

# Comprehensive Annual Financial Report

BUILDING OUR FUTURE TOGETHER



Conceptual New North Olmsted Middle & High School Facility

*Images Are Conceptual in Nature and Subject to Change*



## North Olmsted City School District

For the Fiscal Year Ended June 30, 2014  
North Olmsted, Ohio

**Back of cover.**

**NORTH OLMSTED**  
**CITY SCHOOL DISTRICT**  
North Olmsted, Ohio

**Comprehensive**  
**Annual Financial Report**  
**For the Fiscal Year Ended June 30, 2014**

Prepared by  
Treasurer's Office  
Robert J. Matson CPA  
Treasurer

**This page intentionally left blank.**

## INTRODUCTORY SECTION

**This page intentionally left blank.**

**North Olmsted City School District**  
Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 2014  
Table of Contents

| <b>I. Introductory Section</b>   | <b>Page</b> |
|--|-------------|
| Table of Contents .....  | i           |
| Letter of Transmittal.....   | v           |
| List of Principal Officials .....  | xv          |
| Organizational Chart.....  | xvi         |
| GFOA Certificate of Achievement .....  | xvii        |
| ASBO International Certificate of Excellence .....   | xviii       |
| <br><b>II. Financial Section</b>   |             |
| Independent Auditor's Report.....  | 1           |
| Management's Discussion and Analysis .....   | 5           |
| Basic Financial Statements   |             |
| Government-wide Financial Statements:  |             |
| Statement of Net Position .....  | 14          |
| Statement of Activities .....  | 15          |
| Fund Financial Statements:   |             |
| Balance Sheet - Governmental Funds .....   | 16          |
| Reconciliation of Total Governmental Fund Balances to<br>Net Position of Governmental Activities.....  | 17          |
| Statement of Revenues, Expenditures and Changes in<br>Fund Balances - Governmental Funds .....   | 18          |
| Reconciliation of the Statement of Revenues, Expenditures and Changes in<br>Fund Balances of Governmental Funds to the Statement of Activities ..... | 19          |
| Statement of Revenues, Expenditures and Changes in Fund Balances-<br>(Non-GAAP Budgetary Basis) and Actual - General Fund .....                      | 20          |
| Statement of Fund Net Position - Internal Service Fund.....  | 21          |
| Statement of Revenues, Expenses and Changes in Fund<br>Net Position - Internal Service Fund .....  | 22          |
| Statement of Cash Flows - Internal Service Fund.....   | 23          |
| Statement of Fiduciary Assets and Liabilities - Agency Fund .....  | 24          |
| Notes to the Basic Financial Statements .....  | 25          |

Combining Statements and Individual Fund Schedules:

|  |    |
|--|----|
| Combining Statements - Nonmajor Governmental Funds:                |    |
| Fund Descriptions.....   | 54 |
| Combining Balance Sheet - Nonmajor Governmental Funds.....         | 56 |
| Combining Statement of Revenues, Expenditures and Changes in       |    |
| Fund Balances - Nonmajor Governmental Funds .....                  | 57 |
| Combining Balance Sheet - Nonmajor Special Revenue Funds .....     | 58 |
| Combining Statement of Revenues, Expenditures and Changes in       |    |
| Fund Balances - Nonmajor Special Revenue Funds .....               | 62 |
| Statement of Changes in Assets and Liabilities – Agency Fund ..... | 66 |

Schedules of Revenues, Expenditures and Changes in  
Fund Balances-Budget (Non-GAAP Budgetary Basis) and Actual:

|   |    |
|---|----|
| General Fund.....                       | 67 |
| Food Service Fund .....                 | 71 |
| Athletic Fund.....                      | 72 |
| Auxiliary Services Fund.....            | 73 |
| Data Communication Fund.....            | 74 |
| Alternative Education Fund .....        | 75 |
| Miscellaneous State Grants Fund .....   | 76 |
| Race to the Top Fund.....               | 77 |
| Title VIB Fund.....                     | 78 |
| Limited English Proficiency Fund .....  | 79 |
| Title I Fund.....                       | 80 |
| Preschool Fund .....                    | 81 |
| Title II-A Fund .....                   | 82 |
| Miscellaneous Federal Grants Fund ..... | 83 |
| Miscellaneous Local Projects Fund.....  | 84 |
| Rotary Fund.....                        | 85 |
| Public Support Services Fund .....      | 86 |
| Other Grants Fund.....                  | 87 |
| Debt Service Fund.....                  | 88 |
| Permanent Improvements Fund.....        | 89 |
| Self Insurance Fund .....               | 90 |



### III. Statistical Section

#### Table of Contents

|  |      |
|--|------|
| Net Position by Component Last Ten Years<br>(Accrual Basis of Accounting) .....  | S-1  |
| Expenses, Program Revenues and Net (Expenses) Revenues Last Ten Years<br>(Accrual Basis of Accounting) .....   | S-3  |
| General Revenues and Total Changes in Net Position Last Ten Years<br>(Accrual Basis of Accounting) .....   | S-5  |
| Fund Balances – Governmental Funds Last Five Fiscal Years<br>(Modified Accrual Basis of Accounting) .....  | S-7  |
| Fund Balances – Governmental Funds Last Five Fiscal Years<br>(Modified Accrual Basis of Accounting) .....  | S-9  |
| Governmental Funds Revenues Last Ten Fiscal Years<br>(Modified Accrual Basis of Accounting) .....  | S-11 |
| Governmental Funds Expenditures and Debt Service Ratio Last Ten Fiscal Years<br>(Modified Accrual Basis of Accounting) .....                           | S-13 |
| Other Financing Sources and Uses and Net Change in Fund Balances-<br>Governmental Funds Last Ten Years<br>(Modified Accrual Basis of Accounting) ..... | S-15 |
| Assessed and Estimated Value of Taxable Property<br>Last Ten Fiscal Years .....  | S-17 |
| Property Tax Rates – Direct and Overlapping Governments<br>(Per \$1,000 Assessed Valuation Last Ten Calendar Years) .....                              | S-19 |
| Principal Taxpayers:<br>Real Estate Tax .....  | S-20 |
| Public Utility Tax .....   | S-21 |
| Property Tax Levies and Collections Last Ten Calendar Years .....  | S-23 |
| Outstanding Debt by Type Last Ten Fiscal Years .....   | S-25 |
| Legal Debt Margin Last Ten Fiscal Years .....  | S-27 |
| Computation of Direct and Overlapping General Obligation Debt .....  | S-29 |
| Demographic and Economic Statistics Last Ten Years .....   | S-30 |
| Principal Employers .....  | S-31 |
| Full-Time Equivalent District Employees by Function<br>Last Ten Fiscal Years .....   | S-33 |
| Operating Statistics Last Ten Fiscal Years .....   | S-35 |
| School Building Information Last Ten Fiscal Years .....  | S-37 |
| Capital Asset Information Last Ten Fiscal Years .....  | S-39 |

**This page intentionally left blank.**

*North Olmsted City School District  
Administrative Offices  
27425 Butternut Ridge Road  
North Olmsted, Ohio 44070*



December 26, 2014

Members of the North Olmsted Board of Education and  
Residents of North Olmsted City School District:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the North Olmsted City School District for the year ended June 30, 2014. This CAFR includes an opinion from the State Auditor and conforms to U.S. generally accepted accounting principles as applicable to governmental entities. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the School District. This report will provide the taxpayers of the North Olmsted City School District with comprehensive financial data in a format that will enable them to gain an understanding of the School District's financial affairs. Copies will be made available to the North Olmsted Public Library, major taxpayers, financial rating services, local bankers and other interested parties.

### **THE REPORTING ENTITY**

North Olmsted City School District has reviewed its reporting entity definition in order to ensure conformance with the Governmental Accounting Standards Board Statement (GASB) No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations are Component Units" and GASB Statement No. 61 "The Financial Reporting Entity: Omnibus". In evaluating how to define the School District for financial reporting purposes, management has considered all agencies, departments and organizations making up the North Olmsted City School District (the primary government) and its potential component units.

Excluded from the reporting entity because they are fiscally independent of the School District are the City of North Olmsted, the Cuyahoga County Public Library and the Parent Teacher Association. A complete discussion of the School District's reporting entity is provided in Note 1 to the basic financial statements.

The School District is a member of the North Coast Council, the Polaris Career Center, the North Olmsted City Schools Education Foundation and the Ohio Schools Council Association. The relationship of these jointly governed organizations with the School District is described in more detail in Note 15 of the basic financial statements.

### **ORGANIZATIONAL STRUCTURE**

Statutorily, the School District operates under the standard prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 of the Ohio Revised Code, to provide

educational services prescribed by State and Federal agencies. The Board of Education is made up of five members elected at large, for overlapping four-year terms. The Board of Education elects its President and Vice President annually, and appoints two officials: the Superintendent, who serves as the Chief Executive Officer, and the Treasurer, who serves as the Chief Financial Officer. The District is one of over 876 public school districts and community schools in the State of Ohio. The District provides education services to 4,046 students in kindergarten through twelfth grade. The District also provides a wide range of services preschool-aged children, special education and vocational type academic programs.

## **SCHOOL DISTRICT**

The North Olmsted City School District is located in western Cuyahoga County, approximately 17 miles southwest of downtown Cleveland. The School District encompasses the entire City of North Olmsted, a community with a population of approximately 32,000. The City is primarily residential with a significant commercial tax base of retail businesses.

The School District was chartered in 1831 by the Ohio State legislature two years after the name "Olmstead" was assigned to the area. The region was named after Aaron Olmstead, an investor and Revolutionary War soldier who purchased land in the area in 1794. The exact time and reason for changing to the current spelling is unclear from the historical records. In 1837, under the auspices of the Office of the State Superintendent of Common School Education, Township Trustees were authorized to levy compulsory taxes for the support of public education. In 1853 State laws were enacted to create locally elected boards of education to govern local school districts. Today, the North Olmsted Board of Education is comprised of five members, elected at large, with staggered four year terms.

Statutorily, the School District operates under standards prescribed by the Ohio State Board of Education as provided in Section 3301.07(D) of the Ohio Revised Code, to provide educational services authorized by charter and further mandated by State and Federal agencies. Under Ohio law, the School District is a separate and distinct unit of government with its own taxing authority.

## **ECONOMIC CONDITION AND OUTLOOK**

North Olmsted City Schools, like most school districts in Ohio, was facing a serious decline in operating revenues due to the nationwide economic recession, the housing foreclosure crisis and cutbacks in state funding. The anticipated loss in operating revenue threatened to financially destabilize the District. The problem was so enormous; the Board of Education recognized that the only way to fix the problem was through a combination of budget cuts, staff concessions, and community support of a new operating levy.

The Board of Education set a goal of reducing operating expenses by \$4.5 million annually. This goal was exceeded when \$2.9 million in budgetary cuts were realized and \$2.8 million in salary concessions were obtained from employees. The majority of the budgetary cuts were obtained with the elimination of 39 staff positions during the 2010-11 school year and an additional 10 positions for the 2011-12 school year.

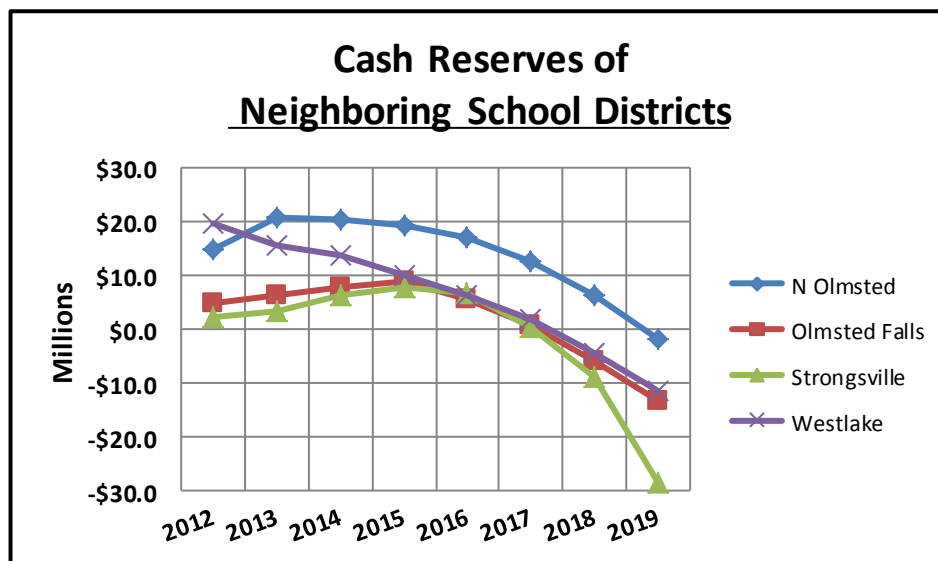
The labor unions contributed to the cost reduction plan by agreeing to accept \$2.8 million in salary and fringe benefit concessions. Both unions voluntarily reopened their contracts and did not accept a 2.55% base salary increase they were legally entitled to receive during the 2010-11 school year. The unions also agreed to a base salary freeze for the 2011-12 school year.

The School District's financial position was further stabilized with the passage of a 7.9 mill operating levy in November 2010. This levy was phased in over a period of two years and generated an additional \$6.5 million of real estate tax revenue annually. Approximately 33.0% of

the taxes from this levy will be paid by commercial property owners.

The combination of the above budgetary cuts, employee concessions, and community support of a new operating levy has allowed the School District to accumulate an unencumbered General Fund cash balance of \$20.3 million at June 30, 2014.

Based upon the District's "October 2014 Five Year Financial Forecast", operating expenditures have started to exceed operating revenue. These future operating deficits can be temporarily funded with the District's cash reserves until the reserves are exhausted and the Board of Education will have to place a property tax levy before the voters. In Ohio, inflationary growth in the property tax collections is severely restricted through legislative actions. Most school districts in Ohio are required to periodically seek additional funding through new tax levies to off-set increase operating costs caused by inflation, unfunded state mandates, and the adoption of new academic programs. The Administration at North Olmsted has been proactive in controlling costs and extending the life cycle of its levy as indicated is the following graph of projected future cash reserves of neighboring school district obtained from the Ohio Department of Education.



On November 4, 2014, the Community approved an \$80.6 million construction bond levy. Proceeds from the sale of the bonds will be used to construct a sixth through twelfth grade state of the art educational campus, a performing arts center, and a new high school athletic complex. Principal and interest accrued on the bonds will be paid with the real estate taxes collected from the new 5.4 mill bond levy. The School District will receive approximately \$9.0 million in matching funds from the State of Ohio.

## **MAJOR INITIATIVES - FISCAL YEAR 2014**

### **Excellence in Academics**

The Gifted Program grades K-12 is ranked in the top 10% of all school districts in the State of Ohio.

The High School offers 34 different Honors or Advanced Placement classes for students. North Olmsted Middle School recorded the highest value added increase in the State of Ohio for the progress students made on the State Report Card.

Our partnership with Polaris Career Center is expanding and we have developed satellite programs in Biomedical Science, Video Game Design and Computer Networking Technology. Students can earn a 3-year Computer Networking Technology certificate in Microsoft Technology, CompTIAA+ and Cisco Certified Network Associate. Students also can earn college credit through the Post-Secondary Options Program (PSOP.)

The District formally joined in a partnership with Lorain County Community College (LCCC) and the MyUniversity Program to allow students to earn college credit for free while still in high school by offering college level classes at the high school. The program started by offering two Chemistry courses and two Spanish courses with plans to expand in the next few years and build on the strength of the AP programs at the high school.

U.S. News and World Report reviewed 31,242 public high schools for their annual rankings. In Ohio, 244 High Schools earned rankings out of 832 High Schools in 611 districts. North Olmsted High School earned a Bronze Award – one of only 129 in the state to earn Bronze.

The North Olmsted High School Class of 2014 earned over \$8 million in scholarship offers to universities and colleges across the country to further their studies.

The community groups in North Olmsted awarded scholarship awards totaling over \$77,000.

The North Olmsted Kiwanis awarded eleven scholarships totaling \$10,500 and the North Olmsted City Schools Education Foundation administered and awarded nineteen different scholarships totaling \$17,000.

Sixty-eight seniors were awarded the Presidential Award of Educational Excellence and seventy-eight earned Honors diplomas. One student was named a Finalist in the 2014 National Merit Scholarship competition, and three were Commended Students.

### **Excellence in the Arts**

North Olmsted High School art students supplied original artwork for a community calendar called the Town Planner which is distributed to every home and business in North Olmsted. Students also participated in an Arts Festival at Frostville Museum in conjunction with the City of North Olmsted Cultural Arts Commission.

The Education Foundation supports and promotes the arts and invites the students to display their original artwork at their annual fundraiser at Springvale Ballroom. Students are allowed to sell their artwork to community members and retain the proceeds.

The Special Edition Vocal Ensemble performed across the community, including a trip to New York City. The ensemble produces an annual CD of their music and it is well received by the community.

The annual spring musical is well attended by the community and performers are looking forward to being able to one day have a true Performing Arts Center instead of performing in the High School cafeteria.

### **Excellence in Community Service**

Students in the SITES (Social Involvement Through Education and Service) perform thousands of hours of volunteer service to the community locally and in the poorest sections of Appalachia in southeastern Ohio.

The SITES program, Link Crew and WEB programs have been nationally recognized as best practices for service and efforts to have older students mentor younger students to support students as they transition from Middle School to High School.

Students give back to the community all year, with extra efforts in December on a district-wide Day of Giving to help stock the food pantry and adopt needy families to provide Christmas gifts and necessities.

### **Excellence in Athletics**

The Varsity Swim Team broke a number of school records for both girls and boys, including setting a new school record for freestyle and backstroke and competing in the state swim meet and placing 7<sup>th</sup> in the 50 meter freestyle.

The Gymnastics team had two state qualifiers in the State Gymnastics meet.

School records were also broken in baseball, including a no-hitter by one graduating senior.

Six graduates were honored as All Ohio by the OHSSA.

Over 500 students participate in the sports program at the High School each year, and approximately 300 at the Middle School. There are opportunities for all students to participate in athletics other than football and basketball. North Olmsted's athletic program includes ice hockey, wrestling, boys and girls softball and cross-country, and boys and girls golf.

Robert Morris of Morris Cadillac-Buick-GMC in North Olmsted generously donated \$250,000 to the North Olmsted Stadium Foundation, earning naming rights for his support.

There is a growing sense of eagle pride each year in the district as the athletic program encourages the younger students to attend varsity events with special promotions. New this year is the addition of a Spirit Bus that is now the envy of the conference.



## Other Accomplishments

The District completed their updated Strategic Plan in January 2014 titled: ***The 2020 Initiative: Building Our Future Together.*** The plan was developed by a cross section of members from the community, city, and the schools. One of the major focus areas as a goal was addressing our facility needs across the district.

The Strategic Plan included the development of a new Facilities Master Plan. A Community Facilities Task Force was assembled in February 2014 to conduct research, collect data, and analyze options for upgrading and consolidating buildings. The Task Force looked at a number of options and proposed a combined 6-12 educational campus that includes a Performing Arts Center and new Athletic Complex.



The Board of Education placed an \$80.6 million bond levy on the November 2014 ballot and the issue passed on the first attempt with a solid 10% margin. The issue passed in all 24 precincts, including the absentee ballot vote. The successful passage enables the District to create a new gateway to North Olmsted on Butternut Ridge Rd. with a Western Reserve style campus that will complement the public library and respect the historic district. Community members of all ages came together to address the long-standing issue of an aging and inefficient middle school and expanded the plans to include a new high school as a proactive part of the facilities plan.

During the summer of 2013, the School District continued its partnership with the North Olmsted City Recreation Department and Horizon Activity Centers to serve as host sites for an USDA sponsored Summer Meals Program. The program provides no cost breakfasts, lunches and snacks to children ages 1 through 18 during the months of June, July and August. During the first three years of its operations, over 110,000 meals and snacks have been served.

## LONG-TERM FINANCIAL PLANNING

As part of the District's long-term planning, the Treasurer prepares a five-year financial forecast. This document provides a snapshot of historical and projected revenues and expenses over the



next five years and is accompanied by financial assumptions. The Board of Education reviews this document on a quarterly basis for changes that might impact their district financial decisions. The School District's five year financial forecast and the assumptions used in its preparation can be found on the District's website "[www.northolmstedschools.org](http://www.northolmstedschools.org)".

## **FINANCIAL POLICIES IMPACTING THE FINANCIAL STATEMENTS**

The Board of Education has adopted guidelines to maintain a prudent level of financial resources to protect the School District against the need to reduce service levels or raise taxes and fees due to temporary revenue shortfalls or unpredicted one-time expenditures. To achieve this goal, the Board of Education has established a budget stabilization fund, a medical claims reserve fund, and a contingency fund to finance the next 27<sup>th</sup> pay period scheduled to occur during the 2015-16 fiscal year. A detailed discussion of these funds is provided in Notes 10.C and 17 to the basic financial statements.

The Board of Education has also adopted administrative procedures to compare actual expenditures to budget monthly and quarterly for the purpose of taking appropriate actions to bring the budget into balance.

## **FINANCIAL INFORMATION**

### **Internal Accounting and Budgetary Control**

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

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

At the beginning of each fiscal year, the Board of Education adopts a temporary appropriation measure. A permanent appropriation measure is subsequently adopted upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates, which is usually within the first three months of the fiscal year.

Annual appropriations may not exceed the County Budget Commission's official estimate of resources. The County Auditor must certify that the Board of Education's appropriation measures, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority from the Board. The legal level of appropriations is at the fund/object level for the General Fund, fund/special cost center for Miscellaneous State and Federal Grants, and at the fund level for all other funds. All budgets are maintained at the object account level within a function and fund. All purchase order requests must be approved by either the Superintendent or Assistant Superintendent and certified by the Treasurer; necessary funds are then encumbered and purchase orders are released to vendors. Those requests that exceed the available appropriation are rejected until additional appropriations are secured.

The accounting system used by the School District provides interim financial reports which detail year-to-date expenditures and encumbrances versus the original appropriation plus any additional appropriations made to date. Each administrator and school principal is furnished monthly reports showing the status of the budget accounts for which they are responsible. In addition, an on-line inquiry system is available at each cost center site. The basis of accounting and the various funds utilized by the North Olmsted City Schools are fully described in Note 1 of the Notes to the Basic Financial Statements. Additional information on the School District's budgetary accounting can also be found in Note 1.

### **Financial Presentation**

The School District has prepared its financial statements following the guidelines of GASB Statement No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments". GASB 34 creates basic financial statements for reporting on the School District's financial activities as follows:

**Government-wide Financial Statements** - These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by businesses. The government-wide statements distinguish between those activities of the School District that are governmental and those that are considered business-type activities. The District has no business-type activities.

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

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

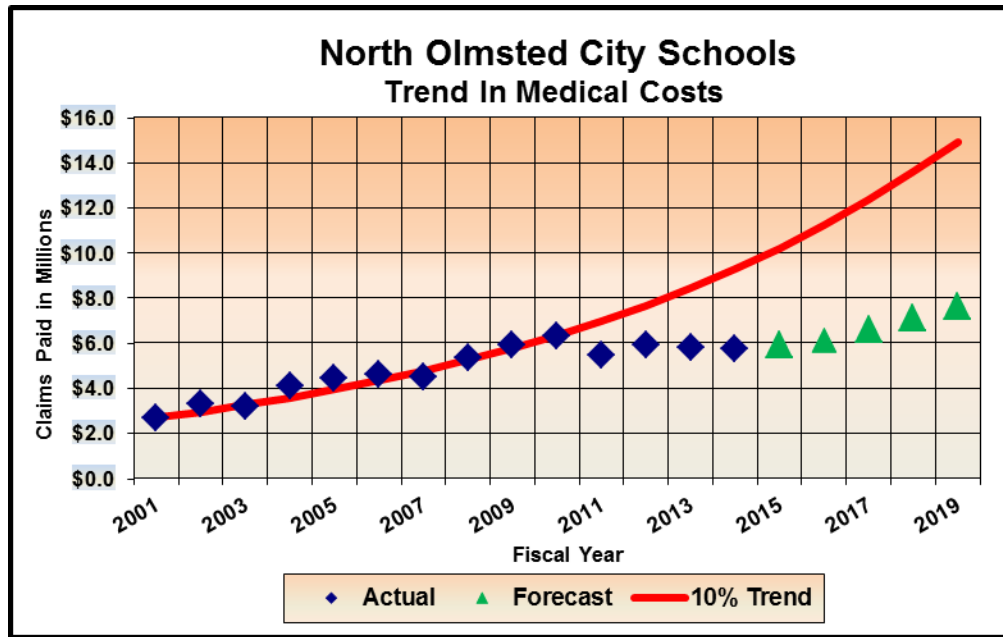
Management is responsible for preparing a Management Discussion and Analysis (MD&A) of the School District. This discussion follows the Independent Auditor's Report and provides an assessment of the School District's finances for fiscal year 2014 and a discussion of current issues affecting the School District in the future. Because that discussion focuses on major funds, other non-major funds are discussed briefly in this letter of transmittal.

### **Financial Highlight - Internal Service Fund**

During fiscal year 2014, only one activity, the Self-Insurance Fund, is reported as an internal service fund. The Self-Insurance Fund accounts for the revenue and expenses associated with the School District's medical, prescription drug and dental benefits provided to its employees. The District limits its liability for medical and surgical claims by maintaining a specific stop-loss insurance policy with a maximum threshold of \$125,000.

As of June 30, 2014, the Self-Insurance Fund had net position of \$1,073,661. To help off-set rising health care costs, the Unions agreed to pay the following percent of the cost of the monthly insurance premiums: 10.0% in fiscal year 2012-13, 12.5% in fiscal year 2013-14, and 15.0% in fiscal 2014-15. The Unions also agreed to double the co-pays for prescription drugs and enroll their spouses in a coordination of benefit program.

These changes are projected to reduce District's medical expenditures approximately \$14.5 million during the next five years and are clearly illustrated in the enclosed graph.



### Financial Highlight - Agency Fund

Included in this category are student managed activities assets held by the School District in a trustee capacity. Total assets in these funds at June 30, 2014 were \$133,800.

### INDEPENDENT AUDIT

State statutes and federal regulations require the School District to be subjected to periodical examinations by an independent auditor. An annual audit serves to maintain and strengthen the School District's accounting and budgetary controls. The Auditor of State was selected to render an opinion on the School District's financial statements for the year ended June 30, 2014. The opinion appears at the beginning of the financial section of this report.

Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all school districts in Ohio. North Olmsted City School District adopted and has been in conformance with this system beginning with its financial report for the 1979 year.

### AWARDS

#### GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the North Olmsted City School District for its Comprehensive Annual Financial Report for the year ended June 30, 2013. In 1985, North Olmsted City School District was the first school district in Ohio to receive this award and has received the award for (29) twenty-nine consecutive years. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

### **ASBO International Certificate of Excellence**

The School District received the Association of School Business Officials (ASBO) International Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the year ended June 30, 2013. The Certificate of Excellence in Financial Reporting Program was designed by ASBO International to enable school business officials to achieve a high standard of financial reporting.

Since its inception in 1972, the program has gained the distinction of being a prestigious national award recognized by: accounting professionals; underwriters; securities analysts; bond rating agencies; state and federal agencies. A Certificate of Achievement is valid for a period of one year. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to ASBO.

### **Ohio Auditor of State Award with Distinction**

In September 2014, the School District was recognized by Auditor of State Dave Yost with the presentation of his Ohio Auditor of State Award with District for excellence in financial reporting for the fiscal year ended June 30, 2013.

### **ACKNOWLEDGMENTS**

The publication of this report significantly increases the accountability of the School District to the taxpayers of North Olmsted City School District. This accomplishment would not have been possible without the support and efforts of the staff of the Treasurer's office, administrators and employees of the School District. Assistance from the County Auditor's office staff and outside agencies made possible the fair presentation of statistical data. In addition, special appreciation is expressed to Robbie Cerney from the firm of Costin & Company, CPA, Inc. for the advice and guidance rendered to the production of this report.

Respectfully submitted,



*Robert J. Matson, CPA  
Chief Financial Officer*



*Dr. Michael E. Zalar  
Superintendent of Schools*

North Olmsted City School District  
Principal Officials  
June 30, 2014

---

**Board of Education**



Thomas Herbster

Linda Cleary

John J. Lasko, Jr.

Joanne DiCarlo

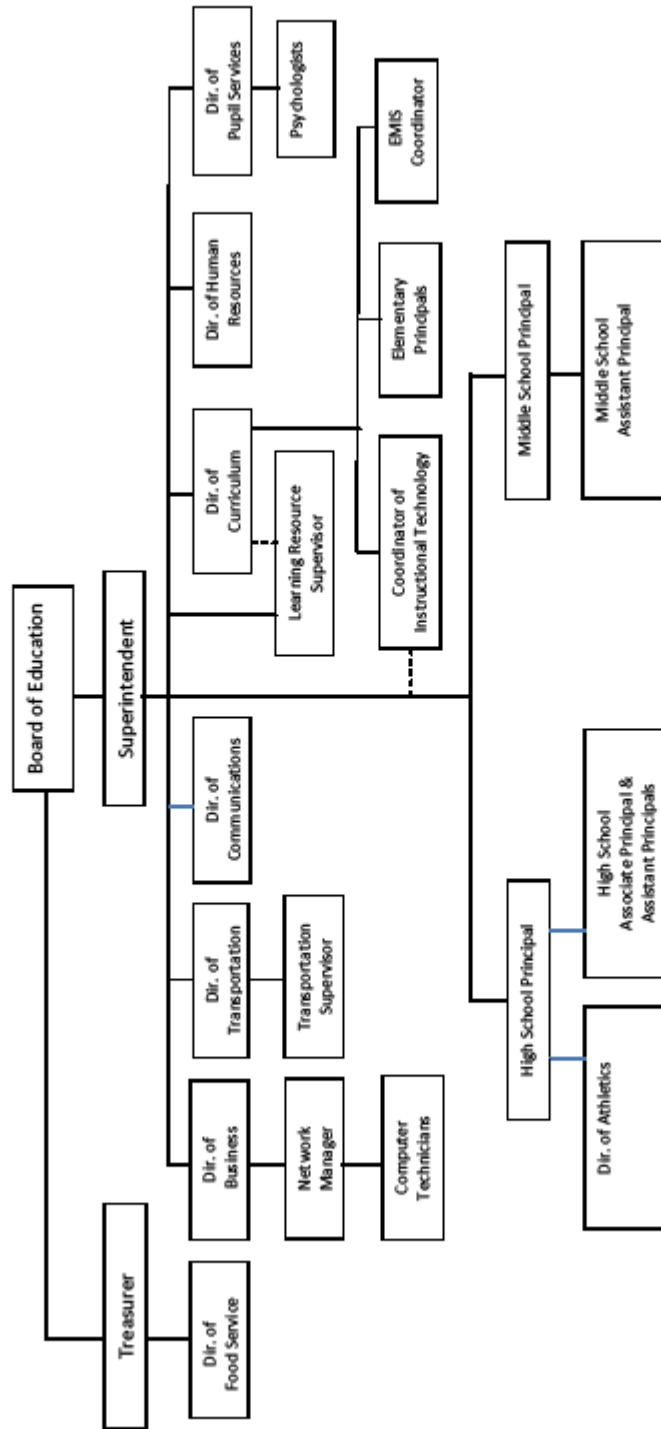
Terry Groden

**Administration**

Dr. Michael E. Zalar  
Mr. Robert J. Matson, CPA  
Ms. Mary Kurtz  
Mr. Michael Diamond  
Mr. Larry Orrach  
Ms. Lisa Ryan-Curtin  
Ms. Vera Brewer

Superintendent  
Treasurer  
Assistant to the Treasurer  
Director of Human Resources  
Director of Curriculum & Instruction  
Director of Pupil Services  
Communications Manager

# **North Olmsted School District Organizational Chart**





Government Finance Officers Association

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

Presented to

**North Olmsted City School District  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2013**

Executive Director/CEO

# Association of School Business Officials International



*The Certificate of Excellence in Financial Reporting Award  
is presented to*

## **North Olmsted City School District**

*For Its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2013*

The CAFR has been reviewed and met or exceeded  
ASBO International's Certificate of Excellence standards



Terrie S. Simmons, RSBA, CSBO  
President

John D. Musso, CAE, RSBA  
Executive Director



## **FINANCIAL SECTION**

**Back of Divider Page**



# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

North Olmsted City School District  
Cuyahoga County  
27425 Butternut Ridge Road  
North Olmsted, Ohio 44070

To the Board of Education:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the North Olmsted City School District, Cuyahoga County, Ohio (the District), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the North Olmsted City School District, Cuyahoga County, Ohio, as of June 30, 2014, and the respective changes in financial position thereof and the budgetary comparison for the General Fund for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

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

#### ***Supplementary and Other Information***

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

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

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

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 26, 2014, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

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

**Dave Yost**  
Auditor of State  
Columbus, Ohio

December 26, 2014

**This page intentionally left blank.**

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2014*  
*Unaudited*

---

The management discussion and analysis of North Olmsted City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2014. The intent of this management discussion and analysis is to look at the School District's financial performance as a whole. Readers should also review the financial statements and notes to those respective statements to enhance their understanding of the School District's financial performance.

### **Financial Highlights**

Key Financial Highlights for 2014 are as follows:

Net position increased \$ 1,455,817 from the previous year.

The General Fund maintains a strong unrestricted cash balance of \$ 22.8 million at June 30, 2014.

Revenues for governmental activities totaled \$ 60.7 million in fiscal year 2014 as compared to \$ 58.9 million in fiscal year 2013.

In fiscal year 2014, 92.6 percent of total revenue consisted of general revenues while program revenues accounted for the remaining balance of 7.4 percent.

In fiscal year 2014, total program expenses increased 6.3 percent from the previous year to \$ 59.2 million. Instructional expenses made up 58.3 percent of this total while support services accounted for 35.7 percent. Other expenses rounded out the remaining 6.0 percent.

### **Using this Annual Report**

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

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

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2014*  
*Unaudited*

---

**Reporting the School District as a Whole**

*Statement of Net Position and the Statement of Activities*

*The Statement of Net Position and Statement of Activities* have been prepared using the accrual basis of accounting, similar to the method used by most private-sector companies. Accrual accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

In the Statement of Net Position and the Statement of Activities, the School District is classified as governmental activities. All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation, food service operation and extracurricular activities.

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

*Governmental Fund Financial Statements*

The governmental fund financial statements provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these governmental fund financial statements focus on the School District's most significant funds. The School District has only one major governmental fund, the General Fund.

*Governmental Funds*

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

**The School District as a Whole**

The Statement of Net Position provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net position for 2014 compared to 2013.



**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2014*  
*Unaudited*

**TABLE I**  
Total Net Position

|                                   | <u>2014</u>           | <u>2013</u>           |
|-----------------------------------|-----------------------|-----------------------|
| <b>Assets</b>                     |                       |                       |
| Current and other assets          | \$ 68,176,098         | \$ 69,268,811         |
| Total capital assets, net         | <u>15,112,672</u>     | <u>14,821,986</u>     |
| Total assets                      | <u>83,288,770</u>     | <u>84,090,797</u>     |
| <b>Liabilities</b>                |                       |                       |
| Current liabilities               | 9,206,488             | 8,766,532             |
| Long term liabilities             |                       |                       |
| Due within one year               | 749,575               | 1,118,795             |
| Due in more than one year         | <u>5,778,574</u>      | <u>5,884,652</u>      |
| Total liabilities                 | <u>15,734,637</u>     | <u>15,769,979</u>     |
| <br>Deferred inflows of resources | <br><u>31,860,328</u> | <br><u>34,082,830</u> |
| <b>Net position</b>               |                       |                       |
| Net investment in capital assets  | 11,972,672            | 11,336,986            |
| Restricted                        | 3,045,558             | 2,296,182             |
| Unrestricted                      | <u>20,675,575</u>     | <u>20,604,820</u>     |
| Total net position                | <u>\$ 35,693,805</u>  | <u>\$ 34,237,988</u>  |

Total assets decreased by \$ 802,027. The majority of this decrease can be attributed to decreases of \$ 1,266,196 in equity in pooled cash and \$ 215,919 in intergovernmental receivables which were offset with an increase of \$ 442,168 in taxes receivable. The School District's pooled cash was used to pay principal and interest payments on its general obligation bonds, which payments increased in 2014. Additionally the School District used pooled cash for the purchase of land and facility improvements and to pay down accounts payable.

Total liabilities decreased by \$ 35,342. Accounts and contracts payable decreased \$ 339,844 and long term liabilities decreased \$ 475,298. Accrued salaries, wages and benefits increased \$ 525,607 primarily due to the implementation of an all-day kindergarten. The School District also had an increase in claims payable of \$ 226,300.

To determine the overall financial performance of the School District one must consider the relative changes in net position. By comparing assets and deferred outflows of resources to liabilities and deferred inflows of resources, one can see that the overall position of the School District has improved as evidenced by the increase in net position of \$ 1,455,817. A change in net position indicates how an entity is providing for future generations.

#### **Governmental Activities**

The vast majority of revenues supporting all Governmental Activities are general revenues. General revenue totaled \$ 56.2 million or 92.6 percent of the total revenue. The most significant portion of the general revenues is local property tax. Property tax revenue in fiscal year 2014 increased \$ 2,271,016 from the previous year. The increase in tax revenue is due primarily to an increase in the amount of property taxes available for advance from the Cuyahoga County Auditor.

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2014*  
*Unaudited*

The remaining amount of revenue received is in the form of program revenues amounting to \$ 4.5 million or only 7.4 percent of total revenue. Program revenues are derived from fees for services, sales from fund raising activities, operating grants, interest and contributions.

Although the School District relies heavily upon local property taxes to support its operations, the School District does actively solicit and receive additional grant and entitlement funds to help offset some operating costs.

Table 2 summarizes the revenue, expenses and changes in net position for fiscal years 2014 compared to 2013.

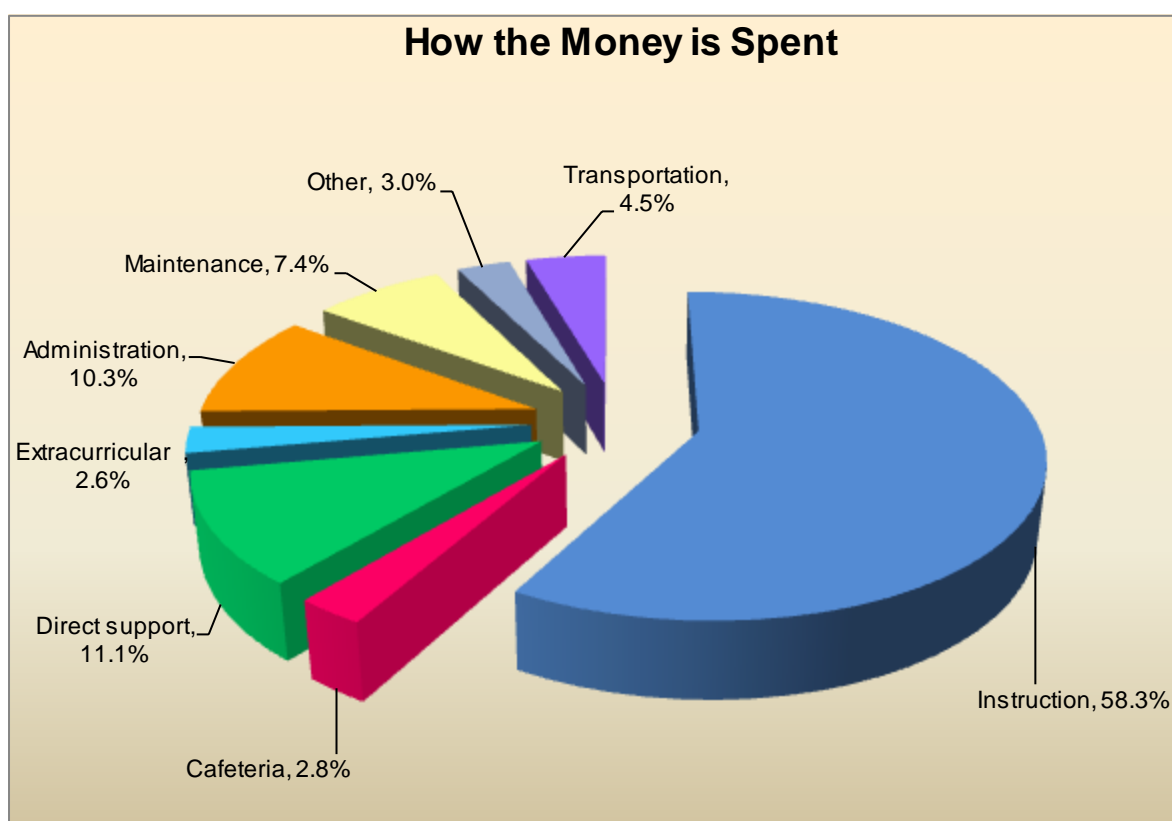
**Table 2**  
**Changes in Net Position**

|  | 2014                 | 2013                 |
|--|----------------------|----------------------|
| Revenues   |                      |                      |
| Program revenues   |                      |                      |
| Charges for services and sales                                   | \$ 1,666,861         | \$ 1,994,224         |
| Operating grants, interest and contributions                     | 2,777,684            | 3,139,788            |
| Capital grants, interest and contributions                       | 16,200               | -                    |
| Total program revenues   | <u>4,460,745</u>     | <u>5,134,012</u>     |
| General revenues   |                      |                      |
| Property taxes   | 42,106,190           | 39,835,174           |
| Grants and entitlements not restricted to specific purposes      | 13,417,197           | 13,332,467           |
| Investment earnings  | 37,478               | 35,853               |
| Miscellaneous  | 649,250              | 590,392              |
| Total general revenues   | <u>56,210,115</u>    | <u>53,793,886</u>    |
| Total revenues   | <u>60,670,860</u>    | <u>58,927,898</u>    |
| Program expenses   |                      |                      |
| Instruction  | 34,525,912           | 32,933,807           |
| Supporting services  |                      |                      |
| Pupil and instructional staff                                    | 6,587,526            | 5,661,168            |
| Board of education, administration, fiscal services and business | 6,089,873            | 5,693,455            |
| Operation and maintenance  | 4,349,599            | 4,288,849            |
| Pupil transportation   | 2,683,649            | 2,487,445            |
| Central services   | 1,414,700            | 1,152,590            |
| Operation of non-instructional services                          |                      |                      |
| Food service operation   | 1,686,162            | 1,637,811            |
| Community services   | 183,482              | 282,029              |
| Extracurricular activities                                       | 1,515,518            | 1,532,448            |
| Interest and fiscal charges                                      | 178,622              | 28,218               |
| Total expenses   | <u>59,215,043</u>    | <u>55,697,820</u>    |
| Increase in net position   | 1,455,817            | 3,230,078            |
| Net position at beginning of year                                | 34,237,988           | 31,007,910           |
| Net position at end of year                                      | <u>\$ 35,693,805</u> | <u>\$ 34,237,988</u> |

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2014*  
*Unaudited*

---

Approximately 69.4 percent of the School District's budget is used to fund instructional and direct classroom support service expenses while only 10.3 percent of the budget is spent on administrative expenses. The remaining 20.3 percent of the budget is used to maintain the facilities, transport students, providing school lunches, offering sport and extracurricular programs to students. The relationship of these expenses is illustrated in the graph below.



The Administration continues to develop and implement cost containment and revenue enhancement programs to manage the School District's funds in an efficient and economic manner. During fiscal year 2014, the Administration implemented a Medicaid Reimbursement Program. Once fully matured, the program is projected to generate \$400,000 annually which will be used to enhance special education services.

One method to evaluate the effective use of funds is to compare our cost per pupil with those of neighboring school districts. Based upon the Ohio Department of Education "2013 District Profile Report (Cupp Report)", (the most recent data available), the North Olmsted City School's cost per pupil was ranked the 18<sup>th</sup> lowest among the 31 school districts in Cuyahoga County. A comparison of some of the neighboring school districts' cost per pupil can be found in Table 3.

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2014*  
*Unaudited*

**Table 3**  
Cost per Pupil as of June 30, 2013  
(the most recent data available)

| <u>School District</u>               | <u>Cost per Pupil</u> | <u>Ranking in Cuyahoga County</u> |
|--------------------------------------|-----------------------|-----------------------------------|
| Bay Village                          | \$ 11,573             | 6                                 |
| Berea                                | 12,956                | 14                                |
| Fairview Park                        | 10,505                | 4                                 |
| Lakewood                             | 12,575                | 10                                |
| <b>North Olmsted</b>                 | <b>13,483</b>         | <b>18</b>                         |
| Olmsted Falls                        | 10,420                | 2                                 |
| Rocky River                          | 13,413                | 17                                |
| Strongsville                         | 11,597                | 7                                 |
| Westlake                             | 13,267                | 16                                |
| Source: Ohio Department of Education |                       |                                   |

The Statement of Activities shows the total net cost of program services. Table 4 shows the total cost of services for governmental activities and the net cost of those services. It identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

**Table 4**  
Governmental Activities

|  | <u>Total Cost of Services</u> |                      | <u>Net Cost of Services</u> |                       |
|--|-------------------------------|----------------------|-----------------------------|-----------------------|
|  | <u>2014</u>                   | <u>2013</u>          | <u>2014</u>                 | <u>2013</u>           |
| Program expenses   |                               |                      |                             |                       |
| Instruction  | \$ 34,525,912                 | 32,933,807           | \$(32,761,412)              | \$(30,785,492)        |
| Supporting services  |                               |                      |                             |                       |
| Pupil and instructional staff                                    | 6,587,526                     | 5,661,168            | (5,804,598)                 | (4,762,388)           |
| Board of education, administration, fiscal services and business | 6,089,873                     | 5,693,455            | (6,078,767)                 | (5,575,155)           |
| Operation and maintenance  | 4,349,599                     | 4,288,849            | (4,316,994)                 | (4,202,304)           |
| Pupil transportation   | 2,683,649                     | 2,487,445            | (2,597,713)                 | (2,358,778)           |
| Central services   | 1,414,700                     | 1,152,590            | (1,398,500)                 | (1,136,390)           |
| Operation of non-instructional services                          |                               |                      |                             |                       |
| Food service operation   | 1,686,162                     | 1,637,811            | (236,537)                   | (196,965)             |
| Community services   | 183,482                       | 282,029              | (152,645)                   | (259,785)             |
| Extracurricular activities                                       | 1,515,518                     | 1,532,448            | (1,228,510)                 | (1,258,333)           |
| Interest and fiscal charges                                      | 178,622                       | 28,218               | (178,622)                   | (28,218)              |
| Total expenses   | <u>\$ 59,215,043</u>          | <u>\$ 55,697,820</u> | <u>\$(54,754,298)</u>       | <u>\$(50,563,808)</u> |

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2014*  
*Unaudited*

---

The School District is heavily reliant upon local tax revenues to fund its operations. In fact, local property tax funded approximately 71.1 percent of the total expenses in 2014, compared to 71.5 percent in 2013. Grants and entitlements not restricted to specific programs funded 22.7 percent of expenses, while program revenues funded only 7.5 percent.

The primary source of general revenue is property taxes levied. In fiscal years 2014 and 2013, property taxes accounted for 74.9 and 74.1 percent, respectively, of general revenue. Clearly, the North Olmsted community is by far the greatest source of financial support for the students of the North Olmsted City Schools.

### **School District Funds**

The focus of the School District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful for assessing the School District's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of June 30, 2014, the School District's governmental funds reported combined ending fund balances of \$ 24,396,046, an increase of \$ 1,384,917 in comparison with the prior year. Of that amount \$ 18,812,008 constitutes unassigned fund balances, which is available for spending at the School District's discretion.

The School District's major fund is accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$ 60.7 million and expenditures of \$ 59.4 million, excluding other financing sources (uses). The net change in fund balance for the year was most significant in the General Fund, an increase of \$ 1.7 million as compared to an increase of \$ 5.7 million in the prior year. The \$ 5.7 million increase in fund balance last year was due primarily to the receipt of \$3.3 million from the sales on general obligation bonds to finance the School District's energy conservation measures implemented at each of its buildings.

Total revenues reported in fiscal year 2014 increased \$ 1,870,535 or 3.2 percent from the previous year. This increase in revenue is primarily due to an increase of \$ 2,345,616 in taxes revenue. All other revenue sources had a net decrease of \$ 475,081.

Total expenditures reported in fiscal year 2014 increased \$ 3,327,611 or 5.9 percent from the previous year. The increase is due to net increases in expenditures of \$ 1,567,960 for instruction, \$ 1,156,963 for supporting services, \$ 444,904 in debt service and \$ 157,784 in the aggregate of non-instructional services, extracurricular and capital outlay. The increase in expenditures for instruction and supporting services was due primarily to the implementation of all-day kindergarten classes.

Prudent management of operating expenses by the Administration has allowed the School District to accumulate a General Fund unrestricted cash balance of \$ 22.8 million at June 30, 2014. This cash reserve allows the School District to insulate itself from the effects of fluctuations in revenue due to adverse economic conditions and prevents the need to make dramatic cuts in programs and services.

### **General Fund Budgeting Highlights**

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

During fiscal year 2014, the School District amended its General Fund Budget several times. For the General Fund, the final budget basis revenue estimate was \$ 51,887,500, which was the same as the original estimate and \$ 719,367 less than actual. The final budget basis expenditures estimate totaled \$ 54,945,347 which was \$ 545,294 above the original budget estimate. Actual expenditures were \$ 1,339,101 less than final budget basis expenditures. The unencumbered ending cash balance totaled \$ 20,605,157.

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2014*  
*Unaudited*

---

## **Capital Assets and Debt Administration**

### **Capital Assets**

All capital assets, except land and construction in progress, are reported net of depreciation. At the end of fiscal 2014, the School District had \$ 15.1 million invested in net capital assets. Table 5 shows fiscal 2014 values compared to fiscal 2013.

**Table 4**  
**Capital Assets**  
(Net of Accumulated Depreciation)

|                            | 2014                 | 2013                 |
|----------------------------|----------------------|----------------------|
| Land                       | \$ 1,374,279         | \$ 1,172,491         |
| Construction in progress   | -                    | 61,142               |
| Land improvements          | 748,210              | 807,017              |
| Buildings and improvements | 11,032,075           | 10,758,507           |
| Furniture and equipment    | 983,024              | 872,164              |
| Vehicles                   | 975,084              | 1,150,665            |
| Total capital assets       | <u>\$ 15,112,672</u> | <u>\$ 14,821,986</u> |

During fiscal 2014, the School District purchased \$ 1,385,355 of capital assets. More information on capital assets is presented in Note 8 of the notes to the basic financial statements.

### **Debt Administration**

At June 30, 2014, the School District had outstanding bonds payable of \$ 3,140,000. Proceeds from the bonds were used for building, facility and energy conservation improvements. The projected saving in utilities, maintenance and operational expenditures from the energy conservation program will be used to pay the annual principal and interest payments on these bonds. Energy savings realized in the first year of the program was \$283,000 which is 11.9% higher than original engineering estimates.

The School District's overall legal debt margin was \$ 67,330,066, which included an unvoted debt margin of \$ 695,881.

More information on debt is presented in Note 13 of the notes to the basic financial statements.

### **School District Outlook**

The North Olmsted City Schools, like most school districts in Ohio, faced a serious decline in operating revenues due to the nationwide economic recession, the real estate foreclosure crisis, and cutbacks in state funding. The Board of Education was able to stabilize the District's finances through a combination of budgetary cuts, employee concessions, and community support of a new operating levy. These measures have allowed the School District to build its General Fund unrestricted cash balance to \$20.6 million as of June 30, 2014, and accumulated another \$3.2 million in other various budgetary reserves.

The District is starting to realize a significant increase in state funding. On June 30, 2013, Governor Kasich signed into law, H.B. 59, the State's new biennium budget. The Budget Bill introduced a new funding formula to distribute basic state aid throughout Ohio and froze the phase-out of Tangible Personal Property Tax reimbursements. Based upon the new formula, the North Olmsted City School District

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2014*  
*Unaudited*

---

received a 3.77% increase in basic state aid in fiscal year 2014, and is projected to receive a 9.88% increase in fiscal 2015 for a total increase in state funding of \$1.1 million during the biennium period. For comparison purposes the District received a \$3.8 million reduction in state aid during the previous biennium period.

The District is now on the downside of the current operating levy life cycle. Expenditures have started to exceed operating revenues. The operating deficit will get progressively larger over the next five years because of stagnant growth in operating revenues while expenditures continue to increase due to inflation, the addition of new programs and the introduction of new unfunded state mandates. These future operating deficits will be temporarily funded with the District's cash reserves until they are exhausted.

The District has a unique opportunity next year to realize a significant reduction in personnel costs. It is anticipated that 12 to 15 teachers will retire at the end of the school year because of significant benefit changes in the State Teacher Retirement System (STRS). The potential annual savings could be as high as \$500,000 to \$1,350,000. It will be critical for the Administration to control the growth in future expenditures to minimize the size and date of the next operating levy. Barring any significant reductions in funding from the State of Ohio, it is anticipated the Board of Education will not have to consider placing a levy to the voters before calendar year 2018. A copy of the District's Financial Forecast and the major assumptions used in its preparation are posted on the District's website at [www.northolmstedschools.org/treasurer](http://www.northolmstedschools.org/treasurer).

#### **Contacting the School District's Financial Management**

This financial report is designed to provide our citizens, taxpayers and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. The North Olmsted City School District has committed itself to financial excellence for many years. The School District was the first school district in Ohio to receive the Government Financial Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting in 1985 and has received the award for twenty-nine consecutive years. The District has also received the Association of School Business Officials (ASBO) Certificate of Achievement for Excellence in Financial Reporting for the past twenty-six years. In September 2014, the School District was recognized by Auditor of State Dave Yost with the presentation of his Ohio Auditor of State Award with Distinction.

If you have any questions about this report or need additional financial information, contact Robert J. Matson, CPA, and Treasurer at North Olmsted City School District, 27425 Butternut Ridge Road, North Olmsted, Ohio 44070, by telephone at 440-779-3551 or by email at [Robert.matson@nocseagles.org](mailto:Robert.matson@nocseagles.org).

## NORTH OLMSTED CITY SCHOOL DISTRICT

## STATEMENT OF NET POSITION

JUNE 30, 2014

|   | Governmental<br>Activities  |
|---|-----------------------------|
| Assets and deferred outflow s of resources                          |                             |
| Assets  |                             |
| Equity in pooled cash   | \$ 27,179,283               |
| Accounts receivable and other                                       | 42,432                      |
| Intergovernmental receivables                                       | 239,774                     |
| Inventories and supplies  | 27,527                      |
| Taxes receivable  | 40,687,082                  |
| Capital assets  |                             |
| Nondepreciable capital assets                                       | 1,374,279                   |
| Depreciable capital assets  | 13,738,393                  |
| Total assets  | <u>83,288,770</u>           |
| Total assets and deferred outflow s<br>of resources                 | <u><u>\$ 83,288,770</u></u> |
| Liabilities, deferred inflow s of<br>resources and fund liabilities |                             |
| Liabilities   |                             |
| Accounts and contracts payable                                      | \$ 481,636                  |
| Accrued salaries, wages and benefits                                | 6,684,241                   |
| Accrued interest payable  | 5,000                       |
| Claims payable  | 819,300                     |
| Intergovernmental payable   | 1,216,311                   |
| Long-term liabilities   |                             |
| Due within one year   | 749,575                     |
| Due in more than one year   | 5,778,574                   |
| Total liabilities   | <u>15,734,637</u>           |
| Deferred inflow s of resources                                      |                             |
| Property taxes levied for next year                                 | 31,860,328                  |
| Total deferred inflow s of resources                                | <u>31,860,328</u>           |
| Net position  |                             |
| Net investment in capital assets                                    | 11,972,672                  |
| Restricted for:   |                             |
| Debt service  | 100,820                     |
| Capital projects  | 1,357,306                   |
| Set-asides  | 223,073                     |
| Food service  | 73,267                      |
| Extracurricular activities  | 141,967                     |
| State grants  | 74,912                      |
| Federal grants  | 552                         |
| Self insurance  | 1,073,661                   |
| Unrestricted  | 20,675,575                  |
| Total net position  | <u><u>\$ 35,693,805</u></u> |

See accompanying notes to the basic financial statements.



NORTH OLMSTED CITY SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2014

|   |                      | Program Revenues                     |  |  | Net (Expense)                              |
|---|----------------------|--------------------------------------|--|--|--|
|   | Expenses             | Charges for<br>Services<br>and Sales | Operating Grants,<br>Interest and<br>Contributions | Capital<br>Grants and<br>Contributions | Revenues and<br>Changes in<br>Net Position |
| Governmental activities:                |                      |                                      |  |  |  |
| Instruction                             |                      |                                      |  |  |  |
| Regular                                 | \$ 26,051,597        | \$ 392,866                           | \$ 1,050,294                                       | \$ -                                   | \$ (24,608,437)                            |
| Special                                 | 7,847,660            | 321,340                              | -  | -                                      | (7,526,320)                                |
| Vocational                              | 401,691              | -                                    | -  | -                                      | (401,691)                                  |
| Other instruction                       | 224,964              | -                                    | -  | -                                      | (224,964)                                  |
| Supporting services                     |                      |                                      |  |  |  |
| Pupil                                   | 5,458,960            | -                                    | 775,952  | -                                      | (4,683,008)                                |
| Instructional staff                     | 1,128,566            | -                                    | 6,976  | -                                      | (1,121,590)                                |
| Board of education                      | 280,277              | -                                    | -  | -                                      | (280,277)                                  |
| Administration                          | 4,238,024            | -                                    | 4,381  | -                                      | (4,233,643)                                |
| Fiscal services                         | 1,362,183            | 6,725                                | -  | -                                      | (1,355,458)                                |
| Business                                | 209,389              | -                                    | -  | -                                      | (209,389)                                  |
| Operation and maintenance               | 4,349,599            | 19,655                               | 12,950   | -                                      | (4,316,994)                                |
| Pupil transportation                    | 2,683,649            | 57,745                               | 28,191   | -                                      | (2,597,713)                                |
| Central services                        | 1,414,700            | -                                    | -  | 16,200                                 | (1,398,500)                                |
| Operation of non-instructional services |                      |                                      |  | -                                      |  |
| Food service operation                  | 1,686,162            | 581,522                              | 868,103  | -                                      | (236,537)                                  |
| Community services                      | 183,482              | -                                    | 30,837   | -                                      | (152,645)                                  |
| Extracurricular activities              | 1,515,518            | 287,008                              | -  | -                                      | (1,228,510)                                |
| Interest and fiscal charges             | 178,622              | -                                    | -  | -                                      | (178,622)                                  |
| Total                                   | <u>\$ 59,215,043</u> | <u>\$ 1,666,861</u>                  | <u>\$ 2,777,684</u>                                | <u>\$ 16,200</u>                       | <u>(54,754,298)</u>                        |

General revenues

Property taxes levied for:

    General purposes

41,065,651

    Capital improvements

1,040,539

Grants and entitlements not

restricted to specific purposes

13,417,197

Investment earnings

37,478

Miscellaneous

649,250

Total general revenues

56,210,115

Change in net position

1,455,817

Net position at beginning of year

34,237,988

Net position at end of year

\$ 35,693,805

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT

BALANCE SHEET -  
GOVERNMENTAL FUNDS

JUNE 30, 2014

|  | General Fund  | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--|---------------|--------------------------------|--------------------------------|
| Assets and deferred outflow s of resources                             |               |                                |                                |
| Assets   |               |                                |                                |
| Equity in pooled cash  | \$ 22,835,174 | \$ 2,228,075                   | \$ 25,063,249                  |
| Restricted cash  | 223,073       | -                              | 223,073                        |
| Receivables, net of allow ance   |               |                                |                                |
| Taxes, current   | 38,466,948    | 990,134                        | 39,457,082                     |
| Taxes, delinquent  | 1,199,200     | 30,800                         | 1,230,000                      |
| Accounts and other   | 9,651         | 32,781                         | 42,432                         |
| Intergovernmental receivables  | 219,885       | 19,889                         | 239,774                        |
| Interfund receivables  | 547,318       | -                              | 547,318                        |
| Inventories and supplies   | -             | 27,527                         | 27,527                         |
| Total assets   | 63,501,249    | 3,329,206                      | 66,830,455                     |
| Total assets and deferred outflow s of resources                       | \$ 63,501,249 | \$ 3,329,206                   | \$ 66,830,455                  |
| Liabilities, deferred inflow s of<br>resources and fund liabilities    |               |                                |                                |
| Liabilities  |               |                                |                                |
| Accounts and contracts payable   | \$ 356,277    | \$ 125,359                     | \$ 481,636                     |
| Accrued salaries, w ages and benefits                                  | 6,424,320     | 259,921                        | 6,684,241                      |
| Intergovernmentatl payable   | 1,136,206     | 80,105                         | 1,216,311                      |
| Interfund payable  | -             | 547,318                        | 547,318                        |
| Matured compensated absences   | 411,993       | 2,582                          | 414,575                        |
| Total liabilities  | 8,328,796     | 1,015,285                      | 9,344,081                      |
| Deferred inflow s of resources   |               |                                |                                |
| Property taxes levied for next year<br>and unavailable resources       | 32,269,356    | 820,972                        | 33,090,328                     |
| Total deferred inflow s of resources                                   | 32,269,356    | 820,972                        | 33,090,328                     |
| Fund balances  |               |                                |                                |
| Nonspendable   | -             | 27,527                         | 27,527                         |
| Restricted   | -             | 1,721,020                      | 1,721,020                      |
| Committed  | 1,735,073     | -                              | 1,735,073                      |
| Assigned   | 2,100,418     | -                              | 2,100,418                      |
| Unassigned   | 19,067,606    | (255,598)                      | 18,812,008                     |
| Total fund balances  | 22,903,097    | 1,492,949                      | 24,396,046                     |
| Total liabilities, deferred inflow s of<br>resources and fund balances | \$ 63,501,249 | \$ 3,329,206                   | \$ 66,830,455                  |

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT  
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES  
JUNE 30, 2014

|  |                             |
|--|-----------------------------|
| Total governmental fund balances   | \$ 24,396,046               |
| Amount reported for governmental activities in the statement of net position are different because:  |                             |
| Capital assets used in governmental activities are not financial resources and therefore not reported in the funds.  | 15,112,672                  |
| Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds. These deferrals are attributed to property taxes, charges for services and accrued interest income.           | 1,230,000                   |
| An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position. | 1,073,661                   |
| Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:   |                             |
| Compensated absences payable   | (2,973,574)                 |
| Bonds payable  | (3,140,000)                 |
| Accrued interest payable   | <u>(5,000)</u>              |
| Net position of governmental activities  | <u><u>\$ 35,693,805</u></u> |

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2014

|   | General Fund         | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|---|----------------------|--------------------------------|--------------------------------|
| Revenue   |                      |                                |                                |
| Taxes   | \$ 41,065,651        | \$ 1,040,539                   | \$ 42,106,190                  |
| Tuition and fees                                  | 649,801              | -                              | 649,801                        |
| Interest  | 37,263               | 215                            | 37,478                         |
| Intergovernmental                                 | 13,157,719           | 3,118,306                      | 16,276,025                     |
| Charges for services                              | 17,150               | 545,959                        | 563,109                        |
| Extracurricular                                   | 118,594              | 278,382                        | 396,976                        |
| Other   | 662,036              | 44,189                         | 706,225                        |
| Total revenues                                    | <u>55,708,214</u>    | <u>5,027,590</u>               | <u>60,735,804</u>              |
| Expenditures                                      |                      |                                |                                |
| Current   |                      |                                |                                |
| Instruction                                       |                      |                                |                                |
| Regular   | 24,672,043           | 1,204,327                      | 25,876,370                     |
| Special   | 7,814,657            | -                              | 7,814,657                      |
| Vocational  | 428,402              | -                              | 428,402                        |
| Other instruction                                 | 225,542              | -                              | 225,542                        |
| Supporting services                               |                      |                                |                                |
| Pupil   | 4,625,848            | 856,586                        | 5,482,434                      |
| Instructional staff                               | 1,176,664            | 6,325                          | 1,182,989                      |
| Board of education                                | 280,277              | -                              | 280,277                        |
| Administration                                    | 3,380,004            | 64,408                         | 3,444,412                      |
| Fiscal services                                   | 1,310,947            | -                              | 1,310,947                      |
| Business  | 180,314              | 24,683                         | 204,997                        |
| Operation and maintenance                         | 3,858,580            | 1,113,877                      | 4,972,457                      |
| Pupil transportation                              | 2,485,868            | 69,493                         | 2,555,361                      |
| Central services                                  | 1,421,948            | 16,200                         | 1,438,148                      |
| Operation of non-instructional services           |                      |                                |                                |
| Food service operation                            | 94,135               | 1,580,209                      | 1,674,344                      |
| Community services                                | 20,143               | 164,428                        | 184,571                        |
| Extracurricular activities                        | 1,232,744            | 287,025                        | 1,519,769                      |
| Capital outlay                                    | 216,488              | -                              | 216,488                        |
| Debt service                                      |                      |                                |                                |
| Principal   | 260,000              | 85,000                         | 345,000                        |
| Interest  | 188,430              | 5,292                          | 193,722                        |
| Total expenditures                                | <u>53,873,034</u>    | <u>5,477,853</u>               | <u>59,350,887</u>              |
| Excess (deficiency) of revenues over expenditures | <u>1,835,180</u>     | <u>(450,263)</u>               | <u>1,384,917</u>               |
| Other financing sources (uses)                    |                      |                                |                                |
| Transfers-in                                      | -                    | 233,000                        | 233,000                        |
| Transfers-out                                     | (125,000)            | (108,000)                      | (233,000)                      |
| Total other financing sources (uses)              | <u>(125,000)</u>     | <u>125,000</u>                 | <u>-</u>                       |
| Net change in fund balances                       | 1,710,180            | (325,263)                      | 1,384,917                      |
| Fund balances, beginning of year                  | <u>21,192,917</u>    | <u>1,818,212</u>               | <u>23,011,129</u>              |
| Fund balances, end of year                        | <u>\$ 22,903,097</u> | <u>\$ 1,492,949</u>            | <u>\$ 24,396,046</u>           |

See accompanying notes to the basic financial statements.

NORTH OLMSTED 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 YEAR ENDED JUNE 30, 2014

Net change in fund balances - total governmental funds \$ 1,384,917

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

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

|                      |                    |         |
|----------------------|--------------------|---------|
| Capital outlay, net  | \$ 1,367,856       |         |
| Depreciation expense | <u>(1,077,170)</u> | 290,686 |

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

|                               |          |
|-------------------------------|----------|
| Intergovernmental receivables | (64,944) |
|-------------------------------|----------|

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds.

|  |         |
|--|---------|
| Neither transaction has any effect on net position. This amount is the net effect of the differences in the treatment of long-term debt on the statement of activities | 345,000 |
|--|---------|

Accrued interest expense on the statement of activities does not require the use of current financial resources and therefore is not reported as an expenditure in the governmental funds.

15,100

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

|                      |           |
|----------------------|-----------|
| Compensated absences | (228,922) |
|----------------------|-----------|

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

(286,020)

Change in net position of governmental activities

\$ 1,455,817

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL – GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2014

|   | Budget Amounts |               | Actual        | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|----------------|---------------|---------------|---|
|   | Original       | Final         |               |   |
| Revenues  |                |               |               |   |
| Taxes   | \$ 37,688,000  | \$ 37,688,000 | \$ 38,471,144 | \$ 783,144  |
| Tuition and fees                                  | 774,000        | 774,000       | 707,499       | (66,501)  |
| Interest  | 40,000         | 40,000        | 31,263        | (8,737)   |
| Intergovernmental                                 | 13,135,000     | 13,135,000    | 13,104,122    | (30,878)  |
| Other   | 250,500        | 250,500       | 292,839       | 42,339  |
| Total revenues                                    | 51,887,500     | 51,887,500    | 52,606,867    | 719,367   |
| Expenditures                                      |                |               |               |   |
| Current   |                |               |               |   |
| Instruction                                       |                |               |               |   |
| Regular   | 24,426,553     | 24,419,942    | 24,092,224    | 327,718   |
| Special   | 8,163,789      | 7,916,935     | 7,847,461     | 69,474  |
| Vocational  | 472,825        | 449,936       | 447,444       | 2,492   |
| Other instruction                                 | 382,874        | 352,800       | 225,476       | 127,324   |
| Supporting services                               |                |               |               |   |
| Pupil   | 4,125,875      | 4,576,441     | 4,518,517     | 57,924  |
| Instructional staff                               | 1,500,825      | 1,447,653     | 1,225,076     | 222,577   |
| Board of education                                | 400,049        | 430,453       | 373,775       | 56,678  |
| Administration                                    | 3,422,418      | 3,516,395     | 3,464,636     | 51,759  |
| Fiscal services                                   | 1,335,145      | 1,304,418     | 1,259,009     | 45,409  |
| Business  | 203,016        | 205,800       | 176,056       | 29,744  |
| Operation and maintenance                         | 3,898,405      | 4,140,987     | 3,980,690     | 160,297   |
| Pupil transportation                              | 2,302,354      | 2,526,040     | 2,480,104     | 45,936  |
| Central services                                  | 1,834,536      | 1,516,822     | 1,426,710     | 90,112  |
| Operation of non-instructional                    |                |               |               |   |
| Food service operation                            | 85,763         | 94,700        | 93,076        | 1,624   |
| Community services                                | 27,250         | 23,475        | 20,257        | 3,218   |
| Extracurricular activities                        | 1,310,376      | 1,350,950     | 1,306,001     | 44,949  |
| Capital outlay                                    | -              | 221,600       | 221,304       | 296   |
| Debt service                                      |                |               |               |   |
| Principal   | 392,000        | 339,000       | 338,894       | 106   |
| Interest and fiscal charges                       | 116,000        | 111,000       | 109,536       | 1,464   |
| Total expenditures                                | 54,400,053     | 54,945,347    | 53,606,246    | 1,339,101   |
| Excess (deficiency) of revenues over expenditures | (2,512,553)    | (3,057,847)   | (999,379)     | 2,058,468   |
| Other financing sources (uses)                    |                |               |               |   |
| Advances-in                                       | 650,000        | 650,000       | 649,617       | (383)   |
| Refund prior year expenditure                     | 170,500        | 170,500       | 162,297       | (8,203)   |
| Advances-out                                      | (670,000)      | (670,000)     | (567,319)     | 102,681   |
| Transfers-out                                     | (316,000)      | (351,217)     | (351,217)     | -   |
| Total other financing sources (uses)              | (165,500)      | (200,717)     | (106,622)     | 94,095  |
| Net change in fund balance                        | (2,678,053)    | (3,258,564)   | (1,106,001)   | 2,152,563   |
| Fund balance, beginning of year                   | 20,906,103     | 20,906,103    | 20,906,103    | -   |
| Prior year encumbrances appropriated              | 805,055        | 805,055       | 805,055       | -   |
| Fund balance, end of year                         | \$ 19,033,105  | \$ 18,452,594 | \$ 20,605,157 | \$ 2,152,563  |

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT  
STATEMENT OF FUND NET POSITION -  
INTERNAL SERVICE FUND  
JUNE 30, 2014

|                       |                            |
|-----------------------|----------------------------|
|                       | <u>Self Insurance</u>      |
| Assets                |                            |
| Current assets        |                            |
| Equity in pooled cash | <u>\$ 1,892,961</u>        |
| Total assets          | <u>1,892,961</u>           |
| Liabilities           |                            |
| Current liabilities   |                            |
| Claims payable        | <u>819,300</u>             |
| Total liabilities     | <u>819,300</u>             |
| Net position          |                            |
| Unrestricted          | <u><u>\$ 1,073,661</u></u> |

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION -  
INTERNAL SERVICE FUND  
FOR THE YEAR ENDED JUNE 30, 2014

|                                 |                            |
|---------------------------------|----------------------------|
|                                 | <u>Self Insurance</u>      |
| Operating revenues              |                            |
| Charges for services            | <u>\$ 6,659,072</u>        |
| Operating expenses              |                            |
| Purchased services              | 865,637                    |
| Claims                          | <u>6,079,455</u>           |
| Total operating expenses        | <u>6,945,092</u>           |
| Operating loss                  | <u>(286,020)</u>           |
| Change in net position          | (286,020)                  |
| Net position, beginning of year | <u>1,359,681</u>           |
| Net position, end of year       | <u><u>\$ 1,073,661</u></u> |

See accompanying notes to the basic financial statements.



NORTH OLMSTED CITY SCHOOL DISTRICT

STATEMENT OF CASH FLOWS -  
INTERNAL SERVICE FUND

FOR THE YEAR ENDED JUNE 30, 2014

|   | <u>Self Insurance</u>      |
|---|----------------------------|
| Cash flow s from operating activities   |                            |
| Cash received from interfund services   | \$ 6,659,072               |
| Cash payments for claims  | (5,853,155)                |
| Cash payments for goods and services  | <u>(865,637)</u>           |
| Net cash used in operating activities   | <u>(59,720)</u>            |
| Net decrease in cash and cash equivalents                                       | (59,720)                   |
| Cash and cash equivalents, beginning of year                                    | <u>1,952,681</u>           |
| Cash and cash equivalents, end of year  | <u><u>\$ 1,892,961</u></u> |
|   |                            |
| Reconciliation of operating income to net cash<br>used in operating activities: |                            |
| Operating loss  | <u>\$ (286,020)</u>        |
| Adjustments   |                            |
| Increase in claims payable  | <u>226,300</u>             |
| Total adjustments   | <u>226,300</u>             |
| Net cash used in operating activities   | <u><u>\$ (59,720)</u></u>  |

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES -  
AGENCY FUND  
JUNE 30, 2014

|                                       | Agency<br>Fund |
|---------------------------------------|----------------|
|                                       |                |
| Assets                                |                |
| Equity in pooled cash and equivalents | \$ 133,800     |
| Total assets                          | \$ 133,800     |
| Liabilities                           |                |
| Accounts payable                      | \$ 8,451       |
| Due to students                       | 125,349        |
| Total liabilities                     | \$ 133,800     |

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The North Olmsted City School District (the School District) was established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The School District is a city school district as defined by Section 3311.03 of the Ohio Revised Code. The School District operates under an elected Board of Education consisting of five members and is responsible for providing public education to residents of the School District. Average daily membership on, or as of, October 1, 2013 was 4,046. The School District employs 334 certificated and 295 non-certificated employees.

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

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

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organizations' governing board and, 1) the School District is able to significantly influence the programs or services performed or provided by the organization; or 2) the School District is legally entitled to or can otherwise access the organizations' resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of or provided financial support to the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt, or the levying of taxes. The School District has no component units.

The School District is associated with the North Coast Council, the Polaris Career Center, the North Olmsted City Schools Education Foundation, and the Ohio Schools Council, which are considered to be jointly governed organizations. The School District also participates in a public risk pool managed by the Ohio Association of School Business Officials Workers' Compensation Group Rating Program. These organizations and their relationships with the School District are described in more detail in Notes 10 and 15 of these financial statements.

B. BASIS OF PRESENTATION

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. BASIS OF PRESENTATION (continued)

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

Government-wide Financial Statements

The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. However, internal fund services provided and used are not eliminated in the process of consolidation.

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

Fund Financial Statements

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. FUND ACCOUNTING

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

Governmental Funds

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

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

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

Proprietary Fund

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

Internal Service Fund – The Internal Service Fund accounts for the financing of services provided by one department or agency to other departments or agencies of the School District on a cost reimbursement basis. The School District's only internal service fund accounts for revenue received from other funds and the settlement expenses for medical, surgical, prescription drug, and dental claims of School District employees.

Fiduciary Funds

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. MEASUREMENT FOCUS

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

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

Like the government-wide statements, the internal service fund is accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources along with all liabilities and deferred inflows of resources associated with the operation of this fund are included on the statement of net position. The statement of revenues, expenses and 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 activity.

E. BASIS OF ACCOUNTING

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

Revenues - Exchange and Non-exchange Transactions

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. BASIS OF ACCOUNTING (continued)

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 6). Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the School District, deferred inflows of resources include property taxes and unavailable revenues. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2014, but which were levied to finance year 2015 operations. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the School District, unavailable revenue includes delinquent property taxes. These amounts are deferred and recognized as inflows of resources in the period the amounts become available.

Expenditures/Expenses

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. BUDGETARY PROCESS

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

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

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

G. CASH AND INVESTMENTS

Cash received by the School District is deposited in one central bank account with individual fund balance integrity maintained through School District records. Monies for all funds are maintained in this account or temporarily transferred to the State Treasurer's investment pool (STAR Ohio) or other short term investments. Following Ohio statutes, the Board of Education has, by resolution, identified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2014 amounted to \$ 37,263 which included \$ 6,145 assigned from other School District funds.

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

The School District has invested in the State Treasury Asset Reserve of Ohio (STAR Ohio) during the year. 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. 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, 2014.

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



NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. INVENTORY

Inventories are presented on a first-in, first-out basis and are expended/expensed when used. Inventories of supplies are reported at cost, whereas inventories held for resale are reported at the lower of cost or market.

I. RESTRICTED ASSETS

Assets are reported as restricted assets when limitations on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other government or imposed by enabling legislation. Restricted assets include the amount required by State statute to be set aside to create a reserve for budget stabilization.

J. CAPITAL ASSETS

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of \$ 2,500. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. The majority of capital outlay is made from the Permanent Improvements Fund. Actual amounts capitalized for reporting purposes may differ due to the capitalization policy.

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

| <u>Asset</u>            | <u>Estimated<br/>useful life</u> |
|-------------------------|----------------------------------|
| Land improvements       | 25 - 30 years                    |
| Buildings               | 60 - 80 years                    |
| Building improvements   | 25 years                         |
| Furniture and equipment | 8 - 35 years                     |
| Vehicles                | 15 years                         |

K. INTERFUND BALANCES

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. COMPENSATED ABSENCES

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

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

A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

M. ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Long-term notes and capital leases are recognized as a liability on the governmental fund financial statements when due.

N. NET POSITION

Net position represents the difference between assets and deferred outflows of resources compared to liabilities and deferred inflows of resources. Net investments 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 its use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net position restricted for other purposes include money for scholarships and data communications support. The government-wide statement of net position reports \$ 3,045,558 of restricted net position, none of which are restricted by enabling legislation.

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. FUND BALANCE

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

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

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

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

Assigned - Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by the School District Board of Education.

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

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P. OPERATING REVENUES AND EXPENSES

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

Q. INTERFUND TRANSACTIONS

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

R. ESTIMATES

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

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLES

GASB Statement No.66, "Technical Corrections – 2012; an amendment of GASB Statements No. 10 and No. 62". The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, and No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements. The implementation of GASB Statement No. 66 did not have an effect on the financial statements of the School District.

GASB Statement No.69, "Government Combinations and Disposals of Government Operations". The objective of this Statement is to improve financial reporting by addressing accounting and financial reporting for government combinations and disposals of government operations. The term government combinations is used in this Statement to refer to a variety of arrangements including mergers and acquisitions. Government combinations also include transfers of operations that do not constitute entire legally separate entities and in which no significant consideration is exchanged. Transfers of operations may be present in shared service arrangements, reorganizations, redistricting, annexations, and arrangements in which an operation is transferred to a new government created to provide those services. The implementation of GASB Statement No. 69 did not have an effect on the financial statements of the School District.

GASB Statement No. 70, "Accounting and Financial Reporting for Nonexchange Financial Guarantees". The statement provides accounting and financial reporting guidance to state and local governments that offer non-exchange financial guarantees to others and for governments that receive guarantees on their obligations. The implementation of GASB Statement No. 70 did not have an effect on the financial statements of the School District.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

**NOTE 3 - BUDGETARY BASIS OF ACCOUNTING**

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

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

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

| <u>Net Change in Fund Balance</u> |                     |
|-----------------------------------|---------------------|
|                                   | <u>General Fund</u> |
| Budget basis                      | \$ (1,106,001)      |
| Adjustments, increase (decrease)  |                     |
| Revenue accruals                  | 1,931,977           |
| Expenditure accruals              | 1,528,929           |
| Funds budgeted elsewhere **       | 160,330             |
| Encumbrances                      | <u>(805,055)</u>    |
| GAAP basis, as reported           | <u>\$ 1,710,180</u> |

\*\* As part of Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting", certain funds that are legally budgeted in separate special revenue funds are considered part of the General Fund on a GAAP basis. This includes the Miscellaneous Local Projects Fund, Rotary Fund, Public Support Services Fund, and the Other Grants Fund.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 4 – FUND BALANCES

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

| <u>Fund balances</u>    | <u>General<br/>Fund</u> | <u>Nonmajor<br/>Governmental<br/>Funds</u> | <u>Total</u>         |
|-------------------------|-------------------------|--|----------------------|
| Nonspendable            |                         |  |                      |
| Inventory               | \$ -                    | \$ 27,527                                  | \$ 27,527            |
| Restricted              |                         |  |                      |
| Food service operations | -                       | 69,736                                     | 69,736               |
| Athletics               | -                       | 141,967                                    | 141,967              |
| Non-public schools      | -                       | 39,730                                     | 39,730               |
| Data communications     | -                       | 36,675                                     | 36,675               |
| Other purposes          | -                       | 586  | 586                  |
| Debt service            | -                       | 105,820                                    | 105,820              |
| Capital improvements    | -                       | 1,326,506                                  | 1,326,506            |
| Total restricted        | -                       | 1,721,020                                  | 1,721,020            |
| Committed               |                         |  |                      |
| 27th pay reserve        | 1,512,000               |  | 1,512,000            |
| Other purposes          | 223,073                 |  | 223,073              |
| Total committed         | 1,735,073               | -  | 1,735,073            |
| Assigned                |                         |  |                      |
| Encumbrances            | 145,430                 |  | 145,430              |
| Other purposes          | 1,954,988               |  | 1,954,988            |
| Total assigned          | 2,100,418               | -  | 2,100,418            |
| Unassigned (deficit)    | 19,067,606              | (255,598)                                  | 18,812,008           |
| Total fund balances     | <u>\$ 22,903,097</u>    | <u>\$ 1,492,949</u>                        | <u>\$ 24,396,046</u> |

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 5 - DEPOSITS AND INVESTMENTS

A. LEGAL REQUIREMENTS

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

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

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

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

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

Interim monies may be invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Commercial paper and bankers' acceptances (if authorized by the Board of Education), and
8. Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

A. LEGAL REQUIREMENTS (continued)

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

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

B. DEPOSITS

Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits may not be returned. The School District does not have a deposit policy for custodial credit risk. At fiscal year end, the carrying amount of the School District's deposits was \$ 23,751,713 and the bank balance was \$ 24,211,773. Of the bank balance, \$ 15,559,606 was covered by federal depository insurance and \$ 8,652,167 was uninsured. Of the remaining balance, \$ 8,652,167 was collateralized with securities held by the pledging institution's trust department not in the School District's name.

At fiscal year end, the School District had \$ 2,041 in cash on hand which is included on the balance sheet of the School District as part of "Equity in pooled cash".

C. INVESTMENTS

As of June 30, 2014, the School District had the following investments:

|   | Investment<br>Maturities | Fair Value          |
|---|--------------------------|---------------------|
| Investment in State Treasurer's Investment Pool | n/a                      | <u>\$ 3,559,329</u> |

D. INTEREST RATE RISK

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

E. CREDIT RISK

The School District follows the Ohio Revised Code that limits its investment choices as discussed in Note 5 - A above. STAR Ohio carries a rating of AAAM by Standard and Poor's and is an authorized investment under the Ohio Revised Code.



NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

F. CONCENTRATION OF CREDIT RISK

The School District places no limit on the amount that may be invested in any one issuer. The School District's total investments (100 percent) are in STAR Ohio.

G. CUSTODIAL CREDIT RISK

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

NOTE 6 - PROPERTY TAXES

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

Property taxes include amounts levied against all real, public utility and tangible personal property (used in business) located in the School District. Real property tax revenue received in calendar 2014 represents collections of calendar year 2013 taxes. Real property taxes received in calendar year 2014 were levied after April 1, 2013, on the assessed value listed as of January 1, 2013, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar 2014 represents collections of calendar year 2013 taxes. Public utility real and tangible personal property taxes received in calendar year 2014 became a lien December 31, 2012, were levied after April 1, 2013 and are collected in 2013 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

Tangible personal property tax revenue received during calendar 2014 (other than public utility property tax) represents the collection of 2014 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, furniture and fixtures is no longer levied and collected. Tangible personal property taxes received from telephone companies in calendar year 2014 were levied after October 1, 2013, on the value as of December 31, 2013. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30; however this year the settlement was late.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 6 - PROPERTY TAXES (continued)

The School District receives property taxes from Cuyahoga County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2014, are available to finance fiscal year 2014 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2014 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the late settlement of tangible personal property taxes and the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows of resources.

The amount available as an advance at June 30, 2014, was \$ 7,396,792 in the General Fund and \$ 199,962 in the Permanent Improvements Fund. The amount available as an advance at June 30, 2013, \$ 4,802,285 in the General Fund and \$ 129,799 in the Permanent Improvements Fund.

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

The assessed values upon which the fiscal year 2014 taxes were collected are:

|                          | 2013 Second<br>Half Collections |                 | 2014 First<br>Half Collections |                 |
|--------------------------|---------------------------------|-----------------|--------------------------------|-----------------|
|                          | Amount                          | %               | Amount                         | %               |
| Agricultural Residential |                                 |                 |                                |                 |
| Real Estate              | \$ 512,228,230                  | 65.61 %         | \$ 512,836,640                 | 65.67 %         |
| Other Commercial         | 254,942,350                     | 32.66           | 252,997,020                    | 32.40           |
| Public Utility Tangible  | 13,514,210                      | 1.73            | 15,046,850                     | 1.93            |
|                          | <u>\$ 780,684,790</u>           | <u>100.00 %</u> | <u>\$ 780,880,510</u>          | <u>100.00 %</u> |
|                          |                                 |                 |                                |                 |
| Tax Rate per \$ 1,000 of |                                 |                 |                                |                 |
| Assessed Valuation:      | <u>\$ 91.40</u>                 |                 | <u>\$ 91.40</u>                |                 |

NOTE 7 - RECEIVABLES

Receivables at June 30, 2014, consisted of property taxes, accounts, interfund and due from other governments. All receivables are considered substantially collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds. All receivables are expected to be collected within one year.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 8 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2014, was as follows:

|  | Balance<br>June 30, 2013 | Additions           | Disposals           | Balance<br>June 30, 2014 |
|--|--------------------------|---------------------|---------------------|--------------------------|
| Governmental Activities  |                          |                     |                     |                          |
| Nondepreciable capital assets                                  |                          |                     |                     |                          |
| Land   | \$ 1,172,491             | \$ 201,788          | \$ -                | \$ 1,374,279             |
| Construction in progress                                       | 61,142                   | 933,331             | 994,473             | -                        |
| Total nondepreciable capital assets                            | <u>1,233,633</u>         | <u>1,135,119</u>    | <u>994,473</u>      | <u>1,374,279</u>         |
| Depreciable capital assets                                     |                          |                     |                     |                          |
| Land improvements  | 1,477,160                | -                   | -                   | 1,477,160                |
| Buildings and improvements                                     | 24,057,405               | 994,473             | 171,059             | 24,880,819               |
| Furniture and equipment  | 3,133,348                | 250,236             | 80,800              | 3,302,784                |
| Vehicles   | 2,781,976                | -                   | 42,000              | 2,739,976                |
| Total capital assets being depreciated                         | <u>31,449,889</u>        | <u>1,244,709</u>    | <u>293,859</u>      | <u>32,400,739</u>        |
| Less accumulated depreciation                                  |                          |                     |                     |                          |
| Land improvements  | 670,143                  | 58,807              | -                   | 728,950                  |
| Buildings and improvements                                     | 13,298,898               | 711,910             | 162,064             | 13,848,744               |
| Furniture and equipment  | 2,261,184                | 130,872             | 72,296              | 2,319,760                |
| Vehicles   | 1,631,311                | 175,581             | 42,000              | 1,764,892                |
| Total accumulated depreciation                                 | <u>17,861,536</u>        | <u>1,077,170</u>    | <u>276,360</u>      | <u>18,662,346</u>        |
| Depreciable capital assets, net of<br>accumulated depreciation | <u>13,588,353</u>        | <u>167,539</u>      | <u>17,499</u>       | <u>13,738,393</u>        |
| Governmental activities capital assets, net                    | <u>\$ 14,821,986</u>     | <u>\$ 1,302,658</u> | <u>\$ 1,011,972</u> | <u>\$ 15,112,672</u>     |

Depreciation expense was charged to governmental functions as follows:

|   |                     |
|---|---------------------|
| Instruction                             |                     |
| Regular                                 | \$ 341,740          |
| Special                                 | 53,531              |
| Vocational                              | 21,417              |
| Supporting services                     |                     |
| Pupil                                   | 477                 |
| Instructional staff                     | 30,864              |
| Administration                          | 45,105              |
| Fiscal                                  | 4,729               |
| Business                                | 3,114               |
| Operation and maintenance of plant      | 360,760             |
| Pupil transportation                    | 179,672             |
| Central services                        | 888                 |
| Operation of non-instructional services |                     |
| Food service                            | 18,241              |
| Auxiliary services                      | 4,443               |
| Extracurricular activities              | 12,189              |
| Total depreciation expense              | <u>\$ 1,077,170</u> |

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

**NOTE 9 - INTERFUND ASSETS/LIABILITIES**

On the fund financial statements at June 30, 2014, interfund balances consisted of the following:

|                             | <u>Receivable</u> | <u>Payable</u>    |
|-----------------------------|-------------------|-------------------|
| General Fund                | \$ 547,318        | \$ -              |
| Nonmajor governmental funds | -                 | 547,318           |
|                             | <u>\$ 547,318</u> | <u>\$ 547,318</u> |

These amounts are represented as "Interfund Receivable/Payable" on the balance sheet. The loans were made to support programs and projects in the Special Revenue Funds until permanent funding is received.

**NOTE 10 - RISK MANAGEMENT**

**A. PROPERTY AND LIABILITY**

The School District is exposed to various risks of loss related to torts, theft, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters. During fiscal year 2014, the School District contracted with Liberty Mutual Insurance for property insurance. General liability is protected by Ohio Casualty Company with a \$ 1 million per occurrence, \$ 2 million aggregate with a \$ 5 million supplemental umbrella policy. Vehicles are covered by Ohio Casualty Company. Automobile liability coverage is \$ 1 million for each occurrence with a \$ 5 million supplemental umbrella policy. Settled claims have not exceeded this commercial coverage in any of the past three years. There have been no significant reductions in coverage from prior years. Position bonds of \$ 30,000 are maintained for the Superintendent and Board President and \$ 100,000 for the Treasurer from Ohio Casualty. The School District provides life insurance, disability and accidental death and dismemberment insurance to its employees, through Fort Dearborn Life Insurance Company.

**B. WORKERS' COMPENSATION**

The School District participated in the Ohio Association of School Business Officials Workers' Compensation Group Retrospective Rating Program (GRRP), an insurance purchasing pool. The intent of the GRRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRRP. The firm of Comp Management, Inc. provides administrative, cost control and actuarial services to the GRRP. Participation in the GRRP is limited to school districts that can meet the GRRP's selection criteria.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 10 - RISK MANAGEMENT (continued)

C. EMPLOYEE MEDICAL BENEFITS

The School District provides employee medical, surgical, prescription drug and dental benefits through a self-insurance program administered by Medical Mutual of Ohio. The School District limits its liability for medical and surgical claims by maintaining a specific stop-loss threshold of \$ 125,000.

The claim liability of \$ 819,300 reported at June 30, 2014 was estimated by Medical Mutual of Ohio and is based on the requirements of Governmental Standards Board Statements No. 10 and No. 30, which requires that a liability for unpaid claims costs, including estimates of costs related to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. Changes in the balance of claims liability during the year ended June 30, 2014 and 2013 are summarized below. Incurred claims and claims payments are not segregated between current and prior years claims due to the impracticability of obtaining such information.

|                                  | June 30, 2014      | June 30, 2013      |
|----------------------------------|--------------------|--------------------|
| Unpaid claims, beginning of year | \$ 593,000         | \$ 477,000         |
| Incurred claims                  | 6,079,455          | 5,840,107          |
| Claims payments                  | <u>(5,853,155)</u> | <u>(5,724,107)</u> |
| Unpaid claims, end of year       | <u>\$ 819,300</u>  | <u>\$ 593,000</u>  |

NOTE 11 - DEFINED BENEFIT PENSION PLANS

A. SCHOOL EMPLOYEE RETIREMENT SYSTEM

The School District contributes to the School Employees Retirement System of Ohio (SERS), a cost-sharing multiple-employer defined benefit pension plan. 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 state statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report can be obtained on SERS' website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

Plan members are required to contribute 10% of their annual covered salary and the School District is required to contribute 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The Retirement Board acting with the advice of the actuary, allocates the employer contribution rate among four of the funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund) of the System. For fiscal year ending June 30, 2014, the allocation to pension and death benefits is 13.10%. The remaining .90% of the 14% employer contribution rate is allocated to the Health Care and Medicare B Funds. The School District's contributions to SERS for the years ended June 30, 2014, 2013, and 2012 were \$ 1,135,390, \$ 933,416, and \$ 1,053,712 respectively; 100% has been contributed for fiscal years 2014, 2013 and 2012.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 11 - DEFINED BENEFIT PENSION PLANS (continued)

B. STATE TEACHERS RETIREMENT SYSTEM

The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing multiple-employer public employee retirement system. STRS Ohio is a statewide retirement plan for licensed teachers and other faculty members employed in the public schools of Ohio or any school, community school, college, university, institution or other agency controlled, managed and supported, in whole or in part, by the state or any political subdivision thereof.

New members have a choice of three retirement plans. In addition to the Defined Benefit (DB) Plan, new members are offered a Defined Contribution (DC) Plan and a Combined Plan. The DC Plan allows members to allocate all their member contributions and employer contributions equal to 10.5 % of earned compensation among various investment choices. The Combined Plan offers features of the DC Plan and the DB Plan. In the Combined Plan, member contributions are allocated to investment choices by the member, and employer contributions are used to fund a defined benefit payment at a reduced level from the regular DB Plan. Contributions into the DC Plan and the Combined Plan are credited to member accounts as employers submit their payroll information to STRS Ohio, generally on a biweekly basis. DC and Combined Plan members transfer to the DB Plan during their fifth year of membership unless they permanently select the DC or Combined Plan.

**DB Plan Benefits** – Plan benefits are established under Chapter 3307 of the Revised Code. Any member may retire who has (i) five years of service credit and attained age 60; (ii) 25 years of service credit and attained age 55; or (iii) 30 years of service credit regardless of age. The annual retirement allowance, payable for life, is the greater of the “formula benefit” or the “money-purchase benefit” calculation. Under the “formula benefit,” the retirement allowance is based on years of credited service and final average salary, which is the average of the member’s three highest salary years. The annual allowance is calculated by using a base percentage of 2.2% multiplied by the total number of years of service credit (including Ohio-valued purchased credit) times the final average salary. The 31<sup>st</sup> year of earned Ohio service credit is calculated at 2.5percent. An additional one-tenth of a percent is added to the calculation for every year of earned Ohio service over 31 years (2.6% for 32 years, 2.7% for 33 years and so on) until 100% of final average salary is reached. For members with 35 or more years of Ohio contributing service, the first 30 years will be calculated at 2.5% instead of 2.2%. Under the “money-purchase benefit” calculation, a member’s lifetime contributions plus interest at specified rates are matched by an equal amount from other STRS Ohio funds. This total is then divided by an actuarially determined annuity factor to determine the maximum annual retirement allowance.

**DC Plan Benefits** – DC Plan benefits are established under Sections 3307.80 to 3307.89 of the Revised Code. For members who select the D Plan, all member contributions and employer contributions at a rate of 10.5% are placed in an investment account. The member determines how to allocate the member and employer money among various investment choices. 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. Employer contributions into members’ accounts are vested after the first anniversary of the first day of paid service. Members in the DC plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member’s designated beneficiary is entitled to receive the member’s account balance.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 11 - DEFINED BENEFIT PENSION PLANS (continued)

B. STATE TEACHERS RETIREMENT SYSTEM (continued)

Combined Plan Benefits – Member contributions are allocated by the member, and employer contributions are used to fund a defined benefit payment. A member's defined benefit is determined by multiplying 1% of the member's final average salary by the member's years of service credit. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60. The defined contribution portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50.

Eligible faculty of Ohio's public colleges and university may choose to enroll in either STRS Ohio or an alternative retirement plan (ARP) offered by their employer. Employees have 120 days from their employment date to select a retirement plan.

A retiree of STRS Ohio or another Ohio public retirement system is eligible for reemployment as a teacher following the elapse of two months from the date of retirement. Contributions are made by the reemployed member and employer during the reemployment. Upon termination of reemployment or age 65, whichever comes later, the retiree is eligible for an annuity benefit or equivalent lump-sum payment in addition to the original retirement allowance. A reemployed retiree may alternatively receive a refund of only member contributions with interest before age 65, once employment is terminated.

Benefits are increased annually by 3% of the original base amount for DB Plan participants.

The DB and Combined Plans offer access to health care coverage to eligible retirees who participated in the plans and their eligible dependents. Coverage under the current program includes hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. By Ohio law, health care benefits are not guaranteed.

A DB or Combined Plan member with five or more years' credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of members who die before retirement may qualify for survivor benefits. A death benefit of \$ 1,000 is payable to the beneficiary of each deceased retired member who participated in the DB Plan. Death benefit coverage up to \$ 2,000 can be purchased by participants in the DB, DC or Combined Plans. Various other benefits are available to members' beneficiaries.

Chapter 3307 of the Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by the State Teachers Retirement Board, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 14% for members and 14% for employers. Contribution requirements and the contributions actually made for the fiscal year ended June 30, 2014, were 11% of covered payroll for members and 14% for employers.

The School District's required contributions for pension obligations to STRS of the fiscal years ended June 30, 2014, 2013, and 2012 were \$ 3,400,109, \$ 3,167,973, and \$ 3,433,177, respectively; \$ 2,798,102 (82.3%) has been contributed for fiscal year 2014 and 100% has been contributed for fiscal years 2013 and 2012. Contributions to the DC and Combined Plans for fiscal year 2014 were \$ 106,391 made by the District and \$ 83,593 made by the plan members.

STRS Ohio issues a stand-alone financial report. Additional information or copies of STRS Ohio's 2013 Comprehensive Annual Financial Report can be requested by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 4321-3771, by calling toll-free 1-888-227-7877, or by visiting the STRS Ohio website at [www.strsoh.org](http://www.strsoh.org)

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 11 - DEFINED BENEFIT PENSION PLANS (continued)

C. SOCIAL SECURITY SYSTEM

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System of Ohio have an option to choose Social Security or the School Employees Retirement System. As of June 30, 2014, two member of the Board of Education has elected Social Security. The Board's liability is 6.2% of wages.

NOTE 12 - POSTEMPLOYMENT BENEFITS

A. SCHOOL EMPLOYEE RETIREMENT SYSTEM

In addition to a cost-sharing multiple-employer defined benefit pension plan the School Employees Retirement System of Ohio (SERS) administers two postemployment benefit plans.

The Medicare Part B plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Ohio Revised Code (ORC) 3309.69. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B monthly premium for calendar year 2014 was \$104.90 for most participants, but could be as high as \$ 335.70 per month depending on their income. SERS' reimbursement to retirees was \$ 45.50.

The Retirement Board, acting with the advice of the actuary, allocates a portion of the current employer contribution rate to the Medicare B Fund. For fiscal year 2014, the actuarially required allocation is .76%. The School District's contributions for the years ended June 30, 2014, 2013 and 2012 were \$ 65,870 \$ 52,727, and \$ 57,202, respectively; 100% has been contributed for fiscal years 2014, 2013 and 2012.

ORC 3309.375 and 3309.69 permit SERS to offer health care benefits to eligible retirees and beneficiaries. SERS' Retirement Board reserves the right to change or discontinue any health plan or program. SERS offers several types of health plans from various vendors, including HMOs, PPOs, Medicare Advantage and traditional indemnity plans. A prescription drug program is also available to those who elect health coverage. SERS employs two third-party administrators and a pharmacy benefit manager to manage the self-insurance and prescription drug plans, respectively.

The ORC provides the statutory authority to fund SERS' postemployment benefits through employer contributions. Active members do not make contributions to the postemployment benefit plans.



NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 12 - POSTEMPLOYMENT BENEFITS (continued)

A. SCHOOL EMPLOYEE RETIREMENT SYSTEM (continued)

The Health Care Fund was established under, and is administered in accordance with Internal Revenue Code 105(e). Each year after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer 14% contribution to the Health Care Fund. For the year ended June 30, 2014, the health care allocation is .14%. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2014, the minimum compensation level was established at \$ 20,250. The surcharge, added to the unallocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The School District's contributions assigned to health care for the years ended June 30, 2014, 2013, and 2012 were \$ 164,260, \$ 148,890, and \$ 91,823, respectively; 100% has been contributed for fiscal years 2014, 2013 and 2012.

The SERS Retirement Board establishes 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.

The financial reports of SERS' Health Care and Medicare B plans are included in its Comprehensive Annual Financial Report. The report can be obtained on SERS' website at [www.ohser.org](http://www.ohser.org) under Employers/Audit Resources.

B. STATE TEACHERS RETIREMENT SYSTEM

Plan Description - STRS Ohio administers a pension plan that is comprised of: a Defined Benefit Plan, a self-directed Defined Contribution Plan, and a Combined Plan that is a hybrid of the Defined Benefit Plan and the Defined Contribution Plan.

Ohio law authorizes STRS Ohio to offer a cost-sharing, multiple-employer health care plan. STRS Ohio provides access to health care coverage to eligible retirees who participated in the Defined Benefit or Combined Plans. Coverage under the current program includes hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums.

Pursuant to Chapter 3307 of the Revised Code, the Retirement Board has discretionary authority over how much, if any, of the associated health care costs will be absorbed by STRS Ohio. 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. STRS Ohio issues a stand-alone financial report. Interested parties can view the most recent Comprehensive Annual Financial Report by visiting [www.strsoh.org](http://www.strsoh.org) or by requesting a copy by calling toll-free 1-888-227-7877.

Funding Policy – Under Ohio law, funding for post-employment health care may be deducted from employer contributions. Of the 14% employer contribution rate, 1% of covered payroll was allocated to post-employment health care for the years ended June 30, 2014, 2013, and 2012. The 14% employer contribution rate is the maximum rate established under Ohio law. The School District's contribution for health care for the fiscal years ended June 30, 2014, 2013 and 2012 were \$ 261,547, \$ 243,690, and \$ 245,227, respectively; \$ 215,253 (82.3%) has been contributed for fiscal year 2014 and 100% for fiscal years 2013 and 2012.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

**NOTE 13 - LONG-TERM OBLIGATIONS**

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

|                          | Original<br>Issue<br>Date | Interest<br>Rate | Original<br>Issue<br>Amount | Date of<br>Maturity |
|--------------------------|---------------------------|------------------|-----------------------------|---------------------|
| General obligation bonds |                           |                  |                             |                     |
| Building improvements    | 2004                      | 4.15%            | \$ 855,000                  | 2015                |
| Energy conservation      | 2013                      | 1.95%            | \$ 3,315,000                | 2025                |

The building improvement bonds issued in 2004 were for building and facility improvements. The energy conservation bonds issued in 2013 were for the installation, modification and remodeling of school buildings to conserve energy.

Changes in the School District's long-term obligations during fiscal year 2014 were as follows:

|                          | Balance<br>June 30, 2013 | Increase          | Decrease            | Balance<br>June 30, 2014 | Amounts<br>Due In<br>One Year |
|--------------------------|--------------------------|-------------------|---------------------|--------------------------|-------------------------------|
| General obligation bonds |                          |                   |                     |                          |                               |
| Building improvements    | \$ 170,000               | \$ -              | \$ 85,000           | \$ 85,000                | \$ 85,000                     |
| Energy conservation      | 3,315,000                | -                 | 260,000             | 3,055,000                | 250,000                       |
| Compensated absences     | 3,518,447                | 643,497           | 773,795             | 3,388,149                | 414,575                       |
|                          | <u>\$ 7,003,447</u>      | <u>\$ 643,497</u> | <u>\$ 1,118,795</u> | <u>\$ 6,528,149</u>      | <u>\$ 749,575</u>             |

Principal and interest requirements to retire the bonds payable outstanding at June 30, 2014, are as follows:

| Fiscal<br>Year Ending | Principal           | Interest          | Total               |
|-----------------------|---------------------|-------------------|---------------------|
| 2015                  | \$ 335,000          | \$ 58,899         | \$ 393,899          |
| 2016                  | 255,000             | 52,212            | 307,212             |
| 2017                  | 260,000             | 47,191            | 307,191             |
| 2018                  | 265,000             | 42,072            | 307,072             |
| 2019                  | 270,000             | 36,855            | 306,855             |
| 2020 - 2024           | 1,445,000           | 101,840           | 1,546,840           |
| 2025                  | 310,000             | 3,023             | 313,023             |
| Totals                | <u>\$ 3,140,000</u> | <u>\$ 342,092</u> | <u>\$ 3,482,092</u> |

The School District's overall legal debt margin was \$ 67,330,066, which included an unvoted debt margin of \$ 695,881.

Bonds payable were repaid from the Debt Service Fund. Compensated absences will be repaid from the funds from which employees' salaries are paid, primarily the General Fund.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

**NOTE 14 - INTERFUND TRANSFERS**

Interfund transfers for the year ended June 30, 2014 consisted of the following:

|                     | Transfer from:    |                                   |                       |
|---------------------|-------------------|-----------------------------------|-----------------------|
|                     | General Fund      | Nonmajor<br>Governmental<br>Funds | Total<br>Transfers-in |
| Transfer to:        |                   |                                   |                       |
| Nonmajor            |                   |                                   |                       |
| governmental funds  | \$ 125,000        | \$ 108,000                        | \$ 233,000            |
| Total transfers-out | <u>\$ 125,000</u> | <u>\$ 108,000</u>                 | <u>\$ 233,000</u>     |

Transfers from the General Fund were to provide for payment of expenditures. Transfers from nonmajor governmental funds included \$ 108,000 to the Debt Service Fund for payment of principal and interest.

**NOTE 15 - JOINTLY GOVERNED ORGANIZATION**

**A. NORTH COAST COUNCIL (NCC)**

NCC is wholly owned by its member districts and is governed by a Board of Directors (member Superintendents). NCC's current membership includes the Educational Service Center of Cuyahoga County, Educational Service Center of Lorain County and thirty two school districts in Cuyahoga, Huron, Lorain, and Medina counties.

The mission of the North Coast Council is to provide the support and leadership which enables organizations to achieve their objectives through innovative and cost effective shared technology solutions.

Financial information can be obtained by contacting the Executive Director, 5700 West Canal, Valley View, Ohio 44125. During the year ended June 30, 2014, the School District paid \$ 100,604 to NCC.

**B. POLARIS CAREER CENTER**

The Polaris Career Center is a separate body politic and corporate, established by the Ohio Revised Code to provide for the vocational and special needs of the students. Its Board of Education consists of representatives from the board of each participating school district. The Board is responsible for approving its own budgets, appointing personnel, and accounting and finance related activities. North Olmsted City School District students may attend the vocational school. Each school district's control is limited to its representation on the Board. Financial information can be obtained by contacting the Polaris Career Center, 7285 Old Oak Blvd., Middleburg Heights, Ohio 44130.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 15 - JOINTLY GOVERNED ORGANIZATION (continued)

C. NORTH OLMSTED CITY SCHOOLS EDUCATION FOUNDATION

The North Olmsted City Schools Education Foundation (Foundation) is a jointly governed organization established by the Ohio Revised Code to support and enhance educational opportunities for the youth of the North Olmsted Community. The trustees of the Foundation consist of five ex officio trustees and up to fifteen members selected by a nominating committee appointed by the ex officio trustees.

The ex officio trustees are composed of the following individuals: the Superintendent of the North Olmsted City School District, a member of the North Olmsted Board of Education, a member of the North Olmsted PTA Council, a member of the North Olmsted City Schools' Financial Advisory Board, and a member of the Community Education Advisory Board. All trustees are voting members. The Foundation is responsible for approving its own budgets, appointing personnel, creation of committees, and accounting and financial related activities. Financial information can be obtained by contacting Carrie Copfer, c/o The North Olmsted Board of Education, 27425 Butternut Ridge Road, North Olmsted, Ohio 44070.

D. OHIO SCHOOLS COUNCIL

The Ohio Schools' Council Association (Council) is a jointly governed organization among 126 school districts. The jointly governed organization was created by school districts for the purpose of saving money through volume purchases. Each district supports the Council by paying an annual participation fee. Each school district member's superintendent serves as a representative of the Assembly. The Assembly elects five of the Council's Board members and the remaining four are representatives of the Greater Cleveland School Superintendents' Associations. The Council operates under a nine-member Board of Directors (the Board). The Board is the policy making authority of the Council. The Board meets monthly September to June. The Board appoints an Executive Director who is responsible for receiving and disbursing funds, investing available funds, preparing financial reports for the Board and Assembly and carrying out such other responsibilities as designated by the Board. Financial information can be obtained by contacting William Zelei, the Executive Director of the Ohio Schools' Council at 6393 Oak Tree Blvd., # 377, Independence, Ohio 44131. During the year ended June 30, 2014, the School District paid \$ 2,486 the Council.

The School District participates in the natural gas purchase program. This program allows the School District to purchase natural gas at reduced rates. Energy USA served as the natural gas supplier and program manager from October 1, 2008 to September 30, 2010. Compass Energy has been selected as the new supplier and program manager through March 31, 2016. There are currently 143 participants in the program including the North Olmsted City School District. The participants make monthly payments based on estimated usage. Each September, these estimated payments are compared to their actual usage for the year (July to June). Districts that paid more in estimated billings than their actual billings are issued credits on future billings beginning in September until the credits are exhausted and districts that did not pay enough on estimated billings are invoiced for the difference on the September monthly estimated billing.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

**NOTE 16 - CONTINGENCIES**

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

Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2014.

**NOTE 17 - SET-ASIDES**

The School District is required by State statute to annually set aside, in the General Fund, an amount based on a statutory formula for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at year end. These amounts must be carried forward and used for the same purposes in future years. In addition, the School District has set aside money for budget stabilization. The following cash basis information identifies the changes in the fund balance reserves for capital improvements and budget stabilization during fiscal year 2014.

|  | Capital<br>Maintenance | Budget<br>Stabilization |
|--|------------------------|-------------------------|
| Set-aside reserve balances as of June 30, 2013           | \$ -                   | \$ 223,073              |
| Set-aside balance carried forward                        | -                      | -                       |
| Current year set-aside requirement                       | 681,248                | -                       |
| Qualifying offsets and disbursements                     | (2,001,608)            | -                       |
| Total  | <u>\$ (1,320,360)</u>  | <u>\$ 223,073</u>       |
| Set-aside balance carried forward to future fiscal years | <u>\$ -</u>            | <u>\$ -</u>             |
| Set-aside reserve balance as of June 30, 2014            | <u>\$ -</u>            | <u>\$ 223,073</u>       |

Although the School District had qualifying disbursements and offsets during the fiscal year that reduced the set-aside amount below zero for capital maintenance set-aside, this amount may not be used to reduce the set-aside requirement for future years.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2014

NOTE 18 – COMPLIANCE AND ACCOUNTABILITY

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

|                             |            |
|-----------------------------|------------|
| Special Revenue Funds:      |            |
| Limited English Proficiency | \$ 7,158   |
| Alternative Education       | \$ 5,617   |
| Race to the Top             | \$ 1,320   |
| Title VIB                   | \$ 124,698 |
| Title I                     | \$ 108,605 |
| Preschool                   | \$ 8,200   |

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

NOTE 19 – OPERATING LEASE

The School District was obligated under a certain lease accounted for as an operating lease. Operating leases do not give rise to property rights or lease obligations. During 2014, expenditures for the operating lease totaled \$ 10,721. The lease term expired during the year ended June 30, 2014.

NOTE 20 – SUBSEQUENT EVENTS

The School District entered into a new lease agreement effective September 1, 2014 for copiers.

On November 4, 2014, the community of North Olmsted approved an \$ 80,577,000 Facilities Improvement Bonds Levy. Proceeds from the sale of the bonds will be used to construct a grades 6 through 12 educational campus, a performing arts center, and a new high school athletic complex. Principal and interest on the bonds will be paid with the real estate taxes collected on a new 5.4 mill bond levy which will be assessed beginning in January 2015.

The School District will receive approximately \$ 9,000,000 in matching funds from the State of Ohio for the project. The School District will be required to earmark approximately \$ 400,000, annually, of taxes collected from the School District's current Permanent Improvement Fund for the purpose of paying the costs of maintaining the new classroom facilities of the project, as required by Chapter 3318 of the Ohio Revised Code.

**COMBINING STATEMENTS AND  
INDIVIDUAL FUND SCHEDULES**

## **NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS**

### **SPECIAL REVENUE FUNDS**

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

Food Service - This fund accounts for all transactions related to the operations of the School District's food service program which provides lunches to students and the staff.

Athletics – This fund accounts for gate receipts and fund raising activities and all operating costs (except supplemental coaching contracts) of the District's Athletic Program.

Auxiliary Service – This fund accounts for State funds received for non-public schools located within the school district as provided by state law. Funds are used primarily for educational supplies, materials, and testing.

Data Communications – This fund provides support costs for data communication links to connect a school district electronically to the data acquisition site.

Alternative Education – This fund is used to account for alternative educational programs for existing and new at-risk and delinquent youth.

Miscellaneous State Grants – This fund is used for various monies received from the State of Ohio to develop and support a parent mentoring program, a safe-school hotline, and school improvement incentive programs.

Race to the Top - To account for monies for a competitive grant program designed to encourage and reward states that are creating the conditions for education innovation and reform; achieving significant improvement in student outcomes, including making substantial gains in student achievement, closing achievement gaps, improving high school graduation rates, and ensuring student preparation for success in college and careers.

Title VI-B – This fund accounts for Federal revenues in support of program expenditures related to Special Education.

Limited English Proficiency – This fund provides support for programs designed to help immigrant children develop academic literacy in the English language.

Title I – This fund accounts for Federal monies to implement a variety of programs intended to provide supplemental instruction for children of low income families identified as educationally disadvantaged.

Preschool – This fund accounts for Federal monies supporting programs for handicapped services for children ages 2 through 5 to ready them for the school environment.

Title II-A – This fund accounts for Federal revenue used to hire additional teachers in grade 1 through 3 and provide professional development support.

Miscellaneous Federal Grants – This fund is used to account for various Federally funded programs under the Serve and Learn American Grant Program.

(continued)



## **NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS (concluded)**

### **DEBT SERVICE FUND**

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

### **CAPITAL PROJECTS FUND**

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

Permanent Improvements – This fund accounts for monies raised through a tax levy and restricted in use for the acquisition, construction, or improvement of capital facilities and equipment.

NORTH OLMSTED CITY SCHOOL DISTRICT

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2014

|  | Nonmajor<br>Special<br>Revenue<br>Funds | Nonmajor<br>Debt<br>Service<br>Fund | Nonmajor<br>Capital<br>Projects<br>Fund | Total<br>Nonmajor<br>Governmental<br>Funds |
|--|---|-------------------------------------|---|--|
| Assets and deferred outflow s of resources                             |   |                                     |   |  |
| Assets   |   |                                     |   |  |
| Equity in pooled cash  | \$ 949,382                              | \$ 105,820                          | \$ 1,172,873                            | \$ 2,228,075                               |
| Receivables, net of allow ance   |   |                                     |   |  |
| Taxes, current   | -                                       | -                                   | 990,134                                 | 990,134                                    |
| Taxes, delinquent  | -                                       | -                                   | 30,800                                  | 30,800                                     |
| Accounts and other   | 32,781                                  | -                                   | -                                       | 32,781                                     |
| Intergovernmental receivables  | 19,889                                  | -                                   | -                                       | 19,889                                     |
| Inventories and supplies   | 27,527                                  | -                                   | -                                       | 27,527                                     |
| Total assets   | 1,029,579                               | 105,820                             | 2,193,807                               | 3,329,206                                  |
| Total assets and deferred outflow s of resources                       | \$ 1,029,579                            | \$ 105,820                          | \$ 2,193,807                            | \$ 3,329,206                               |
| Liabilities, deferred inflow s of<br>resources and fund liabilities    |   |                                     |   |  |
| Liabilities  |   |                                     |   |  |
| Accounts and contracts payable   | \$ 79,030                               | \$ -                                | \$ 46,329                               | \$ 125,359                                 |
| Accrued salaries, w ages and benefits                                  | 259,921                                 | -                                   | -                                       | 259,921                                    |
| Intergovernmental payable  | 80,105                                  | -                                   | -                                       | 80,105                                     |
| Interfund payable  | 547,318                                 | -                                   | -                                       | 547,318                                    |
| Matured compensated absences   | 2,582                                   | -                                   | -                                       | 2,582                                      |
| Total liabilities  | 968,956                                 | -                                   | 46,329                                  | 1,015,285                                  |
| Deferred inflow s of resources   |   |                                     |   |  |
| Property taxes levied for next year<br>and unavailable resources       | -                                       | -                                   | 820,972                                 | 820,972                                    |
| Total deferred inflow s of resources                                   | -                                       | -                                   | 820,972                                 | 820,972                                    |
| Fund balances  |   |                                     |   |  |
| Nonspendable   | 27,527                                  | -                                   | -                                       | 27,527                                     |
| Restricted   | 288,694                                 | 105,820                             | 1,326,506                               | 1,721,020                                  |
| Unassigned   | (255,598)                               | -                                   | -                                       | (255,598)                                  |
| Total fund balances  | 60,623                                  | 105,820                             | 1,326,506                               | 1,492,949                                  |
| Total liabilities, deferred inflow s of<br>resources and fund balances | \$ 1,029,579                            | \$ 105,820                          | \$ 2,193,807                            | \$ 3,329,206                               |

NORTH OLMSTED CITY SCHOOL DISTRICT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2014

|   | Nonmajor<br>Special<br>Revenue<br>Funds | Nonmajor<br>Debt<br>Service<br>Fund | Nonmajor<br>Capital<br>Projects<br>Fund | Total<br>Nonmajor<br>Governmental<br>Funds |
|---|---|-------------------------------------|---|--|
| Revenue   |   |                                     |   |  |
| Taxes   | \$ -                                    | \$ -                                | \$ 1,040,539                            | \$ 1,040,539                               |
| Interest  | 26                                      | -                                   | 189                                     | 215  |
| Intergovernmental                                 | 2,949,249                               | -                                   | 169,057                                 | 3,118,306                                  |
| Charges for services                              | 545,959                                 | -                                   | -                                       | 545,959                                    |
| Extracurricular                                   | 278,382                                 | -                                   | -                                       | 278,382                                    |
| Other   | 44,189                                  | -                                   | -                                       | 44,189                                     |
| Total revenues                                    | 3,817,805                               | -                                   | 1,209,785                               | 5,027,590                                  |
| Expenditures                                      |   |                                     |   |  |
| Current   |   |                                     |   |  |
| Instruction                                       |   |                                     |   |  |
| Regular   | 947,425                                 | -                                   | 256,902                                 | 1,204,327                                  |
| Supporting services                               |   |                                     |   |  |
| Pupil   | 856,586                                 | -                                   | -                                       | 856,586                                    |
| Instructional staff                               | 6,325                                   | -                                   | -                                       | 6,325                                      |
| Administration                                    | 3,879                                   | -                                   | 60,529                                  | 64,408                                     |
| Business  | -                                       | -                                   | 24,683                                  | 24,683                                     |
| Operation and maintenance                         | -                                       | -                                   | 1,113,877                               | 1,113,877                                  |
| Pupil transportation                              | 31,092                                  | -                                   | 38,401                                  | 69,493                                     |
| Central services                                  | 16,200                                  | -                                   | -                                       | 16,200                                     |
| Operation of non-instructional services           |   |                                     |   |  |
| Food service operation                            | 1,580,209                               | -                                   | -                                       | 1,580,209                                  |
| Community services                                | 164,428                                 | -                                   | -                                       | 164,428                                    |
| Extracurricular activities                        | 287,025                                 | -                                   | -                                       | 287,025                                    |
| Debt service                                      |   |                                     |   |  |
| Principal   | -                                       | 85,000                              | -                                       | 85,000                                     |
| Interest  | -                                       | 5,292                               | -                                       | 5,292                                      |
| Total expenditures                                | 3,893,169                               | 90,292                              | 1,494,392                               | 5,477,853                                  |
| Excess (deficiency) of revenues over expenditures | (75,364)                                | (90,292)                            | (284,607)                               | (450,263)                                  |
| Other financing sources (uses)                    |   |                                     |   |  |
| Transfers-in                                      | 125,000                                 | 108,000                             | -                                       | 233,000                                    |
| Transfers-out                                     | -                                       | -                                   | (108,000)                               | (108,000)                                  |
| Total other financing sources (uses)              | 125,000                                 | 108,000                             | (108,000)                               | 125,000                                    |
| Net change in fund balances                       | 49,636                                  | 17,708                              | (392,607)                               | (325,263)                                  |
| Fund balances, beginning of year                  | 10,987                                  | 88,112                              | 1,719,113                               | 1,818,212                                  |
| Fund balances, end of year                        | \$ 60,623                               | \$ 105,820                          | \$ 1,326,506                            | \$ 1,492,949                               |

NORTH OLMSTED CITY SCHOOL DISTRICT

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2014

|  | Food<br>Service | Athletics  | Auxiliary<br>Service |
|--|-----------------|------------|----------------------|
| Assets and deferred outflow s of resources                             |                 |            |                      |
| Assets   |                 |            |                      |
| Equity in pooled cash  | \$ 178,869      | \$ 169,015 | \$ 58,417            |
| Receivables, net of allow ance   |                 |            |                      |
| Accounts and other   | 25,244          | 7,537      | -                    |
| Intergovernmental receivables  | 19,889          | -          | -                    |
| Inventories and supplies   | 27,527          | -          | -                    |
| Total assets   | 251,529         | 176,552    | 58,417               |
| Total assets and deferred outflow s of resources                       | \$ 251,529      | \$ 176,552 | \$ 58,417            |
| Liabilities, deferred inflow s of<br>resources and fund liabilities    |                 |            |                      |
| Liabilities  |                 |            |                      |
| Accounts and contracts payable   | \$ 16,861       | \$ 34,585  | \$ 9,278             |
| Accrued salaries, w ages and benefits                                  | 85,418          | -          | 7,581                |
| Intergovernmental payable  | 49,405          | -          | 1,828                |
| Interfund payable  | -               | -          | -                    |
| Matured compensated absences   | 2,582           | -          | -                    |
| Total liabilities  | 154,266         | 34,585     | 18,687               |
| Fund balances  |                 |            |                      |
| Nonspendable   | 27,527          | -          | -                    |
| Restricted   | 69,736          | 141,967    | 39,730               |
| Unassigned   | -               | -          | -                    |
| Total fund balances  | 97,263          | 141,967    | 39,730               |
| Total liabilities, deferred inflow s of<br>resources and fund balances | \$ 251,529      | \$ 176,552 | \$ 58,417            |

| <u>Data<br/>Communications</u> | <u>Alternative<br/>Education</u> | <u>Miscellaneous<br/>State<br/>Grants</u> | <u>Race to<br/>the Top</u> | <u>Title VI-B</u> |
|--------------------------------|----------------------------------|---|----------------------------|-------------------|
| \$ 36,675                      | \$ -                             | \$ 34                                     | \$ 523                     | \$ 105,378        |
| -                              | -                                | -   | -                          | -                 |
| -                              | -                                | -   | -                          | -                 |
| -                              | -                                | -   | -                          | -                 |
| <u>36,675</u>                  | <u>-</u>                         | <u>34</u>                                 | <u>523</u>                 | <u>105,378</u>    |
| <u>\$ 36,675</u>               | <u>\$ -</u>                      | <u>\$ 34</u>                              | <u>\$ 523</u>              | <u>\$ 105,378</u> |
|                                |                                  |   |                            |                   |
| \$ -                           | \$ -                             | \$ -                                      | \$ -                       | \$ 3,169          |
| -                              | -                                | -   | -                          | 47,814            |
| -                              | -                                | -   | -                          | 8,543             |
| -                              | 5,617                            | -   | 1,843                      | 170,550           |
| -                              | -                                | -   | -                          | -                 |
| <u>-</u>                       | <u>5,617</u>                     | <u>-</u>                                  | <u>1,843</u>               | <u>230,076</u>    |
|                                |                                  |   |                            |                   |
| -                              | -                                | -   | -                          | -                 |
| 36,675                         | -                                | 34  | -                          | -                 |
| -                              | (5,617)                          | -   | (1,320)                    | (124,698)         |
| <u>36,675</u>                  | <u>(5,617)</u>                   | <u>34</u>                                 | <u>(1,320)</u>             | <u>(124,698)</u>  |
| <u>\$ 36,675</u>               | <u>\$ -</u>                      | <u>\$ 34</u>                              | <u>\$ 523</u>              | <u>\$ 105,378</u> |

(CONTINUED)

NORTH OLMSTED CITY SCHOOL DISTRICT

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS

JUNE 30, 2014

(CONCLUDED)

|  | Limited<br>English<br>Proficiency | Title I           | Preschool       |
|--|-----------------------------------|-------------------|-----------------|
| Assets and deferred outflow s of resources                             |                                   |                   |                 |
| Assets   |                                   |                   |                 |
| Equity in pooled cash  | \$ 24,642                         | \$ 313,433        | \$ 2,060        |
| Receivables, net of allowance  |                                   |                   |                 |
| Accounts and other   | -                                 | -                 | -               |
| Intergovernmental receivables  | -                                 | -                 | -               |
| Inventories and supplies   | -                                 | -                 | -               |
| Total assets   | <u>24,642</u>                     | <u>313,433</u>    | <u>2,060</u>    |
| Total assets and deferred outflow s of resources                       | <u>\$ 24,642</u>                  | <u>\$ 313,433</u> | <u>\$ 2,060</u> |
| Liabilities, deferred inflow s of<br>resources and fund liabilities    |                                   |                   |                 |
| Liabilities  |                                   |                   |                 |
| Accounts and contracts payable   | \$ -                              | \$ 9,737          | \$ -            |
| Accrued salaries, wages and benefits                                   | 5,360                             | 105,950           | 7,798           |
| Intergovernmental payable  | 841                               | 18,158            | 1,330           |
| Interfund payable  | 25,599                            | 288,193           | 1,132           |
| Matured compensated absences   | -                                 | -                 | -               |
| Total liabilities  | <u>31,800</u>                     | <u>422,038</u>    | <u>10,260</u>   |
| Fund balances  |                                   |                   |                 |
| Nonspendable   | -                                 | -                 | -               |
| Restricted   | -                                 | -                 | -               |
| Unassigned   | (7,158)                           | (108,605)         | (8,200)         |
| Total fund balances  | <u>(7,158)</u>                    | <u>(108,605)</u>  | <u>(8,200)</u>  |
| Total liabilities, deferred inflow s of<br>resources and fund balances | <u>\$ 24,642</u>                  | <u>\$ 313,433</u> | <u>\$ 2,060</u> |

| Title II-A       | Miscellaneous<br>Federal<br>Grants | Total Nonmajor<br>Special Revenue<br>Funds |
|------------------|------------------------------------|--|
| \$ 60,084        | \$ 252                             | \$ 949,382                                 |
| -                | -                                  | 32,781                                     |
| -                | -                                  | 19,889                                     |
| -                | -                                  | 27,527                                     |
| 60,084           | 252                                | 1,029,579                                  |
| <u>\$ 60,084</u> | <u>\$ 252</u>                      | <u>\$ 1,029,579</u>                        |
|                  |                                    |  |
| \$ 5,400         | \$ -                               | \$ 79,030                                  |
| -                | -                                  | 259,921                                    |
| -                | -                                  | 80,105                                     |
| 54,384           | -                                  | 547,318                                    |
| -                | -                                  | 2,582                                      |
| 59,784           | -                                  | 968,956                                    |
| -                | -                                  | 27,527                                     |
| 300              | 252                                | 288,694                                    |
| -                | -                                  | (255,598)                                  |
| 300              | 252                                | 60,623                                     |
| <u>\$ 60,084</u> | <u>\$ 252</u>                      | <u>\$ 1,029,579</u>                        |

NORTH OLMSTED CITY SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES—  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2014

|   | Food<br>Service  | Athletics         | Auxiliary<br>Service |
|---|------------------|-------------------|----------------------|
| Revenue   |                  |                   |                      |
| Interest  | \$ 19            | \$ -              | \$ 7                 |
| Intergovernmental                                 | 868,103          | -                 | 168,315              |
| Charges for services                              | 545,959          | -                 | -                    |
| Extracurricular                                   | -                | 278,382           | -                    |
| Other   | 35,563           | 8,626             | -                    |
| Total revenues                                    | <u>1,449,644</u> | <u>287,008</u>    | <u>168,322</u>       |
| Expenditures                                      |                  |                   |                      |
| Current   |                  |                   |                      |
| Instruction                                       |                  |                   |                      |
| Regular   | -                | -                 | -                    |
| Supporting services                               |                  |                   |                      |
| Pupil   | -                | -                 | -                    |
| Instructional staff                               | -                | -                 | -                    |
| Administration                                    | -                | -                 | -                    |
| Pupil transportation                              | -                | -                 | -                    |
| Central services                                  | -                | -                 | -                    |
| Operation of non-instructional services           |                  |                   |                      |
| Food service operation                            | 1,580,209        | -                 | -                    |
| Community services                                | -                | -                 | 132,820              |
| Extracurricular activities                        | -                | 287,025           | -                    |
| Total expenditures                                | <u>1,580,209</u> | <u>287,025</u>    | <u>132,820</u>       |
| Excess (deficiency) of revenues over expenditures | <u>(130,565)</u> | <u>(17)</u>       | <u>35,502</u>        |
| Other financing sources (uses)                    |                  |                   |                      |
| Transfers-in                                      | 125,000          | -                 | -                    |
| Total other financing sources (uses)              | <u>125,000</u>   | <u>-</u>          | <u>-</u>             |
| Net change in fund balances                       | (5,565)          | (17)              | 35,502               |
| Fund balances, beginning of year                  | 102,828          | 141,984           | 4,228                |
| Fund balances, end of year                        | <u>\$ 97,263</u> | <u>\$ 141,967</u> | <u>\$ 39,730</u>     |



| Data<br>Communications | Alternative<br>Education | Miscellaneous<br>State<br>Grants | Race to<br>the Top | Title VI-B   |
|------------------------|--------------------------|----------------------------------|--------------------|--------------|
| \$ -                   | \$ -                     | \$ -                             | \$ -               | \$ -         |
| 16,200                 | 70,428                   | -                                | 53,857             | 755,352      |
| -                      | -                        | -                                | -                  | -            |
| -                      | -                        | -                                | -                  | -            |
| -                      | -                        | -                                | -                  | -            |
| 16,200                 | 70,428                   | -                                | 53,857             | 755,352      |
| -                      | 54,765                   | -                                | 53,991             | 21,580       |
| -                      | 15,446                   | -                                | -                  | 772,423      |
| -                      | -                        | -                                | -                  | -            |
| -                      | -                        | -                                | -                  | -            |
| -                      | -                        | -                                | -                  | 31,092       |
| 16,200                 | -                        | -                                | -                  | -            |
| -                      | -                        | -                                | -                  | -            |
| -                      | -                        | -                                | -                  | 8,069        |
| -                      | -                        | -                                | -                  | -            |
| 16,200                 | 70,211                   | -                                | 53,991             | 833,164      |
| -                      | 217                      | -                                | (134)              | (77,812)     |
| -                      | -                        | -                                | -                  | -            |
| -                      | -                        | -                                | -                  | -            |
| -                      | 217                      | -                                | (134)              | (77,812)     |
| 36,675                 | (5,834)                  | 34                               | (1,186)            | (46,886)     |
| \$ 36,675              | \$ (5,617)               | \$ 34                            | \$ (1,320)         | \$ (124,698) |

(CONTINUED)

NORTH OLMSTED CITY SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES–  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2014

(CONCLUDED)

|   | Limited<br>English<br>Proficiency | Title I             | Preschool         |
|---|-----------------------------------|---------------------|-------------------|
| Revenue   |                                   |                     |                   |
| Interest  | \$ -                              | \$ -                | \$ -              |
| Intergovernmental                                 | 44,231                            | 878,544             | 23,950            |
| Charges for services                              | -                                 | -                   | -                 |
| Extracurricular                                   | -                                 | -                   | -                 |
| Other   | -                                 | -                   | -                 |
| Total revenues                                    | <u>44,231</u>                     | <u>878,544</u>      | <u>23,950</u>     |
| Expenditures                                      |                                   |                     |                   |
| Current   |                                   |                     |                   |
| Instruction                                       |                                   |                     |                   |
| Regular   | 85                                | 747,084             | -                 |
| Supporting services                               |                                   |                     |                   |
| Pupil   | 47,619                            | -                   | 21,098            |
| Instructional staff                               | 770                               | 5,555               | -                 |
| Administration                                    | -                                 | 3,879               | -                 |
| Pupil transportation                              | -                                 | -                   | -                 |
| Central services                                  | -                                 | -                   | -                 |
| Operation of non-instructional services           |                                   |                     |                   |
| Food service operation                            | -                                 | -                   | -                 |
| Community services                                | -                                 | 14,434              | 9,105             |
| Extracurricular activities                        | -                                 | -                   | -                 |
| Total expenditures                                | <u>48,474</u>                     | <u>770,952</u>      | <u>30,203</u>     |
| Excess (deficiency) of revenues over expenditures | <u>(4,243)</u>                    | <u>107,592</u>      | <u>(6,253)</u>    |
| Other financing sources (uses)                    |                                   |                     |                   |
| Transfers-in                                      | -                                 | -                   | -                 |
| Total other financing sources (uses)              | <u>-</u>                          | <u>-</u>            | <u>-</u>          |
| Net change in fund balances                       | (4,243)                           | 107,592             | (6,253)           |
| Fund balances, beginning of year                  | <u>(2,915)</u>                    | <u>(216,197)</u>    | <u>(1,947)</u>    |
| Fund balances, end of year                        | <u>\$ (7,158)</u>                 | <u>\$ (108,605)</u> | <u>\$ (8,200)</u> |

| Title II-A | Miscellaneous<br>Federal<br>Grants | Total Nonmajor<br>Special Revenue<br>Funds |
|------------|------------------------------------|--|
| \$ -       | \$ -                               | \$ 26                                      |
| 70,269     | -                                  | 2,949,249                                  |
| -          | -                                  | 545,959                                    |
| -          | -                                  | 278,382                                    |
| -          | -                                  | 44,189                                     |
| 70,269     | -                                  | 3,817,805                                  |
| 69,920     | -                                  | 947,425                                    |
| -          | -                                  | 856,586                                    |
| -          | -                                  | 6,325                                      |
| -          | -                                  | 3,879                                      |
| -          | -                                  | 31,092                                     |
| -          | -                                  | 16,200                                     |
| -          | -                                  | 1,580,209                                  |
| -          | -                                  | 164,428                                    |
| -          | -                                  | 287,025                                    |
| 69,920     | -                                  | 3,893,169                                  |
| 349        | -                                  | (75,364)                                   |
| -          | -                                  | 125,000                                    |
| -          | -                                  | 125,000                                    |
| 349        | -                                  | 49,636                                     |
| (49)       | 252                                | 10,987                                     |
| \$ 300     | \$ 252                             | \$ 60,623                                  |

NORTH OLMSTED CITY SCHOOL DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES  
AGENCY FUND  
FOR THE YEAR ENDED JUNE 30, 2014

|                                       | Balance<br>June 30, 2013 | Additions         | Reductions        | Balance<br>June 30, 2014 |
|---------------------------------------|--------------------------|-------------------|-------------------|--------------------------|
| Assets                                |                          |                   |                   |                          |
| Equity in pooled cash and equivalents | \$ 126,899               | \$ 191,236        | \$ 184,335        | \$ 133,800               |
| Total assets                          | <u>\$ 126,899</u>        | <u>\$ 191,236</u> | <u>\$ 184,335</u> | <u>\$ 133,800</u>        |
| Liabilities                           |                          |                   |                   |                          |
| Accounts payable                      | \$ 177                   | \$ 8,451          | \$ 177            | \$ 8,451                 |
| Due to students                       | 126,722                  | 182,785           | 184,158           | 125,349                  |
| Total liabilities                     | <u>\$ 126,899</u>        | <u>\$ 191,236</u> | <u>\$ 184,335</u> | <u>\$ 133,800</u>        |

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014

| GENERAL FUND            |                |               |               | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|-------------------------|----------------|---------------|---------------|---|
|                         | Budget Amounts |               | Actual        |   |
|                         | Original       | Final         |               |   |
| Revenues                |                |               |               |   |
| Taxes                   | \$ 37,688,000  | \$ 37,688,000 | \$ 38,471,144 | \$ 783,144  |
| Tuition and fees        | 774,000        | 774,000       | 707,499       | (66,501)  |
| Interest                | 40,000         | 40,000        | 31,263        | (8,737)   |
| Intergovernmental       | 13,135,000     | 13,135,000    | 13,104,122    | (30,878)  |
| Other                   | 250,500        | 250,500       | 292,839       | 42,339  |
| Total revenues          | 51,887,500     | 51,887,500    | 52,606,867    | 719,367   |
| Expenditures            |                |               |               |   |
| Current                 |                |               |               |   |
| Instruction             |                |               |               |   |
| Regular                 |                |               |               |   |
| Salaries                | 16,364,900     | 16,510,400    | 16,502,333    | 8,067   |
| Benefits                | 6,019,455      | 5,800,450     | 5,686,953     | 113,497   |
| Purchased services      | 912,159        | 941,906       | 861,303       | 80,603  |
| Materials and supplies  | 1,081,210      | 1,049,790     | 931,053       | 118,737   |
| Capital outlay          | 20,629         | 89,196        | 85,200        | 3,996   |
| Other                   | 28,200         | 28,200        | 25,382        | 2,818   |
| Total regular           | 24,426,553     | 24,419,942    | 24,092,224    | 327,718   |
| Special                 |                |               |               |   |
| Salaries                | 5,515,100      | 5,362,100     | 5,356,191     | 5,909   |
| Benefits                | 2,028,604      | 1,934,750     | 1,886,667     | 48,083  |
| Purchased services      | 612,350        | 615,350       | 601,384       | 13,966  |
| Materials and supplies  | 7,735          | 4,735         | 3,219         | 1,516   |
| Total special           | 8,163,789      | 7,916,935     | 7,847,461     | 69,474  |
| Vocational              |                |               |               |   |
| Salaries                | 332,100        | 319,300       | 319,226       | 74  |
| Benefits                | 122,155        | 112,400       | 110,010       | 2,390   |
| Purchased services      | 1,075          | 303           | 303           | -   |
| Materials and supplies  | 17,495         | 17,933        | 17,905        | 28  |
| Total vocational        | 472,825        | 449,936       | 447,444       | 2,492   |
| Other instruction       |                |               |               |   |
| Salaries                | 35,000         | 35,000        | 33,290        | 1,710   |
| Benefits                | 12,874         | 11,800        | 11,472        | 328   |
| Purchased services      | 335,000        | 306,000       | 180,714       | 125,286   |
| Total other instruction | 382,874        | 352,800       | 225,476       | 127,324   |
| Total instruction       | 33,446,041     | 33,139,613    | 32,612,605    | 527,008   |

(CONTINUED)

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014

| GENERAL FUND (continued)  |                |           |           | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------|----------------|-----------|-----------|---|
|                           | Budget Amounts |           |           |   |
|                           | Original       | Final     | Actual    |   |
| Supporting services       |                |           |           |   |
| Pupil                     |                |           |           |   |
| Salaries                  | 2,715,500      | 3,030,100 | 3,021,962 | 8,138   |
| Benefits                  | 998,835        | 1,100,800 | 1,072,054 | 28,746  |
| Purchased services        | 389,658        | 421,609   | 406,257   | 15,352  |
| Materials and supplies    | 21,882         | 23,932    | 18,244    | 5,688   |
| Total pupil               | 4,125,875      | 4,576,441 | 4,518,517 | 57,924  |
| Instructional staff       |                |           |           |   |
| Salaries                  | 703,600        | 532,200   | 529,727   | 2,473   |
| Benefits                  | 258,803        | 202,400   | 195,785   | 6,615   |
| Purchased services        | 430,165        | 456,965   | 253,135   | 203,830   |
| Materials and supplies    | 63,397         | 82,390    | 77,137    | 5,253   |
| Capital outlay            | 44,060         | 172,898   | 168,932   | 3,966   |
| Other                     | 800            | 800       | 360       | 440   |
| Total instructional staff | 1,500,825      | 1,447,653 | 1,225,076 | 222,577   |
| Board of education        |                |           |           |   |
| Salaries                  | 25,000         | 25,000    | 24,360    | 640   |
| Benefits                  | 9,196          | 4,600     | 4,434     | 166   |
| Purchased services        | 365,853        | 400,853   | 344,981   | 55,872  |
| Total board of education  | 400,049        | 430,453   | 373,775   | 56,678  |
| Administration            |                |           |           |   |
| Salaries                  | 2,366,800      | 2,393,500 | 2,387,268 | 6,232   |
| Benefits                  | 870,573        | 881,900   | 858,317   | 23,583  |
| Purchased services        | 122,847        | 162,247   | 150,633   | 11,614  |
| Materials and supplies    | 25,198         | 36,980    | 34,464    | 2,516   |
| Other                     | 37,000         | 41,768    | 33,954    | 7,814   |
| Total administration      | 3,422,418      | 3,516,395 | 3,464,636 | 51,759  |
| Fiscal services           |                |           |           |   |
| Salaries                  | 422,500        | 441,600   | 440,083   | 1,517   |
| Benefits                  | 159,000        | 211,600   | 202,469   | 9,131   |
| Purchased services        | 9,011          | 10,011    | 6,703     | 3,308   |
| Materials and supplies    | 8,000          | 3,000     | 1,989     | 1,011   |
| Capital outlay            | 39,434         | 25,007    | 2,228     | 22,779  |
| Other                     | 697,200        | 613,200   | 605,537   | 7,663   |
| Total fiscal services     | 1,335,145      | 1,304,418 | 1,259,009 | 45,409  |
| Business                  |                |           |           |   |
| Salaries                  | 71,000         | 71,600    | 71,409    | 191   |
| Benefits                  | 26,116         | 28,300    | 27,306    | 994   |
| Purchased services        | 105,900        | 105,900   | 77,341    | 28,559  |
| Total business            | 203,016        | 205,800   | 176,056   | 29,744  |

(CONTINUED)

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014

| GENERAL FUND (continued)             |                |            |            | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--------------------------------------|----------------|------------|------------|---|
|                                      | Budget Amounts |            | Actual     |   |
|                                      | Original       | Final      |            |   |
| Operation and maintenance            |                |            |            |   |
| Salaries                             | 1,901,600      | 1,936,100  | 1,931,980  | 4,120   |
| Benefits                             | 699,460        | 778,800    | 750,013    | 28,787  |
| Purchased services                   | 1,114,447      | 1,167,551  | 1,059,172  | 108,379   |
| Materials and supplies               | 176,098        | 188,393    | 170,824    | 17,569  |
| Capital outlay                       | 1,500          | 68,843     | 67,529     | 1,314   |
| Other                                | 5,300          | 1,300      | 1,172      | 128   |
| Total operation and maintenance      | 3,898,405      | 4,140,987  | 3,980,690  | 160,297   |
| Pupil transportation                 |                |            |            |   |
| Salaries                             | 1,081,500      | 1,119,400  | 1,117,055  | 2,345   |
| Benefits                             | 397,805        | 452,100    | 435,438    | 16,662  |
| Purchased services                   | 488,129        | 531,642    | 519,790    | 11,852  |
| Materials and supplies               | 334,920        | 414,498    | 399,421    | 15,077  |
| Capital outlay                       | -              | 8,400      | 8,400      | -   |
| Total pupil transportation           | 2,302,354      | 2,526,040  | 2,480,104  | 45,936  |
| Central services                     |                |            |            |   |
| Salaries                             | 609,600        | 629,000    | 627,824    | 1,176   |
| Benefits                             | 224,227        | 286,100    | 277,369    | 8,731   |
| Purchased services                   | 410,832        | 521,632    | 449,524    | 72,108  |
| Materials and supplies               | 89,877         | 77,961     | 69,899     | 8,062   |
| Capital outlay                       | 500,000        | 2,129      | 2,094      | 35  |
| Total central services               | 1,834,536      | 1,516,822  | 1,426,710  | 90,112  |
| Total supporting services            | 19,022,623     | 19,665,009 | 18,904,573 | 760,436   |
| Operation of non-instructional       |                |            |            |   |
| Food service operation               |                |            |            |   |
| Salaries                             | 62,700         | 61,800     | 61,132     | 668   |
| Benefits                             | 23,063         | 24,300     | 23,376     | 924   |
| Capital outlay                       | -              | 8,600      | 8,568      | 32  |
| Total food service operation         | 85,763         | 94,700     | 93,076     | 1,624   |
| Community services                   |                |            |            |   |
| Purchased services                   | 27,250         | 23,475     | 20,257     | 3,218   |
| Total community services             | 27,250         | 23,475     | 20,257     | 3,218   |
| Total operation of non-instructional | 113,013        | 118,175    | 113,333    | 4,842   |

(CONTINUED)

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014

| GENERAL FUND (concluded)                          |                |               |               | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|----------------|---------------|---------------|---|
|   | Budget Amounts |               |               |   |
|   | Original       | Final         | Actual        |   |
| Extracurricular activities                        |                |               |               |   |
| Academic and subject oriented                     |                |               |               |   |
| Salaries  | 264,500        | 296,500       | 290,654       | 5,846   |
| Benefits  | 97,290         | 104,200       | 101,676       | 2,524   |
| Total academic and subject oriented               | 361,790        | 400,700       | 392,330       | 8,370   |
| Sports oriented                                   |                |               |               |   |
| Salaries  | 674,600        | 678,900       | 655,864       | 23,036  |
| Benefits  | 248,136        | 245,500       | 238,195       | 7,305   |
| Purchased services                                | 22,350         | 22,350        | 16,112        | 6,238   |
| Other   | 3,500          | 3,500         | 3,500         | -   |
| Total sports oriented                             | 948,586        | 950,250       | 913,671       | 36,579  |
| Total extracurricular activities                  | 1,310,376      | 1,350,950     | 1,306,001     | 44,949  |
| Capital outlay                                    | -              | 221,600       | 221,304       | 296   |
| Debt service                                      |                |               |               |   |
| Principal   | 392,000        | 339,000       | 338,894       | 106   |
| Interest and fiscal charges                       | 116,000        | 111,000       | 109,536       | 1,464   |
| Total debt service                                | 508,000        | 450,000       | 448,430       | 1,570   |
|   |                |               |               |   |
| Total expenditures                                | 54,400,053     | 54,945,347    | 53,606,246    | 1,339,101   |
|   |                |               |               |   |
| Excess (deficiency) of revenues over expenditures | (2,512,553)    | (3,057,847)   | (999,379)     | 2,058,468   |
|   |                |               |               |   |
| Other financing sources (uses)                    |                |               |               |   |
| Advances-in                                       | 650,000        | 650,000       | 649,617       | (383)   |
| Refund prior year expenditure                     | 170,500        | 170,500       | 162,297       | (8,203)   |
| Advances-out                                      | (670,000)      | (670,000)     | (567,319)     | 102,681   |
| Transfers-out                                     | (316,000)      | (351,217)     | (351,217)     | -   |
| Total other financing sources (uses)              | (165,500)      | (200,717)     | (106,622)     | 94,095  |
|   |                |               |               |   |
| Net change in fund balance                        | (2,678,053)    | (3,258,564)   | (1,106,001)   | 2,152,563   |
|   |                |               |               |   |
| Fund balance, beginning of year                   | 20,906,103     | 20,906,103    | 20,906,103    | -   |
|   |                |               |               |   |
| Prior year encumbrances appropriated              | 805,055        | 805,055       | 805,055       | -   |
|   |                |               |               |   |
| Fund balance, end of year                         | \$ 19,033,105  | \$ 18,452,594 | \$ 20,605,157 | \$ 2,152,563  |



NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014

| FOOD SERVICE FUND                                 |                |           |            | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|----------------|-----------|------------|---|
|   | Budget Amounts |           |            |   |
|   | Original       | Final     | Actual     |   |
| Revenues  |                |           |            |   |
| Interest  | \$ -           | \$ -      | \$ 19      | \$ 19   |
| Charges for services                              | 599,331        | 543,868   | 548,767    | 4,899   |
| Intergovernmental                                 | 813,487        | 791,295   | 814,108    | 22,813  |
| Other   | 5,000          | 35,560    | 35,563     | 3   |
| Total revenues                                    | 1,417,818      | 1,370,723 | 1,398,457  | 27,734  |
| Expenditures                                      |                |           |            |   |
| Current   |                |           |            |   |
| Operation of non-instructional                    |                |           |            |   |
| Food service operation                            |                |           |            |   |
| Salaries  | 477,230        | 494,731   | 489,843    | 4,888   |
| Benefits  | 249,880        | 233,780   | 220,538    | 13,242  |
| Purchased services                                | 816,186        | 863,529   | 863,529    | -   |
| Materials and supplies                            | 4,000          | 3,500     | 3,347      | 153   |
| Total food service operation                      | 1,547,296      | 1,595,540 | 1,577,257  | 18,283  |
| Total operation of non-instructional              | 1,547,296      | 1,595,540 | 1,577,257  | 18,283  |
| Total expenditures                                | 1,547,296      | 1,595,540 | 1,577,257  | 18,283  |
| Excess (deficiency) of revenues over expenditures | (129,478)      | (224,817) | (178,800)  | 46,017  |
| Other financing sources (uses)                    |                |           |            |   |
| Transfers-in                                      | -              | 125,000   | 125,000    | -   |
| Total other financing sources (uses)              | -              | 125,000   | 125,000    | -   |
| Net change in fund balance                        | (129,478)      | (99,817)  | (53,800)   | 46,017  |
| Fund balance, beginning of year                   | 135,637        | 135,637   | 135,637    | -   |
| Prior year encumbrances appropriated              | 37,018         | 37,018    | 37,018     | -   |
| Fund balance, end of year                         | \$ 43,177      | \$ 72,838 | \$ 118,855 | \$ 46,017   |

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014

| ATHLETIC FUND  |                |            |            | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|----------------|------------|------------|---|
|  | Budget Amounts |            |            |   |
|  | Original       | Final      | Actual     |   |
| Revenues   |                |            |            |   |
| Extracurricular                                      | \$ 291,000     | \$ 259,919 | \$ 278,382 | \$ 18,463   |
| Other  | -              | 1,050      | 1,089      | 39  |
| Total revenues                                       | 291,000        | 260,969    | 279,471    | 18,502  |
| Expenditures   |                |            |            |   |
| Current  |                |            |            |   |
| Extracurricular activities                           |                |            |            |   |
| Sports oriented                                      |                |            |            |   |
| Purchased services                                   | 40,155         | 35,829     | 35,754     | 75  |
| Materials and supplies                               | 7,130          | 6,871      | 6,871      | -   |
| Capital outlay                                       | 40,445         | 35,252     | 35,229     | 23  |
| Other  | 267,480        | 281,626    | 231,322    | 50,304  |
| Total sports oriented                                | 355,210        | 359,578    | 309,176    | 50,402  |
| Total extracurricular activities                     | 355,210        | 359,578    | 309,176    | 50,402  |
| Total expenditures                                   | 355,210        | 359,578    | 309,176    | 50,402  |
| Excess (deficiency) of revenues over<br>expenditures | (64,210)       | (98,609)   | (29,705)   | 68,904  |
| Other financing sources (uses)                       |                |            |            |   |
| Advances-in  | -              | 20,000     | 20,000     | -   |
| Advances-out   | -              | (20,000)   | (20,000)   | -   |
| Total other financing sources (uses)                 | -              | -          | -          | -   |
| Net change in fund balance                           | (64,210)       | (98,609)   | (29,705)   | 68,904  |
| Fund balance, beginning of year                      | 124,997        | 124,997    | 124,997    | -   |
| Prior year encumbrances appropriated                 | 28,801         | 28,801     | 28,801     | -   |
| Fund balance, end of year                            | \$ 89,588      | \$ 55,189  | \$ 124,093 | \$ 68,904   |

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014

| AUXILIARY SERVICES FUND                           |                |          |           | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|----------------|----------|-----------|---|
|   | Budget Amounts |          |           |   |
|   | Original       | Final    | Actual    |   |
| Revenues  |                |          |           |   |
| Interest  | \$ -           | \$ 6     | \$ 7      | \$ 1  |
| Intergovernmental                                 | 149,455        | 168,315  | 168,315   | -   |
| Total revenues                                    | 149,455        | 168,321  | 168,322   | 1   |
| Expenditures                                      |                |          |           |   |
| Current   |                |          |           |   |
| Operation of non-instructional                    |                |          |           |   |
| Community services                                |                |          |           |   |
| Salaries  | 45,880         | 47,141   | 39,205    | 7,936   |
| Benefits  | 8,433          | 9,694    | 7,991     | 1,703   |
| Purchased services                                | 48,456         | 47,986   | 44,414    | 3,572   |
| Materials and supplies                            | 34,992         | 43,212   | 35,734    | 7,478   |
| Capital outlay                                    | 105,279        | 45,631   | 19,414    | 26,217  |
| Other   | 5,978          | 6,733    | 6,725     | 8   |
| Total community services                          | 249,018        | 200,397  | 153,483   | 46,914  |
| Total operation of non-instructional              | 249,018        | 200,397  | 153,483   | 46,914  |
| Total expenditures                                | 249,018        | 200,397  | 153,483   | 46,914  |
| Excess (deficiency) of revenues over expenditures | (99,563)       | (32,076) | 14,839    | 46,915  |
| Other financing sources (uses)                    |                |          |           |   |
| Refund prior year receipts                        | -              | (67,487) | (67,487)  | -   |
| Total other financing sources (uses)              | -              | (67,487) | (67,487)  | -   |
| Net change in fund balance                        | (99,563)       | (99,563) | (52,648)  | 46,915  |
| Fund balance, beginning of year                   | 10,146         | 10,146   | 10,146    | -   |
| Prior year encumbrances appropriated              | 89,417         | 89,417   | 89,417    | -   |
| Fund balance, end of year                         | \$ -           | \$ -     | \$ 46,915 | \$ 46,915   |

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014

| DATA COMMUNICATIONS FUND                          |                |           |           | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|----------------|-----------|-----------|---|
|   | Budget Amounts |           |           |   |
|   | Original       | Final     | Actual    |   |
| Revenues  |                |           |           |   |
| Intergovernmental                                 | \$ -           | \$ 16,200 | \$ 16,200 | \$ -  |
| Total revenues                                    | -              | 16,200    | 16,200    | -   |
| Expenditures                                      |                |           |           |   |
| Current   |                |           |           |   |
| Supporting services                               |                |           |           |   |
| Central services                                  |                |           |           |   |
| Purchased services                                | 36,675         | 36,675    | -         | 36,675  |
| Capital outlay                                    | -              | 16,200    | 16,200    | -   |
| Total central services                            | 36,675         | 52,875    | 16,200    | 36,675  |
| Total supporting services                         | 36,675         | 52,875    | 16,200    | 36,675  |
| Total expenditures                                | 36,675         | 52,875    | 16,200    | 36,675  |
| Excess (deficiency) of revenues over expenditures | (36,675)       | (36,675)  | -         | 36,675  |
| Net change in fund balance                        | (36,675)       | (36,675)  | -         | 36,675  |
| Fund balance, beginning of year                   | 36,675         | 36,675    | 36,675    | -   |
| Prior year encumbrances appropriated              | -              | -         | -         | -   |
| Fund balance, end of year                         | \$ -           | \$ -      | \$ 36,675 | \$ 36,675   |

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014

| ALTERNATIVE EDUCATION FUND                        |                |           |           | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|----------------|-----------|-----------|---|
|   | Budget Amounts |           | Actual    |   |
|   | Original       | Final     |           |   |
| Revenues  |                |           |           |   |
| Intergovernmental                                 | \$ 77,490      | \$ 76,045 | \$ 70,428 | \$ (5,617)  |
| Total revenues                                    | 77,490         | 76,045    | 70,428    | (5,617)   |
| Expenditures                                      |                |           |           |   |
| Current   |                |           |           |   |
| Instruction                                       |                |           |           |   |
| Regular   |                |           |           |   |
| Purchased services                                | 60,599         | 60,599    | 60,599    | -   |
| Total regular                                     | 60,599         | 60,599    | 60,599    | -   |
| Total instruction                                 | 60,599         | 60,599    | 60,599    | -   |
| Supporting services                               |                |           |           |   |
| Pupil   |                |           |           |   |
| Purchased services                                | 16,891         | 15,446    | 15,446    | -   |
| Total pupil                                       | 16,891         | 15,446    | 15,446    | -   |
| Total supporting services                         | 16,891         | 15,446    | 15,446    | -   |
| Total expenditures                                | 77,490         | 76,045    | 76,045    | -   |
| Excess (deficiency) of revenues over expenditures | -              | -         | (5,617)   | (5,617)   |
| Other financing sources (uses)                    |                |           |           |   |
| Advances-in                                       | -              | -         | 5,617     | 5,617   |
| Advances-out                                      | (7,279)        | (7,279)   | (7,279)   | -   |
| Total other financing sources (uses)              | (7,279)        | (7,279)   | (1,662)   | 5,617   |
| Net change in fund balance                        | (7,279)        | (7,279)   | (7,279)   | -   |
| Fund balance, beginning of year                   | 1,445          | 1,445     | 1,445     | -   |
| Prior year encumbrances appropriated              | 5,834          | 5,834     | 5,834     | -   |
| Fund balance, end of year                         | \$ -           | \$ -      | \$ -      | \$ -  |

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014

MISCELLANEOUS STATE GRANTS FUND

|   | Budget Amounts |       | Actual | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|----------------|-------|--------|---|
|   | Original       | Final |        |   |
| Expenditures                                      |                |       |        |   |
| Current   |                |       |        |   |
| Instruction                                       |                |       |        |   |
| Regular   |                |       |        |   |
| Capital outlay                                    | \$ 35          | \$ 35 | \$ -   | \$ 35   |
| Total regular                                     | 35             | 35    | -      | 35  |
| Total instruction                                 | 35             | 35    | -      | 35  |
| Total expenditures                                | 35             | 35    | -      | 35  |
| Excess (deficiency) of revenues over expenditures | (35)           | (35)  | -      | 35  |
| Net change in fund balance                        | (35)           | (35)  | -      | 35  |
| Fund balance, beginning of year                   | 35             | 35    | 35     | -   |
| Prior year encumbrances appropriated              | -              | -     | -      | -   |
| Fund balance, end of year                         | \$ -           | \$ -  | \$ 35  | \$ 35   |

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014

| RACE TO THE TOP FUND                                 |                |           |           | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|----------------|-----------|-----------|---|
|  | Budget Amounts |           |           |   |
|  | Original       | Final     | Actual    |   |
| Revenues   |                |           |           |   |
| Intergovernmental                                    | \$ 11,739      | \$ 55,700 | \$ 53,857 | \$ (1,843)  |
| Total revenues                                       | 11,739         | 55,700    | 53,857    | (1,843)   |
| Expenditures   |                |           |           |   |
| Current  |                |           |           |   |
| Instruction  |                |           |           |   |
| Regular  |                |           |           |   |
| Salaries   | 7,409          | 400       | 240       | 160   |
| Benefits   | 1,219          | 65        | 39        | 26  |
| Purchased services                                   | 1,373          | 16,129    | 16,129    | -   |
| Materials and supplies                               | 552            | 599       | 262       | 337   |
| Capital outlay                                       | -              | 37,321    | 37,321    | -   |
| Total regular  | 10,553         | 54,514    | 53,991    | 523   |
| Total instruction                                    | 10,553         | 54,514    | 53,991    | 523   |
| Total expenditures                                   | 10,553         | 54,514    | 53,991    | 523   |
| Excess (deficiency) of revenues over<br>expenditures | 1,186          | 1,186     | (134)     | (1,320)   |
| Other financing sources (uses)                       |                |           |           |   |
| Advances-in  | -              | -         | 1,843     | 1,843   |
| Advances-out   | (5,239)        | (5,239)   | (5,239)   | -   |
| Total other financing sources (uses)                 | (5,239)        | (5,239)   | (3,396)   | 1,843   |
| Net change in fund balance                           | (4,053)        | (4,053)   | (3,530)   | 523   |
| Fund balance, beginning of year                      | 4,053          | 4,053     | 4,053     | -   |
| Prior year encumbrances appropriated                 | -              | -         | -         | -   |
| Fund balance, end of year                            | \$ -           | \$ -      | \$ 523    | \$ 523  |

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014

| TITLE VIB FUND                                    |                |              |            | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|----------------|--------------|------------|---|
|   | Budget Amounts |              |            |   |
|   | Original       | Final        | Actual     |   |
| Revenues  |                |              |            |   |
| Intergovernmental                                 | \$ 1,027,992   | \$ 1,090,810 | \$ 920,260 | \$ (170,550)  |
| Total revenues                                    | 1,027,992      | 1,090,810    | 920,260    | (170,550)   |
| Expenditures                                      |                |              |            |   |
| Current   |                |              |            |   |
| Instruction                                       |                |              |            |   |
| Regular   |                |              |            |   |
| Purchased services                                | 3,776          | 5,000        | 312        | 4,688   |
| Materials and supplies                            | 9,431          | 5,288        | 5,288      | -   |
| Capital outlay                                    | 29,136         | 19,645       | 19,060     | 585   |
| Total regular                                     | 42,343         | 29,933       | 24,660     | 5,273   |
| Total instruction                                 | 42,343         | 29,933       | 24,660     | 5,273   |
| Supporting services                               |                |              |            |   |
| Pupil   |                |              |            |   |
| Salaries  | 243,789        | 286,512      | 240,772    | 45,740  |
| Benefits  | 127,988        | 170,456      | 150,680    | 19,776  |
| Purchased services                                | 399,458        | 394,608      | 394,608    | -   |
| Materials and supplies                            | 25,000         | 20,000       | 17,551     | 2,449   |
| Total pupil                                       | 796,235        | 871,576      | 803,611    | 67,965  |
| Instructional staff                               |                |              |            |   |
| Materials and supplies                            | 1,000          | 500          | -          | 500   |
| Total instructional staff                         | 1,000          | 500          | -          | 500   |
| Pupil transportation                              |                |              |            |   |
| Purchased services                                | 60,909         | 60,909       | 38,072     | 22,837  |
| Total pupil transportation                        | 60,909         | 60,909       | 38,072     | 22,837  |
| Total supporting services                         | 858,144        | 932,985      | 841,683    | 91,302  |
| Operation of non-instructional                    |                |              |            |   |
| Community services                                |                |              |            |   |
| Salaries  | 10,490         | 11,088       | 7,035      | 4,053   |
| Benefits  | 2,106          | 1,895        | 1,116      | 779   |
| Total community services                          | 12,596         | 12,983       | 8,151      | 4,832   |
| Total operation of non-instructional              | 12,596         | 12,983       | 8,151      | 4,832   |
| Total expenditures                                | 913,083        | 975,901      | 874,494    | 101,407   |
| Excess (deficiency) of revenues over expenditures | 114,909        | 114,909      | 45,766     | (69,143)  |
| Other financing sources (uses)                    |                |              |            |   |
| Advances-in                                       | -              | -            | 170,550    | 170,550   |
| Advances-out                                      | (245,692)      | (245,692)    | (245,692)  | -   |
| Total other financing sources (uses)              | (245,692)      | (245,692)    | (75,142)   | 170,550   |
| Net change in fund balance                        | (130,783)      | (130,783)    | (29,376)   | 101,407   |
| Fund balance, beginning of year                   | 46,936         | 46,936       | 46,936     | -   |
| Prior year encumbrances appropriated              | 83,847         | 83,847       | 83,847     | -   |
| Fund balance, end of year                         | \$ -           | \$ -         | \$ 101,407 | \$ 101,407  |



NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014

LIMITED ENGLISH PROFICIENCY FUND

|   | Budget Amounts |           | Actual    | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|----------------|-----------|-----------|---|
|   | Original       | Final     |           |   |
| Revenues  |                |           |           |   |
| Intergovernmental                                 | \$ 56,509      | \$ 74,048 | \$ 48,450 | \$ (25,598)   |
| Total revenues                                    | 56,509         | 74,048    | 48,450    | (25,598)  |
| Expenditures                                      |                |           |           |   |
| Current   |                |           |           |   |
| Instruction                                       |                |           |           |   |
| Regular   |                |           |           |   |
| Salaries  | -              | 8,700     | -         | 8,700   |
| Benefits  | -              | 1,440     | -         | 1,440   |
| Materials and supplies                            | 1,083          | 890       | 85        | 805   |
| Total regular                                     | 1,083          | 11,030    | 85        | 10,945  |
| Total instruction                                 | 1,083          | 11,030    | 85        | 10,945  |
| Supporting services                               |                |           |           |   |
| Pupil   |                |           |           |   |
| Salaries  | 28,641         | 33,021    | 27,846    | 5,175   |
| Benefits  | 7,841          | 23,633    | 19,487    | 4,146   |
| Purchased services                                | 7,722          | 2,400     | -         | 2,400   |
| Total pupil                                       | 44,204         | 59,054    | 47,333    | 11,721  |
| Instructional staff                               |                |           |           |   |
| Salaries  | 4,000          | -         | -         | -   |
| Benefits  | 170            | -         | -         | -   |
| Purchased services                                | 5,833          | 2,745     | 770       | 1,975   |
| Total instructional staff                         | 10,003         | 2,745     | 770       | 1,975   |
| Total supporting services                         | 54,207         | 61,799    | 48,103    | 13,696  |
| Total expenditures                                | 55,290         | 72,829    | 48,188    | 24,641  |
| Excess (deficiency) of revenues over expenditures | 1,219          | 1,219     | 262       | (957)   |
| Other financing sources (uses)                    |                |           |           |   |
| Advances-in                                       | -              | -         | 25,599    | 25,599  |
| Advances-out                                      | (24,689)       | (24,689)  | (24,689)  | -   |
| Total other financing sources (uses)              | (24,689)       | (24,689)  | 910       | 25,599  |
| Net change in fund balance                        | (23,470)       | (23,470)  | 1,172     | 24,642  |
| Fund balance, beginning of year                   | 18,787         | 18,787    | 18,787    | -   |
| Prior year encumbrances appropriated              | 4,683          | 4,683     | 4,683     | -   |
| Fund balance, end of year                         | \$ -           | \$ -      | \$ 24,642 | \$ 24,642   |

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014

|   | TITLE   FUND   |              |            | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|----------------|--------------|------------|---|
|   | Budget Amounts |              |            |   |
|   | Original       | Final        | Actual     |   |
| Revenues  |                |              |            |   |
| Intergovernmental                                 | \$ 1,158,434   | \$ 1,166,738 | \$ 878,544 | \$ (288,194)  |
| Total revenues                                    | 1,158,434      | 1,166,738    | 878,544    | (288,194)   |
| Expenditures                                      |                |              |            |   |
| Current   |                |              |            |   |
| Instruction                                       |                |              |            |   |
| Regular   |                |              |            |   |
| Salaries  | 724,653        | 774,295      | 568,100    | 206,195   |
| Benefits  | 277,417        | 218,881      | 175,442    | 43,439  |
| Purchased services                                | 10,437         | 30,000       | 575        | 29,425  |
| Materials and supplies                            | 16,723         | 29,879       | 26,279     | 3,600   |
| Total regular                                     | 1,029,230      | 1,053,055    | 770,396    | 282,659   |
| Total instruction                                 | 1,029,230      | 1,053,055    | 770,396    | 282,659   |
| Instructional staff                               |                |              |            |   |
| Purchased services                                | 6,301          | 4,051        | 800        | 3,251   |
| Materials and supplies                            | 8,142          | 5,900        | 4,755      | 1,145   |
| Total instructional staff                         | 14,443         | 9,951        | 5,555      | 4,396   |
| Administration                                    |                |              |            |   |
| Salaries  | 9,628          | 6,463        | 2,826      | 3,637   |
| Benefits  | 1,771          | 1,769        | 788        | 981   |
| Materials and supplies                            | 500            | 500          | 264        | 236   |
| Total administration                              | 11,899         | 8,732        | 3,878      | 4,854   |
| Total supporting services                         | 26,342         | 18,683       | 9,433      | 9,250   |
| Community services                                |                |              |            |   |
| Salaries  | 21,305         | 14,826       | 12,896     | 1,930   |
| Benefits  | 3,817          | 2,654        | 2,308      | 346   |
| Purchased services                                | 1,908          | 2,634        | 1,780      | 854   |
| Materials and supplies                            | 1,237          | 291          | 273        | 18  |
| Total community services                          | 28,267         | 20,405       | 17,257     | 3,148   |
| Total operation of non-instructional              | 28,267         | 20,405       | 17,257     | 3,148   |
| Total expenditures                                | 1,083,839      | 1,092,143    | 797,086    | 295,057   |
| Excess (deficiency) of revenues over expenditures | 74,595         | 74,595       | 81,458     | 6,863   |
| Other financing sources (uses)                    |                |              |            |   |
| Advances-in                                       | -              | -            | 288,193    | 288,193   |
| Advances-out                                      | (299,868)      | (299,868)    | (299,868)  | -   |
| Total other financing sources (uses)              | (299,868)      | (299,868)    | (11,675)   | 288,193   |
| Net change in fund balance                        | (225,273)      | (225,273)    | 69,783     | 295,056   |
| Fund balance, beginning of year                   | 225,273        | 225,273      | 225,273    | -   |
| Prior year encumbrances appropriated              | -              | -            | -          | -   |
| Fund balance, end of year                         | \$ -           | \$ -         | \$ 295,056 | \$ 295,056  |

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014

| PRESCHOOL FUND                                       |                |           |           | Variance w ith<br>Final Budget<br>Positive<br>(Negative) |
|--|----------------|-----------|-----------|--|
|  | Budget Amounts |           |           |  |
|  | Original       | Final     | Actual    |  |
| Revenues   |                |           |           |  |
| Intergovernmental                                    | \$ 25,082      | \$ 25,082 | \$ 23,950 | \$ (1,132)   |
| Total revenues                                       | 25,082         | 25,082    | 23,950    | (1,132)  |
| Expenditures   |                |           |           |  |
| Current  |                |           |           |  |
| Supporting services                                  |                |           |           |  |
| Pupil  |                |           |           |  |
| Salaries   | 15,250         | 17,154    | 17,154    | -  |
| Benefits   | 8,472          | 6,568     | 4,508     | 2,060  |
| Total pupil  | 23,722         | 23,722    | 21,662    | 2,060  |
| Total supporting services                            | 23,722         | 23,722    | 21,662    | 2,060  |
| Total expenditures                                   | 23,722         | 23,722    | 21,662    | 2,060  |
| Excess (deficiency) of revenues over<br>expenditures | 1,360          | 1,360     | 2,288     | 928  |
| Other financing sources (uses)                       |                |           |           |  |
| Advances-in  | -              | -         | 1,132     | 1,132  |
| Advances-out   | (2,624)        | (2,624)   | (2,624)   | -  |
| Total other financing sources (uses)                 | (2,624)        | (2,624)   | (1,492)   | 1,132  |
| Net change in fund balance                           | (1,264)        | (1,264)   | 796       | 2,060  |
| Fund balance, beginning of year                      | 1,264          | 1,264     | 1,264     | -  |
| Prior year encumbrances appropriated                 | -              | -         | -         | -  |
| Fund balance, end of year                            | \$ -           | \$ -      | \$ 2,060  | \$ 2,060   |

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014

| TITLE II-A FUND                                   |                |            |           | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|----------------|------------|-----------|---|
|   | Budget Amounts |            |           |   |
|   | Original       | Final      | Actual    |   |
| Revenues  |                |            |           |   |
| Intergovernmental                                 | \$ 137,008     | \$ 137,003 | \$ 82,619 | \$ (54,384)   |
| Total revenues                                    | 137,008        | 137,003    | 82,619    | (54,384)  |
| Expenditures                                      |                |            |           |   |
| Current   |                |            |           |   |
| Instruction                                       |                |            |           |   |
| Regular   |                |            |           |   |
| Salaries  | 28,314         | 21,170     | 358       | 20,812  |
| Benefits  | 11,100         | 7,830      | -         | 7,830   |
| Purchased services                                | 83,866         | 95,603     | 64,161    | 31,442  |
| Materials and supplies                            | 1,378          | 50         | 50        | -   |
| Total regular                                     | 124,658        | 124,653    | 64,569    | 60,084  |
| Total instruction                                 | 124,658        | 124,653    | 64,569    | 60,084  |
| Total expenditures                                | 124,658        | 124,653    | 64,569    | 60,084  |
| Excess (deficiency) of revenues over expenditures | 12,350         | 12,350     | 18,050    | 5,700   |
| Other financing sources (uses)                    |                |            |           |   |
| Advances-in                                       | -              | -          | 54,384    | 54,384  |
| Advances-out                                      | (33,177)       | (33,177)   | (33,177)  | -   |
| Total other financing sources (uses)              | (33,177)       | (33,177)   | 21,207    | 54,384  |
| Net change in fund balance                        | (20,827)       | (20,827)   | 39,257    | 60,084  |
| Fund balance, beginning of year                   | 20,671         | 20,671     | 20,671    | -   |
| Prior year encumbrances appropriated              | 156            | 156        | 156       | -   |
| Fund balance, end of year                         | \$ -           | \$ -       | \$ 60,084 | \$ 60,084   |

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014

MISCELLANEOUS FEDERAL GRANTS FUND

|   | Budget Amounts |           | Actual    | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|----------------|-----------|-----------|---|
|   | Original       | Final     |           |   |
| Revenues  |                |           |           |   |
| Intergovernmental                                 | \$ 11,050      | \$ 11,050 | \$ 11,050 | \$ -  |
| Total revenues                                    | 11,050         | 11,050    | 11,050    | -   |
| Expenditures                                      |                |           |           |   |
| Current   |                |           |           |   |
| Operation of non-instructional                    |                |           |           |   |
| Food service operation                            |                |           |           |   |
| Capital outlay                                    | 10,962         | 10,962    | 10,710    | 252   |
| Total food service operation                      | 10,962         | 10,962    | 10,710    | 252   |
| Total operation of non-instructional              | 10,962         | 10,962    | 10,710    | 252   |
| Total expenditures                                | 10,962         | 10,962    | 10,710    | 252   |
| Excess (deficiency) of revenues over expenditures | 88             | 88        | 340       | 252   |
| Other financing sources (uses)                    |                |           |           |   |
| Advances-out                                      | (11,050)       | (11,050)  | (11,050)  | -   |
| Total other financing sources (uses)              | (11,050)       | (11,050)  | (11,050)  | -   |
| Net change in fund balance                        | (10,962)       | (10,962)  | (10,710)  | 252   |
| Fund balance, beginning of year                   | -              | -         | -         | -   |
| Prior year encumbrances appropriated              | 10,962         | 10,962    | 10,962    | -   |
| Fund balance, end of year                         | \$ -           | \$ -      | \$ 252    | \$ 252  |

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014

MISCELLANEOUS LOCAL PROJECTS FUND

|   | Budget Amounts |          |          | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|----------------|----------|----------|---|
|   | Original       | Final    | Actual   |   |
| Revenues  |                |          |          |   |
| Other   | \$ -           | \$ 4,500 | \$ 4,500 | \$ -  |
| Total revenues                                    | -              | 4,500    | 4,500    | -   |
| Expenditures                                      |                |          |          |   |
| Current   |                |          |          |   |
| Supporting services                               |                |          |          |   |
| Instructional staff                               |                |          |          |   |
| Purchased services                                | -              | 500      | -        | 500   |
| Materials and supplies                            | -              | 250      | -        | 250   |
| Total instructional staff                         | -              | 750      | -        | 750   |
| Total supporting services                         | -              | 750      | -        | 750   |
| Extracurricular activities                        |                |          |          |   |
| Academic and subject oriented                     |                |          |          |   |
| Other   | -              | 3,000    | 3,000    | -   |
| Total academic and subject oriented               | -              | 3,000    | 3,000    | -   |
| Total extracurricular activities                  | -              | 3,000    | 3,000    | -   |
| Total expenditures                                | -              | 3,750    | 3,000    | 750   |
| Excess (deficiency) of revenues over expenditures | -              | 750      | 1,500    | 750   |
| Net change in fund balance                        | -              | 750      | 1,500    | 750   |
| Fund balance, beginning of year                   | 750            | 750      | 750      | -   |
| Prior year encumbrances appropriated              | -              | -        | -        | -   |
| Fund balance, end of year                         | \$ 750         | \$ 1,500 | \$ 2,250 | \$ 750  |

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014

|   | ROTARY FUND    |            |            | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|----------------|------------|------------|---|
|   | Budget Amounts |            |            |   |
|   | Original       | Final      | Actual     |   |
| Revenues  |                |            |            |   |
| Charges for services                              | \$ 20,000      | \$ 16,600  | \$ 17,150  | \$ 550  |
| Other   | -              | -          | 1,862      | 1,862   |
| Total revenues                                    | 20,000         | 16,600     | 19,012     | 2,412   |
| Expenditures                                      |                |            |            |   |
| Current   |                |            |            |   |
| Supporting services                               |                |            |            |   |
| Pupil transportation                              |                |            |            |   |
| Purchased services                                | 25,000         | 25,000     | 22,500     | 2,500   |
| Total pupil transportation                        | 25,000         | 25,000     | 22,500     | 2,500   |
| Total supporting services                         | 25,000         | 25,000     | 22,500     | 2,500   |
| Operation of non-instructional                    |                |            |            |   |
| Community services                                |                |            |            |   |
| Other   | -              | 2,109      | -          | 2,109   |
| Total community services                          | -              | 2,109      | -          | 2,109   |
| Total operation of non-instructional              | -              | 2,109      | -          | 2,109   |
| Total expenditures                                | 25,000         | 27,109     | 22,500     | 4,609   |
| Excess (deficiency) of revenues over expenditures | (5,000)        | (10,509)   | (3,488)    | 7,021   |
| Net change in fund balance                        | (5,000)        | (10,509)   | (3,488)    | 7,021   |
| Fund balance, beginning of year                   | 198,482        | 198,482    | 198,482    | -   |
| Prior year encumbrances appropriated              | -              | -          | -          | -   |
| Fund balance, end of year                         | \$ 193,482     | \$ 187,973 | \$ 194,994 | \$ 7,021  |

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014

| PUBLIC SUPPORT SERVICES FUND                      |                |              |              | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|----------------|--------------|--------------|---|
|   | Budget Amounts |              | Actual       |   |
|   | Original       | Final        |              |   |
| Revenues  |                |              |              |   |
| Tuition and fees                                  | \$ 2,650       | \$ 946       | \$ 989       | \$ 43   |
| Extracurricular                                   | 153,000        | 114,866      | 118,594      | 3,728   |
| Other   | 273,945        | 187,713      | 196,058      | 8,345   |
| Total revenues                                    | 429,595        | 303,525      | 315,641      | 12,116  |
| Expenditures                                      |                |              |              |   |
| Current   |                |              |              |   |
| Instruction                                       |                |              |              |   |
| Regular   |                |              |              |   |
| Purchased services                                | 43,600         | 44,004       | 32,549       | 11,455  |
| Materials and supplies                            | 145,750        | 127,922      | 115,050      | 12,872  |
| Capital outlay                                    | 15,300         | 7,300        | 4,495        | 2,805   |
| Other   | 217,508        | 159,068      | 139,680      | 19,388  |
| Total regular                                     | 422,158        | 338,294      | 291,774      | 46,520  |
| Total instruction                                 | 422,158        | 338,294      | 291,774      | 46,520  |
| Supporting services                               |                |              |              |   |
| Pupil   |                |              |              |   |
| Materials and supplies                            | 5,000          | 7,000        | 2,783        | 4,217   |
| Capital outlay                                    | -              | 45,000       | 33,851       | 11,149  |
| Other   | 20,036         | 25,036       | 17,092       | 7,944   |
| Total pupil                                       | 25,036         | 77,036       | 53,726       | 23,310  |
| Administration                                    |                |              |              |   |
| Materials and supplies                            | 3,000          | 3,000        | 550          | 2,450   |
| Total administration                              | 3,000          | 3,000        | 550          | 2,450   |
| Total supporting services                         | 28,036         | 80,036       | 54,276       | 25,760  |
| Extracurricular activities                        |                |              |              |   |
| Sports oriented                                   |                |              |              |   |
| Other   | 14,000         | 5,100        | 5,090        | 10  |
| Total sports oriented                             | 14,000         | 5,100        | 5,090        | 10  |
| Total extracurricular activities                  | 14,000         | 5,100        | 5,090        | 10  |
| Total expenditures                                | 464,194        | 423,430      | 351,140      | 72,290  |
| Excess (deficiency) of revenues over expenditures | (34,599)       | (119,905)    | (35,499)     | 84,406  |
| Other financing sources (uses)                    |                |              |              |   |
| Transfers-in                                      | 216,000        | 226,217      | 226,217      | -   |
| Total other financing sources (uses)              | 216,000        | 226,217      | 226,217      | -   |
| Net change in fund balance                        | 181,401        | 106,312      | 190,718      | 84,406  |
| Fund balance, beginning of year                   | 1,444,251      | 1,444,251    | 1,444,251    | -   |
| Prior year encumbrances appropriated              | 7,366          | 7,366        | 7,366        | -   |
| Fund balance, end of year                         | \$ 1,633,018   | \$ 1,557,929 | \$ 1,642,335 | \$ 84,406   |



NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014

| OTHER GRANTS FUND                                 |                |           |            | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|----------------|-----------|------------|---|
|   | Budget Amounts |           |            |   |
|   | Original       | Final     | Actual     |   |
| Revenues  |                |           |            |   |
| Intergovernmental                                 | \$ 13,950      | \$ 6,000  | \$ 6,806   | \$ 806  |
| Other   | 2,000          | 7,800     | 7,892      | 92  |
| Total revenues                                    | 15,950         | 13,800    | 14,698     | 898   |
| Expenditures                                      |                |           |            |   |
| Current   |                |           |            |   |
| Instruction                                       |                |           |            |   |
| Regular   |                |           |            |   |
| Purchased services                                | 4,057          | 4,057     | 2,164      | 1,893   |
| Materials and supplies                            | 4,405          | 5,105     | 2,029      | 3,076   |
| Capital outlay                                    | 88,541         | 95,141    | 94,759     | 382   |
| Other   | 16,589         | 16,589    | 8,048      | 8,541   |
| Total regular                                     | 113,592        | 120,892   | 107,000    | 13,892  |
| Total instruction                                 | 113,592        | 120,892   | 107,000    | 13,892  |
| Supporting services                               |                |           |            |   |
| Pupil   |                |           |            |   |
| Purchased services                                | 2,200          | 2,200     | 2,200      | -   |
| Materials and supplies                            | 2,194          | 2,194     | 2,066      | 128   |
| Capital outlay                                    | 550            | 550       | 411        | 139   |
| Total pupil                                       | 4,944          | 4,944     | 4,677      | 267   |
| Central services                                  |                |           |            |   |
| Purchased services                                | 3,961          | 4,461     | 190        | 4,271   |
| Total central services                            | 3,961          | 4,461     | 190        | 4,271   |
| Total supporting services                         | 8,905          | 9,405     | 4,867      | 4,538   |
| Extracurricular activities                        |                |           |            |   |
| Academic and subject oriented                     |                |           |            |   |
| Other   | 2,000          | -         | -          | -   |
| Total academic and subject oriented               | 2,000          | -         | -          | -   |
| Total extracurricular activities                  | 2,000          | -         | -          | -   |
| Total expenditures                                | 124,497        | 130,297   | 111,867    | 18,430  |
| Excess (deficiency) of revenues over expenditures | (108,547)      | (116,497) | (97,169)   | 19,328  |
| Net change in fund balance                        | (108,547)      | (116,497) | (97,169)   | 19,328  |
| Fund balance, beginning of year                   | 123,524        | 123,524   | 123,524    | -   |
| Prior year encumbrances appropriated              | 78,550         | 78,550    | 78,550     | -   |
| Fund balance, end of year                         | \$ 93,527      | \$ 85,577 | \$ 104,905 | \$ 19,328   |

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014

|   | DEBT SERVICE FUND |                   | Actual            | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|-------------------|-------------------|-------------------|---|
|   | Budget Amounts    |                   |                   |   |
|   | Original          | Final             |                   |   |
| Expenditures                                      |                   |                   |                   |   |
| Debt service                                      |                   |                   |                   |   |
| Principal   | \$ 85,000         | \$ 85,000         | \$ 85,000         | \$ -  |
| Interest and fiscal charges                       | 5,300             | 5,300             | 5,292             | 8   |
| Total debt service                                | 90,300            | 90,300            | 90,292            | 8   |
| Total expenditures                                | 90,300            | 90,300            | 90,292            | 8   |
| Excess (deficiency) of revenues over expenditures | (90,300)          | (90,300)          | (90,292)          | 8   |
| Other financing sources (uses)                    |                   |                   |                   |   |
| Transfers-in                                      | 108,000           | 108,000           | 108,000           | -   |
| Total other financing sources (uses)              | 108,000           | 108,000           | 108,000           | -   |
| Net change in fund balance                        | 17,700            | 17,700            | 17,708            | 8   |
| Fund balance, beginning of year                   | 88,112            | 88,112            | 88,112            | -   |
| Prior year encumbrances appropriated              | -                 | -                 | -                 | -   |
| Fund balance, end of year                         | <u>\$ 105,812</u> | <u>\$ 105,812</u> | <u>\$ 105,820</u> | <u>\$ 8</u>   |

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014

| PERMANENT IMPROVEMENTS FUND                       |                     |                    |                   | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|---|---------------------|--------------------|-------------------|---|
|   | Budget Amounts      |                    | Actual            |   |
|   | Original            | Final              |                   |   |
| Revenues  |                     |                    |                   |   |
| Taxes   | \$ 937,000          | \$ 962,401         | \$ 970,377        | \$ 7,976  |
| Interest  | 1,200               | 200                | 189               | (11)  |
| Intergovernmental                                 | 166,800             | 166,800            | 169,057           | 2,257   |
| Total revenues                                    | <u>1,105,000</u>    | <u>1,129,401</u>   | <u>1,139,623</u>  | <u>10,222</u>   |
| Expenditures                                      |                     |                    |                   |   |
| Capital outlay                                    | <u>1,221,252</u>    | <u>2,692,044</u>   | <u>1,994,811</u>  | <u>697,233</u>  |
| Total expenditures                                | <u>1,221,252</u>    | <u>2,692,044</u>   | <u>1,994,811</u>  | <u>697,233</u>  |
| Excess (deficiency) of revenues over expenditures | <u>(116,252)</u>    | <u>(1,562,643)</u> | <u>(855,188)</u>  | <u>697,233</u>  |
| Other financing sources (uses)                    |                     |                    |                   |   |
| Transfers-out                                     | <u>-</u>            | <u>(108,000)</u>   | <u>(108,000)</u>  | <u>-</u>  |
| Total other financing sources (uses)              | <u>-</u>            | <u>(108,000)</u>   | <u>(108,000)</u>  | <u>-</u>  |
| Net change in fund balance                        | (116,252)           | (1,670,643)        | (963,188)         | 707,455   |
| Fund balance, beginning of year                   | 732,717             | 732,717            | 732,717           | -   |
| Prior year encumbrances appropriated              | <u>1,221,252</u>    | <u>1,221,252</u>   | <u>1,221,252</u>  | <u>-</u>  |
| Fund balance, end of year                         | <u>\$ 1,837,717</u> | <u>\$ 283,326</u>  | <u>\$ 990,781</u> | <u>\$ 707,455</u>                                       |

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –  
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2014

| SELF INSURANCE FUND                                  |                |              |              | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|----------------|--------------|--------------|---|
|  | Budget Amounts |              |              |   |
|  | Original       | Final        | Actual       |   |
| Revenues   |                |              |              |   |
| Other  | \$ 7,855,000   | \$ 6,590,000 | \$ 6,659,072 | \$ 69,072   |
| Total revenues                                       | 7,855,000      | 6,590,000    | 6,659,072    | 69,072  |
| Expenditures   |                |              |              |   |
| Claims   | 7,250,000      | 7,075,000    | 6,718,792    | 356,208   |
| Total expenditures                                   | 7,250,000      | 7,075,000    | 6,718,792    | 356,208   |
| Excess (deficiency) of revenues over<br>expenditures | 605,000        | (485,000)    | (59,720)     | 425,280   |
| Other financing sources (uses)                       |                |              |              |   |
| Transfers-in   | 100,000        | -            | -            | -   |
| Total other financing sources (uses)                 | 100,000        | -            | -            | -   |
| Net change in fund balance                           | 705,000        | (485,000)    | (59,720)     | 425,280   |
| Fund balance, beginning of year                      | 1,952,681      | 1,952,681    | 1,952,681    | -   |
| Prior year encumbrances appropriated                 | -              | -            | -            | -   |
| Fund balance, end of year                            | \$ 2,657,681   | \$ 1,467,681 | \$ 1,892,961 | \$ 425,280  |

## STATISTICAL SECTION

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

| <b>Contents</b>   | <b>Page</b> |
|---|-------------|
| <b>Financial Trends</b><br>These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.  | <b>S 1</b>  |
| <b>Revenue Capacity</b><br>These schedules contain information to help the reader assess the affordability of the District's most significant local revenue source, the property tax.   | <b>S 11</b> |
| <b>Debt Capacity</b><br>These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.         | <b>S 25</b> |
| <b>Demographic and Economic Information</b><br>These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.                     | <b>S 30</b> |
| <b>Operating Information</b><br>These schedules contain service 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. | <b>S 33</b> |

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

|                                       | 2014                 | 2013                 | 2012                 | 2011                 |
|---------------------------------------|----------------------|----------------------|----------------------|----------------------|
| Governmental activities               |                      |                      |                      |                      |
| Net investment in capital assets      | \$ 11,972,672        | \$ 11,336,986        | \$ 14,006,222        | \$ 11,286,155        |
| Restricted                            | 3,045,558            | 2,296,182            | 2,102,588            | 2,982,814            |
| Unrestricted                          | 20,675,575           | 20,604,820           | 14,899,100           | 12,665,878           |
| Total primary government net position | <u>\$ 35,693,805</u> | <u>\$ 34,237,988</u> | <u>\$ 31,007,910</u> | <u>\$ 26,934,847</u> |

Source: School District financial records.

| <u>2010</u>          | <u>2009</u>          | <u>2008</u>          | <u>2007</u>          | <u>2006</u>          | <u>2005</u>          |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 11,913,734        | \$ 12,232,584        | \$ 12,667,307        | \$ 13,015,895        | \$ 11,614,498        | \$ 11,759,329        |
| 3,494,251            | 2,436,491            | 2,325,296            | 2,171,192            | 2,027,283            | 1,886,981            |
| 6,494,989            | 8,538,683            | 10,530,781           | 8,069,553            | 8,812,315            | 11,465,127           |
| <u>\$ 21,902,974</u> | <u>\$ 23,207,758</u> | <u>\$ 25,523,384</u> | <u>\$ 23,256,640</u> | <u>\$ 22,454,096</u> | <u>\$ 25,111,437</u> |

NORTH OLMSTED CITY SCHOOL DISTRICT  
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE) REVENUE  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

|  | 2014                   | 2013                   | 2012                   | 2011                   |
|--|------------------------|------------------------|------------------------|------------------------|
| Expenses                                     |                        |                        |                        |                        |
| Governmental activities:                     |                        |                        |                        |                        |
| Instruction                                  |                        |                        |                        |                        |
| Regular                                      | \$ 26,051,597          | \$ 24,393,010          | \$ 23,574,519          | \$ 24,042,334          |
| Special                                      | 7,847,660              | 7,774,419              | 7,531,026              | 7,489,653              |
| Vocational                                   | 401,691                | 480,906                | 455,688                | 438,325                |
| Adult/continuing                             | -                      | -                      | -                      | -                      |
| Other instruction                            | 224,964                | 285,472                | 270,050                | 293,115                |
| Supporting services                          |                        |                        |                        |                        |
| Pupil  | 5,458,960              | 4,640,930              | 4,573,570              | 5,151,519              |
| Instructional staff                          | 1,128,566              | 1,020,238              | 796,246                | 1,105,115              |
| Board of education                           | 280,277                | 377,032                | 293,275                | 185,639                |
| Administration                               | 4,238,024              | 3,879,955              | 3,972,066              | 3,572,252              |
| Fiscal services                              | 1,362,183              | 1,224,013              | 1,241,610              | 1,308,372              |
| Business                                     | 209,389                | 212,455                | 181,661                | 138,213                |
| Operation and maintenance                    | 4,349,599              | 4,288,849              | 3,727,099              | 4,703,686              |
| Pupil transportation                         | 2,683,649              | 2,487,445              | 2,482,610              | 2,105,930              |
| Central services                             | 1,414,700              | 1,152,590              | 1,107,753              | 1,238,121              |
| Operation of non-instructional               |                        |                        |                        |                        |
| Food service operation                       | 1,686,162              | 1,637,811              | 1,704,023              | 1,602,903              |
| Community services                           | 183,482                | 282,029                | 398,808                | 390,432                |
| Extracurricular activities                   | 1,515,518              | 1,532,448              | 1,494,547              | 1,575,353              |
| Interest                                     | 178,622                | 28,218                 | 12,317                 | 15,575                 |
| Total primary government expenses            | <u>59,215,043</u>      | <u>55,697,820</u>      | <u>53,816,868</u>      | <u>55,356,537</u>      |
| Program revenues                             |                        |                        |                        |                        |
| Governmental activities:                     |                        |                        |                        |                        |
| Charges for services and sales               |                        |                        |                        |                        |
| Instruction                                  | 714,206                | 872,606                | 961,921                | 689,547                |
| Supporting services                          | 84,125                 | 260,560                | 27,656                 | 32,155                 |
| Food service                                 | 581,522                | 586,943                | 614,831                | 633,756                |
| Extracurricular activities                   | 287,008                | 274,115                | 286,721                | 509,154                |
| Operating grants, interest and contributions | 2,777,684              | 3,139,788              | 3,281,807              | 3,896,102              |
| Capital grants and contributions             | 16,200                 | -                      | -                      | -                      |
| Total primary government program revenues    | <u>4,460,745</u>       | <u>5,134,012</u>       | <u>5,172,936</u>       | <u>5,760,714</u>       |
| Net (expense) revenue                        |                        |                        |                        |                        |
| Total primary government net expense         | <u>\$ (54,754,298)</u> | <u>\$ (50,563,808)</u> | <u>\$ (48,643,932)</u> | <u>\$ (49,595,823)</u> |

Source: School District financial records.



| 2010                   | 2009                   | 2008                   | 2007                   | 2006                   | 2005                   |
|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| \$ 24,376,479          | \$ 23,652,717          | \$ 23,461,756          | \$ 22,397,614          | \$ 22,750,693          | \$ 22,178,609          |
| 7,480,054              | 7,123,538              | 6,769,100              | 6,171,430              | 5,977,408              | 5,526,298              |
| 494,788                | 417,734                | 362,396                | 625,254                | 697,855                | 488,448                |
| 22,162                 | 8,101                  | -                      | -                      | -                      | -                      |
| 345,290                | 334,122                | 335,822                | 146,458                | 114,260                | 122,900                |
| 5,004,703              | 4,411,393              | 4,313,535              | 3,896,669              | 3,621,533              | 3,475,042              |
| 1,490,183              | 1,332,384              | 1,173,503              | 1,591,941              | 1,545,736              | 1,604,238              |
| 300,183                | 248,137                | 194,264                | 181,592                | 200,594                | 242,616                |
| 3,819,462              | 4,075,728              | 3,764,269              | 4,135,156              | 3,667,390              | 3,102,516              |
| 1,167,420              | 1,082,243              | 1,206,941              | 1,035,686              | 1,026,671              | 1,011,324              |
| 141,522                | 141,211                | 107,225                | 99,760                 | 101,859                | 108,317                |
| 4,610,770              | 4,906,171              | 4,600,580              | 4,477,751              | 4,341,689              | 4,335,829              |
| 2,384,724              | 2,451,920              | 2,243,881              | 2,130,173              | 2,242,536              | 1,997,265              |
| 852,905                | 1,243,114              | 1,136,870              | 963,951                | 972,098                | 833,133                |
| 1,544,266              | 1,520,884              | 1,349,775              | 1,280,058              | 1,379,737              | 1,502,864              |
| 442,191                | 449,194                | 423,544                | 539,954                | 428,796                | 435,305                |
| 1,482,207              | 1,663,067              | 1,529,681              | 1,318,465              | 1,407,527              | 1,305,977              |
| 19,565                 | 22,413                 | 26,595                 | 31,685                 | 38,659                 | 40,903                 |
| <u>55,978,874</u>      | <u>55,084,071</u>      | <u>52,999,737</u>      | <u>51,023,597</u>      | <u>50,515,041</u>      | <u>48,311,584</u>      |
| 1,125,655              | 1,075,433              | 1,270,572              | 1,343,392              | 1,046,970              | 771,779                |
| 147,889                | 138,297                | 111,671                | 158,984                | 111,450                | 87,414                 |
| 677,881                | 713,708                | 694,341                | 719,773                | 853,104                | 901,660                |
| 221,410                | 269,712                | 285,070                | 293,107                | 226,217                | 254,780                |
| 3,546,598              | 2,796,237              | 2,453,717              | 2,146,233              | 2,136,649              | 2,064,576              |
| -                      | 50,207                 | 83,815                 | 67,713                 | 56,601                 | 45,593                 |
| <u>5,719,433</u>       | <u>5,043,594</u>       | <u>4,899,186</u>       | <u>4,729,202</u>       | <u>4,430,991</u>       | <u>4,125,802</u>       |
| <u>\$ (50,259,441)</u> | <u>\$ (50,040,477)</u> | <u>\$ (48,100,551)</u> | <u>\$ (46,294,395)</u> | <u>\$ (46,084,050)</u> | <u>\$ (44,185,782)</u> |

NORTH OLMSTED CITY SCHOOL DISTRICT  
GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

|  | 2014            | 2013            | 2012            | 2011            |
|--|-----------------|-----------------|-----------------|-----------------|
| Net (expense) revenue  |                 |                 |                 |                 |
| Total primary government net expense                           | \$ (54,754,298) | \$ (50,563,808) | \$ (48,643,932) | \$ (49,595,823) |
| General revenues and other<br>changes in net assets            |                 |                 |                 |                 |
| Governmental activities:                                       |                 |                 |                 |                 |
| Property taxes levied for:                                     |                 |                 |                 |                 |
| General purposes   | 41,065,651      | 38,849,652      | 37,170,611      | 37,907,103      |
| Capital improvements   | 1,040,539       | 985,522         | 912,782         | 1,106,283       |
| Grants and entitlements not<br>restricted to specific purposes | 13,417,197      | 13,332,467      | 14,159,410      | 14,919,942      |
| Investment earnings  | 37,478          | 35,853          | 11,605          | 25,058          |
| Miscellaneous  | 649,250         | 590,392         | 462,587         | 669,310         |
| Total primary government                                       | 56,210,115      | 53,793,886      | 52,716,995      | 54,627,696      |
| Change in net position   |                 |                 |                 |                 |
| Total primary government                                       | \$ 1,455,817    | \$ 3,230,078    | \$ 4,073,063    | \$ 5,031,873    |

Source: School District financial records.

| <u>2010</u>            | <u>2009</u>            | <u>2008</u>            | <u>2007</u>            | <u>2006</u>            | <u>2005</u>            |
|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| <u>\$ (50,259,441)</u> | <u>\$ (50,040,477)</u> | <u>\$ (48,100,551)</u> | <u>\$ (46,294,395)</u> | <u>\$ (46,084,050)</u> | <u>\$ (44,185,782)</u> |
|                        |                        |                        |                        |                        |                        |
| 33,277,659             | 34,242,328             | 34,800,124             | 33,293,525             | 30,330,456             | 30,740,398             |
| 848,655                | 979,869                | 1,049,604              | 1,092,069              | 992,785                | 1,026,923              |
|                        |                        |                        |                        |                        |                        |
| 14,466,220             | 11,918,198             | 13,223,960             | 11,535,169             | 11,137,742             | 11,824,292             |
| 52,289                 | 308,210                | 733,560                | 1,043,975              | 885,550                | 318,626                |
| 309,834                | 276,246                | 560,047                | 132,201                | 80,176                 | (46,165)               |
| <u>48,954,657</u>      | <u>47,724,851</u>      | <u>50,367,295</u>      | <u>47,096,939</u>      | <u>43,426,709</u>      | <u>43,864,074</u>      |
|                        |                        |                        |                        |                        |                        |
| <u>\$ (1,304,784)</u>  | <u>\$ (2,315,626)</u>  | <u>\$ 2,266,744</u>    | <u>\$ 802,544</u>      | <u>\$ (2,657,341)</u>  | <u>\$ (321,708)</u>    |

NORTH OLMSTED CITY SCHOOL DISTRICT  
FUND BALANCES – GOVERNMENTAL FUNDS  
LAST FIVE FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

|                                | 2014                 | 2013                 | 2012                 | 2011                 | 2010                |
|--------------------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| General Fund                   |                      |                      |                      |                      |                     |
| Committed                      | \$ 1,735,073         | \$ 1,519,073         | \$ 1,303,073         | \$ 1,923,073         | \$ 1,462,073        |
| Assigned                       | 2,100,418            | 1,006,641            | 2,946,806            | 1,432,293            | 1,109,701           |
| Unassigned                     | 19,067,606           | 18,667,203           | 11,280,122           | 9,896,199            | 5,160,235           |
| Total General Fund             | <u>\$ 22,903,097</u> | <u>\$ 21,192,917</u> | <u>\$ 15,530,001</u> | <u>\$ 13,251,565</u> | <u>\$ 7,732,009</u> |
| Other governmental funds       |                      |                      |                      |                      |                     |
| Nonspendable                   | \$ 27,527            | \$ 28,923            | \$ 29,671            | \$ 46,105            | \$ 31,353           |
| Restricted                     | 1,721,020            | 2,064,303            | 1,852,125            | 2,679,354            | 2,118,102           |
| Unassigned                     | (255,598)            | (275,014)            | (557,661)            | (620,492)            | (309,340)           |
| Total other governmental funds | <u>\$ 1,492,949</u>  | <u>\$ 1,818,212</u>  | <u>\$ 1,324,135</u>  | <u>\$ 2,104,967</u>  | <u>\$ 1,840,115</u> |

Source: School District financial records.

The District implemented GASB Statement No. 54 in 2011. Pre-GASB 54 fund balances for the prior five years are presented on S-9.

**This page intentionally left blank.**

NORTH OLMSTED CITY SCHOOL DISTRICT  
FUND BALANCES – GOVERNMENTAL FUNDS  
LAST FIVE FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

|                                | <u>2009</u>         | <u>2008</u>          | <u>2007</u>         | <u>2006</u>         | <u>2005</u>          |
|--------------------------------|---------------------|----------------------|---------------------|---------------------|----------------------|
| General Fund                   |                     |                      |                     |                     |                      |
| Reserved                       | \$ 5,108,651        | \$ 5,862,727         | \$ 4,582,867        | \$ 4,970,651        | \$ 5,324,359         |
| Unreserved                     | <u>3,937,797</u>    | <u>4,158,609</u>     | <u>3,692,633</u>    | <u>4,039,705</u>    | <u>7,512,245</u>     |
| Total General Fund             | <u>\$ 9,046,448</u> | <u>\$ 10,021,336</u> | <u>\$ 8,275,500</u> | <u>\$ 9,010,356</u> | <u>\$ 12,836,604</u> |
|                                |                     |                      |                     |                     |                      |
| Other governmental funds       |                     |                      |                     |                     |                      |
| Reserved                       | \$ 299,079          | \$ 752,350           | \$ 539,278          | \$ 681,197          | \$ 588,667           |
| Unreserved, reported in        |                     |                      |                     |                     |                      |
| Special Revenue Funds (1)      | 458,148             | 369,786              | 497,204             | 346,894             | 375,087              |
| Debt Service Fund              | 52,637              | 52,650               | 56,192              | 63,060              | 78,560               |
| Capital Projects Fund          | <u>1,375,561</u>    | <u>752,728</u>       | <u>783,077</u>      | <u>610,870</u>      | <u>563,321</u>       |
| Total other governmental funds | <u>\$ 2,185,425</u> | <u>\$ 1,927,514</u>  | <u>\$ 1,875,751</u> | <u>\$ 1,702,021</u> | <u>\$ 1,605,635</u>  |

Source: School District financial records.

The District implemented GASB Statement No. 54 in 2011. GASB 54 fund balances for the five years ending June 30, 2010 - 2014 are presented on S-7.

**This page intentionally left blank.**

NORTH OLMSTED CITY SCHOOL DISTRICT  
GOVERNMENTAL FUNDS REVENUES  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

|                      | <u>2014</u>          | <u>2013</u>          | <u>2012</u>          | <u>2011</u>          |
|----------------------|----------------------|----------------------|----------------------|----------------------|
| Taxes                | \$ 42,106,190        | \$ 39,760,574        | \$ 38,371,093        | \$ 39,188,686        |
| Tuition and fees     | 649,801              | 827,990              | 762,957              | 876,716              |
| Interest             | 37,478               | 35,853               | 11,605               | 25,058               |
| Intergovernmental    | 16,276,025           | 16,484,226           | 17,420,229           | 18,760,117           |
| Charges for services | 563,109              | 599,189              | 632,549              | 655,393              |
| Extracurricular      | 396,976              | 350,963              | 355,735              | 399,833              |
| Other                | <u>706,225</u>       | <u>806,474</u>       | <u>602,474</u>       | <u>601,980</u>       |
| Total                | <u>\$ 60,735,804</u> | <u>\$ 58,865,269</u> | <u>\$ 58,156,642</u> | <u>\$ 60,507,783</u> |

Source: School District Financial Records, All Governmental Fund Types.



| <u>2010</u>                 | <u>2009</u>                 | <u>2008</u>                 | <u>2007</u>                 | <u>2006</u>                 | <u>2005</u>                 |
|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| \$ 33,554,392               | \$ 35,459,539               | \$ 35,632,081               | \$ 34,554,578               | \$ 31,386,584               | \$ 31,798,589               |
| 732,161                     | 690,452                     | 1,138,729                   | 341,666                     | 522,049                     | 150,672                     |
| 52,289                      | 308,210                     | 733,560                     | 1,043,975                   | 885,550                     | 318,626                     |
| 18,012,818                  | 16,163,121                  | 15,153,016                  | 14,611,361                  | 13,015,509                  | 13,951,604                  |
| 723,844                     | 760,376                     | 741,409                     | 769,876                     | 895,697                     | 960,088                     |
| 380,845                     | 414,674                     | 430,416                     | 458,162                     | 382,788                     | 347,623                     |
| <u>693,981</u>              | <u>621,315</u>              | <u>549,564</u>              | <u>498,573</u>              | <u>517,383</u>              | <u>511,083</u>              |
| <u><u>\$ 54,150,330</u></u> | <u><u>\$ 54,417,687</u></u> | <u><u>\$ 54,378,775</u></u> | <u><u>\$ 52,278,191</u></u> | <u><u>\$ 47,605,560</u></u> | <u><u>\$ 48,038,285</u></u> |

NORTH OLMSTED CITY SCHOOL DISTRICT  
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

|  | 2014                 | 2013                 | 2012                 | 2011                 |
|--|----------------------|----------------------|----------------------|----------------------|
| Expenditures   |                      |                      |                      |                      |
| Instruction  | \$ 34,344,971        | \$ 32,777,011        | \$ 32,022,732        | \$ 32,360,007        |
| Pupil supporting services                                  | 5,482,434            | 4,691,310            | 4,648,260            | 5,261,245            |
| Instructional support                                      | 1,182,989            | 1,000,946            | 775,360              | 1,101,512            |
| Board of education and<br>administration                   | 3,724,689            | 3,524,501            | 3,645,632            | 2,918,878            |
| Fiscal and business services                               | 1,515,944            | 1,467,218            | 1,426,695            | 1,439,166            |
| Operation and maintenance                                  | 4,972,457            | 5,530,590            | 6,830,343            | 4,745,581            |
| Pupil transportation                                       | 2,555,361            | 2,339,691            | 2,542,036            | 1,908,824            |
| Central and community services                             | 1,622,719            | 1,438,772            | 1,504,626            | 1,639,852            |
| Food service operation                                     | 1,674,344            | 1,618,632            | 1,684,980            | 1,587,422            |
| Extracurricular activities                                 | 1,519,769            | 1,540,787            | 1,480,777            | 1,559,993            |
| Capital outlay   | 216,488              | -                    | -                    | -                    |
| Debt service   |                      |                      |                      |                      |
| Principal  | 345,000              | 85,000               | 85,000               | 85,000               |
| Interest   | 193,722              | 8,818                | 12,597               | 15,895               |
| Total expenditures   | <u>\$ 59,350,887</u> | <u>\$ 56,023,276</u> | <u>\$ 56,659,038</u> | <u>\$ 54,623,375</u> |
| Debt service as a percentage of<br>noncapital expenditures | <u>0.93%</u>         | <u>0.18%</u>         | <u>0.17%</u>         | <u>0.19%</u>         |

Source: School District Financial Records, All Governmental Fund Types.

| 2010                 | 2009                 | 2008                 | 2007                 | 2006                 | 2005                 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 32,710,592        | \$ 31,963,493        | \$ 30,877,961        | \$ 30,979,631        | \$ 30,018,287        | \$ 27,614,812        |
| 5,025,884            | 4,457,730            | 4,394,429            | 4,045,439            | 3,683,346            | 3,506,155            |
| 1,469,968            | 1,300,195            | 1,142,972            | 1,614,974            | 1,544,594            | 1,498,106            |
| 3,608,866            | 3,788,962            | 3,336,701            | 3,732,367            | 3,406,801            | 3,305,319            |
| 1,306,900            | 1,259,017            | 1,260,990            | 1,129,260            | 1,124,693            | 1,108,844            |
| 4,706,956            | 4,851,480            | 4,582,460            | 4,614,421            | 4,454,507            | 4,649,755            |
| 2,352,362            | 2,438,239            | 2,338,646            | 2,245,072            | 2,430,591            | 1,827,419            |
| 1,434,101            | 1,597,441            | 1,546,650            | 1,499,545            | 1,420,598            | 1,382,052            |
| 1,560,668            | 1,505,358            | 1,313,315            | 1,299,575            | 1,400,894            | 1,466,486            |
| 1,537,321            | 1,678,945            | 1,536,845            | 1,319,452            | 1,420,605            | 1,297,225            |
| -                    | 83,643               | -                    | -                    | -                    | -                    |
| 85,000               | 85,000               | 114,774              | 134,632              | 169,904              | 75,234               |
| 19,465               | 23,013               | 26,895               | 32,085               | 38,959               | 38,103               |
| <u>\$ 55,818,083</u> | <u>\$ 55,032,516</u> | <u>\$ 52,472,638</u> | <u>\$ 52,646,453</u> | <u>\$ 51,113,779</u> | <u>\$ 47,769,510</u> |
| <u>0.19%</u>         | <u>0.20%</u>         | <u>0.28%</u>         | <u>0.32%</u>         | <u>0.41%</u>         | <u>0.24%</u>         |

NORTH OLMSTED CITY SCHOOL DISTRICT  
OTHER FINANCING SOURCES AND USES AND NET CHANGE IN FUND BALANCES – GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

|   | <u>2014</u>                | <u>2013</u>                | <u>2012</u>                | <u>2011</u>                |
|---|----------------------------|----------------------------|----------------------------|----------------------------|
| Excess of revenues over<br>(under) expenditures | <u>\$ 1,384,917</u>        | <u>\$ 2,841,993</u>        | <u>\$ 1,497,604</u>        | <u>\$ 5,884,408</u>        |
| Other financing sources (uses)                  |                            |                            |                            |                            |
| Proceeds from bond issue                        | -                          | 3,315,000                  | -                          | -                          |
| Transfers-in                                    | 233,000                    | 308,713                    | 140,208                    | 233,000                    |
| Transfers-out                                   | <u>(233,000)</u>           | <u>(308,713)</u>           | <u>(140,208)</u>           | <u>(333,000)</u>           |
| Total other financing sources (uses)            | <u>-</u>                   | <u>3,315,000</u>           | <u>-</u>                   | <u>(100,000)</u>           |
| Net change in fund balances                     | <u><u>\$ 1,384,917</u></u> | <u><u>\$ 6,156,993</u></u> | <u><u>\$ 1,497,604</u></u> | <u><u>\$ 5,784,408</u></u> |

Source: School District Financial Records, All Governmental Fund Types.

| <u>2010</u>                  | <u>2009</u>                | <u>2008</u>                | <u>2007</u>                | <u>2006</u>                  | <u>2005</u>                |
|------------------------------|----------------------------|----------------------------|----------------------------|------------------------------|----------------------------|
| <u>\$ (1,667,753)</u>        | <u>\$ (614,829)</u>        | <u>\$ 1,906,137</u>        | <u>\$ (368,262)</u>        | <u>\$ (3,508,219)</u>        | <u>\$ 268,775</u>          |
| -                            | -                          | -                          | -                          | -                            | 855,000                    |
| 948,000                      | 260,000                    | 257,628                    | 289,047                    | 372,484                      | 793,471                    |
| <u>(948,000)</u>             | <u>(360,000)</u>           | <u>(357,628)</u>           | <u>(489,047)</u>           | <u>(572,484)</u>             | <u>(893,471)</u>           |
| <u>-</u>                     | <u>(100,000)</u>           | <u>(100,000)</u>           | <u>(200,000)</u>           | <u>(200,000)</u>             | <u>755,000</u>             |
| <u><u>\$ (1,667,753)</u></u> | <u><u>\$ (714,829)</u></u> | <u><u>\$ 1,806,137</u></u> | <u><u>\$ (568,262)</u></u> | <u><u>\$ (3,708,219)</u></u> | <u><u>\$ 1,023,775</u></u> |

NORTH OLMSTED CITY SCHOOL DISTRICT  
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN FISCAL YEARS

| Year | Real Property  |                            | Public Utility Property |                            | Tangible Personal Property (3) |                        |
|------|----------------|----------------------------|-------------------------|----------------------------|--------------------------------|------------------------|
|      | Assessed Value | Estimated Actual Value (1) | Assessed Value          | Estimated Actual Value (2) | Assessed Value                 | Estimated Actual Value |
| 2014 | \$ 765,833,660 | \$ 2,188,096,171           | \$ 15,046,850           | \$ 17,098,693              | \$ -                           | \$ -                   |
| 2013 | 767,170,580    | 2,191,915,943              | 13,514,210              | 15,357,057                 | -                              | -                      |
| 2012 | 809,845,510    | 2,313,844,314              | 12,548,990              | 14,260,216                 | -                              | -                      |
| 2011 | 817,931,363    | 2,336,946,751              | 11,747,340              | 13,349,250                 | -                              | -                      |
| 2010 | 818,482,949    | 2,338,522,711              | 11,432,430              | 12,991,398                 | -                              | -                      |
| 2009 | 811,531,253    | 2,318,660,723              | 11,624,510              | 13,209,670                 | 7,756,600                      | 124,105,600            |
| 2008 | 872,453,590    | 2,492,724,543              | 10,087,260              | 11,462,795                 | 14,900,383                     | 119,203,064            |
| 2007 | 872,935,790    | 2,494,102,257              | 14,491,560              | 16,467,682                 | 39,288,377                     | 209,538,011            |
| 2006 | 799,704,250    | 2,284,869,286              | 14,629,810              | 16,624,784                 | 49,263,743                     | 214,190,187            |
| 2005 | 795,980,870    | 2,274,231,057              | 15,759,330              | 17,908,330                 | 47,248,786                     | 196,869,942            |

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

- (1) This amount is calculated based upon an assessed value of 35 percent of actual value.
- (2) This amount is calculated based upon the current assessed value of 88 percent of actual value.
- (3) General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax is being phased out beginning in 2006. The listing percentage is 18.75 percent for 2006, 12.5 percent for 2007, 6.25 percent for 2008, and zero for 2009 and 2010.

| Assessed<br>Value | Total                     | Assessed<br>Value<br>Ratio | Total Direct<br>Tax Rate |
|-------------------|---------------------------|----------------------------|--------------------------|
|                   | Estimated<br>Actual Value |                            |                          |
| \$ 780,880,510    | \$ 2,205,194,864          | 35.4%                      | 91.4                     |
| 780,684,790       | 2,207,273,000             | 35.4%                      | 91.4                     |
| 822,394,500       | 2,328,104,530             | 35.3%                      | 91.4                     |
| 829,678,703       | 2,350,296,001             | 35.3%                      | 83.5                     |
| 829,915,379       | 2,351,514,109             | 35.3%                      | 83.5                     |
| 830,912,363       | 2,455,975,993             | 33.8%                      | 77.0                     |
| 897,441,233       | 2,623,390,402             | 34.2%                      | 77.0                     |
| 926,715,727       | 2,720,107,950             | 34.1%                      | 69.1                     |
| 863,597,803       | 2,515,684,257             | 34.3%                      | 69.1                     |
| 858,988,986       | 2,489,009,329             | 34.5%                      | 69.1                     |

NORTH OLMSTED CITY SCHOOL DISTRICT  
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
(PER \$ 1,000 ASSESSED VALUATION)  
LAST TEN CALENDAR YEARS

| Year | School District |              |                          | County | Vocational<br>School | City  | Total<br>Direct and<br>Overlapping<br>Governments |
|------|-----------------|--------------|--------------------------|--------|----------------------|-------|---|
|      | General         | Improvements | Total Direct<br>Tax Rate |        |                      |       |   |
| 2013 | 89.50           | 1.90         | 91.40                    | 22.53  | 2.40                 | 13.30 | 129.63  |
| 2012 | 89.50           | 1.90         | 91.40                    | 20.80  | 2.40                 | 13.30 | 127.90  |
| 2011 | 89.50           | 1.90         | 91.40                    | 20.80  | 2.40                 | 13.30 | 127.90  |
| 2010 | 89.50           | 1.90         | 91.40                    | 20.90  | 2.40                 | 13.30 | 128.00  |
| 2009 | 81.60           | 1.90         | 83.50                    | 20.60  | 2.40                 | 13.30 | 119.80  |
| 2008 | 81.60           | 1.90         | 83.50                    | 20.60  | 2.40                 | 13.20 | 119.70  |
| 2007 | 81.60           | 1.90         | 83.50                    | 20.20  | 2.40                 | 13.20 | 119.30  |
| 2006 | 75.10           | 1.90         | 77.00                    | 20.20  | 2.40                 | 13.20 | 112.80  |
| 2005 | 75.10           | 1.90         | 77.00                    | 20.30  | 2.40                 | 13.30 | 113.00  |
| 2004 | 75.10           | 1.90         | 77.00                    | 19.40  | 2.40                 | 13.40 | 112.20  |

Source: Cuyahoga County Fiscal Officer - Data is presented on a calendar year basis because that is the manner in which the information is maintained by the Cuyahoga county Fiscal Officer.



NORTH OLMSTED CITY SCHOOL DISTRICT  
PRINCIPAL TAXPAYERS  
REAL ESTATE TAX  
AS OF DECEMBER 31, 2013 AND DECEMBER 31, 2004

| December 31, 2013                   |                       |                                 |
|-------------------------------------|-----------------------|---------------------------------|
| Name of Taxpayer                    | Assessed Value        | Percent of Total Assessed Value |
| Star-West Great Northern Mall LLC   | \$ 35,398,750         | 4.53%                           |
| BRE DDR Great Northern LLC          | 22,656,360            | 2.90%                           |
| PWA Great Northern Corporation      | 9,327,500             | 1.19%                           |
| B & G Properties LTD Partnership    | 6,286,230             | 0.81%                           |
| Water Tower Square Ltd Partnership  | 6,286,230             | 0.81%                           |
| DDR MDT Great Northern LLC          | 6,095,390             | 0.78%                           |
| JVM Butternut Ridge Apartments, LLC | 5,425,000             | 0.69%                           |
| Moen, Inc.                          | 5,206,390             | 0.67%                           |
| Higbee Company                      | 4,579,300             | 0.59%                           |
| Mays Stores 74 Corp                 | 4,285,060             | 0.55%                           |
|                                     | <u>\$ 105,546,210</u> | <u>13.52%</u>                   |
| Total Value in the District         | <u>\$ 780,880,510</u> |                                 |

| December 31, 2004                   |                       |                                 |
|-------------------------------------|-----------------------|---------------------------------|
| Name of Taxpayer                    | Assessed Value        | Percent of Total Assessed Value |
| DDRC Great Northern, LTD            | \$ 21,872,220         | 2.55%                           |
| Great Northern Partnership          | 20,866,170            | 2.43%                           |
| Great Northern Property Company     | 6,970,790             | 0.81%                           |
| Higbee Company                      | 6,213,030             | 0.72%                           |
| JVM Butternut Ridge Apartments, LLC | 5,642,880             | 0.66%                           |
| B & G Properties LTD Partnership    | 5,012,880             | 0.58%                           |
| WEA Great Northern Mall LLC         | 4,967,310             | 0.58%                           |
| Water Tower Square LTD              | 4,790,670             | 0.56%                           |
| Wal Mart                            | 4,305,810             | 0.50%                           |
| Sears Roebuck & Company             | 3,603,500             | 0.42%                           |
|                                     | <u>\$ 84,245,260</u>  | <u>9.81%</u>                    |
| Total Value in the District         | <u>\$ 858,988,986</u> |                                 |

Source: Cuyahoga County Fiscal Officer - Data is presented on a calendar year basis because of the manner in which the information is maintained by the Cuyahoga County Fiscal Officer.

NORTH OLMSTED CITY SCHOOL DISTRICT  
PRINCIPAL TAXPAYERS  
PUBLIC UTILITY TAX  
AS OF DECEMBER 31, 2013 AND DECEMBER 31, 2004

| December 31, 2013                  |                       |                                       |
|------------------------------------|-----------------------|---------------------------------------|
| Name of Taxpayer                   | Assessed<br>Value (1) | Percent<br>of Total<br>Assessed Value |
| Cleveland Electric Illuminating Co | \$ 13,089,230         | 1.68%                                 |
| East Ohio Gas Company              | 1,100,240             | 0.14%                                 |
| American Transmission Corporation  | 836,500               | 0.11%                                 |
| Columbia Gas Transmission          | 14,360                | 0.00%                                 |
| Columbia Gas of Ohio, Inc.         | 6,520                 | 0.00%                                 |
|                                    | <u>\$ 15,046,850</u>  | <u>1.93%</u>                          |
| Total Value in the District        | <u>\$ 780,880,510</u> |                                       |

| December 31, 2004               |                       |                                       |
|---------------------------------|-----------------------|---------------------------------------|
| Name of Taxpayer                | Assessed<br>Value (1) | Percent<br>of Total<br>Assessed Value |
| Cleveland Illuminating Company  | \$ 7,615,210          | 0.89%                                 |
| Ohio Bell Telephone Company     | 5,039,530             | 0.59%                                 |
| East Ohio Gas Company           | 851,530               | 0.10%                                 |
| American Transmission System    | 828,770               | 0.10%                                 |
| Alltel Ohio Limited Partnership | 291,120               | 0.03%                                 |
| New Par                         | 199,470               | 0.02%                                 |
| Srintcon, Inc.                  | 182,260               | 0.02%                                 |
|                                 | <u>\$ 15,007,890</u>  | <u>1.75%</u>                          |
| Total Value in the District     | <u>\$ 858,988,986</u> |                                       |

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

(1) Assessed Values are for the 2012 and 2003 collection year, respectively.

**This page intentionally left blank.**

NORTH OLMSTED CITY SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS (1)  
LAST TEN FISCAL YEARS

| Collection<br>Year (2) | Current<br>Taxes<br>Levy | Delinquent<br>Taxes<br>Levy | Total<br>Taxes<br>Levy | Current<br>Tax<br>Collections |
|------------------------|--------------------------|-----------------------------|------------------------|-------------------------------|
| 2013                   | \$ 44,241,099            | \$ 1,582,046                | \$ 45,823,145          | \$ 42,821,039                 |
| 2012                   | 44,941,901               | 1,703,178                   | 46,645,079             | 43,136,129                    |
| 2011                   | 45,022,182               | 2,609,009                   | 47,631,191             | 43,442,779                    |
| 2010                   | 38,280,423               | 2,167,952                   | 40,448,375             | 36,331,929                    |
| 2009                   | 38,728,763               | 1,337,831                   | 40,066,594             | 36,993,242                    |
| 2008                   | 38,634,577               | 1,340,775                   | 39,975,352             | 37,261,663                    |
| 2007                   | 33,007,248               | 1,367,042                   | 34,374,290             | 31,837,070                    |
| 2006                   | 32,675,769               | 1,125,808                   | 33,801,577             | 31,668,716                    |
| 2005                   | 32,635,396               | 1,256,788                   | 33,892,184             | 31,534,646                    |
| 2004                   | 32,600,071               | 1,810,229                   | 34,410,300             | 31,186,760                    |

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

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenue.
- (2) Represents collection year. June 30, 2013 information cannot be presented because all collections have not been made by June 30.

| <u>Percent of<br/>Current<br/>Levy<br/>Collected</u> | <u>Delinquent<br/>Tax<br/>Collections</u> | <u>Total<br/>Tax<br/>Collections</u> | <u>Total<br/>Collection as<br/>a Percent of<br/>Current Levy</u> |
|--|---|--------------------------------------|--|
| 97.5%  | \$ 863,855                                | \$ 43,999,984                        | 99.5%  |
| 96.0%  | 1,046,966                                 | 44,183,095                           | 98.3%  |
| 96.5%  | 1,033,573                                 | 44,476,352                           | 98.8%  |
| 94.9%  | 1,355,614                                 | 37,687,543                           | 98.5%  |
| 95.5%  | 769,993                                   | 37,763,235                           | 97.5%  |
| 96.4%  | 971,078                                   | 38,232,741                           | 99.0%  |
| 96.5%  | 698,174                                   | 32,535,244                           | 98.6%  |
| 96.9%  | 710,875                                   | 32,379,591                           | 99.1%  |
| 96.6%  | 985,919                                   | 32,520,565                           | 99.6%  |
| 95.7%  | 1,036,087                                 | 32,222,847                           | 98.8%  |

NORTH OLMSTED CITY SCHOOL DISTRICT  
OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS

| Year | General<br>Obligation<br>Bonded Debt (1) | Capital<br>Leases | General<br>Obligation<br>Notes | Total<br>Primary<br>Government |
|------|--|-------------------|--------------------------------|--------------------------------|
| 2014 | \$ 3,140,000                             | \$ -              | \$ -                           | \$ 3,140,000                   |
| 2013 | 3,485,000                                | -                 | -                              | 3,485,000                      |
| 2012 | 255,000                                  | -                 | -                              | 255,000                        |
| 2011 | 340,000                                  | -                 | -                              | 340,000                        |
| 2010 | 425,000                                  | -                 | -                              | 425,000                        |
| 2009 | 510,000                                  | -                 | -                              | 510,000                        |
| 2008 | 595,000                                  | -                 | -                              | 595,000                        |
| 2007 | 680,000                                  | 29,774            | -                              | 709,774                        |
| 2006 | 765,000                                  | 79,406            | -                              | 844,406                        |
| 2005 | 855,000                                  | 127,310           | 32,000                         | 1,014,310                      |

Source:

- (1) School District Financial Records.
- (2) See Schedule S-17 for estimated actual value of taxable property.
- (3) See Schedule S-26 for personal income, population, and ADM data.  
These ratios are calculated using data for the prior calendar year.

| Percentage<br>of Estimated<br>Actual Value (2) | Percentage<br>of Personal<br>Income (3) | Per<br>Capita (3) | Per<br>ADM (3) |
|--|---|-------------------|----------------|
| 0.14%  | 0.33%                                   | \$ 96             | \$ 776         |
| 0.15%  | 0.37%                                   | 107               | 886            |
| 0.01%  | 0.03%                                   | 8                 | 61             |
| 0.01%  | 0.04%                                   | 11                | 79             |
| 0.02%  | 0.05%                                   | 14                | 97             |
| 0.02%  | 0.06%                                   | 16                | 111            |
| 0.02%  | 0.07%                                   | 19                | 130            |
| 0.03%  | 0.09%                                   | 22                | 152            |
| 0.04%  | 0.10%                                   | 26                | 176            |
| 0.04%  | 0.12%                                   | 30                | 213            |

NORTH OLMSTED CITY SCHOOL DISTRICT  
LEGAL DEBT MARGIN  
LAST TEN FISCAL YEARS

|                                | 2014                  | 2013                  | 2012                  | 2011                  |
|--------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Assessed Valuation             | <u>\$ 780,880,510</u> | <u>\$ 780,684,790</u> | <u>\$ 822,394,500</u> | <u>\$ 829,678,703</u> |
| Debt Limit -                   |                       |                       |                       |                       |
| 9% of Assessed Value (1)       | <u>70,279,246</u>     | <u>70,261,631</u>     | <u>74,015,505</u>     | <u>74,671,083</u>     |
| Debt Applicable to Debt Limit: |                       |                       |                       |                       |
| General Obligation Bonds       | 3,055,000             | 3,485,000             | 255,000               | 340,000               |
| Amount Available in Debt       |                       |                       |                       |                       |
| Service Fund                   | <u>(105,820)</u>      | <u>(88,112)</u>       | <u>(73,930)</u>       | <u>(63,277)</u>       |
| Total                          | <u>2,949,180</u>      | <u>3,396,888</u>      | <u>181,070</u>        | <u>276,723</u>        |
| Overall Debt Margin            | <u>\$ 67,330,066</u>  | <u>\$ 66,864,743</u>  | <u>\$ 73,834,435</u>  | <u>\$ 74,394,360</u>  |
| Total debt applicable to       |                       |                       |                       |                       |
| debt limit as a percentage     |                       |                       |                       |                       |
| of debt limit                  | <u>4.35%</u>          | <u>4.96%</u>          | <u>0.34%</u>          | <u>0.46%</u>          |
| Overall Limit -                |                       |                       |                       |                       |
| .10% of Assessed Value (1)     | \$ 780,881            | \$ 780,685            | \$ 822,394            | \$ 829,679            |
| Amount of Debt Applicable      | <u>85,000</u>         | <u>170,000</u>        | <u>255,000</u>        | <u>340,000</u>        |
| Unvoted Debt Margin            | <u>\$ 695,881</u>     | <u>\$ 610,685</u>     | <u>\$ 567,394</u>     | <u>\$ 489,679</u>     |
| Unvoted debt applicable to     |                       |                       |                       |                       |
| debt limit as a percentage     |                       |                       |                       |                       |
| of unvoted debt limit          | <u>10.885%</u>        | <u>21.776%</u>        | <u>31.007%</u>        | <u>40.980%</u>        |

Source: Cuyahoga County Fiscal Officer and School District Financial Records.



| <u>2010</u>           | <u>2009</u>           | <u>2008</u>           | <u>2007</u>           | <u>2006</u>           | <u>2005</u>           |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <u>\$ 829,915,379</u> | <u>\$ 889,115,760</u> | <u>\$ 897,441,233</u> | <u>\$ 926,715,727</u> | <u>\$ 863,597,803</u> | <u>\$ 858,988,986</u> |
| <u>74,692,384</u>     | <u>80,020,418</u>     | <u>80,769,711</u>     | <u>83,404,415</u>     | <u>77,723,802</u>     | <u>77,309,009</u>     |
| 425,000               | 510,000               | 595,000               | 680,000               | 765,000               | 887,000               |
| <u>(56,172)</u>       | <u>(52,637)</u>       | <u>(52,650)</u>       | <u>(56,192)</u>       | <u>(63,060)</u>       | <u>(78,560)</u>       |
| <u>368,828</u>        | <u>457,363</u>        | <u>542,350</u>        | <u>623,808</u>        | <u>701,940</u>        | <u>808,440</u>        |
| <u>\$ 74,323,556</u>  | <u>\$ 79,563,055</u>  | <u>\$ 80,227,361</u>  | <u>\$ 82,780,607</u>  | <u>\$ 77,021,862</u>  | <u>\$ 76,500,569</u>  |
| <u>0.57%</u>          | <u>0.64%</u>          | <u>0.74%</u>          | <u>0.82%</u>          | <u>0.98%</u>          | <u>1.15%</u>          |
| \$ 829,915            | \$ 889,116            | \$ 897,441            | \$ 926,716            | \$ 863,598            | \$ 858,989            |
| <u>425,000</u>        | <u>510,000</u>        | <u>595,000</u>        | <u>680,000</u>        | <u>765,000</u>        | <u>850,000</u>        |
| <u>\$ 404,915</u>     | <u>\$ 379,116</u>     | <u>\$ 302,441</u>     | <u>\$ 246,716</u>     | <u>\$ 98,598</u>      | <u>\$ 8,989</u>       |
| <u>51.210%</u>        | <u>57.360%</u>        | <u>66.300%</u>        | <u>73.377%</u>        | <u>88.583%</u>        | <u>98.954%</u>        |

NORTH OLMSTED CITY SCHOOL DISTRICT  
COMPUTATION OF DIRECT AND OVERLAPPING GENERAL OBLIGATION DEBT  
AS OF DECEMBER 31, 2013

| <u>Jurisdiction</u>                | <u>Debt Outstanding</u> | <u>Percentage<br/>Applicable to<br/>School District (1)</u> | <u>Amount<br/>Applicable to<br/>School District</u> |
|------------------------------------|-------------------------|---|---|
| <b><i>Direct Debt:</i></b>         |                         |   |   |
| North Olmsted City School District | <u>\$ 3,140,000</u>     | 100.00%   | <u>\$ 3,140,000</u>                                 |
| <b><i>Underlying Debt:</i></b>     |                         |   |   |
| Cuyahoga County                    | 314,245,000             | 2.82%   | 8,861,709   |
| Regional Transit Authority         | 116,450,000             | 2.82%   | 3,283,890   |
| North Olmsted City                 | <u>32,215,000</u>       | 100.00%   | <u>32,215,000</u>                                   |
| Subtotal                           | <u>462,910,000</u>      |   | <u>44,360,599</u>                                   |
| Total                              | <u>\$ 466,050,000</u>   |   | <u>\$ 47,500,599</u>                                |

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

- (1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision.

NORTH OLMSTED CITY SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN YEARS

| Calendar<br>Year | North<br>Olmsted<br>City<br>Population (1) | Per Capita<br>Income (2) | Personal<br>Income | Average Daily<br>Student<br>Enrollment (3) | Cuyahoga<br>County<br>Unemployment<br>Rate (4) |
|------------------|--|--------------------------|--------------------|--|--|
| 2014             | 32,718                                     | \$ 28,754                | \$ 940,773,372     | 4,046                                      | 8.8%   |
| 2013             | 32,718                                     | 29,293                   | 940,773,372        | 3,993                                      | 8.3%   |
| 2012             | 32,718                                     | 28,754                   | 940,773,372        | 4,117                                      | 7.9%   |
| 2011             | 32,718                                     | 26,757                   | 817,917,282        | 4,193                                      | 9.4%   |
| 2010             | 31,053                                     | 28,411                   | 852,795,765        | 4,314                                      | 9.0%   |
| 2009             | 31,319                                     | 28,411                   | 852,795,765        | 4,366                                      | 10.2%  |
| 2008             | 31,641                                     | 26,686                   | 805,411,545        | 4,484                                      | 8.1%   |
| 2007             | 32,126                                     | 25,070                   | 805,398,820        | 4,587                                      | 6.1%   |
| 2006             | 32,653                                     | 25,173                   | 821,973,969        | 4,613                                      | 5.9%   |
| 2005             | 33,105                                     | 24,829                   | 821,964,045        | 4,587                                      | 6.2%   |

Source:

- (1) The City of North Olmsted.
- (2) Per Capita information from U.S. Census Bureau.
- (3) The School District's Records.
- (4) Ohio Job and Family Service Department.

NORTH OLMSTED CITY SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS  
AS OF DECEMBER 31, 2013 AND DECEMBER 31, 2004

| December 31, 2013                  |   |
|------------------------------------|---|
| Name of Employer                   | Percent of<br>Total City Income<br>Taxes Paid |
| Moen Incorporated                  | 10.97%  |
| North Olmsted City School District | 5.17%   |
| The City of North Olmsted          | 2.25%   |
| Factory Mutual Insurance Company   | 1.43%   |
| Bernie Moreno Companies            | 1.42%   |
| Wal Mart Associates, Inc.          | 1.13%   |
| Ganley Westside Imports            | 1.04%   |
| Palmer Holland, Inc.               | 1.00%   |
| Riser Foods Company                | 0.99%   |
| Advanstar Communications, Inc.     | 0.91%   |
| Total                              | 26.31%  |

| December 31, 2004                   |   |
|-------------------------------------|---|
| Name of Employer                    | Percent of<br>Total City Income<br>Taxes Paid |
| Factory Mutual Insurance Company    | N/A   |
| GMAC-GM Payroll Services            | N/A   |
| Heartland Employment Services, Inc. | N/A   |
| May Department stores               | N/A   |
| Moen Incorporated                   | N/A   |
| The City of North Olmsted           | N/A   |
| North Olmsted City School District  | N/A   |
| Riser Foods Company                 | N/A   |
| Sunnyside Cars, Inc.                | N/A   |
| Wal Mart Associates, Inc.           | N/A   |
| Total                               | N/A   |

Source of information - Regional Income Tax Agency based on payroll taxes withheld.  
Percent of total city income tax paid is not available at December 31, 2004.

**This page intentionally left blank.**

NORTH OLMSTED CITY SCHOOL DISTRICT  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION  
LAST TEN FISCAL YEARS

|                            | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|----------------------------|-------------|-------------|-------------|-------------|
| <b>Administration</b>      | 25          | 23          | 23          | 23          |
| <b>Instructional:</b>      |             |             |             |             |
| Regular Teaching           | 200         | 195         | 198         | 206         |
| Special Education          | 29          | 30          | 33          | 35          |
| Vocational Education       | 3           | 3           | 3           | 4           |
| Remedial Specialist        | 46          | 43          | 38          | 37          |
| Tutors                     | 11          | 8           | 4           | 3           |
| Others                     | 0           | 0           | 0           | 0           |
| <b>Other Professional:</b> |             |             |             |             |
| Counseling                 | 11          | 11          | 11          | 11          |
| Psychologist               | 5           | 5           | 5           | 5           |
| Speech therapist           | 5           | 5           | 5           | 5           |
| Others                     | 6           | 4           | 4           | 4           |
| <b>Support Staff:</b>      |             |             |             |             |
| Secretarial                | 37          | 36          | 37          | 38          |
| Teacher Aides              | 64          | 59          | 56          | 52          |
| Maintenance                | 10          | 7           | 7           | 8           |
| Custodial                  | 34          | 34          | 34          | 35          |
| Transportation             | 26          | 27          | 28          | 29          |
| Food Service               | 30          | 29          | 28          | 28          |
| Monitors                   | 30          | 25          | 15          | 15          |
| Library Services           | 10          | 10          | 10          | 9           |
| Computer Technicians       | 4           | 4           | 4           | 4           |
| Other                      | 5           | 5           | 5           | 4           |
| <b>Total</b>               | <u>591</u>  | <u>563</u>  | <u>548</u>  | <u>555</u>  |

Source: School District financial records.

| <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> | <u>2005</u> |
|-------------|-------------|-------------|-------------|-------------|-------------|
| 25          | 23          | 25          | 26          | 26          | 26          |
| 219         | 225         | 223         | 231         | 230         | 226         |
| 39          | 41          | 43          | 43          | 42          | 42          |
| 6           | 6           | 6           | 8           | 8           | 8           |
| 32          | 29          | 27          | 25          | 19          | 19          |
| 3           | 3           | 5           | 5           | 6           | 15          |
| 0           | 4           | 2           | 1           | 5           | 5           |
| 11          | 12          | 13          | 13          | 12          | 12          |
| 5           | 5           | 5           | 5           | 5           | 4           |
| 5           | 5           | 6           | 5           | 6           | 5           |
| 4           | 2           | 1           | 2           | 2           | 2           |
| 41          | 41          | 44          | 42          | 42          | 42          |
| 58          | 58          | 54          | 52          | 51          | 51          |
| 9           | 8           | 8           | 8           | 8           | 8           |
| 38          | 38          | 40          | 39          | 39          | 36          |
| 35          | 34          | 32          | 32          | 31          | 33          |
| 28          | 26          | 24          | 24          | 26          | 28          |
| 15          | 15          | 17          | 16          | 15          | 14          |
| 15          | 13          | 12          | 14          | 14          | 15          |
| 4           | 4           | 4           | 4           | 4           | 3           |
| 4           | 4           | 4           | 4           | 3           | 1           |
| <u>596</u>  | <u>596</u>  | <u>595</u>  | <u>599</u>  | <u>594</u>  | <u>595</u>  |

NORTH OLMSTED CITY SCHOOL DISTRICT  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS

|   | <u>2014</u>  |     | <u>2013</u> |               | <u>2012</u> |               | <u>2011</u> |               |         |
|---|--------------|-----|-------------|---------------|-------------|---------------|-------------|---------------|---------|
| Source of Revenue - North Olmsted:                      |              |     |             |               |             |               |             |               |         |
| Local   | N/A          | [c] |             | 73.6%         |             | 71.2%         |             | 68.8%         |         |
| State   | N/A          | [c] |             | 21.4%         |             | 23.7%         |             | 25.5%         |         |
| Federal   | N/A          | [c] |             | 5.0%          |             | 5.1%          |             | 5.7%          |         |
| Source of Revenue - Statewide:                          |              |     |             |               |             |               |             |               |         |
| Local   | N/A          | [c] |             | 49.7%         |             | 47.3%         |             | 44.7%         |         |
| State   | N/A          | [c] |             | 42.1%         |             | 44.1%         |             | 45.5%         |         |
| Federal   | N/A          | [c] |             | 8.2%          |             | 8.6%          |             | 9.9%          |         |
| Cost per Pupil:   |              |     |             |               |             |               |             |               |         |
| North Olmsted   | N/A          | [c] |             | \$ 13,483     |             | \$ 13,697     |             | \$ 13,018     |         |
| Statewide   | N/A          | [c] |             | \$ 10,445     |             | \$ 10,508     |             | \$ 10,569     |         |
| Transportation:   |              |     |             |               |             |               |             |               |         |
| Percent of students transported                         |              |     | 56.0%       |               | 55.0%       |               | 53.0%       |               | 47.0%   |
| Number of miles traveled                                |              |     | 295,853     |               | 280,620     |               | 295,926     |               | 346,890 |
| Food Service:   |              |     |             |               |             |               |             |               |         |
| Annual operating deficit                                | \$ (130,565) |     |             | \$ (101,390)  |             | \$ (77,329)   |             | \$ (101,620)  |         |
| Number of meals served                                  | 480,806      |     |             | 476,582       |             | 528,000       |             | 486,728       |         |
| Number of federally subsidized meals served             | 327,343      |     |             | 325,637       |             | 370,526       |             | 323,877       |         |
| Number of students receiving federally subsidized meals | 1,687        |     |             | 1,696         |             | 1,628         |             | 1,624         |         |
| Median Income:  |              |     |             |               |             |               |             |               |         |
| North Olmsted   | N/A          | [c] |             | \$ 35,124     |             | \$ 34,380     |             | \$ 33,973     |         |
| Statewide   | N/A          | [c] |             | \$ 32,180     |             | \$ 31,681     |             | \$ 30,850     |         |
| New Construction Within the District:                   |              |     |             |               |             |               |             |               |         |
| Residential   | \$ 9,076,195 |     |             | \$ 11,964,770 |             | \$ 15,797,334 |             | \$ 7,576,054  |         |
| Commercial  | \$ 9,920,152 |     |             | \$ 33,343,735 |             | \$ 15,627,004 |             | \$ 30,033,394 |         |

Source: School District financial records.

- [a] In fiscal year 2006, the School District stopped providing lunches to a neighboring school(s) which resulted in a 19% decline in the number of meals served.
- [b] In fiscal year 2009, the School District started providing breakfasts at all school buildings.
- [c] 2014 data is not available from the State of Ohio at this time.



| <u>2010</u>  | <u>2009</u>  | <u>2008</u>  | <u>2007</u>   | <u>2006</u>   | <u>2005</u>   |
|--------------|--------------|--------------|---------------|---------------|---------------|
| 66.4%        | 69.1%        | 71.4%        | 72.6%         | 72.9%         | 71.0%         |
| 27.5%        | 26.5%        | 24.9%        | 23.9%         | 23.1%         | 25.3%         |
| 6.1%         | 4.3%         | 3.7%         | 3.5%          | 4.0%          | 3.8%          |
| 45.7%        | 46.4%        | 48.2%        | 49.1%         | 48.8%         | 47.4%         |
| 44.1%        | 45.4%        | 43.6%        | 42.9%         | 42.7%         | 44.2%         |
| 10.2%        | 8.2%         | 8.2%         | 8.0%          | 8.5%          | 8.4%          |
| \$ 12,662    | \$ 12,226    | \$ 11,531    | \$ 10,908     | \$ 10,919     | \$ 10,220     |
| \$ 10,512    | \$ 10,184    | \$ 9,939     | \$ 9,586      | \$ 9,359      | \$ 9,051      |
| 50.0%        | 51.0%        | 50.0%        | 58.0%         | 53.5%         | 54.9%         |
| 340,740      | 337,140      | 375,348      | 413,976       | 410,403       | 432,796       |
| \$ (80,843)  | \$ (104,606) | \$ (118,804) | \$ (90,392)   | \$ (206,071)  | \$ (60,714)   |
| 504,189      | 341,724 [b]  | 274,979      | 281,141       | 295,060 (a)   | 365,582       |
| 339,455      | 171,780 [b]  | 159,501      | 148,514       | 128,103       | 122,507       |
| 1,550        | 1,547        | 1,333        | 1,072         | 1,025         | 860           |
| \$ 35,006    | \$ 35,099    | \$ 34,740    | \$ 34,391     | \$ 34,604     | \$ 34,456     |
| \$ 31,520    | \$ 31,341    | \$ 31,321    | \$ 30,362     | \$ 30,505     | \$ 29,677     |
| \$ 7,094,128 | \$ 6,574,278 | \$ 7,474,587 | \$ 9,094,649  | \$ 8,804,637  | \$ 6,712,977  |
| \$ 3,982,820 | \$ 9,533,967 | \$ 9,789,366 | \$ 13,301,899 | \$ 14,709,091 | \$ 19,197,115 |

NORTH OLMSTED CITY SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS

| <u>School Building</u>       | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|------------------------------|-------------|-------------|-------------|-------------|
| Birch Primary (1967)         |             |             |             |             |
| Square Feet                  | 35,522      | 35,522      | 35,522      | 35,522      |
| Capacity                     | 464         | 464         | 464         | 464         |
| Enrollment                   | 321         | 463         | 429         | 428         |
| Butternut Primary (1968)     |             |             |             |             |
| Square Feet                  | 31,682      | 31,682      | 31,682      | 31,682      |
| Capacity                     | 408         | 408         | 408         | 408         |
| Enrollment                   | 278         | 233         | 247         | 253         |
| Forest Primary (1971)        |             |             |             |             |
| Square Feet                  | 31,508      | 31,508      | 31,508      | 31,508      |
| Capacity                     | 336         | 336         | 336         | 336         |
| Enrollment                   | 255         | 254         | 223         | 237         |
| Spruce Primary (1967)        |             |             |             |             |
| Square Feet                  | 24,764      | 24,764      | 24,764      | 24,764      |
| Capacity                     | 312         | 312         | 312         | 312         |
| Enrollment                   | 245         | 204         | 200         | 190         |
| Chestnut Intermediate (1956) |             |             |             |             |
| Square Feet                  | 42,381      | 42,381      | 42,381      | 42,381      |
| Capacity                     | 480         | 480         | 480         | 480         |
| Enrollment (b)               | 261         | 255         | 261         | 292         |
| Maple Intermediate (1956)    |             |             |             |             |
| Square Feet                  | 42,381      | 42,381      | 42,381      | 42,381      |
| Capacity                     | 504         | 504         | 504         | 504         |
| Enrollment                   | 397         | 291         | 275         | 296         |
| Pine Intermediate (1965)     |             |             |             |             |
| Square Feet                  | 53,308      | 53,308      | 53,308      | 53,308      |
| Capacity                     | 456         | 456         | 456         | 456         |
| Enrollment                   | 271         | 406         | 396         | 420         |
| Middle School (1930)         |             |             |             |             |
| Square Feet                  | 114,987     | 114,987     | 114,987     | 114,987     |
| Capacity                     | 949         | 949         | 949         | 949         |
| Enrollment                   | 646         | 650         | 680         | 619         |
| High School (1962)           |             |             |             |             |
| Square Feet                  | 208,304     | 208,304     | 208,304     | 208,304     |
| Capacity                     | 1,194       | 1,194       | 1,194       | 1,194       |
| Enrollment                   | 1,376       | 1,389       | 1,405       | 1,458       |

Source of information - School District financial records.

| <u>2010</u> | <u>2009</u> | <u>2008</u> | <u>2007</u> | <u>2006</u> | <u>2005</u> |
|-------------|-------------|-------------|-------------|-------------|-------------|
| 35,522      | 35,522      | 35,522      | 35,522      | 35,522      | 35,522      |
| 464         | 464         | 464         | 464         | 464         | 464         |
| 414         | 425         | 409         | 403         | 405         | 323         |
| 31,682      | 31,682      | 31,682      | 31,682      | 31,682      | 31,682      |
| 408         | 408         | 408         | 408         | 408         | 408         |
| 250         | 233         | 274         | 264         | 264         | 346         |
| 31,508      | 31,508      | 31,508      | 31,508      | 31,508      | 31,508      |
| 336         | 336         | 336         | 336         | 336         | 336         |
| 258         | 261         | 300         | 310         | 278         | 264         |
| 24,764      | 24,764      | 24,764      | 24,764      | 24,764      | 24,764      |
| 312         | 312         | 312         | 312         | 312         | 312         |
| 173         | 176         | 217         | 221         | 221         | 218         |
| 42,381      | 42,381      | 42,381      | 42,381      | 42,381      | 42,381      |
| 480         | 480         | 480         | 480         | 480         | 480         |
| 314         | 316         | 312         | 304         | 304         | 315         |
| 42,381      | 42,381      | 42,381      | 42,381      | 42,381      | 42,381      |
| 504         | 504         | 504         | 504         | 504         | 504         |
| 291         | 294         | 283         | 306         | 307         | 286         |
| 53,308      | 53,308      | 53,308      | 53,308      | 53,308      | 53,308      |
| 456         | 456         | 456         | 456         | 456         | 456         |
| 449         | 418         | 400         | 403         | 410         | 456         |
| 114,987     | 114,987     | 114,987     | 114,987     | 114,987     | 114,987     |
| 949         | 949         | 949         | 949         | 949         | 949         |
| 657         | 696         | 669         | 712         | 772         | 765         |
| 208,304     | 208,304     | 208,304     | 208,304     | 208,304     | 208,304     |
| 1,194       | 1,194       | 1,194       | 1,194       | 1,194       | 1,194       |
| 1,508       | 1,547       | 1,618       | 1,664       | 1,652       | 1,610       |

NORTH OLMSTED CITY SCHOOL DISTRICT  
CAPITAL ASSET INFORMATION  
LAST TEN FISCAL YEARS

|  | <u>2014</u>          | <u>2013</u>          | <u>2012</u>          | <u>2011</u>          |
|--|----------------------|----------------------|----------------------|----------------------|
| Land   | \$ 1,374,279         | \$ 1,172,491         | \$ 1,172,491         | \$ 1,172,491         |
| Construction in progress                             | -                    | 61,142               | 2,559,093            | 26,401               |
| Land improvements                                    | 1,477,160            | 1,477,160            | 869,318              | 869,318              |
| Buildings and improvements                           | 24,880,819           | 24,057,405           | 20,695,929           | 20,055,478           |
| Furniture and equipment                              | 3,302,784            | 3,133,348            | 3,012,418            | 2,936,573            |
| Vehicles   | 2,739,976            | 2,781,976            | 3,087,156            | 2,980,704            |
| Total  | <u>33,775,018</u>    | <u>32,683,522</u>    | <u>31,396,405</u>    | <u>28,040,965</u>    |
| Less accumulated depreciation                        | <u>(18,662,346)</u>  | <u>(17,861,536)</u>  | <u>(17,135,183)</u>  | <u>(16,414,810)</u>  |
| Total Governmental Activities<br>Capital Assets, Net | <u>\$ 15,112,672</u> | <u>\$ 14,821,986</u> | <u>\$ 14,261,222</u> | <u>\$ 11,626,155</u> |

Source: School District financial records.

| <b>2010</b>          | <b>2009</b>         | <b>2008</b>         | <b>2007</b>         | <b>2006</b>         | <b>2005</b>         |
|----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$ 1,172,491         | \$1,172,491         | \$1,088,848         | \$1,088,848         | \$1,088,848         | \$1,088,848         |
| -                    | 69,021              | -                   | -                   | -                   | -                   |
| 835,881              | 835,881             | 835,881             | 835,881             | 835,881             | 835,881             |
| 20,027,650           | 19,397,055          | 19,460,758          | 19,382,511          | 17,668,955          | 17,645,361          |
| 2,894,313            | 3,166,187           | 3,203,159           | 3,040,568           | 3,047,349           | 2,876,362           |
| 2,976,568            | 2,994,178           | 2,956,695           | 2,982,463           | 2,932,969           | 2,796,398           |
| 27,906,903           | 27,634,813          | 27,545,341          | 27,330,271          | 25,574,002          | 25,242,850          |
| (15,568,169)         | (14,892,229)        | (14,283,034)        | (13,604,602)        | (13,115,098)        | (12,469,211)        |
| <u>\$ 12,338,734</u> | <u>\$12,742,584</u> | <u>\$13,262,307</u> | <u>\$13,725,669</u> | <u>\$12,458,904</u> | <u>\$12,773,639</u> |

**This page intentionally left blank.**