANAGEMENT**

**A. Comprehensive**

The District is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2017, the District purchased commercial coverage through the Ohio School Plan for property and contents with a limit of \$248,263,721 and a \$1,000 deductible.

General liability is protected by the Ohio School Plan with an \$8,000,000 general aggregate/\$6,000,000 single occurrence limit and a \$0 deductible.

Vehicles are covered by The Ohio School Plan and hold \$1,000 deductible for comprehensive coverage. Vehicles have been insured under a liability policy, with a \$6,000,000 per occurrence limitation and a \$0 deductible.

Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There was no significant reduction in coverage from the prior year.

**B. Group Health and Dental Insurance**

The District is fully insured through commercial carriers for group health and dental benefits.

The District provides employee medical/surgical benefits through a Paramount health insurance program. This plan provides employees a choice of four levels of HMO coverage. Paramount administers the health insurance program. The District pays \$1,796.88 (100% co-ins), \$1,726.35 (90/10 co-ins), \$1,661.24 (80/20 co-ins) and \$1,504.77 (High Deductible) for family coverage or \$704.64 (100% co-ins), \$676.98 (90/10 co-ins), \$651.44 (80/20 co-ins) and \$590.08 (High Deductible) for individual coverage per month for full-time employees. The premium is paid by the fund that pays the salary for the employee.

The District provides employee dental benefits through a managed-care dental program. This plan provides dental benefits with a \$50 family and \$25 single deductible. Delta Dental administers the dental program. The District pays \$97.60 family or \$32.36 single per employee per month, which represents the entire premium required. The premium is paid by the fund that pays the salary for the employee.

**C. Workers' Compensation**

For fiscal year 2017, the District paid the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

**SYLVANIA CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 11 - DEFINED BENEFIT PENSION PLANS**

*Net Pension Liability*

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-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 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.

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

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

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

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

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

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**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Age and service requirements for retirement are as follows:

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

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

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

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

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

The District’s contractually required contribution to SERS was \$1,621,981 for fiscal year 2017. Of this amount, \$104,419 is reported as pension and postemployment benefits payable.

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

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

**SYLVANIA CITY SCHOOL DISTRICT  
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**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

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

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

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

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

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For the fiscal year ended June 30, 2017, plan members were required to contribute 14 percent of their annual covered salary. The District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2017 contribution rates were equal to the statutory maximum rates.

The District's contractually required contribution to STRS was \$5,599,992 for fiscal year 2017. Of this amount, \$914,656 is reported as pension and postemployment benefits payable.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the 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>
Proportion of the net pension liability prior measurement date	0.37531480%	0.35296087%	
Proportion of the net pension liability current measurement date	<u>0.36520450%</u>	<u>0.35506133%</u>	
Change in proportionate share	<u>(0.01011030)%</u>	<u>0.00210046%</u>	
Proportionate share of the net pension liability	\$ 26,729,600	\$ 118,849,730	\$ 145,579,330
Pension expense	\$ 2,530,332	\$ 8,805,239	\$ 11,335,571

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<b>Deferred outflows of resources</b>			
Differences between expected and actual experience	\$ 360,522	\$ 4,802,102	\$ 5,162,624
Net difference between projected and actual earnings on pension plan investments	2,204,803	9,867,721	12,072,524
Changes of assumptions	1,784,347	-	1,784,347
Difference between District contributions and proportionate share of contributions/ change in proportionate share		550,386	550,386
District contributions subsequent to the measurement date	<u>1,621,981</u>	<u>5,599,992</u>	<u>7,221,973</u>
Total deferred outflows of resources	<u>\$ 5,971,653</u>	<u>\$ 20,820,201</u>	<u>\$ 26,791,854</u>

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<b>Deferred inflows of resources</b>			
Difference between District contributions and proportionate share of contributions/ change in proportionate share	<u>\$ 563,330</u>	<u>\$ 57,947</u>	<u>\$ 621,277</u>

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**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

\$7,221,973 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2018	\$ 869,786	\$ 2,440,955	\$ 3,310,741
2019	868,199	2,440,955	3,309,154
2020	1,414,565	6,227,480	7,642,045
2021	633,792	4,052,872	4,686,664
Total	\$ 3,786,342	\$ 15,162,262	\$ 18,948,604

***Actuarial Assumptions - SERS***

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

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

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2016, are presented below:

Wage Inflation	3.00 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent
COLA or Ad Hoc COLA	3 percent
Investment Rate of Return	7.50 percent net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal (level percent of payroll)

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

For post-retirement mortality, the table used in evaluating allowances to be paid is the RP-2014 Blue Collar Mortality Table with fully generational projection and Scale BB, with 120% of male rates and 110% of female rates used. The RP-2000 Disabled Mortality Table with 90% for male rates and 100% for female rates set back five years is used for the period after disability retirement. Special mortality tables are used for the period after disability retirement.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an experience study that was completed June 30, 2015. As a result of the actuarial experience study, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females, (f) mortality among service retired members, and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates and (g) mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

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

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

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

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

**Discount Rate** - The total pension liability was calculated using the discount rate of 7.50 percent. A discount rate of 7.75 percent was used in the prior measurement period. 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 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.

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
District's proportionate share of the net pension liability	\$ 35,388,324	\$ 26,729,600	\$ 19,481,887

**Actuarial Assumptions - STRS**

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

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

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

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

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

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

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

**Discount Rate** - The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2016. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2016. Therefore, the long-term expected rate of return on pension plan investments of 7.75 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2016.

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

	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
District's proportionate share of the net pension liability	\$ 157,941,634	\$ 118,849,730	\$ 85,873,405

**SYLVANIA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

**NOTE 12 - POSTEMPLOYMENT BENEFITS**

**A. School Employees Retirement System**

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

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required basic benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. For fiscal year 2017, none of the employer contribution was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. For fiscal year 2017, this amount was \$23,500. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2017, the District's surcharge obligation was \$200,787.

The District's contributions for health care (including surcharge) for the fiscal years ended June 30, 2017, 2016, and 2015 were \$200,787, \$186,313, and \$238,348, respectively. The fiscal year 2017 amount has been reported as pension and postemployment benefits payable. The full amount has been contributed for fiscal years 2016 and 2015.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 12 - POSTEMPLOYMENT BENEFITS - (Continued)**

**B. State Teachers Retirement System**

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

Funding Policy - Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2017, STRS Ohio did not allocate any employer contributions to the Health Care Stabilization Fund. None of the District’s contributions were allocated to fund health care for the fiscal years ended June 30, 2017, 2016 and 2015.

**NOTE 13 - STATUTORY RESERVES**

The District is required by State law to annually set-aside certain general fund revenue amounts, as defined by 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 fiscal year-end. This amount must be carried forward to be used for the same purpose in future years. Expenditures exceeding the set-aside requirement may not be carried forward to the next fiscal year.

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

	<u>Capital Improvements</u>
Set-aside balance June 30, 2016	
Current year set-aside requirement	1,305,228
Current year qualifying expenditures	(891,754)
Current year offsets	<u>(413,474)</u>
Total	\$ <u>          -</u>
Balance carried forward to fiscal year 2018	\$ <u>          -</u>
Set-aside balance June 30, 2017	\$ <u>          -</u>

**SYLVANIA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 14 - CONTINGENCIES**

**A. Grants**

The District receives significant financial assistance from numerous federal, State and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the District. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial position of the District.

**B. Litigation**

The District is not involved in material litigation as either plaintiff or defendant that management believes would have a material adverse effect on the financial statements.

**C. Foundation Funding**

School district foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. As of the date of this report, additional ODE adjustments for fiscal year 2017 are not finalized. As a result, the impact of future FTE adjustments on the fiscal year 2017 financial statements is not determinable, at this time. Management believes this may result in either an additional receivable to, or a liability of, the District.

**NOTE 15 - OTHER COMMITMENTS**

The District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance to the extent fund balance is available. For the general fund, fund balance is not reported as assigned for encumbrances as unassigned fund balance is negative. At year end, the District's commitments for encumbrances (less amounts already reported as payables) in the governmental funds were as follows:

<u>Fund</u>	<u>Year-End Encumbrances</u>
General fund	\$ 160,952
Nonmajor governmental	<u>1,039,328</u>
Total	<u>\$ 1,200,280</u>

**NOTE 16 - LEASE-PURCHASE AGREEMENT**

On March 31, 2017, the District entered into a \$2,850,000 lease-purchase agreement with U.S. Bancorp Government Leasing and Finance, Inc. to finance the acquisition of boilers, chillers, and an HVAC unit. The source of revenue to fund the principal and interest payments will be derived from general operating revenues of the District.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS, COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**NOTE 16 - LEASE-PURCHASE AGREEMENT - (Continued)**

As of June 30, 2017, the District expended \$1,948,034 of the available \$2,850,000. The remaining \$901,966 is recorded as cash with escrow agent and will be used in fiscal year 2018 to complete the construction project.

Lease-purchase payments are reported as function expenditures on a budgetary basis. However, on a GAAP basis, these payments have been reclassified and are reported as debt service expenditures in the general fund. During fiscal year 2017, the District did not make any principal and interest payments on the lease-purchase agreement.

A liability in the amount of the present value of minimum lease payments has been recorded on the statement of net position. Capital assets consisting of vehicles and equipment have been capitalized to the extent the capital assets acquired exceeded the District's capitalization threshold. At June 30, 2017, capital assets in the amount of \$1,948,034 have been recorded as construction in progress.

The following is a schedule of the future minimum lease payments required under the lease-purchase agreement and the present value of the future minimum lease payments as of June 30, 2017:

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2018	\$ 328,336
2019	328,336
2020	328,335
2021	328,336
2022	328,335
2022 - 2027	<u>1,641,677</u>
Total minimum lease payments	3,283,355
Less: amount representing interest	<u>(433,355)</u>
Total	<u>\$ 2,850,000</u>

**NOTE 17 - TAX ABATEMENTS ENTERED INTO BY OTHER GOVERNMENTS**

Other governments have entered into property tax abatement agreements with property owners under the Ohio Community Reinvestment Area ("CRA") program within taxing districts of the District. The CRA program is a direct incentive tax exemption program benefiting property owners who renovate existing buildings or construct new buildings. Under this program, the other governments have designated areas to encourage revitalization of the existing structures and the development of new structures.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS, COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**NOTE 17 - TAX ABATEMENTS ENTERED INTO BY OTHER GOVERNMENTS – (Continued)**

The District has incurred a reduction in property tax receipts due to agreements entered into by other governments. During fiscal year 2017, the District’s property tax receipts were reduced under agreements entered into by other governments as follows:

Government Entering <u>Into Agreement</u>	<u>Tax Abatement Program</u> <u>CRA</u>
Lucas County	\$ 8,070
City of Sylvania	<u>58,715</u>
Total	<u>\$ 66,785</u>

The District is not receiving any amounts from these other governments in association with the forgone property tax receipts.

**REQUIRED SUPPLEMENTARY INFORMATION**

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
From local sources:				
Property taxes . . . . .	\$ 55,245,478	\$ 58,996,813	\$ 58,996,813	\$ -
Payments in lieu of taxes. . . . .	297,464	297,464	297,464	-
Tuition. . . . .	705,134	752,788	752,758	(30)
Transportation fees. . . . .	45,267	45,249	48,324	3,075
Earnings on investments . . . . .	128,475	124,015	137,152	13,137
Classroom materials and fees . . . . .	234,406	249,764	250,238	474
Rental income . . . . .	82,497	81,882	88,069	6,187
Contributions and donations . . . . .	94	100	100	-
Other local revenues . . . . .	216,056	230,016	230,648	632
Intergovernmental - state . . . . .	24,177,802	25,810,755	25,810,755	-
Intergovernmental - federal . . . . .	167,099	178,385	178,385	-
<b>Total revenues . . . . .</b>	<b>81,299,772</b>	<b>86,767,231</b>	<b>86,790,706</b>	<b>23,475</b>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	33,755,620	34,169,018	34,147,734	21,284
Special. . . . .	11,189,322	11,326,355	11,286,755	39,600
Vocational. . . . .	1,902,784	1,926,087	1,912,016	14,071
Other. . . . .	2,264,018	2,291,745	2,286,573	5,172
Support services:				
Pupil. . . . .	5,780,291	5,851,081	5,774,259	76,822
Instructional staff . . . . .	1,941,999	1,965,782	1,919,130	46,652
Board of education . . . . .	37,467	37,926	34,273	3,653
Administration. . . . .	7,800,829	7,896,365	7,755,965	140,400
Fiscal . . . . .	1,759,407	1,780,955	1,767,114	13,841
Business . . . . .	258,275	261,438	226,728	34,710
Operations and maintenance. . . . .	9,183,227	9,295,693	9,211,958	83,735
Pupil transportation . . . . .	4,726,905	4,784,794	4,619,185	165,609
Central. . . . .	1,294,482	1,310,336	1,277,184	33,152
Operation of non-instructional services:				
Other non-instructional services . . . . .	15,806	16,000	10,750	5,250
Extracurricular activities. . . . .	1,383,507	1,400,450	1,390,678	9,772
Facilities acquisition and construction . . . . .	15,021	15,070	15,070	-
Debt service:				
Principal . . . . .	303,998	305,000	305,000	-
Interest and fiscal charges. . . . .	153,843	154,350	154,350	-
<b>Total expenditures . . . . .</b>	<b>83,766,801</b>	<b>84,788,445</b>	<b>84,094,722</b>	<b>693,723</b>
Excess of revenues (under) expenditures . . . . .	(2,467,029)	1,978,786	2,695,984	717,198
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	6,297	6,188	6,722	534
Transfers (out). . . . .	(197,580)	(200,000)	(198,082)	1,918
Advances in. . . . .	190,745	203,628	203,628	-
Advances (out) . . . . .	(544,105)	(555,000)	(552,400)	2,600
Refund of prior year's receipts. . . . .	(1,482)	(1,500)	-	1,500
Refund of prior year's expenditures . . . . .	406,993	431,518	434,481	2,963
Sale of capital assets . . . . .	21,207	21,901	22,639	738
<b>Total other financing sources (uses) . . . . .</b>	<b>(117,925)</b>	<b>(93,265)</b>	<b>(83,012)</b>	<b>10,253</b>
Net change in fund balance . . . . .	(2,584,954)	1,885,521	2,612,972	727,451
<b>Fund balance at beginning of year . . . . .</b>	<b>2,682,811</b>	<b>2,682,811</b>	<b>2,682,811</b>	<b>-</b>
<b>Prior year encumbrances appropriated . . . . .</b>	<b>768,642</b>	<b>768,642</b>	<b>768,642</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 866,499</b>	<b>\$ 5,336,974</b>	<b>\$ 6,064,425</b>	<b>\$ 727,451</b>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

**BUDGETARY BASIS OF ACCOUNTING**

While reporting financial position and changes in financial position/fund balance on the basis of accounting principals generally accepted in the United States of America (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts and disbursements plus encumbrances.

The statement of revenue, expenditures and changes in fund balance - budget and actual (non-GAAP budgetary basis) presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (a) Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis);
- (b) Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis);
- (c) In order to determine compliance with Ohio law, and to reserve that portion of the applicable appropriation, total outstanding encumbrances (budget basis) are recorded as the equivalent of an expenditure, as opposed to assigned or committed fund balance for that portion of outstanding encumbrances not already recognized as an account payable (GAAP basis)
- (d) Advances-in and advances-out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis); and
- (e) Some funds are included in the general fund (GAAP basis), but have separate legally adopted budgets (budget basis).

The adjustments necessary to convert the changes in financial position/fund balance for the year on the budget basis to the GAAP basis for the general fund are as follows:

**Net Change in Fund Balance**

	General Fund
Budget basis	\$ 2,612,972
Net adjustment for revenue accruals	494,189
Net adjustment for expenditure accruals	1,501,998
Net adjustment for other sources/uses	(108,348)
Funds budgeted elsewhere	(54,732)
Adjustment for encumbrances	222,224
GAAP basis	\$ 4,668,303

Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. These include the public school support fund, the uniform school supplies fund, the natatorium fund, the special services rotary fund and the rotary fund.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST FOUR FISCAL YEARS (1)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability	0.36520450%	0.37531480%	0.37966100%	0.37966100%
District's proportionate share of the net pension liability	\$ 26,729,600	\$ 21,415,826	\$ 19,214,427	\$ 22,577,221
District's covered payroll	\$ 11,137,893	\$ 11,298,938	\$ 11,032,186	\$ 10,474,176
District's proportionate share of the net pension liability as a percentage of its covered payroll	239.99%	189.54%	174.17%	215.55%
Plan fiduciary net position as a percentage of the total pension liability	62.98%	69.16%	71.70%	65.52%

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

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

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST FOUR FISCAL YEARS (1)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability	0.35506133%	0.35296087%	0.35329868%	0.35329868%
District's proportionate share of the net pension liability	\$ 118,849,730	\$ 97,548,060	\$ 85,934,466	\$ 102,364,574
District's covered payroll	\$ 38,017,786	\$ 36,825,550	\$ 36,097,362	\$ 37,587,531
District's proportionate share of the net pension liability as a percentage of its covered payroll	312.62%	264.89%	238.06%	272.34%
Plan fiduciary net position as a percentage of the total pension liability	66.80%	72.10%	74.70%	69.30%

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

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

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT CONTRIBUTIONS  
SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

LAST TEN FISCAL YEARS

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 1,621,981	\$ 1,559,305	\$ 1,489,200	\$ 1,529,061
Contributions in relation to the contractually required contribution	<u>(1,621,981)</u>	<u>(1,559,305)</u>	<u>(1,489,200)</u>	<u>(1,529,061)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 11,585,579	\$ 11,137,893	\$ 11,298,938	\$ 11,032,186
Contributions as a percentage of covered payroll	14.00%	14.00%	13.18%	13.86%

<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
\$ 1,449,626	\$ 1,424,025	\$ 1,436,569	\$ 1,586,889	\$ 1,109,650	\$ 1,039,402
<u>(1,449,626)</u>	<u>(1,424,025)</u>	<u>(1,436,569)</u>	<u>(1,586,889)</u>	<u>(1,109,650)</u>	<u>(1,039,402)</u>
<u>\$ -</u>					
\$ 10,474,176	\$ 10,587,546	\$ 11,428,552	\$ 11,720,007	\$ 11,276,931	\$ 10,584,542
13.84%	13.45%	12.57%	13.54%	9.84%	9.82%

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT CONTRIBUTIONS  
STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

LAST TEN FISCAL YEARS

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 5,599,992	\$ 5,322,490	\$ 5,155,577	\$ 4,692,657
Contributions in relation to the contractually required contribution	<u>(5,599,992)</u>	<u>(5,322,490)</u>	<u>(5,155,577)</u>	<u>(4,692,657)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 39,999,943	\$ 38,017,786	\$ 36,825,550	\$ 36,097,362
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	13.00%

<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
\$ 4,886,379	\$ 4,828,217	\$ 5,247,089	\$ 5,275,129	\$ 5,135,368	\$ 4,852,315
(4,886,379)	(4,828,217)	(5,247,089)	(5,275,129)	(5,135,368)	(4,852,315)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 37,587,531	\$ 37,140,131	\$ 40,362,223	\$ 40,577,915	\$ 39,502,831	\$ 37,325,500
13.00%	13.00%	13.00%	13.00%	13.00%	13.00%

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

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

*SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO*

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

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

*STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO*

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

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

COMBINING STATEMENTS AND  
INDIVIDUAL FUND SCHEDULES

**SYLVANIA CITY SCHOOL DISTRICT  
MAJOR FUNDS**

**General Fund**

The General fund accounts for and reports all Financial resources not accounted for and reported in another fund. These general fund's activities include, but are not limited to, general instruction, pupil services, operation and maintenance of facilities, student transportation and administration.

**Other Major Fund**

**Debt Service Fund**

The debt service fund is used to account for and report financial resources that are restricted committed or assigned to expenditure for principal and interest.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
From local sources:				
Property taxes . . . . .	\$ 55,245,478	\$ 58,996,813	\$ 58,996,813	\$ -
Payments in lieu of taxes. . . . .	297,464	297,464	297,464	-
Tuition . . . . .	705,134	752,788	752,758	(30)
Transportation fees. . . . .	45,267	45,249	48,324	3,075
Earnings on investments . . . . .	128,475	124,015	137,152	13,137
Classroom materials and supplies . . . . .	234,406	249,764	250,238	474
Rental income . . . . .	82,497	81,882	88,069	6,187
Contributions and donations. . . . .	94	100	100	-
Other local revenue . . . . .	216,056	230,016	230,648	632
Intergovernmental-state . . . . .	24,177,802	25,810,755	25,810,755	-
Intergovernmental-federal. . . . .	167,099	178,385	178,385	-
Total revenues . . . . .	<u>81,299,772</u>	<u>86,767,231</u>	<u>86,790,706</u>	<u>23,475</u>
<b>Expenditures:</b>				
Current:				
Instruction-regular				
Salaries and wages . . . . .	23,370,390	23,656,603	23,656,603	-
Fringe benefits . . . . .	9,405,911	9,521,103	9,521,103	-
Purchased services . . . . .	232,986	235,839	235,839	-
Supplies and materials . . . . .	745,516	754,646	733,378	21,268
Other . . . . .	817	827	811	16
Total instruction-regular. . . . .	<u>33,755,620</u>	<u>34,169,018</u>	<u>34,147,734</u>	<u>21,284</u>
Instruction-special				
Salaries and wages . . . . .	6,668,407	6,750,074	6,750,074	-
Fringe benefits . . . . .	2,958,810	2,995,046	2,995,046	-
Purchased services . . . . .	1,545,255	1,564,179	1,527,048	37,131
Supplies and materials . . . . .	15,269	15,456	12,987	2,469
Other . . . . .	1,581	1,600	1,600	-
Total instruction-special. . . . .	<u>11,189,322</u>	<u>11,326,355</u>	<u>11,286,755</u>	<u>39,600</u>
Instruction-vocational				
Salaries and wages . . . . .	1,070,329	1,083,437	1,083,437	-
Fringe benefits . . . . .	409,564	414,580	414,580	-
Purchased services . . . . .	48,505	49,099	40,092	9,007
Supplies and materials . . . . .	298,064	301,714	298,378	3,336
Capital outlay . . . . .	40,003	40,493	40,493	-
Other . . . . .	36,319	36,764	35,036	1,728
Total instruction-vocational . . . . .	<u>1,902,784</u>	<u>1,926,087</u>	<u>1,912,016</u>	<u>14,071</u>
Instruction-other				
Purchased services . . . . .	2,264,018	2,291,745	2,286,573	5,172
Total instruction-other. . . . .	<u>2,264,018</u>	<u>2,291,745</u>	<u>2,286,573</u>	<u>5,172</u>
Support services-pupil				
Salaries and wages . . . . .	3,838,232	3,885,238	3,885,238	-
Fringe benefits . . . . .	1,454,099	1,471,907	1,471,907	-
Purchased services . . . . .	384,837	389,550	370,930	18,620
Supplies and materials . . . . .	8,023	8,121	5,553	2,568
Other . . . . .	95,100	96,265	40,631	55,634
Total support services-pupil . . . . .	<u>5,780,291</u>	<u>5,851,081</u>	<u>5,774,259</u>	<u>76,822</u>

-- continued

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Support services-instructional staff</b>				
Salaries and wages . . . . .	1,032,025	1,044,664	1,044,664	-
Fringe benefits . . . . .	657,093	665,140	665,072	68
Purchased services . . . . .	70,957	71,826	52,905	18,921
Supplies and materials . . . . .	163,796	165,802	140,739	25,063
Other . . . . .	18,128	18,350	15,750	2,600
Total support services-instructional staff . . . . .	<u>1,941,999</u>	<u>1,965,782</u>	<u>1,919,130</u>	<u>46,652</u>
<b>Support services-board of education</b>				
Salaries and wages . . . . .	12,349	12,500	12,500	-
Fringe benefits . . . . .	2,332	2,361	2,361	-
Purchased services . . . . .	4,446	4,500	2,026	2,474
Supplies and materials . . . . .	9,879	10,000	9,600	400
Other . . . . .	8,461	8,565	7,786	779
Total support services-board of education. . . . .	<u>37,467</u>	<u>37,926</u>	<u>34,273</u>	<u>3,653</u>
<b>Support services-administration</b>				
Salaries and wages . . . . .	4,246,577	4,298,584	4,298,584	-
Fringe benefits . . . . .	2,465,990	2,496,191	2,495,414	777
Purchased services . . . . .	844,469	854,811	769,789	85,022
Supplies and materials . . . . .	138,657	140,355	97,757	42,598
Other . . . . .	105,136	106,424	94,421	12,003
Total support services-administration . . . . .	<u>7,800,829</u>	<u>7,896,365</u>	<u>7,755,965</u>	<u>140,400</u>
<b>Support services-fiscal</b>				
Salaries and wages . . . . .	432,631	437,929	437,929	-
Fringe benefits . . . . .	209,671	212,239	212,239	-
Purchased services . . . . .	119,096	120,555	109,709	10,846
Supplies and materials . . . . .	28,733	29,085	29,026	59
Other . . . . .	969,276	981,147	978,211	2,936
Total support services-fiscal. . . . .	<u>1,759,407</u>	<u>1,780,955</u>	<u>1,767,114</u>	<u>13,841</u>
<b>Support services-business</b>				
Salaries and wages . . . . .	83,183	84,202	84,202	-
Fringe benefits . . . . .	29,191	29,548	29,548	-
Purchased services . . . . .	134,145	135,788	105,830	29,958
Supplies and materials . . . . .	8,595	8,700	4,103	4,597
Other . . . . .	3,161	3,200	3,045	155
Total support services-business . . . . .	<u>258,275</u>	<u>261,438</u>	<u>226,728</u>	<u>34,710</u>
<b>Support services-operations &amp; maintenance</b>				
Salaries and wages . . . . .	3,176,807	3,215,713	3,215,713	-
Fringe benefits . . . . .	1,795,075	1,817,059	1,817,059	-
Purchased services . . . . .	3,549,626	3,593,098	3,593,098	-
Supplies and materials . . . . .	616,881	624,436	551,850	72,586
Capital outlay . . . . .	5,322	5,387	5,387	-
Other . . . . .	39,516	40,000	28,851	11,149
Total support services-operations & maintenance . . . . .	<u>9,183,227</u>	<u>9,295,693</u>	<u>9,211,958</u>	<u>83,735</u>

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**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Support services-pupil transportation				
Salaries and wages . . . . .	2,375,148	2,404,236	2,404,236	-
Fringe benefits . . . . .	1,330,796	1,347,094	1,347,094	-
Purchased services . . . . .	316,909	320,790	286,259	34,531
Supplies and materials . . . . .	622,194	629,814	498,736	131,078
Capital outlay . . . . .	81,858	82,860	82,860	-
Total support services-pupil transportation . . . . .	<u>4,726,905</u>	<u>4,784,794</u>	<u>4,619,185</u>	<u>165,609</u>
Support services-central				
Salaries and wages . . . . .	383,345	388,040	388,040	-
Fringe benefits . . . . .	196,851	199,262	199,262	-
Purchased services . . . . .	531,218	537,724	520,542	17,182
Supplies and materials . . . . .	173,672	175,799	160,901	14,898
Capital outlay . . . . .	988	1,000	-	1,000
Other . . . . .	8,408	8,511	8,439	72
Total support services-central . . . . .	<u>1,294,482</u>	<u>1,310,336</u>	<u>1,277,184</u>	<u>33,152</u>
Other non-instructional services				
Purchased services . . . . .	15,806	16,000	10,750	5,250
Total other non-instructional services . . . . .	<u>15,806</u>	<u>16,000</u>	<u>10,750</u>	<u>5,250</u>
Extracurricular activities				
Salaries and wages . . . . .	933,245	944,674	944,674	-
Fringe benefits . . . . .	186,429	188,712	188,712	-
Purchased services . . . . .	215,015	217,648	217,648	-
Other . . . . .	48,818	49,416	39,644	9,772
Total extracurricular activities. . . . .	<u>1,383,507</u>	<u>1,400,450</u>	<u>1,390,678</u>	<u>9,772</u>
Facilities acquisition & construction				
Supplies and materials . . . . .	15,021	15,070	15,070	-
Total facilities acquisition & construction. . . . .	<u>15,021</u>	<u>15,070</u>	<u>15,070</u>	<u>-</u>
Debt service				
Principal retirement . . . . .	303,998	305,000	305,000	-
Interest and fiscal charges. . . . .	153,843	154,350	154,350	-
Total debt service. . . . .	<u>457,841</u>	<u>459,350</u>	<u>459,350</u>	<u>-</u>
Total expenditures . . . . .	<u>83,766,801</u>	<u>84,788,445</u>	<u>84,094,722</u>	<u>693,723</u>
Excess of revenues over (under) expenditures . . . . .	<u>(2,467,029)</u>	<u>1,978,786</u>	<u>2,695,984</u>	<u>717,198</u>
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	6,297	6,188	6,722	534
Transfers out . . . . .	(197,580)	(200,000)	(198,082)	1,918
Advances in. . . . .	190,745	203,628	203,628	-
Advances out . . . . .	(544,105)	(555,000)	(552,400)	2,600
Refund of prior year's receipts . . . . .	(1,482)	(1,500)	-	1,500
Refund of prior year expenditures . . . . .	406,993	431,518	434,481	2,963
Sale of capital assets . . . . .	21,207	21,901	22,639	738
Total other financing sources (uses) . . . . .	<u>(117,925)</u>	<u>(93,265)</u>	<u>(83,012)</u>	<u>10,253</u>
Net change in fund balance . . . . .	<u>(2,584,954)</u>	<u>1,885,521</u>	<u>2,612,972</u>	<u>727,451</u>
<b>Fund balance at beginning of year . . . . .</b>	<u>2,682,811</u>	<u>2,682,811</u>	<u>2,682,811</u>	<u>-</u>
<b>Prior year encumbrances appropriated. . . . .</b>	<u>768,642</u>	<u>768,642</u>	<u>768,642</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 866,499</u>	<u>\$ 5,336,974</u>	<u>\$ 6,064,425</u>	<u>\$ 727,451</u>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DEBT SERVICE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget- Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
Total Revenues and Other Sources. . . . .	\$ 8,157,500	\$ 13,750,741	\$ 13,750,741	\$ -
Total Expenditures and Other Uses. . . . .	<u>7,861,132</u>	<u>13,857,674</u>	<u>13,857,674</u>	<u>-</u>
Net Change in Fund Balance . . . . .	296,368	(106,933)	(106,933)	-
Fund balance at beginning of year . . . . .	<u>3,787,683</u>	<u>3,787,683</u>	<u>3,787,683</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ 4,084,051</u></u>	<u><u>\$ 3,680,750</u></u>	<u><u>\$ 3,680,750</u></u>	<u><u>\$ -</u></u>

**SYLVANIA CITY SCHOOL DISTRICT  
NONMAJOR GOVERNMENTAL FUND DESCRIPTION**

**Nonmajor Special Revenue Funds**

The special revenue funds are established to account for revenues from specific sources which, legally or otherwise, are restricted to expenditures for specific purposes. A description of the District's special revenue funds follows:

**Food Service** Section 3313.81, Revised Code

This fund is used to record financial transactions related to food service operations.

**Other Grants** Sections 5705.09 and 5705.13, Revised Code

A fund used to account for the proceeds of specific revenue sources (except for state and federal grants) that are legally restricted to expenditures for specified purposes.

**District Managed Student Activity** Section 3313.062, Revised Code

A fund provided 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 would usually include athletic programs but could also include the band, cheerleaders, flag corps, and other similar types of activities.

**Auxiliary Services** Current Budget Bill, appropriation line item 200-511

A fund to account for receipts and expenditures incurred in providing services and materials to pupils attending non-public schools within the District.

**Data Communications for Schools** Section 5705.09, Revised Code

A fund provided to account for money appropriated for the costs incurred in connecting schools to the Ohio Educational Computer Network.

**Vocational Educational Enhancements** State Line Item Appropriation GRF 200-545

A fund used to account for Vocational Education Enhancements that: 1) expand the number of students enrolled in tech prep programs, 2) enable students to develop career plans, to identify initial educational and career goals, and to develop a career passport which provides a clear understanding of the student's knowledge, skills, and credentials to present to future employers, universities, and other training institutes and 3) replace or update equipment essential for the instruction of students in job skills taught as part of a vocational program or programs approved for such instruction by the State Board of Education.

**Adult Basic Education** PL 91-230, Title III

This fund accounts for Federal monies used to provide programs in reading, writing and math competency for adults who have not earned a high school diploma.

**IDEA Part B** Education of the Handicapped Act, PL 91-230

To account for Federal monies which assist states in the identification of handicapped children, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

**Vocational Education** Carl D. Perkins Vocational Education Act of 1984, PL 98-524

Provision of funds to boards of education, teacher training institutions, and the state administering agency for cooperating in development of vocational education programs in the following categories: secondary, post-secondary, adult, disadvantaged and handicapped persons, exemplary programs, cooperative education, construction of area vocational schools, ancillary services, research, advisory committees, and work-study projects, including sex equity grants. Funds are administered by the Ohio Department of Education, Division of Vocational and Career Education.

**SYLVANIA CITY SCHOOL DISTRICT  
NONMAJOR GOVERNMENTAL FUND DESCRIPTION**

**Nonmajor Special Revenue Funds (Continued)**

**Title III - Limited English Proficiency**

Catalog of Federal Domestic Assistance #84.365

Funds to develop and carry out elementary and secondary school programs, including activities at the pre-school level, to meet the educational needs of children of limited English proficiency. These programs provided structured English language instruction, with the respect to the years of study to which the program is applicable, and instruction in the child's native language to the extent necessary to allow a child to achieve competence in English. The instruction must be, to the extent necessary, in all courses or subjects of study which will allow a child to meet grade promotion and graduation standards.

**Title I**

Catalog of Federal Domestic Assistance #84.010

To provide financial assistance to State and Local educational agencies to meet the special needs of educationally deprived children. Included are the Even Start and Comprehensive School Reform programs.

**Pre-school for the Handicapped Grant**

Education of the Handicapped Act Amendments, PL 99-457.

Catalog of Federal Domestic Assistance #84-173

The Pre-school Grant Program addresses the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

**Improving Teacher Quality**

Title VI ESEA

A fund 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.

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.

**Uniform School Supplies**

Section 3313.81, Revised Code

This fund accounts for the purchase and sale of school supplies for use in the District. Profits derived from such sales are used for school purposes or activities connected with the school.

**Special Services Rotary Fund**

Section 5705.12, Revised Code

A fund provided to account for income and expenses made in connection with goods and services provided by a school district. Activities in this fund tend to be circricular in nature.

**Natatorium**

Section 755.14, Revised Code

A fund provided to account for monies received and expended in connection with a community recreation program.

**Rotary Fund**

Section 5705.12, Revised Code

A fund provided to account for operations that provide goods or services to other governmental units on a cost-reimbursement basis. The use of the fund may be applied to situations where the district acts as fiscal agent for a multi-district program.

**Public School Support**

Section 5705.12, Revised Code

A fund provided to account 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.

**SYLVANIA CITY SCHOOL DISTRICT  
NONMAJOR GOVERNMENTAL FUND DESCRIPTION**

**Nonmajor Capital Projects Fund**

Capital projects funds are used to account for financial resources that are restricted, committed or assigned for the construction or acquisition of major capital facilities and other capital assets (other than those financed by proprietary funds and trust funds). A description of the District's nonmajor capital projects fund follows:

**Permanent Improvement**

Section 5705.10, Revised Code

This fund is provided to account for all transactions related to the acquisition or construction of such permanent improvements as are authorized by Chapter 5705 of the Revised Code.

**Building Fund**

Section 5705.09, Revised Code

This fund accounts for the receipts and expenditures related to all special bond funds in the District and to account for receipts and expenditures involved in the replacement or updating of equipment essential for the instruction of students in job skills. 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.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2017

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Fund</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents. . . . .	\$ 276,720	\$ 1,839,524	\$ 2,116,244
Cash with escrow agent . . . . .	-	901,966	901,966
Receivables:			
Property taxes . . . . .	-	1,705,995	1,705,995
Payment in lieu of taxes. . . . .	-	8,442	8,442
Accounts. . . . .	17,217	-	17,217
Intergovernmental . . . . .	648,929	-	648,929
Inventory held for resale . . . . .	4,661	-	4,661
Total assets. . . . .	\$ 947,527	\$ 4,455,927	\$ 5,403,454
<b>Liabilities:</b>			
Accounts payable. . . . .	\$ 26,575	\$ -	\$ 26,575
Accrued wages and benefits payable . . . . .	315,815	-	315,815
Intergovernmental payable . . . . .	3,711	-	3,711
Pension and postemployment benefits payable . . . . .	81,600	-	81,600
Interfund loan payable . . . . .	552,199	-	552,199
Total liabilities. . . . .	979,900	-	979,900
<b>Deferred inflows of resources:</b>			
Property taxes levied for the next fiscal year. . . . .	-	1,593,914	1,593,914
Payment in lieu of taxes revenue levied for the next fiscal year . . . . .	-	8,442	8,442
Delinquent property tax revenue not available. . . . .	-	20,795	20,795
Intergovernmental revenue not available . . . . .	639,630	-	639,630
Total deferred inflows of resources . . . . .	639,630	1,623,151	2,262,781
<b>Fund balances:</b>			
Restricted:			
Capital improvements . . . . .	-	2,832,776	2,832,776
Non-public schools . . . . .	13,567	-	13,567
Other purposes . . . . .	1,470	-	1,470
Extracurricular . . . . .	188,010	-	188,010
Unassigned (deficit) . . . . .	(875,050)	-	(875,050)
Total fund balances (deficit). . . . .	(672,003)	2,832,776	2,160,773
Total liabilities and fund balances. . . . .	\$ 947,527	\$ 4,455,927	\$ 5,403,454

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Fund</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues:</b>			
From local sources:			
Property taxes . . . . .	\$ -	\$ 1,110,068	\$ 1,110,068
Payment in lieu of taxes . . . . .	-	5,283	5,283
Earnings on investments . . . . .	1,963	-	1,963
Charges for services . . . . .	1,082,254	-	1,082,254
Extracurricular . . . . .	468,572	-	468,572
Other local revenues . . . . .	2,975	-	2,975
Intergovernmental - state . . . . .	938,420	63,772	1,002,192
Intergovernmental - federal . . . . .	3,938,947	-	3,938,947
Total revenue . . . . .	<u>6,433,131</u>	<u>1,179,123</u>	<u>7,612,254</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular . . . . .	179,877	-	179,877
Special . . . . .	2,662,440	-	2,662,440
Vocational . . . . .	130,292	-	130,292
Adult/continuing . . . . .	87,211	-	87,211
Support services:			
Pupil . . . . .	260,299	-	260,299
Instructional staff . . . . .	15,233	-	15,233
Fiscal . . . . .	-	18,914	18,914
Operations and maintenance . . . . .	4,282	46,344	50,626
Pupil transportation . . . . .	-	36,300	36,300
Central . . . . .	21,600	-	21,600
Operation of non-instructional services:			
Food service operations . . . . .	2,108,408	-	2,108,408
Other non-instructional services . . . . .	1,028,213	-	1,028,213
Extracurricular activities . . . . .	432,853	-	432,853
Facilities acquisition and construction . . . . .	-	1,968,525	1,968,525
Total expenditures . . . . .	<u>6,930,708</u>	<u>2,070,083</u>	<u>9,000,791</u>
Excess of revenues (under) expenditures . . . . .	<u>(497,577)</u>	<u>(890,960)</u>	<u>(1,388,537)</u>
<b>Other financing sources:</b>			
Transfers in . . . . .	110,575	-	110,575
Inception of lease-purchase obligation . . . . .	-	2,850,000	2,850,000
Total other financing sources . . . . .	<u>110,575</u>	<u>2,850,000</u>	<u>2,960,575</u>
Net change in fund balances . . . . .	(387,002)	1,959,040	1,572,038
<b>Fund balances (deficit) at beginning of year . . . . .</b>	<b>(287,655)</b>	<b>873,736</b>	<b>586,081</b>
<b>Increase in reserve for inventory . . . . .</b>	<b>2,654</b>	<b>-</b>	<b>2,654</b>
<b>Fund balances (deficit) at end of year . . . . .</b>	<b><u>\$ (672,003)</u></b>	<b><u>\$ 2,832,776</u></b>	<b><u>\$ 2,160,773</u></b>

**SYLVANIA CITY SCHOOL DISTRICT**  
**LUCAS COUNTY, OHIO**  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2017

	<b>Food Service</b>	<b>Other Grants</b>	<b>District Managed Student Activity</b>	<b>Auxiliary Services</b>	<b>Vocational Educational Enhancements</b>
<b>Assets:</b>					
Equity in pooled cash and cash equivalents. . . . .	\$ 1,001	\$ 1,470	\$ 238,363	\$ 30,618	\$ -
Receivables:					
Accounts . . . . .	11,717	-	5,500	-	-
Intergovernmental . . . . .	-	-	-	-	4,911
Inventory held for resale . . . . .	4,661	-	-	-	-
Total assets. . . . .	<u>\$ 17,379</u>	<u>\$ 1,470</u>	<u>\$ 243,863</u>	<u>\$ 30,618</u>	<u>\$ 4,911</u>
<b>Liabilities:</b>					
Accounts payable. . . . .	\$ 3,057	\$ -	\$ 3,215	\$ 17,051	\$ -
Accrued wages and benefits payable . . . . .	84,468	-	-	-	-
Intergovernmental payable . . . . .	841	-	230	-	-
Pension and postemployment benefits payable . .	46,472	-	440	-	-
Interfund loan payable . . . . .	-	-	51,968	-	4,911
Total liabilities. . . . .	<u>134,838</u>	<u>-</u>	<u>55,853</u>	<u>17,051</u>	<u>4,911</u>
<b>Deferred inflows of resources:</b>					
Intergovernmental revenue not available . . . . .	-	-	-	-	4,911
Total deferred inflows of resources . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,911</u>
<b>Fund balances:</b>					
Restricted:					
Non public schools . . . . .	-	-	-	13,567	-
Other purposes . . . . .	-	1,470	-	-	-
Extracurricular . . . . .	-	-	188,010	-	-
Unassigned (deficit) . . . . .	(117,459)	-	-	-	(4,911)
Total fund balances (deficit) . . . . .	<u>(117,459)</u>	<u>1,470</u>	<u>188,010</u>	<u>13,567</u>	<u>(4,911)</u>
Total liabilities and fund balances . . . . .	<u>\$ 17,379</u>	<u>\$ 1,470</u>	<u>\$ 243,863</u>	<u>\$ 30,618</u>	<u>\$ 4,911</u>

<b>Adult Basic Education</b>	<b>IDEA Part B</b>	<b>Vocational Education</b>	<b>Title III - Limited English Proficiency</b>	<b>Title I</b>	<b>Pre-school for the Handicapped Grant</b>	<b>Improving Teacher Quality</b>
\$ -	\$ 3,209	\$ 459	\$ -	\$ -	\$ -	\$ 1,600
-	-	-	-	-	-	-
9,299	481,958	5,158	8,827	109,538	-	29,238
-	-	-	-	-	-	-
<u>\$ 9,299</u>	<u>\$ 485,167</u>	<u>\$ 5,617</u>	<u>\$ 8,827</u>	<u>\$ 109,538</u>	<u>\$ -</u>	<u>\$ 30,838</u>
\$ -	\$ 1,435	\$ 292	\$ -	\$ -	\$ -	\$ 1,525
-	110,423	-	4,961	93,103	-	22,860
-	1,040	-	70	1,220	-	310
1,090	25,050	-	378	4,059	3,188	923
9,299	426,100	5,325	1,653	38,501	-	14,442
10,389	564,048	5,617	7,062	136,883	3,188	40,060
-	481,958	5,158	8,827	109,538	-	29,238
-	481,958	5,158	8,827	109,538	-	29,238
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(1,090)	(560,839)	(5,158)	(7,062)	(136,883)	(3,188)	(38,460)
<u>(1,090)</u>	<u>(560,839)</u>	<u>(5,158)</u>	<u>(7,062)</u>	<u>(136,883)</u>	<u>(3,188)</u>	<u>(38,460)</u>
<u>\$ 9,299</u>	<u>\$ 485,167</u>	<u>\$ 5,617</u>	<u>\$ 8,827</u>	<u>\$ 109,538</u>	<u>\$ -</u>	<u>\$ 30,838</u>

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**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2017

	<b>Total Nonmajor Special Revenue</b>
<b>Assets:</b>	
Equity in pooled cash and cash equivalents . . . . .	\$ 276,720
Receivables:	
Accounts . . . . .	17,217
Intergovernmental . . . . .	648,929
Inventory held for resale . . . . .	4,661
Total assets. . . . .	<u>\$ 947,527</u>
<b>Liabilities:</b>	
Accounts payable. . . . .	\$ 26,575
Accrued wages and benefits payable . . . . .	315,815
Intergovernmental payable . . . . .	3,711
Pension and postemployment benefits payable . . . . .	81,600
Interfund loan payable . . . . .	552,199
Total liabilities. . . . .	<u>979,900</u>
<b>Deferred inflows of resources:</b>	
Intergovernmental revenue not available . . . . .	<u>639,630</u>
Total deferred inflows of resources . . . . .	<u>639,630</u>
<b>Fund balances:</b>	
Restricted:	
Non public schools . . . . .	13,567
Other purposes . . . . .	1,470
Extracurricular . . . . .	188,010
Unassigned (deficit) . . . . .	(875,050)
Total fund balances (deficit) . . . . .	<u>(672,003)</u>
Total liabilities and fund balances . . . . .	<u>\$ 947,527</u>

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**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Food Service</u>	<u>Other Grants</u>	<u>District Managed Student Activity</u>	<u>Auxiliary Services</u>	<u>Data Communications for Schools</u>
<b>Revenues:</b>					
From local sources:					
Earnings on investments . . . . .	\$ -	\$ -	\$ -	\$ 1,963	\$ -
Charges for services . . . . .	1,082,254	-	-	-	-
Extracurricular . . . . .	-	-	468,572	-	-
Other local revenues . . . . .	94	2,881	-	-	-
Intergovernmental - state . . . . .	14,394	-	-	891,742	21,600
Intergovernmental - federal . . . . .	874,412	-	-	-	-
Total revenue . . . . .	<u>1,971,154</u>	<u>2,881</u>	<u>468,572</u>	<u>893,705</u>	<u>21,600</u>
<b>Expenditures:</b>					
Current:					
Instruction:					
Regular . . . . .	-	6,995	-	-	-
Special . . . . .	-	-	-	-	-
Vocational . . . . .	-	3,885	-	-	-
Adult/continuing . . . . .	-	-	-	-	-
Support services:					
Pupil . . . . .	-	-	-	-	-
Instructional staff . . . . .	-	-	-	-	-
Operations and maintenance . . . . .	-	-	4,282	-	-
Central . . . . .	-	-	-	-	21,600
Operation of non-instructional services:					
Food service operations . . . . .	2,108,408	-	-	-	-
Other non-instructional services . . . . .	-	-	-	924,846	-
Extracurricular activities . . . . .	-	-	432,853	-	-
Total expenditures . . . . .	<u>2,108,408</u>	<u>10,880</u>	<u>437,135</u>	<u>924,846</u>	<u>21,600</u>
Excess of revenues over (under) expenditures . . . . .	<u>(137,254)</u>	<u>(7,999)</u>	<u>31,437</u>	<u>(31,141)</u>	<u>-</u>
<b>Other financing sources:</b>					
Transfers in . . . . .	110,575	-	-	-	-
Total other financing sources . . . . .	<u>110,575</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances . . . . .	(26,679)	(7,999)	31,437	(31,141)	-
<b>Fund balances (deficit)</b>					
at beginning of year . . . . .	(93,434)	9,469	156,573	44,708	-
Increase in reserve for inventory . . . . .	2,654	-	-	-	-
Fund balances (deficit) at end of year . . . . .	<u>\$ (117,459)</u>	<u>\$ 1,470</u>	<u>\$ 188,010</u>	<u>\$ 13,567</u>	<u>\$ -</u>

<b>Vocational Educational Enhancements</b>	<b>Adult Basic Education</b>	<b>IDEA Part B</b>	<b>Vocational Education</b>	<b>Title III - Limited English Proficiency</b>	<b>Title I</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
10,684	-	-	-	-	-
-	87,601	1,738,035	128,418	39,557	855,203
<u>10,684</u>	<u>87,601</u>	<u>1,738,035</u>	<u>128,418</u>	<u>39,557</u>	<u>855,203</u>
-	-	-	-	-	-
-	-	1,753,117	-	36,245	835,221
11,685	-	-	114,722	-	-
-	87,211	-	-	-	-
-	-	260,299	-	-	-
424	-	-	14,809	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	75,531	-	-	21,854
-	-	-	-	-	-
<u>12,109</u>	<u>87,211</u>	<u>2,088,947</u>	<u>129,531</u>	<u>36,245</u>	<u>857,075</u>
<u>(1,425)</u>	<u>390</u>	<u>(350,912)</u>	<u>(1,113)</u>	<u>3,312</u>	<u>(1,872)</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>(1,425)</u>	<u>390</u>	<u>(350,912)</u>	<u>(1,113)</u>	<u>3,312</u>	<u>(1,872)</u>
(3,486)	(1,480)	(209,927)	(4,045)	(10,374)	(135,011)
-	-	-	-	-	-
<u>\$ (4,911)</u>	<u>\$ (1,090)</u>	<u>\$ (560,839)</u>	<u>\$ (5,158)</u>	<u>\$ (7,062)</u>	<u>\$ (136,883)</u>

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**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<b>Pre-school for the Handicapped Grant</b>	<b>Improving Teacher Quality</b>	<b>Total Nonmajor Special Revenue</b>
<b>Revenues:</b>			
From local sources:			
Earnings on investments . . . . .	\$ -	\$ -	\$ 1,963
Charges for services . . . . .	-	-	1,082,254
Extracurricular . . . . .	-	-	468,572
Other local revenues . . . . .	-	-	2,975
Intergovernmental - state . . . . .	-	-	938,420
Intergovernmental - federal . . . . .	35,927	179,794	3,938,947
Total revenue. . . . .	35,927	179,794	6,433,131
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular. . . . .	-	172,882	179,877
Special . . . . .	37,857	-	2,662,440
Vocational . . . . .	-	-	130,292
Adult/continuing . . . . .	-	-	87,211
Support services:			
Pupil . . . . .	-	-	260,299
Instructional staff. . . . .	-	-	15,233
Operations and maintenance . . . . .	-	-	4,282
Central . . . . .	-	-	21,600
Operation of non-instructional services:			
Food service operations . . . . .	-	-	2,108,408
Other non-instructional services . . . . .	-	5,982	1,028,213
Extracurricular activities . . . . .	-	-	432,853
Total expenditures . . . . .	37,857	178,864	6,930,708
Excess of revenues over (under) expenditures . . . . .	(1,930)	930	(497,577)
<b>Other financing sources:</b>			
Transfers in. . . . .	-	-	110,575
Total other financing sources. . . . .	-	-	110,575
Net change in fund balances . . . . .	(1,930)	930	(387,002)
<b>Fund balances (deficit)</b>			
at beginning of year . . . . .	(1,258)	(39,390)	(287,655)
Increase in reserve for inventory . . . . .	-	-	2,654
<b>Fund balances (deficit) at end of year . . . . .</b>	<b>\$ (3,188)</b>	<b>\$ (38,460)</b>	<b>\$ (672,003)</b>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Food Services</b>				
Total Revenues and Other Sources. . . . .	\$ 1,874,000	\$ 2,010,869	\$ 1,996,501	\$ (14,368)
Total Expenditures and Other Uses. . . . .	<u>1,869,337</u>	<u>2,014,665</u>	<u>2,004,866</u>	<u>9,799</u>
Net Change in Fund Balance . . . . .	4,663	(3,796)	(8,365)	(4,569)
Fund balance at beginning of year . . . . .	(33,848)	(33,848)	(33,848)	-
Prior year encumbrances appropriated. . . . .	<u>37,644</u>	<u>37,644</u>	<u>37,644</u>	<u>-</u>
Fund balance (deficit) at end of year . . . . .	<u>\$ 8,459</u>	<u>\$ -</u>	<u>\$ (4,569)</u>	<u>\$ (4,569)</u>
<b>Other Grants</b>				
Total Revenues and Other Sources. . . . .	\$ 2,881	\$ 2,881	\$ 2,881	\$ -
Total Expenditures and Other Uses. . . . .	<u>11,880</u>	<u>11,880</u>	<u>10,880</u>	<u>1,000</u>
Net Change in Fund Balance . . . . .	(8,999)	(8,999)	(7,999)	1,000
Fund balance at beginning of year . . . . .	<u>9,469</u>	<u>9,469</u>	<u>9,469</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ 470</u>	<u>\$ 470</u>	<u>\$ 1,470</u>	<u>\$ 1,000</u>
<b>District Managed Student Activity</b>				
Total Revenues and Other Sources. . . . .	\$ 513,260	\$ 536,546	\$ 513,475	\$ (23,071)
Total Expenditures and Other Uses. . . . .	<u>599,319</u>	<u>634,054</u>	<u>483,453</u>	<u>150,601</u>
Net Change in Fund Balance . . . . .	(86,059)	(97,508)	30,022	127,530
Fund balance at beginning of year . . . . .	178,622	178,622	178,622	-
Prior year encumbrances appropriated. . . . .	<u>4,888</u>	<u>4,888</u>	<u>4,888</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ 97,451</u>	<u>\$ 86,002</u>	<u>\$ 213,532</u>	<u>\$ 127,530</u>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Auxiliary Services</b>				
Total Revenues and Other Sources. . . . .	\$ 920,733	\$ 893,675	\$ 893,705	\$ 30
Total Expenditures and Other Uses. . . . .	<u>778,879</u>	<u>957,685</u>	<u>955,870</u>	<u>1,815</u>
Net Change in Fund Balance . . . . .	141,854	(64,010)	(62,165)	1,845
Fund balance at beginning of year . . . . .	38,767	38,767	38,767	-
Prior year encumbrances appropriated. . . . .	<u>25,243</u>	<u>25,243</u>	<u>25,243</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ 205,864</u>	<u>\$ -</u>	<u>\$ 1,845</u>	<u>\$ 1,845</u>
<b>Data Communications for Schools</b>				
Total Revenues and Other Sources. . . . .	\$ -	\$ 21,600	\$ 21,600	\$ -
Total Expenditures and Other Uses. . . . .	<u>-</u>	<u>21,600</u>	<u>21,600</u>	<u>-</u>
Net Change in Fund Balance . . . . .	-	-	-	-
Fund balance at beginning of year . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Vocational Educational Enhancements</b>				
Total Revenues and Other Sources. . . . .	\$ 15,595	\$ 15,595	\$ 15,595	\$ -
Total Expenditures and Other Uses. . . . .	<u>18,262</u>	<u>18,262</u>	<u>18,262</u>	<u>-</u>
Net Change in Fund Balance . . . . .	(2,667)	(2,667)	(2,667)	-
Fund balance at beginning of year . . . . .	7	7	7	-
Prior year encumbrances appropriated. . . . .	<u>2,660</u>	<u>2,660</u>	<u>2,660</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Adult Basic Education</b>				
Total Revenues and Other Sources. . . . .	\$ 88,483	\$ 94,246	\$ 94,246	\$ -
Total Expenditures and Other Uses. . . . .	<u>88,483</u>	<u>94,246</u>	<u>94,246</u>	<u>-</u>
Net Change in Fund Balance . . . . .	-	-	-	-
Fund balance at beginning of year . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<b>IDEA Part B</b>				
Total Revenues and Other Sources. . . . .	\$ 1,765,920	\$ 2,163,980	\$ 2,164,135	\$ 155
Total Expenditures and Other Uses. . . . .	<u>1,779,408</u>	<u>2,179,050</u>	<u>2,178,951</u>	<u>99</u>
Net Change in Fund Balance . . . . .	(13,488)	(15,070)	(14,816)	254
Fund balance at beginning of year . . . . .	11,754	11,754	11,754	-
Prior year encumbrances appropriated. . . . .	<u>3,316</u>	<u>3,316</u>	<u>3,316</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ 1,582</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 254</u></u>	<u><u>\$ 254</u></u>
<b>Vocational Education</b>				
Total Revenues and Other Sources. . . . .	\$ 132,748	\$ 133,743	\$ 133,743	\$ -
Total Expenditures and Other Uses. . . . .	<u>168,989</u>	<u>169,984</u>	<u>169,817</u>	<u>167</u>
Net Change in Fund Balance . . . . .	(36,241)	(36,241)	(36,074)	167
Fund balance at beginning of year . . . . .	509	509	509	-
Prior year encumbrances appropriated. . . . .	<u>35,732</u>	<u>35,732</u>	<u>35,732</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 167</u></u>	<u><u>\$ 167</u></u>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Title III - Limited English Proficiency</b>				
Total Revenues and Other Sources. . . . .	\$ 35,890	\$ 41,210	\$ 41,210	\$ -
Total Expenditures and Other Uses. . . . .	<u>35,890</u>	<u>41,210</u>	<u>41,210</u>	<u>-</u>
Net Change in Fund Balance . . . . .	-	-	-	-
Fund balance at beginning of year . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<b>Title I</b>				
Total Revenues and Other Sources. . . . .	\$ 980,412	\$ 893,704	\$ 893,704	\$ -
Total Expenditures and Other Uses. . . . .	<u>980,488</u>	<u>894,950</u>	<u>894,950</u>	<u>-</u>
Net Change in Fund Balance . . . . .	(76)	(1,246)	(1,246)	-
Fund balance at beginning of year . . . . .	119	119	119	-
Prior year encumbrances appropriated. . . . .	<u>1,127</u>	<u>1,127</u>	<u>1,127</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ 1,170</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<b>Pre-school for the Handicapped Grant</b>				
Total Revenues and Other Sources. . . . .	\$ 35,927	\$ 35,927	\$ 35,927	\$ -
Total Expenditures and Other Uses. . . . .	<u>35,927</u>	<u>35,927</u>	<u>35,927</u>	<u>-</u>
Net Change in Fund Balance . . . . .	-	-	-	-
Fund balance at beginning of year . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Improving Teacher Quality</b>				
Total Revenues and Other Sources. . . . .	\$ 169,556	\$ 194,236	\$ 194,236	\$ -
Total Expenditures and Other Uses. . . . .	<u>169,557</u>	<u>194,237</u>	<u>194,237</u>	<u>-</u>
Net Change in Fund Balance . . . . .	(1)	(1)	(1)	-
Fund balance at beginning of year . . . . .	<u>1</u>	<u>1</u>	<u>1</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<b>Uniform School Supplies</b>				
Total Revenues and Other Sources. . . . .	\$ 310,987	\$ 276,476	\$ 275,226	\$ (1,250)
Total Expenditures and Other Uses. . . . .	<u>317,531</u>	<u>305,978</u>	<u>305,800</u>	<u>178</u>
Net Change in Fund Balance . . . . .	(6,544)	(29,502)	(30,574)	(1,072)
Fund balance at beginning of year . . . . .	26,395	26,395	26,395	-
Prior year encumbrances appropriated. . . . .	<u>3,107</u>	<u>3,107</u>	<u>3,107</u>	<u>-</u>
Fund balance (deficit) at end of year . . . . .	<u><u>\$ 22,958</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (1,072)</u></u>	<u><u>\$ (1,072)</u></u>
<b>Special Services Rotary Fund</b>				
Total Revenues and Other Sources. . . . .	\$ 23,900	\$ 30,359	\$ 30,363	\$ 4
Total Expenditures and Other Uses. . . . .	<u>37,791</u>	<u>44,248</u>	<u>30,335</u>	<u>13,913</u>
Net Change in Fund Balance . . . . .	(13,891)	(13,889)	28	13,917
Fund balance at beginning of year . . . . .	18,323	18,323	18,323	-
Prior year encumbrances appropriated. . . . .	<u>191</u>	<u>191</u>	<u>191</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ 4,623</u></u>	<u><u>\$ 4,625</u></u>	<u><u>\$ 18,542</u></u>	<u><u>\$ 13,917</u></u>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Natatorium</b>				
Total Revenues and Other Sources. . . . .	\$ 60,000	\$ 52,195	\$ 52,195	\$ -
Total Expenditures and Other Uses. . . . .	<u>63,000</u>	<u>55,400</u>	<u>50,446</u>	<u>4,954</u>
Net Change in Fund Balance . . . . .	(3,000)	(3,205)	1,749	4,954
Fund balance at beginning of year . . . . .	<u>5,422</u>	<u>5,422</u>	<u>5,422</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ 2,422</u>	<u>\$ 2,217</u>	<u>\$ 7,171</u>	<u>\$ 4,954</u>
<b>Rotary Fund</b>				
Total Revenues and Other Sources. . . . .	\$ 45,000	\$ 51,110	\$ 51,309	\$ 199
Total Expenditures and Other Uses. . . . .	<u>123,500</u>	<u>123,500</u>	<u>73,772</u>	<u>49,728</u>
Net Change in Fund Balance . . . . .	(78,500)	(72,390)	(22,463)	49,927
Fund balance at beginning of year . . . . .	<u>122,637</u>	<u>122,637</u>	<u>122,637</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ 44,137</u>	<u>\$ 50,247</u>	<u>\$ 100,174</u>	<u>\$ 49,927</u>
<b>Public School Support</b>				
Total Revenues and Other Sources. . . . .	\$ 349,871	\$ 399,598	\$ 285,696	\$ (113,902)
Total Expenditures and Other Uses. . . . .	<u>392,030</u>	<u>433,785</u>	<u>269,605</u>	<u>164,180</u>
Net Change in Fund Balance . . . . .	(42,159)	(34,187)	16,091	50,278
Fund balance at beginning of year . . . . .	129,499	129,499	129,499	-
Prior year encumbrances appropriated. . . . .	<u>3,048</u>	<u>3,048</u>	<u>3,048</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ 90,388</u>	<u>\$ 98,360</u>	<u>\$ 148,638</u>	<u>\$ 50,278</u>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**  
COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS  
JUNE 30, 2017

	<u>Permanent Improvement</u>	<u>Building</u>	<u>Total Nonmajor Capital Projects</u>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents. . . . .	\$ 1,839,524	\$ -	\$ 1,839,524
Cash with escrow agent . . . . .	-	901,966	901,966
Receivables:			
Property taxes . . . . .	1,705,995	-	1,705,995
Payment in lieu of taxes . . . . .	8,442	-	8,442
Total assets. . . . .	<u>\$ 3,553,961</u>	<u>\$ 901,966</u>	<u>\$ 4,455,927</u>
<b>Deferred inflows of resources:</b>			
Property taxes levied for the next fiscal year. . .	\$ 1,593,914	\$ -	\$ 1,593,914
Payment in lieu of taxes revenue levied for the next fiscal year . . . . .	8,442	-	8,442
Delinquent property tax revenue not available. . .	20,795	-	20,795
Total deferred inflow of resources . . . . .	<u>1,623,151</u>	<u>-</u>	<u>1,623,151</u>
<b>Fund balances:</b>			
Restricted:			
Capital improvements . . . . .	1,930,810	901,966	2,832,776
Total fund balances. . . . .	<u>1,930,810</u>	<u>901,966</u>	<u>2,832,776</u>
Total liabilities, deferred inflows and fund balance . . .	<u>\$ 3,553,961</u>	<u>\$ 901,966</u>	<u>\$ 4,455,927</u>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<b>Permanent Improvement</b>	<b>Building</b>	<b>Total Nonmajor Capital Projects</b>
<b>Revenues:</b>			
From local sources:			
Property taxes . . . . .	\$ 1,110,068	\$ -	\$ 1,110,068
Payment in lieu of taxes . . . . .	5,283	-	5,283
Intergovernmental - state . . . . .	63,772	-	63,772
Total revenue . . . . .	1,179,123	-	1,179,123
<b>Expenditures:</b>			
Current:			
Support services:			
Fiscal . . . . .	18,914	-	18,914
Operations and maintenance . . . . .	46,344	-	46,344
Pupil transportation . . . . .	36,300	-	36,300
Facilities acquisition and construction . . . . .	20,491	1,948,034	1,968,525
Total expenditures . . . . .	122,049	1,948,034	2,070,083
Excess of revenues over (under) expenditures . . . . .	1,057,074	(1,948,034)	(890,960)
<b>Other financing sources:</b>			
Inception of lease-purchase obligation . . . . .	-	2,850,000	2,850,000
Total other financing sources . . . . .	-	2,850,000	2,850,000
Net change in fund balances . . . . .	1,057,074	901,966	1,959,040
<b>Fund balances at beginning of year . . . . .</b>	<b>873,736</b>	<b>-</b>	<b>873,736</b>
<b>Fund balances at end of year . . . . .</b>	<b>\$ 1,930,810</b>	<b>\$ 901,966</b>	<b>\$ 2,832,776</b>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget- Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Permanent Improvement</b>				
Total Revenues and Other Sources . . . . .	\$ 389,500	\$ 1,108,662	\$ 1,108,662	\$ -
Total Expenditures and Other Uses . . . . .	<u>50,000</u>	<u>232,018</u>	<u>218,681</u>	<u>13,337</u>
Net Change in Fund Balance . . . . .	339,500	876,644	889,981	13,337
Fund balance at beginning of year . . . . .	<u>852,911</u>	<u>852,911</u>	<u>852,911</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ 1,192,411</u>	<u>\$ 1,729,555</u>	<u>\$ 1,742,892</u>	<u>\$ 13,337</u>
<b>Building</b>				
Total Revenues and Other Sources . . . . .	\$ -	\$ 2,850,000	\$ 1,948,034	\$ (901,966)
Total Expenditures and Other Uses . . . . .	<u>-</u>	<u>2,850,000</u>	<u>2,850,000</u>	<u>-</u>
Net Change in Fund Balance . . . . .	-	-	(901,966)	(901,966)
Fund balance at beginning of year . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit) at end of year . . . . .	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (901,966)</u>	<u>\$ (901,966)</u>

## 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 and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. Agency funds are purely custodial (assets equal liabilities) and thus do not involve the measure of results of operations

### Private-Purpose Trust Fund

#### **Scholarship Fund**

Section 5705.09, Revised Code

This fund accounts for monies to be set aside for college scholarships for students enrolled in the School District. The income from such a fund may be expended, but the principal must remain intact.

### Agency Funds

#### **OHSAA Tournaments Fund**

Section 5705.12, Revised Code

This fund reflects resources that are collected for various tournaments and remitted to the Ohio High School Athletic Association (OHSAA).

#### **Student Managed Activity Fund**

Section 3315.062, Revised Code

This fund accounts for those student activity programs which have student participation in the activity and have students involved in the management of the program.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SCHOLARSHIP FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Total Revenues and Other Sources. . . . .	\$ -	\$ -	\$ 2,031	\$ 2,031
Total Expenditures and Other Uses. . . . .	<u>8,190</u>	<u>8,605</u>	<u>2,001</u>	<u>6,604</u>
Net Change in Fund Balance . . . . .	(8,190)	(8,605)	30	8,635
Fund balance at beginning of year . . . . .	<u>9,399</u>	<u>9,399</u>	<u>9,399</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ 1,209</u>	<u>\$ 794</u>	<u>\$ 9,429</u>	<u>\$ 8,635</u>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Beginning Balance July 1, 2016	Additions	Deletions	Ending Balance June 30, 2017
<b>OHSAA Tournaments Fund</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 1,122	\$ 518	\$ 1,122	\$ 518
Total assets . . . . .	<u>\$ 1,122</u>	<u>\$ 518</u>	<u>\$ 1,122</u>	<u>\$ 518</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 610	\$ -	\$ 610	\$ -
Loans payable . . . . .	-	201	-	201
Intergovernmental payable. . . . .	<u>512</u>	<u>317</u>	<u>512</u>	<u>317</u>
Total liabilities . . . . .	<u>\$ 1,122</u>	<u>\$ 518</u>	<u>\$ 1,122</u>	<u>\$ 518</u>
<b>Student Managed Activities Fund</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 91,161	\$ 10,213	\$ 2,295	\$ 99,079
Total assets . . . . .	<u>\$ 91,161</u>	<u>\$ 10,213</u>	<u>\$ 2,295</u>	<u>\$ 99,079</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 5,781	\$ -	\$ 2,295	\$ 3,486
Due to students . . . . .	<u>85,380</u>	<u>10,213</u>	<u>-</u>	<u>95,593</u>
Total liabilities . . . . .	<u>\$ 91,161</u>	<u>\$ 10,213</u>	<u>\$ 2,295</u>	<u>\$ 99,079</u>
<b>Total - All Agency Funds</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 92,283	\$ 10,731	\$ 3,417	\$ 99,597
Total assets . . . . .	<u>\$ 92,283</u>	<u>\$ 10,731</u>	<u>\$ 3,417</u>	<u>\$ 99,597</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 6,391	\$ -	\$ 2,905	\$ 3,486
Loans payable . . . . .	-	201	-	201
Intergovernmental payable. . . . .	512	317	512	317
Due to students . . . . .	<u>85,380</u>	<u>10,213</u>	<u>-</u>	<u>95,593</u>
Total liabilities . . . . .	<u>\$ 92,283</u>	<u>\$ 10,731</u>	<u>\$ 3,417</u>	<u>\$ 99,597</u>



# STATISTICAL SECTION

## English Language Learners

The US Department of Education and the Ohio Department of Education have released updates in policies dictated by the Every Student Succeeds Act (ESSA) in regards to English Language Learners (ELLs). As a result, all schools must have a program in identifying ELLs and providing them with language assistance services and programs. Properly staffing and supporting a district's ELL program includes providing high quality professional development to teachers and staff, as well as monitoring and evaluating the program. In addition, it is imperative to create an inclusive environment for students and limited English proficient (LEP) parents. The Sylvania School District has experienced an increase of English Language Learners in the past few years and is currently serving 189 students identified as ELLs. The majority of the students (70%) are Arabic speakers, with Chinese-speaking students making up the next largest population with 11% of district ELLs. The remaining students speak 11 additional languages including Spanish, Korean, Russian, Gujarati, Pashto, Portuguese, Vietnamese, Chaldean, Thai, Turkish, Urdu and Hmong.

In order to meet the needs of these diverse learners and to satisfy the requirements of ESSA, Sylvania Schools is working on all of these areas with specific focus on providing support to teachers with strategies and professional development to better serve the ELLs in the classroom. On site professional development, strategy packets and a Google classroom devoted to teaching ELLs are a few of the supports being implemented for teachers. Efforts to buttress the additional focus of improving communication with (LEP) families to create an inclusive community include hiring bilingual assistants at three of the schools that have the largest ELL populations, growing a multi-lingual volunteer pool and utilizing them to assist in buildings, and translating district documents, forms and communications to parents in needed languages.

\*The community of Sylvania "rallied" around refugees this past winter at what was called a Unity Rally for Refugees with hundreds attending outside at Southview High School.

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**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

**STATISTICAL SECTION**

This part of the Sylvania 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 District's overall financial health.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b>	<b>S2 - S11</b>
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	
<b>Revenue Capacity</b>	<b>S12 - S19</b>
These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	
<b>Debt Capacity</b>	<b>S20 - S23</b>
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	
<b>Demographic and Economic Information</b>	<b>S24 - S25</b>
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	
<b>Operating Information</b>	<b>S26 - S34</b>
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Governmental activities</b>				
Net investment in capital assets	\$ 15,023,837	\$ 15,548,098	\$ 13,948,002	\$ 13,968,477
Restricted	4,579,852	4,145,252	5,007,886	3,546,425
Unrestricted (deficit)	(124,566,861)	(124,221,153)	(126,197,699)	(127,708,471)
Total governmental activities net position	<u>\$ (104,963,172)</u>	<u>\$ (104,527,803)</u>	<u>\$ (107,241,811)</u>	<u>\$ (110,193,569)</u>

**Source:** School District financial records

<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
\$ 14,760,435	\$ 16,273,543	\$ 15,807,676	\$ 18,997,215	\$ 17,939,259	\$ 18,620,573
1,289,863	4,388,544	3,631,117	3,569,858	4,202,610	2,735,297
(8,345,758)	(12,095,096)	(12,940,736)	(10,741,455)	(4,397,614)	448,642
<u>\$ 7,704,540</u>	<u>\$ 8,566,991</u>	<u>\$ 6,498,057</u>	<u>\$ 11,825,618</u>	<u>\$ 17,744,255</u>	<u>\$ 21,804,512</u>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

**CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)**

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Expenses</b>				
Governmental activities:				
Instruction:				
Regular	\$ 38,598,123	\$ 35,316,565	\$ 35,427,259	\$ 35,625,734
Special	14,555,048	13,291,068	12,642,540	13,019,704
Vocational	2,517,544	1,814,688	2,020,980	2,063,861
Adult/Continuing	93,014	71,055	64,496	47,053
Other instructional	2,286,573	2,186,237	2,366,766	2,192,544
Support services:				
Pupil	6,235,878	5,521,918	4,980,915	5,045,935
Instructional staff	2,257,483	1,926,976	1,898,434	1,800,484
Board of education	35,293	32,820	32,869	37,034
Administration	8,114,875	7,358,021	7,102,339	6,311,703
Fiscal	1,950,168	1,800,082	1,807,046	1,780,334
Business	209,399	242,293	235,270	234,835
Operations and maintenance	9,945,554	9,336,202	9,130,167	9,484,736
Pupil transportation	4,780,637	4,477,720	4,690,537	5,180,802
Central	1,328,922	784,648	830,846	723,274
Operation of non-instructional services:				
Food service operations	2,495,494	2,215,835	2,045,249	1,998,400
Other non-instructional services	1,136,233	1,125,676	1,210,717	1,174,416
Extracurricular activities	2,999,186	2,666,350	2,806,529	2,756,821
Interest and fiscal charges	4,074,233	4,165,290	3,791,038	4,618,615
<b>Total governmental activities expenses</b>	<u>103,613,657</u>	<u>94,333,444</u>	<u>93,083,997</u>	<u>94,096,285</u>

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 36,103,261	\$ 33,248,216	\$ 35,895,798	\$ 35,544,660	\$ 36,243,051	\$ 33,977,991
10,332,087	8,384,850	9,006,976	9,262,000	8,332,050	7,489,180
1,804,791	1,791,409	2,250,516	2,300,740	2,503,138	2,384,615
68,943	63,024	36,094	52,272	93,991	100,208
2,021,759	1,723,810	1,717,014	1,682,695	1,688,636	1,394,321
5,601,668	5,497,493	6,767,500	5,776,063	5,894,790	5,540,665
4,672,021	3,982,751	4,133,007	5,046,879	4,806,033	4,550,914
24,426	28,371	16,401	26,884	18,684	17,584
4,874,391	8,391,763	9,461,636	8,895,047	7,475,022	7,507,598
1,807,481	1,882,065	1,627,076	1,740,510	1,614,397	1,612,354
229,418	209,741	220,908	192,197	111,813	126,794
9,122,893	8,742,706	9,626,916	9,670,074	10,023,645	9,115,908
4,894,939	4,964,367	5,130,207	5,310,349	5,302,161	5,036,343
947,814	981,385	1,216,292	1,207,259	1,167,987	1,062,925
1,974,761	1,797,621	2,182,491	2,158,276	1,996,133	1,823,741
1,304,715	1,168,920	1,269,893	1,098,748	1,368,054	1,236,052
2,724,876	2,536,129	2,540,167	2,540,507	2,583,209	2,484,266
4,840,501	4,927,828	5,221,783	5,315,060	2,398,739	1,691,993
<u>93,350,745</u>	<u>90,322,449</u>	<u>98,320,675</u>	<u>97,820,220</u>	<u>93,621,533</u>	<u>87,153,452</u>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

CHANGES IN NET POSITION - (Continued)  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

<b>Program Revenues</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Governmental activities:				
Charges for services and sales:				
Instruction:				
Regular	\$ 678,788	\$ 698,828	\$ 613,813	\$ 772,685
Special	501,889	329,996	588,192	541,882
Support services:				
Operations and maintenance	75,621	50,136	66,297	35,484
Pupil transportation	46,178	41,382	42,206	46,593
Operation of non-instructional services:				
Food service operations	1,082,254	1,008,406	803,036	723,307
Other non-instructional services	72,992	89,579	92,858	102,620
Extracurricular activities	651,183	682,246	685,329	714,648
Operating grants and contributions:				
Instruction:				
Regular	137,434	237,963	72,817	207,589
Special	5,439,648	5,588,930	5,243,752	4,845,548
Vocational	691,415	610,794	456,329	355,483
Adult/Continuing	87,601	54,455	84,000	46,334
Other instructional	-	-	-	-
Support services:				
Pupil	200,663	141,276	62,385	61,060
Instructional staff	36,212	27,381	39,995	61,801
Administration	-	-	-	-
Operations and maintenance	-	9,210	-	-
Pupil transportation	-	-	-	-
Central	21,600	21,600	21,600	21,600
Operation of non-instructional services:				
Food service operations	888,900	822,667	705,986	713,033
Other non-instructional services	982,201	1,023,043	1,065,230	1,078,237
Extracurricular activities	100,908	57,403	43,523	47,219
Capital grants and contributions:				
Instruction:				
Regular	-	-	-	-
Pupil transportation	-	-	-	-
Extracurricular activities	-	-	1,291,581	707,288
<b>Total governmental program revenues</b>	<b>11,695,487</b>	<b>11,495,295</b>	<b>11,978,929</b>	<b>11,082,411</b>
<b>Net (Expense)</b>				
Governmental activities	\$ (91,918,170)	\$ (82,838,149)	\$ (81,105,068)	\$ (83,013,874)
<b>General Revenues and Other Changes in Net Position</b>				
Governmental activities:				
Property taxes levied for:				
General purposes	\$ 59,250,144	\$ 55,372,937	\$ 53,213,017	\$ 52,713,354
Debt service	6,793,908	7,213,104	7,082,651	7,058,597
Capital outlay	1,126,702	353,647	342,279	337,993
Payments in lieu of taxes	336,593	384,847	371,564	386,395
Grants and entitlements not restricted to specific programs	23,480,318	21,821,964	22,401,241	21,384,855
Investment earnings	137,152	41,732	16,758	18,533
Gain on disposal of capital assets	-	-	-	1,478,878
Miscellaneous	357,984	363,926	629,316	457,237
<b>Total governmental activities</b>	<b>91,482,801</b>	<b>85,552,157</b>	<b>84,056,826</b>	<b>83,835,842</b>
<b>Change in Net Position</b>				
Governmental activities	\$ (435,369)	\$ 2,714,008	\$ 2,951,758	\$ 821,968

Source: School District financial records

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$	859,887	\$ 816,979	\$ 745,254	\$ 630,020	\$ 628,892	\$ 927,900
	450,174	577,689	583,790	386,364	391,503	197,593
	51,828	36,751	42,930	25,739	59,104	57,181
	41,078	45,138	39,895	38,757	33,327	48,533
	761,741	894,810	1,120,849	1,128,880	1,137,131	1,168,772
	110,085	107,421	85,053	63,346	76,395	89,952
	804,211	806,730	686,944	739,515	692,951	640,950
	267,004	126,350	1,938,637	592,268	167,597	228,714
	1,826,419	1,430,140	1,679,330	1,069,864	1,419,441	1,101,269
	202,460	285,263	306,940	333,075	288,929	247,160
	67,392	63,869	36,070	-	91,099	102,311
	-	-	116,596	84,022	-	-
	127,232	134,789	107,694	17,762	28,231	34,597
	1,549,121	1,414,055	2,560,064	2,218,541	1,528,516	1,899,155
	1,924	1,193	50,330	87,801	7,174	1,550
	-	200	-	-	35,446	-
	5,137	895	-	-	261,628	199,864
	21,600	21,600	32,300	264,920	61,398	65,649
	728,378	709,741	677,473	572,922	407,951	388,060
	1,087,534	1,087,744	1,123,574	1,113,597	1,133,874	1,112,562
	32,926	36,251	38,383	47,713	20,011	46,301
	-	-	-	-	-	56,908
	-	-	-	-	79,049	-
	-	-	-	-	-	-
	<u>8,996,131</u>	<u>8,597,608</u>	<u>11,972,106</u>	<u>9,415,106</u>	<u>8,549,647</u>	<u>8,614,981</u>
\$	<u>(84,354,614)</u>	<u>(81,724,841)</u>	<u>(86,348,569)</u>	<u>(88,405,114)</u>	<u>(85,071,886)</u>	<u>(78,538,471)</u>
\$	53,568,191	\$ 51,929,769	\$ 48,100,515	\$ 48,890,899	\$ 49,851,399	\$ 50,531,356
	7,075,823	7,216,887	6,945,741	6,953,432	5,605,623	3,368,746
	349,968	365,998	359,711	362,513	361,561	420,296
	372,462	619,100	511,286	-	-	-
	22,190,182	23,302,354	24,526,349	25,119,293	24,162,588	22,605,304
	23,857	50,031	153,599	668,567	565,673	1,161,599
	-	75,727	-	-	25,674	-
	1,113,287	233,909	423,807	491,773	439,111	333,888
	<u>84,693,770</u>	<u>83,793,775</u>	<u>81,021,008</u>	<u>82,486,477</u>	<u>81,011,629</u>	<u>78,421,189</u>
\$	<u>339,156</u>	<u>2,068,934</u>	<u>(5,327,561)</u>	<u>(5,918,637)</u>	<u>(4,060,257)</u>	<u>(117,282)</u>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
General Fund:				
Nonspendable	\$ 134,559	\$ 73,013	\$ -	\$ -
Assigned	353,699	-	-	-
Unassigned (deficit)	1,993,088	(2,259,970)	(3,494,715)	(2,890,645)
Reserved	-	-	-	-
Unreserved (deficit)	-	-	-	-
Total general fund	<u>2,481,346</u>	<u>(2,186,957)</u>	<u>(3,494,715)</u>	<u>(2,890,645)</u>
All Other Governmental Funds:				
Nonspendable	\$ -	\$ -	\$ -	\$ 33,965
Restricted	7,067,824	5,294,525	5,866,756	5,154,451
Unassigned (deficit)	(875,050)	(498,405)	(201,520)	(343,549)
Reserved	-	-	-	-
Unreserved (deficit), reported in:				
Special revenue funds	-	-	-	-
Debt service fund fund	-	-	-	-
Capital projects funds	-	-	-	-
Total all other governmental funds	<u>6,192,774</u>	<u>4,796,120</u>	<u>5,665,236</u>	<u>4,844,867</u>
Total governmental funds	<u>\$ 8,674,120</u>	<u>\$ 2,609,163</u>	<u>\$ 2,170,521</u>	<u>\$ 1,954,222</u>

**Source:** School District financial records

**Note:** The School District implemented GASB 54 in 2011.

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	1,087,493	-	-	-
(1,060,384)	(982,632)	(4,482,477)	-	-	-
-	-	-	2,839,596	2,148,337	2,779,613
-	-	-	(3,723,495)	2,776,713	7,630,532
<u>(1,060,384)</u>	<u>(982,632)</u>	<u>(3,394,984)</u>	<u>(883,899)</u>	<u>4,925,050</u>	<u>10,410,145</u>
\$ 73,012	\$ 63,093	\$ 16,798	\$ -	\$ -	\$ -
3,457,211	8,218,721	18,705,111	-	-	-
(477,621)	(208,808)	(507,025)	-	-	-
-	-	-	34,640,246	2,868,561	580,828
-	-	-	(625,521)	(235,385)	(49,013)
-	-	-	1,001,212	18,279,097	845,517
-	-	-	16,427,935	75,967,037	1,017,917
<u>3,052,602</u>	<u>8,073,006</u>	<u>18,214,884</u>	<u>51,443,872</u>	<u>96,879,310</u>	<u>2,395,249</u>
<u>\$ 1,992,218</u>	<u>\$ 7,090,374</u>	<u>\$ 14,819,900</u>	<u>\$ 50,559,973</u>	<u>\$ 101,804,360</u>	<u>\$ 12,805,394</u>

**SYLVANIA CITY SCHOOL DISTRICT**  
**LUCAS COUNTY, OHIO**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Revenues</b>				
From local sources:				
Property taxes	\$ 66,987,022	\$ 63,057,138	\$ 61,267,404	\$ 60,176,130
Payment in lieu of taxes	336,593	384,847	371,564	386,395
Tuition	752,934	593,769	750,543	874,183
Transportation fees	46,178	41,382	42,206	46,593
Charges for services	1,082,254	1,008,406	803,036	723,307
Earnings on investments	139,115	42,430	16,891	18,579
Extracurricular	655,773	682,246	685,329	714,648
Classroom materials and fees	427,743	435,055	451,462	440,384
Rental income	71,031	50,136	66,297	35,484
Contract services	72,992	89,579	92,858	102,620
Contributions and donations	152,317	107,233	1,385,717	813,893
Other local revenues	360,959	395,910	637,316	509,383
Intergovernmental - Intermediate	-	-	-	51,754
Intergovernmental - State	28,007,776	26,447,971	26,568,775	25,073,435
Intergovernmental - Federal	4,117,332	3,092,155	3,621,882	3,591,280
Total revenues	<u>103,210,019</u>	<u>96,428,257</u>	<u>96,761,280</u>	<u>93,558,068</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	33,419,171	32,932,675	34,158,787	34,231,949
Special	13,658,240	13,251,685	12,807,784	12,914,876
Vocational	1,976,820	1,572,817	1,833,318	1,882,384
Adult/Continuing	87,211	72,470	66,915	47,053
Other	2,286,573	2,186,237	2,366,766	2,192,544
Current:				
Pupil	5,957,758	5,573,399	5,222,189	5,048,743
Instructional staff	2,027,511	1,805,898	1,808,666	1,647,915
Board of education	34,285	32,820	32,869	37,034
Administration	7,668,128	7,348,252	7,303,136	6,597,710
Fiscal	1,896,449	1,793,342	1,795,406	1,764,547
Business	211,435	243,842	233,984	233,933
Operations and maintenance	9,263,748	9,038,818	8,954,812	9,231,475
Pupil transportation	4,634,774	4,464,648	4,597,749	4,809,757
Central	1,308,997	789,630	839,158	724,807
Operation of non-instructional services:				
Food service operations	2,108,408	1,966,316	1,785,128	1,695,672
Other non-instructional services	1,133,390	1,122,837	1,206,768	1,169,622
Extracurricular activities	2,085,442	2,126,904	2,156,334	2,211,094
Facilities acquisitions and construction	1,971,835	399,891	2,588,527	7,807,339
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	4,755,000	5,670,000	9,432,780	3,367,729
Interest and fiscal charges	3,354,006	3,590,900	2,797,264	4,149,847
Bond and note issuance costs	52,275	-	731,730	18,842
Total expenditures	<u>99,891,456</u>	<u>95,983,381</u>	<u>102,720,070</u>	<u>101,784,872</u>
Excess of revenues over (under) expenditures	<u>3,318,563</u>	<u>444,876</u>	<u>(5,958,790)</u>	<u>(8,226,804)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	110,575	123,902	312,996	259,598
Transfers (out)	(110,575)	(123,902)	(312,996)	(259,598)
Premium on notes sold	-	-	-	18,245
Sale of capital assets	-	-	-	2,779,610
Capital lease transaction	-	-	-	-
Premium on bonds sold	-	-	8,539,849	-
Payment to refunded bond escrow	(6,046,260)	-	(75,044,036)	-
Inception of lease-purchase obligation	2,850,000	-	-	-
Sale of bonds	5,940,000	-	72,705,000	-
Sale of notes	-	-	-	5,430,000
Total other financing sources (uses)	<u>2,743,740</u>	<u>-</u>	<u>6,200,813</u>	<u>8,227,855</u>
Increase (decrease) in reserve for inventory	2,654	(6,234)	(25,724)	-
Net change in fund balances	<u>\$ 6,064,957</u>	<u>\$ 438,642</u>	<u>\$ 216,299</u>	<u>\$ 1,051</u>
Capital expenditures (included in expenditures above)	2,100,991	499,022	2,676,717	8,036,137
Debt service principal and interest as a percentage of noncapital expenditures	8.29%	9.70%	12.22%	8.02%

**Source:** School District financial records

(1) Rental income, contract services and contributions and donations were broken out of other local revenues beginning in FY09. In FY08 these amounts are included in with other local revenues.

2013	2012	2011	2010	2009	2008 (1)
\$ 61,110,516	\$ 59,720,574	\$ 55,292,168	\$ 56,029,767	\$ 55,740,104	\$ 55,899,784
372,462	619,100	511,286	-	-	-
863,327	947,290	953,134	628,608	623,148	666,793
41,078	45,138	39,895	37,357	33,327	48,533
761,741	894,810	1,120,849	1,128,880	1,137,131	1,157,940
25,992	53,988	193,750	669,752	556,054	1,164,331
804,261	806,730	686,944	739,515	693,851	641,550
457,932	460,403	388,681	397,334	407,022	461,484
51,828	36,751	42,930	25,739	59,104	-
98,837	94,396	72,282	55,188	68,322	-
81,859	150,951	75,578	76,625	51,757	-
1,195,912	322,057	549,655	580,141	524,748	564,136
24,021,850	25,129,019	26,275,123	26,470,370	26,647,470	24,907,713
24,021,850	25,129,019	26,275,123	26,470,370	26,647,470	24,907,713
3,759,704	4,216,964	5,976,370	4,808,657	3,043,596	3,167,482
<u>117,669,149</u>	<u>118,627,190</u>	<u>118,453,768</u>	<u>118,118,303</u>	<u>116,233,104</u>	<u>113,587,459</u>
34,296,886	32,474,747	34,635,264	34,206,575	35,263,158	33,024,189
9,528,072	8,209,854	8,852,749	8,946,696	8,198,587	7,423,240
1,635,976	1,548,556	2,131,379	2,200,271	2,297,048	2,286,999
68,943	63,024	36,094	52,272	93,991	100,208
2,021,759	1,723,810	1,717,014	1,682,695	1,688,636	1,394,321
5,649,438	5,485,054	6,732,942	5,790,967	5,934,009	5,464,587
4,473,310	3,827,134	4,126,904	4,957,257	4,800,929	4,461,586
24,426	28,371	16,401	26,884	18,684	17,584
6,132,986	8,431,030	7,680,862	8,736,588	7,534,408	7,340,159
1,792,979	1,833,047	1,632,530	1,729,267	1,600,507	1,598,446
229,131	209,414	218,664	190,572	122,173	127,710
8,685,570	8,243,929	8,295,728	18,839,729	9,981,168	8,874,375
4,412,722	4,567,005	4,975,182	5,273,090	5,484,889	5,733,457
941,378	966,564	1,211,604	1,206,456	1,164,865	1,046,145
1,763,873	1,648,252	2,006,415	2,068,218	1,864,424	1,845,644
1,299,921	1,163,593	1,263,501	1,089,442	1,364,505	1,137,564
2,199,049	2,063,570	2,196,638	2,256,782	2,192,606	2,095,322
5,781,148	11,526,387	32,505,915	18,646,795	1,251,259	136,121
-	51,023	-	-	90,637	618,564
3,648,486	3,144,340	3,182,766	19,953,102	3,207,843	3,696,501
4,202,192	4,198,634	4,521,810	5,132,149	1,059,486	1,129,025
-	165,673	-	-	1,070,065	-
<u>98,788,245</u>	<u>101,573,011</u>	<u>127,940,362</u>	<u>142,985,807</u>	<u>96,283,877</u>	<u>89,551,747</u>
<u>18,880,904</u>	<u>17,054,179</u>	<u>(9,486,594)</u>	<u>(24,867,504)</u>	<u>19,949,227</u>	<u>24,035,712</u>
184,934	930	364,690	380,559	363,311	274,136
(184,934)	(930)	(364,690)	(380,559)	(363,311)	(274,136)
-	-	-	-	16,350	-
32,871	75,727	45,693	69,193	25,674	14,032
-	51,023	-	-	90,637	618,564
-	935,188	-	-	1,070,085	-
-	(9,792,919)	-	-	-	-
-	-	-	-	-	-
-	9,030,000	-	-	78,999,981	-
-	-	-	-	15,500,000	1,000,000
<u>32,871</u>	<u>299,019</u>	<u>45,693</u>	<u>69,193</u>	<u>95,702,727</u>	<u>1,632,596</u>
9,919	46,295	(24,049)	24,294	(5,518)	13,337
<u>\$ 18,923,694</u>	<u>\$ 17,399,493</u>	<u>\$ (9,464,950)</u>	<u>\$ (24,774,017)</u>	<u>\$ 115,646,436</u>	<u>\$ 25,681,645</u>
5,932,077	11,706,546	31,964,785	28,746,691	2,354,873	1,899,444
8.45%	8.17%	8.03%	21.96%	4.54%	5.51%

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN YEARS

Collection Year	Real Property		Tangible Personal Property		Public Utility	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2017	\$ 1,361,791,310	\$ 3,890,832,314	\$ -	\$ -	\$ 33,742,650	\$ 134,970,600
2016	1,341,184,900	3,831,956,857	-	-	27,592,880	110,371,520
2015	1,300,991,340	3,717,118,114	-	-	22,940,560	91,762,240
2014	1,288,169,390	3,680,483,971	-	-	21,292,440	85,169,760
2013	1,292,525,480	3,692,929,943	-	-	19,641,350	78,565,400
2012	1,429,020,350	4,082,915,286	-	-	18,166,960	72,667,840
2011	1,434,631,250	4,098,946,429	-	-	17,370,810	69,483,240
2010	1,440,591,120	4,115,974,629	967,770	19,355,400	16,775,400	67,101,600
2009	1,600,669,850	4,573,342,429	1,985,195	19,851,950	15,167,840	60,671,360
2008	1,600,709,170	4,573,454,771	42,823,600	685,177,600	20,863,390	83,453,560

**Source:** Lucas County Auditor's Office

<b>Total</b>			
<b>Assessed Value</b>	<b>Estimated Actual Value</b>	<b>%</b>	<b>Total Direct Tax Rate</b>
\$ 1,395,533,960	\$ 4,025,802,914	34.66%	\$ 88.45
1,368,777,780	3,942,328,377	34.72%	83.30
1,323,931,900	3,808,880,354	34.76%	83.50
1,309,461,830	3,765,653,731	34.77%	83.60
1,312,166,830	3,771,495,343	34.79%	83.60
1,447,187,310	4,155,583,126	34.83%	83.00
1,452,002,060	4,168,429,669	34.83%	78.30
1,458,334,290	4,202,431,629	34.70%	77.70
1,617,822,885	4,653,865,739	34.76%	77.69
1,664,396,160	5,342,085,931	31.16%	74.90

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

DIRECT AND OVERLAPPING PROPERTY TAX RATES  
(RATE PER \$1,000 OF ASSESSED VALUE)  
LAST TEN YEARS

**Direct Rates**

Tax Year/ Collection Year	Voted			Unvoted	Total
	General	Debt Service	Permanent Improvement		
2016/2017	\$ 76.80	\$ 5.35	\$ 1.30	\$ 5.00	\$ 88.45
2015/2016	72.10	5.90	0.30	5.00	83.30
2014/2015	72.10	6.10	0.30	5.00	83.50
2013/2014	72.10	6.20	0.30	5.00	83.60
2012/2013	72.10	6.20	0.30	5.00	83.60
2011/2012	72.10	5.60	0.30	5.00	83.00
2010/2011	67.20	5.80	0.30	5.00	78.30
2009/2010	67.20	5.20	0.30	5.00	77.70
2008/2009	67.20	5.19	0.30	5.00	77.69
2007/2008	67.20	2.40	0.30	5.00	74.90

**Overlapping Rates**

Tax Year/ Collection Year	Lucas County	City of Toledo	City of Sylvania	Sylvania Township	Toledo Area Regional Transit Authority	Sylvania Area Joint Recreation District	Olander Park District	Toledo Public	Total
2016/2017	\$ 17.37	\$ 4.40	\$ 5.10	\$ 23.07	\$ 2.50	\$ 2.11	\$ 0.20	\$ 2.90	\$ 57.65
2015/2016	19.77	4.40	5.10	22.97	2.50	2.10	0.70	2.90	60.44
2014/2015	19.77	4.40	5.10	22.97	2.50	2.10	0.70	2.90	60.44
2013/2014	19.62	4.40	5.10	21.47	2.50	2.10	0.70	2.90	58.79
2012/2013	17.77	4.40	5.10	21.47	2.50	2.10	0.70	2.90	56.94
2011/2012	16.17	4.40	5.10	20.72	2.50	1.65	0.70	2.00	53.24
2010/2011	16.17	4.40	3.60	19.97	2.50	1.65	0.70	2.00	50.99
2009/2010	16.17	4.40	3.60	19.97	2.50	1.62	0.70	2.00	50.96
2008/2009	16.17	4.40	5.92	19.97	2.50	1.62	0.70	2.00	53.28
2007/2008	16.88	4.40	5.50	20.22	2.50	1.20	0.70	2.00	53.40

Source: Lucas County Auditor's Office

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

PRINCIPAL TAXPAYERS  
REAL PROPERTY  
DECEMBER 31, 2016 AND DECEMBER 31, 2007

<b>December 31, 2016</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total District Real Estate Assessed Value</b>
Toledo Hospital	\$ 19,760,755	1	1.45%
Louisville Title Agency	10,065,927	2	0.74%
DFG - Monroe LLC	7,656,250	3	0.56%
Crestview of Ohio, Inc	5,430,810	4	0.40%
DFG-Franklin Place Shops LLC	5,245,205	5	0.39%
Chelsea Garden Apartments LLC	4,920,685	6	0.36%
Realty Income Properties 25 LLC	3,860,185	7	0.28%
Wal-Mart Real Estate	3,761,660	8	0.28%
Regency Hospital of Toledo	3,745,000	9	0.28%
Meijer Properties, Inc	3,519,075	10	0.26%
Total	\$ 67,965,552		4.99%
Total Real Property Assessed Valuation	\$ 1,361,791,310		

<b>December 31, 2007</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total District Real Estate Assessed Value</b>
Reynolds Road Fitness Center	6,941,360	1	0.43%
Kingston Residence of Sylvania	\$ 6,566,230	2	0.41%
Naiasher Ogdensburg Accoc.	6,385,430	3	0.40%
National Amusements	5,955,230	4	0.37%
HK New Plan Exchange Property Owner II	5,285,040	5	0.33%
Barone Brothers	4,576,120	6	0.29%
Hartford Corporation	3,697,130	7	0.23%
D James Yark/Yark Olds	3,571,050	8	0.22%
Harvey Tolson	3,438,980	9	0.21%
Meijer Properties, Inc.	1,028,680	10	0.06%
Total	\$ 47,445,250		2.95%
Total Real Property Assessed Valuation	\$ 1,600,709,170		

**Source:** Lucas County Auditor's Office

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

**PRINCIPAL TAXPAYERS  
TANGIBLE AND PUBLIC UTILITY PERSONAL PROPERTY  
DECEMBER 31, 2016 AND DECEMBER 31, 2007**

<b>December 31, 2016</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total District Tangible and Public Utility Assessed Value</b>
American Transmission Systems, Inc.	\$ 14,511,220	1	43.01%
Toledo Edison	13,547,010	2	40.15%
Columbia Gas of Ohio	5,290,160	3	15.68%
Ohio Gas Co	394,260	4	1.17%
Total	\$ 33,742,650		100.00%
Total Tangible and Public Utility Personal Property Assessed Valuation			
	\$ 33,742,650		

<b>December 31, 2007</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total District Tangible and Public Utility Assessed Value</b>
Verizon North, Inc.	1,669,250	1	2.62%
Yark Automotive Group, Inc.	\$ 1,630,550	2	2.56%
Vin Devers Inc.	828,470	3	1.30%
Block Communications Inc.	776,780	4	1.22%
Dave White Chevrolet	741,330	5	1.16%
Brown Motor Sales Company, Inc.	731,470	6	1.15%
Jim White Company	585,870	7	0.92%
Meijer Stores Limited Partnership	442,030	8	0.69%
Anderson's Inc.	441,730	9	0.69%
Wal-Mart Stores East LP	378,220	10	0.59%
Total	\$ 8,225,700		12.91%
Total Tangible and Public Utility Personal Property Assessed Valuation			
	\$ 63,686,990		

**Source:** Lucas County Auditor's Office

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**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

PROPERTY TAX LEVIES AND COLLECTIONS (1)  
LAST TEN FISCAL YEARS

<b>Tax Year/ Collection Year</b>	<b>Current Levy (1)</b>	<b>Delinquent Levy (2)</b>	<b>Total Levy</b>	<b>Current Collection (1)</b>	<b>Percent of Current Levy Collected</b>
2016/2017	\$ 79,402,179	\$ 2,448,165	\$ 81,850,344	\$ 77,513,470	97.62%
2015/2016	70,627,019	2,409,298	73,036,317	69,099,930	97.84%
2014/2015	69,616,591	2,456,089	72,072,680	67,405,776	96.82%
2013/2014	69,079,188	2,714,553	71,793,741	66,751,405	96.63%
2012/2013	68,901,963	3,092,972	71,994,935	65,180,247	94.60%
2011/2012	71,080,864	3,942,499	75,023,363	68,179,989	95.92%
2010/2011	64,241,502	3,504,056	67,745,558	61,446,180	95.65%
2009/2010	63,289,576	2,703,343	65,992,919	59,719,127	94.36%
2008/2009	64,717,610	2,392,811	67,110,421	61,476,985	94.99%
2007/2008	59,939,015	1,264,851	61,203,866	57,360,129	95.70%

**Source:** Lucas County Auditor's Office

(1) Includes state-mandated tax-reduction amounts, which are subsequently reimbursed to the District by the State, and reported as Intergovernmental revenue.

(2) This amount cannot be calculated from other data in this table because of retroactive additions and deletions.

<b>Delinquent Collection</b>	<b>Total Collection</b>	<b>Total Collection As a Percent of Total Levy</b>
\$ 1,339,124	\$ 78,852,594	96.34%
1,399,897	70,499,827	96.53%
2,314,810	69,720,586	96.74%
2,256,836	69,008,241	96.12%
2,231,985	67,412,232	93.63%
2,593,370	70,773,359	94.34%
1,971,812	63,417,992	93.61%
2,319,387	62,038,514	94.01%
1,807,807	63,284,792	94.30%
1,373,989	58,734,118	95.96%

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

**RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Governmental Activities</b>			<b>(1) Total Primary Government</b>	<b>(2) Per Capita</b>	<b>(2) Percentage of Personal Income</b>	<b>(2) Per ADM</b>
	<b>General Obligation Bonds</b>	<b>General Obligation Notes</b>	<b>Lease- Purchase/ Capital Leases</b>				
2017	\$ 92,283,076	\$ -	\$2,850,000	\$ 95,133,076	\$ 1,510	1.71%	\$12,585
2016	97,004,075	-	-	97,004,075	1,540	1.73%	12,944
2015	99,343,363	-	-	99,343,363	1,577	1.86%	13,459
2014	93,299,499	5,430,000	12,780	98,742,279	1,567	1.80%	13,831
2013	96,244,183	-	25,509	96,269,692	1,528	1.93%	13,094
2012	99,305,052	-	48,995	99,354,047	1,577	2.10%	13,423
2011	101,184,414	-	162,312	101,346,726	1,609	2.20%	13,860
2010	103,604,778	-	310,078	103,914,856	1,649	2.12%	14,319
2009	107,336,058	15,500,000	454,219	123,290,277	1,957	2.35%	16,465
2008	28,818,284	1,000,000	508,890	30,327,174	481	0.61%	3,943

**Sources:**

(1) See notes to the financial statements regarding the District's outstanding debt information. Includes unamortized premiums and accreted interest on capital appreciation bonds.

(2) See schedule " Demographic and Economic Statistic, Last Ten Years" for personal income, population and enrollment information.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Total General Obligation Bonded Debt (1)</b>	<b>Debt Service Available Balance (2)</b>	<b>Net General Obligation Bonded Debt</b>	<b>Percentage of Actual Taxable Value of Property (3)</b>	<b>Per Capita (4)</b>
2017	\$ 92,283,076	\$ 4,032,001	\$ 88,251,075	2.19%	\$ 1,401
2016	97,004,075	4,210,039	92,794,036	2.35%	1,473
2015	99,343,363	4,887,379	94,455,984	2.48%	1,499
2014	93,299,499	3,255,221	90,044,278	2.39%	1,429
2013	96,244,183	2,729,486	93,514,697	2.48%	1,484
2012	99,305,052	2,611,096	96,693,956	2.33%	1,535
2011	101,184,414	1,587,159	99,597,255	2.39%	1,581
2010	103,604,778	1,310,824	102,293,954	2.43%	1,624
2009	107,336,058	18,527,665	88,808,393	1.91%	1,410
2008	28,818,284	935,976	27,882,308	0.52%	443
2007	30,404,357	794,110	29,610,247	0.58%	470

**Source:**

(1) Details regarding the District's outstanding debt can be found in the notes to the financial statements. Total includes unamortized premiums and accreted interest on capital appreciation bonds.

(2) Represents resources that have been legally restricted for the repayment of principal of debt.

(3) See schedule "Assessed Valuation and Estimated Actual Value of Taxable Property" for assessed valuation of property.

(4) See schedule "Demographic and Economic Statistic, Last Ten Years" for population information.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2017

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Direct debt:			
Sylvania City School District (1)	\$ 95,133,076	100.00%	\$ 95,133,076
Total direct debt	<u>95,133,076</u>		<u>95,133,076</u>
Overlapping debt:			
Lucas County	56,645,000	19.29%	10,926,821
City of Sylvania	16,995,000	100.00%	16,995,000
Sylvania Area Joint Recreation District	7,148,461	100.00%	7,148,461
Sylvania Township	6,845,000	99.55%	6,814,198
City of Toledo	99,624,992	3.16%	3,148,150
Total overlapping debt	<u>187,258,453</u>		<u>45,032,630</u>
Total direct and overlapping debt	<u>\$ 282,391,529</u>		<u>\$ 140,165,706</u>

**Source:** Ohio Municipal Advisory Council

**Note:** Percent applicable to Sylvania City School District calculated using assessed valuation of the District area value contained within the noted governmental unit divided by assessed valuation of the governmental unit.

(1) Includes general obligation bonds, notes payable and capital lease obligations outstanding at fiscal year end.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS

Fiscal Year	Voted Debt Limit (2)	Total Debt Applicable to Limit (1)	Debt Service Available Balance	Net Debt Applicable to Limit	Voted Legal Debt Margin	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
2017	\$ 125,598,056	\$ 71,589,981	\$ 4,032,001	\$ 67,557,980	\$ 58,040,076	53.79%
2016	123,190,000	81,979,981	4,210,039	77,769,942	45,420,058	63.13%
2015	119,153,871	83,397,491	4,887,379	78,510,112	40,643,759	65.89%
2014	117,851,565	88,992,854	3,255,221	85,737,633	32,113,932	72.75%
2013	118,095,015	91,468,337	2,729,486	88,738,851	29,356,164	75.14%
2012	130,246,858	93,616,589	2,611,096	91,005,493	39,241,365	69.87%
2011	130,680,185	96,749,720	1,587,159	95,162,561	35,517,624	72.82%
2010	131,162,987	99,197,454	1,310,824	97,886,630	33,276,357	74.63%
2009	145,422,617	102,882,912	18,527,665	84,355,247	61,067,370	58.01%
2008	145,412,726	25,334,347	935,976	24,398,371	121,014,355	16.78%

**Source:** Lucas County Auditor and School District financial records

(1) Excludes unamortized premiums, accreted interest on capital appreciation bonds, and energy conservation bonds.

**(2) Voted Debt Limit Calculation for Fiscal Year 2017**

Assessed Value	\$ 1,395,533,960
Debt Limit (9% of assessed value)	<u>X 9%</u>
Voted Debt Limit	<u>\$ 125,598,056</u>

Voted Debt Margins are determined without reference to applicable monies in the District's debt service fund.

**Note:** Ohio Bond Law sets a limit of 9% for voted debt, 1/10 of 1% for unvoted debt and 9/10 of 1% for energy conservation debt.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

**DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Per Capita Personal Income (2)</u>	<u>Total Personal Income (3)</u>	<u>School Enrollment (4)</u>	<u>Unemployment Rates (5)</u>		
					<u>Lucas County</u>	<u>Ohio</u>	<u>United States</u>
2017	63,000	\$ 88,055	\$ 5,547,465,000	7,559	6.7%	5.0%	4.4%
2016	63,000	89,230	5,621,490,000	7,494	5.0%	5.0%	4.9%
2015	63,000	84,663	5,333,769,000	7,381	5.0%	4.4%	5.0%
2014	63,000	87,273	5,498,199,000	7,139	5.8%	5.6%	5.8%
2013	63,000	78,979	4,975,677,000	7,352	8.5%	7.2%	7.3%
2012	63,000	74,999	4,724,937,000	7,402	8.3%	7.2%	8.2%
2011	63,000	73,113	4,606,119,000	7,312	10.0%	9.1%	9.1%
2010	63,000	77,766	4,899,258,000	7,257	12.0%	10.5%	9.5%
2009	63,000	83,295	5,247,585,000	7,488	8.3%	10.8%	10.2%
2008	63,000	78,623	4,953,249,000	7,692	8.1%	7.2%	6.5%

**Sources:**

- (1) District's Communication's Department
- (2) Ohio Department of Taxation (per household)
- (3) Equals "Population" times "Per Capita Personal Income"
- (4) School District records
- (5) Bureau of Labor Statistics

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

**PRINCIPAL EMPLOYERS  
CURRENT YEAR (2)**

<b>December 31, 2015</b>		
<b>Employer</b>	<b>Employees</b>	<b>Percentage of Total City Employment per Number of Employees</b>
Flower Hospital/ProMedica	1,635	24.07%
Sylvania City School District	909	13.38%
Lourdes University	403	5.93%
Meijer	296	4.36%
Sylvania Township	165	2.43%
City of Sylvania	138	2.03%
Root Learning	125	1.84%
Total	3,671	54.05%
Total Number of Employees (1)	6,792	

**Source:** City of Sylvania Area Chamber of Commerce

(1) Estimated employee count located within the City of Sylvania.

(2) Information for the current year was not available.  
Last information available provided.

Note: Information for previous years is not available.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

STAFFING STATISTICS  
FULL TIME EQUIVALENTS (FTE) BY TYPE  
LAST TEN FISCAL YEARS

Type	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Professional Staff:										
Teaching Staff:										
Elementary	159.30	162.30	165.30	133.50	169.60	172.50	173.70	152.40	133.50	131.00
Junior HS	91.50	94.50	96.50	83.33	101.17	110.75	120.17	121.17	83.33	84.81
High School	130.34	135.01	130.68	116.67	136.85	158.11	168.79	174.63	116.67	120.79
Tutors (1)	22.00	23.00	22.50	27.00	19.00	19.00	-	-	14.00	2.00
Special Education Teaching (2)	-	-	-	71.00	38.00	40.67	-	-	71.00	94.84
Vocational Ed Teaching (3)	-	-	-	27.00	-	-	-	-	27.00	31.03
Others	53.50	71.85	69.07	33.46	20.16	21.33	53.52	56.33	32.46	35.22
Administration:										
District	43.00	48.32	44.16	41.00	43.75	53.32	52.16	54.16	40.00	42.50
Auxiliary Positions:										
Counselors	21.00	20.50	19.50	20.00	17.50	18.78	21.78	21.70	20.00	20.88
Speech	7.00	7.00	7.00	6.00	7.00	7.50	7.50	7.50	6.00	6.34
Occupational	6.00	8.00	6.00	1.00	3.00	6.11	3.00	3.00	1.00	-
Psychologist	6.00	6.00	6.00	5.00	7.00	6.60	6.60	6.60	5.00	6.60
Social Worker	-	-	-	1.00	-	-	-	-	-	-
Librarian/Media	3.00	4.00	5.00	5.00	4.00	7.12	14.28	14.28	13.90	14.90
Extracurricular	164.36	109.80	98.45	58.03	46.15	48.02	23.11	24.11	15.00	23.61
Support Staff:										
Secretarial/clerical	50.06	60.88	62.72	50.70	56.10	71.66	78.14	67.30	50.70	56.08
Aides	62.56	80.57	77.11	14.39	80.80	79.55	81.35	72.88	6.49	60.19
Hall monitor/Security	11.49	17.72	18.00	15.20	16.47	16.36	19.06	16.96	15.20	15.73
Cafeteria	25.39	29.02	29.92	30.36	28.47	28.95	31.43	31.38	30.35	30.78
Custodial	50.50	60.50	61.50	47.00	54.50	58.00	58.00	57.00	47.00	49.00
Maintenance	8.00	10.00	8.00	8.00	8.00	8.00	10.00	10.00	8.00	9.00
Bus Driver	42.74	46.32	45.76	49.65	45.53	51.04	48.59	51.94	49.65	53.63
Mechanics	5.00	5.00	5.50	5.50	5.50	6.50	6.50	6.50	5.50	5.50
Other	7.70	10.74	8.86	48.50	8.82	9.51	11.33	12.33	47.25	10.70
Extracurricular (4)	-	-	-	10.62	32.72	29.11	-	91.97	68.65	83.49
<b>Total</b>	<b>970.44</b>	<b>1,011.03</b>	<b>987.53</b>	<b>908.91</b>	<b>950.09</b>	<b>1,028.49</b>	<b>989.01</b>	<b>1,054.14</b>	<b>907.65</b>	<b>988.62</b>

**Source:** School District records

- (1) Information for 2011 and 2010 are not available to be broken out. The numbers for these positions and included in the Teaching Staff - Other number.
- (2) Information for 2017, 2016, 2015, 2011 and 2010 are not available to be broken out. The numbers for these positions and included in the Teaching Staff - Other number.
- (3) Information for 2017, 2016, 2015 and 2010-2013 are not available to be broken out. The numbers for these positions and included in Teaching Staff - High School number.
- (4) Information for 2017, 2016, 2015 and 2011 are not available to be broken out. The numbers for these positions and included in Auxillary Serices - Extracurricular number.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

**OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS**

<b>Function</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
<b>Instruction:</b>										
Regular and Special										
Enrollment (students)	7,559	7,494	7,381	7,139	7,352	7,402	7,312	7,257	7,488	7,692
Graduates	N/A	N/A	576	567	618	584	550	641	623	574
<b>Support services:</b>										
<b>Board of education</b>										
Regular meetings per year	12	12	12	12	12	12	12	12	12	12
Work sessions	11	10	11	11	10	10	13	13	12	13
Special meetings per year	16	8	4	7	7	7	11	14	10	2
<b>Administration</b>										
Student attendance rate	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.4%	96.0%
<b>Fiscal</b>										
Nonpayroll checks issued	5,888	5,999	5,899	5,691	5,664	5,647	5,781	7,058	6,530	7,134
<b>Pupil transportation</b>										
Avg. students transported daily	3,606	3,755	3,567	3,635	4,717	4,580	4,558	4,723	5,412	5,494
<b>Food service operations</b>										
Meals served to students	509,680	476,694	359,132	386,433	406,610	422,412	419,762	393,586	362,766	225,162
Number of lunches served at free or reduced cost	245,030	231,652	160,180	189,553	188,816	176,256	176,207	146,498	123,056	92,017

**Source:** School District records

N/A - Information is not available.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

**CAPITAL ASSET STATISTICS  
LAST TEN FISCAL YEARS**

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Land	\$ 2,694,493	\$ 2,694,493	\$ 2,694,493	\$ 2,694,493	\$ 2,890,933
Construction in progress	1,948,034	1,096,909	2,806,094	9,043,723	1,497,493
Land improvements	3,959,012	4,330,392	4,707,106	3,481,812	3,598,322
Buildings and improvements	86,087,682	89,455,632	92,827,988	94,903,363	99,084,118
Furniture, fixtures and equipment	5,766,744	6,452,510	5,341,291	254,872	352,624
Vehicles	266,413	273,904	245,945	451,239	873,597
 Total Governmental Activities Capital Assets, net	 <u>\$ 100,722,378</u>	 <u>\$ 104,303,840</u>	 <u>\$ 108,622,917</u>	 <u>\$ 110,829,502</u>	 <u>\$ 108,297,087</u>

**Source:** School District financial records

**Note:** Amounts above are presented net of accumulated depreciation.

<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
\$ 2,421,246	\$ 2,421,246	\$ 2,040,544	\$ 2,040,544	\$ 2,040,544
12,664,855	29,225,947	28,268,341	1,407,820	-
3,633,189	3,936,624	4,240,059	4,429,478	4,732,353
86,360,692	61,148,430	33,715,339	34,868,610	36,101,656
382,016	588,709	816,562	679,817	914,717
1,317,639	1,636,739	1,878,392	1,954,470	1,674,550
<u>\$ 106,779,637</u>	<u>\$ 98,957,695</u>	<u>\$ 70,959,237</u>	<u>\$ 45,380,739</u>	<u>\$ 45,463,820</u>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

**SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS**

	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
Central Elementary (1929 original, 2013 new)						
Square feet	72,557	72,557	72,557	72,557	72,557	53,932
Capacity (students)	630	630	630	630	630	575
Enrollment	609	617	577	507	571	574
Highland Elementary (1965)						
Square feet	75,210	75,210	75,210	75,210	75,210	75,210
Capacity (students)	625	625	625	625	625	625
Enrollment	674	664	678	612	631	630
Hill View Elementary (1929)						
Square feet	54,783	54,783	54,783	54,783	54,783	54,783
Capacity (students)	500	500	500	500	500	500
Enrollment	413	419	437	388	406	412
Maplewood Elementary (1929)						
Square feet	64,230	64,230	64,230	64,230	64,230	64,230
Capacity (students)	384	384	384	384	384	550
Enrollment	420	414	425	398	386	384
Stranahan Elementary (1955)						
Square feet	67,282	67,282	67,282	67,282	67,282	67,282
Capacity (students)	650	650	650	650	650	650
Enrollment	551	524	429	488	481	462
Sylvan Elementary (1963)						
Square feet	47,469	47,469	47,469	47,469	47,469	47,469
Capacity (students)	475	475	475	475	475	475
Enrollment	342	347	354	326	350	337
Whiteford Elementary (1967)						
Square feet	50,624	50,624	50,624	50,624	50,624	50,624
Capacity (students)	525	525	525	525	525	525
Enrollment	453	435	434	423	398	407
Arbor Hills Jr. High School (1970)						
Square feet	80,995	80,995	80,995	80,995	80,995	80,995
Capacity (students)	700	700	700	700	700	700
Enrollment	532	512	497	501	521	542
McCord Jr. High School (1963)						
Square feet	76,534	76,534	76,534	76,534	76,534	76,534
Capacity (students)	800	800	800	800	800	800
Enrollment	687	688	655	638	629	642
Timberstone Jr. High School (1998)						
Square feet	105,105	105,105	105,105	105,105	105,105	105,105
Capacity (students)	700	700	700	700	700	700
Enrollment	564	547	551	523	524	553
Northview High School (1960)						
Square feet	213,730	213,730	213,730	213,730	213,730	213,730
Capacity (students)	1,340	1,340	1,340	1,340	1,340	1,340
Enrollment	1,247	1,241	1,214	1,139	1,215	1,215
Southview High School (1976)						
Square feet	209,478	209,478	209,478	209,478	209,478	209,478
Capacity (students)	1,340	1,340	1,340	1,340	1,340	1,340
Enrollment	1,067	1,086	1,130	1,196	1,240	1,244
Administrative Building (1929)						
Square feet	22,180	22,180	22,180	22,180	22,180	22,180
Support Services Facility (2004)						
Square feet	33,741	33,741	33,741	33,741	33,741	33,741
Total square feet	1,079,328	1,079,328	1,173,918	1,173,918	1,173,918	1,155,293
Total capacity (students)	8,669	8,669	8,669	8,669	8,669	8,780
Total enrollment	7,559	7,494	7,381	7,139	7,352	7,402

**Source:** District records

<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
53,932	48,725	48,725	48,725
575	575	575	575
542	510	532	571
75,210	56,294	56,294	56,294
625	773	773	773
642	607	646	724
54,783	46,994	46,994	46,994
500	500	500	500
415	349	377	394
64,230	44,328	44,328	44,328
550	450	450	450
362	327	371	380
67,282	50,169	50,169	50,169
650	650	650	650
473	411	458	405
47,469	39,160	39,160	39,160
475	475	475	475
334	318	344	334
50,624	47,272	47,272	47,272
525	525	525	525
382	366	378	404
80,995	80,635	80,635	80,635
700	700	700	700
554	568	576	580
76,534	76,363	76,363	76,363
800	800	800	800
608	634	601	636
105,105	103,100	103,100	103,100
700	700	700	700
549	584	578	592
213,730	201,592	201,592	201,592
1,340	1,300	1,300	1,300
1,213	1,292	1,325	1,340
209,478	209,700	209,700	209,700
1,340	1,400	1,400	1,400
1,213	1,291	1,302	1,332
22,180	21,854	90,600	90,600
33,741	27,994	27,994	27,994
1,155,293	1,054,180	1,122,926	1,122,926
8,780	8,848	8,848	8,848
7,287	7,257	7,488	7,692

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

**OPERATING STATISTICS  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>General Government</b>		<b>Governmental Activities</b>		<b>Enrollment</b>	<b>Percent Change</b>
	<b>Expenditures (1)</b>	<b>Cost per pupil</b>	<b>Expenses (1)</b>	<b>Cost per pupil</b>		
2017	\$ 91,730,175	\$ 12,135	\$ 99,539,424	\$ 13,168	7,559	0.87%
2016	86,722,481	11,572	90,168,154	12,032	7,494	1.53%
2015	89,758,296	12,161	89,292,959	12,098	7,381	3.39%
2014	94,248,454	13,202	89,496,512	12,536	7,139	-2.90%
2013	90,937,567	12,369	88,510,244	12,039	7,352	-0.68%
2012	94,064,364	12,708	85,394,621	11,537	7,402	1.23%
2011	120,235,786	16,444	93,098,892	12,732	7,312	0.76%
2010	117,900,556	16,246	92,505,160	12,747	7,257	-3.08%
2009	90,946,483	12,146	91,222,794	12,183	7,488	-2.65%
2008	84,726,221	11,015	85,461,459	11,110	7,692	-1.30%

**Source:** School District records

**(1)** Debt Service totals have been excluded.

**(2)** Classroom teachers only.

N/A - Information is not available.

<b>Teaching Staff (2)</b>	<b>Pupil/Teacher Ratio</b>	<b>Student Attendance Percentage</b>
457	16.54	95.0%
486	15.42	95.0%
484	15.25	95.0%
474	15.06	95.0%
508	14.47	95.0%
487	15.20	95.0%
493	14.83	95.0%
487	14.90	95.0%
491	15.26	95.4%
477	16.13	96.0%

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

TEACHER STATISTICS  
JUNE 30, 2017

<u>Degree</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>	<u>Pay Range</u>
Bachelor's Degree	150	28.90%	\$37,290 - \$75,699
Master's Degree	361	69.56%	\$40,646 - \$85,767
Educational Specialist	5	0.96%	\$41,429 - \$83,269
Ph.D.	<u>3</u>	<u>0.58%</u>	\$43,033 - \$85,767
	<u>519</u>	<u>100.00%</u>	

<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
0 - 5	169	32.56%
6 - 10	120	23.12%
11 and over	<u>230</u>	<u>44.32%</u>
	<u>519</u>	<u>100.00%</u>

**Source:** School District Personnel Records

**Note:** The salary schedule contained in the current teachers' union collective bargaining agreement does not recognize degrees less than a bachelor's.

**Note:** The number of teachers reported above is actual head count and not full time equivalents (FTE).



# Dave Yost • Auditor of State

SYLVANIA CITY SCHOOL DISTRICT

LUCAS COUNTY

## CLERK'S CERTIFICATION

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

*Susan Babbitt*

CLERK OF THE BUREAU

CERTIFIED  
JANUARY 4, 2018