

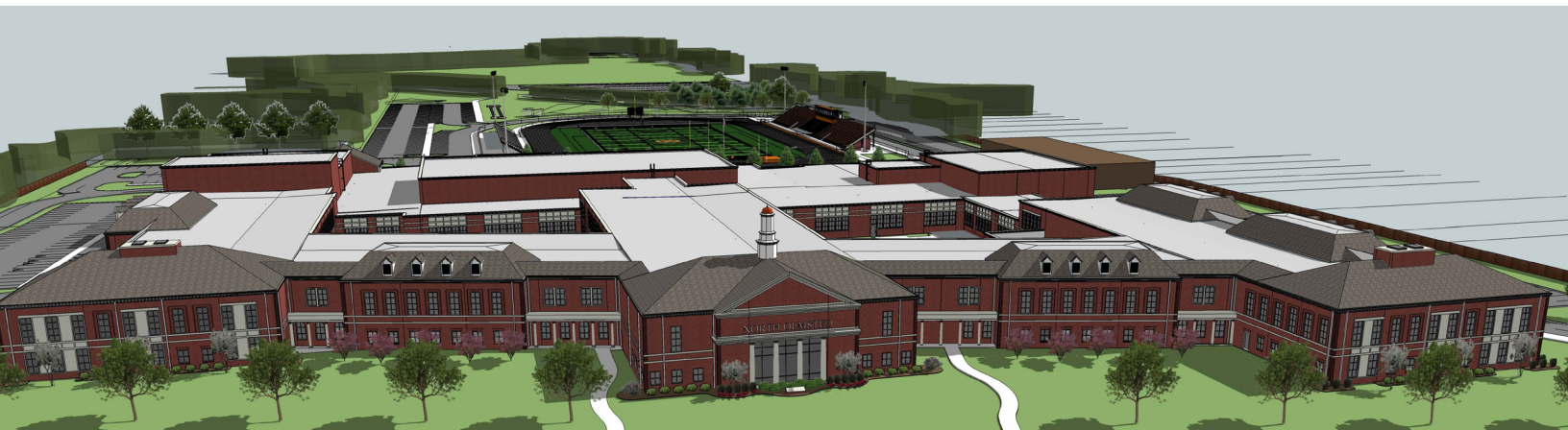
# North Olmsted City School District 6-12 CAMPUS COMING 2018



PARTNERSHIP • EXCELLENCE • CITIZENSHIP • SCHOLARSHIP



## Comprehensive Annual Financial Report For Fiscal Year End June 30, 2017



North Olmsted City Schools • 26669 Butternut Ridge Road • North Olmsted, OH 44070  
[www.northolmstedschools.org](http://www.northolmstedschools.org)

**Back of cover.**

# **NORTH OLMSTED CITY SCHOOL DISTRICT**

**North Olmsted, Ohio**

**Comprehensive**

**Annual Financial Report**

**For the Fiscal Year Ended June 30, 2017**

Prepared by

Treasurer's Office  
Robert J. Matson CPA  
Treasurer

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## INTRODUCTORY SECTION

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**North Olmsted City School District**  
Comprehensive Annual Financial Report  
For the Fiscal Year Ended June 30, 2017  
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*North Olmsted City School District  
Administrative Offices  
26669 Butternut Ridge Road  
North Olmsted, Ohio 44070*



February 20, 2018

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, 2017. 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, with staggered 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 611 public school districts in the State of Ohio. The District provides education services to approximately 3,821 students in kindergarten through twelfth grade. The District also provides a wide range of services for 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.

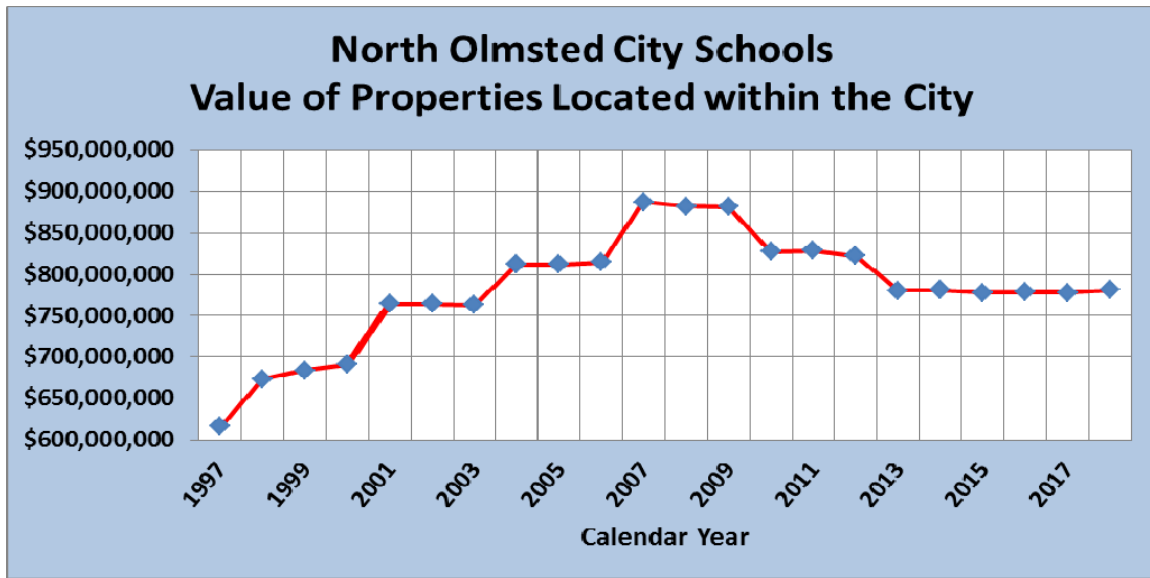
Statutorily, the School District operates under standards prescribed by the Ohio State Board of Education as provided in Section 3301.07(D) of the Ohio Revised Code, to provide educational services authorized by charter and further mandated by State and Federal agencies. Under Ohio law, the School District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

## **ECONOMIC CONDITION AND OUTLOOK**

For the fourth year in a row, operating expenditures have exceeded operating revenues. Based upon the District's "October 2017 Five Year Financial Forecast", the annual operating deficits will continue to get progressively larger over the next five years. 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. It is time for the Board of Education to seriously consider placing a new operation levy on the ballot in the near future to avoid serious disruptions in our academic programs as experienced by neighboring school districts.

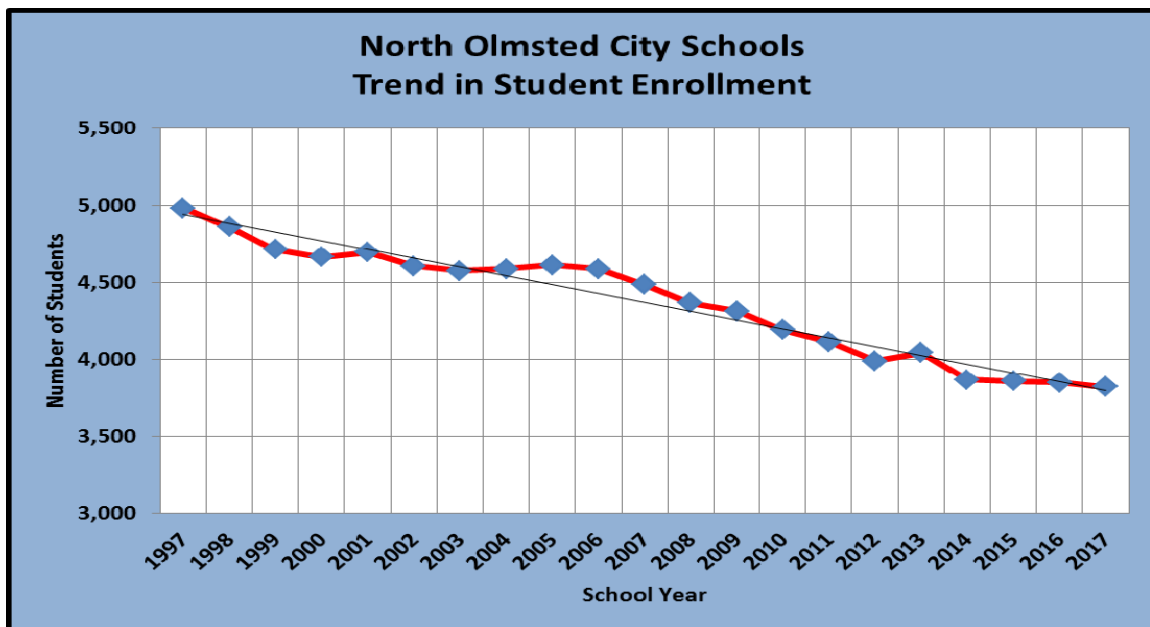
The future long-term economic health of the District will depended upon maintaining a stable real estate tax base. The District's primary source of operating revenue (76.8%) comes from the collection of real estate taxes levied on residential, commercial and public utility properties located within the community. During the recent nationwide economic recession and the real estate foreclosure crisis, the District experienced a 12.3% reduction in the market values of

properties located within the City as illustrated in the following graph.



Property values have stabilized and the overall tax base has increased approximately 2.5%. The City of North Olmsted is encouraging future economic development with the creation of a Tax Increment Financing (TIF) Program to finance public infrastructure improvements.

The District's second primary source of operating revenue (15.5%) is basic aid provided by the State of Ohio. The formula used to distribute basic state aid among school districts in Ohio is heavily dependent upon student enrollment and property values. During the past 20 years, State aid has been declining as a percent of total operating revenue due primarily to a 30.4% reduction in student enrollment as illustrated in the following graph.



Enrollment has stabilized and projected to slowly increase during the next few years. Coupled with changes in the formula used in allocating State aid, the North Olmsted City Schools has received increases in funding of 10.1% in fiscal 2015, 7.5% in fiscal 2016 and 7.3% in fiscal 2017. Because of the declining enrollment, The Administration has begun a comprehensive review of the District's facility needs and anticipates the closing of one or two element building which in the next few years which could potentially save the District \$900,000 annually in operating expenses.

## **MAJOR INITIATIVES - FISCAL YEAR 2017**

### **Excellence in Academics**

Our academic programs are focused on solid teaching and learning and ongoing staff training so our students will have the skills needed for the 21<sup>st</sup> century. During the 2017 school year:

North Olmsted High School was one of only 129 schools in Ohio to earn a Bronze Award from U.S. News and World Report. NOHS is also a National School of Excellence.

Students can take 34 different Honors or Advanced Placement classes at NOHS and have many options for college credit including dual enrollment and college credit plus programs.

64 students earned the Presidential Award of Educational Excellence at graduation in 2017.

The Class of 2017 scored above the national average for college bound students taking the SAT test with a combined score of 1154 versus the national average of 1083. The ACT composite of 22.8 is above the national average of 20.8.

Students in the Class of 2017 took 279 AP tests and 64% scored a 3 or better (out of 5) to earn college credit.

The Class of 2017 sent 76% of students on to college or technical schools and 24% started careers or entered the military.

Scholarship offers top \$7 million each year to universities and colleges locally and across the country.

Local community organizations and clubs support graduates each year with over \$85,000 in scholarships.

The Education Foundation sponsors an Academic Signing day in May to recognize graduates enrolling in over 40 different universities and military academies.

Students learn real world negotiation skills by participating in the Model United Nations program. Last year the Education Foundation helped fund a trip to the national seminar in Chicago.

The Junior Engineering Technical Society earned a record setting third place finish in a rigorous competition against 87 top ranked Ohio public and private High Schools and Academies.

The Middle School is a nationally recognized Hall of Fame School. The WEB (Where Everybody Belongs) program creates leadership opportunities for students and empowers them to take ownership of their school experience.

Middle School student scientists earned local and national recognition testing water samples and combining science, math and writing skills in the World Water Monitoring Challenge using the sophisticated Hydrolab DS5 equipment with formal reports submitted to the United States EPA.

The Genius Hour program at the Middle School is a model in the State of Ohio. Funded with a \$ 10,000 grant from the Martha Holden Jennings Foundation, students created projects ranging from writing software and programming drones, to devising a soft cast for injured animals and creating a building from recycled products.

Middle School students visited the Great Wall in China, Mt. Everest, Athens Greece, Iceland, the Taj Mahal, the Great Barrier Reef, Aztec and Mayan ruins, the Pyramids, Grand Canyon and the Moon as part of the Google Expeditions Pioneer Program. These virtual field trips –using Google viewers and smart phones – capture the imagination and senses of students and provide a deeper understanding of the world beyond the classroom.

A Middle School student scored in the top 5% in the country in the Broadcom Masters science competition for her energy project competing against 250 middles schools in 37 states. Broadcom MASTERS identifies top STEM talent and encourages students to pursue studies in science, technology, engineering and/or math.

Primary and Intermediate students are using chrome books, ipads, whiteboards, Google applications, and interactive technology that is engaging and relevant for their future world.

Our Early Childhood Preschool is 5 star rated through the Step Up to Quality program by the Ohio Department of Education. We educate 40 special needs children and 43 typical peers.

The district is participating in the EdLeader21 national network of school and district leaders focused on integrating the 4Cs (critical thinking, communication, collaboration and creativity) into education at all levels.

The Teaching Staff is also working and training with the Schlechty Center to reimagine how to engage with students and staff and transform instruction for the 21<sup>st</sup> century.

### **Excellence in the Arts**

Participating in music and art inspires creativity, expression and communication. The arts program across all grades in North Olmsted has a range of opportunities for students from chorus and band and orchestra to photography and ceramics.

Students created and sold artwork to local community members at the Education Foundation annual fundraiser showcasing their talent.

Two students earned a spot in the Ohio Governor's Youth Art Exhibition in Columbus. Only 300 art pieces were accepted out of 2,000 entries from 1,112 high schools.

Artwork is submitted each year in multiple mediums to the Scholastic Art Show and last year students earned three Gold Keys, two Silver Keys, and multiple Honorable Mentions.

Student paintings, photography, ceramics, textiles and pottery are displayed at the Cleveland Institute of Art each winter. Gold Key winners move to national competition in New York City.

Younger students submit entries each year to the PTA Reflections contest and win in categories including video, photography and writing.

The community is anxiously waiting to see our students perform in the new Performing Arts Center!



### **Excellence in Community Involvement**

Success in the real world environment involves working with others in the community and understanding that we are all part of something bigger than our school.

Students and staff generously donate every year to those in need, including school supplies, items for the home, gift cards, yard work, food drives, clothes, toys and holiday gifts.

The district hosts multiple Red Cross Blood Drives and students and staff on one day in March 2017 helped save 123 lives by donating 41 pints of blood.

Students in the SITES (Social Involvement Through Education and Service) program perform thousands of hours of volunteer service each year and help locally during “Outreach Week” in the Greater Cleveland. They host the annual Senior Spring Fling and the Salute to Veterans celebration.

District organizations including Link Crew at NOHS, the Key Club, National Honor Society, Student Councils at all grade levels, the PTA Council and the Education Foundation work with students, their parents and the district staff to create a safe and caring school culture.

The Key Club and the North Olmsted Kiwanis raised funds last year to provide new playground equipment for Spruce Primary School and Birch Primary School. Both playgrounds were dedicated in the spring of 2017.

The North Olmsted Community Council sponsors the annual Community Homecoming in August that brings the schools, city and community groups together for fun, food and fellowship. Funds raised support student scholarships and many projects around the community.

Sodexo Food Service works with the community on healthy options for student lunches. They sponsor a yearly “Future Chefs” competition encouraging students to create a healthy meal option. Community members, including the Mayor and Board of Education members, serve as



judges. This year students and community members started a Garden Council and planted a large community garden on the Chestnut school grounds.



### **Excellence in Athletics**

Athletic participation teaches students discipline, teamwork, endurance, and fosters school and community spirit and pride.

Student athletes spend long hours on the practice fields and many of our teams including Varsity Soccer also earn Academic All Ohio awards for also being motivated in the classroom.

Our teams – boys and girls – continue to work hard and are setting new school records. Hard work paid off for the Hockey team as they moved up to the Red Division after winning the SWC Championship in the West White division.

During the year, the Board of Education received over \$30,000 in corporate donations for the replacement of the High School Marching Band uniforms. These uniforms were 31 years old and endured a lot of wear and tear. During this period of time, they were maintained by a dedicated crew of parents.

Student athletes and their parents are currently traveling to “home” events at other districts while the new stadium complex is being built. They have become known as North Olmsted Road Warriors and the Marketing Class had t-shirts made with that logo.



Their “can do” spirit is seen in working concession stands in other communities to help fund their activities and adapting to change with a positive attitude. The teams are looking forward to returning to their home field for the start of the 2018/2019 school year. The new football stadium will be complete and the athletes will be able to compete in front of their home crowd for the first time in almost three years.



## **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.northholmstedschools.org](http://www.northholmstedschools.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. A detailed discussion of these funds is provided in Notes 10.C and 18 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 2017 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 2017, 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, 2017, the Self-Insurance Fund had net position of \$ 970,036. Over the years, to help off-set rising health care costs, the Unions agreed to pay 15.5 percent (increasing to 16.0 percent in fiscal 2018) of the cost of the monthly insurance premiums, double the co-pays for prescription drugs, requirement the mandatory use of generic drugs, and the enrollment of spouses in a coordination of benefit program. These changes have saved the District over \$9.0 million in medical expenditures.

### **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 the fund at June 30, 2017 was \$ 128,467.

## **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, 2017. The opinion appears at the beginning of the financial section of this report.

Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all school 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, 2016. In 1985, North Olmsted City School District was the first school district in Ohio to receive this award and has received the award for (32) thirty-two 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, 2016. 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**

The School District received the Ohio Auditor of State Award with Distinction for excellence in financial reporting for its Comprehensive annual Financial Report for the fiscal year ended June 30, 2016. The District's exemplary reporting serves as the standard for clean, accountable government, representing the highest level of service to Ohioans.

### **Northeast Region Ohio School Boards Association**

Robert J. Matson received the 2017 Northeast Region Ohio School Boards Association's Treasurer of the Year Award for outstanding leadership in school accounting.

### **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, 2017

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**Board of Education**



Linda Cleary

Tom Herbster

Kim Rahm

John J. Lasko, Jr

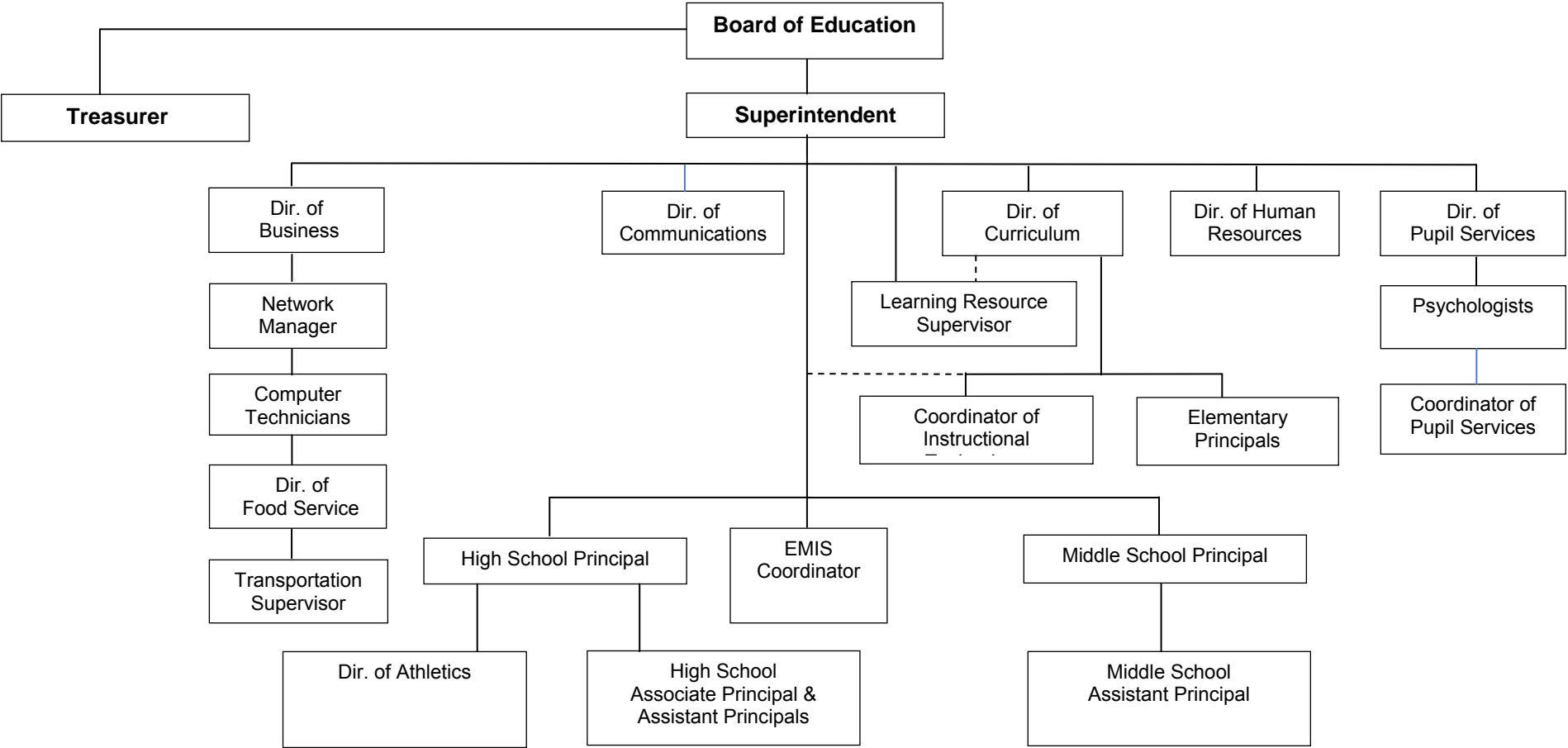
Terry Groden

**Administration**

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

Superintendent  
Associate Superintendent  
Treasurer  
Assistant to the Treasurer  
Director of Human Resources  
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, 2016**

*Christopher P. Morill*

Executive Director/CEO



**ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL**

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

**North Olmsted City School District**

**for its Comprehensive Annual Financial Report (CAFR)  
for the Fiscal Year Ended June 30, 2016.**

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



**Anthony N. Dragona, Ed.D., RSBA**  
President

**John D. Musso, CAE**  
Executive Director

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## FINANCIAL SECTION

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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

North Olmsted City School District  
Cuyahoga County  
26669 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, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

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

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

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

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

### ***Opinion***

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

### ***Other Matter***

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

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

#### ***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 February 20, 2018, 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 fluid and cursive, with the first name "Dave" and last name "Yost" clearly distinguishable.

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

February 20, 2018



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**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2017*

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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, 2017. 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 2017 are as follows:

Net position decreased \$ 4,759,349 from the previous year.

The General Fund maintains a strong unrestricted cash balance of \$ 18.8 million at June 30, 2017.

Revenues for governmental activities totaled \$ 63.4 million in fiscal year 2017 as compared to \$ 75.2 million in fiscal year 2016.

In fiscal year 2017, 84.4 percent of total revenue consisted of general revenues while program revenues accounted for the remaining balance of 15.6 percent.

In fiscal year 2017, total program expenses decreased .1 percent from the previous year to \$ 68.1 million. Instructional expenses made up 56.6 percent of this total while support services accounted for 34.3 percent. Other expenses rounded out the remaining 9.1 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, 2017*

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**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 two major governmental funds, the General Fund and the Classroom Facilities 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 2017 compared to 2016.

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2017*

**TABLE I**  
Total Net Position

	2017	2016
<b>Assets</b>		
Current and other assets	\$ 129,751,667	\$ 153,403,531
Total capital assets, net	40,797,477	17,781,263
<b>Total assets</b>	<b>170,549,144</b>	<b>171,184,794</b>
<b>Deferred outflows of resources</b>		
Pension	19,217,318	9,365,974
<b>Total deferred outflows of resources</b>	<b>19,217,318</b>	<b>9,365,974</b>
<b>Liabilities</b>		
Current liabilities	9,238,230	10,550,080
Long term liabilities		
Due within one year	2,091,328	4,329,554
Net pension liability	105,479,991	86,797,719
Due in more than one year	84,749,075	85,773,145
<b>Total liabilities</b>	<b>201,558,624</b>	<b>187,450,498</b>
<b>Deferred inflows of resources</b>		
Property taxes levied for next year	36,142,215	30,535,620
Pension	1,182,292	6,921,970
<b>Total deferred inflows of resources</b>	<b>37,324,507</b>	<b>37,457,590</b>
<b>Net position</b>		
Net investment in capital assets	17,697,879	10,438,753
Restricted	6,312,558	7,780,083
Unrestricted	(73,127,106)	(62,576,156)
<b>Total net position</b>	<b>\$ (49,116,669)</b>	<b>\$ (44,357,320)</b>

The net pension liability (NPL) is the largest single liability reported by the School District at June 30, 2017 and is reported pursuant to GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the School District's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

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

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2017*

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GASB 68 requires the net pension liability to equal the School District's proportionate share of each plan's collective:

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

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

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

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

Total assets decreased by \$ 635,650. This decrease can be attributed to a decrease of \$ 24,129,898 in equity in pooled cash which was offset with an increase of \$ 23,016,214 in capital assets.

Total liabilities increased by \$ 14,108,126. Net pension liability increased by \$ 18,682,272. Excluding net pension liability, long-term liabilities, decreased \$ 3,262,296, accounts and contracts payable decreased by \$ 914,515, and accrued salaries, wages, and benefits decreased by \$ 817,059.

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 declined as evidenced by the decrease in net position of \$ 4,759,349. A change in net position indicates how an entity is providing for future generations.

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
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**Governmental Activities**

The vast majority of revenues supporting all Governmental Activities are general revenues. General revenue totaled \$ 53.5 million or 84.4 percent of the total revenue. The most significant portion of the general revenues is local property tax. Property tax revenue in fiscal year 2017 decreased \$ 14,672,246 from the previous year. The increase in tax revenue is due primarily to a decrease in the amount of property taxes available for advance from the Cuyahoga County Fiscal Officer. The remaining amount of revenue received is in the form of program revenues amounting to \$ 9.9 million or only 15.6 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 2017 compared to 2016.

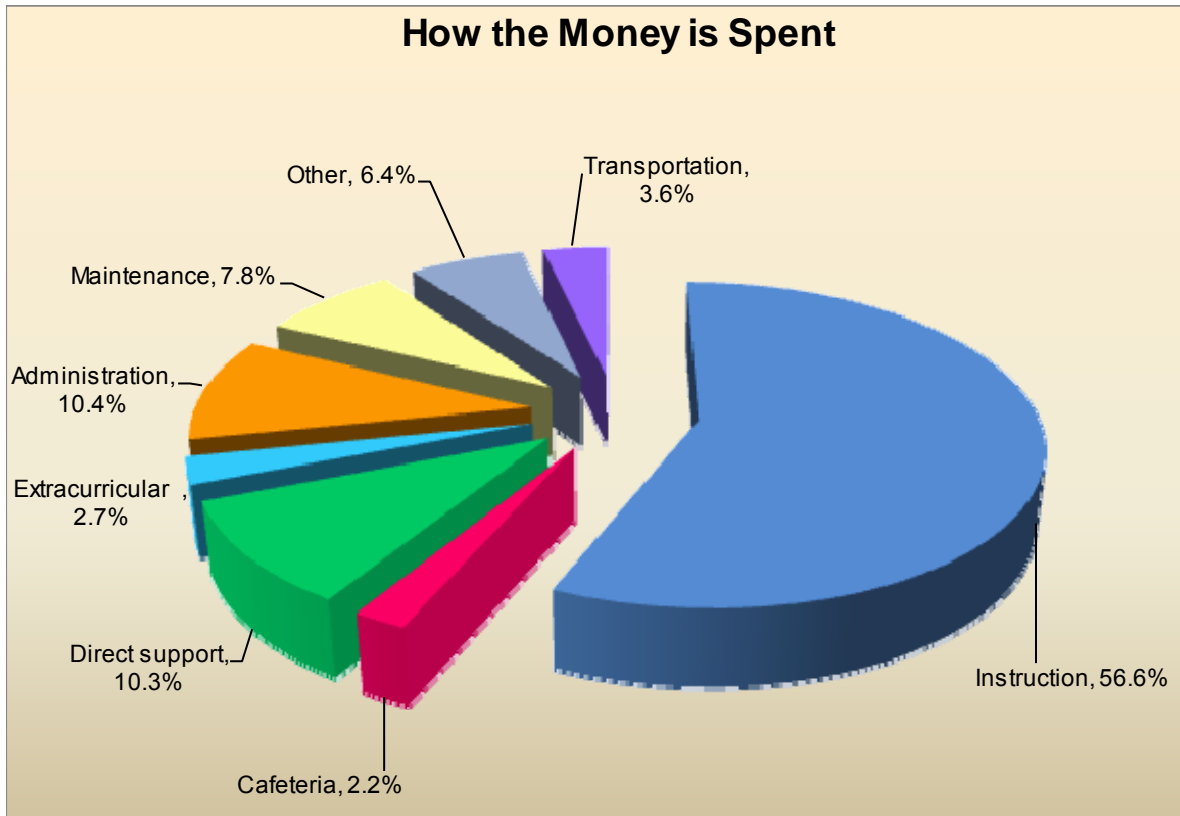
**Table 2**  
**Changes in Net Position**

	2017	2016
Revenues		
Program revenues		
Charges for services and sales	\$ 2,635,048	\$ 1,409,104
Operating grants, interest and contributions	2,728,393	2,729,075
Capital grants, interest and contributions	4,507,468	1,726,623
Total program revenues	<u>9,870,909</u>	<u>5,864,802</u>
General revenues		
Property taxes	38,036,451	52,708,697
Payments in lieu of taxes	279,142	1,751,712
Grants and entitlements not restricted to specific purposes	14,117,179	14,264,543
Investment earnings	863,808	597,240
Miscellaneous	205,987	57,786
Total general revenues	<u>53,502,567</u>	<u>69,379,978</u>
Total revenues	<u>63,373,476</u>	<u>75,244,780</u>
Program expenses		
Instruction	38,544,612	36,708,821
Supporting services		
Pupil and instructional staff	7,051,275	6,391,489
Board of education, administration, fiscal services and business	7,082,225	6,922,674
Operation and maintenance	5,281,063	6,531,521
Pupil transportation	2,461,685	2,775,744
Central services	1,508,474	1,585,301
Operation of non-instructional services		
Food service operation	1,501,344	1,671,826
Community services	252,276	188,730
Extracurricular activities	1,832,967	1,791,145
Interest and fiscal charges	2,616,904	3,604,788
Total expenses	<u>68,132,825</u>	<u>68,172,039</u>
Increase (decrease) in net position	<u>(4,759,349)</u>	<u>7,072,741</u>
Net position at beginning of year	<u>(44,357,320)</u>	<u>(51,430,061)</u>
Net position at end of year	<u><u>\$(49,116,669)</u></u>	<u><u>\$(44,357,320)</u></u>

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2017*

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Approximately 66.9 percent of the School District's budget is used to fund instructional and direct classroom support service expenses while only 10.4 percent of the budget is spent on administrative expenses. The remaining 22.7 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.



**North Olmsted City School District**  
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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 "2016 District Profile Report (Cupp Report)", (the most recent data available), the cost per pupil among the 31 school districts within Cuyahoga County varies from a low of \$ 10,595 at Garfield Heights to a high of \$ 21,714 at Orange. North Olmsted City School's cost per pupil of \$ 14,519 was ranked the 19th lowest within the County. A comparison of some of the neighboring school districts' cost per pupil can be found in Table 3.

**Table 3**  
Cost per Pupil as of June 30, 2016  
(the most recent data available)

<u>School District</u>	<u>Cost per Pupil</u>	<u>Ranking in Cuyahoga County</u>
Bay Village	\$ 11,972	6
Berea	12,551	10
Fairview Park	10,931	4
Lakewood	12,575	10
<b>North Olmsted</b>	<b>14,519</b>	<b>19</b>
Olmsted Falls	10,966	5
Rocky River	13,370	14
Strongsville	12,208	8
Westlake	14,041	18
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.



**North Olmsted City School District**  
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**Table 4**  
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2017	2016	2017	2016
Program expenses				
Instruction	\$ 38,544,612	36,708,821	\$(31,462,838)	\$(33,569,141)
Supporting services				
Pupil and instructional staff	7,051,275	6,391,489	(6,074,440)	(5,503,843)
Board of education, administration, fiscal services and business	7,082,225	6,922,674	(7,071,782)	(6,905,913)
Operation and maintenance	5,281,063	6,531,521	(5,090,663)	(6,515,236)
Pupil transportation	2,461,685	2,775,744	(2,362,466)	(2,659,542)
Central services	1,508,474	1,585,301	(1,508,474)	(1,569,101)
Operation of non-instructional services				
Food service operation	1,501,344	1,671,826	(261,006)	(317,855)
Community services	252,276	188,730	(224,084)	(163,954)
Extracurricular activities	1,832,967	1,791,145	(1,589,259)	(1,497,864)
Interest and fiscal charges	2,616,904	3,604,788	(2,616,904)	(3,604,788)
Total expenses	<u>\$ 68,132,825</u>	<u>\$ 68,172,039</u>	<u>\$(58,261,916)</u>	<u>\$(62,307,237)</u>

The School District is heavily reliant upon local tax revenues to fund its operations. In fact, local property tax funded approximately 56.3 percent of the total expenses in 2017, compared to 77.3 percent in 2016. Grants and entitlements not restricted to specific programs funded 20.9 percent of expenses, while program revenues funded only 14.6 percent.

The primary source of general revenue is property taxes levied. In fiscal years 2017 and 2016, property taxes accounted for 71.1 and 76.2 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.

The School District's major funds are accounted for using the modified accrual basis of accounting. As of June 30, 2017, the School District's governmental funds reported combined ending fund balances of \$ 82,758,346 a decrease of \$ 27,903,693 in comparison with the prior year.

Total revenue decreased \$ 11,878,194 (15.8%) from the prior year, primarily due to decreases in taxes and payments in lieu of taxes of \$ 14,684,446 and \$ 1,472,570, respectively. The decrease in taxes revenue is due to a decrease in the amount available for advance from the County Fiscal Officer.

Total expenditures increased by \$ 18,980,350 (26.2%) over the prior year, primarily due to an increase in capital outlay of \$ 18,712,079 related to the construction of new building facilities.

**North Olmsted City School District**  
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*For the Fiscal Year Ended June 30, 2017*

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The net change in fund balance for the General Fund was a decrease of \$ 6,233,694, primarily due to decreases in taxes revenue and payments in lieu of taxes. The Classroom Facilities Fund, a major fund, had a \$ 15,715,235 decrease in fund balance due to expenditures related to construction of new building facilities.

Prudent management of operating expenses by the Administration has allowed the School District to accumulate a General Fund unrestricted cash balance of \$ 18.8 million at June 30, 2017. 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 2017, the School District amended its General Fund Budget several times. For the General Fund, the final budget basis revenue (excluding other sources) estimate was \$ 53,945,500 which was the \$ 552,500 higher than the original estimate and \$ 533,890 less than actual. The final budget basis expenditures (excluding other uses) estimate totaled \$ 59,161,928, which was \$ 715,353, above the original budget estimate. Actual expenditures were \$ 56,751,343 which was \$ 2,410,585 lower than final budget basis expenditures. The final budget basis of net other financing sources (uses) estimate totaled \$ 1,327,942, which was \$ 376,058, less than the original budget estimate. Actual net other sources (uses) were \$ 54,945 higher than final budget basis expenditures. The unencumbered ending cash balance totaled \$ 18,212,835.

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2017*

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**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 2017, the School District had \$ 40.8million invested in net capital assets. Table 5 shows fiscal 2017 values compared to fiscal 2016.

**Table 5**  
**Capital Assets**  
(Net of Accumulated Depreciation)

	2017	2016
Land	\$ 1,504,554	\$ 1,504,554
Construction in progress	26,594,140	4,368,321
Land improvements	797,280	880,534
Buildings and improvements	9,714,031	8,560,783
Furniture and equipment	915,575	1,023,754
Vehicles	1,271,897	1,443,317
Total net capital assets	<u>\$ 40,797,477</u>	<u>\$ 17,781,263</u>

During fiscal 2017, the School District purchased \$ 24,854,261 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, 2017, the School District had \$ 192,320,394 in long-term obligations, an increase of \$ 15,419,978. \$ 2,091,328 of the long-term obligations are due within one year. Table 6 shows fiscal 2017 values compared to fiscal 2016.

**Table 6**  
**Outstanding Debt Year-End**

	2017	2016
Term and serial bonds	\$ 75,590,000	\$ 79,450,000
Unamortized bond premium	5,613,702	5,960,689
Capital leases	55,016	80,191
Compensated absences	5,581,685	4,611,817
Net pension liability	105,479,991	86,797,719
Total outstanding debt	<u>\$ 192,320,394</u>	<u>\$ 176,900,416</u>

The School District's overall legal debt margin was \$ 2,295,509 which included an unvoted debt margin of \$ 777,598.

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

**North Olmsted City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2017*

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### **School District Outlook**

During fiscal years 2008 and 2009, 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.

The District is now on the downside of the current operating levy life cycle. Expenditures are exceeding operating revenues. Future operating deficits 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 can be temporarily funded with the District's cash reserves until they are exhausted in fiscal year 2021. 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). Based upon the District's Financial Forecast, the Board of Education is considering placing an operating levy on the ballot in fiscal year 2018 or 2019.

In November 2014, the residents of the North Olmsted approved an \$80.5 million capital bond levy for the purpose of constructing a new middle/high school complex. The construction project is on time and on budget. The complex is scheduled to be completed in September of 2018. The completion of this construction project will enable the District to reduce its operating and maintenance costs, and allow the Administration to reorganize and consolidate the number of buildings within the District.

### **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 thirty 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-seven years. In September 2015, 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, 26669 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).

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NORTH OLMSTED CITY SCHOOL DISTRICT

STATEMENT OF NET POSITION

JUNE 30, 2017

	Governmental Activities
<b>Assets</b>	
Equity in pooled cash	\$ 84,306,907
Accounts receivable and other	533,470
Intergovernmental receivables	298,358
Inventories and supplies	36,882
Prepaid expenses	119,193
Taxes receivable	44,456,857
Capital assets	
Nondepreciable capital assets	28,098,694
Depreciable capital assets	12,698,783
<b>Total assets</b>	<b>170,549,144</b>
<b>Deferred outflow s of resources</b>	
Pension	19,217,318
<b>Total deferred outflow s of resources</b>	<b>19,217,318</b>
<b>Liabilities</b>	
Accounts and contracts payable	\$ 662,099
Accrued salaries, wages and benefits	6,198,846
Accrued interest payable	538,823
Claims payable	817,200
Intergovernmental payable	1,021,262
Long-term liabilities	
Due within one year	2,091,328
Net pension liability	105,479,991
Due in more than one year	84,749,075
<b>Total liabilities</b>	<b>201,558,624</b>
<b>Deferred inflow s of resources</b>	
Property taxes levied for next year	36,142,215
Pension	1,182,292
<b>Total deferred inflow s of resources</b>	<b>37,324,507</b>
<b>Net position</b>	
Net investment in capital assets	17,697,879
Restricted for:	
Debt service	2,513,577
Capital projects	2,164,921
Set-asides	223,073
Food service	210,418
Extracurricular activities	186,259
State grants	44,022
Federal grants	252
Self insurance	970,036
Unrestricted	(73,127,106)
<b>Total net position</b>	<b>\$ (49,116,669)</b>

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2017

		Program Revenues			Net (Expense)
	Expenses	Charges for Services and Sales	Operating Grants, Interest and Contributions	Capital Grants and Contributions	Revenues and Changes in Net Position
Governmental activities:					
Instruction					
Regular	\$ 28,144,081	\$ 351,848	\$ 881,531	\$ 4,383,441	\$ (22,527,261)
Special	9,536,532	1,464,954	-	-	(8,071,578)
Vocational	425,760	-	-	-	(425,760)
Other instruction	438,239	-	-	-	(438,239)
Supporting services					
Pupil	5,927,514	-	883,009	-	(5,044,505)
Instructional staff	1,123,761	-	93,826	-	(1,029,935)
Board of education	306,919	-	-	-	(306,919)
Administration	5,119,468	-	-	-	(5,119,468)
Fiscal services	1,455,330	10,443	-	-	(1,444,887)
Business	200,508	-	-	-	(200,508)
Operation and maintenance	5,281,063	66,373	-	124,027	(5,090,663)
Pupil transportation	2,461,685	85,271	13,948	-	(2,362,466)
Central services	1,508,474	-	-	-	(1,508,474)
Operation of non-instructional services					
Food service operation	1,501,344	412,451	827,887	-	(261,006)
Community services	252,276	-	28,192	-	(224,084)
Extracurricular activities	1,832,967	243,708	-	-	(1,589,259)
Interest and fiscal charges	2,616,904	-	-	-	(2,616,904)
Total	<u>\$ 68,132,825</u>	<u>\$ 2,635,048</u>	<u>\$ 2,728,393</u>	<u>\$ 4,507,468</u>	<u>(58,261,916)</u>

General revenues

Property taxes levied for:

General purposes	33,601,251
Debt service	3,566,666
Capital improvements	868,534
Payments in lieu of taxes	279,142

Grants and entitlements not

restricted to specific purposes	14,117,179
Investment earnings	863,808
Miscellaneous	205,987

Total general revenues

53,502,567

Change in net position

(4,759,349)

Net position at beginning of year

(44,357,320)

Net position at end of year

\$ (49,116,669)

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT

BALANCE SHEET -  
GOVERNMENTAL FUNDS

JUNE 30, 2017

	General Fund	Classroom Facilities	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Equity in pooled cash	\$ 18,789,262	\$ 47,485,725	\$ 16,021,611	\$ 82,296,598
Restricted cash	223,073	-	-	223,073
Receivables, net of allowance				
Taxes, current	38,762,837	-	4,922,720	43,685,557
Taxes, delinquent	684,400	-	86,900	771,300
Accounts and other	533,470	-	-	533,470
Intergovernmental receivables	-	-	298,358	298,358
Interfund receivables	614,080	-	-	614,080
Inventories and supplies	-	-	36,882	36,882
Prepaid items	119,193	-	-	119,193
<b>Total assets</b>	<b>\$ 59,726,315</b>	<b>\$ 47,485,725</b>	<b>\$ 21,366,471</b>	<b>\$ 128,578,511</b>
<b>Liabilities</b>				
Accounts and contracts payable	\$ 260,594	\$ 187,223	\$ 214,282	\$ 662,099
Accrued salaries, wages and benefits	5,989,300	-	209,546	6,198,846
Intergovernmental payable	958,338	-	62,924	1,021,262
Interfund payable	-	-	614,080	614,080
Matured compensated absences	405,381	-	4,982	410,363
<b>Total liabilities</b>	<b>7,613,613</b>	<b>187,223</b>	<b>1,105,814</b>	<b>8,906,650</b>
<b>Deferred inflows of resources</b>				
Property taxes levied for next year	32,776,986	-	4,136,529	36,913,515
<b>Total deferred inflows of resources</b>	<b>32,776,986</b>	<b>-</b>	<b>4,136,529</b>	<b>36,913,515</b>
<b>Fund balances (deficits)</b>				
Nonspendable	119,193	-	36,882	156,075
Restricted	-	47,298,502	16,431,887	63,730,389
Committed	487,073	-	-	487,073
Assigned	510,509	-	-	510,509
Unassigned	18,218,941	-	(344,641)	17,874,300
<b>Total fund balances (deficits)</b>	<b>19,335,716</b>	<b>47,298,502</b>	<b>16,124,128</b>	<b>82,758,346</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 59,726,315</b>	<b>\$ 47,485,725</b>	<b>\$ 21,366,471</b>	<b>\$ 128,578,511</b>

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, 2017

Total governmental fund balances			\$ 82,758,346
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.			40,797,477
Other long-term assets are not available to pay for current period expenditures and therefore are deferred inflow s in the funds.			
Property taxes receivable			771,300
Unamortized premiums on bonds issued are not recognized in the funds.			(5,613,702)
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.			(538,823)
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflow s/outflow s are not reported in governmental funds			
Deferred outflow s - pension	19,217,318		
Deferred inflow s - pension	(1,182,292)		
Net pension liability	(105,479,991)		
			(87,444,965)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:			
Compensated absences payable	(5,171,322)		
Bonds payable	(75,590,000)		
Capital lease payable	(55,016)		
			(80,816,338)
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.			970,036
Net position of governmental activities			<u>\$ (49,116,669)</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, 2017

	General Fund	Classroom Facilities	Governmental Funds	Governmental Funds
Revenue				
Taxes	\$ 33,636,851	\$ -	\$ 4,438,500	\$ 38,075,351
Payments in lieu of taxes	279,142	-	-	279,142
Tuition and fees	847,874	-	-	847,874
Interest	196,430	530,473	136,905	863,808
Intergovernmental	13,720,944	4,383,441	3,248,655	21,353,040
Charges for services	3,368	-	400,329	403,697
Extracurricular	127,414	-	243,708	371,122
Other	1,208,599	-	12,398	1,220,997
Total revenues	<u>50,020,622</u>	<u>4,913,914</u>	<u>8,480,495</u>	<u>63,415,031</u>
Expenditures				
Current				
Instruction				
Regular	25,730,933	-	991,748	26,722,681
Special	8,913,576	-	-	8,913,576
Vocational	383,223	-	-	383,223
Other instruction	432,510	-	-	432,510
Supporting services				
Pupil	4,760,521	-	905,208	5,665,729
Instructional staff	962,006	-	93,997	1,056,003
Board of education	305,867	-	-	305,867
Administration	3,736,509	-	5,448	3,741,957
Fiscal services	1,403,511	40,800	8,918	1,453,229
Business	179,793	-	52,142	231,935
Operation and maintenance	3,582,631	-	340,678	3,923,309
Pupil transportation	2,224,917	-	14,338	2,239,255
Central services	1,467,563	-	27,825	1,495,388
Operation of non-instructional services				
Food service operation	76,929	-	1,376,390	1,453,319
Community services	22,164	-	207,122	229,286
Extracurricular activities	1,487,169	-	250,438	1,737,607
Capital outlay	-	20,585,349	3,543,282	24,128,631
Debt service				
Principal	285,175	-	3,600,000	3,885,175
Interest	49,319	-	3,270,725	3,320,044
Total expenditures	<u>56,004,316</u>	<u>20,626,149</u>	<u>14,688,259</u>	<u>91,318,724</u>
Excess (deficiency) of revenues over expenditures	<u>(5,983,694)</u>	<u>(15,712,235)</u>	<u>(6,207,764)</u>	<u>(27,903,693)</u>
Other financing sources (uses)				
Transfers-in	-	-	250,000	250,000
Transfers-out	(250,000)	-	-	(250,000)
Total other financing sources (uses)	<u>(250,000)</u>	<u>-</u>	<u>250,000</u>	<u>-</u>
Net change in fund balances	(6,233,694)	(15,712,235)	(5,957,764)	(27,903,693)
Fund balances, beginning of year	<u>25,569,410</u>	<u>63,010,737</u>	<u>22,081,892</u>	<u>110,662,039</u>
Fund balances, end of year	<u>\$ 19,335,716</u>	<u>\$ 47,298,502</u>	<u>\$ 16,124,128</u>	<u>\$ 82,758,346</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, 2017

Net change in fund balances - total governmental funds			\$ (27,903,693)
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	\$ 24,077,498	
	Depreciation expense	<u>(1,061,284)</u>	
			23,016,214
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
	Property taxes	(38,900)	
	Miscellaneous revenues	(69,028)	
	Intergovernmental receivables	<u>(45,963)</u>	
			(153,891)
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			
			3,885,175
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expense is reported when due. The following items resulted in additional interest being reported in the statement of activities:			
	(Increase) decrease in accrued interest payable	356,153	
	Amortization of bond premiums	<u>346,987</u>	
			703,140
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of activities reports these amounts as deferred outflows.			
			4,749,681
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.			
			(7,840,931)
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		(1,003,882)
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.			
			<u>(211,162)</u>
Change in net position of governmental activities			<u><u>\$ (4,759,349)</u></u>

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, 2017

	Budget Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Taxes	\$ 37,850,000	\$ 38,120,000	\$ 38,731,146	\$ 611,146
Payment in lieu of taxes	600,000	200,000	-	(200,000)
Tuition and fees	1,037,000	1,043,000	848,424	(194,576)
Interest	150,000	170,000	196,430	26,430
Extracurricular	-	-	42,942	42,942
Intergovernmental	13,662,000	13,643,500	13,713,398	69,898
Other	94,000	769,000	947,050	178,050
Total revenues	53,393,000	53,945,500	54,479,390	533,890
Expenditures				
Current				
Instruction				
Regular	26,868,588	26,895,690	25,890,338	1,005,352
Special	8,998,110	9,159,954	9,055,957	103,997
Vocational	387,797	387,100	382,303	4,797
Other instruction	394,687	461,500	432,649	28,851
Supporting services				
Pupil	4,802,407	4,936,426	4,765,112	171,314
Instructional staff	1,101,595	1,114,753	980,599	134,154
Board of education	457,609	510,898	408,720	102,178
Administration	3,783,475	3,950,682	3,813,895	136,787
Fiscal services	1,471,557	1,584,113	1,442,952	141,161
Business	204,843	204,111	180,596	23,515
Operation and maintenance	3,922,355	3,897,004	3,687,615	209,389
Pupil transportation	2,421,275	2,483,985	2,304,862	179,123
Central services	1,641,275	1,642,897	1,536,292	106,605
Operation of non-instructional				
Food service operation	83,307	80,200	79,056	1,144
Community services	26,300	26,165	24,370	1,795
Extracurricular activities	1,574,095	1,519,150	1,458,837	60,313
Debt service				
Principal	260,000	260,000	260,000	-
Interest and fiscal charges	47,300	47,300	47,190	110
Total expenditures	58,446,575	59,161,928	56,751,343	2,410,585
Excess (deficiency) of revenues over expenditures	(5,053,575)	(5,216,428)	(2,271,953)	2,944,475
Other financing sources (uses)				
Transfers-in	1,565,000	1,464,000	1,464,000	-
Advances-in	509,000	509,000	508,946	(54)
Refund prior year expenditure	290,000	290,000	299,021	9,021
Advances-out	(525,000)	(675,000)	(639,080)	35,920
Transfers-out	(135,000)	(260,058)	(250,000)	10,058
Total other financing sources (uses)	1,704,000	1,327,942	1,382,887	54,945
Net change in fund balance	(3,349,575)	(3,888,486)	(889,066)	2,999,420
Fund balance, beginning of year	18,463,624	18,463,624	18,463,624	-
Prior year encumbrances appropriated	638,277	638,277	638,277	-
Fund balance, end of year	\$ 15,752,326	\$ 15,213,415	\$ 18,212,835	\$ 2,999,420

See accompanying notes to the basic financial statements.

NORTH OLMSTED CITY SCHOOL DISTRICT  
STATEMENT OF FUND NET POSITION -  
INTERNAL SERVICE FUND  
JUNE 30, 2017

	<u>Self Insurance</u>
Assets	
Current assets	
Equity in pooled cash	\$ 1,787,236
Total assets	<u>1,787,236</u>
Liabilities	
Current liabilities	
Claims payable	<u>817,200</u>
Total liabilities	<u>817,200</u>
Net position	
Unrestricted	<u><u>\$ 970,036</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, 2017

	<u>Self Insurance</u>
Operating revenues	
Charges for services	<u>\$ 8,476,848</u>
Operating expenses	
Purchased services	1,185,569
Claims	<u>7,502,441</u>
Total operating expenses	<u>8,688,010</u>
Operating loss	(211,162)
Net position, beginning of year	<u>1,181,198</u>
Net position, end of year	<u><u>\$ 970,036</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, 2017

	<u>Self Insurance</u>
Cash flows from operating activities	
Cash received from interfund services	\$ 8,476,848
Cash payments for claims	(7,321,541)
Cash payments for goods and services	(1,185,569)
Net cash used in operating activities	<u>(30,262)</u>
Net decrease in cash and cash equivalents	(30,262)
Cash and cash equivalents, beginning of year	<u>1,817,498</u>
Cash and cash equivalents, end of year	<u><u>\$ 1,787,236</u></u>

Reconciliation of operating income to net cash  
used in operating activities:

Operating loss	<u>\$ (211,162)</u>
Adjustments	
Increase in claims payable	180,900
Total adjustments	<u>180,900</u>
Net cash used in operating activities	<u><u>\$ (30,262)</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, 2017

	Agency Fund
Assets	
Equity in pooled cash and equivalents	\$ 128,467
Total assets	\$ 128,467
Liabilities	
Accounts payable	\$ 2,415
Due to students	126,052
Total liabilities	\$ 128,467

See accompanying notes to the basic financial statements.



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NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2017

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, 2016 was 3,838. The School District employs 325 certificated and 248 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, the Ohio Schools Council, and the Northern Buckeye Education 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, 2017

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, 2017

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 are the School District's major governmental funds:

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

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

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

Proprietary Fund

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

Internal Service Fund – The Internal Service Fund accounts for the financing of services provided by one department or agency to other departments or agencies of the School District on a cost reimbursement basis. The School District's only internal service fund accounts for 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, 2017

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, 2017

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 represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding and for pension. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension are explained in Note 11.

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, pension, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2016, but which were levied to finance fiscal year 2017 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the School District, unavailable revenue includes delinquent property taxes, intergovernmental grants, and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 11)

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, 2017

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. During fiscal year 2017, interest revenue credited to the General Fund amounted to \$ 196,430, of which \$ 16,811 was assigned from other funds; interest revenue credited to the Building Fund amounted to \$ 128,972, of which \$ 17,572 was assigned from other funds and interest revenue credited to the Classroom Facilities Fund amounted to \$ 498,639, of which \$ 31,834 was assigned from other funds.

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

During fiscal year 2017, investments were limited to Federal Home Loan Bank (FHLB) securities, Federal Farm Credit Bank (FFCB) securities, Federal Home Loan Mortgage Corporation (FHLMC) securities, Federal National Mortgage Association (FNMA) securities, commercial paper, U.S. treasury notes, U.S. government money market mutual funds and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio).

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. CASH AND INVESTMENTS (continued)

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

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

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. PREPAID EXPENSES

Payments made to vendors for services that will benefit periods beyond the current year-end are recorded as prepaid expenses using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

J. 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.

K. 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 acquisition 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:

Asset	Estimated useful life
Land improvements	25 - 30 years
Buildings	60 - 80 years
Building improvements	25 years
Furniture and equipment	8 - 35 years
Vehicles	15 years



NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. INTERFUND BALANCES

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

M. 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.

N. 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.

O. 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 \$ 6,312,558 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, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P. 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, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Q. 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.

R. PENSIONS

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

S. 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.

T. 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

For fiscal year 2017, the School District implemented Governmental Accounting Standards Board (GASB) Statement No. 77, "Tax Abatement Disclosures," GASB Statement No. 78, "Pensions Provided through Certain Multiple Employer Defined Benefit Pension Plan," and GASB Statement No. 80, "Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14,"

GASB Statement No. 77, "Tax Abatement Disclosures." The objective of this Statement is to provide financial statement users with essential information about the nature and magnitude of the reduction in tax revenues through tax abatement programs. The School District incorporated the corresponding GASB Statement No 77 guidance into their fiscal year 2017 financial statements; however, there is no effect on the beginning net position.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLES (continued)

GASB Statement No 78, "Pensions Provided through Certain Multiple Employer Defined Benefit Pension Plan." The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68, Accounting and Financial Reporting for Pensions. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions. The implementation of GASB Statement No. 78 did not have an effect on the financial statements of the School District.

GASB Statement No. 80, "Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14." This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The implementation of GASB No. 80 did not have an effect on the financial statements of the School District.

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 restricted, committed or assigned fund balance (GAAP basis).

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

Net Change in Fund Balance	
	General Fund
Budget basis	\$ (889,066)
Adjustments, increase (decrease)	
Revenue accruals	(5,455,111)
Expenditure accruals	1,406,576
Funds budgeted elsewhere **	(1,562,420)
Encumbrances	266,327
GAAP basis, as reported	<u>\$ (6,233,694)</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, 2017

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:

Fund balances	General Fund	School Facilities Fund	Nonmajor Governmental Funds	Total
<b>Nonspendable</b>				
Inventory	\$ -	\$ -	\$ 36,882	\$ 36,882
Prepaid items	119,193	-	-	119,193
Total nonspendable	<u>119,193</u>	<u>-</u>	<u>36,882</u>	<u>156,075</u>
<b>Restricted</b>				
Food service operations	-	-	208,487	208,487
Classroom facilities and maintenance	-	-	975,220	975,220
Athletics	-	-	186,259	186,259
Non-public schools	-	-	9,175	9,175
Data communications	-	-	36,675	36,675
Other purposes	-	-	252	252
Debt service	-	-	2,983,700	2,983,700
Capital improvements	-	47,298,502	12,032,119	59,330,621
Total restricted	<u>-</u>	<u>47,298,502</u>	<u>16,431,887</u>	<u>63,730,389</u>
<b>Committed</b>				
27th pay reserve	264,000	-	-	264,000
Other purposes	223,073	-	-	223,073
Total committed	<u>487,073</u>	<u>-</u>	<u>-</u>	<u>487,073</u>
<b>Assigned</b>				
Student instruction	61,991	-	-	61,991
Student and staff support	443,268	-	-	443,268
Other	5,250	-	-	5,250
Total assigned	<u>510,509</u>	<u>-</u>	<u>-</u>	<u>510,509</u>
<b>Unassigned (deficit)</b>	<u>18,218,941</u>	<u>-</u>	<u>(344,641)</u>	<u>17,874,300</u>
<b>Total fund balances</b>	<u>\$ 19,335,716</u>	<u>\$ 47,298,502</u>	<u>\$ 16,124,128</u>	<u>\$ 82,758,346</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2017

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, 2017

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 \$ 5,834,792 and the bank balance was \$ 6,444,821. Of the bank balance, \$ 500,000 was covered by federal depository insurance and \$ 5,944,821 was uninsured. Of the remaining balance \$ 5,944,821 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 \$ 2,091 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, 2017, the School District had the following investments:

	Fair Value	Investment Maturities		
		Less than 1 year	1 - 2 years	3 years and longer
STAR Ohio	\$ 7,412,691	\$ 7,412,691	\$ -	\$ -
Money Market	257,622	257,622		
Commercial paper	28,400,822	28,400,822	-	-
Federal Agency Notes and Discount Notes	42,527,356	23,845,611	14,120,750	4,560,995
	<u>\$ 78,598,491</u>	<u>\$ 59,916,746</u>	<u>\$ 14,120,750</u>	<u>\$ 4,560,995</u>

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above table identifies the School District's recurring fair value measurements as of June 30, 2017. As discussed further in Note 1G, STAR Ohio is reported at its share price. All other investments of the School District are valued using quoted market prices (Level 1 inputs).

D. INTEREST RATE RISK

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

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 AA+ by Standard and Poor's and is an authorized investment under the Ohio Revised Code. Commercial paper of \$ 7,359,912 and \$ 21,040,910 carries a rating of A-1+ and A-1, respectively, by Standard and Poor's. The Federal agency notes and the Federal agency discount notes are rated AA+ and A-1+, respectively, by Standard and Poor's.

F. CONCENTRATION OF CREDIT RISK

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

	Fair Value	Percentage of Investments
STAR Ohio	\$ 7,412,691	9.43%
Money Market	257,622	0.33%
Commerical paper	28,400,822	36.13%
Federal Agency Notes and Discount Notes	42,527,356	54.11%
	<u>\$ 78,598,491</u>	<u>100.00%</u>

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 2017 represents collections of calendar year 2016 taxes. Real property taxes received in calendar year 2017 were levied after April 1, 2016, on the assessed value listed as of January 1, 2016, 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 2017 represents collections of calendar year 2016 taxes. Public utility real and tangible personal property taxes received in calendar year 2017 became a lien December 31, 2015, were levied after April 1, 2016 and are collected in 2016 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.



NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 6 - PROPERTY TAXES (continued)**

Tangible personal property tax revenue received during calendar 2017 (other than public utility property tax) represents the collection of 2017 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 2017 were levied after October 1, 2016, on the value as of December 31, 2016. 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.

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, 2017, are available to finance fiscal year 2017 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, 2017 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, 2017, was \$ 6,670,251 in the General Fund, \$ 688,191 in the Bond Retirement Fund and \$ 184,900 in the Permanent Improvements Fund. The amount available as an advance at June 30, 2016, was \$ 11,764,546 in the General Fund, \$ 1,213,901 in the Bond Retirement Fund and \$ 326,113 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 2017 taxes were collected are:

	2016 First Half Collections		2017 First Half Collections	
	Amount	%	Amount	%
Agricultural Residential				
Real Estate	\$ 522,085,730	67.07 %	\$ 521,895,150	67.12 %
Other Commercial	240,462,420	30.89	238,946,490	30.73
Public Utility Tangible	15,858,060	2.04	16,756,660	2.15
	<u>\$ 778,406,210</u>	<u>100.00 %</u>	<u>\$ 777,598,300</u>	<u>100.00 %</u>
Tax Rate per \$ 1,000 of Assessed Valuation:	<u>\$ 96.90</u>		<u>\$ 96.90</u>	

**NOTE 7 - RECEIVABLES**

Receivables at June 30, 2017, 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, 2017

NOTE 8 - CAPITAL ASSETS

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

	Balance June 30, 2016	Additions	Disposals	Balance June 30, 2017
Governmental Activities				
Nondepreciable capital assets				
Land	\$ 1,504,554	\$ -	\$ -	\$ 1,504,554
Construction in progress	4,368,321	24,726,805	2,500,986	26,594,140
Total nondepreciable capital assets	<u>5,872,875</u>	<u>24,726,805</u>	<u>2,500,986</u>	<u>28,098,694</u>
Depreciable capital assets				
Land improvements	1,574,609	-	212,065	1,362,544
Buildings and improvements	21,844,536	2,500,986	1,828,512	22,517,010
Furniture and equipment	3,216,945	89,324	339,639	2,966,630
Vehicles	3,223,202	38,132	274,465	2,986,869
Total capital assets being depreciated	<u>29,859,292</u>	<u>2,628,442</u>	<u>2,654,681</u>	<u>29,833,053</u>
Less accumulated depreciation				
Land improvements	694,075	59,646	188,457	565,264
Buildings and improvements	13,283,753	661,423	1,142,197	12,802,979
Furniture and equipment	2,193,191	133,817	275,953	2,051,055
Vehicles	1,779,885	206,398	271,311	1,714,972
Total accumulated depreciation	<u>17,950,904</u>	<u>1,061,284</u>	<u>1,877,918</u>	<u>17,134,270</u>
Depreciable capital assets, net of accumulated depreciation	<u>11,908,388</u>	<u>1,567,158</u>	<u>776,763</u>	<u>12,698,783</u>
Governmental activities capital assets, net	<u>\$ 17,781,263</u>	<u>\$ 26,293,963</u>	<u>\$ 3,277,749</u>	<u>\$ 40,797,477</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	
Regular	\$ 233,609
Special	32,238
Vocational	15,976
Supporting services	
Pupil	733
Instructional staff	24,209
Administration	32,021
Fiscal	2,785
Business	4,683
Operation and maintenance of plant	367,909
Pupil transportation	190,782
Central services	29,208
Operation of non-instructional services	
Food service	12,764
Auxiliary services	4,058
Extracurricular activities	110,309
Total depreciation expense	<u>\$ 1,061,284</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
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**NOTE 9 - INTERFUND ASSETS/LIABILITIES**

On the fund financial statements at June 30, 2017, interfund balances consisted of the following:

	Receivable	Payable
General Fund	\$ 614,080	\$ -
Nonmajor governmental funds	-	614,080
	<u>\$ 614,080</u>	<u>\$ 614,080</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. All interfund balances are expected to be repaid within one year.

**NOTE 10 - RISK MANAGEMENT**

**A. PROPERTY AND LIABILITY**

The 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 2017, the District contracted with Liberty Mutual Insurance for property, liability and auto insurance. General liability coverage is \$ 1 million per occurrence, \$ 2 million aggregate with a \$ 5 million supplemental umbrella policy. 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 \$ 75,000 are maintained for the Superintendent and Board President and \$ 100,000 for the Treasurer from Ohio Casualty Insurance Company. The District provides life insurance, disability and accidental death and dismemberment insurance to its employees, through ReliaStar Life Insurance Company.

**B. WORKERS' COMPENSATION**

The 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 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, 2017

NOTE 10 - RISK MANAGEMENT (continued)

C. EMPLOYEE MEDICAL BENEFITS

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

The claim liability of \$ 817,200, reported at June 30, 2017 was estimated by Medical Mutual of Ohio and is based on the requirements of Governmental Standards Board Statement No. 10, 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, 2017 and 2016 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, 2017	June 30, 2016
Unpaid claims, beginning of year	\$ 636,300	\$ 572,000
Incurred claims	7,502,441	7,270,066
Claims payments	(7,321,541)	(7,205,766)
Unpaid claims, end of year	<u>\$ 817,200</u>	<u>\$ 636,300</u>

NOTE 11 - DEFINED BENEFIT PENSION PLANS

A. NET PENSION LIABILITY

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

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 11 - DEFINED BENEFIT PENSION PLANS (continued)

A. NET PENSION LIABILITY (continued)

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

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

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

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

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

Age and service requirements for retirement are as follows:

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

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 11 - DEFINED BENEFIT PENSION PLANS (continued)

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

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

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

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2017, the allocation to pension, death benefits, and Medicare B was 14 percent.

The School District's contractually required contribution to SERS was \$ 1,140,722 for fiscal year 2017. Of this amount \$ 18,543 is reported as an intergovernmental payable.

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

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

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

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 11 - DEFINED BENEFIT PENSION PLANS (continued)

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

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

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

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

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

The School District's contractually required contribution to STRS was \$ 3,608,959 for fiscal year 2017. Of this amount \$ 732,420 is reported as an intergovernmental payable.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 11 - DEFINED BENEFIT PENSION PLANS (continued)

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

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on the School District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate share of the net pension liability	\$ 20,761,924	\$ 84,718,067	\$ 105,479,991
Pension expense	\$ 1,666,517	\$ 6,174,414	\$ 7,840,931
Proportion of the net pension liability prior measurement date	0.2851012%	0.25519910%	
Proportion of the net pension liability current measurement date	<u>0.2836686%</u>	<u>0.25309363%</u>	
	<u>-0.001433%</u>	<u>-0.00210547%</u>	

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 280,032	\$ 3,423,017	\$ 3,703,049
Net difference between projected and actual earnings on pension plan investments	1,712,556	7,033,874	8,746,430
Changes in assumptions	1,385,972	-	1,385,972
Changes in proportionate share and difference between School District contributions and proportionated share of contributions	-	632,186	632,186
School District contributions subsequent to the measurement date	1,140,722	3,608,959	4,749,681
Total deferred outflows of resources	<u>\$ 4,519,282</u>	<u>\$ 14,698,036</u>	<u>\$ 19,217,318</u>
Deferred inflows of resources			
Changes in proportionate share and difference between School District contributions and proportionated share of contributions	\$ 686,731	\$ 495,561	\$ 1,182,292
Total deferred inflows of resources	<u>\$ 686,731</u>	<u>\$ 495,561</u>	<u>\$ 1,182,292</u>



NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 11 - DEFINED BENEFIT PENSION PLANS (continued)

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

\$ 4,749,681 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year Ending June 30:	SERS	STRS	Total
2018	\$ 545,057	\$ 1,742,479	\$ 2,287,536
2019	543,824	1,742,477	2,286,301
2020	1,241,807	4,441,578	5,683,385
2021	361,141	2,666,982	3,028,123
	<u>\$ 2,691,829</u>	<u>\$ 10,593,516</u>	<u>\$ 13,285,345</u>

E. ACTUARIAL ASSUMPTIONS - SERS

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

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

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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NOTE 11 - DEFINED BENEFIT PENSION PLANS (continued)

E. ACTUARIAL ASSUMPTIONS – SERS (continued)

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2015, are presented below:

Wage inflation	3.00 percent
Future salary increases, including inflation	3.50 percent to 18.20 percent
COLA or Ad Hoc COLA	3.00 percent
Investment rate of return	7.50 percent of net of investments expense, including inflation
Actuarial cost method	Early age normal (Level Percent of Payroll)

For post-retirement mortality, the table used in evaluating allowances to be paid is the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables are used for the period after disability retirement.

The most recent experience study was completed June 30, 2010.

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

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

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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NOTE 11 - DEFINED BENEFIT PENSION PLANS (continued)

E. ACTUARIAL ASSUMPTIONS – SERS (continued)

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
School District's proportionate share of the net pension liability	<u>\$ 27,487,494</u>	<u>\$ 20,761,924</u>	<u>\$ 15,132,343</u>

F. ACTUARIAL ASSUMPTIONS - STRS

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

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

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

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

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

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity	31.00%	8.00%
International equity	26.00%	7.85%
Alternatives	14.00%	8.00%
Fixed income	18.00%	3.75%
Real estate	10.00%	6.75%
Liquidity reserves	1.00%	3.00%
	<u>100.00%</u>	

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 11 - DEFINED BENEFIT PENSION PLANS (continued)

F. ACTUARIAL ASSUMPTIONS – STRS (continued)

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

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
School District's proportionate share of the net pension liability	<u>\$ 112,583,427</u>	<u>\$ 84,718,067</u>	<u>\$ 61,211,993</u>

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

NOTE 12 - POSTEMPLOYMENT BENEFITS

A. SCHOOL EMPLOYEES RETIREMENT SYSTEM

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 12 - POSTEMPLOYMENT BENEFITS (continued)

A. SCHOOL EMPLOYEES RETIREMENT SYSTEM (continued)

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required basic benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. For fiscal year 2017, 0 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. For fiscal year 2017, this amount was \$ 23,500. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2017, the School District's surcharge obligation was. For fiscal year 2017, the School District's surcharge obligation was \$ 153,117.

For fiscal years 2016 and 2017, SERS did not allocate employer contributions to the Health Care Fund. The School District's contributions for health care for the fiscal year ended 2015, was, \$ 67,442. The full amount has been contributed for fiscal year 2015.

B. STATE TEACHERS RETIREMENT SYSTEM

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

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. All benefit recipients, for the most recent year, pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For fiscal years 2017, 2016 and 2017, STRS did not allocate any employer contributions to post-employment health care; therefore, the School District did not contribute to health care in the last three years.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2017

**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 Issue Date	Interest Rate	Original Issue Amount	Date of Maturity
General obligation bonds				
Energy conservation	2013	1.95%	\$ 3,315,000	2025
School Facilities Improvement Series A	2015	.8% - 3.00%	\$ 8,577,000	2018
School Facilities Improvement Series B	2015	1.5% - 5.0%	\$ 72,000,000	2049

The energy conservation bonds issued in 2013 were for the installation, modification and remodeling of school buildings to conserve energy. The school facilities improvement bonds issued in 2015 are for construction a new middle school building and a new high school building.

Changes in the School District's long-term obligations during fiscal year 2016 were as follows:

	Balance June 30, 2016	Increase	Decrease	Balance June 30, 2017	Amounts Due In One Year
General obligation bonds					
Energy conservation	\$ 2,550,000	\$ -	\$ 260,000	\$ 2,290,000	\$ 265,000
Facilities improvements	76,900,000	-	3,600,000	73,300,000	1,390,000
Total general obligation bonds	79,450,000	-	3,860,000	75,590,000	1,655,000
Unamortized bond premium	5,960,689	-	346,987	5,613,702	-
Net pension liability					
STRS	70,529,568	14,188,499	-	84,718,067	-
SERS	16,268,151	4,493,773	-	20,761,924	-
Total net pension liability	86,797,719	18,682,272	-	105,479,991	-
Capital lease	80,191	-	25,175	55,016	25,965
Compensated absences	4,611,819	1,414,245	444,379	5,581,685	410,363
Total long-term obligations	\$ 176,900,418	\$ 20,096,517	\$ 4,676,541	\$ 192,320,394	\$ 2,091,328

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 13 - LONG-TERM OBLIGATIONS (continued)

Principal and interest requirements to retire the general obligation bonds payable outstanding at June 30, 2017, are as follows:

Fiscal Year Ending	Principal	Interest	Total
2018	\$ 1,655,000	\$ 3,289,921	\$ 4,944,921
2019	1,250,000	3,268,880	4,518,880
2020	1,270,000	3,247,510	4,517,510
2021	1,295,000	3,223,244	4,518,244
2022	1,315,000	3,181,913	4,496,913
2023 - 2027	6,980,000	15,252,795	22,232,795
2028 - 2032	8,075,000	13,633,125	21,708,125
2033 - 2037	10,900,000	11,265,000	22,165,000
2038 - 2042	14,600,000	8,102,500	22,702,500
2043 - 2047	19,200,000	3,982,000	23,182,000
2048 - 2049	9,050,000	365,000	9,415,000
Totals	<u>\$ 75,590,000</u>	<u>\$ 68,811,888</u>	<u>\$ 144,401,888</u>

The School District's overall legal debt margin was \$ 2,295,509, which included an unvoted debt margin of \$ 777,598.

Bonds payable were repaid from the Debt Service Fund. The government pays obligations related to employee compensation from the fund benefitting from their service.

NOTE 14 - CAPITAL LEASE

The School District has entered into a lease agreement for copiers. The lease agreement meets the criteria of a capital lease for accounting purposes and, therefore has been recorded at the present value of future minimum lease payments as of the inception date.

Capital assets acquired by lease have been capitalized and depreciated as follows:

	Cost	Depreciation	Net
Copier equipment	<u>\$ 126,317</u>	<u>\$ 73,684</u>	<u>\$ 52,633</u>

The following is a schedule of the future long-term minimum lease payments required under the capital lease and the present value of the minimum lease payments as of June 30, 2017.

	Year ending June 30,	Amount
Total future minimum lease payments	2018	\$ 27,303
	2019	27,303
	2020	2,275
		<u>56,881</u>
Less amount representing interest		(1,865)
Net present value of minimum lease payments		<u>\$ 55,016</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 15 - JOINTLY GOVERNED ORGANIZATION

A. NORTHERN BUCKEYE EDUCATION COUNCIL

The Northern Buckeye Education Council (the "Council") is a 40 entity consortium organized under Chapter 167 of the Ohio Revised Code as a not-for profit Council of Governments and is directed by a thirteen member Board of Directors. The purpose of the Council is to provide educational entities in greater northwestern Ohio access to a variety of cooperative administrative services thereby reducing the cost of obtaining these services. Currently the Council provides data processing and internet access services through its Northwest Ohio Computer Association (NWOCA) subsidiary; assists in the preparation of financial reports and offers in-service training sessions to employees of its member entities.

Financial information can be obtained by contacting the Council at 209 Nolan Parkway, P.O. Box 407, Archbold, Ohio 43502. During the year ended June 30, 2017, the School District paid \$ 136,910 to the Council.

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.

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, 26669 Butternut Ridge Road, North Olmsted, Ohio 44070.



NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2017

NOTE 15 - JOINTLY GOVERNED ORGANIZATION (continued)

D OHIO SCHOOLS COUNCIL

The Ohio Schools Council Association (Council) is a jointly governed organization among 201 school districts, educational service centers, and developmental disabilities boards in 33 Ohio. The organization was formed to purchase quality products and services at the lowest possible cost to its members. The Council's Board consists of seven superintendents of the participating organizations whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2017 the School District paid \$ 1,501 to the Council in annual membership and other fees. Financial information can be obtained by contacting William J. Zelei, the Executive Director/Treasurer of the Ohio Schools Council at 6393 Oak Tree Boulevard, Suite 377, Independence, Ohio 44131.

The School District participates in the Council's natural gas purchase program. This program allows the School District to purchase natural gas at reduced rates. Compass Energy Gas Services is the natural gas supplier and program manager. There are currently 154 participants in the program. The participants make equal monthly payments based on estimated usage. Each September, these estimated payments are compared to their actual usage for the year (July to June). Participants that paid more in estimated billings than their actual usage can request a refund or are issued a credit on future billings. Participants that did not pay enough on estimated billings are invoiced for the difference.

The School District also participates in the Council's Power for Schools electricity discount program. This program allows the School District to purchase electricity directly from the Cleveland Electric Illuminating Co, at a fixed rate of \$0.0602 per kwh until June 2017 when the rate is decreased to \$0.0518 per kwh for the next 18 month. There are currently 251 participants in the program. No administration fee is charged by the Council to participate in this program.

NOTE 16 - INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2017 consisted of the following:

Transfer to:	Transfer from:
Nonmajor	General Fund
governmental funds	\$ 250,000
Total transfers-out	\$ 250,000

Transfers from the General Fund were to provide for payment of expenditures in the Food Service Fund and the Athletics Fund.

NOTE 17 - 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, 2017.

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2017

**NOTE 18 - FOUNDATION FUNDING**

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

**NOTE 19 - 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 2017.

	Capital Maintenance	Budget Stabilization
Set-aside reserve balances as of June 30, 2016	\$ -	\$ 223,073
Set-aside balance carried forward	-	-
Current year set-aside requirement	663,622	-
Qualifying offsets and disbursements	(1,214,532)	-
Total	<u>\$ (550,910)</u>	<u>\$ 223,073</u>
Set-aside balance carried forward to future fiscal years	<u>\$ -</u>	<u>\$ -</u>
	<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, 2017

**NOTE 20 – COMPLIANCE AND ACCOUNTABILITY**

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

Special Revenue Funds:		
Title VIB	\$	145,392
Limited English Proficiency	\$	8,263
Title I	\$	180,746
Preschool	\$	2,886
Title II-A	\$	7,354

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 21 – CONTRACTUAL COMMITMENTS**

At June 30, 2017 the School District had contractual commitments for the following:

Project	Estimated Total Cost	Expended To Date	Outstanding Commitments
School buildings construction	<u>\$89,565,000</u>	<u>\$29,350,751</u>	<u>\$60,214,249</u>

**NOTE 22 – TAX ABATEMENTS**

In 1992, pursuant to Ohio Revised Code 3735, the City of North Olmsted established a Community Reinvestment Area (CRA) to provide tax incentives to encourage commercial and residential new construction and building improvements.

Based upon the type of new construction and/or improvements, the City may negotiate an abatement of up to 75% or 100% of the additional property taxes resulting from the improvements, for a period of up to 10 to 15 years.

During the 2016 tax year, approximately \$ 548,000 of School District's property taxes were abated under this program.

**NOTE 23 – SIGNIFICANT SUBSEQUENT EVENTS**

On August 16, 2017, the Board of Education approved the sale of 5.3 acres of land located behind Pine elementary School for \$165,000 to the City of North Olmsted. The City will use the property for the creation of retention basin to control storm water run-off in the area.

In December 2017, the District refinanced \$ 48,275,000 of its general obligation bonds for a net savings of \$ 4.5 million in future interest payments.

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## REQUIRED SUPPLEMENTARY INFORMATION

NORTH OLMSTED CITY SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

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

LAST FOUR FISCAL YEARS (1)

	2016	2015	2014	2013
School District's proportion of the net pension liability	0.2836686%	0.2851012%	0.2982690%	0.2982690%
School District's proportionate share of the net pension liability	\$ 20,761,924	\$ 16,268,151	\$ 15,095,224	\$ 17,737,100
School District's covered-employee payroll	\$ 7,323,529	\$ 7,689,192	\$ 8,191,847	6,744,335
School District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	283.50%	211.57%	184.27%	262.99%
Plan fiduciary net position as a percentage of the total pension liability	62.98%	69.16%	71.70%	65.52%

(1) Information prior to 2013 is not available

NORTH OLMSTED CITY SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

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

LAST FOUR FISCAL YEARS (1)

	2016	2015	2014	2013
School District's proportion of the net pension liability	0.25309363%	0.25519910%	0.250795%	0.250795%
School District's proportionate share of the net pension liability	\$ 84,718,067	\$ 70,529,568	\$ 61,002,024	\$ 72,665,211
School District's covered-employee payroll	\$ 26,978,250	\$ 26,541,248	\$ 26,154,685	\$ 24,369,023
School District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	314.02%	265.74%	233.24%	298.19%
Plan fiduciary net position as a percentage of the total pension liability	66.80%	72.10%	74.70%	69.30%

(1) Information prior to 2013 is not available

NORTH OLMSTED CITY SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF THE SCHOOL DISTRICT'S CONTRIBUTIONS  
SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO  
LAST TEN FISCAL YEARS

	2017	2016	2015	2014
Contractually required contribution	<u>\$ 1,140,722</u>	<u>\$ 1,025,294</u>	<u>\$ 1,084,003</u>	<u>\$ 1,135,390</u>
Contributions in relation to the contractually required contribution	<u>(1,140,722)</u>	<u>(1,025,294)</u>	<u>(1,084,003)</u>	<u>(1,135,390)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District covered-employee payroll	\$ 8,148,014	\$ 7,323,529	\$ 8,224,609	\$ 8,191,847
Contributions as a percentage of covered-employee payroll	14.00%	14.00%	13.18%	13.86%



<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 933,416	\$ 1,053,712	\$ 931,964	\$ 1,008,253	\$ 726,876	\$ 701,045
<u>(933,416)</u>	<u>(1,053,712)</u>	<u>(931,964)</u>	<u>(1,008,253)</u>	<u>(726,876)</u>	<u>(701,045)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 6,744,335	\$ 7,834,290	\$ 7,414,193	\$ 7,446,477	\$ 7,386,951	\$ 7,138,951
13.84%	13.45%	12.57%	13.54%	9.84%	9.82%

NORTH OLMSTED CITY SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE SCHOOL DISTRICT'S CONTRIBUTIONS  
STATE TEACHERS RETIREMENT SYSTEM OF OHIO

LAST TEN FISCAL YEARS

	2017	2016	2015	2014
Contractually required contribution	<u>\$ 3,608,959</u>	<u>\$ 3,776,955</u>	<u>\$ 3,738,592</u>	<u>\$ 3,400,109</u>
Contributions in relation to the contractually required contribution	<u>(3,608,959)</u>	<u>(3,776,955)</u>	<u>(3,738,592)</u>	<u>(3,400,109)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District covered-employee payroll	\$ 25,778,279	\$ 26,978,250	\$ 26,704,226	\$ 26,154,685
Contributions as a percentage of covered-employee payroll	14.00%	14.00%	14.00%	13.00%

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 3,167,973	\$ 3,433,177	\$ 3,235,398	\$ 3,323,424	\$ 3,155,308	\$ 3,199,543
<u>(3,167,973)</u>	<u>(3,433,177)</u>	<u>(3,235,398)</u>	<u>(3,323,424)</u>	<u>(3,155,308)</u>	<u>(3,199,543)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 24,369,023	\$ 26,409,054	\$ 24,887,677	\$ 25,564,800	\$ 24,271,600	\$ 24,611,869
13.00%	13.00%	13.00%	13.00%	13.00%	13.00%

NORTH OLMSTED CITY SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2017

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

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

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

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

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

Changes in assumptions - There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2016. See the notes to the basic financial statements for the methods and assumptions in this calculation.

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**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.

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

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.

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)**

### **SPECIAL REVENUE FUNDS (continued)**

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

Miscellaneous Local Projects - This fund accounts contributions for school district programs.

Rotary Fund -To account for operations that provide goods or services on a cost-reimbursement basis.

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

Other Grants – This fund is used for various monies received from various sources

### **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 all transactions related to the acquiring, constructing, or improving facilities and/or capital assets.

Building Fund – This fund accounts for bond proceeds to be used for the acquisition, construction, or improvement of major capital facilities.



NORTH OLMSTED CITY SCHOOL DISTRICT

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2017

	Nonmajor Special Revenue Funds	Nonmajor Special Debt Service	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>				
Equity in pooled cash	\$ 1,865,564	\$ 2,295,509	\$ 11,860,538	\$ 16,021,611
Receivables, net of allowance				
Taxes, current	-	3,891,939	1,030,781	4,922,720
Taxes, delinquent	-	68,700	18,200	86,900
Intergovernmental receivables	174,331	-	124,027	298,358
Inventories and supplies	36,882	-	-	36,882
<b>Total assets</b>	<b>\$ 2,076,777</b>	<b>\$ 6,256,148</b>	<b>\$ 13,033,546</b>	<b>\$ 21,366,471</b>
<b>Liabilities</b>				
Accounts and contracts payable	\$ 76,936	\$ -	\$ 137,346	\$ 214,282
Accrued salaries, wages and benefits	209,546	-	-	209,546
Intergovernmental payable	62,924	-	-	62,924
Interfund payable	614,080	-	-	614,080
Matured compensated absences	4,982	-	-	4,982
<b>Total liabilities</b>	<b>968,468</b>	<b>-</b>	<b>137,346</b>	<b>1,105,814</b>
<b>Deferred inflows of resources</b>				
Property taxes levied for next year and unavailable resources	-	3,272,448	864,081	4,136,529
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>3,272,448</b>	<b>864,081</b>	<b>4,136,529</b>
<b>Fund balances (deficits)</b>				
Nonspendable	36,882	-	-	36,882
Restricted	1,416,068	2,983,700	12,032,119	16,431,887
Unassigned	(344,641)	-	-	(344,641)
<b>Total fund balances (deficits)</b>	<b>1,108,309</b>	<b>2,983,700</b>	<b>12,032,119</b>	<b>16,124,128</b>
<b>Total liabilities, deferred inflows of resources and fund balances (deficits)</b>	<b>\$ 2,076,777</b>	<b>\$ 6,256,148</b>	<b>\$ 13,033,546</b>	<b>\$ 21,366,471</b>

NORTH OLMSTED CITY SCHOOL DISTRICT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2017

	Nonmajor Special Revenue Funds	Nonmajor Special Debt Service	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenue				
Taxes	\$ 390,000	\$ 3,569,066	\$ 479,434	\$ 4,438,500
Interest	1,765	-	135,140	136,905
Intergovernmental	2,864,780	131,448	252,427	3,248,655
Charges for services	400,329	-	-	400,329
Extracurricular	243,708	-	-	243,708
Other	12,398	-	-	12,398
Total revenues	<u>3,912,980</u>	<u>3,700,514</u>	<u>867,001</u>	<u>8,480,495</u>
Expenditures				
Current				
Instruction				
Regular	892,442	-	99,306	991,748
Supporting services				
Pupil	905,208	-	-	905,208
Instructional staff	93,997	-	-	93,997
Administration	-	-	5,448	5,448
Fiscal services	-	-	8,918	8,918
Business	-	-	52,142	52,142
Operation and maintenance	-	-	340,678	340,678
Pupil transportation	14,338	-	-	14,338
Central services	27,825	-	-	27,825
Operation of non-instructional services				
Food service operation	1,376,390	-	-	1,376,390
Community services	207,122	-	-	207,122
Extracurricular activities	250,438	-	-	250,438
Capital outlay	-	-	3,543,282	3,543,282
Debt service				
Principal	-	3,600,000	-	3,600,000
Interest	-	3,270,725	-	3,270,725
Total expenditures	<u>3,767,760</u>	<u>6,870,725</u>	<u>4,049,774</u>	<u>14,688,259</u>
Excess (deficiency) of revenues over expenditures	<u>145,220</u>	<u>(3,170,211)</u>	<u>(3,182,773)</u>	<u>(6,207,764)</u>
Other financing sources (uses)				
Transfers-in	250,000	-	-	250,000
Total other financing sources (uses)	<u>250,000</u>	<u>-</u>	<u>-</u>	<u>250,000</u>
Net change in fund balances	395,220	(3,170,211)	(3,182,773)	(5,957,764)
Fund balances, beginning of year	<u>713,089</u>	<u>6,153,911</u>	<u>15,214,892</u>	<u>22,081,892</u>
Fund balances, end of year	<u>\$ 1,108,309</u>	<u>\$ 2,983,700</u>	<u>\$ 12,032,119</u>	<u>\$ 16,124,128</u>

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NORTH OLMSTED CITY SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2017

	Food Service	Classroom Facilities and Maintenance	Athletics	Auxiliary Service
<b>Assets</b>				
Equity in pooled cash	\$ 166,130	\$ 975,220	\$ 198,367	\$ 36,436
Intergovernmental receivables	174,331	-	-	-
Inventories and supplies	36,882	-	-	-
<b>Total assets</b>	<b>\$ 377,343</b>	<b>\$ 975,220</b>	<b>\$ 198,367</b>	<b>\$ 36,436</b>
<b>Liabilities</b>				
Accounts and contracts payable	\$ 30,566	\$ -	\$ 12,108	\$ 17,243
Accrued salaries, wages and benefits	60,049	-	-	7,863
Intergovernmental payable	36,377	-	-	2,155
Interfund payable	-	-	-	-
Matured compensated absences	4,982	-	-	-
<b>Total liabilities</b>	<b>131,974</b>	<b>-</b>	<b>12,108</b>	<b>27,261</b>
<b>Fund balances (deficits)</b>				
Nonspendable	36,882	-	-	-
Restricted	208,487	975,220	186,259	9,175
Unassigned	-	-	-	-
<b>Total fund balances (deficits)</b>	<b>245,369</b>	<b>975,220</b>	<b>186,259</b>	<b>9,175</b>
<b>Total liabilities, deferred inflows of resources and fund balances (deficits)</b>	<b>\$ 377,343</b>	<b>\$ 975,220</b>	<b>\$ 198,367</b>	<b>\$ 36,436</b>

Data Communications	Alternative Education	Title VIB	Limited English Proficiency	Title I
\$ 36,675	\$ 3,625	\$ 151,502	\$ 13,194	\$ 232,362
-	-	-	-	-
-	-	-	-	-
<u>\$ 36,675</u>	<u>\$ 3,625</u>	<u>\$ 151,502</u>	<u>\$ 13,194</u>	<u>\$ 232,362</u>
\$ -	\$ -	\$ 11,984	\$ -	\$ 2,005
-	-	43,513	4,792	93,329
-	-	2,268	1,075	20,932
-	3,625	239,129	15,590	296,842
-	-	-	-	-
<u>-</u>	<u>3,625</u>	<u>296,894</u>	<u>21,457</u>	<u>413,108</u>
-	-	-	-	-
36,675	-	-	-	-
-	-	(145,392)	(8,263)	(180,746)
<u>36,675</u>	<u>-</u>	<u>(145,392)</u>	<u>(8,263)</u>	<u>(180,746)</u>
<u>\$ 36,675</u>	<u>\$ 3,625</u>	<u>\$ 151,502</u>	<u>\$ 13,194</u>	<u>\$ 232,362</u>

(CONTINUED)

NORTH OLMSTED CITY SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2017

(CONCLUDED)

	Preschool	Title II-A	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
<b>Assets</b>				
Equity in pooled cash	\$ -	\$ 51,801	\$ 252	\$ 1,865,564
Intergovernmental receivables	-	-	-	174,331
Inventories and supplies	-	-	-	36,882
<b>Total assets</b>	<u>\$ -</u>	<u>\$ 51,801</u>	<u>\$ 252</u>	<u>\$ 2,076,777</u>
<b>Liabilities</b>				
Accounts and contracts payable	\$ -	\$ 3,030	\$ -	\$ 76,936
Accrued salaries, wages and benefits	-	-	-	209,546
Intergovernmental payable	117	-	-	62,924
Interfund payable	2,769	56,125	-	614,080
Matured compensated absences	-	-	-	4,982
<b>Total liabilities</b>	<u>2,886</u>	<u>59,155</u>	<u>-</u>	<u>968,468</u>
<b>Fund balances (deficits)</b>				
Nonspendable	-	-	-	36,882
Restricted	-	-	252	1,416,068
Unassigned	(2,886)	(7,354)	-	(344,641)
<b>Total fund balances (deficits)</b>	<u>(2,886)</u>	<u>(7,354)</u>	<u>252</u>	<u>1,108,309</u>
<b>Total liabilities, deferred inflows of resources and fund balances (deficits)</b>	<u>\$ -</u>	<u>\$ 51,801</u>	<u>\$ 252</u>	<u>\$ 2,076,777</u>

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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, 2017

	Food Service	Classroom Facilities and Maintenance	Athletics	Auxiliary Service
Revenue				
Taxes	\$ -	\$ 390,000	\$ -	\$ -
Interest	1,353	-	-	412
Intergovernmental	827,887	-	-	162,056
Charges for services	400,329	-	-	-
Extracurricular	-	-	243,708	-
Other	12,122	-	276	-
Total revenues	<u>1,241,691</u>	<u>390,000</u>	<u>243,984</u>	<u>162,468</u>
Expenditures				
Current				
Instruction				
Regular	-	-	-	-
Supporting services				
Pupil	-	-	-	-
Instructional staff	-	-	-	-
Pupil transportation	-	-	-	-
Central services	-	-	-	-
Operation of non-instructional services				
Food service operation	1,376,383	-	-	7
Community services	-	-	-	178,311
Extracurricular activities	-	-	250,438	-
Total expenditures	<u>1,376,383</u>	<u>-</u>	<u>250,438</u>	<u>178,318</u>
Excess (deficiency) of revenues over expenditures	<u>(134,692)</u>	<u>390,000</u>	<u>(6,454)</u>	<u>(15,850)</u>
Other financing sources (uses)				
Transfers-in	225,000	-	25,000	-
Total other financing sources (uses)	<u>225,000</u>	<u>-</u>	<u>25,000</u>	<u>-</u>
Net change in fund balances	90,308	390,000	18,546	(15,850)
Fund balances, beginning of year	<u>155,061</u>	<u>585,220</u>	<u>167,713</u>	<u>25,025</u>
Fund balances, end of year	<u>\$ 245,369</u>	<u>\$ 975,220</u>	<u>\$ 186,259</u>	<u>\$ 9,175</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, 2017

(CONCLUDED)

	Preschool	Title II-A	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
Revenue				
Taxes	\$ -	\$ -	\$ -	\$ 390,000
Interest	-	-	-	1,765
Intergovernmental	28,915	89,489	-	2,864,780
Charges for services	-	-	-	400,329
Extracurricular	-	-	-	243,708
Other	-	-	-	12,398
Total revenues	<u>28,915</u>	<u>89,489</u>	<u>-</u>	<u>3,912,980</u>
Expenditures				
Current				
Instruction				
Regular	-	-	-	892,442
Supporting services				
Pupil	23,100	-	-	905,208
Instructional staff	-	84,129	-	93,997
Pupil transportation	-	-	-	14,338
Central services	-	-	-	27,825
Operation of non-instructional services				
Food service operation	-	-	-	1,376,390
Community services	-	5,488	-	207,122
Extracurricular activities	-	-	-	250,438
Total expenditures	<u>23,100</u>	<u>89,617</u>	<u>-</u>	<u>3,767,760</u>
Excess (deficiency) of revenues over expenditures	<u>5,815</u>	<u>(128)</u>	<u>-</u>	<u>145,220</u>
Other financing sources (uses)				
Transfers-in	-	-	-	250,000
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>250,000</u>
Net change in fund balances	5,815	(128)	-	395,220
Fund balances, beginning of year	<u>(8,701)</u>	<u>(7,226)</u>	<u>252</u>	<u>713,089</u>
Fund balances, end of year	<u>\$ (2,886)</u>	<u>\$ (7,354)</u>	<u>\$ 252</u>	<u>\$ 1,108,309</u>

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NORTH OLMSTED CITY SCHOOL DISTRICT

COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS

JUNE 30, 2017

	Permanent Improvements Fund	Building Fund	Total Capital Projects Funds
<b>Assets</b>			
Equity in pooled cash	\$ 1,187,143	\$ 10,673,395	\$ 11,860,538
Receivables, net of allowance			
Taxes, current	1,030,781	-	1,030,781
Taxes, delinquent	18,200	-	18,200
Intergovernmental receivables	124,027	-	124,027
<b>Total assets</b>	<b>\$ 2,360,151</b>	<b>\$ 10,673,395</b>	<b>\$ 13,033,546</b>
<b>Liabilities</b>			
Accounts and contracts payable	\$ 125,840	\$ 11,506	\$ 137,346
<b>Total liabilities</b>	<b>125,840</b>	<b>11,506</b>	<b>137,346</b>
<b>Deferred inflows of resources</b>			
Property taxes levied for next year and unavailable resources	864,081	-	864,081
<b>Total deferred inflows of resources</b>	<b>864,081</b>	<b>-</b>	<b>864,081</b>
<b>Fund balances (deficits)</b>			
Restricted	1,370,230	10,661,889	12,032,119
<b>Total fund balances (deficits)</b>	<b>1,370,230</b>	<b>10,661,889</b>	<b>12,032,119</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 2,360,151</b>	<b>\$ 10,673,395</b>	<b>\$ 13,033,546</b>

NORTH OLMSTED CITY SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES–  
 NONMAJOR CAPITAL PROJECTS FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2017

	Permanent Improvements Fund	Building Fund	Total Capital Projects Funds
Revenue			
Taxes	\$ 479,434	\$ -	\$ 479,434
Interest	6,168	128,972	135,140
Intergovernmental	252,427	-	252,427
Total revenues	<u>738,029</u>	<u>128,972</u>	<u>867,001</u>
Expenditures			
Current			
Instruction			
Regular	99,306	-	99,306
Supporting services			
Administration	5,448	-	5,448
Fiscal services	-	8,918	8,918
Business	52,142	-	52,142
Operation and maintenance	336,394	4,284	340,678
Capital outlay	-	3,543,282	3,543,282
Total expenditures	<u>493,290</u>	<u>3,556,484</u>	<u>4,049,774</u>
Net change in fund balances	244,739	(3,427,512)	(3,182,773)
Fund balances, beginning of year	<u>1,125,491</u>	<u>14,089,401</u>	<u>15,214,892</u>
Fund balances, end of year	<u>\$ 1,370,230</u>	<u>\$ 10,661,889</u>	<u>\$ 12,032,119</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, 2017

GENERAL FUND				Variance with Final Budget Positive (Negative)
	Budget Amounts			
	Original	Final	Actual	
Revenues				
Taxes	\$ 37,850,000	\$ 38,120,000	\$ 38,731,146	\$ 611,146
Payments in lieu of taxes	600,000	200,000	-	(200,000)
Tuition and fees	1,037,000	1,043,000	848,424	(194,576)
Interest	150,000	170,000	196,430	26,430
Intergovernmental	13,662,000	13,643,500	13,713,398	69,898
Other	94,000	769,000	947,050	178,050
Total revenues	53,393,000	53,945,500	54,479,390	533,890
Expenditures				
Current				
Instruction				
Regular				
Salaries	17,367,500	17,218,550	17,152,162	66,388
Benefits	6,746,272	6,759,700	6,526,042	233,658
Purchased services	1,563,681	1,715,205	1,665,899	49,306
Materials and supplies	1,156,668	1,159,998	509,632	650,366
Capital outlay	9,267	16,887	12,047	4,840
Other	25,200	25,350	24,556	794
Total regular	26,868,588	26,895,690	25,890,338	1,005,352
Special				
Salaries	6,020,600	6,079,700	6,069,109	10,591
Benefits	2,338,656	2,391,900	2,304,510	87,390
Purchased services	635,288	684,788	681,698	3,090
Materials and supplies	3,566	3,566	640	2,926
Total special	8,998,110	9,159,954	9,055,957	103,997
Vocational				
Salaries	271,000	271,000	270,929	71
Benefits	105,268	106,800	102,915	3,885
Purchased services	995	100	73	27
Materials and supplies	10,534	9,200	8,386	814
Total vocational	387,797	387,100	382,303	4,797
Other instruction				
Salaries	79,000	67,000	62,042	4,958
Benefits	30,687	24,500	23,567	933
Purchased services	285,000	370,000	347,040	22,960
Total other instruction	394,687	461,500	432,649	28,851
Total instruction	36,649,182	36,904,244	35,761,247	1,142,997

(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, 2017

GENERAL FUND (continued)				Variance with Final Budget Positive (Negative)
	Budget Amounts			
	Original	Final	Actual	
Supporting services				
Pupil				
Salaries	3,071,700	3,141,800	3,116,639	25,161
Benefits	1,193,177	1,228,400	1,183,381	45,019
Purchased services	521,488	550,988	451,705	99,283
Materials and supplies	16,042	15,238	13,387	1,851
Total pupil	4,802,407	4,936,426	4,765,112	171,314
Instructional staff				
Salaries	573,500	577,950	571,663	6,287
Benefits	222,772	225,400	216,820	8,580
Purchased services	160,478	170,076	90,818	79,258
Materials and supplies	133,745	132,567	95,560	37,007
Capital outlay	11,100	8,760	5,738	3,022
Total instructional staff	1,101,595	1,114,753	980,599	134,154
Board of education				
Salaries	25,000	25,000	18,980	6,020
Benefits	9,711	3,000	2,897	103
Purchased services	422,898	482,898	386,843	96,055
Total board of education	457,609	510,898	408,720	102,178
Administration				
Salaries	2,552,000	2,664,100	2,654,658	9,442
Benefits	991,305	1,053,800	1,016,206	37,594
Purchased services	161,944	156,651	85,234	71,417
Materials and supplies	38,726	36,631	25,473	11,158
Capital outlay	2,500	2,500	-	2,500
Other	37,000	37,000	32,324	4,676
Total administration	3,783,475	3,950,682	3,813,895	136,787
Fiscal services				
Salaries	473,800	497,800	497,131	669
Benefits	188,369	238,925	217,715	21,210
Purchased services	20,063	21,063	12,799	8,264
Materials and supplies	4,492	4,492	1,465	3,027
Capital outlay	102,133	102,133	-	102,133
Other	682,700	719,700	713,842	5,858
Total fiscal services	1,471,557	1,584,113	1,442,952	141,161
Business				
Salaries	87,900	87,000	86,793	207
Benefits	34,143	34,300	32,906	1,394
Purchased services	82,800	82,811	60,897	21,914
Total business	204,843	204,111	180,596	23,515

(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, 2017

GENERAL FUND (continued)				Variance with
	Budget Amounts		Actual	Final Budget Positive (Negative)
	Original	Final		
Operation and maintenance				
Salaries	1,956,700	1,908,200	1,866,317	41,883
Benefits	760,065	749,300	722,224	27,076
Purchased services	1,056,740	1,066,982	957,499	109,483
Materials and supplies	143,350	167,172	139,285	27,887
Other	5,500	5,350	2,290	3,060
Total operation and maintenance	3,922,355	3,897,004	3,687,615	209,389
Pupil transportation				
Salaries	1,207,000	1,221,800	1,196,874	24,926
Benefits	468,850	479,700	461,413	18,287
Purchased services	487,160	501,862	389,282	112,580
Materials and supplies	252,933	275,291	251,975	23,316
Capital outlay	5,332	5,332	5,318	14
Total pupil transportation	2,421,275	2,483,985	2,304,862	179,123
Central services				
Salaries	735,600	699,950	695,939	4,011
Benefits	285,738	319,800	308,750	11,050
Purchased services	554,413	557,633	481,023	76,610
Materials and supplies	65,524	65,514	50,580	14,934
Total central services	1,641,275	1,642,897	1,536,292	106,605
Total supporting services	19,806,391	20,324,869	19,120,643	1,204,226
Operation of non-instructional				
Food service operation				
Salaries	60,000	57,600	57,323	277
Benefits	23,307	22,600	21,733	867
Total food service operation	83,307	80,200	79,056	1,144
Community services				
Purchased services	26,300	26,165	24,370	1,795
Total community services	26,300	26,165	24,370	1,795
Total operation of non-instructional	109,607	106,365	103,426	2,939

(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, 2017

GENERAL FUND (concluded)				Variance with Final Budget Positive (Negative)
	Budget Amounts			
	Original	Final	Actual	
Extracurricular activities				
Academic and subject oriented				
Salaries	304,500	277,800	274,795	3,005
Benefits	118,281	108,400	104,352	4,048
Total academic and subject oriented	422,781	386,200	379,147	7,053
Sports oriented				
Salaries	792,200	779,400	760,790	18,610
Benefits	307,724	299,800	288,710	11,090
Purchased services	47,790	50,000	26,440	23,560
Other	3,600	3,750	3,750	-
Total sports oriented	1,151,314	1,132,950	1,079,690	53,260
Total extracurricular activities	1,574,095	1,519,150	1,458,837	60,313
Debt service				
Principal	260,000	260,000	260,000	-
Interest and fiscal charges	47,300	47,300	47,190	110
Total debt service	307,300	307,300	307,190	110
Total expenditures	58,446,575	59,161,928	56,751,343	2,410,585
Excess (deficiency) of revenues over expenditures	(5,053,575)	(5,216,428)	(2,271,953)	2,944,475
Other financing sources (uses)				
Transfers-in	1,565,000	1,464,000	1,464,000	-
Advances-in	509,000	509,000	508,946	(54)
Refund prior year expenditure	290,000	290,000	299,021	9,021
Advances-out	(525,000)	(675,000)	(639,080)	35,920
Transfers-out	(135,000)	(260,058)	(250,000)	10,058
Total other financing sources (uses)	1,704,000	1,327,942	1,382,887	54,945
Net change in fund balance	(3,349,575)	(3,888,486)	(889,066)	2,999,420
Fund balance, beginning of year	18,463,624	18,463,624	18,463,624	-
Prior year encumbrances appropriated	638,277	638,277	638,277	-
Fund balance, end of year	\$ 15,752,326	\$ 15,213,415	\$ 18,212,835	\$ 2,999,420

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, 2017

CLASSROOM FACILITIES FUND				Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Interest	\$ 505,000	\$ 444,000	\$ 530,473	\$ 86,473
Intergovernmental	6,800,000	4,383,441	4,383,441	-
Other	1,500,000	-	-	-
Total revenues	8,805,000	4,827,441	4,913,914	86,473
Expenditures				
Current				
Fiscal services				
Purchased services	44,800	45,600	40,800	4,800
Total fiscal services	44,800	45,600	40,800	4,800
Total supporting services	44,800	45,600	40,800	4,800
Capital outlay	72,586,729	66,471,970	64,756,877	1,715,093
Total expenditures	72,631,529	66,517,570	64,797,677	1,719,893
Net change in fund balance	(63,826,529)	(61,690,129)	(59,883,763)	1,806,366
Fund balance, beginning of year	60,458,626	60,458,626	60,458,626	-
Prior year encumbrances appropriated	3,471,893	3,471,893	3,471,893	-
Fund balance, end of year	\$ 103,990	\$ 2,240,390	\$ 4,046,756	\$ 1,806,366

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, 2017

FOOD SERVICE FUND				Variance with Final Budget Positive (Negative)
	Budget Amounts			
	Original	Final	Actual	
Revenues				
Interest	\$ 1,000	\$ 1,175	\$ 1,353	\$ 178
Charges for services	515,150	394,986	400,329	5,343
Intergovernmental	770,408	636,600	637,131	531
Other	-	12,100	12,122	22
Total revenues	1,286,558	1,044,861	1,050,935	6,074
Expenditures				
Current				
Operation of non-instructional				
Food service operation				
Salaries	489,463	490,613	478,113	12,500
Benefits	180,352	225,352	222,681	2,671
Purchased services	822,077	810,044	737,151	72,893
Materials and supplies	7,000	7,000	4,678	2,322
Total food service operation	1,498,892	1,533,009	1,442,623	90,386
Total operation of non-instructional	1,498,892	1,533,009	1,442,623	90,386
Total expenditures	1,498,892	1,533,009	1,442,623	90,386
Excess (deficiency) of revenues over expenditures	(212,334)	(488,148)	(391,688)	96,460
Other financing sources (uses)				
Transfers-in	-	225,000	225,000	-
Total other financing sources (uses)	-	225,000	225,000	-
Net change in fund balance	(212,334)	(263,148)	(166,688)	96,460
Fund balance, beginning of year	167,574	167,574	167,574	-
Prior year encumbrances appropriated	104,244	104,244	104,244	-
Fund balance, end of year	\$ 59,484	\$ 8,670	\$ 105,130	\$ 96,460

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, 2017

CLASSROOM FACILITIES AND MAINTENANCE

	Budget Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Taxes	\$ 390,000	\$ 390,000	\$ 390,000	\$ -
Total revenues	390,000	390,000	390,000	-
Net change in fund balance	390,000	390,000	390,000	-
Fund balance, beginning of year	585,220	585,220	585,220	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	<u>\$ 975,220</u>	<u>\$ 975,220</u>	<u>\$ 975,220</u>	<u>\$ -</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, 2017

ATHLETIC FUND				Variance with Final Budget Positive (Negative)
	Budget Amounts			
	Original	Final	Actual	
Revenues				
Extracurricular	\$ 328,000	\$ 235,915	\$ 243,708	\$ 7,793
Other	-	276	276	-
Total revenues	328,000	236,191	243,984	7,793
Expenditures				
Current				
Extracurricular activities				
Sports oriented				
Purchased services	46,107	44,682	37,756	6,926
Materials and supplies	5,300	6,330	6,030	300
Capital outlay	28,364	30,724	27,200	3,524
Other	296,588	286,595	227,001	59,594
Total sports oriented	376,359	368,331	297,987	70,344
Total extracurricular activities	376,359	368,331	297,987	70,344
Total expenditures	376,359	368,331	297,987	70,344
Excess (deficiency) of revenues over expenditures	(48,359)	(132,140)	(54,003)	78,137
Other financing sources (uses)				
Transfers-in		25,000	25,000	-
Total other financing sources (uses)	-	25,000	25,000	-
Net change in fund balance	(48,359)	(107,140)	(29,003)	78,137
Fund balance, beginning of year	160,823	160,823	160,823	-
Prior year encumbrances appropriated	25,159	25,159	25,159	-
Fund balance, end of year	\$ 137,623	\$ 78,842	\$ 156,979	\$ 78,137

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, 2017

AUXILIARY SERVICES FUND				Variance with Final Budget Positive (Negative)
	Budget Amounts			
	Original	Final	Actual	
Revenues				
Interest	\$ -	\$ 372	\$ 412	\$ 40
Intergovernmental	155,294	162,056	162,056	-
Total revenues	155,294	162,428	162,468	40
Expenditures				
Current				
Operation of non-instructional				
Community services				
Salaries	59,448	59,933	52,070	7,863
Benefits	11,055	11,172	9,787	1,385
Purchased services	48,034	47,174	47,174	-
Materials and supplies	44,868	38,743	38,743	-
Capital outlay	26,283	39,548	39,548	-
Other	6,212	6,493	6,493	-
Total community services	195,900	203,063	193,815	9,248
Total operation of non-instructional	195,900	203,063	193,815	9,248
Total expenditures	195,900	203,063	193,815	9,248
Net change in fund balance	(40,606)	(40,635)	(31,347)	9,288
Fund balance, beginning of year	32,095	32,095	32,095	-
Prior year encumbrances appropriated	8,540	8,540	8,540	-
Fund balance, end of year	\$ 29	\$ -	\$ 9,288	\$ 9,288

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, 2017

DATA COMMUNICATIONS FUND				Variance with Final Budget Positive (Negative)
	Budget Amounts			
	Original	Final	Actual	
Revenues				
Intergovernmental	\$ 14,400	\$ 14,400	\$ 14,400	\$ -
Total revenues	14,400	14,400	14,400	-
Expenditures				
Current				
Supporting services				
Central services				
Purchased services	51,075	51,075	14,400	36,675
Capital outlay	13,425	13,425	13,425	-
Total central services	64,500	64,500	27,825	36,675
Total supporting services	64,500	64,500	27,825	36,675
Total expenditures	64,500	64,500	27,825	36,675
Excess (deficiency) of revenues over expenditures	(50,100)	(50,100)	(13,425)	36,675
Net change in fund balance	(50,100)	(50,100)	(13,425)	36,675
Fund balance, beginning of year	50,100	50,100	50,100	-
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, 2017

ALTERNATIVE EDUCATION FUND				Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Intergovernmental	\$ 80,693	\$ 76,123	\$ 72,499	\$ (3,624)
Total revenues	80,693	76,123	72,499	(3,624)
Expenditures				
Current				
Instruction				
Regular				
Purchased services	47,566	47,566	47,566	-
Total regular	47,566	47,566	47,566	-
Total instruction	47,566	47,566	47,566	-
Supporting services				
Pupil				
Purchased services	32,107	27,537	23,913	3,624
Total pupil	32,107	27,537	23,913	3,624
Total supporting services	32,107	27,537	23,913	3,624
Total expenditures	79,673	75,103	71,479	3,624
Excess (deficiency) of revenues over expenditures	1,020	1,020	1,020	-
Other financing sources (uses)				
Advances-in	-	-	3,625	3,625
Advances-out	(5,589)	(5,589)	(5,589)	-
Total other financing sources (uses)	(5,589)	(5,589)	(1,964)	3,625
Net change in fund balance	(4,569)	(4,569)	(944)	3,625
Fund balance, beginning of year	4,569	4,569	4,569	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ 3,625	\$ 3,625



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, 2017

TITLE VI-B FUND				Variance with Final Budget Positive (Negative)
	Budget Amounts			
	Original	Final	Actual	
Revenues				
Intergovernmental	\$ 1,014,390	\$ 1,014,390	\$ 775,261	\$ (239,129)
Total revenues	1,014,390	1,014,390	775,261	(239,129)
Expenditures				
Current				
Instruction				
Regular				
Capital outlay	8,135	20,000	18,876	1,124
Total regular	8,135	20,000	18,876	1,124
Total instruction	8,135	20,000	18,876	1,124
Supporting services				
Pupil				
Salaries	302,681	314,990	279,548	35,442
Benefits	236,006	200,230	171,459	28,771
Purchased services	319,920	347,372	347,372	-
Materials and supplies	32,868	35,675	33,819	1,856
Total pupil	891,475	898,267	832,198	66,069
Instructional staff				
Purchased services	-	4,000	-	4,000
Total instructional staff	-	4,000	-	4,000
Pupil transportation				
Purchased services	47,437	25,000	16,250	8,750
Total pupil transportation	47,437	25,000	16,250	8,750
Total supporting services	938,912	927,267	848,448	78,819
Operation of non-instructional				
Community services				
Salaries	15,957	15,707	13,836	1,871
Benefits	2,542	2,572	2,338	234
Total community services	18,499	18,279	16,174	2,105
Total operation of non-instructional	18,499	18,279	16,174	2,105
Total expenditures	965,546	965,546	883,498	82,048
Excess (deficiency) of revenues over expenditures	48,844	48,844	(108,237)	(157,081)
Other financing sources (uses)				
Advances-in	-	-	239,129	239,129
Advances-out	(194,525)	(194,525)	(194,525)	-
Total other financing sources (uses)	(194,525)	(194,525)	44,604	239,129
Net change in fund balance	(145,681)	(145,681)	(63,633)	82,048
Fund balance, beginning of year	129,427	129,427	129,427	-
Prior year encumbrances appropriated	16,254	16,254	16,254	-
Fund balance, end of year	\$ -	\$ -	\$ 82,048	\$ 82,048

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, 2017

LIMITED ENGLISH PROFICIENCY FUND

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 57,222	\$ 61,728	\$ 46,138	\$ (15,590)
Total revenues	57,222	61,728	46,138	(15,590)
Expenditures				
Current				
Instruction				
Regular				
Materials and supplies	1,675	-	-	-
Total regular	1,675	-	-	-
Total instruction	1,675	-	-	-
Supporting services				
Pupil				
Salaries	37,697	44,434	32,245	12,189
Benefits	7,785	9,210	9,210	-
Total pupil	45,482	53,644	41,455	12,189
Instructional staff				
Purchased services	4,981	3,000	1,995	1,005
Total instructional staff	4,981	3,000	1,995	1,005
Total supporting services	50,463	56,644	43,450	13,194
Total expenditures	52,138	56,644	43,450	13,194
Excess (deficiency) of revenues over expenditures	5,084	5,084	2,688	(2,396)
Other financing sources (uses)				
Advances-in	-	-	15,590	15,590
Advances-out	(16,669)	(16,669)	(16,669)	-
Total other financing sources (uses)	(16,669)	(16,669)	(1,079)	15,590
Net change in fund balance	(11,585)	(11,585)	1,609	13,194
Fund balance, beginning of year	11,585	11,585	11,585	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ 13,194	\$ 13,194

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, 2017

	TITLE I FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts			
	Original	Final	Actual	
Revenues				
Intergovernmental	\$ 1,150,640	\$ 1,144,977	\$ 848,135	\$ (296,842)
Total revenues	1,150,640	1,144,977	848,135	(296,842)
Expenditures				
Current				
Instruction				
Regular				
Salaries	751,737	692,417	609,653	82,764
Benefits	286,080	235,182	202,897	32,285
Purchased services	15,000	-	-	-
Materials and supplies	43,685	46,140	43,342	2,798
Total regular	1,096,502	973,739	855,892	117,847
Total instruction	1,096,502	973,739	855,892	117,847
Supporting services				
Pupil				
Salaries	-	79,224	33,638	45,586
Benefits	-	34,273	14,183	20,090
Total pupil	-	113,497	47,821	65,676
Instructional staff				
Purchased services	6,650	13,500	485	13,015
Materials and supplies	6,828	16,150	4,627	11,523
Total instructional staff	13,478	29,650	5,112	24,538
Administration				
Salaries	14,500	6,382	-	6,382
Benefits	4,000	2,000	-	2,000
Materials and supplies	1,500	1,000	-	1,000
Total administration	20,000	9,382	-	9,382
Total supporting services	33,478	152,529	52,933	99,596
Operation of non-instructional				
Community services				
Salaries	4,665	4,736	3,877	859
Benefits	918	836	655	181
Purchased services	6,347	4,757	3,182	1,575
Materials and supplies	350	-	-	-
Total community services	12,280	10,329	7,714	2,615
Total operation of non-instructional	12,280	10,329	7,714	2,615
Total expenditures	1,142,260	1,136,597	916,539	220,058
Excess (deficiency) of revenues over expenditures	8,380	8,380	(68,404)	(76,784)
Other financing sources (uses)				
Advances-in	-	-	296,842	296,842
Advances-out	(236,469)	(236,469)	(236,469)	-
Total other financing sources (uses)	(236,469)	(236,469)	60,373	296,842
Net change in fund balance	(228,089)	(228,089)	(8,031)	220,058
Fund balance, beginning of year	208,077	208,077	208,077	-
Prior year encumbrances appropriated	20,012	20,012	20,012	-
Fund balance, end of year	\$ -	\$ -	\$ 220,058	\$ 220,058

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, 2017

PRESCHOOL FUND				Variance with Final Budget Positive (Negative)
	Budget Amounts			
	Original	Final	Actual	
Revenues				
Intergovernmental	\$ 31,684	\$ 31,684	\$ 28,915	\$ (2,769)
Total revenues	31,684	31,684	28,915	(2,769)
Expenditures				
Current				
Supporting services				
Pupil				
Salaries	18,415	20,035	20,214	(179)
Benefits	4,881	3,261	3,082	179
Total pupil	23,296	23,296	23,296	-
Total supporting services	23,296	23,296	23,296	-
Total expenditures	23,296	23,296	23,296	-
Excess (deficiency) of revenues over expenditures	8,388	8,388	5,619	(2,769)
Other financing sources (uses)				
Advances-in	-	-	2,769	2,769
Advances-out	(8,388)	(8,388)	(8,388)	-
Total other financing sources (uses)	(8,388)	(8,388)	(5,619)	2,769
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Prior year encumbrances appropriated	-	-	-	-
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, 2017

TITLE II-A FUND				Variance with Final Budget Positive (Negative)
	Budget Amounts			
	Original	Final	Actual	
Revenues				
Intergovernmental	\$ 146,131	\$ 145,614	\$ 89,489	\$ (56,125)
Total revenues	146,131	145,614	89,489	(56,125)
Expenditures				
Current				
Instruction				
Regular				
Purchased services	132,865	134	-	134
Total regular	132,865	134	-	134
Total instruction	132,865	134	-	134
Supporting services				
Instructional staff				
Salaries	-	27,000	1,510	25,490
Benefits	-	5,204	255	4,949
Purchased services	-	90,445	79,752	10,693
Materials and supplies	-	10,000	5,120	4,880
Total instructional staff	-	132,649	86,637	46,012
Total supporting services	-	132,649	86,637	46,012
Operation of non-instructional				
Community services				
Purchased services	8,700	8,265	8,183	82
Total community services	8,700	8,265	8,183	82
Total operation of non-instructional	8,700	8,265	8,183	82
Total expenditures	141,565	141,048	94,820	46,228
Excess (deficiency) of revenues over expenditures	4,566	4,566	(5,331)	(9,897)
Other financing sources (uses)				
Advances-in	-	-	56,125	56,125
Advances-out	(47,306)	(47,306)	(47,306)	-
Total other financing sources (uses)	(47,306)	(47,306)	8,819	56,125
Net change in fund balance	(42,740)	(42,740)	3,488	46,228
Fund balance, beginning of year	38,690	38,690	38,690	-
Prior year encumbrances appropriated	4,050	4,050	4,050	-
Fund balance, end of year	\$ -	\$ -	\$ 46,228	\$ 46,228

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, 2017

MISCELLANEOUS FEDERAL GRANTS FUND

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures				
Current				
Operation of non-instructional				
Food service operation				
Capital outlay	\$ 252	\$ 252	\$ -	\$ 252
Total food service operation	252	252	-	252
Total operation of non-instructional	252	252	-	252
Total expenditures	252	252	-	252
Excess (deficiency) of revenues over expenditures	(252)	(252)	-	252
Net change in fund balance	(252)	(252)	-	252
Fund balance, beginning of year	252	252	252	-
Prior year encumbrances appropriated	-	-	-	-
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, 2017

MISCELLANEOUS LOCAL PROJECTS FUND

	Budget Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Other	\$ 3,000	\$ 4,500	\$ 4,500	\$ -
Total revenues	3,000	4,500	4,500	-
Expenditures				
Current				
Extracurricular activities				
Academic and subject oriented				
Other	3,750	6,750	3,000	3,750
Total academic and subject oriented	3,750	6,750	3,000	3,750
Total extracurricular activities	3,750	6,750	3,000	3,750
Total expenditures	3,750	6,750	3,000	3,750
Excess (deficiency) of revenues over expenditures	(750)	(2,250)	1,500	3,750
Net change in fund balance	(750)	(2,250)	1,500	3,750
Fund balance, beginning of year	3,750	3,750	3,750	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	\$ 3,000	\$ 1,500	\$ 5,250	\$ 3,750

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, 2017

	ROTARY FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts			
	Original	Final	Actual	
Revenues				
Charges for services	\$ 10,000	\$ 3,000	\$ 3,368	\$ 368
Total revenues	10,000	3,000	3,368	368
Expenditures				
Current				
Supporting services				
Pupil transportation				
Purchased services	12,000	7,000	3,750	3,250
Total pupil transportation	12,000	7,000	3,750	3,250
Total supporting services	12,000	7,000	3,750	3,250
Total expenditures	12,000	7,000	3,750	3,250
Net change in fund balance	(2,000)	(4,000)	(382)	3,618
Fund balance, beginning of year	59,417	59,417	59,417	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	\$ 57,417	\$ 55,417	\$ 59,035	\$ 3,618



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, 2017

PUBLIC SUPPORT SERVICES FUND				Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Extracurricular	\$ 88,225	\$ 83,379	\$ 84,472	\$ 1,093
Other	140,367	66,217	68,707	2,490
Total revenues	228,592	149,596	153,179	3,583
Expenditures				
Current				
Instruction				
Regular				
Purchased services	29,450	30,805	23,501	7,304
Materials and supplies	51,864	60,932	50,827	10,105
Capital outlay	3,500	6,125	5,610	515
Other	128,971	100,812	77,551	23,261
Total regular	213,785	198,674	157,489	41,185
Total instruction	213,785	198,674	157,489	41,185
Supporting services				
Pupil				
Purchased services	28,800	3,800	3,800	-
Materials and supplies	10,000	7,000	854	6,146
Capital outlay	15,000	24,500	20,946	3,554
Other	1,137	54,637	2,853	51,784
Total pupil	54,937	89,937	28,453	61,484
Administration				
Materials and supplies	1,150	2,550	1,072	1,478
Total administration	1,150	2,550	1,072	1,478
Total supporting services	56,087	92,487	29,525	62,962
Total expenditures	269,872	291,161	187,014	104,147
Excess (deficiency) of revenues over expenditures	(41,280)	(141,565)	(33,835)	107,730
Other financing sources (uses)				
Transfers-out	(1,565,000)	(1,565,000)	(1,464,000)	101,000
Total other financing sources (uses)	(1,565,000)	(1,565,000)	(1,464,000)	101,000
Net change in fund balance	(1,606,280)	(1,706,565)	(1,497,835)	208,730
Fund balance, beginning of year	1,923,614	1,923,614	1,923,614	-
Prior year encumbrances appropriated	5,060	5,060	5,060	-
Fund balance, end of year	\$ 322,394	\$ 222,109	\$ 430,839	\$ 208,730

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, 2017

OTHER GRANTS FUND				Variance with Final Budget Positive (Negative)
	Budget Amounts			
	Original	Final	Actual	
Revenues				
Charges for services	\$ 4,600	\$ -	\$ -	\$ -
Intergovernmental	-	6,750	7,546	796
Other	21,933	19,783	19,783	-
Total revenues	26,533	26,533	27,329	796
Expenditures				
Current				
Instruction				
Regular				
Purchased services	4,235	3,835	2,100	1,735
Materials and supplies	12,116	11,465	4,820	6,645
Capital outlay	6,983	8,034	5,696	2,338
Other	12,150	13,150	11,674	1,476
Total regular	35,484	36,484	24,290	12,194
Total instruction	35,484	36,484	24,290	12,194
Supporting services				
Pupil				
Materials and supplies	267	267	-	267
Total pupil	267	267	-	267
Instructional staff				
Purchased services	4,500	2,600	398	2,202
Materials and supplies	500	500	-	500
Total instructional staff	5,000	3,100	398	2,702
Central services				
Purchased services	4,563	4,563	-	4,563
Total central services	4,563	4,563	-	4,563
Total supporting services	9,830	7,930	398	7,532
Extracurricular activities				
Academic and subject oriented				
Capital outlay	-	30,000	30,000	-
Total academic and subject oriented	-	30,000	30,000	-
Total extracurricular activities	-	30,000	30,000	-
Total expenditures	45,314	74,414	54,688	19,726
Excess (deficiency) of revenues over expenditures	(18,781)	(47,881)	(27,359)	20,522
Other financing sources (uses)				
Advances-in	-	25,000	25,000	-
Total other financing sources (uses)	-	25,000	25,000	-
Net change in fund balance	(18,781)	(22,881)	(2,359)	20,522
Fund balance, beginning of year	25,824	25,824	25,824	-
Prior year encumbrances appropriated	2,200	2,200	2,200	-
Fund balance, end of year	\$ 9,243	\$ 5,143	\$ 25,665	\$ 20,522

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, 2017

DEBT SERVICE FUND				Variance w ith Final Budget Positive (Negative)
	Budget Amounts			
	Original	Final	Actual	
Revenues				
Taxes	\$    4,100,000	\$    4,097,742	\$    4,102,303	\$         4,561
Payments in lieu of taxes	70,000	-	-	-
Intergovernmental	136,000	131,000	131,448	448
Total revenues	<u>4,306,000</u>	<u>4,228,742</u>	<u>4,233,751</u>	<u>5,009</u>
Expenditures				
Debt service				
Principal	3,600,000	3,600,000	3,600,000	-
Interest and fiscal charges	3,271,000	3,271,000	3,270,726	274
Total debt service	<u>6,871,000</u>	<u>6,871,000</u>	<u>6,870,726</u>	<u>274</u>
Total expenditures	<u>6,871,000</u>	<u>6,871,000</u>	<u>6,870,726</u>	<u>274</u>
Excess (deficiency) of revenues over expenditures	<u>(2,565,000)</u>	<u>(2,642,258)</u>	<u>(2,636,975)</u>	<u>5,283</u>
Net change in fund balance	(2,565,000)	(2,642,258)	(2,636,975)	5,283
Fund balance, beginning of year	4,932,484	4,932,484	4,932,484	-
Prior year encumbrances appropriated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$    2,367,484</u>	<u>\$    2,290,226</u>	<u>\$    2,295,509</u>	<u>\$         5,283</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, 2017

PERMANENT IMPROVEMENTS FUND

	Budget Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Taxes	\$ 622,000	\$ 617,000	\$ 622,636	\$ 5,636
Interest	2,500	4,000	6,168	2,168
Intergovernmental	130,000	128,000	128,400	400
Total revenues	<u>754,500</u>	<u>749,000</u>	<u>757,204</u>	<u>8,204</u>
Expenditures				
Capital outlay	<u>703,673</u>	<u>703,673</u>	<u>577,983</u>	<u>125,690</u>
Total expenditures	<u>703,673</u>	<u>703,673</u>	<u>577,983</u>	<u>125,690</u>
Excess (deficiency) of revenues over expenditures	<u>50,827</u>	<u>45,327</u>	<u>179,221</u>	<u>125,690</u>
Net change in fund balance	50,827	45,327	179,221	133,894
Fund balance, beginning of year	654,926	654,926	654,926	-
Prior year encumbrances appropriated	<u>195,091</u>	<u>195,091</u>	<u>195,091</u>	<u>-</u>
Fund balance, end of year	<u>\$ 900,844</u>	<u>\$ 895,344</u>	<u>\$ 1,029,238</u>	<u>\$ 133,894</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, 2017

	BUILDING FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts			
	Original	Final	Actual	
Revenues				
Interest	\$ 137,000	\$ 120,000	\$ 128,972	\$ 8,972
Total revenues	137,000	120,000	128,972	8,972
Expenditures				
Current				
Supporting services				
Fiscal services				
Purchased services	10,600	11,800	8,918	2,882
Total fiscal services	10,600	11,800	8,918	2,882
Operation and maintenance				
Salaries	-	4,283	4,283	-
Total operation and maintenance	-	4,283	4,283	-
Total supporting services	10,600	16,083	13,201	2,882
Capital outlay	14,126,466	14,122,182	9,060,766	14,126,466
Total expenditures	14,137,066	14,138,265	9,073,967	14,129,348
Excess (deficiency) of revenues over expenditures	(14,000,066)	(14,018,265)	(8,944,995)	14,138,320
Net change in fund balance	(14,000,066)	(14,018,265)	(8,944,995)	5,073,270
Fund balance, beginning of year	12,075,658	12,075,658	12,075,658	-
Prior year encumbrances appropriated	2,142,193	2,142,193	2,142,193	-
Fund balance, end of year	\$ 217,785	\$ 199,586	\$ 5,272,856	\$ 5,073,270

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, 2017

	SELF INSURANCE FUND			Variance with Final Budget Positive (Negative)
	Budget Amounts			
	Original	Final	Actual	
Revenues				
Charges for services	\$ 9,112,000	\$ 8,390,000	\$ 8,476,848	\$ 86,848
Total revenues	9,112,000	8,390,000	8,476,848	86,848
Expenditures				
Claims	8,792,500	8,782,500	8,507,112	275,388
Total expenditures	8,792,500	8,782,500	8,507,112	275,388
Excess (deficiency) of revenues over expenditures	319,500	(392,500)	(30,264)	362,236
Net change in fund balance	319,500	(392,500)	(30,264)	362,236
Fund balance, beginning of year	1,817,500	1,817,500	1,817,500	-
Prior year encumbrances appropriated	-	-	-	-
Fund balance, end of year	\$ 2,137,000	\$ 1,425,000	\$ 1,787,236	\$ 362,236

### **AGENCY FUND DESCRIPTION**

Agency funds are purely custodial (assets equal liabilities) and thus do not involve the measurement of results of operations.

Student Managed Activities - This fund accounts for student activity programs which have student participation in the activity and have students involved in the management of the program.

NORTH OLMSTED CITY SCHOOL DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES  
AGENCY FUND  
FOR THE YEAR ENDED JUNE 30, 2017

Student Activities Fund			
	Beginning Balance June 30, 2016	Additions	Ending Balance June 30, 2017
Assets			
Equity in pooled cash and equivalents	\$ 137,673	\$ 128,467	\$ 128,467
Total assets	<u>\$ 137,673</u>	<u>\$ 128,467</u>	<u>\$ 128,467</u>
Liabilities			
Accounts payable	\$ 780	\$ 2,415	\$ 2,415
Due to students	136,893	126,052	126,052
Total liabilities	<u>\$ 137,673</u>	<u>\$ 128,467</u>	<u>\$ 128,467</u>



## 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> 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> 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> 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> 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> 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)

	2017	2016	2015	2014 (1)
Governmental activities				
Net investment in capital assets	\$ 17,697,879	\$ 10,438,753	\$ 11,996,135	\$ 11,972,672
Restricted	6,312,558	7,780,083	4,643,524	3,045,558
Unrestricted	(73,127,106)	(62,576,156)	(68,069,720)	(64,735,562)
Total primary government net position	<u>\$ (49,116,669)</u>	<u>\$ (44,357,320)</u>	<u>\$ (51,430,061)</u>	<u>\$ (49,717,332)</u>

Source: School District financial records.

(1) Restated for the implementation of GASB no. 68.

2013	2012	2011	2010	2009	2008
\$ 11,336,986	\$ 14,006,222	\$ 11,286,155	\$ 11,913,734	\$ 12,232,584	\$ 12,667,307
2,296,182	2,102,588	2,982,814	3,494,251	2,436,491	2,325,296
20,604,820	14,899,100	12,665,878	6,494,989	8,538,683	10,530,781
<u>\$ 34,237,988</u>	<u>\$ 31,007,910</u>	<u>\$ 26,934,847</u>	<u>\$ 21,902,974</u>	<u>\$ 23,207,758</u>	<u>\$ 25,523,384</u>

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

	2017	2016	2015	2014
Expenses				
Governmental activities:				
Instruction				
Regular	\$ 28,144,081	\$ 27,158,690	\$ 24,650,446	\$ 26,051,597
Special	9,536,532	8,799,360	7,616,573	7,847,660
Vocational	425,760	380,299	349,783	401,691
Adult/continuing	-	-	-	-
Other instruction	438,239	370,472	291,188	224,964
Supporting services				
Pupil	5,927,514	5,324,218	5,259,051	5,458,960
Instructional staff	1,123,761	1,067,271	1,092,769	1,128,566
Board of education	306,919	399,128	339,861	280,277
Administration	5,119,468	4,838,034	4,350,915	4,238,024
Fiscal services	1,455,330	1,499,411	1,307,393	1,362,183
Business	200,508	186,101	208,134	209,389
Operation and maintenance	5,281,063	6,531,521	4,232,445	4,349,599
Pupil transportation	2,461,685	2,775,744	2,227,350	2,683,649
Central services	1,508,474	1,585,301	1,499,463	1,414,700
Operation of non-instructional				
Food service operation	1,501,344	1,671,826	1,616,164	1,686,162
Community services	252,276	188,730	205,356	183,482
Extracurricular activities	1,832,967	1,791,145	1,675,700	1,515,518
Interest	2,616,904	3,604,788	1,444,138	178,622
Total primary government expenses	<u>68,132,825</u>	<u>68,172,039</u>	<u>58,366,729</u>	<u>59,215,043</u>
Program revenues				
Governmental activities:				
Charges for services and sales				
Instruction	1,816,802	456,113	937,007	714,206
Supporting services	162,087	209,911	410,718	84,125
Food service	412,451	449,799	575,193	581,522
Community services	-	-	-	-
Extracurricular activities	243,708	293,281	315,365	287,008
Operating grants, interest and contributions	2,728,393	2,729,075	2,852,264	2,777,684
Capital grants and contributions	4,507,468	1,726,623	16,200	16,200
Total primary government program revenues	<u>9,870,909</u>	<u>5,864,802</u>	<u>5,106,747</u>	<u>4,460,745</u>
Net (expense) revenue				
Total primary government net expense	<u>\$ (58,261,916)</u>	<u>\$ (62,307,237)</u>	<u>\$ (53,259,982)</u>	<u>\$ (54,754,298)</u>

Source: School District financial records.

2013	2012	2011	2010	2009	2008
\$ 24,393,010	\$ 23,574,519	\$ 24,042,334	\$ 24,376,479	\$ 23,652,717	\$ 23,461,756
7,774,419	7,531,026	7,489,653	7,480,054	7,123,538	6,769,100
480,906	455,688	438,325	494,788	417,734	362,396
-	-	-	22,162	8,101	-
285,472	270,050	293,115	345,290	334,122	335,822
4,640,930	4,573,570	5,151,519	5,004,703	4,411,393	4,313,535
1,020,238	796,246	1,105,115	1,490,183	1,332,384	1,173,503
377,032	293,275	185,639	300,183	248,137	194,264
3,879,955	3,972,066	3,572,252	3,819,462	4,075,728	3,764,269
1,224,013	1,241,610	1,308,372	1,167,420	1,082,243	1,206,941
212,455	181,661	138,213	141,522	141,211	107,225
4,288,849	3,727,099	4,703,686	4,610,770	4,906,171	4,600,580
2,487,445	2,482,610	2,105,930	2,384,724	2,451,920	2,243,881
1,152,590	1,107,753	1,238,121	852,905	1,243,114	1,136,870
1,637,811	1,704,023	1,602,903	1,544,266	1,520,884	1,349,775
282,029	398,808	390,432	442,191	449,194	423,544
1,532,448	1,494,547	1,575,353	1,482,207	1,663,067	1,529,681
28,218	12,317	15,575	19,565	22,413	26,595
<u>55,697,820</u>	<u>53,816,868</u>	<u>55,356,537</u>	<u>55,978,874</u>	<u>55,084,071</u>	<u>52,999,737</u>
872,606	961,921	689,547	1,125,655	1,075,433	1,270,572
260,560	27,656	32,155	147,889	138,297	111,671
586,943	614,831	633,756	677,881	713,708	694,341
274,115	286,721	509,154	221,410	269,712	285,070
3,139,788	3,281,807	3,896,102	3,546,598	2,796,237	2,453,717
-	-	-	-	50,207	83,815
<u>5,134,012</u>	<u>5,172,936</u>	<u>5,760,714</u>	<u>5,719,433</u>	<u>5,043,594</u>	<u>4,899,186</u>
<u>\$ (50,563,808)</u>	<u>\$ (48,643,932)</u>	<u>\$ (49,595,823)</u>	<u>\$ (50,259,441)</u>	<u>\$ (50,040,477)</u>	<u>\$ (48,100,551)</u>

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

	2017	2016	2015	2014
Net (expense) revenue				
Total primary government net expense	\$ (62,268,023)	\$ (62,307,237)	\$ (53,259,982)	\$ (54,754,298)
General revenues and other				
changes in net assets				
Governmental activities:				
Property taxes levied for:				
General purposes	33,601,251	46,483,789	33,359,481	41,065,651
Debt service	3,566,666	4,986,986	2,710,223	-
Capital improvements	868,534	1,237,922	863,932	1,040,539
Payments in lieu of taxes	279,142	1,751,712	-	-
Grants and entitlements not				
restricted to specific purposes	14,117,179	14,264,543	14,381,637	13,417,197
Investment earnings	863,808	597,240	48,469	37,478
Miscellaneous	205,987	57,786	183,511	649,250
Total primary government	<u>53,502,567</u>	<u>69,379,978</u>	<u>51,547,253</u>	<u>56,210,115</u>
Change in net position				
Total primary government	<u>\$ (8,765,456)</u>	<u>\$ 7,072,741</u>	<u>\$ (1,712,729)</u>	<u>\$ 1,455,817</u>

Source: School District financial records.

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<u>\$ (50,563,808)</u>	<u>\$ (48,643,932)</u>	<u>\$ (49,595,823)</u>	<u>\$ (50,259,441)</u>	<u>\$ (50,040,477)</u>	<u>\$ (48,100,551)</u>
38,849,652	37,170,611	37,907,103	33,277,659	34,242,328	34,800,124
-	-	-	-	-	-
985,522	912,782	1,106,283	848,655	979,869	1,049,604
-	-	-	-	-	-
13,332,467	14,159,410	14,919,942	14,466,220	11,918,198	13,223,960
35,853	11,605	25,058	52,289	308,210	733,560
590,392	462,587	669,310	309,834	276,246	560,047
<u>53,793,886</u>	<u>52,716,995</u>	<u>54,627,696</u>	<u>48,954,657</u>	<u>47,724,851</u>	<u>50,367,295</u>
<u>\$ 3,230,078</u>	<u>\$ 4,073,063</u>	<u>\$ 5,031,873</u>	<u>\$ (1,304,784)</u>	<u>\$ (2,315,626)</u>	<u>\$ 2,266,744</u>

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

	2017	2016	2015	2014
General Fund				
Nonspendable	\$ 119,193	\$ -	\$ -	\$ -
Restricted	-	30,257	-	-
Committed	487,073	1,951,073	1,951,073	1,735,073
Assigned	510,509	2,289,888	2,297,515	2,100,418
Unassigned	18,218,941	21,298,192	12,829,031	19,067,606
Total General Fund	<u>\$ 19,216,523</u>	<u>\$ 25,569,410</u>	<u>\$ 17,077,619</u>	<u>\$ 22,903,097</u>
Other governmental funds				
Nonspendable	\$ 36,882	\$ 23,222	\$ 23,518	\$ 27,527
Restricted	63,730,389	85,339,689	90,877,061	1,721,020
Unassigned	(344,641)	(270,282)	(271,010)	(255,598)
Total other governmental funds	<u>\$ 63,422,630</u>	<u>\$ 85,092,629</u>	<u>\$ 90,629,569</u>	<u>\$ 1,492,949</u>

Source: School District financial records.

The District implemented GASB Statement No. 54 in 2011.

Pre-GASB 34 balances are presented on S-9.



2013	2012	2011	2010
\$ -	\$ -	\$ -	\$ -
-	-	-	-
1,519,073	1,303,073	1,923,073	1,462,073
1,006,641	2,946,806	1,432,293	1,109,701
18,667,203	11,280,122	9,896,199	5,160,235
<u>\$ 21,192,917</u>	<u>\$ 15,530,001</u>	<u>13,251,565</u>	<u>\$ 7,732,009</u>

\$ 28,923	\$ 29,671	\$ 46,105	\$ 31,353
2,064,303	1,852,125	2,679,354	2,118,102
(275,014)	(557,661)	(620,492)	(309,340)
<u>\$ 1,818,212</u>	<u>\$ 1,324,135</u>	<u>\$ 2,104,967</u>	<u>\$ 1,840,115</u>

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

	<u>2009</u>	<u>2008</u>
General Fund		
Reserved	\$ 5,108,651	\$ 5,862,727
Unreserved	3,937,797	4,158,609
Total General Fund	<u>\$ 9,046,448</u>	<u>\$ 10,021,336</u>
Other governmental funds		
Reserved	\$ 299,079	\$ 752,350
Unreserved, reported in		
Special Revenue Funds	458,148	369,786
Debt Service Fund	52,637	52,650
Capital Projects Fund	1,375,561	752,728
Total other governmental funds	<u>\$ 2,185,425</u>	<u>\$ 1,927,514</u>

Source: School District financial records.

The District implemented GASB Statement No. 54 in 2011.  
GASB 54 fund balances are presented on S-7.

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Taxes	\$ 38,075,351	\$ 52,759,797	\$ 37,302,336	\$ 42,106,190
Payment in lieu of taxes	279,142	1,751,712	-	-
Tuition and fees	847,874	371,636	943,733	649,801
Interest	863,808	597,240	48,469	37,478
Intergovernmental	21,353,040	18,720,241	17,250,101	16,276,025
Charges for services	403,697	457,447	525,482	563,109
Extracurricular	371,122	375,773	429,155	396,976
Other	<u>1,220,997</u>	<u>259,379</u>	<u>523,424</u>	<u>706,225</u>
Total	<u>\$ 63,415,031</u>	<u>\$ 75,293,225</u>	<u>\$ 57,022,700</u>	<u>\$ 60,735,804</u>

Source: School District Financial Records, Total Governmental Funds.

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 39,760,574	\$ 38,371,093	\$ 39,188,686	\$ 33,554,392	\$ 35,459,539	\$ 35,632,081
-	-	-	-	-	-
827,990	762,957	876,716	732,161	690,452	1,138,729
35,853	11,605	25,058	52,289	308,210	733,560
16,484,226	17,420,229	18,760,117	18,012,818	16,163,121	15,153,016
599,189	632,549	655,393	723,844	760,376	741,409
350,963	355,735	399,833	380,845	414,674	430,416
<u>806,474</u>	<u>602,474</u>	<u>601,980</u>	<u>693,981</u>	<u>621,315</u>	<u>549,564</u>
<u>\$ 58,865,269</u>	<u>\$ 58,156,642</u>	<u>\$ 60,507,783</u>	<u>\$ 54,150,330</u>	<u>\$ 54,417,687</u>	<u>\$ 54,378,775</u>

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

	2017	2016	2015	2014
Expenditures				
Instruction	\$ 36,451,990	\$ 34,853,257	\$ 35,448,987	\$ 34,344,971
Pupil supporting services	5,665,729	5,162,786	5,705,280	5,482,434
Instructional support	1,056,003	1,013,723	1,053,912	1,182,989
Board of education and administration	4,047,824	4,010,328	3,911,675	3,724,689
Fiscal and business services	1,685,164	1,650,601	1,558,243	1,515,944
Operation and maintenance	3,923,309	4,052,860	4,606,501	4,972,457
Pupil transportation	2,239,255	3,106,648	2,178,693	2,555,361
Central and community services	1,724,674	1,685,876	1,863,945	1,622,719
Food service operation	1,453,319	1,658,649	1,635,458	1,674,344
Extracurricular activities	1,737,607	1,743,371	1,814,642	1,519,769
Capital outlay	24,128,631	5,416,552	109,875	216,488
Debt service				
Principal	3,885,175	3,956,407	356,719	345,000
Interest	3,320,044	4,027,316	625,670	193,722
Total expenditures	<u>\$ 91,318,724</u>	<u>\$ 72,338,374</u>	<u>\$ 60,869,600</u>	<u>\$ 59,350,887</u>
Debt service as a percentage of noncapital expenditures	<u>10.72%</u>	<u>11.67%</u>	<u>1.65%</u>	<u>0.96%</u>

Source: School District Financial Records, Total Governmental Funds.

2013	2012	2011	2010	2009	2008
\$ 32,777,011	\$ 32,022,732	\$ 32,360,007	\$ 32,710,592	\$ 31,963,493	\$ 30,877,961
4,691,310	4,648,260	5,261,245	5,025,884	4,457,730	4,394,429
1,000,946	775,360	1,101,512	1,469,968	1,300,195	1,142,972
3,524,501	3,645,632	2,918,878	3,608,866	3,788,962	3,336,701
1,467,218	1,426,695	1,439,166	1,306,900	1,259,017	1,260,990
5,530,590	6,830,343	4,745,581	4,706,956	4,851,480	4,582,460
2,339,691	2,542,036	1,908,824	2,352,362	2,438,239	2,338,646
1,438,772	1,504,626	1,639,852	1,434,101	1,597,441	1,546,650
1,618,632	1,684,980	1,587,422	1,560,668	1,505,358	1,313,315
1,540,787	1,480,777	1,559,993	1,537,321	1,678,945	1,536,845
-	-	-	-	83,643	-
85,000	85,000	85,000	85,000	85,000	114,774
8,818	12,597	15,895	19,465	23,013	26,895
<u>\$ 56,023,276</u>	<u>\$ 56,659,038</u>	<u>\$ 54,623,375</u>	<u>\$ 55,818,083</u>	<u>\$ 55,032,516</u>	<u>\$ 52,472,638</u>
<u>0.17%</u>	<u>0.17%</u>	<u>0.19%</u>	<u>0.19%</u>	<u>0.20%</u>	<u>0.27%</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)

	2017	2016	2015	2014
Excess of revenues over (under) expenditures	<u>\$ (27,903,693)</u>	<u>\$ 2,954,851</u>	<u>\$ (3,846,900)</u>	<u>\$ 1,384,917</u>
Other financing sources (uses)				
Bond issuance	-	-	80,577,000	-
Premium on debt issue	-	-	6,454,725	-
Transfers-in	250,000	151,186	150,000	233,000
Capital lease	-	-	126,317	-
Transfers-out	(250,000)	(151,186)	(150,000)	(233,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>87,158,042</u>	<u>-</u>
Net change in fund balances	<u>\$ (27,903,693)</u>	<u>\$ 2,954,851</u>	<u>\$ 83,311,142</u>	<u>\$ 1,384,917</u>

Source: School District Financial Records, Total Governmental Funds.



<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
<u>\$ 1,497,604</u>	<u>\$ 5,884,408</u>	<u>\$ (1,667,753)</u>	<u>\$ (614,829)</u>	<u>\$ 1,906,137</u>	<u>\$ (368,262)</u>
3,315,000	-	-	-	-	-
-	-	-	-	-	-
308,713	140,208	233,000	948,000	260,000	257,628
-	-	-	-	-	-
<u>(308,713)</u>	<u>(140,208)</u>	<u>(333,000)</u>	<u>(948,000)</u>	<u>(360,000)</u>	<u>(357,628)</u>
<u>3,315,000</u>	<u>-</u>	<u>(100,000)</u>	<u>-</u>	<u>(100,000)</u>	<u>(100,000)</u>
<u>\$ 4,812,604</u>	<u>\$ 5,884,408</u>	<u>\$ (1,767,753)</u>	<u>\$ (614,829)</u>	<u>\$ 1,806,137</u>	<u>\$ (468,262)</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
2017	\$ 760,841,640	\$ 2,173,833,257	\$ 16,756,660	\$ 19,041,659	\$ -	\$ -
2016	762,548,150	2,178,709,000	15,858,060	18,020,523	-	-
2015	762,019,140	2,177,197,543	15,583,130	17,708,102	-	-
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

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) 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 Value	Total		Assessed Value Ratio	Total Direct Tax Rate
	Estimated Actual Value			
\$ 777,598,300	\$ 2,192,874,916		35.5%	96.9
778,406,210	2,196,729,523		35.4%	96.9
777,602,270	2,194,905,645		35.4%	96.9
780,880,510	2,205,194,864		35.4%	96.9
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%	91.4
829,915,379	2,351,514,109		35.3%	91.4
830,912,363	2,455,975,993		33.8%	83.5
897,441,233	2,623,390,402		34.2%	83.5

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 School	City	Total Direct and Overlapping Governments
	General	Improvements	Bond Retirement	Total Direct Tax Rate				
2016	89.50	1.95	5.45	96.90	23.43	3.09	13.30	136.72
2015	89.50	1.95	5.45	96.90	23.43	2.40	13.30	136.03
2014	89.50	1.95	5.45	96.90	23.43	2.40	13.30	136.03
2013	89.50	1.90	0.00	91.40	22.53	2.40	13.30	129.63
2012	89.50	1.90	0.00	91.40	20.80	2.40	13.30	127.90
2011	89.50	1.90	0.00	91.40	20.80	2.40	13.30	127.90
2010	89.50	1.90	0.00	91.40	20.90	2.40	13.30	128.00
2009	81.60	1.90	0.00	83.50	20.60	2.40	13.30	119.80
2008	81.60	1.90	0.00	83.50	20.60	2.40	13.20	119.70
2007	81.60	1.90	0.00	83.50	20.20	2.40	13.20	119.30

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, 2015 AND DECEMBER 31, 2006

December 31, 2016		
Name of Taxpayer	Assessed Value	Percent of Total Assessed Value
Star-West Great Northern Mall LLC	\$ 36,988,690	4.76%
BRE DDR Great Northern LLC	27,300,030	3.51%
PWA Great Northern Corporation	8,394,760	1.08%
B & G Properties LTD Partnership	6,253,290	0.80%
LKD North Olmsted LLC	6,207,060	0.80%
JVM Butternut Ridge Apartments, LLC	5,642,000	0.73%
Moen, Inc.	4,685,770	0.60%
Mays Stores 74 Corp	4,285,060	0.55%
Ganley Real Estate Co.	4,217,170	0.54%
Water Tower Square Limited	4,146,530	0.53%
Wal-Mart	3,676,440	0.47%
	<u>\$ 111,796,800</u>	14.38%
Total Value in the District	<u>\$ 777,598,300</u>	

December 31, 2007		
Name of Taxpayer	Assessed Value	Percent of Total Assessed Value
Great Northern Partnership	\$ 26,344,050	2.94%
DDRC Great Northern, LTD	22,838,790	2.54%
Duke Realty Corporation	7,445,620	0.83%
Higbee Company	6,655,220	0.74%
B & G Properties LTD	5,855,170	0.65%
Butternut Ridge Apartments, LLC	5,751,200	0.64%
WEA Great Northern Mall LLC	5,147,670	0.57%
Water Tower Square LTD	4,638,730	0.52%
Wal Mart	4,607,790	0.51%
Higbee Company	4,550,010	0.51%
	<u>\$ 93,834,250</u>	10.08%
Total Value in the District	<u>\$ 897,441,233</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.

NORTH OLMSTED CITY SCHOOL DISTRICT  
PRINCIPAL TAXPAYERS  
PUBLIC UTILITY TAX  
AS OF DECEMBER 31, 2015 AND DECEMBER 31, 2006

December 31, 2016		
Name of Taxpayer	Assessed Value (1)	Percent of Total Assessed Value
Cleveland Electric Illuminating Co	\$ 12,765,950	1.64%
American Transmission System	2,696,610	0.35%
East Ohio Gas Company	1,270,320	0.16%
Columbia Gas Transmission Corporation	16,730	0.00%
Columbia Gas of Ohio, Inc.	7,050	0.00%
	<u>\$ 16,756,660</u>	<u>2.15%</u>
Total Value in the District	<u>\$ 777,598,300</u>	

December 31, 2007		
Name of Taxpayer	Assessed Value (1)	Percent of Total Assessed Value
Cleveland Illuminating Company	\$ 8,422,120	0.94%
East Ohio Gas Company	870,760	0.10%
American Transmission System	746,600	0.08%
Columbia Gas Transmission Corporation	47,370	0.01%
Columbia Gas of Ohio, Inc.	410	0.00%
	<u>\$ 10,087,260</u>	<u>1.13%</u>
Total Value in the District	<u>\$ 897,441,233</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 2013 and 2004 collection years, respectively.

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

Collection Year (2)	Current Taxes Levy	Delinquent Taxes Levy	Total Taxes Levy	Current Tax Collections
2016	\$ 50,049,627	\$ 1,410,222	\$ 51,459,849	\$ 48,115,297
2015	48,534,489	1,811,796	50,346,285	48,381,678
2014	44,332,391	1,637,724	45,970,115	42,164,609
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

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.



<u>Percent of Current Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Total Collection as a Percent of Current Levy</u>
96.1%	\$ 707,629	\$ 48,822,926	97.5%
99.7%	1,148,768	49,530,446	102.1%
95.1%	865,159	43,029,768	97.1%
96.8%	863,855	43,684,894	98.7%
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%

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

Year	General Obligation Bonded Debt (1)	Capital Leases	General Obligation Notes	Total Primary Government
2017	\$ 81,203,702	\$ 55,016	\$ -	\$ 81,258,718
2016	85,410,689	80,191	-	85,490,880
2015	89,734,903 (4)	104,598	-	89,839,501
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

Source:

- (1) School District Financial Records.
- (2) See Schedule S-17 for estimated actual value of taxable property.
- (3) See Schedule S-30 for personal income, population, and ADM data.  
These ratios are calculated using data for the prior calendar year.
- (4) 2015 General Obligation Bonded debt has been restated to include unamortized bond premium.

Percentage of Estimated Actual Value (2)	Percentage of Personal Income (3)	Per Capita (3)	Per ADM (3)
3.71%	8.49%	\$ 2,554	\$ 21,266
3.89%	8.88%	2,671	22,275
3.82%	9.27%	2,796	23,287
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

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

	2017	2016	2015	2014
Assessed Valuation	<u>\$ 777,598,300</u>	<u>\$ 778,406,210</u>	<u>\$ 777,602,270</u>	<u>\$ 780,880,510</u>
Debt Limit -				
9% of Assessed Value (1)	<u>69,983,847</u>	<u>70,056,559</u>	<u>69,984,204</u>	<u>70,279,246</u>
Debt Applicable to Debt Limit:				
G.O. Bonds - Energy Conservation	2,290,000	2,550,000	2,805,000	3,055,000
G.O. Bonds - Facilities Improvement	73,300,000	76,900,000	80,577,000	
G.O. Bonds exempt from Debt Limit	(5,606,153) (a)	(9,393,441) (a)	(13,397,796) (a)	
Amount Available in Debt				
Service Fund	<u>(2,295,509)</u>	<u>(4,932,483)</u>	<u>(8,259,771)</u>	<u>(105,820)</u>
Total	<u>67,688,338</u>	<u>65,124,076</u>	<u>61,724,433</u>	<u>2,949,180</u>
Overall Debt Margin	<u>\$ 2,295,509</u>	<u>\$ 4,932,483</u>	<u>\$ 8,259,771</u>	<u>\$ 67,330,066</u>
Total debt applicable to debt limit as a percentage of debt limit	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>4.35%</u>
Overall Limit -				
.10% of Assessed Value (1)	\$ 777,598	\$ 778,406	\$ 777,602	\$ 780,881
Amount of Debt Applicable	<u>-</u>	<u>-</u>	<u>-</u>	<u>85,000</u>
Unvoted Debt Margin	<u>\$ 777,598</u>	<u>\$ 778,406</u>	<u>\$ 777,602</u>	<u>\$ 695,881</u>
Unvoted debt applicable to debt limit as a percentage of unvoted debt limit	<u>0.000%</u>	<u>0.000%</u>	<u>0.000%</u>	<u>10.885%</u>

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

(a) Represent the amount of General Obligation Bonds exempt from the 9% Debt Limits as allowed under Section 133.06(l) of the Ohio Revised Code.

2013	2012	2011	2010	2009	2008
<u>\$ 780,684,790</u>	<u>\$ 822,394,500</u>	<u>\$ 829,678,703</u>	<u>\$ 829,915,379</u>	<u>\$ 889,115,760</u>	<u>\$ 897,441,233</u>
<u>70,261,631</u>	<u>74,015,505</u>	<u>74,671,083</u>	<u>74,692,384</u>	<u>80,020,418</u>	<u>80,769,711</u>
3,485,000	255,000	340,000	425,000	510,000	595,000
<u>(88,112)</u>	<u>(73,930)</u>	<u>(63,277)</u>	<u>(56,172)</u>	<u>(52,637)</u>	<u>(52,650)</u>
<u>3,396,888</u>	<u>181,070</u>	<u>276,723</u>	<u>368,828</u>	<u>457,363</u>	<u>542,350</u>
<u>\$ 66,864,743</u>	<u>\$ 73,834,435</u>	<u>\$ 74,394,360</u>	<u>\$ 74,323,556</u>	<u>\$ 79,563,055</u>	<u>\$ 80,227,361</u>
<u>4.96%</u>	<u>0.34%</u>	<u>0.46%</u>	<u>0.57%</u>	<u>0.64%</u>	<u>0.74%</u>
\$ 780,685	\$ 822,394	\$ 829,679	\$ 829,915	\$ 889,116	\$ 897,441
<u>170,000</u>	<u>255,000</u>	<u>340,000</u>	<u>425,000</u>	<u>510,000</u>	<u>595,000</u>
<u>\$ 610,685</u>	<u>\$ 567,394</u>	<u>\$ 489,679</u>	<u>\$ 404,915</u>	<u>\$ 379,116</u>	<u>\$ 302,441</u>
<u>21.776%</u>	<u>31.007%</u>	<u>40.980%</u>	<u>51.210%</u>	<u>57.360%</u>	<u>66.300%</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
COMPUTATION OF DIRECT AND OVERLAPPING GENERAL OBLIGATION DEBT  
AS OF DECEMBER 31, 2015

<u>Jurisdiction</u>	<u>Debt Outstanding</u>	<u>Percentage Applicable to School District (1)</u>	<u>Amount Applicable to School District</u>
<b><i>Direct Debt:</i></b>			
North Olmsted City School District	<u>\$ 75,590,000</u>	100.00%	<u>\$ 75,590,000</u>
<b><i>Underlying Debt:</i></b>			
Cuyahoga County	226,090,000	2.84%	6,427,292
Regional Transit Authority	3,910,000	2.84%	111,154
North Olmsted City	22,446,594	100.00%	22,446,594
Olmsted Falls School District	<u>21,509,960</u>	1.54%	<u>331,019</u>
Subtotal	<u>273,956,554</u>		<u>29,316,059</u>
Total	<u><u>\$ 349,546,554</u></u>		<u><u>\$ 104,906,059</u></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 each overlapping political subdivision's assessed valuation within 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 Year	North Olmsted City Population (1)	Per Capita Income (1)	Personal Income	Average Daily Student Enrollment (2)	Cuyahoga County Unemployment Rate (3)
2017	31,817	\$ 30,080	\$ 957,055,360	3,821	6.6%
2016	32,004	30,080	962,680,320	3,838	4.9%
2015	32,130	30,152	968,738,760	3,858	6.1%
2014	32,718	28,754	940,773,372	4,046	8.8%
2013	32,718	29,293	958,408,374	3,993	8.3%
2012	32,718	28,754	940,773,372	4,117	7.9%
2011	32,718	26,757	875,435,526	4,193	9.4%
2010	31,053	28,411	882,246,783	4,314	9.0%
2009	31,319	28,411	889,804,109	4,366	10.2%
2008	31,641	26,686	844,371,726	4,484	8.1%

Source:

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

NORTH OLMSTED CITY SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS  
AS OF DECEMBER 31, 2015 AND DECEMBER 31, 2006

December 31, 2016	
Name of Employer	Percent of Total City Income Taxes Paid
Moen Incorporated	11.49%
North Olmsted City School District	4.57%
The City of North Olmsted	2.12%
Bernie Moreno Companies	1.83%
Factory Mutual Insurance Company	1.65%
Ganley Westside Imports	1.25%
Wal Mart Associates, Inc.	1.10%
Palmer Holland, Inc.	0.93%
Riser Foods Company	0.82%
Cargill, Inc.	0.82%
Total	26.58%

December 31, 2007	
Name of Employer	Percent of Total City Income Taxes Paid
Moen Incorporated	N/A
North Olmsted City School District	N/A
The City of North Olmsted	N/A
Factory Mutual Insurance Company	N/A
Wal Mart Associates, Inc.	N/A
Sunnyside Cars, Inc.	N/A
Heartland Employment Services, Inc.	N/A
Cingular Wireless Employee Services	N/A
Merrill Lynch Pierce Kenner & P. Craig	N/A
GMAC-GM Payroll Services	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, 2007.



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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Administration</b>	24	24	25	25
<b>Instructional:</b>				
Regular Teaching	195	194	192	200
Special Education	24	25	26	29
Vocational Education	2	2	2	3
Remedial Specialist	41	45	45	46
Tutors	14	14	14	11
Others	0	0	0	0
<b>Other Professional:</b>				
Counseling	10	10	10	11
Psychologist	5	5	5	5
Speech therapist	5	5	5	5
Others	1	1	2	6
<b>Support Staff:</b>				
Secretarial	37	38	37	37
Teacher Aides	64	67	65	64
Maintenance	7	8	8	10
Custodial	29	32	31	34
Transportation	29	28	28	26
Food Service	28	33	30	30
Monitors	25	25	25	30
Library Services	9	10	10	10
Computer Technicians	5	4	3	4
Other	3	3	3	5
<b>Total</b>	<u>557</u>	<u>573</u>	<u>566</u>	<u>591</u>

Source: School District financial records.

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
23	23	23	25	23	25
195	198	206	219	225	223
30	33	35	39	41	43
3	3	4	6	6	6
43	38	37	32	29	27
8	4	3	3	3	5
0	0	0	0	4	2
11	11	11	11	12	13
5	5	5	5	5	5
5	5	5	5	5	6
4	4	4	4	2	1
36	37	38	41	41	44
59	56	52	58	58	54
7	7	8	9	8	8
34	34	35	38	38	40
27	28	29	35	34	32
29	28	28	28	26	24
25	15	15	15	15	17
10	10	9	15	13	12
4	4	4	4	4	4
5	5	4	4	4	4
<u>563</u>	<u>548</u>	<u>555</u>	<u>596</u>	<u>596</u>	<u>595</u>

NORTH OLMSTED CITY SCHOOL DISTRICT  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Source of Revenue - North Olmsted:				
Local	72.2%	72.0%	70.1%	71.8%
State	23.7%	23.7%	25.3%	23.3%
Federal	4.1%	4.3%	4.6%	4.9%
Source of Revenue - Statewide:				
Local	49.3%	48.8%	48.6%	49.4%
State	43.6%	43.8%	44.1%	42.9%
Federal	7.1%	7.4%	7.3%	7.7%
Cost per Pupil:				
North Olmsted	\$ 15,199	\$ 14,970	\$ 14,676	\$ 14,518
Statewide	\$ 11,603	\$ 11,164	\$ 10,985	\$ 10,912
Transportation:				
Percent of students transported	46.0%	38.0%	38.0%	56.0%
Number of miles traveled	269,280	299,207	268,790	295,853
Food Service:				
Annual operating deficit	\$ (134,692)	\$ (152,404)	\$ (89,798)	\$ (130,565)
Number of meals served	391,416	397,183	416,530	480,806
Number of federally subsidized meals served	306,647	319,227	319,888	327,343
Number of students receiving federally subsidized meals	1,604	1,657	1,605	1,687
Median Income:				
North Olmsted	\$ 37,127	\$ 36,654	\$ 36,056	\$ 35,587
Statewide	\$ 33,782	\$ 33,100	\$ 32,873	\$ 33,074
New Construction Within the District:				
Residential	\$ 12,185,536	\$ 12,155,563	\$ 10,303,576	\$ 9,076,195
Commercial	\$ 18,977,099	\$ 21,527,686	\$ 11,016,817	\$ 9,920,152

Source: School District financial records.

[a] In fiscal year 2010, the School District started providing breakfasts at all school buildings.

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
73.6%	71.2%	68.8%	66.4%	69.1%	71.4%
21.4%	23.7%	25.5%	27.5%	26.5%	24.9%
5.0%	5.1%	5.7%	6.1%	4.3%	3.7%
49.7%	47.3%	44.7%	45.7%	46.4%	48.2%
42.1%	44.1%	45.5%	44.1%	45.4%	43.6%
8.2%	8.6%	9.9%	10.2%	8.2%	8.2%
\$ 13,483	\$ 13,697	\$ 13,018	\$ 12,662	\$ 12,226	\$ 11,531
\$ 10,445	\$ 10,508	\$ 10,569	\$ 10,512	\$ 10,184	\$ 9,939
55.0%	53.0%	47.0%	50.0%	51.0%	50.0%
280,620	295,926	346,890	340,740	337,140	375,348
\$ (101,390)	\$ (77,329)	\$ (101,620)	\$ (80,843)	\$ (104,606)	\$ (118,804)
476,582	528,000	486,728	504,189 [a]	341,724	274,979
325,637	370,526	323,877	339,455 [a]	171,780	159,501
1,696	1,628	1,624	1,550	1,547	1,333
\$ 35,124	\$ 34,380	\$ 33,973	\$ 35,006	\$ 35,099	\$ 34,740
\$ 32,180	\$ 31,681	\$ 30,850	\$ 31,520	\$ 31,341	\$ 31,321
\$ 11,964,770	\$ 15,797,334	\$ 7,576,054	\$ 7,094,128	\$ 6,574,278	\$ 7,474,587
\$ 33,343,735	\$ 15,627,004	\$ 30,033,394	\$ 3,982,820	\$ 9,533,967	\$ 9,789,366

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

<u>School Building</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Birch Primary (1967)				
Square Feet	35,522	35,522	35,522	35,522
Capacity	464	464	464	464
Enrollment	355	272	298	321
Butternut Primary (1968)				
Square Feet	N/A (2)	31,682	31,682	31,682
Capacity	N/A	408	408	408
Enrollment	N/A	291	282	278
Forest Primary (1971)				
Square Feet	31,508	31,508	31,508	31,508
Capacity	336	336	336	336
Enrollment	315	236	241	255
Spruce Primary (1967)				
Square Feet	24,764	24,764	24,764	24,764
Capacity	312	312	312	312
Enrollment	217	254	226	245
Chestnut Intermediate (1956)				
Square Feet	42,381	42,381	42,381	42,381
Capacity	480	480	480	480
Enrollment (b)	317	266	270	261
Maple Intermediate (1956)				
Square Feet	42,381	42,381	42,381	42,381
Capacity	504	504	504	504
Enrollment	386	392	393	397
Pine Intermediate (1965)				
Square Feet	53,308	53,308	53,308	53,308
Capacity	260	260	277	456
Enrollment	384	271	271	271
Middle School (1930)				
Square Feet	N/A (1)	N/A (1)	114,987	114,987
Capacity	N/A	N/A	949	949
Enrollment	N/A	N/A	582	646
High School (1962)				
Square Feet	208,304	208,304	208,304	208,304
Capacity	1,194	1,194	1,194	1,194
Enrollment	1,270	1,339	1,289	1,376

Source of information - School District financial records.

(1) The Middle School was closed at the end of fiscal year 2015. The students will be housed in an off-site rented facility to allow for the construction of a new Middle/High School Campus scheduled to be completed August 2018.

(2) The Butternut Primary School was closed at the end of fiscal year 2016 and converted into an Administrative Center. The students who were to attend this school were reassigned to the remaining primary schools of Birch, Forest and Spruce.

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
35,522	35,522	35,522	35,522	35,522	35,522
464	464	464	464	464	464
463	429	428	414	425	409
31,682	31,682	31,682	31,682	31,682	31,682
408	408	408	408	408	408
233	247	253	250	233	274
31,508	31,508	31,508	31,508	31,508	31,508
336	336	336	336	336	336
254	223	237	258	261	300
24,764	24,764	24,764	24,764	24,764	24,764
312	312	312	312	312	312
204	200	190	173	176	217
42,381	42,381	42,381	42,381	42,381	42,381
480	480	480	480	480	480
255	261	292	314	316	312
42,381	42,381	42,381	42,381	42,381	42,381
504	504	504	504	504	504
291	275	296	291	294	283
53,308	53,308	53,308	53,308	53,308	53,308
456	456	456	456	456	456
406	396	420	449	418	400
114,987	114,987	114,987	114,987	114,987	114,987
949	949	949	949	949	949
650	680	619	657	696	669
208,304	208,304	208,304	208,304	208,304	208,304
1,194	1,194	1,194	1,194	1,194	1,194
1,389	1,405	1,458	1,508	1,547	1,618

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Land	\$ 1,504,554	\$ 1,504,554	\$ 1,490,054	\$ 1,374,279
Construction in progress	26,594,140	4,368,321	-	-
Land improvements	1,362,544	1,574,609	1,874,235	1,477,160
Buildings and improvements	22,517,010	21,844,536	24,880,819	24,880,819
Furniture and equipment	2,966,630	3,216,945	3,583,540	3,302,784
Vehicles	2,986,869	3,223,202	2,487,753	2,739,976
Total	<u>57,931,747</u>	<u>35,732,167</u>	<u>34,316,401</u>	<u>33,775,018</u>
Less accumulated depreciation	<u>(17,134,270)</u>	<u>(17,950,904)</u>	<u>(19,420,572)</u>	<u>(18,662,346)</u>
Total Governmental Activities Capital Assets, Net	<u>\$ 40,797,477</u>	<u>\$ 17,781,263</u>	<u>\$ 14,895,829</u>	<u>\$ 15,112,672</u>

Source: School District financial records.



<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
\$ 1,172,491	\$ 1,172,491	\$ 1,172,491	\$ 1,172,491	\$1,172,491	\$1,088,848
61,142	2,559,093	26,401	-	69,021	-
1,477,160	869,318	869,318	835,881	835,881	835,881
24,057,405	20,695,929	20,055,478	20,027,650	19,397,055	19,460,758
3,133,348	3,012,418	2,936,573	2,894,313	3,166,187	3,203,159
2,781,976	3,087,156	2,980,704	2,976,568	2,994,178	2,956,695
<u>32,683,522</u>	<u>31,396,405</u>	<u>28,040,965</u>	<u>27,906,903</u>	<u>27,634,813</u>	<u>27,545,341</u>
 (17,861,536)	 (17,135,183)	 (16,414,810)	 (15,568,169)	 (14,892,229)	 (14,283,034)
 <u>\$ 14,821,986</u>	 <u>\$ 14,261,222</u>	 <u>\$ 11,626,155</u>	 <u>\$ 12,338,734</u>	 <u>\$12,742,584</u>	 <u>\$13,262,307</u>

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