

TOLEDO CITY SCHOOL DISTRICT

Single Audit Reports

Year Ended June 30, 2019



88 East Broad Street
Columbus, Ohio 43215
IPARreport@ohioauditor.gov
(800) 282-0370

Board of Education
Toledo City School District
1609 N. Summit Street
Toledo, OH 43604

We have reviewed the *Independent Auditor's Report* of Toledo City School District, Lucas County, prepared by Clark, Schaefer, Hackett & Co., for the audit period July 1, 2018 through June 30, 2019. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

Keith Faber
Auditor of State
Columbus, Ohio

January 9, 2020

This page intentionally left blank.

TABLE OF CONTENTS

Schedule of Expenditures of Federal Awards.....	1 – 2
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	3 – 4
Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by Uniform Guidance	5 – 6
Schedule of Findings and Questioned Costs.....	7
Schedule of Prior Audit Findings.....	8

This page intentionally left blank.

Toledo City School District
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2019

<u>Federal Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Number</u>	<u>Passed Through to Subrecipients</u>	<u>Federal Revenues</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Agriculture:</u>					
<i>(Passed through Ohio Department of Education)</i>					
Child Nutrition Cluster:					
<i>Non-Cash Assistance (Food Distribution):</i>					
National School Lunch Program	10.555	N/A	-	701,920	701,920
<i>Cash Assistance:</i>					
School Breakfast Program	10.553	N/A	-	2,494,875	2,494,875
National School Lunch Program	10.555	N/A	-	7,446,004	7,446,004
Child Nutrition Cluster Total			-	10,642,799	10,642,799
Child and Adult Care Food Program	10.558	N/A	-	483,612	483,612
State Administrative Expenses for Child Nutrition	10.560	N/A	-	6,000	6,000
Fresh Fruit and Vegetable Program	10.582	N/A	-	609,206	609,206
Total U.S. Department of Agriculture			-	11,741,617	11,741,617
<u>U.S. Department of Health and Human Services:</u>					
Head Start:					
Head Start (2018)	93.600		1,940,603	5,599,870	5,153,430
Head Start (2019)	93.600		1,499,783	4,311,505	4,825,125
Total Head Start			3,440,386	9,911,375	9,978,555
Temporary Assistance for Needy Families Cluster					
Temporary Assistance for Needy Families (2018)	93.558		-	219,223	197,878
Temporary Assistance for Needy Families (2019)	93.558		-	282,156	335,500
Temporary Assistance for Needy Families Cluster			-	501,379	533,378
Total U.S. Department of Health and Human Services			3,440,386	10,412,754	10,511,933
<u>U.S. Department of Labor:</u>					
Youth Career Connect	17.274		-	732,041	694,994
Total U.S. Department of Labor			-	732,041	694,994
<u>U.S. Department of Education:</u>					
Disaster Recovery Assistance for Education	84.938		-	85,500	85,500
Student Financial Aid Cluster					
Federal Pell Grant Programs					
LPN Pell Grant (2018)	84.063		-	2,368	725
LPN Pell Grant (2019)	84.063		-	479,860	487,476
Total Federal Pell Grant Programs			-	482,228	488,201
Federal Direct Student Loans	84.268		-	1,076,612	609,707
Student Financial Aid Cluster Total			-	1,558,840	1,097,908
<i>(Passed through Ohio Department of Education)</i>					
Title I:					
Title I (2018)	84.010	S010A180035	-	4,014,235	3,340,253
Title I (2019)	84.010	S010A190035	-	13,425,976	14,268,693
Total Title I			-	17,440,211	17,608,946
Special Education Cluster:					
Special Education - Grants to States (2018)	84.027	H027A180111	-	1,622,042	1,310,356
Special Education - Grants to States (2019)	84.027	H027A190111	-	5,634,521	5,954,198
Special Education - Preschool Grants (2018)	84.173	H173A180119	-	19,948	18,093
Special Education - Preschool Grants (2019)	84.173	H173A190119	-	84,814	87,943
Special Education Cluster Total			-	7,361,325	7,370,590

(Continued)

Toledo City School District
Schedule of Expenditures of Federal Awards (continued)
Year Ended June 30, 2019

<u>Federal Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Number</u>	<u>Passed Through to Subrecipients</u>	<u>Federal Revenues</u>	<u>Federal Expenditures</u>
<i>U.S. Department of Education: (continued)</i>					
<i>(Passed through Ohio Department of Education) (continued)</i>					
Vocational Education Basic Grants to State:					
Adult (2018)	84.048	V048A180035	-	262,907	222,194
Adult (2019)	84.048	V048A190035	-	818,807	864,713
Total Vocational Education Basic Grants to State			-	<u>1,081,714</u>	<u>1,086,907</u>
Education for Homeless Children and Youth:					
Education for Homeless Children and Youth (2018)	84.196	H196A180036	-	214,865	208,272
Education for Homeless Children and Youth (2019)	84.196	H196A190036	-	273,578	296,218
Total Education for Homeless Children and Youth			-	<u>488,443</u>	<u>504,490</u>
Supporting Effective Instruction State Grants:					
Supporting Effective Instruction State Grants (2018)	84.367	S367A180034	-	243,083	217,894
Supporting Effective Instruction State Grants (2019)	84.367	S367A190034	-	1,000,066	1,020,029
Total Supporting Effective Instruction State Grants			-	<u>1,243,149</u>	<u>1,237,923</u>
English Language Acquisition State Grants:					
Limited English (2018)	84.365	S365A180035	-	16,580	14,648
Limited English (2019)	84.365	S365A190035	-	71,688	73,796
Total English Language Acquisition State Grants			-	<u>88,268</u>	<u>88,444</u>
Student Support and Academic Enrichment Program					
Title IV-A (2018)	84.424	S424A180036	-	40,638	30,236
Title IV-A (2019)	84.424	S424A190036	-	602,889	660,076
Total Student Support and Academic Enrichment Program			-	<u>643,527</u>	<u>690,312</u>
Comprehensive Literacy Development					
Comprehensive Literacy Development (2018)	84.371	N/A	-	65,046	65,046
Comprehensive Literacy Development (2019)	84.371	N/A	-	235,047	254,006
Total Comprehensive Literacy Development			-	<u>300,093</u>	<u>319,052</u>
Total U.S. Department of Education			-	<u>30,291,070</u>	<u>30,090,072</u>
Total Federal Awards				\$ <u>3,440,386</u>	\$ <u>53,177,482</u>
					\$ <u>53,038,616</u>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:

NOTE A - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of the Toledo City School District (the "District") under programs of the federal government for the year ended June 30, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

NOTE B - SIGNIFICANT ACCOUNTING POLICIES

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

NOTE C - FOOD DISTRIBUTION

Nonmonetary assistance is reported in the schedule at the entitlement value of the commodities received and disbursed.

NOTE D - CHILD NUTRITION CLUSTER

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

NOTE E - MATCHING REQUIREMENTS

Certain Federal programs require the District to contribute non-Federal funds (matching funds) to support the Federally-funded programs. The District has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

NOTE F - SUBRECIPIENTS

The District passes certain federal awards received from the U.S. Department of Health and Human Services to other governments or not-for-profit agencies (subrecipients) As Note B describes, the District reports receipts and expenditures of Federal awards to subrecipients when paid in cash. As a subrecipient, the District has certain compliance responsibilities, such as monitoring its subrecipients to help assure they use these subawards as authorized by laws, regulations, and the provisions of contracts or grant agreements, and those subrecipients achieve the award's performance goals.

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

INDEPENDENT AUDITORS' REPORT

To the Board of Education
Toledo City School District:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Toledo City School District (the "District") as of and for the year ended June 30, 2019 and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 20, 2019.

Internal Control Over Financial Reporting

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

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

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

Compliance And Other Matters

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

Purpose of this Report

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

Clark, Schaefer, Hackett & Co.

Toledo, Ohio

December 20, 2019

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

INDEPENDENT AUDITORS' REPORT

To the Board of Education
Toledo City School District:

Report on Compliance for Each Major Federal Program

We have audited the Toledo City School District's (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2019. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

Report on Internal Control Over Compliance

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

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

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

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

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

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We have issued our report thereon dated December 20, 2019, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United State of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Clark, Schaefer, Hackett & Co.

Toledo, Ohio
December 20, 2019

**TOLEDO CITY SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
Year Ended June 30, 2019**

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	None
• Significant deficiency(ies) identified not considered to be material weaknesses?	None
Noncompliance material to the financial statements noted?	None

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	None
• Significant deficiency(ies) identified not considered to be material weaknesses?	None
Type of auditors’ report issued on compliance for major programs:	Unmodified
Any audit findings that are required to be reported in accordance with 2 CFR 200.516(a)?	None
Identification of major programs:	
• CFDA 84.010 – Title I Grants to Local Educational Agencies	
• CFDA 84.027, 84.173 – Special Education Cluster	
Dollar threshold to distinguish between Type A and Type B Programs:	\$1,591,158
Auditee qualified as low-risk auditee?	No

Section II – Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

None



Toledo Public Schools
Office of the Treasurer
Toledo Public Schools Educational Campus
1609 N. Summit Street • Toledo, Ohio 43604

Ryan S. Stechschulte
Treasurer
419-671-0350
Fax 419-671-0082
rstechsc@tps.org

December 20, 2019

SCHEDULE OF PRIOR AUDIT FINDINGS
2 CFR § 200.511(c)
June 30, 2019

Finding Number	Status	Explanation
2018-001	Corrected	There were misstatements as a result of the GAAP conversion process involving accrued wages, capital assets, net position liability, accounts payable, long-term debt, and transfers.

Sincerely,

Ryan S. Stechschulte
Treasurer

Lucas County, Ohio



Toledo Public Schools

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
JUNE 30, 2019

This page intentionally left blank.

Lucas County, Ohio

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2019**

Prepared by:
Mr. Ryan Stechschulte, Treasurer

This page intentionally left blank.

TABLE OF CONTENTS

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

I INTRODUCTORY SECTION

A Letter of Transmittalv
B Members of the Board of Education, Superintendent and Treasurer xv
C Management Team Members xvi
D School District Organizational Chart xvii
E Treasurer’s Division Organizational Chart xviii
F Certificate of Achievement (GFOA) xix
G Certificate of Excellence (ASBO)xx

II FINANCIAL SECTION

A Report of Independent Auditor 1
B Management’s Discussion and Analysis.....5
C Basic Financial Statements:
 Government-wide Financial Statements:
 Statement of Net Position18
 Statement of Activities20
 Fund Financial Statements:
 Governmental Funds:
 Balance Sheet21
 Reconciliation of Total Governmental Fund Balances to Net Position of
 Governmental Activities.....22
 Statement of Revenues, Expenditures and Changes in Fund Balances23
 Reconciliation of the Statement of Revenues, Expenditures and Changes
 in Fund Balances of Governmental Funds to the Statement of Activities24
 Statement of Revenues, Expenditures and Changes in Fund Balance
 (Budget and Actual):
 General Fund26
 Proprietary Funds:
 Statement of Net Position28
 Statement of Revenues, Expenses and Changes in Fund Net Position.....29
 Statement of Cash Flows30
 Fiduciary Funds:
 Statement of Net Position31
 Statement of Changes in Net Position....32
Notes to the Basic Financial Statements.....33

D	Required Supplementary Information:	
	Schedule of the District’s Proportionate Share of the Net Pension Liability	84
	Schedule of District’s Pension Contributions	86
	Schedule of District’s Proportionate Share of the Net Postemployment Benefits (OPEB) Liability (Asset)	89
	Schedule of District Other Postemployment Benefit (OPEB) Contributions	90
	Notes to the Required Supplementary Information	92
E	Combining and Individual Fund Statements and Schedules:	
	Nonmajor Governmental Funds Statements:	
	Combining Balance Sheet – Nonmajor Governmental Funds	100
	Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	101
	Combining Balance Sheet – Nonmajor Special Revenue Funds	102
	Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	108
	Combining Balance Sheet – Nonmajor Capital Projects Funds	113
	Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Capital Projects Funds	114
	Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis):	
	Major Governmental Funds:	
	<i>General Fund</i>	115
	Nonmajor Governmental Funds:	
	<i>Special Revenue Funds:</i>	
	Food Service Fund	116
	Uniform School Supplies Fund	117
	Vocational Rotary Fund	118
	Adult Education Fund	119
	School Building Support Fund	120
	Other Grants Fund	121
	School Facilities Maintenance Fund	122
	Administratively Managed Student Activity Fund	123
	Auxiliary Services Program Fund	124
	Management Information System Fund	125
	Public School Preschool Fund	126
	Data Communication Fund	127

Special Revenue Funds (Continued):

Vocational Education Enhancement Fund	128
Miscellaneous State Grants Fund	129
Race to the Top Fund	130
Special Education Handicapped Fund.....	131
Vocational Education Fund	132
Title VII Bilingual Education Program Fund.....	133
Title I Fund.....	134
Preschool Grants for the Handicapped Fund.....	135
Improving Teacher Quality Fund	136
Miscellaneous Federal Grants Fund	137
Title I School Improvement Stimulus A Fund	138
Head Start Fund.....	139

Debt Service Fund:

Debt Service Fund	140
-------------------------	-----

Capital Projects Funds:

Permanent Improvement Fund	141
Locally Funded Initiative Fund	142
Classroom Facilities Fund.....	143

Permanent Fund:

Endowments Fund.....	144
----------------------	-----

Internal Service Funds:

Combining Statement of Net Position	146
Combining Statement of Revenues, Expenses and Changes in Fund Net Position.....	148
Combining Statement of Cash Flows	150

Fiduciary Funds – Agency Fund:

Combining Statement of Changes in Assets and Liabilities	153
--	-----

III

STATISTICAL SECTION

Net Position by Component - Last Ten Years..... S 2
Changes in Net Position - Last Ten Years S 4
Fund Balances, Governmental Funds - Last Ten Years S 8
Changes in Fund Balances, Governmental Funds - Last Ten Years S 10
Assessed Valuations and Estimated True Values of Taxable Property - Last Ten
Calendar Years..... S 12
Property Tax Rates of Direct and Overlapping Governments - Last Ten Calendar
Years S 14
Principal Taxpayers - Real Estate Tax - Current Year and Nine Years Ago S 16
Principal Taxpayers - Public Utilities Tangible Personal Property Tax - Current Year
and Nine Years Ago S 17
Property Tax Levies and Collections - Last Ten Years..... S 18
Ratio of Outstanding Debt By Type - Last Ten Years S 20
Ratios of General Bonded Debt Outstanding - Last Ten Years S 22
Computation of Direct and Overlapping Debt Attributable to Governmental
Activities - Current Year..... S 25
Debt Limitations - Last Ten Years S 26
Demographic and Economic Statistics - Last Ten Years S 28
Principal Employers - Current Year and Nine Years Ago S 31
School District Employees by Type - Last Ten Years S 32
Operating Indicators - Cost per Pupil - Last Ten Years S 34
Operating Indicators by Function - Last Ten Years S 36
Operating Indicators - Teacher Base Salaries - Last Ten Years..... S 38
Capital Asset Statistics by Building - Last Ten Years S 40
Capital Asset Statistics by Function - Last Ten Years S 42
Educational and Operating Statistics - Last Ten Years S 44

INTRODUCTORY SECTION

This page intentionally left blank.



TOLEDO CITY SCHOOL DISTRICT

Toledo Public Schools Educational Campus • 1609 N. Summit Street
Toledo, Ohio 43604

Treasurer's Office: phone (419) 671-0001

fax (419)-671-0082

December 20, 2019

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

As the Superintendent and Treasurer of the Toledo City School District (the District), we are pleased to submit to you this Comprehensive Annual Financial Report (CAFR) of the District. This CAFR, for the year ended June 30, 2019, includes an opinion from Clark, Schaefer, Hackett & Co., conforms to generally accepted accounting principles (GAAP) and is in conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB) using guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included. This report will provide the taxpayers of the Toledo City School District with comprehensive financial data in a format enabling them to gain an understanding of the School District's financial affairs. Copies will be made available to National Municipal Information Repository (NMSIR), State Information Depository (SID), other financial rating services and other interested parties.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Toledo City School District's MD&A can be found immediately following the report of the independent accountants.

In FY19, the district continued to see enrollment growth. We project these increases to continue into the future. As of June 30, 2019, the School District had 23,162 students (compared to 23,096 as of 2018) enrolled in its 44 K-8 schools, 7 senior high schools and 8 education/specialized learning centers (which provide special curriculums and vocational education and skills programs), making it the fourth largest public school system in the State. For the current academic year the average class size is 29 students (for grades 1 through 8), and the average pupil/teacher ratio 12:6. The average building is nine years old.

TOLEDO CITY SCHOOL DISTRICT

Letter of Transmittal For the Fiscal Year Ended June 30, 2019

The District employs (full- and part-time) 2,352 professional staff members and 1,451 nonteaching and support staff employees. Approximately 51% of the members of the teaching staff have master's degrees, and 1% have doctorates. The District's faculty has an average of 14.8 years' teaching experience. The District also operates a central office facility, a maintenance center, a central kitchen, a warehouse and a transportation depot.

The District is organized into learning communities. Each learning community has its own high school and elementary schools that feed into it. Special facilities and School Assistance Centers also support these learning communities. Three Transformational Leaders work with the schools to provide direction for leadership and school management. In addition, the Curriculum Division works to enhance student learning and to drive school reform efforts. Toledo Public Schools is fortunate to have the support of the Parent Congress, an active parent advisory board that collaborates with the Superintendent on a number of current issues, including: parent involvement across the district and developing greater educational opportunities for students.

The District's high schools are fully accredited by the North Central Association of Colleges and Schools. The District's curriculum offers a wide range of electives and comprehensive courses of study in college preparatory, vocational and physical education programs. A full range of extra-curricular programs and activities is available, beginning in the elementary grades. All District schools have libraries, lunch programs and multipurpose rooms or gymnasiums for student activities.

The Board of Education of the Toledo City School District (the Board) is a five-member body politic and corporate, as defined by Section 3313.02, Ohio Revised Code. The Board serves as the taxing authority, contracting body, policy maker, and ensures that all other general laws of the State of Ohio are followed in the expenditure of the District's tax dollars and approves the annual appropriation resolution.

ECONOMIC CONDITIONS AND OUTLOOK

Over three-fourths of North America's car and truck final assembly plants are within 500 miles of Toledo and 35 percent (35%) of these facilities are within 250 miles. Thirty-six percent (36%) of U.S. and nineteen percent (19%) of Canadian transportation equipment manufacturing are within a 250-mile radius of Toledo. In addition, 33 percent (33%) of the U.S. population resides within 500 miles of Toledo. The Toledo Metropolitan Area offers 25 industrial parks, seven of which are located within the Toledo City School District. Statistics indicate that employment in the Toledo area-manufacturing industries represent only about one-fourth of the available jobs in the area. The majority of work is found in non-manufacturing areas such as service industries, retail trade, and government jobs.

Transportation plays an important role in the Toledo area economy. The Port of Toledo is Ohio's largest and most diversified port and one of the nation's largest shippers of coal and grain. The Port offers a foreign trade zone encompassing 300,000 square feet of covered storage area serviced by ship, rail, and truck. Toledo is one of the nation's largest rail hubs with four major lines serving the area. Intrastate and interstate truck services are provided by more than 100 common carriers, including almost all major truck lines, as well as approximately 30 local cartage companies. Toledo Express Airport offers both general and commercial aviation services.

In April, 2018 Cleveland-Cliffs, Inc broke ground on an \$830 million project to build a hot briquette iron plant at the Toledo-Lucas County Port Authority docks. The project is expected to be complete by June, 2020, have an annual output of 1.9 million tons and employ 160 workers to operate the plant. Construction has employed approximately 1,100 people at its peak.

TOLEDO CITY SCHOOL DISTRICT

Letter of Transmittal

For the Fiscal Year Ended June 30, 2019

Lucas County is the home of the Toledo Mud Hens and operates the 10,300 seat Fifth Third Field Stadium, in the Warehouse District. The Mud Hens, a Triple A baseball team, is in the Detroit Tigers farm system.

Lucas County's Huntington Center is a multi-purpose arena in downtown Toledo. The arena is located one block from Fifth Third Field and has a seating capacity of 8,000.

Lucas County partnered with the Toledo Arena Sports, Inc. (TASI), a subsidiary of the Toledo Mud Hens organization, to secure a sports tenant for the new multi-purpose arena. The ECHL hockey tenant is the Toledo Walleye, a feeder team to the Detroit Red Wings and Chicago Black Hawks.

The area has diverse recreational, cultural, and educational resources. The City of Toledo has over 100 parks ranging from small neighborhood playgrounds to large centralized parks with full recreational facilities including picnic areas, ball diamonds, tennis courts, and swimming pools. The Maumee River and Lake Erie offer many water sport activities such as boating, sailing, water skiing, and fishing. The Area Metropark System has over 6,000 acres in nine locations. Local professional sports include the Toledo Mud Hens Baseball Team, the Toledo Walleye Hockey Team, and the Annual LPGA Golf Tournament. There are over 20 public and private golf courses in the area. The Toledo Zoo ranks among the best in the country. Toledo also boasts the world-renowned Toledo Museum of Art, which houses over 700 paintings, 5,000 pieces of glass, and a nationally respected symphony. The Museum also has a glass exhibit, storage, and research center. Continuing and Advanced Education is available at the University of Toledo, University of Toledo Community and Technical College, UT Health Sciences Campus, Bowling Green State University, Owens Community College, and Lourdes University.

SIGNIFICANT ACCOMPLISHMENTS FOR THE YEAR

A sense of pride and achievement continues to build across Toledo Public Schools.

Toledo Public Schools continues to show progress and share good news that makes our community TPS Proud.

Data shows that TPS students are increasingly well prepared for their lives after high school. More than 91 percent of students who followed a Career Tech pathway in high school either entered employment, enrolled in higher education or enlisted in the military after graduation.

Career Technology students gain hands-on experiences during their high school years and for the most part, have a seamless transition to college or to a career doing something they love. Most Career Tech tracks are two-year programs designed for juniors and seniors, although a few cover four years of high school and include freshmen and sophomores. Through Career Technology, TPS truly offers students a balanced curriculum that gives them realistic options for the future. The district's Career Technology students have a higher than average graduation rate than students in traditional studies and can qualify for college credit for high school classes and, can qualify for thousands of dollars in scholarships for college.

The district continues to serve a diverse population. Enrollment has grown substantially in the past five years and now the number of students who are considered economically disadvantaged has increased to more than 6,000 students. In an effort to support the needs of the varying segments of students, the district now has 10 magnet elementary schools, including Escuela SMART Academy, which became part of the district at the beginning of this school year. Escuela is a bilingual school that serves Spanish-speaking, English language learners and students interested in learning Spanish in grades Pre-K through sixth.

TOLEDO CITY SCHOOL DISTRICT

Letter of Transmittal For the Fiscal Year Ended June 30, 2019

The magnet high schools sponsored by TPS are open to all students across northwest Ohio and include Toledo Technology Academy, Toledo Early College, Jones Leadership Academy of Business and the Aerospace & Natural Science Academy of Toledo. These schools offer focused curriculum in the areas of study that are producing promising careers for the future. The next magnet school, opening in the fall of 2020, will have a pre-med focus. The district is collaborating with ProMedica Health System on this ambitious project.

Another focus area for TPS is STEMM education - or Science, Technology, Engineering, Mathematics and Medicine. The district now has four elementary STEMM schools that offers an enhanced curriculum that will prepare students for the in-demand jobs of the future. Students develop important problem-solving skills, aimed at making them critical thinkers and life-long learners. Through STEMM, these schools offer student-led curriculum that engages authentic learning experiences. Plans include opening a STEMM-focused elementary school in each learning community.

Along with a focus on academics, administrators continuously work to develop strong community partnerships. A notable partnership for Toledo Public Schools is the one that continues to develop with ProMedica. For example, there is now a full-time nurse assigned to every TPS school, thanks to funding from ProMedica. The benefit of having direct access to a healthcare professional has helped students and their families.

Another important partnership that has developed in the past several years is one with the Area Office on Aging (AOOA). By working with the senior citizens in our community, the district has opened several high schools during the winter months so seniors can continue to exercise by walking the hallways of the schools. The district and the AOOA have also hosted a Senior Prom for the past six years. This event is something that seniors look forward to each spring as they get to dress up and enjoy an evening of dinner and dancing. A prom king and queen are also crowned at the end of each event.

Efficiency in district operations has also been a focus. A few recent examples of this effort include relocating the administration offices to a more energy-efficient building. That move is projected to save the district more than \$1.2 million over five years. Along with that, recruitment of highly qualified staff is also a priority for the administration. Representatives from across the district participate in recruitment events at local, regional and state colleges and universities. Currently, TPS employs more than 4,000 people and ranks as one of the largest employers in the City of Toledo.

A major recognition of the quality of TPS staff members came earlier this year when Mona Al-Hayani, a beloved history teacher at Toledo Early College and herself a product of Toledo Public Schools, was named the 2019 Teacher of the Year for the State of Ohio. She was chosen for this honor by a panel of her peers who cited her passion for her students - who call her 'Ms. Al' - and for the victims of human trafficking who she has worked on the behalf of for many years. In addition to her teaching duties, Ms. Al-Hayani advises the National Honor Society and Young Women for Change, a student-led group at her school. A native of Toledo, Ms. Al-Hayani earned a bachelor's degree in sociology and a master's degree in secondary education from the University of Toledo.

Updates and improvements continue to be made to the district's athletic program. This is evident through the improvements that have been made at the each of the high school athletic fields. New turf and lighting have been installed at the stadiums, making the playing surface safer for student athletes.

And let us not forget the two-time state champion girls varsity basketball team from Rogers High School. In 2018, the Lady Rams became the first northwest Ohio athletic team to win a state championship in NEARLY 30 years. Then they did it again in 2019, becoming the only team in Ohio ever to win back-to-back state championships.

TOLEDO CITY SCHOOL DISTRICT

Letter of Transmittal

For the Fiscal Year Ended June 30, 2019

The positive momentum that is building across Toledo Public Schools is something the community should continue to watch and monitor. From the accomplishments in the classroom, to the recognitions from Columbus, the district continues to prove why we should all be TPS Proud.

DEPARTMENT FOCUS

The Treasurer's Division has continued to show leadership and growth by striving for excellence in developing and implementing sound fiscal management, accounting and reporting standards.

The Ohio Enterprise Zone Act authorizes the City of Toledo (City) and Lucas County (County) to designate areas as Enterprise Zones (EZ's), Community Reinvestment Areas (CRA's) and Tax Incremental Financings (TIF's) and to execute agreements with certain enterprises for the purpose of establishing, expanding, renovating or occupying facilities and hiring new employees and preserving jobs within said zones in exchange for specified local tax incentives. Under the abatement and tax increment financing programs, the City and the County exempt the incremental increase in the value of certain property from ad valorem property taxes in whole or in part for varying periods of time.

In 1995, the School District and the City entered into an agreement pursuant to which the School District is to receive contributions in lieu of taxes from taxpayers granted tax abatements. The Treasurer or his designee is responsible to attend Industrial Development Committee (IDC) meetings held by the City and County to review and approve new tax abatements with local businesses. After approval for abatement, the Treasurer or his designee is also responsible for accounting for all revenue received from the approved company in the form of Contributions in Lieu of Taxes and to report those results to the City of Toledo's or Lucas County's Tax Incentive Review Committee (TIRC) as requested. The TIRC(s) review all tax abatements every calendar year and make recommendations to the City of Toledo's City Council and/or Lucas County Commissioners on the continuation of those incentives. Before March 31 of each year, the TIRC submits a comprehensive annual report to the State of Ohio in accordance with the Ohio Revised Code. The Treasurer or his designee is responsible for forecasting all anticipated revenue from the revenue sharing agreements for inclusion in the District's five year forecast submitted to the Ohio Department of Education in May and October of each year.

The Treasurer, Superintendent and Board President are authorized to enter in School District Payment Agreements outlining the terms of the abatement and the revenue to be received by the District. A separate standardized agreement is executed for each company requesting tax abatement and formalized with a School District Payment Agreement signed by a representative of the abated company, the Treasurer, Superintendent and Board President. The school District payment agreement can be found on the Districts' website through the Board Docs Library. Revenue Sharing Agreements beyond the scope of the standardized agreement must be approved by individual resolution by the Board of Education. All School District Payment Agreements are negotiated to hold the District fiscally harmless had the abatement been granted under applicable laws without the permission of the District.

As of June 30, 2019, there are 26 active abatements with respect to approximately \$97,226,400 of real property in the School District. Four of the abatements, for \$58,957,990 in value, were made pursuant to an agreement requiring the taxpayer to make payments in lieu of taxes to the City in connection with a tax increment financing. The last of those abatements will expire in 2048. The remaining 22 active abatements, aggregating approximately \$38,268,410 for real property, were generally made pursuant to agreements that require the taxpayer to make contributions in lieu of tax payments to the School District. The last of those abatements is to expire in 2034.

TOLEDO CITY SCHOOL DISTRICT

**Letter of Transmittal
For the Fiscal Year Ended June 30, 2019**

The following table shows the amounts of those contributions received by the School District in recent Fiscal Years:

Fiscal Year	Payments
2012	\$560,140
2013	472,271
2014	470,182
2015	504,636
2016	510,214
2017	487,450
2018	672,069
2019	1,219,222
2020 (a)	1,219,222

(a) Estimated.

Since the inception of the revenue sharing program, the District has received \$18,008,663 in contributions in lieu of tax payments.

These Agreements promote the economic welfare of our community by creating new jobs, while retaining and preserving existing jobs and employment opportunities, as facilities are established, expanded, renovated or occupied within designated abatement Zones. It is hoped that the success of these Revenue Sharing Agreements will set the stage for future cooperation between government entities.

As of June 30, 2019, the Toledo City School District has underlying debt ratings of A- from Fitch Ratings, A2 from Moody's Investment Service and A+ from Standard and Poor's. Financial information was provided to all external-rating agencies resulting in the District maintaining the above-mentioned ratings. Financial information was also furnished to the Ohio Municipal Advisory Council (OMAC), which has applied for and received the designation of being the State Information Depository (SID) for the State of Ohio. The establishment of SID provides the State with more uniform central distribution of financial information to debt holders and potential bidders of debt for the Toledo City School District.

The District provides annual Continuing Disclosure filings with the appropriate National Municipal Information Repository (NMIR) and SID to keep bondholders of the Ohio School Facilities bond issue abreast of the current financial status of the District.

The Treasurer's Division implemented requirements of the Ohio Legislature as they relate to the mandatory preparation of a Five-Year Revenue and Expenditure Forecast, the multi-year Certification of Estimated Revenues, and the proper identification and appropriation of DPIA Funds. One provision of House Bill 412 requires the Board of Education to submit a Five-Year Financial Forecast to the Ohio Department of Education. The Five-Year Financial Forecast is presented to the Board of Education for adoption each November and May.

An additional provision of the Legislature requires the President of the Board of Education, the Superintendent and the Treasurer to certify that adequate revenue will be available to maintain all personnel, programs, and services essential to the operation of an adequate educational program for the length of each contract up to five years. This certification is attached to all contracts, leases, and other business transactions as required by law. Procedures are in place to ensure compliance.

TOLEDO CITY SCHOOL DISTRICT

Letter of Transmittal

For the Fiscal Year Ended June 30, 2019

During the past year, the Treasurer's Division has focused on improving the financial position of the District. The Division has actively studied all possible alternatives to property tax financing, searched for additional revenue sources, and implemented cost saving measures. The Treasurer's Division staff will continue to maintain a high level of service and support, and identify ways to improve communications with their customers. They will continue to improve internal controls, management practices, technology utilization and enhancements, operational efficiencies, and financial processes in order to assure the fiscal integrity of District assets and improve audit results. They will continue to focus on the Board's primary objective of improving educational opportunities for the children in our community.

Other Treasurer goals and objectives that continue to be formulated and put into place include:

- Improve fiscal integrity and accountability of the District by establishing business community "forums"/meetings, developing a "popular annual financial report and budget report as a means to establish board friendly financial reports;
- Improve customer service for all customers – internal and external- from all Treasurer's division Departments;
- Improved communications from, to and between Treasurer's office departments;
- Contribute to District improvement efforts in Leadership Development;
- Contribute to District improvements in effectiveness and efficiency in service delivery;
- Provide and facilitate improved communications, to, from and amongst the Board of Education;
- Develop an "Ethically Conscious" work environment for staff and volunteers;
- Implement policy and operational recommendations pursuant to the investment review by PFM Asset Management, LLC.
- Continually utilize technology to generate cost savings, and
- Participate in legislative and community efforts for school funding and other financial impacts to the District.

ACCOUNTING INFORMATION

ACCOUNTING SYSTEM -- The District's accounting system is organized on a fund basis. Each fund is a separate self-balancing accounting entity. The basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds use the accrual basis of accounting. The District has no component units to account for.

INTERNAL CONTROLS -- The Treasurer of the District is responsible for establishing an internal control structure designed to ensure that the assets of the District are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The Management Team is responsible for assisting with implementation of the established internal controls.

The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of cost and benefit requires estimates and judgments by management.

TOLEDO CITY SCHOOL DISTRICT

Letter of Transmittal For the Fiscal Year Ended June 30, 2019

SINGLE AUDIT -- As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation and audit by the Treasurer, Management Team and staff of the District.

As a part of the District's single audit, tests are made to determine the adequacy of the internal control structure, including that portion relating to federal financial assistance programs, as well as to verify that the District has complied with applicable laws and regulations.

BUDGETARY CONTROLS

All governmental fund types are subject to annual expenditure budgets. The legal level of budgetary control is at the fund level. The procedures below outline the District's budgetary procedures:

A tax budget of estimated cash receipts and disbursements is submitted to the county auditor as secretary of the county budget commission by January 20 of each year for the fiscal year commencing the following July 1. The District's Board of Education (the Board) adopts the tax budget at its January Organizational Meeting.

The county budget commission certifies its actions to the District by March 1. As part of this certification, the District receives the official certificate of estimated resources which states the projected receipts of each fund. On or about July 1, this certificate is amended to include any unencumbered balances from the preceding year.

An annual appropriations measure is passed upon receipt of the county auditor's final tax revenue estimates, in October or November of each year for the period July 1 to June 30. Unencumbered appropriations lapse at year-end and encumbered appropriations are reported as expenditures in the current year. The Board adopts temporary appropriations at its June Board meeting to cover expenditures until the adoption of the permanent appropriations. The appropriations measure may be amended or supplemented during the year as new information becomes available. Individual buildings and/or departments are given building budgeting funds for instructional supplies, custodial supplies, meeting and mileage expenses, and equipment. Buildings and/or departments may move funds within their budgets with approval of the Superintendent and Treasurer. Appropriations may not exceed estimated resources and expenditures may not exceed appropriations in any fund.

Additionally, the District maintains an encumbrance accounting system as a useful technique of accomplishing budgetary control. Under encumbrance accounting, purchase orders, contracts and other commitments for expenditures of funds are recorded in order to reserve that portion of the applicable appropriation.

TOLEDO CITY SCHOOL DISTRICT

***Letter of Transmittal
For the Fiscal Year Ended June 30, 2019***

OTHER INFORMATION

Community Schools: There are twenty-four community schools operating independently within the District's boundaries. Their funding is deducted from the State support the District receives, and transferred to the community schools directly. The amount deducted is per pupil who resides in the District and chooses to attend a community school.

Independent Audit: State statutes require an annual audit by independent accountants. The firm of Clark Schaefer Hackett conducted the audit for the Fiscal Year ended June 30, 2019. The Auditor's Audit Opinion is on the Basic Financial Statements. The introductory section and statistical tables are not a required part of the opinion and no opinion is rendered on those sections.

Awards: The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the Toledo City School District for its Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ended June 30, 2018. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR) that conforms to program standards. A CAFR must satisfy both Generally Accepted Accounting Principles and applicable legal requirements. A Certificate of Achievement award is valid for a period of one year. The Toledo City School District has received a Certificate of Achievement for the past twenty-nine years (1989-2018). We believe our current report continues to conform to the Certificate of Achievement program requirements, and are submitting it to the GFOA for consideration.

The Toledo City School District also received the Association of School Business Officials International Certificate of Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2018. This award certifies that the report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials International. An expert ASBO Panel of Review consisting of Certified Public Accountants and practicing school business officials, grants the award, only after an intensive review of financial reports. Receiving the award is recognition that a school system has met the highest standards of excellence in school financial reporting. A Certificate of Excellence is valid for a period of one year only. This is the seventeenth year the District has received the Certificate of Excellence. We believe our current report continues to conform to the Certificate of Excellence requirements, and we are submitting it to ASBO to determine its eligibility for another certificate.

In addition to awards for financial reporting, the District's Investment Policy was awarded the Certificate of Excellence Association of Public Treasurers of the United States and Canada.

TOLEDO CITY SCHOOL DISTRICT

***Letter of Transmittal
For the Fiscal Year Ended June 30, 2019***

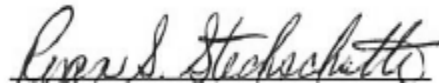
Acknowledgment: Preparation of this report would not have been possible without the joint cooperation of all Divisions in the District. We would like to specifically acknowledge the following individuals within the Treasurer's Division and the Business Division: W. Paul Overman, Jr., Director of Treasury Management, and James Gant, Executive Transformational Leader of Business and Operations. We are also grateful for the services of Donald J. Schonhardt & Associates, Inc. for their assistance in preparing this report. Special recognition is extended to Rick Reucher, Assistant Treasurer, Seth Sansing, Director of Accounting and Finance, and Patty Mazur, Director of Communications, for their efforts in preparing this report.

Finally, we would like to express our appreciation to the Board Members for their fiscal integrity and continued support.

Sincerely,



Romules Durant, Ed. D
Superintendent and CEO



Ryan Stechschulte
Treasurer of the Board

TOLEDO CITY SCHOOL DISTRICT

Members of the Board of Education, Superintendent of Schools and Treasurer For the Fiscal Year Ended June, 30 2019

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 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 Toledo City School District are:

	<u>Began Service as a Board Member</u>	<u>Present Term Expires</u>
Polly Taylor-Gerken , President	01/01/2014	12/31/2021
Stephanie Eichenberg, Vice-President	01/01/2016	12/31/2019
Chris Varwig, Member	01/01/2014	12/31/2021
Bob Vasquez, Member	01/01/2016	12/31/2019
Perry Lefevre, Member	01/01/2014	12/31/2019

Superintendent

The Superintendent serves as the Chief Executive Officer of the School District and serves as one of the chief advisors to the Board of Education. He is responsible for providing leadership in all aspects of the educational programs and initiatives that are instituted by the district. The Superintendent is also responsible for administering policies which are formulated and adopted by the Board of Education. Dr. Romulus Durant became the 30th Superintendent for Toledo Public Schools on August 1, 2013. A native of Toledo, Dr. Durant has big plans to take the school district to the next level of success. A proud graduate of Waite High School, one of the District's traditional high schools, Dr. Durant began working for Toledo Public Schools in 1999 as a classroom teacher. From there, he became an assistant principal, a principal and then assistant superintendent.

Treasurer

The Treasurer serves as the Chief Fiscal Officer of the District and Secretary to the Board of Education. The Treasurer receives, accounts for, and disburses all District funds as required by applicable laws in accordance with Board policies and regulations. Ryan Stechschulte was named District Treasurer effective on July 1, 2015 with his contract expiring June 30, 2020.

TOLEDO CITY SCHOOL DISTRICT

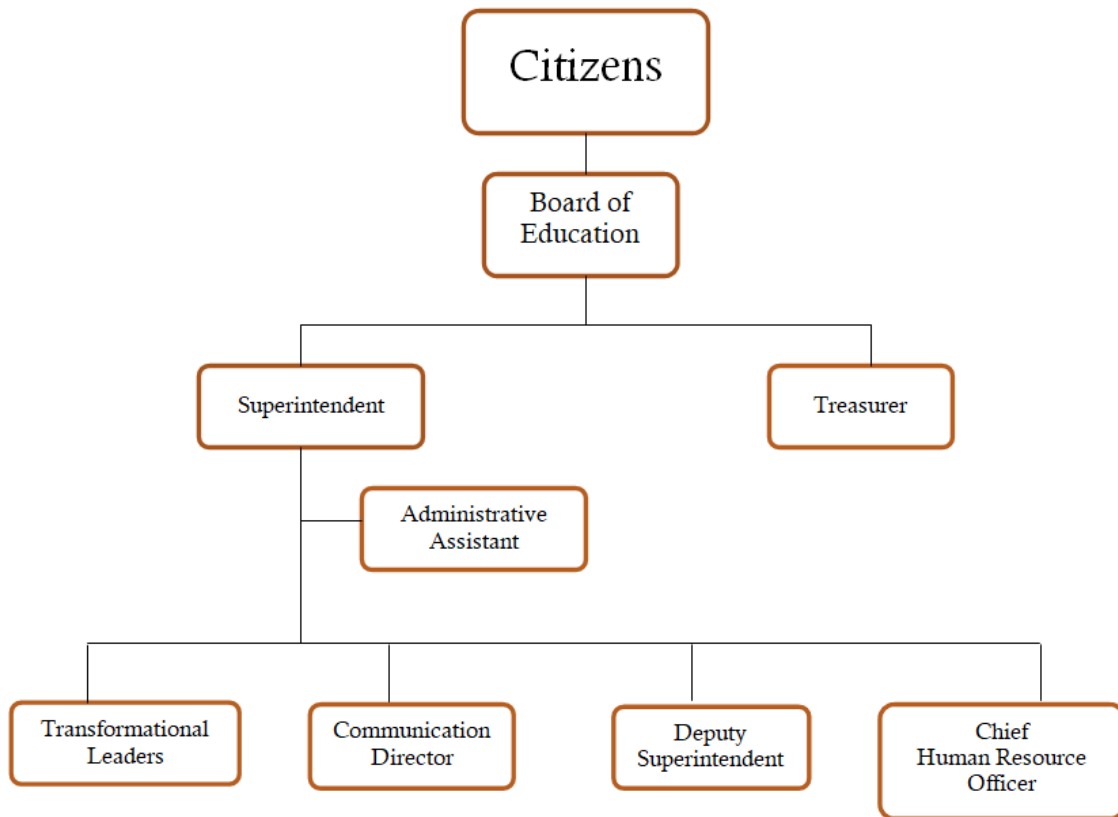
***School District Organizational Chart
For the Fiscal Year Ended June, 30 2019***

Management Team Members

Dr. Romulus Durant	Superintendent
Ryan Stechschulte	Treasurer of the Board
James E. Gault	Transformational Leader of Curriculum and Instruction
Linda Ruiz Bringman	Chief Human Resources Officer
Angela Jordan	Executive Assistant to the Superintendent
James Gant	Deputy Superintendent
Richard Reucher	Assistant Treasurer
Brian Murphy	Transformational Leader of Strategic Planning
Chad Henderly	Transformational Leader of Process and Information
Amy Allen	Transformational Leader of Early Child and Special Education

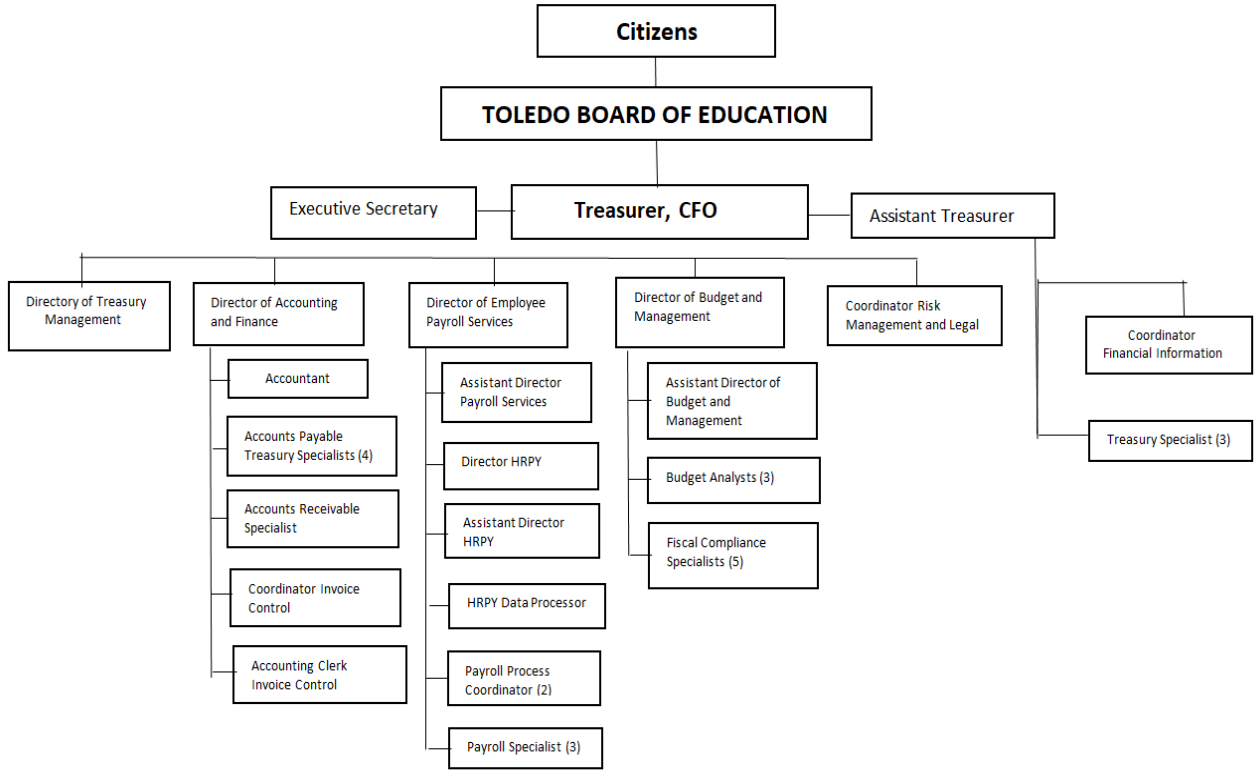
TOLEDO CITY SCHOOL DISTRICT

**School District Organizational Chart
For the Fiscal Year Ended June, 30 2019**



TOLEDO CITY SCHOOL DISTRICT

**Treasurer's Division Organizational Chart
For the Fiscal Year Ended June, 30 2019**





Government Finance Officers Association

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

Presented to

**Toledo City School District
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO



The Certificate of Excellence in Financial Reporting
is presented to

Toledo City Schools

for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2018.

The CAFR meets the criteria established for
ASBO International's Certificate of Excellence.



Tom Wohleber, CSRM
President

David J. Lewis
Executive Director

FINANCIAL SECTION

This page intentionally left blank.

INDEPENDENT AUDITORS' REPORT

To the Board of Education
Toledo City School District:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Toledo City School District (the "District") as of and for the year ended June 30, 2019 and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Toledo City School District, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with 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 that the management's discussion and analysis, schedules of net pension and OPEB liabilities/assets, and pension and OPEB contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2019 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's 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.

Clark, Schaefer, Hackett & Co.

Toledo, Ohio
December 20, 2019



Toledo Public Schools

TOLEDO CITY SCHOOL DISTRICT

***Management's Discussion and Analysis
For the Fiscal Year Ended June, 30 2019***

Unaudited

The discussion and analysis of the Toledo City School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2019. 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, financial statements and notes to the basic financial statements to enhance their understanding of the District's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2019 are as follows:

- ❑ Overall, the District's financial position has improved from 2018 to 2019, with an increase in net position of \$23,568,445.
- ❑ General revenues accounted for \$421,108,673 in revenue or 90.4% of all revenue. Program specific revenues in the form of charges for services and grants and contributions accounted for \$44,817,426 or 9.6% of total revenues of \$465,926,099. The State Foundation portion of general revenues increased approximately \$3.7 million from FY18 to FY19.
- ❑ The District had \$442,357,654 in expenses related to governmental activities; only \$44,817,426 of these expenses were offset by program specific revenues in the form of charges for services, grants or contributions. General revenues (primarily taxes totaling \$115,743,313 and unrestricted state and federal revenues totaling \$299,757,840, plus investment earnings and miscellaneous revenues were adequate to provide for these programs.
- ❑ The assets and deferred outflows of the District exceeded its liabilities and deferred inflows at June 30, 2019 by \$234,530,503 (net position). The District's total net position increased by \$23,568,445 in fiscal year 2019.
- ❑ As the only major fund, the general fund had \$396,028,447 in revenues, \$384,027,177 in expenditures, \$8,312 in transfers in and (\$482,457) in transfers out, resulting in the general fund balance increasing by \$11,527,125 to \$85,855,661. This increase is attributable to operational efficiencies and cost saving measures, as well as an increase in State revenue over FY18.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Annual Report consists of three parts – management's discussion and analysis, the basic financial statements, and an optional section that presents combining statements for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the District:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the District's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the District, reporting the District's operations in more detail than the government-wide financial statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

Government-wide Statements

The government-wide statements report information about the District as a whole using accepted methods similar to those used by private-sector companies. The Statement of Net Position includes all of the government's assets, deferred outflows of resources, liabilities and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how they have changed. Net-position (the difference between the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources) are one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional nonfinancial factors such as the property tax base, current property tax laws, and student enrollment growth and facility conditions.

The government-wide financial statements of the District falls into one category:

- *Governmental Activities* – All of the District's programs and services are reported here including instruction, support services, non-instructional and extracurricular activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds, not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

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 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

TOLEDO CITY SCHOOL DISTRICT

Management's Discussion and Analysis For the Fiscal Year Ended June, 30 2019

Unaudited

educational programs. The relationship (or difference) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds – The District uses internal service funds to report activities that provide supplies and services for the District's other programs and activities. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities.

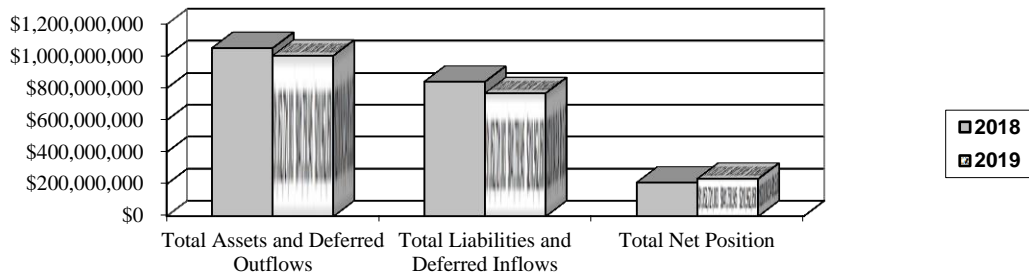
Fiduciary Funds – The District is the trustee, or fiduciary, for various student-managed activity programs, various scholarship programs and other items listed as agency and private purpose. It is also responsible for other assets that, due to a trust arrangement can only be used for the trust beneficiaries. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position. We exclude these activities from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

The following table provides a summary of the District's net position for 2019 compared to 2018:

	Governmental Activities		Increase (Decrease)
	2019	2018	
Current and other assets	\$329,849,019	\$349,070,475	(\$19,221,456)
Net OPEB Asset	20,339,022	0	20,339,022
Capital assets, Net	516,768,644	522,836,527	(6,067,883)
Total assets	866,956,685	871,907,002	(4,950,317)
Deferred Loss on Debt Refunding	5,324,481	6,124,158	(799,677)
Pension	121,852,754	161,679,386	(39,826,632)
OPEB	10,679,970	13,010,457	(2,330,487)
Total Deferred Outflows of Resources	137,857,205	180,814,001	(42,956,796)
Net Pension Liability	372,367,245	398,616,399	(26,249,154)
Net OPEB Liability	45,326,920	93,224,169	(47,897,249)
Other Long-Term Liabilities	140,329,670	153,302,822	(12,973,152)
Other Liabilities	48,031,244	74,719,064	(26,687,820)
Total liabilities	606,055,079	719,862,454	(113,807,375)
Property Tax Levy for Next Fiscal Year	106,686,768	98,661,511	8,025,257
Pension	22,215,665	12,863,984	9,351,681
OPEB	35,325,875	10,370,996	24,954,879
Total Deferred Inflows of Resources	164,228,308	121,896,491	42,331,817
Net position:			
Net Investment in Capital Assets	400,857,117	392,851,572	8,005,545
Restricted	34,115,721	52,558,460	(18,442,739)
Unrestricted (Deficit)	(200,442,335)	(234,447,974)	34,005,639
Total Net Position	\$234,530,503	\$210,962,058	\$23,568,445

Toledo City Schools Governmental Activities



The net pension liability is reported by the District pursuant to GASB Statement 68, “Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27.” The net OPEB liability/asset is reported by the District pursuant to GASB Statement 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.” 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 OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB and the net OPEB asset.

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

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

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

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

TOLEDO CITY SCHOOL DISTRICT

***Management's Discussion and Analysis
For the Fiscal Year Ended June, 30 2019***

Unaudited

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

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

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

The District reported an increase in net position of 11%. Part of this increase can be attributed to the reporting of a net OPEB asset. Principal retirement on long term debt and the defeasance of debt resulted in a 9% decrease in other long-term liabilities. (See note 13) Another contributing factor to an overall decrease in liabilities of 16% was changes in the net pension and net OPEB liabilities. Fluctuations in deferred outflows of resources and deferred inflows of resources can be attributed to the net pension and net OPEB liabilities, and net OPEB asset.

TOLEDO CITY SCHOOL DISTRICT**Management's Discussion and Analysis
For the Fiscal Year Ended June, 30 2019****Unaudited**

Changes in Net Position – The following table shows the net position for the fiscal year 2019 compared to 2018:

	Governmental Activities		Increase (Decrease)
	2019	2018	
Revenues			
Program revenues:			
Charges for Services	\$10,509,323	\$10,328,551	\$180,772
Operating Grants	34,160,965	45,139,106	(10,978,141)
Capital Grants	147,138	153,570	(6,432)
General revenues:			
Property Taxes	115,743,313	114,548,716	1,194,597
Grants and Entitlements	299,757,840	298,057,865	1,699,975
Other	5,607,520	3,115,788	2,491,732
Total revenues	<u>465,926,099</u>	<u>471,343,596</u>	<u>(5,417,497)</u>
Program Expenses			
Instruction	264,917,027	178,701,230	86,215,797
Support Services	138,928,408	98,513,858	40,414,550
Non-Instructional Services	29,094,918	24,282,260	4,812,658
Extracurricular Activities	3,664,566	1,487,913	2,176,653
Interest and Fiscal Charges	5,752,735	5,184,635	568,100
Total expenses	<u>442,357,654</u>	<u>308,169,896</u>	<u>134,187,758</u>
Total Change in Net Position	<u>23,568,445</u>	<u>163,173,700</u>	<u>(139,605,255)</u>
Beginning Net Position	<u>210,962,058</u>	<u>47,788,358</u>	<u>163,173,700</u>
Ending Net Position	<u>\$234,530,503</u>	<u>\$210,962,058</u>	<u>\$23,568,445</u>

TOLEDO CITY SCHOOL DISTRICT

**Management’s Discussion and Analysis
For the Fiscal Year Ended June, 30 2019**

Unaudited

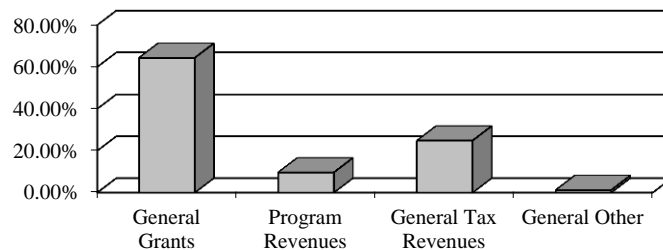
Governmental Activities

Net position of the District’s governmental activities increased \$23,568,445. Overall, total revenues remained consistent with the prior year with an overall change of about 1%. Changes in the fair value of investments resulted in the increase in other revenues. The decrease in operating grants from 2018 to 2019 is related to a timing difference for cash basis receipts versus the accrual entries. In the prior fiscal year, the District reported a significant decrease in expenses due to changes in the net pension and net OPEB liabilities, which resulted in a subsequent increase in expenses in the current fiscal year. The overall increase in net position can be attributed to changes in the net pension and net OPEB liabilities/asset.

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenue generated by a voted levy does not increase solely as a result of inflation. As an example, a homeowner with a home value at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay \$35.00. However, the assessed millage cannot be reduced below 20 mills, according to state statutes. Thus, school Districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to voters to maintain a constant level of service.

Property taxes made up 24.84% of revenues for governmental activities for the Toledo City School District in fiscal year 2019. The breakdown of the District’s revenue sources is:

Revenue Sources	2019	Percent of Total
General Grants	\$299,757,840	64.34%
Program Revenues	44,817,426	9.62%
General Tax Revenues	115,743,313	24.84%
General Other	5,607,520	1.20%
Total Revenue	\$465,926,099	100.00%



TOLEDO CITY SCHOOL DISTRICT

*Management's Discussion and Analysis
For the Fiscal Year Ended June, 30 2019*

Unaudited

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

The District's governmental funds reported a combined fund balance of \$110,924,608, which is an increase from last year's total of \$105,856,914. The schedule below indicates the fund balance and the total change in fund balance by fund type as of June 30, 2019 and 2018.

	Fund Balance June 30, 2019	Fund Balance June 30, 2018	Increase (Decrease)
General	\$85,855,661	\$74,328,536	\$11,527,125
Other Governmental	25,068,947	31,528,378	(6,459,431)
Total	<u>\$110,924,608</u>	<u>\$105,856,914</u>	<u>\$5,067,694</u>

The General Fund State Foundation payments increased due to an increase in student enrollment, and greater funding for economically disadvantaged students. There was also an increase in Career Tech funding to the District. Current expenditures and transfers were less than total revenues resulting in the increase of the General Fund balance.

The decrease to the "Other Governmental" total is largely attributable to the close-out of the Classroom Facilities fund. The remaining state share was returned to the State of Ohio Facilities Commission while the remaining local share was transferred to the Bond Retirement fund to defease future debt obligations. The Debt Service Fund balance moderate increase is a reflection of increases in tax revenue.

TOLEDO CITY SCHOOL DISTRICT**Management's Discussion and Analysis
For the Fiscal Year Ended June, 30 2019****Unaudited**

General Fund – The tables that follow assist in illustrating the financial activities and balance of the General Fund:

	2019 <u>Revenues</u>	2018 <u>Revenues</u>	Increase <u>(Decrease)</u>
Taxes	\$99,520,383	\$97,701,976	\$1,818,407
Tuition	3,172,830	2,716,656	456,174
Transportation Fees	537,437	536,390	1,047
Investment Earnings	4,029,292	1,584,578	2,444,714
Extracurricular Activities	277,065	280,917	(3,852)
Class Materials and Fees	26,110	34,349	(8,239)
Intergovernmental - State	281,414,723	279,627,925	1,786,798
Intergovernmental - Federal	3,942,033	3,315,715	626,318
All Other Revenue	3,108,574	3,685,537	(576,963)
Total	<u>\$396,028,447</u>	<u>\$389,484,043</u>	<u>\$6,544,404</u>

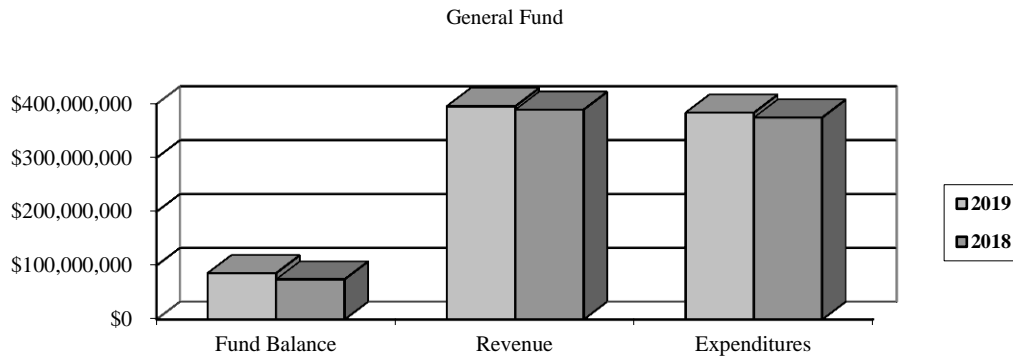
During fiscal year 2019 total General Fund revenues increased by 1.7%. The material make up of this increase is from an increase in local real estate tax collections and investment earnings, mostly related to the increase in market value on the District's investments.

	2019 <u>Expenditures</u>	2018 <u>Expenditures</u>	Increase <u>(Decrease)</u>
Instruction	\$250,392,084	\$247,205,970	\$3,186,114
Supporting Services	128,625,710	118,300,147	10,325,563
Non-Instructional Services	408,874	2,130,859	(1,721,985)
Extracurricular Activities	3,258,935	3,011,589	247,346
Capital Outlay	1,341,574	4,340,557	(2,998,983)
Total	<u>\$384,027,177</u>	<u>\$374,989,122</u>	<u>\$9,038,055</u>

TOLEDO CITY SCHOOL DISTRICT

**Management's Discussion and Analysis
For the Fiscal Year Ended June, 30 2019**

Unaudited



During fiscal year 2018 total General Fund expenditures increased 2.4%. The material make up of this increase is a result of increased salaries and benefits expenditures.

The District's budget is prepared according to Ohio law and is based on accounting for transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. The legal level of control established by the Board of Education is at the fund level.

A final Supplementing/Amending Appropriation Measure was approved prior to the close of the fiscal year.

The following schedule provides a comparison of the original budget estimates compared to the final budget, including other financing sources and uses, estimates for the General Fund:

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Percent of Change</u>
General Fund			
Revenue	\$387,253,400	\$388,473,900	0.32%
Expenditures	390,648,816	398,228,864	1.94%

TOLEDO CITY SCHOOL DISTRICT

**Management's Discussion and Analysis
For the Fiscal Year Ended June, 30 2019**

Unaudited

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - At the end of fiscal 2019 the District had \$516,768,644 net of accumulated depreciation invested in land, land improvements, buildings, building additions, equipment, vehicles and construction in progress. The following table shows fiscal year 2019 and 2018 balances:

	Governmental Activities		Increase (Decrease)
	2019	2018	
Land	\$13,897,335	\$13,897,335	\$0
Land Improvements	8,689,977	8,533,154	156,823
Buildings	624,327,055	622,818,518	1,508,537
Building Improvements	34,890,598	27,414,911	7,475,687
Machinery and Equipment	23,382,305	23,020,518	361,787
Vehicles	15,289,648	14,377,074	912,574
Less: Accumulated Depreciation	(203,708,274)	(187,224,983)	(16,483,291)
Totals	<u>\$516,768,644</u>	<u>\$522,836,527</u>	<u>(\$6,067,883)</u>

For financial reporting purposes the District capitalizes all assets in excess of \$5,000. Detailed information regarding capital asset activity is included in the notes to the basic financial statements (Note 10).

Debt - At June 30, 2019, the District had \$110,190,000 in General Obligation Bonds outstanding, \$6,230,000 due within one year. The following table summarizes the District's debt outstanding as of June 30, 2019 and 2018:

	2019	2018
Governmental Activities:		
General Obligation Bonds	\$110,190,000	\$123,080,000
Premium on G.O. Bonds	11,046,008	13,029,113
Compensated Absences	19,093,662	17,193,709
Totals	<u>\$140,329,670</u>	<u>\$153,302,822</u>

Under current state statutes, the District's debt issue is subject to a legal limitation based on 9% of the total assessed value of real and personal property. At June 30, 2019, the District's outstanding debt was below the legal limit. Detailed information regarding debt is included in the notes to the basic financial statements (Note 13).

TOLEDO CITY SCHOOL DISTRICT

*Management's Discussion and Analysis
For the Fiscal Year Ended June, 30 2019*

Unaudited

ECONOMIC FACTORS

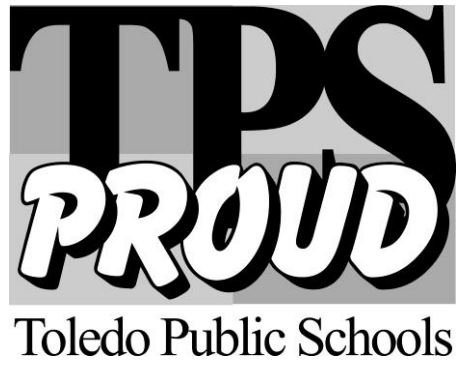
School Districts are required by Ohio law to prepare, and submit to the State Department of Education each year, a five-year financial forecast. The District submitted its last such annual forecast to the Department in November 2019.

FY19 had an additional three percent increase in salaries for employees in July. The current collective bargaining agreements extend through FY20, with wage increases in each contract year.

As of the November 2019 five-year forecast, the District projects a decreased balance through Fiscal Year 2024.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, 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 information please contact Ryan Stechschulte, Treasurer, at Toledo City School District, 1609 N. Summit Street, Toledo, Ohio 43604.



TOLEDO CITY SCHOOL DISTRICT

Statement of Net Position
June 30, 2019

	Governmental Activities
Assets:	
Cash and Cash Equivalents	\$ 165,321,522
Cash with Fiscal Agent	295,031
Receivables:	
Taxes	145,376,537
Accounts	2,874,308
Intergovernmental	12,506,123
Interest	3,175,776
Inventory Held for Resale	299,722
Capital Assets Not Being Depreciated	13,897,335
Capital Assets Being Depreciated, Net	502,871,309
Net OPEB Asset	20,339,022
Total Assets	866,956,685
Deferred Outflows of Resources:	
Deferred Loss on Debt Refunding	5,324,481
Pension	121,852,754
OPEB	10,679,970
Total Deferred Outflows of Resources	137,857,205
Liabilities:	
Accounts Payable	8,510,124
Accrued Wages and Benefits	32,729,726
Intergovernmental Payable	6,082,045
Retainage Payable	295,031
Accrued Interest Payable	414,318
Long Term Liabilities:	
Due Within One Year	7,113,749
Due in More Than One Year:	
Net Pension Liability	372,367,245
Net OPEB Liability	45,326,920
Other Amounts Due in More Than One Year	133,215,921
Total Liabilities	606,055,079
Deferred Inflows of Resources:	
Property Tax for Next Fiscal Year	106,686,768
Pension	22,215,665
OPEB	35,325,875
Total Deferred Inflows of Resources	164,228,308

(Continued)

TOLEDO CITY SCHOOL DISTRICT

	Governmental Activities
Net Position:	
Net Investment in Capital Assets	400,857,117
Restricted For:	
Capital Projects	4,755,489
Debt Service	9,136,513
Permanent Fund:	
Expendable	205,836
Nonexpendable	605,184
School Facilities Maintenance	10,356,986
Auxiliary Services	12,552
Head Start	281,428
Student Activities	335,311
Special Education - Handicapped	1,037,554
Title I School Improvement	96,210
Title I	3,087,048
Improving Teacher Quality	637,130
Miscellaneous Federal Grants	600,188
Other Purposes	2,968,292
Unrestricted (Deficit)	<u>(200,442,335)</u>
Total Net Position	<u>\$ 234,530,503</u>

See accompanying notes to the basic financial statements

TOLEDO CITY SCHOOL DISTRICT

**Statement of Activities
For the Fiscal Year Ended June 30, 2019**

	Expenses	Program Revenues			Net (Expense)
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Governmental Activities
Governmental Activities:					
Instruction	\$ 264,917,027	\$ 3,570,764	\$ 7,675,722	\$ 146,735	\$ (253,523,806)
Support Services	138,928,408	4,211,999	17,497,614	403	(117,218,392)
Non-Instructional Services	29,094,918	0	8,283,101	0	(20,811,817)
Extracurricular Activities	3,664,566	2,726,560	704,528	0	(233,478)
Interest and Fiscal Charges	5,752,735	0	0	0	(5,752,735)
Totals	<u>\$ 442,357,654</u>	<u>\$ 10,509,323</u>	<u>\$ 34,160,965</u>	<u>\$ 147,138</u>	<u>(397,540,228)</u>
General Revenues					
Property Taxes Levied for:					
					101,773,061
					974,728
					9,848,781
					3,146,743
					299,757,840
					5,029,549
					577,971
					<u>421,108,673</u>
					23,568,445
					210,962,058
					<u>\$ 234,530,503</u>

See accompanying notes to the basic financial statements

TOLEDO CITY SCHOOL DISTRICT

**Balance Sheet
Governmental Funds
June 30, 2019**

	General	Total Nonmajor Funds	Total Governmental Funds
Assets:			
Cash and Cash Equivalents	\$ 105,901,314	\$ 25,641,395	\$ 131,542,709
Cash with Fiscal Agent	0	295,031	295,031
Receivables:			
Taxes	127,780,297	17,596,240	145,376,537
Accounts	2,612,661	50,287	2,662,948
Intergovernmental	171,368	12,318,522	12,489,890
Interest	2,363,549	308,225	2,671,774
Interfund Loan Receivable	1,960,157	0	1,960,157
Inventory Held for Resale	90,539	209,183	299,722
Total Assets	\$ 240,879,885	\$ 56,418,883	\$ 297,298,768
Liabilities:			
Accounts Payable	\$ 3,492,336	\$ 2,730,186	\$ 6,222,522
Accrued Wages and Benefits	23,465,568	3,079,558	26,545,126
Intergovernmental Payable	5,099,674	867,692	5,967,366
Retainage Payable	0	295,031	295,031
Interfund Loans Payable	0	1,932,014	1,932,014
Total Liabilities	32,057,578	8,904,481	40,962,059
Deferred Inflows of Resources:			
Unavailable Amounts	28,872,944	9,852,389	38,725,333
Property Tax for Next Fiscal Year	94,093,702	12,593,066	106,686,768
Total Deferred Inflows of Resources	122,966,646	22,445,455	145,412,101
Fund Balances:			
Nonspendable	90,539	605,184	695,723
Restricted	0	24,646,803	24,646,803
Committed	6,621,906	0	6,621,906
Assigned	7,709,713	0	7,709,713
Unassigned	71,433,503	(183,040)	71,250,463
Total Fund Balances	85,855,661	25,068,947	110,924,608
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 240,879,885	\$ 56,418,883	\$ 297,298,768

See accompanying notes to the basic financial statements

TOLEDO CITY SCHOOL DISTRICT

***Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
June 30, 2019***

Total Governmental Fund Balances		\$ 110,924,608
<i>Amounts reported for governmental activities in the statement of net position are different because</i>		
Capital Assets used in governmental activities are not resources and therefore are not reported in the funds.		516,768,644
Other long-term assets are not available to pay for current-period expenditures and therefore are unavailable in the funds.		
Property Taxes	33,161,572	
Intergovernmental	<u>5,563,761</u>	38,725,333
The net pension/OPEB liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:		
Deferred Outflows - Pension	121,852,754	
Deferred Inflows - Pension	(22,215,665)	
Deferred Outflows - OPEB	10,679,970	
Deferred Inflows - OPEB	(35,325,875)	
Net Pension Liability	(372,367,245)	
Net OPEB Asset	20,339,022	
Net OPEB Liability	<u>(45,326,920)</u>	(322,363,959)
Accrued interest on outstanding debt is not due and payable in the current period and, therefore, is not reported in the funds: it is reported when due.		(414,318)
Internal service funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		25,895,384
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 Payable	(121,236,008)	
Deferred Loss on Debt Issuance	5,324,481	
Compensated Absences Payable	<u>(19,093,662)</u>	<u>(135,005,189)</u>
<i>Net Position of Governmental Activities</i>		<u><u>\$ 234,530,503</u></u>

See accompanying notes to the basic financial statements

TOLEDO CITY SCHOOL DISTRICT

**Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2019**

	General	Total Nonmajor Funds	Total Governmental Funds
Revenues:			
Local Sources:			
Taxes	\$ 99,520,383	\$ 13,970,252	\$ 113,490,635
Tuition	3,172,830	396,209	3,569,039
Transportation Fees	537,437	0	537,437
Food Services	0	477,024	477,024
Investment Earnings	4,029,292	533,191	4,562,483
Extracurricular Activities	277,065	406,650	683,715
Class Materials and Fees	26,110	1,725	27,835
Intergovernmental - State	281,414,723	8,085,468	289,500,191
Intergovernmental - Federal	3,942,033	52,796,015	56,738,048
All Other Revenue	3,108,574	2,635,376	5,743,950
Total Revenue	396,028,447	79,301,910	475,330,357
Expenditures:			
Current:			
Instruction	250,392,084	18,043,637	268,435,721
Supporting Services	128,625,710	19,206,740	147,832,450
Non-Instructional Services	408,874	25,776,433	26,185,307
Extracurricular Activities	3,258,935	582,271	3,841,206
Capital Outlay	1,341,574	2,729,947	4,071,521
Debt Service:			
Principal Retirement	0	12,890,000	12,890,000
Interest and Fiscal Charges	0	7,006,458	7,006,458
Total Expenditures	384,027,177	86,235,486	470,262,663
Excess (Deficiency) of Revenues Over Expenditures	12,001,270	(6,933,576)	5,067,694
Other Financing Sources (Uses):			
Transfers In	8,312	10,345,916	10,354,228
Transfers Out	(482,457)	(9,871,771)	(10,354,228)
Total Other Financing Sources (Uses)	(474,145)	474,145	0
Net Change in Fund Balance	11,527,125	(6,459,431)	5,067,694
Fund Balances at Beginning of Year	74,328,536	31,528,378	105,856,914
Fund Balances End of Year	\$ 85,855,661	\$ 25,068,947	\$ 110,924,608

See accompanying notes to the basic financial statements

TOLEDO CITY SCHOOL DISTRICT

***Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Fiscal Year Ended June 30, 2019***

Net Change in Fund Balances - Total Governmental Funds \$ 5,067,694

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

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

Capital Outlay	10,660,124	
Depreciation	<u>(16,728,007)</u>	(6,067,883)

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

Property Taxes	2,252,678	
Intergovernmental	<u>(12,173,618)</u>	(9,920,940)

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

28,836,494

Except for amounts reported as deferred inflows/outflows, changes in the net pension/OPEB liability are reported as pension expense in the statement of activities.

(10,814,748)

The issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net position. In addition, repayment of bond, note and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

G.O. Bond Principal Payment	12,890,000	
Amortization of Deferred Loss on G.O. Bonds	(799,677)	
Amortization of Premium on G.O. Bonds	<u>1,983,105</u>	14,073,428

(Continued)

TOLEDO CITY SCHOOL DISTRICT

Interest is reported as an expenditure when due in the governmental funds but is accrued on outstanding debt on the statement of net position. Premiums are reported as revenues when the debt is first issued; however, these amounts are deferred and amortized on the statement of net position.

Accrued Interest Payable 70,296

Some expenses reported on the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Increase in Compensated Absences Payable (1,899,953)

The internal service funds are used by management to charge the costs of services to individual funds and is not reported in the statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service funds are allocated among the governmental activities.

4,224,057

Change in Net Position of Governmental Activities

\$ 23,568,445

See accompanying notes to the basic financial statements

TOLEDO CITY SCHOOL DISTRICT

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Fiscal Year Ended June 30, 2019**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Revenue from Local Sources	\$ 100,600,400	\$101,820,900	\$108,939,559	\$ 7,118,659
Revenue from State Sources	281,152,000	281,152,000	281,414,723	262,723
Revenue from Federal Sources	5,501,000	5,501,000	3,942,033	(1,558,967)
Total Revenues	<u>387,253,400</u>	<u>388,473,900</u>	<u>394,296,315</u>	<u>5,822,415</u>
Expenditures:				
Current:				
Instructional Services:				
Regular	100,851,202	101,932,048	103,171,794	(1,239,746)
Special	49,463,623	49,546,935	50,824,804	(1,277,869)
Vocational Education	9,327,241	9,429,717	8,882,257	547,460
Other	93,953,179	86,192,828	89,340,802	(3,147,974)
Support Services:				
Pupils	21,762,729	21,833,553	21,564,233	269,320
Instructional Staff	11,379,095	14,215,441	13,912,743	302,698
Board of Education	69,205	166,654	149,197	17,457
Administration	23,650,229	24,090,436	23,935,877	154,559
Fiscal Services	7,672,109	10,015,679	8,692,711	1,322,968
Business	2,905,038	3,017,925	2,804,836	213,089
Operation and Maintenance of Plant	36,742,418	42,279,172	40,156,223	2,122,949
Pupil Transportation	17,357,523	17,485,527	17,025,934	459,593
Central	9,152,537	9,550,267	9,775,503	(225,236)
Other Services:				
Community Services	2,424,950	385,076	513,240	(128,164)
Shared Services	215,083	215,083	215,083	0
Other Operation of Non-Instructional Services	283,792	299,733	85,165	214,568
Academic and Subject Oriented Activities	169,551	170,251	156,135	14,116
Occupation Oriented Activities	104,292	107,690	78,339	29,351
Sport Oriented Activities	2,801,700	2,817,788	2,640,986	176,802
School and Public Service Co-Curricular. Activities	73,320	73,320	75,616	(2,296)
Site Improvement Services	290,000	4,403,741	4,526,388	(122,647)
Total Expenditures	<u>390,648,816</u>	<u>398,228,864</u>	<u>398,527,866</u>	<u>(299,002)</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(3,395,416)	(9,754,964)	(4,231,551)	5,523,413

(Continued)

TOLEDO CITY SCHOOL DISTRICT

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Other Financing Sources (Uses):				
Transfers Out	(150,210)	(330,549)	(515,364)	(184,815)
Advances In	805,000	805,000	0	(805,000)
Advances Out	(600,000)	(425,151)	0	425,151
Refund of Prior Year's Expenditures	30,000	32,511	3,906	(28,605)
Refund of Prior Year's Receipts	(20,000)	(5,000)	0	5,000
Total Other Financing Sources (Uses):	<u>64,790</u>	<u>76,811</u>	<u>(511,458)</u>	<u>(588,269)</u>
Net Change in Fund Balance	(3,330,626)	(9,678,153)	(4,743,009)	4,935,144
Fund Balance at Beginning of Year	82,737,945	82,737,945	82,737,945	0
Prior Year Encumbrances	<u>17,642,711</u>	<u>17,642,711</u>	<u>17,642,711</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 97,050,030</u>	<u>\$ 90,702,503</u>	<u>\$ 95,637,647</u>	<u>\$ 4,935,144</u>

See accompanying notes to the basic financial statements

TOLEDO CITY SCHOOL DISTRICT

***Statement of Net Position
Proprietary Funds
June 30, 2019***

	Governmental Activities - Internal Service Funds
Assets:	
<i>Current Assets:</i>	
Cash and Cash Equivalents	\$ 33,778,813
Receivables:	
Accounts	211,360
Intergovernmental	16,233
Interest	504,002
Total Assets	<u>34,510,408</u>
Liabilities:	
<i>Current Liabilities:</i>	
Accounts Payable	2,287,602
Accrued Wages and Benefits	6,184,600
Intergovernmental Payable	114,679
Interfund Loans Payable	28,143
Total Liabilities	<u>8,615,024</u>
Net Position:	
Unrestricted	<u>25,895,384</u>
Total Net Position	<u>\$ 25,895,384</u>

See accompanying notes to the basic financial statements

TOLEDO CITY SCHOOL DISTRICT

***Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2019***

	Governmental Activities - Internal Service Funds
Operating Revenues:	
Interfund Charges	\$ 58,537,379
Total Operating Revenues	<u>58,537,379</u>
Operating Expenses:	
Personal Services	2,495,336
Purchased Services	52,731,509
Total Operating Expenses	<u>55,226,845</u>
Operating Income	3,310,534
Nonoperating Revenue (Expenses):	
Investment Earnings	913,523
Total Nonoperating Revenues (Expenses)	<u>913,523</u>
Change in Net Position	4,224,057
Net Position Beginning of Year	21,671,327
Net Position End of Year	<u>\$ 25,895,384</u>

See accompanying notes to the basic financial statements

TOLEDO CITY SCHOOL DISTRICT

**Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2019**

	Governmental Activities - Internal Service Funds
<u>Cash Flows from Operating Activities:</u>	
Cash Received from Interfund Charges	\$58,487,853
Cash Payments to Employees for Services and Benefits	(56,871,365)
Net Cash Provided by Operating Activities	<u>1,616,488</u>
<u>Cash Flows from Investing Activities:</u>	
Receipts of Interest	719,593
Net Cash Provided by Investing Activities	<u>719,593</u>
Net Increase in Cash and Cash Equivalents	2,336,081
Cash and Cash Equivalents at Beginning of Year	31,442,732
Cash and Cash Equivalents at End of Year	<u><u>\$33,778,813</u></u>
<u>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</u>	
Operating Income	\$3,310,534
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Changes in Assets and Liabilities:	
Increase in Accounts Receivable	(46,039)
Increase in Intergovernmental Receivables	(3,577)
Decrease in Accounts Payable	(1,579,560)
Decrease in Accrued Wages and Benefits	(125,600)
Increase in Intergovernmental Payables	60,730
Total Adjustments	<u>(1,694,046)</u>
Net Cash Provided by Operating Activities	<u><u>\$1,616,488</u></u>

During 2019 the fair value of investments increased by \$89,375, \$26,765 and \$71,930 in the Health Insurance, Workers' Compensation and Severance Liabilities Funds, respectively.

See accompanying notes to the basic financial statements.

TOLEDO CITY SCHOOL DISTRICT

**Statement of Net Position
Fiduciary Funds
June 30, 2019**

	Private Purpose Trust	
	Special Trust Fund	Agency
Assets:		
Cash and Cash Equivalents	\$ 2,432,927	\$ 191,649
Receivables:		
Interest	19,711	4,665
Total Assets	<u>2,452,638</u>	<u>196,314</u>
Liabilities:		
Accounts Payable	1,077	1,311
Intergovernmental Payable	0	270
Due to Students	0	194,733
Total Liabilities	<u>1,077</u>	<u>196,314</u>
Net Position:		
Unrestricted	<u>2,451,561</u>	<u>0</u>
Total Net Position	<u>\$ 2,451,561</u>	<u>\$ 0</u>

See accompanying notes to the basic financial statements

TOLEDO CITY SCHOOL DISTRICT

***Statement of Changes in Net Position
Fiduciary Fund
For the Fiscal Year Ended June 30, 2019***

	Private Purpose Trust Special Trust Fund
Additions:	
Contributions:	
Sales	\$ 31,033
Private Donations	499,613
Total Contributions	<u>530,646</u>
Investment Earnings:	
Interest	25,134
Total Investment Earnings	<u>25,134</u>
Total Additions	<u>555,780</u>
Deductions:	
Administrative Expenses	<u>2,126,597</u>
Total Deductions	<u>2,126,597</u>
Change in Net Position	(1,570,817)
Net Position at Beginning of Year	<u>4,022,378</u>
Net Position End of Year	<u><u>\$ 2,451,561</u></u>

See accompanying notes to the basic financial statements

TOLEDO CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

The District is governed by a locally elected five member Board of Education (the Board) which provides educational services. The Board controls the School District's instructional support facilities staffed by approximately 1,509 noncertified and approximately 2,164 certified teaching personnel and administrative employees providing education to 23,162 students.

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, *"The Financial Reporting Entity,"* as amended by GASB Statement No. 39 *"Determining Whether Certain Organizations Are Component Units"*, in that the financial statements include all organizations, activities, functions and component units for which the District (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing board and either the District's ability to impose its will over the organization or the possibility that the organization will provide a financial benefit to, or impose a financial burden on the District. There were no potential component units that met the criteria imposed by GASB Statement No. 14 to be included in the District's reporting entity. Based on the application of the above criteria for a component unit, and the criteria for defining joint ventures set forth under section J50.102 of the 2004 Codification there are no component units or "Joint Ventures." Based on the foregoing, the reporting entity of the District includes the following services: instructional (regular, special education, vocational), student guidance, extracurricular activities, food service, pupil transportation and care and upkeep of grounds and buildings. The District is the sponsor of the Polly Fox and the Phoenix Academies, both charter schools established under Chapter 3314 of the Ohio Revised Code. These community schools are not considered part of the District.

The accounting policies and financial reporting practices of the District conform to Generally Accepted Accounting Principles as applicable to governmental units. The following is a summary of its significant accounting policies.

B. Basis of Presentation - Fund Accounting

The accounting system is organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues and expenditures (expenses). The various funds are grouped into the categories governmental, proprietary and fiduciary.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Governmental Funds - These are funds through which most governmental functions typically are financed. The acquisition, use and balances of the District's expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of "financial flow" (sources, uses and balances of financial resources). The following are the District's major governmental funds:

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

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

Proprietary Funds - The proprietary funds are accounted for on an "economic resources" measurement focus. This measurement focus provides that all assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the balance sheet. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Internal Service Funds - The internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the District or to other governments on a cost-reimbursement basis. The District uses internal service funds to account for employee health insurance, severance pay, workers' compensation, operations of the computer network of the Department of Education and operations that provide goods and services to other departments within the District.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Fiduciary Funds – Fiduciary fund reporting focuses on Net Position and changes in Net Position. The fiduciary 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 therefore not available to support the District’s own programs. The District’s trust fund is a private purpose trust that accounts for scholarship programs for students and unclaimed monies. The agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operation. These funds operate on an accrual basis of accounting. The District has two agency funds. One fund is used to account for federal grant monies used for tuition in Toledo Public Schools’ Adult Education programs and the other to account for student activity programs.

C. Basis of Presentation – Financial Statements

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. Internal service fund activity is eliminated to avoid “doubling up” revenues and expenses; however, the interfund services provided and used are not eliminated in the process of consolidation. The statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The School District has no activities considered business-type activities.

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

The government-wide statement of activities presents direct expenses and program revenues for each function or program of the District’s governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues of the School District, with certain limited exceptions. Interfund services provided and used are not eliminated in the process of consolidation. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation – Financial Statements (Continued)

Fund Financial Statements – Fund financial statements report detailed information about the School 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. Nonmajor funds are aggregated and presented in a single column. Internal service funds are combined and the totals are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds are reported using the economic resources measurement focus. The agency funds are custodial in nature (assets equal liabilities) and do not have a measurement focus.

D. Basis of Accounting

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses reported in the financial statements. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

Government-wide, proprietary and fiduciary fund financial statements measure and report all assets, liabilities, revenues, expenses, gains and losses using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Agency funds use no measurement focus.

TOLEDO CITY SCHOOL DISTRICT

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the District is considered to be 60 days after fiscal year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

Under the modified accrual basis, the following revenue sources are considered susceptible to accrual at year end: property taxes, tuition, grants and entitlements, student fees, and interest on investments.

Current property taxes measurable at June 30, 2019, and which are not intended to finance fiscal year 2019 operations, have been recorded as deferred inflows of resources. Delinquent property taxes measurable and available (received within 60 days) and amounts available as an advance on future tax settlements are recognized as revenue at year end.

The accrual basis of accounting is utilized for reporting purposes by the government-wide financial statements, proprietary funds and the fiduciary funds. Revenues are recognized when they are earned and expenses are recognized when incurred.

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.

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

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process

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 Appropriation Resolution are subject to amendment throughout the year.

All funds other than agency funds are legally required to be budgeted and appropriated; however, only the general fund and major special revenue funds are required to be reported. The primary level of budgetary control is at the fund level.

Supplemental budgetary modifications may only be made by resolution of the Board of Education.

1. Estimated Resources

Prior to April 1, the Board accepts by formal resolution, the tax rates as determined by the County Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about July 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final Amended Official Certificate of Estimated Resources issued during fiscal year 2019.

This space intentionally left blank.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

2. Appropriations

A Temporary Appropriation Measure to control expenditures may be passed on or about July 1 of each year for the period July 1 through September 30. An Annual Appropriation Resolution must be passed by October 1 of each year for the period July 1 through June 30. The Appropriation Resolution establishes spending controls at the fund level. The appropriation resolution may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified. During the year, several supplemental appropriations were necessary to budget the use of contingency funds. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual" are provided on the budgetary basis to provide a comparison of actual results to the final budget, including all amendments and modifications. Pursuant to the provisions of Section 323.17, Ohio Revised Code, an exception to the October 1 filing deadline is permitted when the delivery of a tax duplicate, from the County Auditor, is delayed. For fiscal year 2019 the Board of Education passed the annual certification on June 23, 2018.

3. Lapsing of Appropriations

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the subsequent fiscal year and need not be reappropriated.

4. Budgetary Basis of Accounting

The District's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting. Encumbrances are recorded as the equivalent of expenditures (budgetary basis).

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

4. Budgetary Basis of Accounting (Continued)

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

	<u>Net Change in Fund Balance</u>
	<u>General Fund</u>
GAAP Basis (as reported)	\$11,527,125
Increase (Decrease):	
Accrued Revenues at June 30, 2019, received during FY 2020	(10,051,768)
Accrued Revenues at June 30, 2018, received during FY 2019	9,922,761
Accrued Expenditures at June 30, 2019, paid during FY 2020	32,057,578
Accrued Expenditures at June 30, 2018, paid during FY 2019	(37,054,460)
Perspective Difference:	
2018 Advance to Fiduciary Fund	58,000
2019 Advance to Fiduciary Fund	(56,000)
Activity of Funds Reclassified For GAAP Reporting Purposes	23,437
2018 Adjustment to Fair Value	(78,094)
2019 Adjustment to Fair Value	(910,000)
Encumbrances Outstanding	<u>(10,181,588)</u>
Budget Basis	<u><u>(\$4,743,009)</u></u>

F. Cash and Investments

Cash received by the District is deposited in one of three (3) banks with individual fund balance integrity maintained throughout. Monies for all funds are maintained in these accounts or temporarily used to purchase short-term cash equivalent investments, which are stated at cost. In accordance with 2450.106 of the 2004 GASB Codification on reporting cash flows of Proprietary Funds, cash equivalents are defined as investments of the cash management pool and short-term, highly liquid investments that are readily convertible to cash and so near maturity that they present insignificant risk of changes in value because of changes in interest rates. Investments with original maturities of less than three months are considered to meet his definition; otherwise they are shown as "investments" for these funds. At June 30, 2019, there were no investment balances as defined under section 2450.106 of the 2004 GASB Codification.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Cash and Investments (Continued)

During fiscal year 2019, investment purchases were exclusively limited to Star Ohio, Commercial Paper, Banker's Acceptance, U.S. Treasury Obligations, U.S. Agency Issues, Interest Bearing Savings Accounts, Sweep Accounts, Negotiable Orders of Withdrawals and Money Market Mutual Funds. Except for participating interest earning investments and money market investments that had a remaining maturity of one year or less at the time of purchase and nonparticipating interest earning investments, investments are reported at fair value. All remaining investments are reported at cost. Under existing Ohio Statutes, all investment earnings accrue to the General Fund except those specifically related to certain funds and in accordance with Board Policy, Board Resolution and the Administrative Policy for Investment and Cash Management Activity. The District's investments are affected by fair value change; therefore, they are participating. Interest revenue credited to the General Fund during fiscal year 2019 amounted to \$4,029,292, which includes \$1,446,300 assigned from other funds.

The District has invested funds in the STAR Ohio during 2019. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940 and is rated AAAM by Standard and Poor's Rating Agency. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 2019.

The District invests inactive funds for the School Building Support, Vocational Rotary, and Administratively Managed Student Activity Funds and distributes interest earned on these funds to the individual cost centers. The District also invests inactive funds in the Auxiliary Services Program Fund, the School Facilities Maintenance Fund, the Locally Funded Initiatives Fund, the Classroom Facilities Project Fund, the Permanent Improvement Fund, the Employee Benefit Insurance Fund, the Worker's Compensation Fund, and the Severance Fund and distributes interest earned directly to the funds. See Note 5, "Cash, Cash Equivalents and Investments."

From June 30, 2018 to June 30, 2019, the investment portfolio exhibited a decrease in fair value of approximately \$30,928,825 from \$151,683,544 to \$120,754,719, while the average maturity as measured by remaining life increased by 89 days from 169 days to 258 days; and the average yield decreased by 7 basis points from 1.783% to 1.708%. The decrease in fair value was directly attributable to the closeout of the Ohio School Facilities Program (Fund 010) and the return of \$18,500,000 to the State of Ohio.

From June 30, 2018 to June 30, 2019, interest earnings receipted on a cash basis for all funds increased from \$1,976,446 to \$3,269,336. As of June 30, 2019, there were additional interest earnings of \$3,200,152 to be receipted in future months. Interest earnings on a cash basis increased approximately 65% as interest rates continued to rise and available fund balances to invest increased.

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Inventory

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

On fund financial statements, inventories of governmental funds are stated at cost, whereas inventories held for resale are reported at lower of cost or market. Cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as an expenditure in the governmental funds when purchased.

H. Capital Assets and Depreciation

1. Property, Plant and Equipment - Governmental Activities

Capital assets generally are acquired or constructed for governmental activities and are recorded as expenditures in the governmental funds and are capitalized at cost (or estimated historical cost for assets not purchased in recent years). These assets are reported in the Government-wide Statement of Net Position, but they are not reported in the Fund Financial Statements. The District follows the policy of not capitalizing assets with a cost of less than \$5,000.

Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value. The District does not possess any infrastructure. Estimated historical costs of capital assets were derived, when information supporting historical costs was not obtainable, by adjusting current replacement cost back to the estimated year of acquisition.

2. Depreciation

All capital assets, except for land, are depreciated. Depreciation has been provided using the straight-line method over the following estimated useful lives:

Description	Estimated Lives (in years)
Land Improvements	20
Buildings	45-100
Furniture, Fixtures and Equipment	5 - 20
Vehicles	5 - 10
Portable Trailers	10 - 20

I. Long-Term Obligations

Long-term liabilities are being repaid from the following funds:

Obligation	Fund
General Obligation Bonds	Debt Service Fund
Compensated Absences	General Fund
Net Pension/OPEB Liability	General Fund Special Revenue Funds

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Compensated Absences and Salary Related Payments

The District has implemented the provisions of Section C60 of the 2004 GASB Codification. Vacation benefits are accrued as a liability as the benefits are earned if the employee's rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate its employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive severance benefits and those the District has identified as probable of receiving payment in the future and other salary related payments. The amount is based on accumulated sick leave and employee's wage rates at year-end, taking into consideration any limits specified in the Districts severance policy. For governmental funds, that portion of unpaid compensated absences that has matured and is expected to be paid using expendable, available resources is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." In the government wide statement of Net Position, the current portion of "Compensated Absences Payable" is recorded within the "Due within one year" account and the long-term portion of the liability is recorded within the "Due in more than one year" account. Compensated absences are being paid out of the general fund.

K. Net Position

Net position represents the difference between assets plus deferred outflows and liabilities plus deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their 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 when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

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

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Fund Balance (Continued)

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

Committed - The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by a formal action (resolution) of the District Board of Education. 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 or committed. Assigned amounts represent intended uses established by policies of the School District Board of Education. Through the District's purchasing policy the Board of Education has given the Treasurer the authority to constrain monies for intended purposes, which are also reported as assigned fund balance.

Unassigned - Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned. The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted (committed, assigned and unassigned) resources as they are needed.

The District currently has no policy for minimum fund balance.

M. Pensions/Other Postemployment Benefits (OPEB)

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

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Intergovernmental Revenues

Reimbursement type grants are recorded as receivables and revenues when the related expenditures are incurred with the exception of those grants where the grant period extends past June 30. For these grants, prepayment amounts that exceed related expenditures are reported as unearned revenue.

O. Interfund Activity

Exchange transactions between governmental funds are eliminated on the government-wide statements.

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

P. Estimates

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

Q. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are interfund charges for the internal service funds. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

R. 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 type of transaction occurred during fiscal year 2019.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019***

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

S. Bond Premiums, Bond Discounts, Gains on Refunding and Issuance Costs

In the government-wide financial statements, bond premiums and discounts are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium and discount. Bond issuance costs are expensed. Bond premiums are deferred and accreted over the term of the bonds. Any gain or loss on refunding is allocated over the life of the old debt or the new debt whichever is shorter.

On the governmental fund financial statements, governmental fund types recognize issuance costs, bond premiums, and bond discounts in the current period. The face amount of the debt issue is reported as other financing sources. Premiums and discounts received on debt issuances are reported as other financing sources and uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

T. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. For the District, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding, for pension and for OPEB. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 11 and 12, respectively.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources until that time. For the District, deferred inflows of resources include property taxes, pension, OPEB and unavailable revenue. On the government-wide statement of net position and governmental funds balance sheet, property taxes that are intended to finance future fiscal periods are reported as deferred inflows. In addition, the governmental funds balance sheet reports deferred inflows which arise only under a modified accrual basis of accounting. Accordingly, the item, unavailable amounts, is reported only in the governmental funds balance sheet. The governmental funds report unavailable amounts for property taxes, investment earnings, grants, and state levied shared taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position explained in Notes 11 and 12, respectively.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019***

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLES

For fiscal year 2019, the District implemented GASB Statement No. 83, “*Certain Asset Retirement Obligations*” and GASB Statement No. 88, “*Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*”.

Statement No. 83 addresses accounting and financial reporting for certain asset retirement obligations (AROs). This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs.

The primary objective of Statement No. 88 is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt.

The implementation of these GASB Statements had no impact on beginning of year fund balance/net position.

This space intentionally left blank.

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019**

NOTE 3 – FUND BALANCES

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

<u>Fund Balances</u>	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Nonspendable:			
Inventory Held for Resale	\$90,539	\$0	\$90,539
Corpus	0	605,184	605,184
Total Nonspendable	<u>90,539</u>	<u>605,184</u>	<u>695,723</u>
Restricted:			
Endowments	0	205,836	205,836
Food Services	0	1,808,604	1,808,604
Adult Education	0	426,084	426,084
School Facilities Maintenance	0	10,047,744	10,047,744
Auxiliary Services	0	14,743	14,743
Extracurricular Activities	0	335,311	335,311
Technology Improvements	0	53,115	53,115
Targeted Academic Assistance	0	1,428,432	1,428,432
Debt Service Payments	0	6,499,331	6,499,331
Capital Acquisition and Improvement	0	3,827,603	3,827,603
Total Restricted	<u>0</u>	<u>24,646,803</u>	<u>24,646,803</u>
Committed:			
Budget Stabilization	6,621,906	0	6,621,906
Assigned:			
Encumbrances for Purchase Orders for Supplies and Services	6,647,621	0	6,647,621
Uniform School Supplies	412,788	0	412,788
Rotary Special Services	52,238	0	52,238
Public School Support	597,066	0	597,066
Total Assigned	<u>7,709,713</u>	<u>0</u>	<u>7,709,713</u>
Unassigned (Deficits):	<u>71,433,503</u>	<u>(183,040)</u>	<u>71,250,463</u>
Total Fund Balances	<u><u>\$85,855,661</u></u>	<u><u>\$25,068,947</u></u>	<u><u>\$110,924,608</u></u>

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019**

NOTE 3 – FUND BALANCES (Continued)

Stabilization Agreement - In 2016, the District established, by ordinance, a revenue stabilization reserve in the General Fund and first set aside fund balance in the fund in 2016. Additional funds may be added to the revenue stabilization balance without the consent of the School Board. Amounts in the revenue stabilization reserve are “to provide a contingency available to address unexpected (and thus un-budgeted expenditures; to provide for the interruption or delay in the receipt of revenue; to provide for situations in which revenues are less than those that had been forecast; and to provide for extraordinary conditions beyond the control of the district” and must have the consent of the School Board through an ordinance in order to be used for this purpose. The balance of the revenue stabilization reserve at June 30, 2019 is \$6,621,906

NOTE 4 - COMPLIANCE AND ACCOUNTABILITY

A. Fund Deficits

The fund deficits at June 30, 2019 of \$28,143 in the Payroll Liabilities Fund (Internal Service Fund), \$23,819 in the Miscellaneous State Grants Fund, \$520 in the Race to the Top Fund, \$2,859 in the Preschool Grants for the Handicapped Fund and \$155,842 in the Miscellaneous Federal Grants Fund (special revenue funds) arise from the recognition of expenditures on the modified accrual basis which are greater than expenditures recognized on the budgetary basis. The deficits do not exist under the budgetary/cash basis of accounting. The General Fund provides transfers when cash is required, not when accruals occur.

B. Expenditures Exceeding Appropriations

Section 5704.41 (B), Ohio Revised Code, states no entity shall make any expenditures of money unless it has been appropriated. Section 5704.41 (D), Ohio Revised Code, states in part that encumbrances should be charged against proper appropriations and actual disbursements plus outstanding encumbrances should not be greater than the total appropriations. The following funds had expenditures in excess of appropriations:

<u>Fund</u>	<u>Final Appropriations</u>	<u>Expenditures</u>	<u>Variance</u>
General Fund	\$398,989,564	\$399,043,230	(\$53,666)
Auxiliary Services Fund	3,551,965	3,569,011	(17,046)

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019***

NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS

Deposits with Financial Institutions

At June 30, 2019, the carrying value of all District deposits was \$47,486,410, including cash with fiscal agent. Based on the criteria described in GASB Statement No. 40, Deposits and Investment Risk Disclosures, at June 30, 2019 cash concentration accounts, savings accounts, mutual funds and certificates of deposit totaled \$48,651,726. Of this amount, \$47,901,726 was exposed to custodial risk as discussed below, while \$750,000 was covered by Federal Deposit Insurance Corporation.

Custodial risk is the risk that, in the event of a bank failure, the District's deposits may not be returned. Consistent with the requirements of state law, it is the policy of the District to require full collateralization of all District investments and funds on deposit with any depository. All deposits are collateralized in accordance with Ohio Revised Code 135 and the State of Ohio Pooled Collateral Program. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at the 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.

Any District holdings in sweep accounts, savings accounts or certificates of deposit are collateralized with pooled securities. Any repurchase agreement with a maturity greater than 30 days requires physical delivery of specific securities to a third party custodian. Repurchase agreement activity maturing 30 days and less is collateralized by pooled securities. At June 30, 2019, there were no Repurchase Agreements with a maturity of greater than 30 days.

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019**

NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Investments

As of June 30, 2019, the District had the following investments and maturities.

Investment Type	June 30, 2019	June 30, 2019	Fair Value Hierarchy	Investment Maturities (in Years)		
	Adjusted Cost	Fair Value		less than 1	1-2	2-5
Star Ohio	\$8,187,630	\$8,187,630	N/A	\$8,187,630	\$0	\$0
Commercial Paper	1,735,887	1,739,862	Level 2	1,739,862	0	0
US Treasury Securities	52,294,367	53,247,722	Level 1	17,560,021	11,641,161	24,046,540
Non-Callable US Agency Securities	57,341,982	57,579,505	Level 2	57,579,505	0	0
Total Investments	<u>\$119,559,866</u>	<u>\$120,754,719</u>		<u>\$85,067,018</u>	<u>\$11,641,161</u>	<u>\$24,046,540</u>
				<u>70.45%</u>	<u>9.64%</u>	<u>19.91%</u>

Note: The maturity analysis above assumes that callable securities will not be called.
All Investment securities are assumed to mature on their final stated maturity date.

The Weighted Average Maturity (in Days) of the Entire Investment Portfolio from Purchase Date to Maturity Date is:	453
The Remaining Life (in Days) of the Entire Investment Portfolio From Year End to Maturity Date is:	258
The Average Duration of the Entire Investment Portfolio is:	0.69
The Weighted Average Coupon of the Entire Portfolio is:	0.751%
The Weighted Average Yield of the Entire Portfolio is:	1.708%

A security with less than one (1) year to maturity (based on Remaining Life), is reported at cost, plus or minus, accretion or amortization adjustment. A security with a maturity of more than one (1) year (based on Remaining Life), is reported at adjusted cost, plus or minus, market value adjustment. Star Ohio, Bank Certificates of Deposit and Repurchase Agreements are reported at adjusted cost.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

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 and less. As of June 30, 2019, 70.45% of the investment portfolio matures within one year.

TOLEDO CITY SCHOOL DISTRICT

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2019

NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

Investment Policy

The District's investment policy is more restrictive in nature than the requirements of the Ohio Revised Code; providing for safety of principal, liquidity, diversity of portfolio assets while minimizing associated investment risks. The policy is intended to compliment the law and provide guidance to District personnel while administering the daily cash management and investment practices of the District. The policy is reviewed at least annually to incorporate any changes in the Ohio Revised Code; consider recommendations made by the Auditor of State's Office and the Ohio Compliance Supplement; monitor changes in "best practices" published by the Government Finance Officers Association; and reflect any legislative changes on behalf of the Toledo Board of Education. The policy has been reviewed and has received a national certification from the Association of Public Treasurer's Investment Policy Certification Committee.

Credit Risk

The District's investments, except for repurchase agreements, savings accounts, sweep accounts, commercial paper, and certificates of deposit, as discussed above were rated AAA and Aaa by Standard & Poor's and Moody's Investor Services respectively. The holdings in the State Treasury Asset Reserve Fund (STAR Ohio) have been assigned an AAAM money market rating by Standard & Poor's. As required by District policy all commercial paper holdings at the time of purchase are rated in the highest class by at least two of the nationally recognized rating services (Standard & Poor's, Moody's Investor Service, or Fitch Rating Services). Combined holdings of Commercial Paper and Banker Acceptances are limited to 30% of total investment portfolio holdings. The mutual fund used to transact third party safekeeping of U.S. Treasury, U.S. Agency, Commercial Paper, Banker's Acceptance securities and select Repurchase Agreement Collateral, has been assigned an AAA rating based on the securities held in the fund. All District holdings in U.S. Agency securities carry the explicit guarantee of the United States government and are rated Aaa by Moody's and AAA by Standard & Poor's rating agencies.

Concentration of Credit Risk

In order to avoid an undue concentration of credit risk, the District's investment policy places limits on the amount that may be invested in any one issuer at any one time. The limits are as follows:

- (a) No more than ten percent (10%) of average portfolio outstanding will be invested in Certificates of Deposit of any one Depository at any one time. District Funds invested in Certificates of Deposit of any one Depository may not exceed thirty percent (30%) of the Depository's assets. Only collateralized, non-negotiable Certificates of Deposit, from Depository's approved to hold interim funds, will be considered for purchase. All Certificates of Deposit shall be collateralized as provided in Section 135.18 or 135.181 of the Ohio Revised Code.
- (b) No more than ten percent (10%) of average portfolio outstanding will be invested in Term Repurchase Agreements of any one issuer at any one time. Deliverable collateral consisting of U.S. Government Securities with a fair value equal to at least 102% of principal plus interest of the transaction and with a maturity of five years or less is required for all Term Repurchase Agreement transactions.

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019**

NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

- (c) Pooled collateral is acceptable on all district demand deposits. Delivery of collateral is **not** required on demand repurchase agreement activities (i.e. overnight cash management accounts with depositories). Surety bond collateral is acceptable for Certificate of Deposit investments if the insurer is rated in the highest class by a national recognized rating agency.
- (d) No more than five percent (5%) of average portfolio outstanding will be invested in Commercial Paper in any one issuer at any one time.
- (e) No more than five percent (5%) of average portfolio outstanding will be invested in Banker's Acceptances in any one issuer at any one time.

The following table includes the percentage of total of each investment type held by the District at June 30, 2019:

Concentration of Credit Risk by Investment Type

<u>Investment Type</u>	<u>Fair Value</u>	<u>Percent to Total</u>
STAR Ohio	\$8,187,630	6.78%
Commercial Paper	1,739,862	1.44%
US Treasury Securities	53,247,722	44.10%
Non-Callable US Agency Securities	57,579,505	47.68%
Total Investments	<u>\$120,754,719</u>	<u>100.00%</u>

The following table includes the percentage of total of each issuer of investments held by the District at June 30, 2019:

<u>Issuer</u>	<u>Fair Value</u>	<u>Percent to Total</u>
STAR Ohio	\$8,187,630	6.78%
Bayersische LandsBK GIRO	1,739,862	1.44%
United States Treasury Securities	53,247,722	44.10%
Federal Home Loan Bank System	57,579,505	47.68%
Total Investments	<u>\$120,754,719</u>	<u>100.00%</u>

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019**

NOTE 6 - PROPERTY TAXES

A. Property Tax

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

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the District. Real property taxes (other than public utility) collected during 2019 were levied after April 1, 2018 on assessed values as of January 1, 2018, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be reappraised every six years and equalization adjustments made the third year following reappraisal. The last equalization adjustment was completed in 2015. Real property taxes are payable annually or semi-annually. The first payment is due December 31, with the remainder payable by June 20.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at varying ratios of its true value. Public utility property taxes are payable on the same dates as real property described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including Toledo City School District. The County Auditor periodically remits to the District its portion of the taxes collected. The assessed values for collection in 2019, upon which the 2018 levies were based, were as follows:

	2018 Second Half Collections	2019 First Half Collections
Real Estate	\$2,088,345,590	\$2,172,993,570
Tangible Personal and Public Utility Property	183,120,890	190,981,510
Total Assessed Value	<u>\$2,271,466,480</u>	<u>\$2,363,975,080</u>
Tax rate per \$1,000 of assessed valuation	\$73.10	\$72.85

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019***

NOTE 6 - PROPERTY TAXES (Continued)

B. Tax Abatements

Real Estate Tax Abatements

As of June 30, 2019, the City of Toledo and Lucas County provide tax incentives under three programs: Tax Increment Financing (TIF), Enterprise Zones, and Community Reinvestment Areas (CRA).

Pursuant to Ohio Revised Code Chapter 5709, the City of Toledo and Lucas County established Community Reinvestment Areas and Enterprise Zones. The City and County authorize incentives through passage of public ordinances, based upon each businesses investment criteria and through a contractual application process with each business. The abatement equals an agreed upon percentage of the additional property tax resulting from the increase in assessed value as a result of the improvements. The amount of the abatement is deducted from the recipient's property tax bill. The establishment of the Community Reinvestment Areas gave the City and County the ability to maintain and expand business located within the City and County and created new jobs by abating or reducing assessed valuation of properties, resulting in abated taxes, from new or improved business real estate and includes major housing improvements in specified areas. The City of Toledo and Lucas County also enter into various contracts with the benefitting business and the Toledo City School District for payments in lieu of taxes when required by Section 5709.82 of the Ohio Revised Code.

The City and County have offered the tax abatements to encourage economic stability, maintain property values, and generate new employment opportunities and population growth.

The City of Toledo had 26 individual agreements under these programs. These abatements reduced the District's property tax revenues by \$3,153,821 in fiscal year 2019.

Lucas County had 4 individual agreements under these programs. These abatements reduced the District's property tax revenues by \$161,754 in in fiscal year 2019.

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019**

NOTE 7 - RECEIVABLES

Receivables at June 30, 2019 consisted of taxes receivable, interest receivable, accounts receivable, interfund loans receivable and intergovernmental receivables.

NOTE 8 - INTERFUND RECEIVABLES/PAYABLES

Interfund loans receivable/payable and advances to/from other funds – short-term loans at June 30, 2019 from one individual fund to another are as follows:

	Interfund Loan Receivable	Interfund Loan Payable
General Fund	\$1,960,157	\$0
Nonmajor Governmental Funds	0	1,932,014
Internal Service Funds	0	28,143
Totals	<u>\$1,960,157</u>	<u>\$1,960,157</u>

The interfund loans receivable/payable are amounts that have been advanced from one fund to another and will be repaid during the following reporting period.

NOTE 9 - TRANSFERS

Following is a summary of transfers in and out for all funds at June 30, 2019:

Transfers Out:	Transfers In:		
	General Fund	Nonmajor Governmental Funds	Total
General Fund	\$0	\$482,457	\$482,457
Nonmajor Governmental Funds	8,312	9,863,459	9,871,771
	<u>\$8,312</u>	<u>\$10,345,916</u>	<u>\$10,354,228</u>

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to (b) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

On May 8, 2019, the District defeased \$7,830,000 of outstanding bonds (the “Series 2012B Bonds”) with an interest rate of 5.00%, using the Districts’ own fund balance. The majority of the transfers between the nonmajor governmental funds are related to the transfer made from a capital projects fund to the District’s debt service fund for this purpose.

The transfers into the General Fund are transfers made to the School Buildings Support Fund, a General Fund equivalent, for student activities from various special revenue funds.

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019**

NOTE 10 - CAPITAL ASSETS

Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets at June 30, 2019:

Historical Cost:

Class	June 30, 2018	Additions	Deletions	June 30, 2019
<i>Capital assets not being depreciated:</i>				
Land	\$13,897,335	\$0	\$0	\$13,897,335
<i>Capital assets being depreciated:</i>				
Land Improvements	8,533,154	156,823	0	8,689,977
Buildings	622,818,518	1,508,537	0	624,327,055
Building Improvements	27,414,911	7,475,687	0	34,890,598
Machinery and Equipment	23,020,518	411,872	(50,085)	23,382,305
Vehicles	14,377,074	1,107,205	(194,631)	15,289,648
Total Cost	\$710,061,510	\$10,660,124	(\$244,716)	\$720,476,918

Accumulated Depreciation:

Class	June 30, 2018	Additions	Deletions	June 30, 2019
Land Improvements	(\$8,535,937)	(\$15,761)	\$0	(\$8,551,698)
Buildings	(130,832,937)	(12,666,583)	0	(143,499,520)
Building Improvements	(20,629,574)	(717,274)	0	(21,346,848)
Machinery and Equipment	(16,225,521)	(2,274,040)	50,085	(18,449,476)
Vehicles	(11,001,014)	(1,054,349)	194,631	(11,860,732)
Total Depreciation	(\$187,224,983)	(\$16,728,007) *	\$244,716	(\$203,708,274)
<i>Net Value:</i>	\$522,836,527			\$516,768,644

* Depreciation expenses were charged to governmental functions as follows:

Instruction	\$12,856,111
Support Services	3,596,704
Non-Instructional Services	265,156
Extracurricular Activities	10,036
Total Depreciation Expense	\$16,728,007

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019***

NOTE 11- DEFINED BENEFIT PENSION PLANS

All of the District's full-time employees participate in one of two separate retirement systems which are cost-sharing, multiple-employer defined benefit pension plans.

A. Net Pension Liability

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

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

Ohio Revised Code limits the 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 intergovernmental payable on both the accrual and modified accrual bases of accounting.

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019**

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

B. 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 under Employers/Audit Resources.

Age and service requirements for retirement are as follows:

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

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

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

Effective January 1, 2018, cost-of-living adjustment (COLA) changed from a fixed 3% annual increase to one based on the Consumer Price Index (CPI-W), with a cap of 2.5% and a floor of 0%. The Board has enacted a three-year COLA delay for future benefit recipients commencing benefits on or after April 1, 2018. HB 49 also provided the SERS Retirement Board with the authority to award or suspend the COLA, or to adjust the COLA above or below CPI-W; however, any adjustment above or below CPI-W could only be enacted if the system’s actuary determines it would not materially impair the fiscal integrity of the system, or is necessary to preserve the fiscal integrity of the system.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS’ Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System’s funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2019, the allocation to pension, death benefits, and Medicare B was 13.5 percent. The remaining 0.5% was allocated to the Health Care Fund.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019***

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

B. Plan Description (Continued)

The District's contractually required contribution to SERS was \$7,131,675 for fiscal year 2019. Of this amount \$1,486,745 is reported as an intergovernmental payable.

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.

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation will be 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. Effective July 1, 2017, cost-of-living adjustment (COLA) was reduced to 0%. Members are eligible to retire at age 60 with five year 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 year of service on August 1, 2026.

The DC Plan allows members to place all their member contributions and 9.53 percent of the 14 percent employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.47 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12 percent of the 14 percent member rate goes to the DC Plan and the remaining 2 percent is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity after termination of employment at age 50 or later.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019***

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

B. Plan Description (Continued)

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

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

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For the fiscal year ended June 30, 2019, the employer rate was 14% and the member rate was 14% of covered payroll. The fiscal year 2019 contribution rates were equal to the statutory maximum rates.

The District's contractually required contribution to STRS was \$20,876,604 for fiscal year 2019. Of this amount \$3,406,155 is reported as an intergovernmental payable.

C. 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, 2018, 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.

This space intentionally left blank.

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019**

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

C. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Following is information related to the proportionate share and pension expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$94,061,224	\$278,306,021	\$372,367,245
Proportion of the Net Pension Liability -2019	1.6423639%	1.2657319%	
Proportion of the Net Pension Liability -2018	<u>1.6147607%</u>	<u>1.2718808%</u>	
Percentage Change	<u>0.0276032%</u>	<u>(0.0061489%)</u>	
Pension Expense	\$13,504,777	\$37,432,663	\$50,937,440

At June 30, 2019, 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>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$5,158,666	\$6,424,153	\$11,582,819
Change of assumptions	2,124,107	49,321,076	51,445,183
District contributions subsequent to the measurement date	7,131,675	20,876,604	28,008,279
Changes in proportionate share	<u>8,563,702</u>	<u>22,252,771</u>	<u>30,816,473</u>
Total Deferred Outflows of Resources	<u>\$22,978,150</u>	<u>\$98,874,604</u>	<u>\$121,852,754</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$0	\$1,817,507	\$1,817,507
Net difference between projected and actual earnings on pension plan investments	2,606,148	16,876,173	19,482,321
Changes in proportionate share	<u>0</u>	<u>915,837</u>	<u>915,837</u>
Total Deferred Inflows of Resources	<u>\$2,606,148</u>	<u>\$19,609,517</u>	<u>\$22,215,665</u>

\$28,008,279 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, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2020	\$11,431,647	\$33,452,239	\$44,883,886
2021	6,869,192	22,837,613	29,706,805
2022	(4,261,234)	5,938,080	1,676,846
2023	<u>(799,278)</u>	<u>(3,839,449)</u>	<u>(4,638,727)</u>
Total	<u>\$13,240,327</u>	<u>\$58,388,483</u>	<u>\$71,628,810</u>

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019***

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

D. Actuarial Assumptions

School Employees Retirement System (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, 2018, are presented below:

Wage Inflation	3.00 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent
COLA or Ad Hoc COLA	2.5 percent
Investment Rate of Return	7.50 percent net of investment expense, including inflation
Actuarial Cost Method	Entry Age Normal

For 2018, the mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. Mortality among service retired members, and beneficiaries were based upon the RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120 percent of male rates, and 110 percent of female rates. Mortality among disable members were based upon the RP-2000 Disabled Mortality Table, 90 percent for male rates and 100 percent for female rates, set back five years is used for the period after disability retirement.

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

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019**

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

D. Actuarial Assumptions (Continued)

Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years. The target 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 Stocks	22.50	4.75
Non-US Stocks	22.50	7.00
Fixed Income	19.00	1.50
Private Equity	10.00	8.00
Real Assets	15.00	5.00
Multi-Asset Strategies	10.00	3.00
Total	<u>100.00 %</u>	

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

Sensitivity of the 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.

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019**

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

D. Actuarial Assumptions (Continued)

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
District's proportionate share of the net pension liability	\$132,492,324	\$94,061,224	\$61,839,315

State Teachers Retirement System (STRS)

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the July 1, 2018, actuarial valuation are presented below:

	July 1, 2018
Inflation	2.50 percent
Projected salary increases	12.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation
Discount Rate	7.45 percent
Payroll Increases	3 percent
Cost-of-Living Adjustments (COLA)	0.0 percent, effective July 1, 2017

For the July 1, 2017 and July 1, 2018, actuarial valuation, post-retirement mortality rates for healthy retirees are based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the July 1, 2017 and July 1, 2018, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

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:

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019**

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

D. Actuarial Assumptions (Continued)

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

Discount Rate - The discount rate used to measure the total pension liability was 7.45 percent as of June 30, 2018. The discount rate used to measure the total pension liability was 7.45 percent as of June 30, 2017. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2018. Therefore, the long-term expected rate of return on pension plan investments of 7.45 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2018.

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 7.45 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 (6.45 percent) or one-percentage-point higher (8.45 percent) than the current rate:

	<u>1% Decrease (6.45%)</u>	<u>Current Discount Rate (7.45%)</u>	<u>1% Increase (8.45%)</u>
District's proportionate share of the net pension liability	\$406,429,307	\$278,306,021	\$169,867,042

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019***

NOTE 12 - DEFINED BENEFIT OPEB PLANS

A. Net OPEB Liability (Asset)

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

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

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

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

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

B. Plan Description

School Employees Retirement System (SERS)

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 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS’ Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS’ health care coverage.

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019***

NOTE 12 - DEFINED BENEFIT OPEB PLANS (Continued)

B. Plan Description (Continued)

In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. The financial report of the Plan is included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2019, 0.5 percent of covered payroll was contributed to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2019, this amount was \$21,600. 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 2019, the District's surcharge obligation was \$564,079.

The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The District's contractually required contribution to SERS was \$828,215 for fiscal year 2019. Of this amount, \$564,079 is reported as an intergovernmental payable.

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019**

NOTE 12 - DEFINED BENEFIT OPEB PLANS (Continued)

B. Plan Description (Continued)

State Teachers Retirement System (STRS)

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

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2019, STRS did not allocate any employer contributions to post-employment health care.

C. OPEB Liability (Asset), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability (asset) was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability (asset) was based on the District's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate Share of the Net OPEB Liability (Asset)	\$45,326,920	(\$20,339,022)	\$24,987,898
Proportion of the Net OPEB Liability (Asset) -2019	1.6338322%	1.2657319%	
Proportion of the Net OPEB Liability -2018	<u>1.6246029%</u>	<u>1.2718808%</u>	
Percentage Change	<u>0.0092293%</u>	<u>(0.0061489%)</u>	
OPEB Expense	\$3,695,199	(\$43,562,250)	(\$39,867,051)

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019**

NOTE 12 - DEFINED BENEFIT OPEB PLANS (Continued)

C. OPEB Liability (Asset), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$739,895	\$2,375,634	\$3,115,529
Changes in proportionate share	3,790,724	2,945,502	6,736,226
District contributions subsequent to the measurement date	828,215	0	828,215
Total Deferred Outflows of Resources	<u>\$5,358,834</u>	<u>\$5,321,136</u>	<u>\$10,679,970</u>
Deferred Inflows of Resources			
Differences between expected and actual experience	\$0	\$1,185,018	\$1,185,018
Changes of assumptions	4,072,282	27,713,531	31,785,813
Net difference between projected and actual earnings on OPEB plan investments	68,005	2,287,039	2,355,044
Total Deferred Inflows of Resources	<u>\$4,140,287</u>	<u>\$31,185,588</u>	<u>\$35,325,875</u>

\$828,215 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30:	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
2020	\$408,532	(\$4,575,513)	(\$4,166,981)
2021	770,351	(4,575,513)	(3,805,162)
2022	(592,974)	(4,575,512)	(5,168,486)
2023	(78,398)	(4,047,813)	(4,126,211)
2024	(83,106)	(3,862,704)	(3,945,810)
Thereafter	(34,073)	(4,227,397)	(4,261,470)
Total	<u>\$390,332</u>	<u>(\$25,864,452)</u>	<u>(\$25,474,120)</u>

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019**

NOTE 12 - DEFINED BENEFIT OPEB PLANS (Continued)

D. Actuarial Assumptions

School Employees Retirement System (SERS)

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

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

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

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2018 are presented below:

Wage Inflation	3.00 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent
Investment Rate of Return	7.50 percent net of investments expense, including inflation
Municipal Bond Index Rate:	
Measurement Date	3.62 percent
Prior Measurement Date	3.56 percent
Single Equivalent Interest Rate, net of plan investment expense, including price inflation	
Measurement Date	3.70 percent
Prior Measurement Date	3.63 percent
Medical Trend Assumption	
Medicare - Measurement Date	5.375 to 4.75 percent
Pre-Medicare - Measurement Date	7.25 to 4.75 percent
Medicare - Prior Measurement Date	5.50 to 5.00 percent
Pre-Medicare - Prior Measurement Date	7.50 to 5.00 percent

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019**

NOTE 12 - DEFINED BENEFIT OPEB PLANS (Continued)

D. Actuarial Assumptions (Continued)

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

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

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

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

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

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019**

NOTE 12 - DEFINED BENEFIT OPEB PLANS (Continued)

D. Actuarial Assumptions (Continued)

Discount Rate - The discount rate used to measure the total OPEB liability at June 30, 2018 was 3.70%. The discount rate used to measure the total OPEB liability at June 30, 2017 was 3.63%. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the state statute contribution rate of 2.00% of projected covered employee payroll each year, which includes a 1.50% payroll surcharge and 0.50% of contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2026. Therefore, the long-term expected rate of return on OPEB plan assets was used to present value the projected benefit payments through the fiscal year ending June 30, 2025 and the Fidelity General Obligation 20-year Municipal Bond Index rate of 3.62%, as of June 30, 2018 (i.e. municipal bond rate), was used to present value the projected benefit payments for the remaining years in the projection. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The projection of future benefit payments for all current plan members was until the benefit payments ran out.

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount and Health Care Cost Trend Rates – The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.70%) and higher (4.70%) than the current discount rate (3.70%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.25% decreasing to 3.75%) and higher (8.25% decreasing to 5.75%) than the current rate.

	1% Decrease (2.70%)	Current Discount Rate (3.70%)	1% Increase (4.70%)
School District's proportionate share of the net OPEB liability	\$55,000,652	\$45,326,920	\$37,667,134

	1% Decrease (6.25% Decreasing to 3.75%)	Current Trend Rate (7.25% Decreasing to 4.75%)	1% Increase (8.25% Decreasing to 5.75%)
School District's proportionate share of the net OPEB liability	\$36,570,508	\$45,326,920	\$56,921,977

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019**

NOTE 12 - DEFINED BENEFIT OPEB PLANS (Continued)

D. Actuarial Assumptions (Continued)

State Teachers Retirement System (STRS)

The total OPEB liability in the June 30, 2018 and 2017 actuarial valuations was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	June 30, 2018	June 30, 2017
Inflation	2.50%	2.50%
Projected salary increases	12.50% at age 20 to 2.50% at age 65	12.50% at age 20 to 2.50% at age 65
Investment Rate of Return	7.45%, net of investment expenses, including inflation	7.45%, net of investment expenses, including inflation
Payroll Increases	3.00%	3.00%
Cost-of-Living Adjustments (COLA)	0.0%, effective July 1, 2017	0.0%, effective July 1, 2017
Blended Discount Rate of Return	7.45%	4.13%
Health Care Cost Trends	(5.23)% to 8% initial, 4.0% ultimate	6% to 11% initial, 4.5% ultimate

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

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

Actuarial assumptions used in the June 30, 2018 valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

Since the prior measurement date, the discount rate was increased from 4.13 percent to 7.45 percent based on the methodology defined under GASB *Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB)*. Valuation year per capita health care costs were updated.

Also since the prior measurement date, the subsidy multiplier for non-Medicare benefit recipients was increased from 1.9 percent to 1.944 percent per year of service effective January 1, 2019. Non-Medicare frozen subsidy base premium was increased effective January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued January 1, 2020

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019**

NOTE 12 - DEFINED BENEFIT OPEB PLANS (Continued)

D. Actuarial Assumptions (Continued)

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

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

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

Discount Rate - The discount rate used to measure the total OPEB liability was 7.45 percent as of June 30, 2018. The projection of cash flows used to determine the discount rate assumes STRS Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan assets of 7.45% was used to measure the total OPEB liability as of June 30, 2018.

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019**

NOTE 12 - DEFINED BENEFIT OPEB PLANS (Continued)

D. Actuarial Assumptions (Continued)

Sensitivity of the District's Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount and Health Care Cost Trend Rates – The net OPEB liability (asset) is sensitive to changes in the discount and health care cost trend rates. To illustrate the potential impact the following table presents the net OPEB liability (asset) calculated using the discount rate of 7.45 percent, as well as what the net OPEB liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.45 percent), or one percentage point higher (8.45 percent) than the current rate. Also shown is the net OPEB liability (asset) calculated using a health care cost trend rate this is one percentage point lower and one percentage point higher.

	1% Decrease (6.45%)	Current Discount Rate (7.45%)	1% Increase (8.45%)
School District's proportionate share of the net OPEB liability (asset)	(\$17,432,444)	(\$20,339,022)	(\$22,781,857)

	1% Decrease in Trend Rate	Current Trend Rate	1% Increase in Trend Rate
School District's proportionate share of the net OPEB liability (asset)	(\$22,643,956)	(\$20,339,022)	(\$17,998,176)

This space intentionally left blank.

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019**

NOTE 13 - LONG-TERM DEBT

Long-term debt of the District at June 30, 2019 was as follows:

Description	Balance June 30, 2018	Issued	(Retired)	Balance June 30, 2019	Amount Due Within One Year
Governmental Activities:					
<u>General Obligation Bond:</u>					
School Facility Improvement 2012					
G.O. Bond (2.00% - 5.375%)	\$38,655,000	\$0	(\$4,985,000)	\$33,670,000	\$5,235,000
Premium General Obligation Bond	3,754,214	0	(536,317)	3,217,897	0
School Facility Improvement 2012B					
G.O. Bond (2.00% - 5.375%)	31,730,000	0	(7,880,000)	23,850,000	50,000
Premium General Obligation Bond	3,567,770	0	(1,070,332)	2,497,438	0
School Facility Improvement 2014					
G.O. Bond (2.00% - 5.00%)	30,775,000	0	(25,000)	30,750,000	25,000
Premium General Obligation Bond	3,232,242	0	(230,875)	3,001,367	0
School Facility Improvement 2016					
G.O. Bond (2.00% - 5.00%)	21,920,000	0	0	21,920,000	920,000
Premium General Obligation Bond	2,474,887	0	(145,581)	2,329,306	0
Total General Obligation Bond	<u>136,109,113</u>	<u>0</u>	<u>(14,873,105)</u>	<u>121,236,008</u>	<u>6,230,000</u>
<u>Other Obligations:</u>					
Compensated Absences	<u>17,193,709</u>	<u>4,284,143</u>	<u>(2,384,190)</u>	<u>19,093,662</u>	<u>883,749</u>
Long-Term Debt and Other Long-Term Obligations	<u>\$153,302,822</u>	<u>\$4,284,143</u>	<u>(17,257,295)</u>	<u>\$140,329,670</u>	<u>\$7,113,749</u>

During fiscal years 2012, 2014 and 2016 the District issued General Obligation Bonds in the amounts of \$52,555,000, \$32,335,000 and \$21,920,000 respectively to finance School Facility Improvement building projects.

Defeasance of General Obligation Debt

On May 8, 2019, the District defeased \$7,830,000 of outstanding bonds (the “Series 2012B Bonds”) with an interest rate of 5.00%. The principal amount outstanding on the defeased bonds at June 30, 2019 was \$7,830,000. The District transferred \$8,723,396 from its debt service fund to an irrevocable trust. The trustee was directed to use the \$8,723,396 to purchase Government Obligations (T-Notes). The anticipated earnings from the Government Obligations were determined to be sufficient to pay, when due, the remaining debt service payments. As a result, the old bonds are considered to be defeased and the liability for those bonds has been removed from the statement of net position. This transaction resulted in a net present value savings to the District of \$1,609,484.

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019**

NOTE 13 - LONG-TERM DEBT (Continued)

Principal and Interest Requirements

A summary of the District's future long-term debt funding requirements for the general obligation bonds payable, including principal and interest payments as of June 30, 2019, follows:

General Obligation Bonds Payable			
Years	Principal	Interest	Total
2020	6,230,000	4,860,863	11,090,863
2021	6,460,000	4,603,513	11,063,513
2022	6,760,000	4,303,588	11,063,588
2023	7,075,000	3,988,900	11,063,900
2024	7,410,000	3,680,688	11,090,688
2025-2029	40,545,000	13,142,369	53,687,369
2030-2034	33,845,000	3,839,682	37,684,682
2035	1,865,000	31,472	1,896,472
Totals	<u>\$110,190,000</u>	<u>\$38,451,075</u>	<u>\$148,641,075</u>

The issuance and payment of the District's General Obligation bonds participate in the State of Ohio, Department of Education's (Department) Credit Enhancement Program (Program) pursuant to Section 3317.18 of the Revised Code. At no additional cost to the District, the Program allows the District to decrease its borrowing cost by utilizing the State of Ohio's higher credit rating when issuing debt.

If the District is unable to make its debt charges on the bonds issued, then the Program requires the District to certify to the Department and the Bond Registrar at least 15 business days prior to each date on which debt charges are due on the Bonds the amount that the School District will **not** be able to pay. Otherwise, the School District shall cause same day funds to be on deposit with the Bond Registrar no later than the tenth business day prior to each payment date while the Bonds are outstanding in an amount sufficient and available to pay the debt charges.

If the Department confirms or determines that the District will be unable to make such payment, the Department shall deposit with the Bond Registrar immediately available funds, the lesser of (i) the amount of the Deficiency or (ii) the amount of state education aid, as defined for purposes of Ohio Administrative Code Section 3301-8-01(A), due the School District for the remainder of the State fiscal year. If this amount is insufficient to pay the total debt charges, the Department shall pay to the Bond Registrar each fiscal year thereafter, and until the full amount due the Bond Registrar for unpaid debt charges is paid in full, the lesser of the remaining amount due the Bond Registrar or the amount of state education aid due the District for the fiscal year.

The School District covenants and agrees that it will not pledge its state education aid as primary security for other obligations on a parity with the Bonds, unless the projected amount of state education aid to be distributed to the District in the then current fiscal year exceeds the aggregate maximum annual debt service due in that current or any future fiscal year on all outstanding and proposed obligations of the District to which state education aid is pledged as primary security by a ratio of at least 2.5 to 1; provided that this covenant shall not prevent the District from issuing obligations having a claim on state education aid subordinate to that of the Bonds.

TOLEDO CITY SCHOOL DISTRICT

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019***

NOTE 13 - LONG-TERM DEBT (Continued)

If a transfer of state education aid by the Department to the Bond Registrar is required under the terms of the Program, the School District, in conjunction with the Department, will evaluate the District's inability to pay the debt charges and will develop and implement corrective actions to ensure full and timely payment by the District of future debt charges. The District shall present to the Department a written copy of its plan of such corrective actions.

The District has participated in the State of Ohio Department of Education's Credit Enhancement Program in all of its debt issuances since 2003 and has never been unable to make its debt charges to the Bond Registrar within the required timelines.

NOTE 14 - ENDOWMENTS

The Toledo City School District has various endowments/trusts whereby the original endowment/trust agreement restricts the principal for specified purposes. Under the terms of the endowment/trust, and consistent with State statutes, the District is authorized to spend the net appreciation from the trust for any disbursements that are consistent with the original trust agreement. At June 30, 2019, accumulated available net appreciation of \$205,836 is reported in restricted Net Position.

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019**

NOTE 15 - RISK MANAGEMENT

The District is exposed to financial loss resulting from District-caused damage to property or bodily injuries or illness of employees, unemployment compensation benefits to previous employees, and employee health care, prescription drug, dental and life insurance benefits. The Health Insurance Fund, an internal service fund, is used to account for, and finance self-insurance activities. This fund includes prescription drug, dental and health insurance benefits. The District also maintains an Administrative Services - Workers Compensation Fund, which was established under the State of Ohio's retrospective rating plan provisions. These costs are also accounted for in an Internal Service fund.

In accordance with section C50.141 of the 2004 GASB Codification, estimated liabilities are accrued in all Self-Insurance funds for the value of current outstanding claims and claims incurred but not reported (IBNR). Annual actuarial studies are performed for the Health Insurance and Workers Compensation Funds to determine the recommended funding levels for related risk areas. The claims liability of \$6,184,600 (Accrued Wages and Benefits) reported in the Health Insurance Fund and \$114,679 (Intergovernmental Payable) in the Workers Compensation Self-Insurance Fund is based on the requirements of Government Accounting Standards Board Statement 10 as amended by Government Accounting Standards Board Statement 30. This statement requires that a liability for claims be reported if information indicates, prior to the issuance of the financial statements, that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The liabilities are considered current and due within one year.

Changes in the fund's claims liability amount in 2018 and 2019 were:

<u>Fiscal Year</u>	<u>Unpaid Claims Beginning of Fiscal Year</u>	<u>Incurred Claims</u>	<u>Claim Payments</u>	<u>Unpaid Claims Ending of Fiscal Year</u>
2018	\$5,898,456	55,222,017	(54,756,324)	\$6,364,149
2019	6,364,149	52,529,994	(52,594,864)	6,299,279

District property, employee life, and all other insurance coverage's are provided by commercial insurance policies. Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no significant reduction in insurance coverage from the prior year.

TOLEDO CITY SCHOOL DISTRICT

**Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019**

NOTE 16 – STATUTORY RESERVES

The District is required by state law to set aside certain general fund revenue amounts, as defined, into various reserves. During the fiscal year ended June 30, 2019, the reserve activity (cash-basis) was as follows:

	<u>Capital Maintenance</u>
Set-aside Balance as of June 30, 2019	\$0
Current Year Set-Aside Requirement	3,911,940
Current Year Offset Credits	(6,021,250)
Qualifying Disbursements	<u>(16,729,415)</u>
Total	<u>(\$18,838,725)</u>
Set-aside Balance Carried Forward to FY 2020	<u><u>\$0</u></u>

Although the District had offsets and qualifying disbursements during the year that reduced the Capital Maintenance set-aside amount below zero, the extra amount may not be used to reduce the Capital Maintenance set-aside requirements of future years. Negative amounts are therefore not presented as being carried forward to the next fiscal year for Capital Maintenance.

NOTE 17 – SIGNIFICANT COMMITMENTS

At June 30, 2019 the District had encumbrance commitments in the Governmental Funds as follows:

<u>Fund</u>	<u>Encumbrances</u>
General Fund	\$10,181,588
School Facilities Maintenance Fund	1,304,364
Head Start Fund	977,924
Permanent Improvement Fund	<u>3,721,811</u>
Total Governmental Funds	<u><u>\$16,185,687</u></u>

***Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2019***

NOTE 18 - CONTINGENCIES

A. Grants

The District receives financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2019.

B. Litigation

The District is a party to several legal proceedings which seek damages or injunctive relief generally incidental to its operations and pending projects as of June 30, 2019. The District's management is of the opinion that ultimate disposition of these claims will not have a material effect on the financial condition of the District.

REQUIRED SUPPLEMENTARY INFORMATION

TOLEDO CITY SCHOOL DISTRICT

***Schedule of District's Proportionate Share of the Net Pension Liability
Last Five Fiscal Years***

State Teachers Retirement System

Fiscal Year	2015	2016	2017
District's proportion of the net pension liability (asset)	1.0940502%	1.1429090%	1.1947738%
District's proportionate share of the net pension liability (asset)	\$266,110,874	\$315,866,629	\$399,926,804
District's covered payroll	\$115,286,315	\$114,103,786	\$123,521,243
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	230.83%	276.82%	323.77%
Plan fiduciary net position as a percentage of the total pension liability	74.70%	72.10%	66.80%

Source: District Treasurer's Office and State Teachers Retirement System

School Employees Retirement System

Fiscal Year	2015	2016	2017
District's proportion of the net pension liability (asset)	1.2916890%	1.4207686%	1.3145201%
District's proportionate share of the net pension liability (asset)	\$65,371,646	\$81,070,432	\$96,210,741
District's covered payroll	\$37,746,919	\$33,411,912	\$39,854,686
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	173.18%	242.64%	241.40%
Plan fiduciary net position as a percentage of the total pension liability	71.70%	69.16%	62.98%

Source: District Treasurer's Office and School Employees Retirement System

Notes: The District implemented GASB Statement 68 in 2015.

The schedule is intended to show ten years of information. Additional years will be displayed as the information becomes available. Information prior to 2015 is not available.

TOLEDO CITY SCHOOL DISTRICT

<u>2018</u>	<u>2019</u>
1.2718808%	1.2657319%
\$302,138,013	\$278,306,021
\$137,344,686	\$155,696,757
219.99%	178.75%
75.30%	77.30%

<u>2018</u>	<u>2019</u>
1.6147607%	1.6423639%
\$96,478,386	\$94,061,224
\$40,989,557	\$57,497,859
235.37%	163.59%
69.50%	71.36%

TOLEDO CITY SCHOOL DISTRICT

***Schedule of District's Pension Contributions
Last Ten Fiscal Years***

State Teachers Retirement System

Fiscal Year	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Contractually required contribution	\$17,824,505	\$15,853,676	\$11,793,968	\$15,535,008
Contributions in relation to the contractually required contribution	<u>17,824,505</u>	<u>15,853,676</u>	<u>11,793,968</u>	<u>15,535,008</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
District's covered payroll	\$137,111,577	\$121,951,354	\$90,722,831	\$119,500,061
Contributions as a percentage of covered payroll	13.00%	13.00%	13.00%	13.00%

Source: District Treasurer's Office and State Teachers Retirement System

School Employees Retirement System

Fiscal Year	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Contractually required contribution	\$5,599,201	\$4,769,037	\$4,435,526	\$6,786,840
Contributions in relation to the contractually required contribution	<u>5,599,201</u>	<u>4,769,037</u>	<u>4,435,526</u>	<u>6,786,840</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
District's covered payroll	\$41,353,035	\$37,939,833	\$32,977,888	\$49,037,861
Contributions as a percentage of covered payroll	13.54%	12.57%	13.45%	13.84%

Source: District Treasurer's Office and School Employees Retirement System

Notes: The District implemented GASB Statement 68 in 2015.

TOLEDO CITY SCHOOL DISTRICT

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$14,987,221	\$15,974,530	\$17,292,974	\$19,228,256	\$21,797,546	\$20,876,604
<u>14,987,221</u>	<u>15,974,530</u>	<u>17,292,974</u>	<u>19,228,256</u>	<u>21,797,546</u>	<u>20,876,604</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$115,286,315	\$114,103,786	\$123,521,243	\$137,344,686	\$155,696,757	\$149,118,600
13.00%	14.00%	14.00%	14.00%	14.00%	14.00%

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$5,231,723	\$4,403,690	\$5,579,656	\$5,738,538	\$7,762,211	\$7,131,675
<u>5,231,723</u>	<u>4,403,690</u>	<u>5,579,656</u>	<u>5,738,538</u>	<u>7,762,211</u>	<u>7,131,675</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$37,746,919	\$33,411,912	\$39,854,686	\$40,989,557	\$57,497,859	\$52,827,222
13.86%	13.18%	14.00%	14.00%	13.50%	13.50%



TOLEDO CITY SCHOOL DISTRICT

***Schedule of the District's Proportionate Share of the Net Other Postemployment Benefits (OPEB) Liability
Last Three Fiscal Years***

State Teachers Retirement System

Fiscal Year	2017	2018	2019
District's proportion of the net OPEB liability (asset)	1.1947738%	1.2718808%	1.2657319%
District's proportionate share of the net OPEB liability (asset)	\$63,896,813	\$49,624,096	(\$20,339,022)
District's covered payroll	\$123,521,243	\$137,344,686	\$155,696,757
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	51.73%	36.13%	13.06%
Plan fiduciary net position as a percentage of the total OPEB liability	37.30%	47.10%	176.00%

Source: District Treasurer's Office and State Teachers Retirement System

School Employees Retirement System

Fiscal Year	2017	2018	2019
District's proportion of the net OPEB liability (asset)	1.3576831%	1.6246029%	1.6338322%
District's proportionate share of the net OPEB liability (asset)	\$38,698,991	\$43,600,073	\$45,326,920
District's covered payroll	\$39,854,686	\$40,989,557	\$57,497,859
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	97.10%	106.37%	78.83%
Plan fiduciary net position as a percentage of the total OPEB liability	N/A	12.46%	13.57%

Source: District Treasurer's Office and School Employees Retirement System

Notes: The District implemented GASB Statement 75 in 2018.

The schedule is intended to show ten years of information. Additional years will be displayed as they become available. Information prior to 2017 is not available.

The schedule is reported as of the measurement date of the Net OPEB Liability, which is the prior year end.

TOLEDO CITY SCHOOL DISTRICT

***Schedule of District's Other Postemployment Benefit (OPEB) Contributions
Last Five Fiscal Years***

State Teachers Retirement System

Fiscal Year	<u>2015</u>	<u>2016</u>	<u>2017</u>
Contractually required contribution	\$0	\$0	\$0
Contributions in relation to the contractually required contribution	<u>0</u>	<u>0</u>	<u>0</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
District's covered payroll	\$114,103,786	\$123,521,243	\$137,344,686
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%

Source: District Treasurer's Office and State Teachers Retirement System

School Employees Retirement System

Fiscal Year	<u>2015</u>	<u>2016</u>	<u>2017</u>
Contractually required contribution	\$734,430	\$796,662	\$594,639
Contributions in relation to the contractually required contribution	<u>734,430</u>	<u>796,662</u>	<u>594,639</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
District's covered payroll	\$33,411,912	\$39,854,686	\$40,989,557
Contributions as a percentage of covered payroll	2.20%	2.00%	1.45%

Source: District Treasurer's Office and School Employees Retirement System

Notes: The District implemented GASB Statement 75 in 2018.
Information prior to 2015 is not available.

TOLEDO CITY SCHOOL DISTRICT

<u>2018</u>	<u>2019</u>
\$0	\$0
<u>0</u>	<u>0</u>
<u>\$0</u>	<u>\$0</u>
\$155,696,757	\$149,118,600
0.00%	0.00%

<u>2018</u>	<u>2019</u>
\$1,026,501	\$828,215
<u>1,026,501</u>	<u>828,215</u>
<u>\$0</u>	<u>\$0</u>
\$57,497,859	\$52,827,222
1.79%	1.57%

TOLEDO CITY SCHOOL DISTRICT

***Notes to the Required Supplementary Information
for the Fiscal Year Ended June 30, 2019***

NET PENSION LIABILITY

SERS

Changes in benefit terms

For fiscal year 2019, the following were the most significant changes in benefit terms that affected the total pension liability since the prior measurement date:

- The Board has enacted a three-year COLA delay for future benefit recipients commencing benefits on or after April 1, 2018.

Changes in assumptions

There were no changes in assumptions since the prior measurement date.

STRS

Changes in benefit terms

There were no changes in benefit terms since the prior measurement date.

Changes in assumptions

There were no changes in assumptions since the prior measurement date.

TOLEDO CITY SCHOOL DISTRICT

***Notes to the Required Supplementary Information
for the Fiscal Year Ended June 30, 2019***

NET OPEB LIABILITY (ASSET)

SERS

Changes in benefit terms

There were no changes in benefit terms since the prior measurement date.

Changes in assumptions

There were no changes in assumptions since the prior measurement date.

STRS

Changes in benefit terms

For fiscal year 2019, STRS has the following changes in benefit terms since the previous measurement date:

- The discount rate was increased from the blended rate of 4.13% to the long-term expected rate of return of 7.45%.
- Valuation year per capita health care costs were updated.

Changes in assumptions

For fiscal year 2019, the following were the most significant changes of assumptions that affected the total OPEB liability since the prior measurement date:

- The subsidy multiplier for non-Medicare benefit recipients was increased from 1.9% to 1.944% per year of service effective January 1, 2019.
- The non-Medicare frozen subsidy base premium was increased effective January 1, 2019.



*C*OMBINING AND *I*NDIVIDUAL *F*UND
*S*TATEMENTS AND *S*CHEDULES

***T**HE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE
THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS, INTERNAL
SERVICE FUNDS AND FIDUCIARY FUNDS.*

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to major capital projects) that are legally restricted to expenditures for specified purposes.

Food Service Fund

A fund used to record financial transactions related to food service operations.

Uniform School Supplies Fund

A rotary fund provided to account for the purchase and sale of school supplies as adopted by the Board of Education for use in the schools of the District. Profit derived from such sales is to be used for school purposes or activities in connection with the school. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

Vocational Rotary Fund

A fund provided to account for revenue and expenses made in connection with goods and services provided by a school district. Activities using this fund tend to be curricular in nature. As an example, this fund would be used to account for receipts and purchases made in connection with the sale of consumer services provided by vocational education classes such as cosmetology or auto mechanics. This fund is also used to account for "Life Enrichment Programs" offered by a school district. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

Adult Education Fund

A fund provided to account for transactions made in connection with adult education classes.

School Building Support Fund

A fund provided to account for specific local revenue sources, other than taxes that are restricted to expenditures for specific purposes approved by board resolution. Such expenditures may include curricular and extracurricular related purchases. (The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are not presented because this fund is reported as part of the General Fund on a GAAP basis.)

Other Grants Fund

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.

School Facilities Maintenance Fund

A fund provided to account for the proceeds of a levy for the maintenance of facilities.

(Continued)

Special Revenue Funds

Administratively Managed Student Activity Fund

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 corp., and other similar types of activities.

Auxiliary Services Program Fund

A fund used to account for monies that provide services and materials to pupils attending non-public schools within the school district.

Management Information System Fund

A fund for hardware and software development, or other costs associated with the requirements of the management information system.

Public School Preschool Fund

A fund to assist school districts in paying the cost of preschool programs for three and four year olds.

Data Communication Fund

A fund used to account for monies received for the maintenance of the Ohio Educational Computer Network connections.

Vocational Education Enhancement Fund

A fund used to account for Vocational Education Enhancement that: 1) expand number of students enrolled in tech prep programs, 2) enable students to develop career plans, 3) replace or update equipment essential for instruction of students in job skills.

Miscellaneous State Grants Fund

A fund used to account for money received from the state government which is not classified elsewhere.

Alternative Schools Fund

A fund used to account for alternative educational programs for existing and new at-risk and delinquent youth. Programs shall be focused on youth in one or more of the following categories: those who have been expelled or suspended, those who have dropped out of school or who are at the risk of dropping out of school, those who are habitually truant or disruptive, or those on probation or on parole from a Department of Youth Services facility. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

Race to the Top Fund

To account for monies received to provide either a new program or expansion of an existing program in specific educational areas.

(Continued)

Special Revenue Funds

Special Education Handicapped Fund

Provision of Grants to assist states in the identification of handicapped children, development of procedural safeguards, implementation of less restrictive alternative services patterns, and provision of full educational opportunities to handicapped children at the preschool, elementary, and secondary levels.

Vocational Education Fund

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. Includes sex equity grants.

Title VII Bilingual Education Program Fund

Provision of funds to develop and carry out elementary and secondary school programs, including activities at the pre-school level, to meet the educational need of children of limited English proficiency.

Title I Fund

To provide financial assistance to State and Local educational agencies to meet the special needs of educationally deprived children.

Preschool Grants for the Handicapped Fund

To provide financial assistance to address the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

Improving Teacher Quality Fund

A fund used to account for monies to hire additional classroom teachers in grades 1 through 3, to reduce the number of students per teacher.

Miscellaneous Federal Grants Fund

A fund used to account for various monies received through state agencies from the federal government or directly from the federal government which is not classified elsewhere.

Title I School Improvement Stimulus A Fund

To help schools improve the teaching and learning of children failing, or most at risk of failing to meet State academic achievement standards.

Title I School Improvement Stimulus G Fund

To support and restore State funding for elementary, secondary, post-secondary education and as applicable early childhood programs.

(Continued)

TOLEDO CITY SCHOOL DISTRICT

Special Revenue Funds

Head Start Fund

A fund used to account for various monies from the federal government to support low-income families in the comprehensive development of children from birth to age five.

Debt Service Fund

Debt Service Fund

This fund is used for the accumulation of resources for, and the payment of, long term debt principal and interest.

Capital Projects Fund

The Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary or trust funds.

Permanent Improvement Fund

A fund used to account for financial resources to be used for the acquisition, construction, or improvement of capital facilities.

Locally Funded Initiative Fund

This fund is used to account for receipts and expenditures related to special bond funds in the District. Expenditures recorded represent the costs of acquiring capital facilities including real property.

Classroom Facilities Fund

This fund accounts for monies received and expended in connection with contracts entered into by the District and the Ohio Department of Education for the building and equipping of classroom facilities.

Permanent Fund

The Permanent Fund is used to account for the financial resources that are legally restricted in that only the earnings, not the principal, may be used to support the District's programs.

Endowments Fund

A fund used to account for money, securities, or lands which have been set aside as an investment for public school purposes. The income from such a fund may be expended, but the principal must remain intact.

TOLEDO CITY SCHOOL DISTRICT

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2019**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets:					
Cash and Cash Equivalents	\$ 14,494,105	\$ 6,003,097	\$ 4,345,607	\$ 798,586	\$ 25,641,395
Cash with Fiscal Agent	0	0	295,031	0	295,031
Receivables:					
Taxes	1,277,005	12,241,092	4,078,143	0	17,596,240
Accounts	48,087	0	2,200	0	50,287
Intergovernmental	12,318,522	0	0	0	12,318,522
Interest	221,003	0	74,788	12,434	308,225
Inventory Held for Resale	209,183	0	0	0	209,183
Total Assets	\$ 28,567,905	\$ 18,244,189	\$ 8,795,769	\$ 811,020	\$ 56,418,883
Liabilities:					
Accounts Payable	\$ 1,967,267	\$ 0	\$ 762,919	\$ 0	\$ 2,730,186
Accrued Wages and Benefits	3,079,558	0	0	0	3,079,558
Intergovernmental Payable	867,692	0	0	0	867,692
Retainage Payable	0	0	295,031	0	295,031
Interfund Loans Payable	1,932,014	0	0	0	1,932,014
Total Liabilities	7,846,531	0	1,057,950	0	8,904,481
Deferred Inflows of Resources:					
Unavailable Amounts	5,873,003	3,051,500	927,886	0	9,852,389
Property Tax for Next Fiscal Year	917,378	8,693,358	2,982,330	0	12,593,066
Total Deferred Inflows of Resources	6,790,381	11,744,858	3,910,216	0	22,445,455
Fund Balances:					
Nonspendable	0	0	0	605,184	605,184
Restricted	14,114,033	6,499,331	3,827,603	205,836	24,646,803
Unassigned	(183,040)	0	0	0	(183,040)
Total Fund Balances	13,930,993	6,499,331	3,827,603	811,020	25,068,947
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 28,567,905	\$ 18,244,189	\$ 8,795,769	\$ 811,020	\$ 56,418,883

TOLEDO CITY SCHOOL DISTRICT

***Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2019***

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Revenues:					
Taxes	\$ 974,728	\$ 9,848,781	\$ 3,146,743	\$ 0	\$ 13,970,252
Tuition	396,209	0	0	0	396,209
Food Services	477,024	0	0	0	477,024
Investment Earnings	350,128	0	166,814	16,249	533,191
Extracurricular Activities	406,650	0	0	0	406,650
Class Materials and Fees	1,725	0	0	0	1,725
Intergovernmental - State	5,931,238	2,007,092	147,138	0	8,085,468
Intergovernmental - Federal	52,796,015	0	0	0	52,796,015
All Other Revenue	2,586,046	0	2,200	47,130	2,635,376
Total Revenue	63,919,763	11,855,873	3,462,895	63,379	79,301,910
Expenditures:					
Current:					
Instruction	18,016,969	0	26,668	0	18,043,637
Supporting Services	18,905,296	242,528	55,928	2,988	19,206,740
Operation of Non-Instructional Services	25,776,433	0	0	0	25,776,433
Extracurricular Activities	582,271	0	0	0	582,271
Capital Outlay	0	0	2,729,947	0	2,729,947
Principal Retirement	0	12,890,000	0	0	12,890,000
Interest and Fiscal Charges	0	7,006,458	0	0	7,006,458
Total Expenditures	63,280,969	20,138,986	2,812,543	2,988	86,235,486
Excess (Deficiency) of Revenues Over Expenditures	638,794	(8,283,113)	650,352	60,391	(6,933,576)
Other Financing Sources (Uses):					
Transfers In	476,714	8,927,070	942,132	0	10,345,916
Transfers Out	(2,570)	0	(9,869,201)	0	(9,871,771)
Total Other Financing Sources (Uses)	474,144	8,927,070	(8,927,069)	0	474,145
Net Change in Fund Balances	1,112,938	643,957	(8,276,717)	60,391	(6,459,431)
Fund Balances at Beginning of Year	12,818,055	5,855,374	12,104,320	750,629	31,528,378
Fund Balances End of Year	\$ 13,930,993	\$ 6,499,331	\$ 3,827,603	\$ 811,020	\$ 25,068,947

TOLEDO CITY SCHOOL DISTRICT**Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2019**

	Food Service	Adult Education	Other Grants	School Facilities Maintenance
Assets:				
Cash and Cash Equivalents	\$ 1,935,026	\$ 421,651	\$ 809,718	\$ 10,364,296
Receivables:				
Taxes	0	0	0	1,277,005
Accounts	4,857	27,457	3,679	0
Intergovernmental	0	45,953	0	0
Interest	15,617	0	0	184,505
Inventory Held for Resale	209,183	0	0	0
Total Assets	\$ 2,164,683	\$ 495,061	\$ 813,397	\$ 11,825,806
Liabilities:				
Accounts Payable	\$ 24,089	\$ 7,182	\$ 11,145	\$ 550,046
Accrued Wages and Benefits	182,701	38,032	2,608	0
Intergovernmental Payable	149,289	23,763	1,287	1,396
Interfund Loans Payable	0	0	0	0
Total Liabilities	356,079	68,977	15,040	551,442
Deferred Inflows of Resources:				
Unavailable Amounts	0	0	0	309,242
Property Tax for Next Fiscal Year	0	0	0	917,378
Total Deferred Inflows of Resources	0	0	0	1,226,620
Fund Balances:				
Restricted	1,808,604	426,084	798,357	10,047,744
Unassigned	0	0	0	0
Total Fund Balances (Deficit)	1,808,604	426,084	798,357	10,047,744
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,164,683	\$ 495,061	\$ 813,397	\$ 11,825,806

TOLEDO CITY SCHOOL DISTRICT

<u>Administratively Managed Student Activity</u>	<u>Auxiliary Services Program</u>	<u>Management Information System</u>	<u>Public School Preschool</u>	<u>Data Communication</u>	<u>Vocational Education Enhancement</u>
\$ 343,806	\$ 400,471	\$ 29,534	\$ 48,253	\$ 124,803	\$ 16,547
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	132,475	0	15,014
6,719	14,162	0	0	0	0
0	0	0	0	0	0
<u>\$ 350,525</u>	<u>\$ 414,633</u>	<u>\$ 29,534</u>	<u>\$ 180,728</u>	<u>\$ 124,803</u>	<u>\$ 31,561</u>
\$ 13,465	\$ 254,327	\$ 0	\$ 0	\$ 101,222	\$ 1,656
845	121,880	0	50,696	0	0
904	23,683	0	15,701	0	0
0	0	0	0	0	0
<u>15,214</u>	<u>399,890</u>	<u>0</u>	<u>66,397</u>	<u>101,222</u>	<u>1,656</u>
0	0	0	0	0	4,459
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,459</u>
335,311	14,743	29,534	114,331	23,581	25,446
0	0	0	0	0	0
<u>335,311</u>	<u>14,743</u>	<u>29,534</u>	<u>114,331</u>	<u>23,581</u>	<u>25,446</u>
<u>\$ 350,525</u>	<u>\$ 414,633</u>	<u>\$ 29,534</u>	<u>\$ 180,728</u>	<u>\$ 124,803</u>	<u>\$ 31,561</u>

(Continued)

TOLEDO CITY SCHOOL DISTRICT

**Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2019**

	Miscellaneous State Grants	Race to the Top	Special Education Handicapped	Vocational Education
Assets:				
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 0	\$ 0
Receivables:				
Taxes	0	0	0	0
Accounts	0	0	0	0
Intergovernmental	162,459	0	2,211,362	158,306
Interest	0	0	0	0
Inventory Held for Resale	0	0	0	0
Total Assets	\$ 162,459	\$ 0	\$ 2,211,362	\$ 158,306
Liabilities:				
Accounts Payable	\$ 62,067	\$ 0	\$ 31,789	\$ 0
Accrued Wages and Benefits	2,588	0	683,711	83,291
Intergovernmental Payable	4,194	0	125,395	25,286
Interfund Loans Payable	41,334	520	319,964	33,331
Total Liabilities	110,183	520	1,160,859	141,908
Deferred Inflows of Resources:				
Unavailable Amounts	76,095	0	1,025,511	56
Property Tax for Next Fiscal Year	0	0	0	0
Total Deferred Inflows of Resources	76,095	0	1,025,511	56
Fund Balances:				
Restricted	0	0	24,992	16,342
Unassigned	(23,819)	(520)	0	0
Total Fund Balances (Deficit)	(23,819)	(520)	24,992	16,342
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 162,459	\$ 0	\$ 2,211,362	\$ 158,306

TOLEDO CITY SCHOOL DISTRICT

Title VII Bilingual Education Program	Title I	Preschool Grants for the Handicapped	Improving Teacher Quality	Miscellaneous Federal Grants	Title I School Improvement Stimulus A
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
0	3,668	0	8,426	0	0
14,990	5,570,261	21,766	726,972	860,025	269,207
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$ 14,990</u>	<u>\$ 5,573,929</u>	<u>\$ 21,766</u>	<u>\$ 735,398</u>	<u>\$ 860,025</u>	<u>\$ 269,207</u>
\$ 0	\$ 168,894	\$ 0	\$ 18,029	\$ 44,733	\$ 5,748
1,420	1,254,378	11,965	50,140	41,048	82,262
925	258,634	2,926	10,136	42,630	15,551
2,108	799,213	3,348	19,963	129,490	69,436
<u>4,453</u>	<u>2,481,119</u>	<u>18,239</u>	<u>98,268</u>	<u>257,901</u>	<u>172,997</u>
5,080	3,031,235	6,386	628,229	757,966	12,799
0	0	0	0	0	0
<u>5,080</u>	<u>3,031,235</u>	<u>6,386</u>	<u>628,229</u>	<u>757,966</u>	<u>12,799</u>
5,457	61,575	0	8,901	0	83,411
0	0	(2,859)	0	(155,842)	0
<u>5,457</u>	<u>61,575</u>	<u>(2,859)</u>	<u>8,901</u>	<u>(155,842)</u>	<u>83,411</u>
<u>\$ 14,990</u>	<u>\$ 5,573,929</u>	<u>\$ 21,766</u>	<u>\$ 735,398</u>	<u>\$ 860,025</u>	<u>\$ 269,207</u>

(Continued)

TOLEDO CITY SCHOOL DISTRICT

**Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2019**

	Head Start	Total Nonmajor Special Revenue Funds
Assets:		
Cash and Cash Equivalents	\$ 0	\$ 14,494,105
Receivables:		
Taxes	0	1,277,005
Accounts	0	48,087
Intergovernmental	2,129,732	12,318,522
Interest	0	221,003
Inventory Held for Resale	0	209,183
Total Assets	\$ 2,129,732	\$ 28,567,905
Liabilities:		
Accounts Payable	\$ 672,875	\$ 1,967,267
Accrued Wages and Benefits	471,993	3,079,558
Intergovernmental Payable	165,992	867,692
Interfund Loans Payable	513,307	1,932,014
Total Liabilities	1,824,167	7,846,531
Deferred Inflows of Resources:		
Unavailable Amounts	15,945	5,873,003
Property Tax for Next Fiscal Year	0	917,378
Total Deferred Inflows of Resources	15,945	6,790,381
Fund Balances:		
Restricted	289,620	14,114,033
Unassigned	0	(183,040)
Total Fund Balances (Deficit)	289,620	13,930,993
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,129,732	\$ 28,567,905



TOLEDO CITY SCHOOL DISTRICT**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2019**

	Food Service	Adult Education	Other Grants
Revenues:			
Taxes	\$ 0	\$ 0	\$ 0
Tuition	0	348,024	0
Food Service	477,024	0	0
Investment Earnings	28,736	0	0
Extracurricular Activities	0	0	0
Classroom Materials and Fees	0	0	0
State Sources	221,542	205,975	0
Federal Sources	11,171,148	850,780	0
Miscellaneous Revenue	22,616	0	1,947,605
Total Revenue	11,921,066	1,404,779	1,947,605
Expenditures:			
Current:			
Instruction	0	1,371,090	43,363
Support Services	378,186	63,637	1,659,385
Non-Instructional Services	11,850,855	0	0
Extracurricular Activities	0	0	0
Total Expenditures	12,229,041	1,434,727	1,702,748
Excess (Deficiency) of Revenues Over Expenditures	(307,975)	(29,948)	244,857
Other Financing Sources (Uses):			
Transfers In	331,476	0	8,515
Transfers Out	0	0	(41)
Total Other Financing Sources (Uses)	331,476	0	8,474
Net Change in Fund Balances	23,501	(29,948)	253,331
Fund Balances (Deficits) at Beginning of Year	1,785,103	456,032	545,026
Fund Balances (Deficits) End of Year	\$ 1,808,604	\$ 426,084	\$ 798,357

TOLEDO CITY SCHOOL DISTRICT

School Facilities Maintenance	Administratively Managed Student Activity	Auxiliary Services Program	Management Information System	Public School Preschool	Data Communication	Vocational Education Enhancement
\$ 974,728	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	48,185	0	0
0	0	0	0	0	0	0
291,091	8,963	21,338	0	0	0	0
0	406,650	0	0	0	0	0
0	1,725	0	0	0	0	0
1,164,204	0	2,970,861	0	1,006,994	152,000	41,558
0	0	0	0	0	0	0
0	38,145	0	0	0	0	0
<u>2,430,023</u>	<u>455,483</u>	<u>2,992,199</u>	<u>0</u>	<u>1,055,179</u>	<u>152,000</u>	<u>41,558</u>
0	0	0	0	935,067	0	0
3,027,120	0	0	0	657	101,222	40,427
0	0	3,307,504	0	0	0	0
0	582,271	0	0	0	0	0
<u>3,027,120</u>	<u>582,271</u>	<u>3,307,504</u>	<u>0</u>	<u>935,724</u>	<u>101,222</u>	<u>40,427</u>
(597,097)	(126,788)	(315,305)	0	119,455	50,778	1,131
0	136,723	0	0	0	0	0
0	(2,529)	0	0	0	0	0
0	134,194	0	0	0	0	0
(597,097)	7,406	(315,305)	0	119,455	50,778	1,131
10,644,841	327,905	330,048	29,534	(5,124)	(27,197)	24,315
<u>\$ 10,047,744</u>	<u>\$ 335,311</u>	<u>\$ 14,743</u>	<u>\$ 29,534</u>	<u>\$ 114,331</u>	<u>\$ 23,581</u>	<u>\$ 25,446</u>

(Continued)

TOLEDO CITY SCHOOL DISTRICT

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2019**

	Alternative Schools	Miscellaneous State Grants	Race to the Top
Revenues:			
Taxes	\$ 0	\$ 0	\$ 0
Tuition	0	0	0
Food Service	0	0	0
Investment Earnings	0	0	0
Extracurricular Activities	0	0	0
Classroom Materials and Fees	0	0	0
State Sources	0	168,104	0
Federal Sources	0	0	0
Miscellaneous Revenue	141	70,000	0
Total Revenue	<u>141</u>	<u>238,104</u>	<u>0</u>
Expenditures:			
Current:			
Instruction	0	18,903	0
Support Services	0	227,253	0
Non-Instructional Services	0	0	0
Extracurricular Activities	0	0	0
Total Expenditures	<u>0</u>	<u>246,156</u>	<u>0</u>
Excess (Deficiency) of Revenues Over Expenditures	141	(8,052)	0
Other Financing Sources (Uses):			
Transfers In	0	0	0
Transfers Out	0	0	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balances	141	(8,052)	0
Fund Balances (Deficits) at Beginning of Year	<u>(141)</u>	<u>(15,767)</u>	<u>(520)</u>
Fund Balances (Deficits) End of Year	<u>\$ 0</u>	<u>\$ (23,819)</u>	<u>\$ (520)</u>

TOLEDO CITY SCHOOL DISTRICT

Special Education Handicapped	Vocational Education	Title VII Bilingual Education Program	Title I	Preschool Grants for the Handicapped	Improving Teacher Quality	Miscellaneous Federal Grants
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
7,678,789	1,149,906	93,707	18,320,155	110,737	1,243,925	1,294,062
0	0	0	0	0	0	507,379
7,678,789	1,149,906	93,707	18,320,155	110,737	1,243,925	1,801,441
5,190,013	766,088	20,686	9,260,045	11,044	1,183	266,707
1,930,559	298,361	66,037	7,510,798	97,619	1,122,175	1,577,505
109,817	0	0	150,572	0	75,998	78,088
0	0	0	0	0	0	0
7,230,389	1,064,449	86,723	16,921,415	108,663	1,199,356	1,922,300
448,400	85,457	6,984	1,398,740	2,074	44,569	(120,859)
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
448,400	85,457	6,984	1,398,740	2,074	44,569	(120,859)
(423,408)	(69,115)	(1,527)	(1,337,165)	(4,933)	(35,668)	(34,983)
\$ 24,992	\$ 16,342	\$ 5,457	\$ 61,575	\$ (2,859)	\$ 8,901	\$ (155,842)

(Continued)

TOLEDO CITY SCHOOL DISTRICT

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2019**

	Title I School Improvement Stimulus A	Title I School Improvement Stimulus G	Head Start	Total Nonmajor Special Revenue Funds
Revenues:				
Taxes	\$ 0	\$ 0	\$ 0	\$ 974,728
Tuition	0	0	0	396,209
Food Service	0	0	0	477,024
Investment Earnings	0	0	0	350,128
Extracurricular Activities	0	0	0	406,650
Classroom Materials and Fees	0	0	0	1,725
State Sources	0	0	0	5,931,238
Federal Sources	979,818	0	9,902,988	52,796,015
Miscellaneous Revenue	0	160	0	2,586,046
Total Revenue	<u>979,818</u>	<u>160</u>	<u>9,902,988</u>	<u>63,919,763</u>
Expenditures:				
Current:				
Instruction	132,780	0	0	18,016,969
Support Services	588,459	0	215,896	18,905,296
Non-Instructional Services	0	0	10,203,599	25,776,433
Extracurricular Activities	0	0	0	582,271
Total Expenditures	<u>721,239</u>	<u>0</u>	<u>10,419,495</u>	<u>63,280,969</u>
Excess (Deficiency) of Revenues Over Expenditures	258,579	160	(516,507)	638,794
Other Financing Sources (Uses):				
Transfers In	0	0	0	476,714
Transfers Out	0	0	0	(2,570)
Total Other Financing Sources (Uses)	<u>0</u>	<u>0</u>	<u>0</u>	<u>474,144</u>
Net Change in Fund Balances	258,579	160	(516,507)	1,112,938
Fund Balances (Deficits) at Beginning of Year	<u>(175,168)</u>	<u>(160)</u>	<u>806,127</u>	<u>12,818,055</u>
Fund Balances (Deficits) End of Year	<u>\$ 83,411</u>	<u>\$ 0</u>	<u>\$ 289,620</u>	<u>\$ 13,930,993</u>

TOLEDO CITY SCHOOL DISTRICT

**Combining Balance Sheet
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2019**

	Permanent Improvement	Locally Funded Initiative	Total Nonmajor Capital Projects Funds
Assets:			
Cash and Cash Equivalents	\$ 4,337,007	\$ 8,600	\$ 4,345,607
Cash with Fiscal Agent	295,031	0	295,031
Receivables:			
Taxes	4,078,143	0	4,078,143
Accounts	2,200	0	2,200
Interest	74,667	121	74,788
Total Assets	<u>\$ 8,787,048</u>	<u>\$ 8,721</u>	<u>\$ 8,795,769</u>
Liabilities:			
Accounts Payable	\$ 762,919	\$ 0	\$ 762,919
Retainage Payable	295,031	0	295,031
Total Liabilities	<u>1,057,950</u>	<u>0</u>	<u>1,057,950</u>
Deferred Inflows of Resources:			
Unavailable Amounts	927,886	0	927,886
Property Tax for Next Fiscal Year	2,982,330	0	2,982,330
Total Deferred Inflows of Resources	<u>3,910,216</u>	<u>0</u>	<u>3,910,216</u>
Fund Balances:			
Restricted	3,818,882	8,721	3,827,603
Total Fund Balances	<u>3,818,882</u>	<u>8,721</u>	<u>3,827,603</u>
Total Liabilities and Fund Balances	<u>\$ 8,787,048</u>	<u>\$ 8,721</u>	<u>\$ 8,795,769</u>

TOLEDO CITY SCHOOL DISTRICT

***Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2019***

	Permanent Improvement	Locally Funded Initiative	Classroom Facilities	Total Nonmajor Capital Projects Funds
Revenues:				
Taxes	\$ 3,146,743	\$ 0	\$ 0	\$ 3,146,743
Investment Earnings	161,806	193	4,815	166,814
State Sources	147,138	0	0	147,138
Miscellaneous Revenue	2,200	0	0	2,200
Total Revenue	3,457,887	193	4,815	3,462,895
Expenditures:				
Current:				
Instruction	26,668	0	0	26,668
Supporting Services	55,928	0	0	55,928
Capital Outlay	2,131,078	0	598,869	2,729,947
Total Expenditures	2,213,674	0	598,869	2,812,543
Excess (Deficiency) of Revenues Over Expenditures	1,244,213	193	(594,054)	650,352
Other Financing Sources (Uses):				
Transfers In	942,132	0	0	942,132
Transfers Out	0	0	(9,869,201)	(9,869,201)
Total Other Financing Sources (Uses)	942,132	0	(9,869,201)	(8,927,069)
Net Change in Fund Balance	2,186,345	193	(10,463,255)	(8,276,717)
Fund Balances at Beginning of Year	1,632,537	8,528	10,463,255	12,104,320
Fund Balances End of Year	\$ 3,818,882	\$ 8,721	\$ 0	\$ 3,827,603

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Fiscal Year Ended June 30, 2019***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 388,088,400</u>	<u>\$389,311,411</u>	<u>\$394,300,221</u>	<u>\$ 4,988,810</u>
Total Expenditures and Other Financing Uses	<u>391,419,026</u>	<u>398,989,564</u>	<u>399,043,230</u>	<u>(53,666)</u>
Net Change in Fund Balance	(3,330,626)	(9,678,153)	(4,743,009)	4,935,144
Fund Balance at Beginning of Year	82,737,945	82,737,945	82,737,945	0
Prior Year Encumbrances	<u>17,642,711</u>	<u>17,642,711</u>	<u>17,642,711</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 97,050,030</u>	<u>\$ 90,702,503</u>	<u>\$ 95,637,647</u>	<u>\$ 4,935,144</u>

TOLEDO CITY SCHOOL DISTRICT

***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, 2019***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 12,343,010</u>	<u>\$ 12,103,424</u>	<u>\$ (239,586)</u>
Total Expenditures and Other Financing Uses	<u>12,667,018</u>	<u>12,262,543</u>	<u>404,475</u>
Net Change in Fund Balance	(324,008)	(159,119)	164,889
Fund Balance at Beginning of Year	1,485,825	1,485,825	0
Prior Year Encumbrances	<u>351,704</u>	<u>351,704</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 1,513,521</u>	<u>\$ 1,678,410</u>	<u>\$ 164,889</u>

TOLEDO CITY SCHOOL DISTRICT

***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, 2019***

UNIFORM SCHOOL SUPPLIES FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 48,169</u>	<u>\$ 41,359</u>	<u>\$ (6,810)</u>
Total Expenditures and Other Financing Uses	<u>493,921</u>	<u>113,261</u>	<u>380,660</u>
Net Change in Fund Balance	(445,752)	(71,902)	373,850
Fund Balance at Beginning of Year	463,342	463,342	0
Prior Year Encumbrances	<u>11,568</u>	<u>11,568</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 29,158</u>	<u>\$ 403,008</u>	<u>\$ 373,850</u>

TOLEDO CITY SCHOOL DISTRICT

***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, 2019***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 46,608</u>	<u>\$ 15,205</u>	<u>\$ (31,403)</u>
Total Expenditures and Other Financing Uses	<u>87,597</u>	<u>27,767</u>	<u>59,830</u>
Net Change in Fund Balance	(40,989)	(12,562)	28,427
Fund Balance at Beginning of Year	57,421	57,421	0
Prior Year Encumbrances	<u>6,124</u>	<u>6,124</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 22,556</u>	<u>\$ 50,983</u>	<u>\$ 28,427</u>

TOLEDO CITY SCHOOL DISTRICT

***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, 2019***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 1,600,000</u>	<u>\$ 1,411,739</u>	<u>\$ (188,261)</u>
Total Expenditures and Other Financing Uses	<u>1,645,856</u>	<u>1,487,269</u>	<u>158,587</u>
Net Change in Fund Balance	(45,856)	(75,530)	(29,674)
Fund Balance at Beginning of Year	416,568	416,568	0
Prior Year Encumbrances	<u>45,869</u>	<u>45,869</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 416,581</u>	<u>\$ 386,907</u>	<u>\$ (29,674)</u>

TOLEDO CITY SCHOOL DISTRICT

***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, 2019***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 516,372</u>	<u>\$ 361,109</u>	<u>\$ (155,263)</u>
Total Expenditures and Other Financing Uses	<u>811,637</u>	<u>349,275</u>	<u>462,362</u>
Net Change in Fund Balance	(295,265)	11,834	307,099
Fund Balance at Beginning of Year	535,164	535,164	0
Prior Year Encumbrances	<u>27,056</u>	<u>27,056</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 266,955</u>	<u>\$ 574,054</u>	<u>\$ 307,099</u>

TOLEDO CITY SCHOOL DISTRICT

***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, 2019***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 1,776,217</u>	<u>\$ 1,966,120</u>	<u>\$ 189,903</u>
Total Expenditures and Other Financing Uses	<u>2,465,537</u>	<u>2,117,332</u>	<u>348,205</u>
Net Change in Fund Balance	(689,320)	(151,212)	538,108
Fund Balance at Beginning of Year	477,711	477,711	0
Prior Year Encumbrances	<u>233,507</u>	<u>233,507</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 21,898</u>	<u>\$ 560,006</u>	<u>\$ 538,108</u>

TOLEDO CITY SCHOOL DISTRICT

***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, 2019***

SCHOOL FACILITIES MAINTENANCE FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 1,192,400</u>	<u>\$ 2,328,010</u>	<u>\$ 1,135,610</u>
Total Expenditures and Other Financing Uses	<u>7,477,023</u>	<u>7,040,305</u>	<u>436,718</u>
Net Change in Fund Balance	(6,284,623)	(4,712,295)	1,572,328
Fund Balance at Beginning of Year	9,526,261	9,526,261	0
Prior Year Encumbrances	<u>4,177,023</u>	<u>4,177,023</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 7,418,661</u>	<u>\$ 8,990,989</u>	<u>\$ 1,572,328</u>

TOLEDO CITY SCHOOL DISTRICT

***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, 2019***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 983,087</u>	<u>\$ 590,108</u>	<u>\$ (392,979)</u>
Total Expenditures and Other Financing Uses	<u>1,145,154</u>	<u>621,521</u>	<u>523,633</u>
Net Change in Fund Balance	(162,067)	(31,413)	130,654
Fund Balance at Beginning of Year	312,516	312,516	0
Prior Year Encumbrances	<u>33,953</u>	<u>33,953</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 184,402</u>	<u>\$ 315,056</u>	<u>\$ 130,654</u>

TOLEDO CITY SCHOOL DISTRICT

***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, 2019***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 3,336,147</u>	<u>\$ 3,041,448</u>	<u>\$ (294,699)</u>
Total Expenditures and Other Financing Uses	<u>3,551,965</u>	<u>3,569,011</u>	<u>(17,046)</u>
Net Change in Fund Balance	(215,818)	(527,563)	(311,745)
Fund Balance at Beginning of Year	465,762	465,762	0
Prior Year Encumbrances	<u>50,716</u>	<u>50,716</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 300,660</u>	<u>\$ (11,085)</u>	<u>\$ (311,745)</u>

TOLEDO CITY SCHOOL DISTRICT

***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, 2019***

MANAGEMENT INFORMATION SYSTEM FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Expenditures and Other Financing Uses	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year, as Restated	<u>29,534</u>	<u>29,534</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 29,534</u>	<u>\$ 29,534</u>	<u>\$ 0</u>

TOLEDO CITY SCHOOL DISTRICT

***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, 2019***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 1,006,994</u>	<u>\$ 922,704</u>	<u>\$ (84,290)</u>
Total Expenditures and Other Financing Uses	<u>980,000</u>	<u>905,257</u>	<u>74,743</u>
Net Change in Fund Balance	26,994	17,447	(9,547)
Fund Balance at Beginning of Year	<u>30,806</u>	<u>30,806</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 57,800</u>	<u>\$ 48,253</u>	<u>\$ (9,547)</u>

TOLEDO CITY SCHOOL DISTRICT

***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, 2019***

DATA COMMUNICATION FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 152,000</u>	<u>\$ 152,000</u>	<u>\$ 0</u>
Total Expenditures and Other Financing Uses	<u>115,803</u>	<u>107,000</u>	<u>8,803</u>
Net Change in Fund Balance	36,197	45,000	8,803
Fund Balance at Beginning of Year	(27,327)	(27,327)	0
Prior Year Encumbrances	<u>130</u>	<u>130</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 9,000</u>	<u>\$ 17,803</u>	<u>\$ 8,803</u>

TOLEDO CITY SCHOOL DISTRICT

***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, 2019***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 58,607</u>	<u>\$ 31,606</u>	<u>\$ (27,001)</u>
Total Expenditures and Other Financing Uses	<u>63,311</u>	<u>43,450</u>	<u>19,861</u>
Net Change in Fund Balance	(4,704)	(11,844)	(7,140)
Fund Balance at Beginning of Year	21,401	21,401	0
Prior Year Encumbrances	<u>3,613</u>	<u>3,613</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 20,310</u>	<u>\$ 13,170</u>	<u>\$ (7,140)</u>

TOLEDO CITY SCHOOL DISTRICT

***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, 2019***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 499,777</u>	<u>\$ 158,385</u>	<u>\$ (341,392)</u>
Total Expenditures and Other Financing Uses	<u>566,909</u>	<u>252,675</u>	<u>314,234</u>
Net Change in Fund Balance	(67,132)	(94,290)	(27,158)
Fund Balance at Beginning of Year	(4,707)	(4,707)	0
Prior Year Encumbrances	<u>10,958</u>	<u>10,958</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (60,881)</u>	<u>\$ (88,039)</u>	<u>\$ (27,158)</u>

TOLEDO CITY SCHOOL DISTRICT

***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, 2019***

RACE TO THE TOP FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Total Expenditures and Other Financing Uses	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	<u>(520)</u>	<u>(520)</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (520)</u>	<u>\$ (520)</u>	<u>\$ 0</u>

TOLEDO CITY SCHOOL DISTRICT

***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, 2019***

SPECIAL EDUCATION HANDICAPPED FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 9,467,925</u>	<u>\$ 7,256,563</u>	<u>\$ (2,211,362)</u>
Total Expenditures and Other Financing Uses	<u>9,156,567</u>	<u>7,315,764</u>	<u>1,840,803</u>
Net Change in Fund Balance	311,358	(59,201)	(370,559)
Fund Balance at Beginning of Year	(370,410)	(370,410)	0
Prior Year Encumbrances	<u>58,440</u>	<u>58,440</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (612)</u>	<u>\$ (371,171)</u>	<u>\$ (370,559)</u>

TOLEDO CITY SCHOOL DISTRICT

***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, 2019***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 1,240,414</u>	<u>\$ 1,081,713</u>	<u>\$ (158,701)</u>
Total Expenditures and Other Financing Uses	<u>1,199,306</u>	<u>1,088,792</u>	<u>110,514</u>
Net Change in Fund Balance	41,108	(7,079)	(48,187)
Fund Balance at Beginning of Year	<u>(28,138)</u>	<u>(28,138)</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 12,970</u>	<u>\$ (35,217)</u>	<u>\$ (48,187)</u>

TOLEDO CITY SCHOOL DISTRICT

***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, 2019***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 103,258</u>	<u>\$ 88,268</u>	<u>\$ (14,990)</u>
Total Expenditures and Other Financing Uses	<u>101,325</u>	<u>88,443</u>	<u>12,882</u>
Net Change in Fund Balance	1,933	(175)	(2,108)
Fund Balance at Beginning of Year	(7,747)	(7,747)	0
Prior Year Encumbrances	<u>5,814</u>	<u>5,814</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ (2,108)</u>	<u>\$ (2,108)</u>

TOLEDO CITY SCHOOL DISTRICT

***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, 2019***

	TITLE I FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Total Revenues and Other Financing Sources	<u>\$ 22,499,203</u>	<u>\$ 16,973,749</u>	<u>\$ (5,525,454)</u>
Total Expenditures and Other Financing Uses	<u>21,975,088</u>	<u>17,452,875</u>	<u>4,522,213</u>
Net Change in Fund Balance	524,115	(479,126)	(1,003,241)
Fund Balance at Beginning of Year	(1,272,506)	(1,272,506)	0
Prior Year Encumbrances	<u>704,614</u>	<u>704,614</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (43,777)</u>	<u>\$ (1,047,018)</u>	<u>\$ (1,003,241)</u>

TOLEDO CITY SCHOOL DISTRICT

***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, 2019***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 126,528</u>	<u>\$ 104,762</u>	<u>\$ (21,766)</u>
Total Expenditures and Other Financing Uses	<u>124,675</u>	<u>106,035</u>	<u>18,640</u>
Net Change in Fund Balance	1,853	(1,273)	(3,126)
Fund Balance at Beginning of Year	<u>(2,075)</u>	<u>(2,075)</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (222)</u>	<u>\$ (3,348)</u>	<u>\$ (3,126)</u>

TOLEDO CITY SCHOOL DISTRICT

***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, 2019***

IMPROVING TEACHER QUALITY FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 1,970,121</u>	<u>\$ 1,243,149</u>	<u>\$ (726,972)</u>
Total Expenditures and Other Financing Uses	<u>1,944,932</u>	<u>1,314,252</u>	<u>630,680</u>
Net Change in Fund Balance	25,189	(71,103)	(96,292)
Fund Balance at Beginning of Year	(239,921)	(239,921)	0
Prior Year Encumbrances	<u>214,732</u>	<u>214,732</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ (96,292)</u>	<u>\$ (96,292)</u>

TOLEDO CITY SCHOOL DISTRICT

***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, 2019***

MISCELLANEOUS FEDERAL GRANTS FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 3,381,759</u>	<u>\$ 2,183,041</u>	<u>\$ (1,198,718)</u>
Total Expenditures and Other Financing Uses	<u>3,276,647</u>	<u>2,371,723</u>	<u>904,924</u>
Net Change in Fund Balance	105,112	(188,682)	(293,794)
Fund Balance at Beginning of Year	(294,702)	(294,702)	0
Prior Year Encumbrances	<u>225,908</u>	<u>225,908</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 36,318</u>	<u>\$ (257,476)</u>	<u>\$ (293,794)</u>

TOLEDO CITY SCHOOL DISTRICT

***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, 2019***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 1,223,457</u>	<u>\$ 954,250</u>	<u>\$ (269,207)</u>
Total Expenditures and Other Financing Uses	<u>1,116,078</u>	<u>916,772</u>	<u>199,306</u>
Net Change in Fund Balance	107,379	37,478	(69,901)
Fund Balance at Beginning of Year	(210,337)	(210,337)	0
Prior Year Encumbrances	<u>97,675</u>	<u>97,675</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (5,283)</u>	<u>\$ (75,184)</u>	<u>\$ (69,901)</u>

TOLEDO CITY SCHOOL DISTRICT

***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, 2019***

	HEAD START FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Total Revenues and Other Financing Sources	<u>\$ 12,030,762</u>	<u>\$ 9,911,374</u>	<u>\$ (2,119,388)</u>
Total Expenditures and Other Financing Uses	<u>11,584,637</u>	<u>10,956,584</u>	<u>628,053</u>
Net Change in Fund Balance	446,125	(1,045,210)	(1,491,335)
Fund Balance at Beginning of Year	(2,138,191)	(2,138,191)	0
Prior Year Encumbrances	<u>1,692,066</u>	<u>1,692,066</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ (1,491,335)</u>	<u>\$ (1,491,335)</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Debt Service Fund
For the Fiscal Year Ended June 30, 2019***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 20,821,887</u>	<u>\$ 20,822,326</u>	<u>\$ 439</u>
Total Expenditures and Other Financing Uses	<u>20,138,986</u>	<u>20,138,986</u>	<u>0</u>
Net Change in Fund Balance	682,901	683,340	439
Fund Balance at Beginning of Year	<u>5,319,757</u>	<u>5,319,757</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 6,002,658</u>	<u>\$ 6,003,097</u>	<u>\$ 439</u>

TOLEDO CITY SCHOOL DISTRICT

***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, 2019***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 3,487,300</u>	<u>\$ 4,313,218</u>	<u>\$ 825,918</u>
Total Expenditures and Other Financing Uses	<u>5,768,318</u>	<u>5,648,361</u>	<u>119,957</u>
Net Change in Fund Balance	(2,281,018)	(1,335,143)	945,875
Fund Balance at Beginning of Year	527,125	527,125	0
Prior Year Encumbrances	<u>1,395,374</u>	<u>1,395,374</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (358,519)</u>	<u>\$ 587,356</u>	<u>\$ 945,875</u>

TOLEDO CITY SCHOOL DISTRICT

***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, 2019***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 150</u>	<u>\$ 123</u>	<u>\$ (27)</u>
Total Expenditures and Other Financing Uses	<u>8,422</u>	<u>0</u>	<u>8,422</u>
Net Change in Fund Balance	(8,272)	123	8,395
Fund Balance at Beginning of Year	<u>8,432</u>	<u>8,432</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 160</u>	<u>\$ 8,555</u>	<u>\$ 8,395</u>

TOLEDO CITY SCHOOL DISTRICT

***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, 2019***

CLASSROOM FACILITIES FUND

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Total Revenues and Other Financing Sources	<u>\$ 322,200</u>	<u>\$ 322,155</u>	<u>\$ (45)</u>
Total Expenditures and Other Financing Uses	<u>28,369,201</u>	<u>28,346,000</u>	<u>23,201</u>
Net Change in Fund Balance	(28,047,001)	(28,023,845)	23,156
Fund Balance at Beginning of Year	9,523,845	9,523,845	0
Prior Year Encumbrances	<u>18,500,000</u>	<u>18,500,000</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (23,156)</u>	<u>\$ 0</u>	<u>\$ 23,156</u>

TOLEDO CITY SCHOOL DISTRICT

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Permanent Funds
For the Fiscal Year Ended June 30, 2019***

	ENDOWMENTS FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Total Revenues and Other Financing Sources	<u>\$ 58,940</u>	<u>\$ 59,832</u>	<u>\$ 892</u>
Total Expenditures and Other Financing Uses	<u>25,550</u>	<u>3,108</u>	<u>22,442</u>
Net Change in Fund Balance	33,390	56,724	23,334
Fund Balance at Beginning of Year	<u>741,742</u>	<u>741,742</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 775,132</u>	<u>\$ 798,466</u>	<u>\$ 23,334</u>

Internal Service Funds

Internal Service Funds are used to account for financing goods or services provided by one activity to other activities of the District on a cost-reimbursement basis.

Rotary Fund

To account for operations that provide goods and services provided by the District.

Intra-District Services Fund

To account for operations that provide goods and/or services to other areas within the District.

Health Insurance Fund

To account for monies received from other funds as payment for providing medical, hospitalization, life, dental, vision or any other similar employee benefit.

Computer Network-Class A Fund

To account for the operations of Class 'A' sites of the computer network of the Department of Education

Workers' Compensation Fund

To account for receipts and expenditures with regard to Workers' Compensation Self Insurance.

Payroll Liabilities Fund

To account for taxes, pension and other amounts withheld from employees' paychecks.

Severance Liabilities Fund

To account for the severance payments to be paid to future retirees.

TOLEDO CITY SCHOOL DISTRICT**Combining Statement of Net Position
Internal Service Funds
June 30, 2019**

	Rotary	Intra-District Services	Health Insurance	Computer Network-Class A
Assets:				
Cash and Cash Equivalents	\$ 6,020	\$ 1,840,764	\$ 16,619,988	\$ 9,202
Receivables:				
Accounts	0	205,480	308	0
Intergovernmental	0	16,205	0	0
Interest	0	0	239,411	0
Total Assets	<u>6,020</u>	<u>2,062,449</u>	<u>16,859,707</u>	<u>9,202</u>
Liabilities:				
Accounts Payable	0	24,470	2,263,132	0
Accrued Wages and Benefits	0	0	6,184,600	0
Intergovernmental Payable	0	0	0	0
Interfund Loans Payable	0	0	0	0
Total Liabilities	<u>0</u>	<u>24,470</u>	<u>8,447,732</u>	<u>0</u>
Net Position:				
Unrestricted	6,020	2,037,979	8,411,975	9,202
Total Net Position	<u>\$ 6,020</u>	<u>\$ 2,037,979</u>	<u>\$ 8,411,975</u>	<u>\$ 9,202</u>

TOLEDO CITY SCHOOL DISTRICT

<u>Workers'</u> <u>Compensation</u>	<u>Payroll Liabilites</u>	<u>Severance</u> <u>Liabilites</u>	<u>Total</u>
\$ 4,733,085	\$ 0	\$ 10,569,754	\$ 33,778,813
5,572	0	0	211,360
28	0	0	16,233
<u>71,800</u>	<u>0</u>	<u>192,791</u>	<u>504,002</u>
<u>4,810,485</u>	<u>0</u>	<u>10,762,545</u>	<u>34,510,408</u>
0	0	0	2,287,602
0	0	0	6,184,600
114,679	0	0	114,679
<u>0</u>	<u>28,143</u>	<u>0</u>	<u>28,143</u>
<u>114,679</u>	<u>28,143</u>	<u>0</u>	<u>8,615,024</u>
<u>4,695,806</u>	<u>(28,143)</u>	<u>10,762,545</u>	<u>25,895,384</u>
<u>\$ 4,695,806</u>	<u>\$ (28,143)</u>	<u>\$ 10,762,545</u>	<u>\$ 25,895,384</u>

TOLEDO CITY SCHOOL DISTRICT

**Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2019**

	Rotary	Intra-District Services	Health Insurance	Computer Network-Class A
Operating Revenues:				
Interfund Charges	\$ 0	\$ 410,392	\$ 55,047,159	\$ 0
Total Operating Revenues	<u>0</u>	<u>410,392</u>	<u>55,047,159</u>	<u>0</u>
Operating Expenses:				
Personal Services	0	0	0	0
Purchased Services	0	245,724	52,485,785	0
Total Operating Expenses	<u>0</u>	<u>245,724</u>	<u>52,485,785</u>	<u>0</u>
Operating Income (Loss)	0	164,668	2,561,374	0
Nonoperating Revenue (Expenses):				
Investment Earnings	0	0	369,363	0
Total Nonoperating Revenues (Expenses)	<u>0</u>	<u>0</u>	<u>369,363</u>	<u>0</u>
Change in Net Position	0	164,668	2,930,737	0
Net Position Beginning of Year	6,020	1,873,311	5,481,238	9,202
Net Position End of Year	<u>\$ 6,020</u>	<u>\$ 2,037,979</u>	<u>\$ 8,411,975</u>	<u>\$ 9,202</u>

TOLEDO CITY SCHOOL DISTRICT

<u>Workers'</u> <u>Compensation</u>	<u>Payroll Liabilites</u>	<u>Severance</u> <u>Liabilites</u>	<u>Total</u>
\$ 1,748,271	\$ 0	\$ 1,331,557	\$ 58,537,379
<u>1,748,271</u>	<u>0</u>	<u>1,331,557</u>	<u>58,537,379</u>
109,079	0	2,386,257	2,495,336
<u>0</u>	<u>0</u>	<u>0</u>	<u>52,731,509</u>
<u>109,079</u>	<u>0</u>	<u>2,386,257</u>	<u>55,226,845</u>
1,639,192	0	(1,054,700)	3,310,534
144,064	0	400,096	913,523
<u>144,064</u>	<u>0</u>	<u>400,096</u>	<u>913,523</u>
1,783,256	0	(654,604)	4,224,057
<u>2,912,550</u>	<u>(28,143)</u>	<u>11,417,149</u>	<u>21,671,327</u>
<u>\$ 4,695,806</u>	<u>\$ (28,143)</u>	<u>\$ 10,762,545</u>	<u>\$ 25,895,384</u>

TOLEDO CITY SCHOOL DISTRICT

***Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2019***

	Rotary	Intra-District Services	Health Insurance
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Interfund Charges	\$0	\$360,776	\$55,047,159
Cash Payments to Employees for Services and Benefits	0	(243,367)	(54,193,302)
Net Cash Provided (Used) by Operating Activities	0	117,409	853,857
<u>Cash Flows from Investing Activities:</u>			
Receipts of Interest	0	0	345,520
Net Cash Provided by Investing Activities	0	0	345,520
Net Increase (Decrease) in Cash and Cash Equivalents	0	117,409	1,199,377
Cash and Cash Equivalents at Beginning of Year, as Restated	6,020	1,723,355	15,420,611
Cash and Cash Equivalents at End of Year	<u>\$6,020</u>	<u>\$1,840,764</u>	<u>\$16,619,988</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>			
<u>Provided (Used) by Operating Activities:</u>			
Operating Income (Loss)	\$0	\$164,668	\$2,561,374
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Changes in Assets and Liabilities:			
Increase in Accounts Receivable	0	(46,039)	0
Increase in Intergovernmental Receivables	0	(3,577)	0
Increase (Decrease) in Accounts Payable	0	2,357	(1,581,917)
Increase (Decrease) in Accrued Wages and Benefits	0	0	(125,600)
Increase (Decrease) in Intergovernmental Payables	0	0	0
Total Adjustments	0	(47,259)	(1,707,517)
Net Cash Provided (Used) by Operating Activities	<u>\$0</u>	<u>\$117,409</u>	<u>\$853,857</u>

During 2019 the fair value of investments increased by \$89,375, \$26,765 and \$71,930 in the Health Insurance, Workers' Compensation and Severance Liabilities Funds, respectively.

TOLEDO CITY SCHOOL DISTRICT

Computer Network- Class A	Workers' Compensation	Severance Liabilities	Total
\$0	\$1,748,271	\$1,331,557	\$58,487,763
0	(48,349)	(2,386,257)	(56,871,275)
0	1,699,922	(1,054,700)	1,616,488
0	101,695	272,378	719,593
0	101,695	272,378	719,593
0	1,801,617	(782,322)	2,336,081
9,202	2,931,468	11,352,076	31,442,732
\$9,202	\$4,733,085	\$10,569,754	\$33,778,813
\$0	\$1,639,192	(\$1,054,700)	\$3,310,534
0	0	0	(46,039)
0	0	0	(3,577)
0	0	0	(1,579,560)
0	0	0	(125,600)
0	60,730	0	60,730
0	60,730	0	(1,694,046)
\$0	\$1,699,922	(\$1,054,700)	\$1,616,488

Fiduciary Fund

Fiduciary fund types are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

Agency Fund

Student Managed Activity Fund

A fund provided to account for those student activity programs which have student participation in the activity and have students involved in the management of the program. The fund typically includes those student activities that consist of a student body, student president, student treasurer, and faculty advisor.

TOLEDO CITY SCHOOL DISTRICT

***Combining Statement Of Changes In Assets And Liabilities
Agency Fund
For the Fiscal Year Ended June 30, 2019***

	Balance June 30, 2018	Additions	Deductions	Balance June 30, 2019
<i><u>Student Managed Activity Fund</u></i>				
Assets:				
Cash and Cash Equivalents	\$206,589	\$191,649	(\$206,589)	\$191,649
Interest Receivable	3,377	4,665	(3,377)	4,665
Total Assets	<u>\$209,966</u>	<u>\$196,314</u>	<u>(\$209,966)</u>	<u>\$196,314</u>
Liabilities:				
Accounts Payable	\$21,915	\$1,311	(\$21,915)	\$1,311
Intergovernmental Payable	0	270	0	270
Due to Students	188,051	194,733	(188,051)	194,733
Total Liabilities	<u>\$209,966</u>	<u>\$196,314</u>	<u>(\$209,966)</u>	<u>\$196,314</u>

STATISTICAL SECTION

STATISTICAL TABLES

This part of the Districts 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.

Contents

Financial Trends	S 2 – S 11
These schedules contain trend information to help the reader understand how the District's financial position has changed over time.	
Revenue Capacity	S 12 – S 19
These schedules contain information to help the reader understand and assess the factors affecting the District's ability to generate its most significant local revenue source, the property tax.	
Debt Capacity	S 20 – S 27
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.	
Economic and Demographic Information	S 28 – S 33
These schedules offer economic and demographic indicators to help the reader understand the environment within which the District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	
Operating Information	S 34 – S 45
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.	

Sources Note:

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

Toledo Public School District

*Net Position by Component
Last Ten Years
(accrual basis of accounting)*

	2010	2011	2012	2013
Governmental Activities				
Net Investment in Capital Assets	\$295,429,243	\$356,044,033	\$391,566,146	\$403,716,045
Restricted for:				
Capital Projects	217,877,292	135,580,227	64,306,216	25,562,136
Debt Service	5,725,901	6,055,588	5,413,569	5,033,770
Permanent Funds:				
Expendable	330,522	309,119	293,603	264,040
Nonexpendable	503,291	503,291	503,291	503,291
Other Purposes	18,185,213	15,138,459	23,724,299	26,904,962
Unrestricted (Deficit)	<u>(39,755,783)</u>	<u>(4,891,597)</u>	<u>4,190,775</u>	<u>11,218,263</u>
Total Governmental Activities Net Position	<u><u>\$498,295,679</u></u>	<u><u>\$508,739,120</u></u>	<u><u>\$489,997,899</u></u>	<u><u>\$473,202,507</u></u>
Primary Government				
Net Investment in Capital Assets	\$295,429,243	\$356,044,033	\$391,566,146	\$403,716,045
Restricted	242,622,219	157,586,684	94,240,978	58,268,199
Unrestricted (Deficit)	<u>(39,755,783)</u>	<u>(4,891,597)</u>	<u>4,190,775</u>	<u>11,218,263</u>
Total Primary Government Net Position	<u><u>\$498,295,679</u></u>	<u><u>\$508,739,120</u></u>	<u><u>\$489,997,899</u></u>	<u><u>\$473,202,507</u></u>

Source: District Treasurer's Office

Toledo Public School District

2014	2015	2016	2017	2018	2019
\$399,196,714	\$397,688,562	\$394,848,405	\$388,203,178	\$392,851,572	\$400,857,117
14,538,912	11,414,880	8,332,462	10,520,906	12,957,533	4,755,489
3,533,300	5,589,194	5,288,828	7,445,781	8,358,648	9,136,513
234,188	232,740	236,247	176,178	183,706	205,836
635,992	503,291	503,291	566,932	566,923	605,184
27,516,635	33,192,023	33,366,822	29,890,859	30,491,650	19,412,699
27,695,386	(319,997,488)	(303,704,237)	(294,058,282)	(234,447,974)	(200,442,335)
<u>\$473,351,127</u>	<u>\$128,623,202</u>	<u>\$138,871,818</u>	<u>\$142,745,552</u>	<u>\$210,962,058</u>	<u>\$234,530,503</u>
\$399,196,714	\$397,688,562	\$394,848,405	\$388,203,178	\$392,851,572	\$400,857,117
46,459,027	50,932,128	47,727,650	48,600,656	52,558,460	34,115,721
27,695,386	(319,997,488)	(303,704,237)	(294,058,282)	(234,447,974)	(200,442,335)
<u>\$473,351,127</u>	<u>\$128,623,202</u>	<u>\$138,871,818</u>	<u>\$142,745,552</u>	<u>\$210,962,058</u>	<u>\$234,530,503</u>

Toledo Public School District

*Changes in Net Position
Last Ten Years
(accrual basis of accounting)*

	2010	2011	2012	2013
Expenses				
Governmental Activities				
Instruction	\$247,655,446	\$260,842,406	\$236,207,897	\$253,504,953
Support Services	132,178,983	121,820,020	114,249,054	113,119,827
Non-Instructional Services	23,329,071	25,822,082	16,957,213	18,046,982
Extracurricular Activities	5,397,381	3,563,783	2,387,172	2,245,368
Interest and Fiscal Charges	8,249,037	6,327,517	6,815,825	7,305,050
<i>Total Primary Government Expenses</i>	<u>\$416,809,918</u>	<u>\$418,375,808</u>	<u>\$376,617,161</u>	<u>\$394,222,180</u>
Program Revenues				
Charges for Services				
Instruction	\$2,818,840	\$2,738,592	\$2,153,120	\$2,868,817
Support Services	11,539,081	10,155,473	8,424,558	7,956,396
Extracurricular Activities	2,467,675	1,973,018	1,457,008	1,537,986
Operating Grants and Contributions	71,728,806	74,429,919	46,905,184	49,415,641
Capital Grants and Contributions	0	0	13,271,422	957,329
<i>Total Primary</i>	<u>88,554,402</u>	<u>89,297,002</u>	<u>72,211,292</u>	<u>62,736,169</u>
<i>Government Program Revenues</i>	<u>88,554,402</u>	<u>89,297,002</u>	<u>72,211,292</u>	<u>62,736,169</u>
Net (Expense)/Revenue				
Governmental Activities	(328,255,516)	(329,078,806)	(304,405,869)	(331,486,011)
<i>Total Primary</i>	<u>(328,255,516)</u>	<u>(329,078,806)</u>	<u>(304,405,869)</u>	<u>(331,486,011)</u>
<i>Government Net (Expense)/Revenue</i>	<u>(328,255,516)</u>	<u>(329,078,806)</u>	<u>(304,405,869)</u>	<u>(331,486,011)</u>

Toledo Public School District

2014	2015	2016	2017	2018	2019
\$248,414,449	\$246,372,454	\$266,665,914	\$286,130,941	\$178,701,230	\$264,917,027
112,950,654	114,915,707	120,830,538	140,445,126	98,513,858	138,928,408
16,218,267	18,785,625	29,007,085	30,991,650	24,282,260	29,094,918
2,759,367	3,249,709	3,175,089	3,503,091	1,487,913	3,664,566
5,379,439	6,003,602	6,222,235	4,641,812	5,184,635	5,752,735
<u>\$385,722,176</u>	<u>\$389,327,097</u>	<u>\$425,900,861</u>	<u>\$465,712,620</u>	<u>\$308,169,896</u>	<u>\$442,357,654</u>
\$1,972,228	\$2,516,440	\$2,336,190	\$3,278,656	\$3,125,603	\$3,570,764
6,920,620	7,041,992	5,810,515	7,025,108	4,779,716	4,211,999
1,597,357	1,183,810	2,197,356	2,306,953	2,423,232	2,726,560
43,841,888	64,885,961	53,962,546	46,642,415	45,139,106	34,160,965
1,579,317	80,091	160,716	158,017	153,570	147,138
<u>55,911,410</u>	<u>75,708,294</u>	<u>64,467,323</u>	<u>59,411,149</u>	<u>55,621,227</u>	<u>44,817,426</u>
<u>(329,810,766)</u>	<u>(313,618,803)</u>	<u>(361,433,538)</u>	<u>(406,301,471)</u>	<u>(252,548,669)</u>	<u>(397,540,228)</u>
<u>(\$329,810,766)</u>	<u>(\$313,618,803)</u>	<u>(\$361,433,538)</u>	<u>(\$406,301,471)</u>	<u>(\$252,548,669)</u>	<u>(\$397,540,228)</u>

(Continued)

Toledo Public School District

*Changes in Net Position
Last Ten Years
(accrual basis of accounting)*

	2010	2011	2012	2013
General Revenues and Other Changes in Net Position				
Governmental Activities				
Property Taxes Levied for				
General Purposes	\$91,408,483	\$95,606,344	\$74,414,156	\$83,422,448
Special Purposes	1,062,637	1,002,932	1,026,037	971,092
Debt Service	8,089,438	9,129,011	9,098,250	9,522,686
Capital Outlay	5,586,245	1,432,954	0	0
Grants and Entitlements not Restricted to Specific Programs	233,261,864	232,087,828	200,779,485	220,217,972
Investment Earnings	2,590,626	(398,979)	336,955	261,490
Miscellaneous	263,545	662,157	9,765	294,931
Sale of Capital Assets	0	0	0	0
Total Primary Government	\$342,262,838	\$339,522,247	\$285,664,648	\$314,690,619
Change in Net Position				
Governmental Activities	\$14,007,322	\$10,443,441	(\$18,741,221)	(\$16,795,392)
Total Primary Government Change in Net Position	\$14,007,322	\$10,443,441	(\$18,741,221)	(\$16,795,392)

Source: District Treasurer's Office

Toledo Public School District

2014	2015	2016	2017	2018	2019
\$81,819,809	\$93,981,026	\$95,497,720	\$105,095,175	\$100,275,752	\$101,773,061
923,745	969,039	984,168	1,025,900	965,995	974,728
9,606,512	9,969,733	10,040,115	10,713,273	10,188,873	9,848,781
0	1,675,792	3,083,054	3,335,814	3,118,096	3,146,743
236,669,842	234,601,655	260,941,893	283,724,348	298,057,865	299,757,840
15,820	417,843	401,210	2,820,856	2,966,686	5,029,549
233,596	859,051	733,994	46,447	149,102	577,971
690,062	0	0	0	0	0
<u>\$329,959,386</u>	<u>\$342,474,139</u>	<u>\$371,682,154</u>	<u>\$406,761,813</u>	<u>\$415,722,369</u>	<u>\$421,108,673</u>
<u>\$148,620</u>	<u>\$28,855,336</u>	<u>\$10,248,616</u>	<u>\$460,342</u>	<u>\$163,173,700</u>	<u>\$23,568,445</u>
<u>\$148,620</u>	<u>\$28,855,336</u>	<u>\$10,248,616</u>	<u>\$460,342</u>	<u>\$163,173,700</u>	<u>\$23,568,445</u>

Toledo Public School District

*Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2010	2011	2012	2013
General Fund				
Nonspendable	\$0	\$62,902	\$65,468	\$64,409
Committed	0	0	0	0
Assigned	0	0	0	59,848
Unassigned	0	(10,868,218)	(1,229,421)	0
Reserved	12,554,700	0	0	0
Unreserved	(25,259,943)	0	0	0
Total General Fund	<u>(12,705,243)</u>	<u>(10,805,316)</u>	<u>(1,163,953)</u>	<u>124,257</u>
All Other Governmental Funds				
Nonspendable	0	503,291	503,291	503,291
Restricted	0	121,037,616	86,806,823	48,949,228
Unassigned	0	(3,538,516)	(849,304)	(92,975)
Reserved	79,947,256	0	0	0
Unreserved, Undesignated in:				
Special Revenue Funds	10,188,787	0	0	0
Debt Service Fund	4,797,338	0	0	0
Capital Projects Funds	70,492,241	0	0	0
Permanent Fund	326,522	0	0	0
Total All Other Governmental Funds	<u>165,752,144</u>	<u>118,002,391</u>	<u>86,460,810</u>	<u>49,359,544</u>
Total Governmental Funds	<u><u>\$153,046,901</u></u>	<u><u>\$107,197,075</u></u>	<u><u>\$85,296,857</u></u>	<u><u>\$49,483,801</u></u>

Source: District Treasurer's Office

Note: The District implemented GASB 54 in 2011 which established new fund balance classifications for governmental funds.

Toledo Public School District

2014	2015	2016	2017	2018	2019
\$73,616	\$67,451	\$93,390	\$73,732	\$80,303	\$90,539
0	0	6,621,906	6,621,906	6,621,906	6,621,906
8,280,777	8,841,299	5,266,196	2,559,940	8,941,239	7,709,713
20,859,280	30,866,651	41,460,060	51,255,606	58,685,088	71,433,503
0	0	0	0	0	0
0	0	0	0	0	0
<u>29,213,673</u>	<u>39,775,401</u>	<u>53,441,552</u>	<u>60,511,184</u>	<u>74,328,536</u>	<u>85,855,661</u>
635,992	732,665	838,051	847,576	566,923	605,184
36,347,497	33,677,935	33,361,828	30,278,420	33,092,331	24,646,803
(744,742)	(2,977,205)	(2,500,006)	(1,270,289)	(2,130,876)	(183,040)
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>36,238,747</u>	<u>31,433,395</u>	<u>31,699,873</u>	<u>29,855,707</u>	<u>31,528,378</u>	<u>25,068,947</u>
<u>\$65,452,420</u>	<u>\$71,208,796</u>	<u>\$85,141,425</u>	<u>\$90,366,891</u>	<u>\$105,856,914</u>	<u>\$110,924,608</u>

Toledo Public School District

*Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)*

	2010	2011	2012	2013
Revenues:				
Taxes	\$101,918,154	\$96,848,838	\$92,962,714	\$93,893,529
Tuition	1,882,544	1,996,903	2,139,162	2,349,810
Transportation Fees	789,969	512,767	380,291	528,656
Food Services	1,402,139	1,053,241	753,334	769,247
Investment Earnings	2,458,103	(359,695)	343,334	241,651
Extracurricular Activities	1,114,890	875,047	487,122	526,133
Class Materials and Fees	328,486	120,999	58,356	68,329
Intermediate Sources	0	0	10,200	0
Intergovernmental - State	288,513,123	274,473,871	245,334,613	221,463,606
Intergovernmental - Federal	80,117,268	73,165,870	58,919,333	48,000,565
All Other Revenue	11,481,474	10,238,626	8,262,528	8,378,570
Total Revenue	490,006,150	458,926,467	409,650,987	376,220,096
Expenditures:				
Current:				
Instruction	251,020,566	237,995,598	221,413,444	221,802,330
Supporting Services	138,912,335	126,115,598	116,235,381	116,699,988
Non-Instructional Services	25,184,615	31,025,845	29,646,355	20,478,826
Extracurricular Activities	5,289,492	3,467,440	2,282,608	2,805,310
Capital Outlay	20,583,735	96,128,614	50,477,831	38,640,728
Debt Service:				
Principal Retirement	7,835,000	4,260,000	4,395,000	4,760,000
Interest and Fiscal Charges	8,361,259	6,446,406	7,568,120	6,388,271
Advance Refunding Escrow	0	0	0	0
Total Expenditures	457,187,002	505,439,501	432,018,739	411,575,453
Excess (Deficiency) of Revenues Over Expenditures	32,819,148	(46,513,034)	(22,367,752)	(35,355,357)
Other Financing Sources (Uses):				
Sale of Capital Assets	113,280	663,208	0	0
Payments to Refunding Bonds Escrow Agent	0	0	(59,595,899)	(39,717,581)
General Obligation Bonds Issued Premium on Issuance of General Obligation Bonds	0	0	52,555,000	34,265,000
Transfers In	8,429,486	3,575,875	1,282,460	1,250,851
Transfers Out	(8,429,486)	(3,575,875)	(1,282,460)	(1,250,851)
Total Other Financing Sources (Uses)	113,280	663,208	467,534	(457,699)
Net Change in Fund Balance	\$32,932,428	(\$45,849,826)	(\$21,900,218)	(\$35,813,056)
Debt Service as a Percentage of Noncapital Expenditures	3.90%	2.56%	3.12%	2.86%

Source: District Treasurer's Office

Toledo Public School District

2014	2015	2016	2017	2018	2019
\$93,007,599	\$104,065,819	\$111,475,291	\$109,515,639	\$111,974,940	\$113,490,635
1,968,937	2,513,804	2,333,778	3,275,085	3,123,654	3,569,039
502,136	585,879	572,147	563,781	536,390	537,437
669,802	546,704	600,033	614,879	497,126	477,024
31,672	410,958	395,342	2,672,290	2,847,841	4,562,483
501,753	606,027	621,907	602,033	643,382	683,715
49,314	71,244	59,516	58,693	36,298	27,835
0	0	0	0	0	0
234,244,064	243,750,709	257,825,756	280,254,805	287,498,829	289,500,191
45,483,373	48,352,824	60,319,353	49,758,604	53,437,424	56,738,048
7,065,872	7,248,198	6,882,894	7,550,755	5,712,148	5,743,950
<u>383,524,522</u>	<u>408,152,166</u>	<u>441,086,017</u>	<u>454,866,564</u>	<u>466,308,032</u>	<u>475,330,357</u>
227,264,916	239,436,363	249,302,701	261,427,111	263,642,104	268,435,721
99,596,810	117,036,455	123,683,420	139,507,314	137,994,996	147,832,450
15,485,916	27,768,558	29,294,087	29,903,470	28,209,907	26,185,307
2,668,020	3,190,583	3,171,691	3,422,932	3,528,392	3,841,206
11,940,543	3,587,138	9,966,829	1,929,622	5,565,894	4,071,521
4,805,000	4,570,000	5,180,000	5,425,000	5,524,995	12,890,000
6,031,150	6,657,267	6,832,291	5,404,941	5,861,818	7,006,458
829,866	0	0	0	0	0
<u>368,622,221</u>	<u>402,246,364</u>	<u>427,431,019</u>	<u>447,020,390</u>	<u>450,328,106</u>	<u>470,262,663</u>
14,902,301	5,905,802	13,654,998	7,846,174	15,979,926	5,067,694
690,062	0	0	0	0	0
(36,345,361)	0	(24,553,999)	0	0	0
32,335,000	0	21,920,000	0	0	0
4,386,617	0	2,911,630	0	0	0
118,904	104,697	526,756	281,039	282,270	10,354,228
(118,904)	(104,697)	(526,756)	(281,039)	(282,270)	(10,354,228)
<u>1,066,318</u>	<u>0</u>	<u>277,631</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$15,968,619</u>	<u>\$5,905,802</u>	<u>\$13,932,629</u>	<u>\$7,846,174</u>	<u>\$15,979,926</u>	<u>\$5,067,694</u>
3.20%	2.85%	2.85%	2.43%	2.61%	4.33%

Toledo Public School District

*Assessed Valuations and Estimated True Values of Taxable Property
(amounts in thousands)
Last Ten Calendar Years*

Tax year	2009	2010	2011	2012
Real Property				
Assessed	2,973,109	2,667,357	2,573,582	2,188,403
Actual	8,494,597	7,621,020	7,353,091	6,252,580
Public Utility				
Assessed	97,072	107,158	114,195	122,237
Actual	97,072	107,158	114,195	122,237
Tangible Personal Property				
Assessed	15,315	7,407	0	0
Actual	153,150	74,070	0	0
Total				
Assessed	3,085,496	2,781,922	2,687,777	2,310,640
Actual	8,744,819	7,802,248	7,467,286	6,374,817
Assessed Value as a Percentage of Actual Value				
	35.28%	35.66%	35.99%	36.25%
Total Direct Tax Rate				
	\$67.70	\$65.70	\$65.70	\$67.40

Source: Lucas County Auditor

Presented on a calendar year basis because that is the manner in which the information is maintained by the County.

Assessed value of Real Property is at 35%, Assessed value of Public Utility is at 100% and Assessed Value of Tangible Personal Property is at 25% through 2005, at 18.75% for 2006, 12.5% for 2007, and 6.25% for 2008 and 0% for 2009 and 2010. Additionally, telephone and telecommunications property was reclassified to general business personal property and assessed at 10% for 2009 and 2010.

Toledo Public School District

2013	2014	2015	2016	2017	2018
2,164,564	2,142,644	2,105,181	2,098,746	2,088,346	2,172,994
6,184,469	6,121,840	6,014,803	5,996,417	5,966,703	6,208,554
135,775	145,063	150,900	169,527	183,121	190,982
135,775	145,063	150,900	169,527	183,121	190,982
0	0	0	0	0	0
0	0	0	0	0	0
2,300,339	2,287,707	2,256,081	2,268,273	2,271,467	2,363,976
6,320,244	6,266,903	6,165,703	6,165,944	6,149,824	6,399,536
36.40%	36.50%	36.59%	36.79%	36.94%	36.94%
\$67.40	\$67.40	\$73.10	\$73.58	\$73.58	\$72.85

Toledo Public School District

*Property Tax Rates of Direct and Overlapping Governments
(per \$1,000 of assessed value)
Last Ten Calendar Years*

	2009	2010	2011	2012	2013
Direct District Rates					
General Fund	60.60	61.20	61.20	61.70	61.70
Permanent Improvement Fund	3.00	0.50	0.50	0.50	0.50
Bond Retirement Fund	4.10	4.00	4.00	5.20	5.20
Total	<u>67.70</u>	<u>65.70</u>	<u>65.70</u>	<u>67.40</u>	<u>67.40</u>
Overlapping Rates					
Townships:					
Harding	4.80	4.80	4.80	4.80	4.80
Spencer	8.00	8.00	8.00	8.00	8.00
Municipalities:					
City of Toledo	4.40	4.40	4.40	4.40	4.40
Village of Ottawa Hills	4.10	4.10	4.10	4.10	4.10
Lucas County	18.17	16.17	16.17	17.77	17.77
Total	<u>107.17</u>	<u>103.17</u>	<u>103.17</u>	<u>106.47</u>	<u>106.47</u>

Ohio Revised Code Sections 5705.02 and 5705.07 require a vote of the people for any millage exceeding the "unvoted" or "inside" millage.

Source:

Lucas County Auditor's Office
Lucas County Treasurer's Office

Toledo Public School District

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
61.70	66.00	66.28	66.33	66.13
0.50	2.00	2.00	2.00	2.00
5.20	5.10	5.30	5.25	4.72
<u>67.40</u>	<u>73.10</u>	<u>73.58</u>	<u>73.58</u>	<u>72.85</u>
4.80	4.80	4.80	4.80	5.05
8.00	8.00	8.00	8.00	4.50
4.40	4.40	4.40	4.40	4.40
4.10	4.10	4.10	4.10	4.10
17.77	19.77	19.77	17.37	17.37
<u>106.47</u>	<u>114.17</u>	<u>114.65</u>	<u>112.25</u>	<u>108.27</u>

Toledo Public School District

Principal Taxpayers

Real Estate Tax

(amounts in thousands)

Current Year and Nine Years Ago

Name of Taxpayer	Nature of Business	Calendar Year 2018		
		Assessed Value	Rank	Percent of Total Assessed Value
GLP Capital LP	Casino	\$56,561	1	2.60%
One Seagate Partners	Realty	\$10,430	2	0.48%
First TDT LLC	Trucking	\$5,688	3	0.26%
University Residences At Westwood	Realty	\$5,646	4	0.26%
Toledo Hospital	Health Care	\$5,269	5	0.24%
LC Country Club B LLC	Entertainment	\$5,116	6	0.24%
Jamestown Apartments 17 LLC	Realty	\$3,798	7	0.17%
Toledo VA Company LLC	Health Care	\$3,736	8	0.17%
CREI Toledo LLC	Realty	\$3,468	9	0.16%
Toledo Lucas Co. Port Authority	Realty	\$3,010	10	0.14%
Subtotal		102,722		4.72%
All Others		2,070,272		95.28%
Total		<u>\$2,172,994</u>		<u>100.00%</u>

Name of Taxpayer	Nature of Business	Calendar Year 2009		
		Assessed Value	Rank	Percent of Total Assessed Value
St. Vincent Medical Center	Hospital	\$13,054	1	0.44%
One Seagate LLC	Realty	12,951	2	0.44%
Toledo Hospital/Promedica	Hospital	7,826	3	0.26%
Empirian	Realty	7,772	4	0.26%
Centro NP Miracle Mile LLC	Realty	6,959	5	0.23%
ERT Southland LLC	Realty	5,791	6	0.19%
University Residences at Westwood LLC	Realty	5,558	7	0.19%
Airport Square Investment	Realty	5,110	8	0.17%
Toledo Office Investment	Realty	3,850	9	0.13%
Toledo Edison	Electric Distribution	3,831	10	0.13%
Subtotal		72,702		2.44%
All Others		2,900,407		97.56%
Total		<u>\$2,973,109</u>		<u>100.00%</u>

Source: Lucas County Auditor - Land and Buildings
Based on valuation of property in 2017 and 2008

Presented on a calendar year basis because that is the manner in which the information is maintained by the County.

Toledo Public School District

*Principal Taxpayers
Public Utilities Tangible Personal Property Tax
(amounts in thousands)
Current Year and nine Years Ago*

		Calendar Year 2018		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
Toledo Edison	Electrical Distribution	\$93,943	1	46.91%
Columbia Gas	Utility	51,373	2	25.65%
American Transmission, Inc.	Utility	44,341	3	22.14%
Subtotal		189,657		94.70%
All Others		10,625		5.30%
Total		\$200,282		100.00%

		Calendar Year 2009		
Name of Taxpayer	Nature of Business	Assessed Value	Rank	Percent of Total Assessed Value
Toledo Edison	Electricity Distribution	\$64,648	1	66.60%
Columbia Gas	Natural Gas Distribution	19,191	2	19.77%
American Transmission Systems Inc	Electricity Distribution	11,290	3	11.63%
Subtotal		95,129		98.00%
All Others		1,943		2.00%
Total		\$97,072		100.00%

Source: Lucas County Auditor - Land and Buildings
Based on valuation of property in 2017 and 2008

Presented on a calendar year basis because that is the manner in which the information is maintained by the County.

Toledo Public School District

*Property Tax Levies and Collections
(amounts in thousands)
Last Ten Years*

Collection Year	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Total Tax Levy (1)	\$117,731	\$113,750	\$113,232	\$112,645
Collections within the Fiscal Year of the Levy				
Current Tax Collections (2)	99,431	98,171	95,804	96,711
Percent of Levy Collected	84.46%	86.30%	84.61%	85.85%
Delinquent Tax Collections (3)	<u>8,215</u>	<u>9,032</u>	<u>8,510</u>	<u>9,845</u>
Total Tax Collections	107,646	107,203	104,314	106,556
Percent of Total Tax Collections To Tax Levy	91.43%	94.24%	92.12%	94.59%
Accumulated Outstanding Delinquent Taxes	20,721	21,545	27,716	22,089
Percentage of Accumulated				
Delinquent Taxes to Total Tax Levy	17.60%	18.94%	24.48%	19.61%

(1) Taxes levied and collected are presented on a cash basis.

(2) State reimbursements of rollback and homestead exemptions are included;

(3) The County does not identify delinquent tax collections by tax year. Information for delinquent taxes remaining by levy year is currently not maintained by the County Auditor. The County Auditor is currently working to remedy this situation.

Source: Lucas County Auditor's Office

Presented on a calendar year basis because that is the manner in which the information is maintained by the County.

Toledo Public School District

2013	2014	2015	2016	2017	2018
\$112,645	\$113,280	\$124,828	\$124,828	\$167,619	\$170,676
106,675	97,016	106,906	115,564	117,131	117,072
94.70%	85.64%	85.64%	92.58%	69.88%	68.59%
9,861	8,878	9,783	7,593	7,500	6,485
116,536	105,894	116,689	123,157	124,631	123,557
103.45%	93.48%	93.48%	98.66%	74.35%	72.39%
21,103	28,898	23,882	27,105	32,854	35,772
18.73%	25.51%	19.13%	21.71%	19.60%	20.96%

Toledo Public School District

*Ratio of Outstanding Debt By Type
Last Ten Years*

	2010	2011	2012	2013
Governmental Activities ⁽¹⁾				
General Obligation Bonds Payable	\$173,950,672	\$169,537,230	\$168,958,777	\$164,920,184
Total Primary Government	<u>\$173,950,672</u>	<u>\$169,537,230</u>	<u>\$168,958,777</u>	<u>\$164,920,184</u>
Population ⁽²⁾				
City of Toledo	287,208	286,038	286,208	284,012
Outstanding Debt Per Capita	\$606	\$593	\$590	\$581
Income				
Personal (in thousands)	6,887,535	5,380,089	5,383,286	4,897,787
Percentage of Personal Income	2.53%	3.15%	3.14%	3.37%

Sources:

- (1) District Treasurer's Office
- (2) US Bureau of Census of Population
 - (a) Per Capita Income is only available by County, Total Personal Income is a calculation

N/A = Not available

Toledo Public School District

2014	2015	2016	2017	2018	2019
\$158,729,534	\$153,140,847	\$147,377,669	\$142,796,274	\$136,109,113	\$121,236,008
<u>\$158,729,534</u>	<u>\$153,140,847</u>	<u>\$147,377,669</u>	<u>\$142,796,274</u>	<u>\$136,109,113</u>	<u>\$121,236,008</u>
282,313	281,031	279,789	278,508	276,491	274,975
\$562	\$545	\$527	\$513	\$492	\$441
6,743,046	9,363,110	6,834,685	6,803,393	7,808,659	7,859,885
2.35%	1.64%	2.16%	2.10%	1.74%	1.54%

Toledo Public School District

*Ratios of General Bonded Debt Outstanding
(amounts in thousands)
Last Ten Years*

Year	2010	2011	2012	2013
Population (1)	287,208	286,038	286,208	284,012
Assessed Value (2)	\$2,781,922	\$2,729,775	\$2,687,777	\$2,188,403
General Bonded Debt (3)				
General Obligation Bonds	\$173,951	\$169,537	\$168,959	\$164,920
Resources Available to Pay Principal (4)	\$5,293	\$5,193	\$4,314	\$3,767
Net General Bonded Debt	\$168,658	\$164,344	\$164,645	\$161,153
Ratio of Net Bonded Debt to Assessed Actual Value	6.06%	6.02%	6.13%	7.36%
Net Bonded Debt per Capita	\$587	\$575	\$575	\$567

Source:

- (1) U.S. Bureau of Census of Population
- (2) Lucas County Auditor
- (3) Includes all general obligation bonded debt supported by property taxes
- (4) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.

Toledo Public School District

2014	2015	2016	2017	2018	2019
282,313	281,031	279,789	278,508	276,491	274,975
\$2,164,564	\$2,287,708	\$2,256,081	\$2,268,273	\$2,271,466	\$2,363,975
\$158,729	\$153,141	\$149,377	\$142,796	\$136,109	\$121,236
\$3,669	\$4,314	\$4,196	\$5,199	\$5,855	\$6,499
\$155,060	\$148,827	\$145,181	\$137,597	\$130,254	\$114,737
7.16%	6.51%	6.44%	6.07%	5.73%	4.85%
\$549	\$530	\$519	\$494	\$471	\$417



Toledo Public School District

*Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
(amounts in thousands)
June 30, 2019*

Jurisdiction	Gross Debt Outstanding	Percentage Applicable to Toledo Public School District	Amount Applicable to Toledo Public School District
Direct:			
Toledo Public School District	\$110,190	100.00%	\$110,190
Overlapping:			
Lucas County	97,444	31.20%	30,403
City of Toledo	72,904	70.82%	51,631
		Subtotal	82,033
		Total	\$192,223

Source: Lucas County Auditor

Percentages determined by dividing each overlapping subdivisions' assessed valuation within the City by the subdivisions' total assessed valuation.

Toledo Public School District

*Debt Limitations
(amounts in thousands)
Last Ten Years*

Tax Year	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Net Assessed Valuation	\$3,085,496	\$2,781,922	\$2,687,777	\$2,310,640
Overall Direct Debt Limitation				
Legal Debt Limitation (%) (1)	9.00%	9.00%	9.00%	9.00%
Legal Debt Limitation (\$) (1)	277,695	250,373	241,900	207,958
Applicable District Debt Outstanding	178,389	170,555	160,070	152,565
Less: Applicable Debt Service Fund Amounts (2)	<u>(11,526)</u>	<u>(5,293)</u>	<u>(5,193)</u>	<u>(4,314)</u>
Net Indebtedness Subject to Limitation	<u>166,863</u>	<u>165,262</u>	<u>154,877</u>	<u>148,251</u>
Overall Legal Debt Margin	<u><u>\$110,832</u></u>	<u><u>\$85,111</u></u>	<u><u>\$87,023</u></u>	<u><u>\$59,707</u></u>
Unvoted Direct Debt Limitation				
Legal Debt Limitation (%) (1)	0.10%	0.10%	0.10%	0.10%
Legal Debt Limitation (\$) (1)	3,085	2,782	2,688	2,311
Applicable District Debt Outstanding	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Legal Debt Margin	<u><u>\$3,085</u></u>	<u><u>\$2,782</u></u>	<u><u>\$2,688</u></u>	<u><u>\$2,311</u></u>
Energy Conservation Bond Limitation				
Legal Debt Limitation (%) (1)	0.90%	0.90%	0.90%	0.90%
Legal Debt Limitation (\$) (1)	27,769	25,037	24,190	20,796
Authorized by the Board	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Energy Conservation Bond Legal Debt Margin	<u><u>\$27,769</u></u>	<u><u>\$25,037</u></u>	<u><u>\$24,190</u></u>	<u><u>\$20,796</u></u>

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

(2) Includes only Debt Service funds available for general obligation bonded debt supported by property taxes.

Toledo Public School District

2013	2014	2015	2016	2017	2019
\$2,300,339	\$2,287,707	\$2,256,081	\$2,268,273	\$2,271,467	\$2,363,976
9.00%	9.00%	9.00%	9.00%	9.00%	9.00%
207,031	205,894	203,047	204,145	204,432	212,758
143,855	139,285	149,377	142,796	136,109	121,236
(3,767)	(3,669)	(4,314)	(4,196)	(5,199)	(6,499)
140,088	135,616	145,063	138,600	130,910	114,737
\$66,943	\$70,278	\$57,984	\$65,545	\$73,522	\$98,021
0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
2,300	2,288	2,256	2,268	2,271	2,364
0	0	0	0	0	0
\$2,300	\$2,288	\$2,256	\$2,268	\$2,271	\$2,364
0.90%	0.90%	0.90%	0.90%	0.90%	0.90%
20,703	20,589	20,305	20,414	20,443	21,276
0	0	0	0	0	0
\$20,703	\$20,589	\$20,305	\$20,414	\$20,443	\$21,276

Toledo Public School District

Demographic and Economic Statistics Last Ten Years

Calendar Year	2009	2010	2011	2012
Population (1)				
City of Toledo	313,619	287,208	286,038	284,012
Lucas County	437,901	441,815	440,005	437,998
Income (2) (a)				
Total Personal (in thousands)	10,095,709	6,887,535	5,380,089	5,383,286
Per Capita	32,191	23,981	18,809	17,245
Unemployment Rate (3)				
Federal	9.3%	9.6%	8.9%	7.8%
State	10.2%	10.1%	8.6%	6.7%
Lucas County	12.2%	11.3%	9.7%	8.5%
Fiscal Year	2010	2011	2012	2013
School Enrollment (4)				
Elementary School (K-5 & K-6 configuration)	13,321	13,748	11,512	12,364
Middle School (6-8 & 7-8 configuration)	3,856	3,249	4,742	3,013
High School (9-12)	6,809	6,680	6,187	6,061
Special (5)	1,209	642	31	40
Total	<u>25,195</u>	<u>24,319</u>	<u>22,472</u>	<u>21,478</u>

Sources:

- (1) US Bureau of Census of Population
- (2) US Department of Commerce, Bureau of Economic Analysis
 - (a) Per Capita Income is only available by County,
Total Personal Income is a calculation
- (3) State Department of Labor Statistics
- (4) District Treasurer's Office
- (5) For FY 2009 Special includes four Magnet Schools (2 K-8 & 2 K-9) and an Alternative Learning School

Toledo Public School District

2013	2014	2015	2016	2017	2018
282,313	281,031	279,789	278,508	276,491	274,975
436,393	435,286	433,689	433,689	430,887	429,899
6,743,046	9,363,110	6,834,685	6,803,393	7,808,659	7,859,885
23,885	33,317	24,428	24,428	28,242	28,584
7.4%	5.9%	5.1%	5.1%	4.1%	3.9%
7.4%	5.3%	5.2%	5.2%	4.9%	4.6%
8.5%	6.3%	5.0%	5.0%	4.9%	5.5%
2014	2015	2016	2017	2018	2019
12,284	12,420	11,054	11,310	11,514	13,345
3,019	3,110	4,702	4,792	4,805	2,897
5,912	5,740	5,824	5,950	6,641	6,709
40	38	38	38	135	211
21,255	21,308	21,618	22,090	23,096	23,162



Toledo Public School District

Principal Employers Current Year and Nine Years Ago

Employer	Nature of Business	Fiscal Year 2019		
		Number of Employees	Rank	Percentage of Total Employment
Promedica Health Systems	Hospital	15,000	1	4.43%
The University of Toledo and Medical Center	Education/Hospital	8,441	2	2.49%
Mercy Health Partners	Hospital	6,185	3	1.83%
Lucas County	Government	3,700	4	1.09%
Toledo City School District	Education	3,193	5	0.94%
The City of Toledo	Government	2,700	6	0.80%
Kroger, Inc	Retail	2,632	7	0.78%
State of Ohio	Government	2,268	8	0.67%
Wal Mart	Retail	2,215	9	0.65%
General Motors	Automotive Manufacture	1,635	10	0.48%
Total		47,969		14.16%
Total Employment within the District		290,600		85.84%
		338,569		100.00%

Employer	Nature of Business	Fiscal Year 2010		
		Number of Employees	Rank	Percentage of Total Employment
ProMedica Health Systems	Medical Facilities	9,945	1	11.87%
Mercy Health Partners	Hospital	6,625	2	7.91%
The University of Toledo - Main Campus	Education	5,046	3	6.02%
Toledo Public Schools	Education	4,318	4	5.16%
Lucas County	Government	3,876	5	4.63%
The University of Toledo - Health Science	Hospital	3,547	6	4.23%
City of Toledo	Government	2,650	7	3.16%
Kroger, Inc.	Retail Grocery	2,640	8	3.15%
The State of Ohio	Government	2,249	9	2.68%
Wal-Mart	Retail	2,218	10	2.65%
Total		43,114		51.46%
Total Employment within the District		40,649		48.54%
		83,763		100.00%

Source: Toledo Chamber of Commerce and Ohio Department of Job and Family Services

Toledo Public School District

*School District Employees by Type
Last Ten Years*

	2010	2011	2012	2013	2014
Supervisory					
Instructional Administrators	49	42	29	29	29
Noninstructional Administrators	68	66	59	65	68
Principals	61	52	48	49	47
Assistant Principals	45	33	33	42	35
Instruction					
Classroom Teachers					
Elementary	1,249	987	976	940	916
Middle	378	321	224	223	221
High	614	524	484	477	472
Other	175	95	66	124	131
Student Services					
Guidance Counselors	68	63	48	47	51
Psychologists	27	22	25	25	25
Other Professionals (noninstructional)	38	17	17	17	19
Support Services					
Clerical/Secretaries	319	235	202	203	205
Tutors/Aides	376	313	310	334	356
Food Service	253	208	183	179	168
Maintenance/Grounds	366	299	254	251	268
Transportation	232	176	168	156	166
<i>Total Employees</i>	<u>4,318</u>	<u>3,453</u>	<u>3,126</u>	<u>3,161</u>	<u>3,177</u>

Source: District Treasurer's Office

Toledo Public School District

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
27	31	32	63	130
64	77	79	105	109
43	54	55	48	50
32	40	41	47	54
925	911	933	1,113	1,111
223	223	228	129	129
477	475	486	465	508
132	132	135	128	156
55	55	56	51	55
26	26	27	26	26
19	20	20	30	24
234	220	225	216	213
407	359	368	502	465
192	164	168	173	248
306	265	271	209	275
190	222	227	246	250
<u>3,352</u>	<u>3,274</u>	<u>3,352</u>	<u>3,551</u>	<u>3,803</u>

Toledo Public School District

*Operating Indicators - Cost per Pupil
Last Ten Years*

Fiscal Year	2010	2011	2012	2013	2014
Enrollment	25,195	24,319	22,472	21,478	21,255
Modified Accrual Basis					
Operating Expenditures	457,187,002	505,439,501	432,018,739	411,575,453	368,622,221
Cost per Pupil	18,146	20,784	19,225	19,163	17,343
Percentage of Change	(6.56%)	14.54%	(7.50%)	(0.32%)	(9.50%)
Accrual Basis					
Expenses	416,809,918	418,375,808	376,617,161	394,222,180	385,722,176
Cost per Pupil	16,543	17,204	16,759	18,355	18,147
Percentage of Change	(2.19%)	3.99%	(2.58%)	9.52%	(1.13%)
Teaching Staff	2,116	1,927	1,750	1,764	1,740
Pupil to Teacher Ratio					
Toledo	N/A	N/A	N/A	N/A	12.2
State Average	N/A	N/A	N/A	N/A	N/A

Source: District Treasurer's Office and Ohio Department of Education

N/A = Not available

Toledo Public School District

2015	2016	2017	2018	2019
21,308	21,618	22,090	23,096	23,162
402,246,364	427,431,019	447,020,390	450,328,106	470,262,663
18,878	19,772	20,236	19,499	20,303
8.85%	4.74%	2.35%	(3.65%)	4.13%
389,327,097	425,900,861	465,712,620	308,169,896	442,357,654
18,271	19,701	21,083	13,343	19,098
0.68%	7.83%	7.01%	(36.71%)	43.13%
1,764	1,768	1,870	1,835	2,164
12.0	12.2	12.2	12.6	12.6
N/A	N/A	N/A	N/A	N/A

Toledo Public School District

*Operating Indicators by Function
Last Ten Years*

	2010	2011	2012	2013
Governmental Activities				
Instruction				
Regular	20,358	19,671	19,034	18,050
Special	4,837	4,648	4,140	3,698
Support Services				
Pupils				
Enrollment	25,195	24,319	23,174	21,748
Graduates	1,303	1,272	1,075	1,026
Percent of Students with Disabilities	19.20%	19.10%	18.00%	20.49%
Percent of Students with English as Second Language	1.50%	2.26%	1.61%	1.88%
Administration				
School Attendance Rate	94.90%	94.70%	94.30%	94.10%
Fiscal Services				
Purchase Orders Processed	20,917	19,867	16,759	17,424
Checks Issued (non payroll)	27,187	15,650	19,312	17,232
Operation and Maintenance of Plant				
District Square Footage Maintained	5,588,049	6,263,196	5,183,088	5,183,088
District Square Acreage Maintained	128	144	144	144
Pupil Transportation				
Average Daily Students Transported	13,269	2,893	3,517	3,327
Average Daily Bus Fleet Miles	10,125	8,300	8,190	2,783
Number of Buses	160	124	120	122
Operation of Noninstructional Services				
Food Service				
Students Meals Served Daily	15,089	14,952	18,652	22,939
Free/Reduced Price Meals Daily	13,206	13,750	17,428	20,692
Extracurricular Activities				
High School Varsity Teams	115	48	48	48

Source: District Treasurer's Office

Toledo Public School District

2014	2015	2016	2017	2018	2019
17,382	17,271	17,665	18,050	17,901	17,993
3,873	4,037	3,953	4,040	5,195	5,169
21,255	21,308	21,618	22,090	23,096	23,162
922	879	1,118	1,126	1,157	1,098
18.22%	19.15%	17.20%	17.20%	22.00%	22.32%
1.97%	1.98%	2.22%	2.22%	1.29%	1.53%
93.02%	94.00%	93.80%	93.80%	91.80%	90.30%
16,043	17,481	17,827	17,840	18,552	19,063
18,460	17,707	17,375	17,340	16,004	17,558
5,183,088	5,183,088	4,937,327	4,937,327	4,937,327	4,937,327
144	144	147	147	147	147
3,025	3,589	3,948	3,948	4,241	4,016
3,224	9,048	10,358	10,358	10,842	10,847
115	171	147	147	148	148
19,061	22,172	21,702	21,750	19,399	21,344
17,155	21,263	20,780	20,850	18,696	20,575
48	48	48	48	48	48

Toledo Public School District

*Operating Indicators - Teacher Base Salaries
Last Ten Years*

Fiscal Year	2010	2011	2012	2013	2014
Minimum Salary	35,313	34,960	34,086	34,086	34,427
Maximum Salary	70,763	72,867	71,045	70,871	71,580
District Average Salary	54,568	56,585	53,613	52,143	50,848
County Average Salary	61,490	NA	41,949	41,949	41,556
State Average Salary	55,958	56,715	48,071	48,071	48,308

Source: District Treasurer's Office and Ohio Department of Education

*Operating Indicators - Teacher by Education
Last Ten Years*

Fiscal Year	2010	2011	2012	2013	2014
Bachelor's Degree	945	824	759	789	735
Master's Degree	1,161	1,095	980	956	984
Doctorate	10	8	11	19	21
Total	2,116	1,927	1,750	1,764	1,740

Source: District Treasurer's Office

N/A - not available

Toledo Public School District

2015	2016	2017	2018	2019
34,771	35,116	35,870	39,341	39,341
71,071	73,012	77,292	78,838	78,838
51,237	51,223	56,744	59,353	62,199
41,556	40,245	40,540	42,607	69,056
56,237	48,081	48,099	56,715	59,713

2015	2016	2017	2018	2019
755	755	799	890	1,081
988	991	1,048	933	1,074
21	22	23	12	9
1,764	1,768	1,870	1,835	2,164

Toledo Public School District

*Capital Asset Statistics by Building
Last Ten Years*

	2010	2011	2012	2013
School Buildings				
High Schools				
Number of Buildings	7	7	7	7
Square Footage	1,947,738	1,947,738	1,798,771	1,798,771
Enrollment	6,809	6,680	6,889	6,187
Middle Schools *				
Number of Buildings	7	7	0	0
Square Footage	622,321	622,321	0	0
Enrollment	3,856	3,249	0	0
Elementary Schools				
Number of Buildings	37	37	42	42
Square Footage	2,453,562	2,453,562	2,530,620	2,530,620
Enrollment	13,321	13,748	15,685	14,691
Special Schools				
Number of Buildings	8	8	8	8
Square Footage	358,143	358,143	358,143	358,143
Enrollment	1,209	642	600	600
All Other				
Central Administration Building				
Square Footage	79,354	79,354	79,354	79,354
Transportation Building				
Square Footage	10,950	10,950	10,950	10,950
Maintenance Building				
Square Footage	115,981	115,981	115,981	115,981

Source: District Treasurer's Office

* Restructuring program began in 2006, completed in 2008.

Toledo Public School District

2014	2015	2016	2017	2018	2019
7	7	7	7	7	7
1,798,771	1,798,771	1,798,771	1,798,771	1,798,771	1,798,771
5,783	5,712	6,058	5,952	6,641	6,499
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
42	42	42	42	42	42
2,530,620	2,530,620	2,530,620	2,530,620	2,530,620	2,530,620
14,872	14,996	14,960	15,089	16,319	16,100
8	8	8	8	8	8
358,143	358,143	358,143	358,143	358,143	358,143
600	600	600	577	135	563
79,354	79,354	122,862	122,862	122,862	122,862
10,950	10,590	10,950	10,950	10,950	10,950
115,981	115,981	115,981	115,981	115,981	115,981

Toledo Public School District

*Capital Asset Statistics by Function
Last Ten Years*

	2010	2011	2012	2013
Governmental Activities				
Instruction				
Land and Improvements	\$20,918,761	\$20,918,761	\$21,444,762	\$21,444,762
Buildings and Improvements	452,882,180	480,007,471	590,026,000	612,986,614
Machinery and Equipment	2,772,922	2,954,554	3,245,394	3,571,105
Vehicles	421,335	421,335	465,344	522,526
Construction In Progress	41,441,727	94,921,281	10,865,779	339,735
Administration				
Land and Improvements	207,367	207,367	207,367	207,367
Buildings and Improvements	9,609,275	10,963,164	10,963,164	10,963,164
Machinery and Equipment	4,382,103	4,416,260	4,482,758	4,482,758
Vehicles	28,631	157,931	157,931	157,931
Operations and Maintenance of Plant				
Land and Improvements	411,952	411,952	411,952	411,952
Buildings and Improvements	1,502,625	1,504,498	1,504,498	1,504,498
Machinery and Equipment	2,031,520	2,109,652	2,109,652	2,109,652
Vehicles	1,816,428	1,488,754	1,143,127	1,476,022
Transportation Services				
Land and Improvements	584,422	584,422	58,422	58,422
Buildings and Improvements	207,077	207,077	207,077	207,077
Machinery and Equipment	54,943	54,943	54,943	54,943
Vehicles	8,710,085	8,303,498	8,561,106	8,933,772
Non-Instructional Activities				
Land and Improvements	127,175	127,175	127,175	127,175
Buildings and Improvements	4,046,820	4,046,820	4,046,820	4,046,820
Machinery and Equipment	1,069,348	981,930	981,930	981,930
Extracurricular Activities				
Land and Improvements	140,221	140,221	140,221	140,221
Buildings and Improvements	3,199,910	3,199,910	3,199,910	3,199,910
Machinery and Equipment	284,226	284,226	284,226	284,226

Source: District Treasurer's Office

Toledo Public School District

2014	2015	2016	2017	2018	2019
\$21,484,812	\$21,588,880	\$21,478,034	\$21,478,034	\$21,478,034	\$21,478,034
616,457,334	623,266,182	622,277,716	622,277,716	627,744,568	630,747,818
4,128,195	3,748,327	8,996,315	10,734,487	12,379,833	12,383,408
522,526	372,411	891,887	1,250,539	1,250,539	1,250,539
0	0	0	0	0	0
207,367	207,367	208,853	208,853	208,853	365,676
10,963,164	10,963,164	11,041,736	11,041,736	11,041,736	12,649,591
4,482,758	5,011,068	4,514,886	4,514,886	4,514,886	4,514,886
157,931	0	159,063	159,063	159,063	159,063
411,952	411,952	414,904	414,904	414,904	414,904
1,504,498	1,504,498	1,515,281	1,515,281	3,754,595	4,577,575
2,109,652	2,420,467	2,124,772	2,124,772	2,849,397	3,132,406
1,476,022	1,452,013	1,486,601	1,486,601	1,486,601	1,424,876
58,422	58,422	58,841	58,841	58,841	58,841
207,077	207,077	208,561	208,561	208,561	208,561
54,943	54,943	55,337	55,337	55,337	55,337
8,988,924	10,580,116	10,321,508	10,321,508	11,480,871	12,455,170
127,715	127,715	128,630	128,630	128,630	128,630
4,046,820	3,014,175	4,075,823	4,075,823	4,075,823	4,075,823
981,930	1,055,912	988,967	988,967	2,926,885	3,002,088
140,221	140,221	141,226	141,226	141,227	141,227
3,199,910	2,507,710	3,222,844	3,222,844	3,408,146	6,958,285
284,226	357,100	286,263	286,263	294,180	294,180

Toledo Public School District

Educational and Operating Statistics Last Ten Years

	2010	2011	2012	2013	2014
Cost per Student (ODE)					
Toledo	13,544	13,859	12,471	N/A	N/A
Ohio (Average)	10,512	10,571	10,508	10,508	N/A
Attendance Rate					
Toledo	N/A	94.70%	94.30%	N/A	93.02%
Ohio (Average)	94.30%	94.50%	94.50%	94.20%	93.00%
Graduation Rate					
Toledo	N/A	80.50%	N/A	N/A	64.50%
Ohio (Average)	84.60%	84.30%	81.30%	81.30%	82.20%

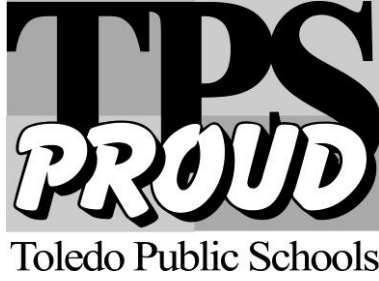
Source:

District's Student Records and Ohio Department of Education

N/A = Not available

Toledo Public School District

2015	2016	2017	2018	2019
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
96.10%	93.80%	94.80%	91.80%	90.30%
92.40%	92.80%	92.80%	93.64%	94.45%
64.50%	70.30%	72.00%	71.40%	79.10%
82.40%	83.20%	83.20%	84.10%	85.30%



OHIO AUDITOR OF STATE KEITH FABER



TOLEDO 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 23, 2020**