



Dave Yost • Auditor of State

**NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY**

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**NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY**

**SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2015**

Federal Grantor/ Pass Through Grantor Program Title	Federal CFDA Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
<u>U.S. DEPARTMENT OF AGRICULTURE</u>					
<i>Passed Through Ohio Department of Education:</i>					
Child Nutrition Cluster:					
School Breakfast Program	10.553	\$35,515	\$0	\$35,515	\$0
National School Lunch Program	10.555	<u>323,641</u>	<u>43,248</u>	<u>323,641</u>	<u>43,248</u>
Total Child Nutrition Cluster		<u>359,156</u>	<u>43,248</u>	<u>359,156</u>	<u>43,248</u>
Total U.S. Department of Agriculture		<u>359,156</u>	<u>43,248</u>	<u>359,156</u>	<u>43,248</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>					
<i>Passed Through Ohio Department of Education:</i>					
Special Education Cluster:					
Special Education Grants - FY 2014	84.027	147,474	0	143,624	0
Special Education Grants - FY 2015	84.027	<u>647,843</u>	<u>0</u>	<u>630,565</u>	<u>0</u>
Subtotal Special Education Grants		795,317	0	774,189	0
Preschool Grant - FY 2014	84.173	1,577	0	2,898	0
Preschool Grant - FY 2015	84.173	<u>17,884</u>	<u>0</u>	<u>17,573</u>	<u>0</u>
Subtotal Preschool Grant		19,461	0	20,471	0
Total Special Education Cluster		<u>814,778</u>	<u>0</u>	<u>794,660</u>	<u>0</u>
Title I Grants to Local Education Agencies - FY 2014	84.010	45,819	0	52,465	0
Title I Grants to Local Education Agencies - FY 2015	84.010	<u>287,335</u>	<u>0</u>	<u>298,731</u>	<u>0</u>
Total Title I Grants to Local Education Agencies		333,154	0	351,196	0
Title III, Part A, English Acquisition State Grants - 2014	84.365	819	0	1,879	
Improving Teacher Quality - FY 2014	84.367	12,297	0	12,156	0
Improving Teacher Quality - FY 2015	84.367	<u>71,832</u>	<u>0</u>	<u>70,512</u>	<u>0</u>
Total Improving Teacher Quality		84,129	0	82,668	0
Total Ohio Department of Education		<u>1,232,880</u>	<u>0</u>	<u>1,230,403</u>	<u>0</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>					
<i>Passed Through Ohio Department of Mental Retardation and Developmental Disabilities:</i>					
Medicaid Assistance Program	93.778	<u>23,335</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total U.S. Department of Health and Human Services		<u>23,335</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Federal Assistance		<u>\$1,615,371</u>	<u>\$43,248</u>	<u>\$1,589,559</u>	<u>\$43,248</u>

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

**NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY**

**NOTES TO THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FISCAL YEAR ENDED JUNE 30, 2015**

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

The accompanying Schedule of Federal Awards Receipts and Expenditures (the Schedule) reports the North Ridgeville City School District's (the District's) federal award programs' receipts and disbursements. The Schedule has been prepared on the cash basis of accounting.

NOTE B - CHILD NUTRITION CLUSTER

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

NOTE C- FOOD DONATION PROGRAM

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



Dave Yost • Auditor of State

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

North Ridgeville City School District
Lorain County
5490 Mills Creek Lane
North Ridgeville, Ohio 44039

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the North Ridgeville City School District, Lorain County, (the District) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 29, 2015, wherein we noted the District adopted Governmental Accounting Standard No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. Our report refers to other auditors who audited the financial statements of the Joint Insurance Health Plan Trust for the Benefit of North Ridgeville City School District Employees as described in our report on the District's financial statements. This report does not include the results of other auditors' testing of internal control over the financial reporting and compliance and other matters those auditors separately reported.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

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

Dave Yost
Auditor of State
Columbus, Ohio

December 29, 2015



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 AND THE SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES

North Ridgeville City School District
Lorain County
5490 Mills Creek Lane
North Ridgeville, Ohio 44039

To the Board of Education:

Report on Compliance for the Major Federal Program

We have audited the North Ridgeville City School District's (the District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect the North Ridgeville City School District's major federal program for the year ended June 30, 2015. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the District's major federal program.

Management's Responsibility

The District's Management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

Auditor's Responsibility

Our responsibility is to opine on the District's compliance for the District's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on the Major Federal Program

In our opinion, the North Ridgeville City School District complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended June 30, 2015.

Report on Internal Control Over Compliance

The District's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the District's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the District's internal control over compliance.

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

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

This report only describes the scope of our internal control over compliance tests and the results of this testing based on OMB Circular A-133 requirements. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Federal Awards Receipts and Expenditures Required by OMB Circular A-133

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the North Ridgeville City School District (the District) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated December 29, 2015. Our opinion also explained that the District adopted *Governmental Accounting Standards No. 68 and 71* during the year. Our report refers to other auditors who audited the financial statements of the Joint Insurance Health Plan Trust for the Benefit of North Ridgeville City School District Employees, as described in our report on the District's financial statements. This report does not include the results of the other auditors' testing of internal controls over financial reporting or compliance and other matters that those auditors separately reported. We conducted our audit to opine on the District's basic financial statements. The accompanying schedule of federal awards receipts and expenditures presents additional analysis required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Dave Yost
Auditor of State
Columbus, Ohio

December 29, 2015

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**NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 § .505
JUNE 30, 2015**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under § .510(a)?	No
(d)(1)(vii)	Major Programs (list):	Special Education Cluster: Special Education - Grants to States (IDEA Part B) - CFDA #84.027 and Special Education - Preschool Grants (IDEA Preschool) - CFDA #84.173
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

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

None

3. FINDINGS FOR FEDERAL AWARDS

None

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***North Ridgeville City School
District***

"Building On Success One Individual At A Time"

Comprehensive Annual Financial Report

**For the Fiscal Year Ended
June 30, 2015
North Ridgeville, Ohio**

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NORTH RIDGEVILLE CITY SCHOOL DISTRICT

NORTH RIDGEVILLE, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2015

Prepared by:

Treasurer's Office
Michael Verlingo, CPA, Treasurer
Patricia Ellis, Assistant Treasurer
Diane Ryman, Assistant Treasurer
Margaret Bay, Accounts Receivable

**NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
FOR THE YEAR ENDED JUNE 30, 2015**

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**NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
FOR THE YEAR ENDED JUNE 30, 2015**

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**NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
FOR THE YEAR ENDED JUNE 30, 2015**

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North Ridgeville City School District

5490 Mills Creek Lane
North Ridgeville, Ohio 44039
Telephone: (440) 327-4444
Fax: (440) 327-9774
Web: www.nrcs.k12.Oh.us

“Building On Success One Individual At A Time”

December 29, 2015

Members of the Board of Education
Residents of North Ridgeville:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the North Ridgeville City School District for the fiscal year ended June 30, 2015. Responsibility for the accuracy of the data presented and completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the School District. This report will provide the taxpayers of the North Ridgeville City School District with comprehensive financial data in a format that will enable them to gain an understanding of the School District's financial affairs. Copies will be made available to the North Ridgeville Public Library, major taxpayers, financial rating services, local bankers and other interested parties.

SCHOOL DISTRICT

The School District is one of the 612 public school districts in the State and 14 in the County. We provide education to 4,003 students in grades Pre-K through 12. It is located in Lorain County in north central Ohio, approximately 20 miles southwest of the City of Cleveland and approximately ten miles southeast of the City of Lorain. The School District's territory is coterminous with the territory of the city.

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

The School District's 2015 population was 31,871. Its area is approximately 25 square miles, broken down by land use as follows:

Residential	85.91%
Commercial/Industrial	11.50%
Public Utility	01.93%
Agricultural	00.66%
Undeveloped	(a)

(a) Included in above categories.

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

The School District's general area is served by diversified transportation facilities. Immediate access is available to three State and U.S. highways and to interstate highways I-480, I-90 and I-80 (the James W. Shocknessy Ohio Turnpike). Conrail, Amtrak, Norfolk and Western, Chessie System and Lorain and West Virginia railroads serve the County. Airfreight and passenger air service are provided through

Cleveland Hopkins International Airport, located in adjacent Cuyahoga County within 15 minutes of the School District, and the Lorain County Regional Airport in New Russia Township.

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

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

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

THE REPORTING ENTITY

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

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

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

ECONOMIC CONDITION AND OUTLOOK

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

Residential development has been significant in recent years and is expected to continue. Building permits for 244 residential and 6 commercial buildings were issued in 2014. In various stages of planning and construction are community developments throughout the City: Waterbury and Del Webb, a 640-acre development to include approximately 2,000 residential units and Meadow Lakes, a 570-acre development to include approximately 1,900 residential units are approximately 60% complete.

Other developments in the city include the subdivisions of Hampton Place, Sandy Ridge, Timber Ridge, Windsor Point and North Ridge Pointe that together represent approximately 1,500 homes, approximately 40% completed. Elsewhere in the City Ridgfield Homes, an upscale development represents approximately 1,000 homes about 2/3 complete. Several other smaller subdivisions remain under

development throughout the City. The City's Building Department reflects about 2,200 residential units to be constructed within these developments.

Building permits were issued in 2014 for new residential units with an estimated value of \$ 31,340,959 as compared to calendar year 2013 which were \$ 28,427,400; calendar year 2012 \$ 29,401,600; and calendar year 2011 \$ 23,692,091.

Five separate industrial parks are located in the City of North Ridgeville. The largest of these is Taylor Woods Industrial Park, which is home to the facilities of Invacare Corporation (manufacturer of wheelchairs), Becket Gas, Incorporated (a manufacturer of gas burners) and Becket Air, Incorporated (a manufacturer of blower parts). In 2014, building permits were issued for commercial buildings and improvements with an estimated value of \$ 4,143,293 versus \$ 2,846,394 in 2013.

Even though the School District is experiencing economic development in the area of real estate, it does not necessarily mean that the School District is experiencing revenue increases proportionately to the real estate development. Unfortunately, current state law prohibits school districts in Ohio from receiving additional tax revenue when the County Auditor reevaluates property values. In 1976, the Ohio General Assembly passed House Bill 920. This law requires the tax rate to be lowered by the same percentage property values are increased by the County Auditor's reevaluation. In calendar year 2015, North Ridgeville City Schools levied 55.70 mills of taxes to fund its operations. House Bill 920 lowered those mills to 43.72 mills for residential and agricultural properties and 42.05 mills for commercial and industrial properties.

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

MAJOR INITIATIVES – FISCAL YEAR 2015

The School District's Strategic Continuous Improvement Plan remains the driving force behind academic success and expanded student services. This plan, in connection with our budgeting process, has resulted in a systematic improvement in both the short and long term in the areas of Curriculum and Instruction, Business Services (Facilities and Transportation), Finance, and Communications and Marketing. Please visit our School District's website at www.nrcs.k12.oh.us to take a detailed look at our Strategic Continuous Improvement Plan. The following is a brief list, by goal area, of the School District's main accomplishments during the past fiscal year:

Curriculum and Instruction

- Due to the change-over to a new state report card, the district has yet to receive the previous year's report card. Full results are due out in January or February of 2016.
- With the support, services and partnership of the State Support Team, Region 2 and the Regional School Improvement Team, our District continued its work as the first cohort of sixteen Districts throughout the State to have received a State Personnel Development Grant (SPDG). This provided funds and high level support to our District to continue participation in an innovative process for strategic planning entitled the Ohio Improvement Plan. This planning process has allowed the district to participate in a focused goal setting process. The district has identified three goal areas based on the review of district achievement data. These limited number of goals, and limited number of strategies for each goal, have allowed for concentrated focus on the core work that needs to be done to improve student performance. The importance of aligning district work with district goals for instruction and achievement that are collaboratively developed and stable/sustainable over an extended period of time has been evident to this work and is what we attribute our success to as a district. We have also developed one plan with all the building plans aligned to these district goals. This has provided an unprecedented focus on clear curricular and instructional goals for the district. This also shows the Importance of internal accountability, which holds all adults in the system accountable for implementing evidence-based practices to improve teaching and learning.

- The District has focused these curriculum and instructional goals and professional development efforts on the Cycle of Curriculum, Instruction, Assessment and Feedback. Teachers developed and used priority indicators and clear learning targets, matched these to high quality instructional practices, created strong formative and benchmark assessments, and then used the data from assessment to provide feedback to instruction and student performance. Formative Assessment and Data Teams worked diligently in each building, grade level, and department to focus this CIAF cycle. The teams were facilitated by building principals, team leaders and the Director of Curriculum and Instruction. Each group reviewed Ohio Achievement and Graduation Test data using this information to identify our priority indicators and learning targets for each of our Academic Content Standards in English/Language Arts, Math, Science, and Social Studies. The teams continue to work as Teacher Based Teams focused on this cycle of aligning and focusing curriculum, high quality instructional practices, assessment for learning and providing clear feedback to students and instructional practices.
- The District finished the revision of the science curriculum and adopted materials for math for the first time in nearly ten years. In addition to the revision, the high school added a number of elective courses to its course catalog. The 2015-2016 school year will focus on the tweaking of social studies materials and the adoption of appropriate resources to implement the curriculum effectively.
- North Ridgeville City Schools continued to work in Co-Teaching as started with Dr. Marilyn Friend from the University of North Carolina – Greensboro. Nearly 50 effective Co-Teaching teams are in place throughout the District providing services to students based on Dr. Friend's work. Students with disabilities are being educated in the least-restrictive environment as regular education teachers and intervention specialists work together in the regular classroom as teaching teams. The district has more co-teaching teams in each building than in any prior year.
- We use State Support Team money to continue our work with District Leadership Team, Building Leadership Teams and Teacher Based Teams. The money was used to help provide substitutes for our teachers as they worked to learn and implement Building Leadership teams and the Teacher Based Team processes.
- Development, implementation and revision of Standards Based Report Cards in grades 4 and 5 was completed with grades 6 through 8 beginning in the 2015-2016 school year, using the Power Teacher reporting system.
- Continued implementation of our Summer School Program, with services for Kindergarten students, that provides crucial intervention, remediation, and enhancement courses to students in grades K-12. We used the Apex On-line learning program for Summer School in grades 7 through 12. This program had 190 students working in an on-line learning environment to learn and provide intervention so our students had the skills to move forward and be successful in their future learning environments.
- The District has implemented the use of Apex as an on-line program to help students re-cover lost credit. We had 75 students re-cover credits using this program last year. This allowed some students to graduate with their cohort and other students stay in line with their cohort to graduate on-time as they work to re-cover credit they have lost due to being unsuccessful in the course prior to the Apex attempt.
- Professional Development has become very focused in the District. The District is concentrated on an aligned, focused curriculum with clear learning targets, providing high quality instructional strategies matched to those targets, assessing learning along the way to benchmarks and providing clear feedback to students, instructional practices and curriculum decisions. All of this work has a focus on teaching and learning in the 21st century. Extensive work has been completed focusing on Problem Based Learning and Teacher as Architect.
- Completion of our Ninth Annual Mini-Rangers Summer Camp that provided academic and language services for incoming Preschool, Kindergarten, and First Grade students.
- The District currently has teachers in all four years of the Resident Educator Program. At present, the district has fifty teachers participating in the Resident Educator Program. The program to this point has been a tremendous success.

Finances

- Continue to developed and submit a five-year forecast.
- Expanded investment options to increase the return on invested funds.
- Implemented an Electronic Vendor Audit System for accounts payable. Each check run file is uploaded into the system which the treasurer reviews and also checks each vendor against the state and federal databases to ensure there are no restrictions on cash payments.
- Continue to spend less per pupil on Administration and more per pupil on instruction than the State or Local Average of similarly sized school districts.
- Issued our fourteenth consecutive Comprehensive Annual Financial Report of the School District.
- Received six consecutive “Auditor of State Award with Distinction” which demonstrates our commitment to careful spending, and accurate fiscal recording and efficiency.
- Continued to enhance the Employee Kiosk software which allows more efficient communication of employees financial and benefit packages.
- Enhanced reporting, analysis and review of the Health Trust
- Continued automation and integration of time clock software with our payroll system.

Business Services (Facilities and Transportation)

- Purchased (2) 84-Passenger buses, (2) 72-Passenger buses with wheelchair lifts, and (1) 54-Passenger bus w/ wheelchair lift.
- Installed cameras on those five new school buses.
- Purchased a F-350 Maintenance Dump Truck, and a F-250 Maintenance Pick Up truck with a plow
- Purchased acoustical shells at the Education Center
- High School asbestos abatement project completed
- High School tile installation in main hallways completed
- Installed new lockers in high school corridor and locker rooms
- Painted main hallways, locker rooms, multi-purpose room and cafeteria in the high school
- Paving improvements were completed at Liberty Elementary, Wilcox Elementary and the High School
- Purchase of tower site equipment in conjunction with the city of N. Ridgeville
- Purchase of classroom furniture for an added classroom at the Education Center
- Purchase of new classroom furniture to try out for new 3-8 building
- Relocated Lear North gas line
- Boiler and A/C inspections and repairs were completed throughout the district.

Communication and Marketing

- Continue to involve and engage the community and staff in the education planning process through the Strategic Continuous Improvement Plan.
- Continue to expand informing residents through:
- Community relations & participation in civic organizations
 - Quarterly electronic or print community newsletters that includes facilities update, district and financial information
 - Annual participation in the three-day North Ridgeville Festival
- Submit news articles, pictures, and press releases to the local media on an ongoing basis
- Continue to expand and update the district website for internal and external communication for an informed and engaged community. The district website includes district and building news items, photos of classroom and school activities, calendar of events, Board of Education meeting minutes, staff directory and teacher webpages.
- Utilize digital technology and video platforms to include concerts, slideshows and videos of classroom and school activities, and the State of the Schools Address.
- Foster partnerships with alumni, community organizations & businesses that connect NRCS students and enhance the educational atmosphere.
- Build upon the parent involvement programs at all of the buildings and partner with PTA to support fundraising and building activity
- Maintain social media platforms that include Twitter, Facebook, and YouTube. Increase followers on these platforms by 25% while continuing to use these forums to communicate with both parents and non-parents and answer community questions.
- Audit of the NRCS brand and develop a streamlined, cohesive look across the district that includes replacing discontinued logo's or images with current brands and taglines

Long Term and Capital Planning

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

In addition, the District initiated an energy efficiency review of its facilities with the intent to improve lighting and reduce energy consumption in the remainder of its ongoing facilities.

FINANCIAL OVERVIEW

Internal Controls

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

Budget Process

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

Accounting System

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

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

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

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

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

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

DEBT ADMINISTRATION

The School District operated within the established overall debt margin and the un-voted debt margin. At June 30, 2015, outstanding bonds totaled \$ 57,765,000. Net debt retired was \$ 1,080,000 General Obligation Bonds. As of June 30, 2015, the overall debt margin was \$ 7,900,000 and the un-voted debt margin was \$ 715,000.

INDEPENDENT AUDIT

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

AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the North Ridgeville City School District for its comprehensive annual financial report for the fiscal year ended June 30, 2014. This was the fourteenth consecutive year that the School District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

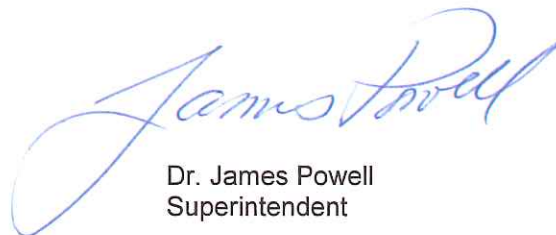
ACKNOWLEDGEMENTS

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

Respectfully Submitted,



Michael Verlingo, CPA
Treasurer



Dr. James Powell
Superintendent

NORTH RIDGEVILLE CITY SCHOOL BOARD OF EDUCATION
PRINCIPAL OFFICIALS
JUNE 30, 2015

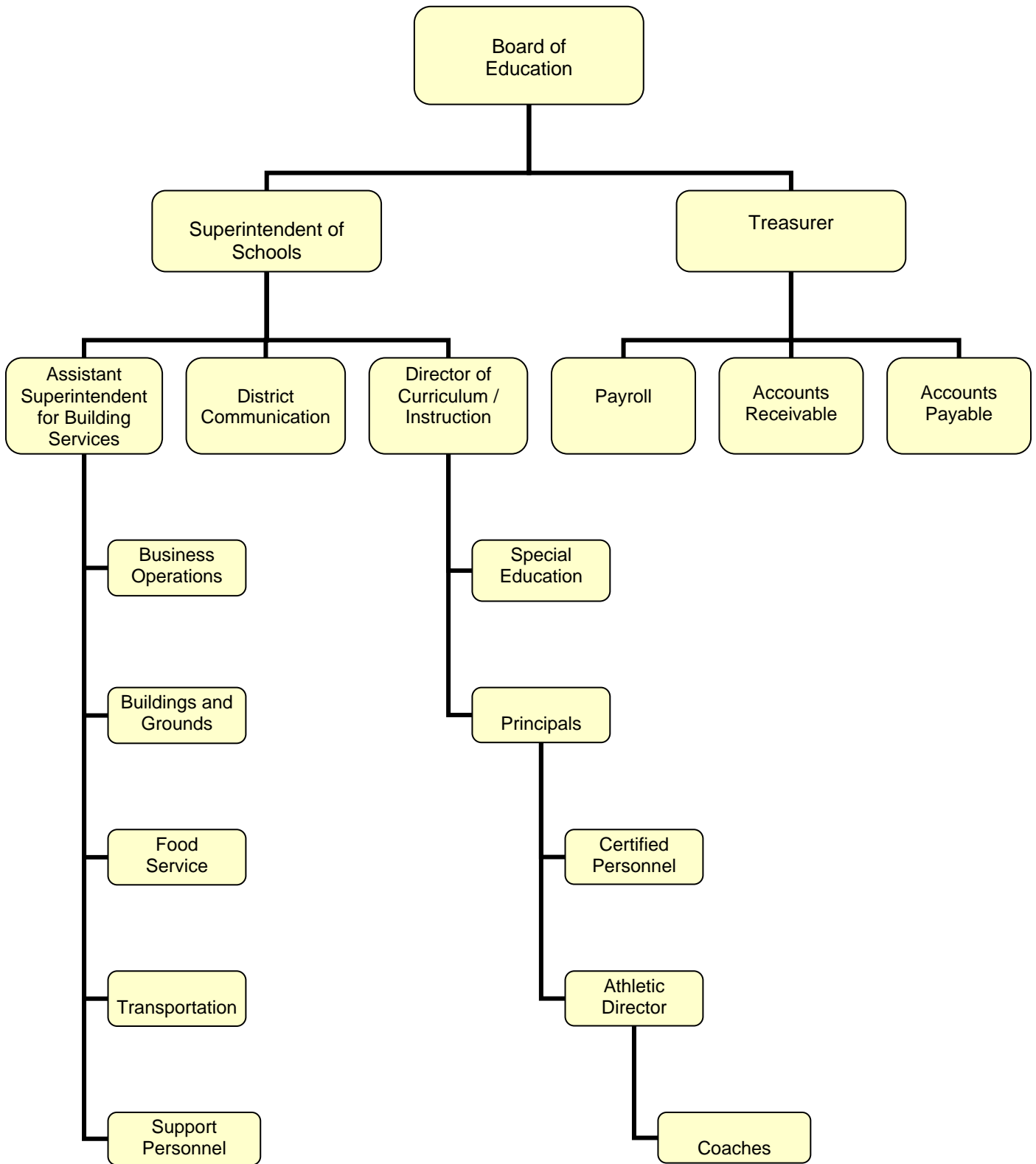
Board of Education

Mr. Frank Vacha.....President
Mrs. Kelly McCarthy.....Vice President
Mrs. Robin Hrabik.....Member
Mr. Robb Lyons.....Member
Mrs. Marci Saxon.....Member

Administration

Dr. James Powell.....Superintendent
Mr. Michael Verlingo, CPA.....Treasurer
Mr. David Pritt.....Director of Curriculum/Instruction
Mr. William Greene.....Assistant Superintendent of Building Services

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
ORGANIZATION CHART





Government Finance Officers Association

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

Presented to

**North Ridgeville City School District
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

North Ridgeville City School District
Lorain County
5490 Mills Creek Lane
North Ridgeville, Ohio 44039

To the Board of Education:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the North Ridgeville City School District, Lorain County, Ohio (the District), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We did not audit the financial statements of the Joint Insurance Health Plan Trust for the Benefit of North Ridgeville City School District Employees, which represent 14.57 percent and 34.59 percent, respectively, of the assets and revenues of the aggregate remaining fund information. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amount included for the Joint Insurance Health Plan Trust for the Benefit of North Ridgeville City School District Employees, is based solely on the report of other auditors. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the North Ridgeville City School District, Lorain County, Ohio, as of June 30, 2015, and the respective changes in financial position and where applicable, cash flows, thereof and the budgetary comparison for the General Fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the financial statements, during the year ended June 30, 2015, the District adopted Governmental Accounting Standard No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2015, 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.



Dave Yost
Auditor of State
Columbus, Ohio

December 29, 2015

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NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2015

Unaudited

The management discussion and analysis of North Ridgeville City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2015. The intent of this management discussion and analysis is to look at the School District's financial performance as a whole. Readers should also review the transmittal letter, financial statements and notes to those respective statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2015 are as follows:

- In total, net position of governmental activities increased \$ 8,046,159 which represents a 34.7% increase from 2014.
- General revenues accounted for \$ 43,086,635 revenue or 90.5% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$ 4,541,626 or 9.5% of total revenues of \$ 47,628,261.
- The School District had \$ 39,582,102 in expenses related to governmental activities; only \$ 4,541,626 of these expenses were offset by program specific charges for services, grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) amounted to \$ 43,086,635. Total revenues were \$ 8,046,159 more than total expenses.
- At the close of the current fiscal year, the School District's governmental funds reported combined fund balances of \$ 72,826,070, an increase of \$ 2,288,417 in comparison with the prior year. Approximately, 19.1% of fund balance, \$ 13,926,957, is available for spending at the School District's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$ 14,463,465, or 42.7% of total General Fund expenditures.
- The School District's total outstanding long-term liabilities decreased \$ 9,288,702 to \$ 103,125,091 primarily due to the decrease in net pension liability.

Using this Comprehensive Annual Financial Report (CAFR)

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

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2015

Unaudited

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains all the funds used by the School District to provide programs and activities, the view of the School District as a whole considers all financial transactions and asks the question, "How did we do financially during 2015?" The Statement of Net Position and Statement of Activities answer this question. These statements include all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses using the accrual basis of accounting, similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major fund begins on page 20. Fund financial statements provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, Building Fund and Classroom Facilities Fund.

Governmental Funds

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2015

Unaudited

The School District as a Whole

The Statement of Net Position provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net position for 2015 compared to 2014:

TABLE I
Total Net Position

	2015	2014
Assets		
Current and other assets	\$ 106,757,943	\$ 104,054,508
Total capital assets, net	14,683,663	12,550,800
Total assets	121,441,606	116,605,308
Deferred outflows of resources		
Pension	3,152,579	2,797,912
Total deferred outflows of resources	3,152,579	2,797,912
Liabilities		
Current liabilities	5,754,303	5,509,586
Long term liabilities		
Due within one year	1,111,328	1,251,312
Due in more than one year		
Net pension liability	42,813,429	50,870,826
Other amounts	59,200,334	60,291,655
Total liabilities	108,879,394	117,923,379
Deferred inflows of resources		
Property taxes	24,664,915	24,668,684
Pension	6,192,560	-
Total deferred inflows of resources	30,857,475	24,668,684
Net position		
Net investment in capital assets	11,754,444	10,485,780
Restricted	2,218,843	2,469,301
Unrestricted	(29,115,971)	(36,143,924)
Total net position	\$ (15,142,684)	\$ (23,188,843)

During 2015, the School District adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27," which significantly revises accounting for pension costs and liabilities. 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.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2015

Unaudited

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

Under the new standards required by GASB 68, the net pension liability equals 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.

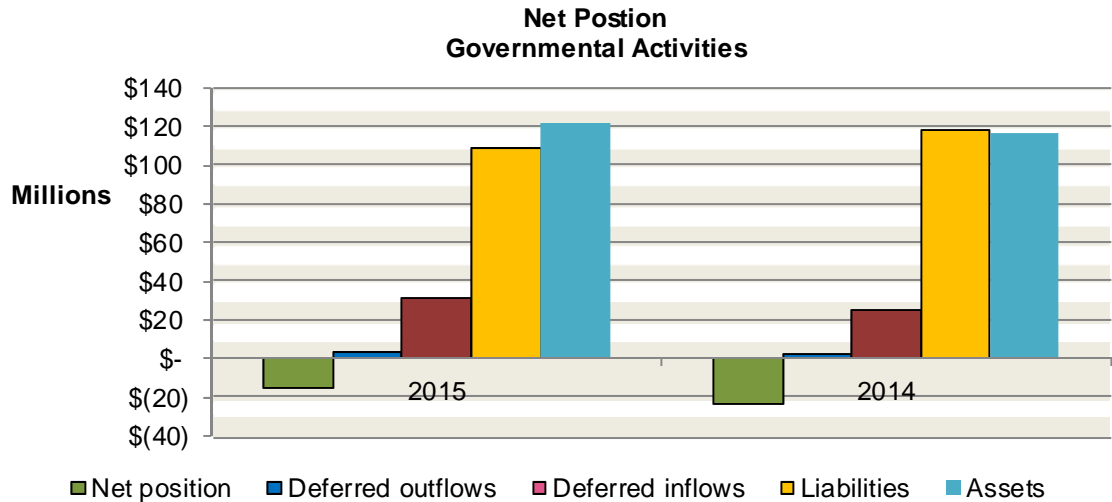
As a result of implementing GASB 68, the School District is reporting a net pension liability and deferred inflows/outflows of resources related to pension on the accrual basis of accounting. This implementation also had the effect of restating net position at June 30, 2014, from \$ 24,884,071 to (\$ 23,188,843).

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2015

Unaudited



Governmental Activities

Net position of the School District's governmental activities increased \$ 8,046,159. The increase in net position is primarily the result of an increase in property taxes and capital grants, interest and contributions. Total governmental expenses of \$ 39,582,102 were offset by program revenues of \$ 4,541,626 and general revenues of \$ 43,086,635. Program revenues supported 11.5% of the total governmental expenses.

The primary sources of revenue for governmental activities are derived from property taxes, and grants and entitlements. These revenue sources represent 93.7% of total governmental revenue. Property tax revenue increased by \$1,518,409, unrestricted grants and entitlements revenue increased by \$ 312,376, and interest income increased by \$ 299,156. Miscellaneous revenue decreased by \$ 986,893.

The largest expense of the School District is for instructional programs. Instruction expenses totaled \$ 23,668,790 or 59.8% of total governmental expenses for fiscal 2015.

By comparing assets and deferred outflows and liabilities and deferred inflows, one can see that the overall position of the School District reflects an increase in net position of \$ 8,046,159.

Table 2 summarizes the revenues, expenses and the changes in net position for fiscal year 2015 and 2014.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2015

Unaudited

Table 2

	<u>2015</u>	<u>2014</u>
Revenues		
Program revenues		
Charges for services and sales	\$ 1,913,338	\$ 1,648,935
Operating grants, interest and contributions	1,970,447	2,150,282
Capital grants, interest and contributions	657,841	-
Total program revenues	<u>4,541,626</u>	<u>3,799,217</u>
General revenues		
Property taxes	27,541,245	26,022,836
Grants and entitlements not restricted to specific purposes	14,452,217	14,139,841
Investment earnings	317,331	18,175
Miscellaneous	775,842	1,762,735
Total general revenues	<u>43,086,635</u>	<u>41,943,587</u>
Total revenues	<u>47,628,261</u>	<u>45,742,804</u>
Program expenses		
Instruction	23,668,790	23,010,953
Supporting services		
Pupil and instructional staff	2,589,027	2,551,956
Board of education, administration, fiscal services and business	3,124,491	3,232,008
Operation and maintenance	2,552,076	2,528,510
Pupil transportation	2,580,862	2,643,317
Central services	218,688	365,184
Operation of non-instructional services		
Food service operation	1,067,707	1,041,632
Community services	501,063	398,861
Extracurricular activities	781,970	791,344
Interest and fiscal charges	2,497,428	2,063,552
Total expenses	<u>39,582,102</u>	<u>38,627,317</u>
Increase in net position	8,046,159	7,115,487
Net position at beginning of year, restated	(23,188,843)	N/A
Net position at end of year	<u>\$(15,142,684)</u>	<u>\$(23,188,843)</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

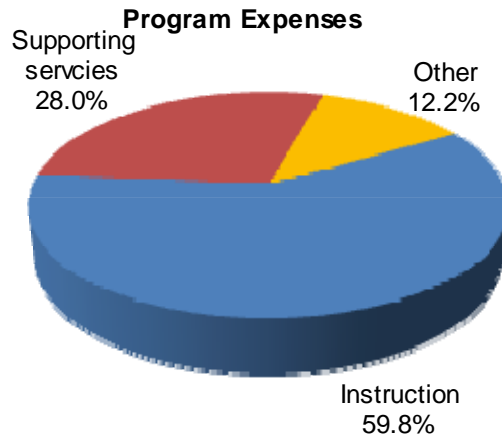
FOR THE YEAR ENDED JUNE 30, 2015

Unaudited

The information necessary to restate the 2014 beginning balances and the 2014 pension expense amounts for the effects of the initial implementation of GASB 68 is not available. Therefore, 2014 functional expenses still include pension expense of \$ 2,797,912 computed under GASB 27. GASB 27 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 68, pension expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of pension expense. Under GASB 68, the 2015 statements report pension expense of \$ 2,077,891. Consequently, in order to compare 2015 total program expenses to 2014, the following adjustments are needed:

Total 2015 program expenses under GASB 68	\$	39,582,102
Pension expense under GASB 68		(2,077,891)
2015 contractually required contributions		<u>2,749,253</u>
Adjusted 2015 program expenses		40,253,464
Total 2014 program expenses under GASB 27		<u>(38,627,317)</u>
Increase in program expenses not related to pension	\$	<u><u>1,626,147</u></u>

59.8 percent of the School District's budget is used to fund instructional expenses. Additional supporting services for pupils, staff and business operations encompass an additional 28.0 percent. The remaining program expenses of 12.2 percent are budgeted to facilitate other obligations of the School District, such as the food service program, numerous extracurricular activities and debt service.



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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2015

Unaudited

Table 3

	Total Cost of Services		Net Cost of Services	
	2015	2014	2015	2014
Program expenses				
Instruction	\$ 23,668,790	\$ 23,010,953	\$(21,104,274)	\$(20,970,154)
Supporting services				
Pupil and instructional staff	2,589,027	2,551,956	(2,270,740)	(2,500,146)
Board of education, administration, fiscal services and business	3,124,491	3,232,008	(3,124,491)	(3,229,008)
Operation and maintenance	2,552,076	2,528,510	(2,552,076)	(2,528,510)
Pupil transportation	2,580,862	2,643,317	(2,580,862)	(2,643,317)
Central services	218,688	365,184	(218,688)	(365,184)
Operation of non-instructional services				
Food service operation	1,067,707	1,041,632	(90,366)	(50,743)
Community services	501,063	398,861	(16,867)	84,760
Extracurricular activities	781,970	791,344	(584,684)	(562,246)
Interest and fiscal charges	2,497,428	2,063,552	(2,497,428)	(2,063,552)
Total expenses	<u>\$ 39,582,102</u>	<u>\$ 38,627,317</u>	<u>\$(35,040,476)</u>	<u>\$(34,828,100)</u>

The reliance upon local tax revenues for governmental activities is crucial. Approximately 69.6 percent of expenses are directly supported by local property taxes. Grants and entitlements not restricted to specific programs support 36.5 percent, while investments and other miscellaneous type revenues support the remaining activity costs of 2.8 percent. Program revenues fund only 11.5 percent of all governmental expenses.

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

School District Funds

Information regarding the School District's major funds can be found on page 20. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$ 46,975,109, excluding other sources, and expenditures of \$ 44,689,187, excluding other uses. Other financing sources (uses) had a net increase of \$ 2,495. The net changes in fund balances for the year were as follows: General Fund \$ 4,685,499, Building Fund (\$ 827,550), Classroom Facilities Fund (\$ 1,183,186) and Other Governmental Funds (\$ 386,346).

General Fund taxes revenue increased by \$ 135,283 due to the amount available for advance from the Lorain County Auditor. Additionally, the General Fund intergovernmental revenue increased by \$ 900,050 due to more funding being received from the state. The decreases in fund balances of the Building Fund and the Classroom Facilities Fund are related to the beginning of construction of new school buildings and facilities and related improvements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2015

Unaudited

General Fund Budgeting Highlights

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

During the course of fiscal year 2015, the School District amended its General Fund budget several times. Original budgeted receipts for the General Fund were \$ 38,068,237 and final budgeted receipts were \$ 38,495,319. Actual receipts were \$ 38,497,988 which were \$ 2,669 less than final budgeted estimated receipts. Original appropriations were \$ 34,751,837 and final appropriations were \$ 34,307,593. Actual expenditures were \$ 34,305,370 which were \$ 2,223 less than final appropriations.

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

The above circumstances allowed the School District to end the school year with a General Fund unencumbered cash balance of \$ 14,419,971 which was \$ 876,248 more than original projections.

Capital Assets and Debt Administration

Capital Assets

All capital assets, except land, are reported net of depreciation. At the end of fiscal 2015, the School District had \$ 14,683,663 invested in land, buildings, equipment and vehicles. Table 4 shows fiscal 2015 values compared to 2014.

Table 4
Capital Assets
(Net of Accumulated Depreciation)

	2015	2014
Land	\$ 1,740,513	\$ 1,740,513
Construction in progress	2,124,616	-
Buildings and improvements	8,886,845	9,125,133
Furniture and equipment	439,655	410,303
Vehicles	1,492,034	1,274,851
Total capital assets	<u>\$ 14,683,663</u>	<u>\$ 12,550,800</u>

During fiscal 2015, the School District purchased \$ 2,968,375 of capital assets and recorded depreciation expense of \$ 785,650. More detailed information is presented in Note 9 of the notes to the basic financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2015

Unaudited

Debt

At June 30, 2015 the School District had \$ 103,125,091 in long-term obligations a decrease of \$ 9,288,702. \$ 1,111,328 of the long-term obligations are due within one year. Net pension liability at June 30, 2015 was \$ 42,813,429. Table 5 shows fiscal 2015 values compared to 2014.

Table 5
Outstanding Debt Year-End

	2015	2014
Bonds payable	\$ 57,765,000	\$ 58,845,000
Unamortized bond premium	1,598,464	1,648,165
Capital leases	-	6,518
Net pension liability	42,813,429	50,870,826
Compensated absences	948,198	1,043,284
Total outstanding debt	<u>\$ 103,125,091</u>	<u>\$ 112,413,793</u>

The School District's overall legal debt margin was \$ 7,900,000 with an unvoted debt margin of \$ 715,000.

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

School District Outlook

The Board of Education and the administration closely monitor the School District's revenues and expenditures in accordance with its financial forecast and the School District's Continuous Improvement Plan.

The School District's current financial forecast remains strong through the projected 5 year operating period with carryover balances in excess of required reserves. Despite this, several challenges exist relative to school funding in the State of Ohio. Among these challenges are frequent legislative actions amending the budget formula (positive and negative), restrictions on the growth of School District's operating revenues and new mandates relative to operational and educational requirements. These and other macro-economic factors require the School District to periodically seek additional funds from the taxpayers to offset rising operating costs. The North Ridgeville voters have continued to show support for the schools as illustrated with the passage of renewal levies, the passage of a \$ 5,900,000 additional Emergency Levy that began collection in January 2013 with full collection reflected in fiscal year ended June 30, 2014, and the most recent passage of a \$ 58,100,000 Bond Issue coupled with a one mill Permanent Improvement Levy. The bond proceeds will be used to erect new facilities in the district.

In addition to the mandates and changes mentioned above, school districts are faced with the challenge of losing traditional sources of tax revenue through the Ohio General Assembly legislative actions. These actions included the elimination of tangible personal property tax receipts and most recently, the revenue distribution that was enacted by the commercial activities tax in a two year phase out period in the amount of \$ 599,172 in fiscal year 2012 and \$ 276,354 in fiscal year 2013.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED JUNE 30, 2015

Unaudited

Offsetting some of these reductions has been a change in the state funding formula methodology to move districts toward their calculated funding amount. This change has benefited North Ridgeville City Schools, who have been historically been underfunded. The increase in revenue from the formula approximated 10% in the last fiscal year. Despite this increase the district revenues are only 9.5% over 2008 levels while experiencing increased enrollment. And because North Ridgeville City Schools is considered a wealthy school district in terms of property values, it receives a relatively small amount of revenue from the State to fund operating expenses.

As a result of the passage of the levies mentioned above, the School District's administration reviewed its budget to provide adequate resources to meet student needs over the next several years. The administration along with the Board of Education will continue to monitor expenses and improve programs to provide cost effective, quality education to North Ridgeville students.

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

Contacting the School District's Financial Management

This report is designed to provide our citizens, taxpayers and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Michael Verlingo, CPA, Treasurer at North Ridgeville City School District, 5490 Mills Creek Lane, North Ridgeville, Ohio 44039.

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NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

STATEMENT OF NET POSITION

JUNE 30, 2015

	Governmental Activities
Assets	
Equity in pooled cash and investments	\$ 74,727,912
Investments	296,961
Accounts receivable	101,253
Due from other governments	69,638
Prepaid items	1,855,036
Taxes receivable	29,707,143
Capital assets	
Nondepreciable capital assets	3,865,129
Depreciable capital assets	10,818,534
Total assets	121,441,606
Deferred outflow s of resources	
Pension	3,152,579
Total deferred outflow s of resources	3,152,579
Liabilities	
Accounts and contracts payable	1,116,892
Accrued salaries, w ages and benefits	3,682,269
Claims payable	401,581
Accrued interest payable	201,100
Due to other governments	352,461
Long-term liabilities	
Due w ithin one year	1,111,328
Due in more than one year	
Net pension liability	42,813,429
Other amounts	59,200,334
Total liabilities	108,879,394
Deferred inflow s of resources	
Property taxes	24,664,915
Pension	6,192,560
Total deferred inflow s of resources	30,857,475
Net position	
Net investment in capital assets	11,754,444
Restricted for:	
Debt service	1,823,050
Capital projects	232,944
Extracurricular activities	36,671
State grants	47,133
Federal grants	78,598
Donations	447
Unrestricted	(29,115,971)
Total net position	\$ (15,142,684)

See accompanying notes to the basic financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2015

	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position
		Charges for Services and Sales	Operating Grants, Interest and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction					
Regular	\$ 16,849,020	\$ 849,442	\$ 81,632	\$ 657,841	\$ (15,260,105)
Special	6,643,625	-	975,601	-	(5,668,024)
Vocational	162,453	-	-	-	(162,453)
Other instruction	13,692	-	-	-	(13,692)
Supporting services					
Pupil	1,833,646	272,605	-	-	(1,561,041)
Instructional staff	755,381	26,399	19,283	-	(709,699)
Board of education	124,692	-	-	-	(124,692)
Administration	1,817,337	-	-	-	(1,817,337)
Fiscal services	950,941	-	-	-	(950,941)
Business	231,521	-	-	-	(231,521)
Operation and maintenance	2,552,076	-	-	-	(2,552,076)
Pupil transportation	2,580,862	-	-	-	(2,580,862)
Central services	218,688	-	-	-	(218,688)
Operation of non-instructional services					
Food service operation	1,067,707	567,606	409,735	-	(90,366)
Community services	501,063	-	484,196	-	(16,867)
Extracurricular activities	781,970	197,286	-	-	(584,684)
Interest and fiscal charges	2,497,428	-	-	-	(2,497,428)
Total	\$ 39,582,102	\$ 1,913,338	\$ 1,970,447	\$ 657,841	(35,040,476)

General revenues

Property taxes levied for:	
General purposes	23,063,967
Debt service	3,418,062
Capital improvements	1,059,216
Grants and entitlements not restricted to specific purposes	14,452,217
Investment earnings	317,331
Miscellaneous	775,842
Total general revenues	43,086,635
 Change in net position	 8,046,159
 Net position at beginning of year, restated	 (23,188,843)
Net position at end of year	\$ (15,142,684)

See accompanying notes to the basic financial statements.

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NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

BALANCE SHEET -
GOVERNMENTAL FUNDS

JUNE 30, 2015

	General Fund	Building Fund	Facilities Fund
Assets			
Equity in pooled cash and investments	\$ 15,134,967	\$ 13,448,823	\$ 42,985,422
Restricted cash	-	-	-
Receivables, net of allowance			
Taxes, current	24,107,006	-	-
Taxes, delinquent	1,316,700	-	-
Accounts and other	92,050	-	-
Due from other governments	8,238	-	-
Interfund receivables	1,160,472	-	-
Total assets	\$ 41,819,433	\$ 13,448,823	\$ 42,985,422
Liabilities			
Accounts and contracts payable	\$ 349,430	\$ 5,159	\$ 5,159
Accrued salaries, wages and benefits	3,616,181	-	-
Due to other governments	309,999	-	-
Interfund payable	-	-	-
Matured compensated absences	244,291	-	-
Total liabilities	4,519,901	5,159	5,159
Deferred inflow s of resources			
Property taxes levied for next year and unavailable resources	22,430,270	-	-
Total deferred inflow s of resources	22,430,270	-	-
Fund balances (deficits)			
Nonspendable	-	-	-
Restricted	-	13,443,664	42,980,263
Committed	-	-	-
Assigned	405,797	-	-
Unassigned	14,463,465	-	-
Total fund balances (deficits)	14,869,262	13,443,664	42,980,263
Total liabilities, deferred inflow s of resources and fund balances (deficits)	\$ 41,819,433	\$ 13,448,823	\$ 42,985,422

See accompanying notes to the basic financial statements.

Other Governmental Funds	Total Governmental Funds
\$ 2,348,683	\$ 73,917,895
-	-
4,061,637	28,168,643
221,800	1,538,500
9,203	101,253
61,400	69,638
-	1,160,472
<u>\$ 6,702,723</u>	<u>\$ 104,956,401</u>
\$ 120,638	\$ 480,386
66,088	3,682,269
42,462	352,461
1,160,472	1,160,472
7,037	251,328
<u>1,396,697</u>	<u>5,926,916</u>
<u>3,773,145</u>	<u>26,203,415</u>
<u>3,773,145</u>	<u>26,203,415</u>
-	-
2,069,389	58,493,316
-	-
-	405,797
(536,508)	13,926,957
<u>1,532,881</u>	<u>72,826,070</u>
<u>\$ 6,702,723</u>	<u>\$ 104,956,401</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2015

Total governmental fund balances	\$ 72,826,070
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.	14,683,663
Other long-term assets are not available to pay for current period expenditures and therefore are deferred inflow s in the funds:	
Property taxes	1,538,500
Prepaid items	1,804,500
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.	119,427
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	3,152,579
Deferred inflow s - pension	(6,192,560)
Net pension liability	(42,813,429)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Compensated absences payable	(696,870)
Bonds payable	(57,765,000)
Unamortized bond premium	(1,598,464)
Accrued interest payable	(201,100)
	(60,261,434)
Net position of governmental activities	\$ (15,142,684)

See accompanying notes to the basic financial statements.

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NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

	General Fund	Building Fund	Facilities Fund
Revenue			
Taxes	\$ 22,992,867	\$ -	\$ -
Tuition and fees	839,055	-	-
Interest	37,558	77,132	198,209
Intergovernmental	14,413,739	-	382,500
Extracurricular	179,577	-	-
Charges for services	3,612	-	-
Other	305,323	-	-
Total revenues	<u>38,771,731</u>	<u>77,132</u>	<u>580,709</u>
Expenditures			
Current			
Instruction			
Regular	16,552,723	-	-
Special	5,751,758	-	-
Vocational	174,539	-	-
Adult/continuing	-	-	-
Other instruction	15,116	-	-
Supporting services			
Pupil	1,936,273	-	-
Instructional staff	760,622	-	-
Board of education	126,560	-	-
Administration	1,952,444	-	-
Fiscal services	849,474	10,036	30,108
Business	244,422	-	-
Operation and maintenance	2,333,099	-	-
Pupil transportation	2,380,352	-	-
Central services	188,917	-	-
Operation of non-instructional services			
Food service operation	4,040	-	-
Community services	145	-	-
Extracurricular activities	586,136	-	-
Capital outlay	-	894,646	1,733,787
Debt service			
Principal	6,518	-	-
Interest	21	-	-
Total expenditures	<u>33,863,159</u>	<u>904,682</u>	<u>1,763,895</u>
Excess (deficiency) of revenues over expenditures	<u>4,908,572</u>	<u>(827,550)</u>	<u>(1,183,186)</u>
Other financing sources (uses)			
Gain on sale of capital assets	2,495	-	-
Transfers in	-	-	-
Transfers out	(225,568)	-	-
Total other financing sources (uses)	<u>(223,073)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	4,685,499	(827,550)	(1,183,186)
Fund balances, beginning of year	<u>10,183,763</u>	<u>14,271,214</u>	<u>44,163,449</u>
Fund balances, end of year	<u>\$ 14,869,262</u>	<u>\$ 13,443,664</u>	<u>\$ 42,980,263</u>

See accompanying notes to the basic financial statements.

Other Governmental Funds	Total Governmental Funds
\$ 4,472,078	\$ 27,464,945
-	839,055
1,538	314,437
2,284,266	17,080,505
174,452	354,029
583,684	587,296
29,519	334,842
<u>7,545,537</u>	<u>46,975,109</u>
215,605	16,768,328
1,111,843	6,863,601
-	174,539
-	-
-	15,116
75	1,936,348
33,124	793,746
-	126,560
-	1,952,444
71,446	961,064
-	244,422
355,318	2,688,417
434,680	2,815,032
33,021	221,938
1,075,198	1,079,238
549,387	549,532
246,014	832,150
402,832	3,031,265
1,080,000	1,086,518
2,548,908	2,548,929
<u>8,157,451</u>	<u>44,689,187</u>
<u>(611,914)</u>	<u>2,285,922</u>
-	2,495
387,595	387,595
<u>(162,027)</u>	<u>(387,595)</u>
<u>225,568</u>	<u>2,495</u>
(386,346)	2,288,417
1,919,227	70,537,653
<u>\$ 1,532,881</u>	<u>\$ 72,826,070</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

Net change in fund balances - total governmental funds		\$ 2,288,417
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	\$ 2,918,513
	Depreciation expense	<u>(785,650)</u>
		2,132,863
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	Property taxes	76,300
Repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		1,086,518
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. The following items resulted in additional interest being reported in the statement of activities:		
	Accrued interest	1,800
	Amortization of bond premium	<u>49,701</u>
		51,501
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	181,620
The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the government-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.		(9,308)
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of activities reports these amounts as deferred outflows.		2,749,253
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.		(529,749)
The internal service fund is a component unit of the District and has a different fiscal year-end than the District. This causes timing differences in the amounts recorded as revenue in the component unit and the amount of expenses recorded by the District.		
	District contributions to component unit for its fiscal year-end June 30, 2015	1,804,500
	Revenue in component unit for its fiscal year-end December 31, 2014	<u>(1,785,756)</u>
		<u>18,744</u>
Change in net position of governmental activities		<u>\$ 8,046,159</u>

See accompanying notes to the basic financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

	General Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Taxes	\$ 22,794,687	\$ 22,820,901	\$ 22,820,901	\$ -
Tuition and fees	684,000	706,184	706,184	-
Interest	14,000	37,551	37,551	-
Intergovernmental	14,284,457	14,683,357	14,683,357	-
Miscellaneous	265,100	221,333	176,950	(44,383)
Total revenues	<u>38,042,244</u>	<u>38,469,326</u>	<u>38,424,943</u>	<u>(44,383)</u>
Expenditures				
Current				
Instruction				
Regular	16,646,224	16,054,749	16,279,145	(224,396)
Special	6,041,135	5,592,782	5,907,917	(315,135)
Vocational	181,681	202,538	177,675	24,863
Other	12,729	-	12,449	(12,449)
Supporting services				
Pupil	1,714,457	1,682,469	1,676,651	5,818
Instructional staff	759,501	747,373	742,753	4,620
Board of education	139,641	151,260	136,562	14,698
Administration	2,007,001	2,123,284	1,962,744	160,540
Fiscal services	867,037	941,010	847,917	93,093
Business	255,116	312,095	249,490	62,605
Operation and maintenance	2,454,357	2,593,041	2,400,234	192,807
Pupil transportation	2,448,762	2,390,702	2,394,762	(4,060)
Central services	188,073	179,595	183,925	(4,330)
Extracurricular activities				
Academic and subject oriented	83,953	80,300	82,101	(1,801)
Sports oriented	476,329	452,600	465,825	(13,225)
Co-curricular activities	27,173	27,300	26,574	726
Capital outlay	448,668	448,623	438,774	9,849
Total expenditures	<u>34,751,837</u>	<u>33,979,721</u>	<u>33,985,498</u>	<u>(5,777)</u>
Excess (deficiency) of revenues over expenditures	<u>3,290,407</u>	<u>4,489,605</u>	<u>4,439,445</u>	<u>(50,160)</u>
Other financing sources (uses)				
Gain (loss) on sale of assets	-	-	2,495	2,495
Advances in	25,993	25,993	3,993	(22,000)
Refund of prior year expenditures	-	-	66,557	66,557
Transfers-out	-	(314,400)	(306,400)	8,000
Advances out	-	(13,472)	(13,472)	-
Total other financing sources (uses)	<u>25,993</u>	<u>(301,879)</u>	<u>(246,827)</u>	<u>55,052</u>
Net change in fund balance	3,316,400	4,187,726	4,192,618	4,892
Prior year encumbrances	633,659	633,659	633,659	-
Fund balances, beginning of year	9,593,694	9,593,694	9,593,694	-
Fund balances, end of year	<u>\$ 13,543,753</u>	<u>\$ 14,415,079</u>	<u>\$ 14,419,971</u>	<u>\$ 4,892</u>

See accompanying notes to the basic financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

STATEMENT OF FUND NET POSITION -
INTERNAL SERVICE FUND

JUNE 30, 2015

	<u>Self Insurance</u>
Assets	
Current assets	
Equity in pooled cash and investments	\$ 810,017
Investments	296,961
Prepaid items	50,536
Total assets	<u>1,157,514</u>
Liabilities	
Current liabilities	
Accounts and contracts payable	636,506
Claims payable	401,581
Total liabilities	<u>1,038,087</u>
Net position	
Restricted for self insurance claims	802,098
Unrestricted	(682,671)
Total net position	<u>\$ 119,427</u>

See accompanying notes to the basic financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION -
INTERNAL SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Self Insurance
Operating revenues	
Charges for services	\$ 4,192,838
Operating expenses	
Purchased services	655,694
Claims	3,549,346
Total operating expenses	4,205,040
Operating loss	(12,202)
Nonoperating revenues	
Interest income	2,894
Change in net position	(9,308)
Net position, beginning of year	128,735
Net position, end of year	\$ 119,427

See accompanying notes to the basic financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

STATEMENT OF CASH FLOWS -
INTERNAL SERVICE FUND

FOR THE YEAR ENDED JUNE 30, 2015

	Self Insurance
Cash flows from operating activities	
Cash received from interfund services	\$ 4,192,838
Cash payments for claims	(3,515,782)
Cash payments for goods and services	(306,768)
Net cash provided by operating activities	370,288
 Cash flows from investing activities	
Interest income	2,894
Purchase of U.S. Treasury notes	(296,961)
Proceeds from bond sales	297,667
Net cash provided by investing activities	3,600
 Net increase in cash and cash equivalents	373,888
 Cash and cash equivalents, beginning of year	436,129
 Cash and cash equivalents, end of year	\$ 810,017
 Reconciliation of operating income to net cash provided by operating activities:	
Operating loss	\$ (12,202)
Adjustments	
Decrease in prepaid expenses	(7,825)
Increase in accounts payable	348,612
Increase in claims payable	41,703
Total adjustments	382,490
 Net cash provided by operating activities	\$ 370,288

See accompanying notes to the basic financial statements.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2015

	Agency Funds
Assets	
Equity in pooled cash and investments	\$ 81,788
Total assets	\$ 81,788
Liabilities	
Accounts payable	\$ 3,927
Due to students	73,002
Due to others	4,859
Total liabilities	\$ 81,788

See accompanying notes to the basic financial statements.

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NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

The North Ridgeville City School District (the School District) was established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The School District is a city school district as defined by Section 3311.03 of the Ohio Revised Code. The School District operates under an elected Board of Education consisting of five members and is responsible for providing public education to residents of the School District. Average daily membership on, or as of, October 1, 2014 was 4,003. The School District employs 245 certificated staff members and 246 non-teaching and support staff employees.

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

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

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

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

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

Financial information for the Trust's year ended December 31, 2014 is presented in these financial statements as an internal service fund. Complete financial statements for the Trust may be obtained by contacting the Plan Administrator at 10045 College Park, Concord, Ohio 44060.

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. BASIS OF PRESENTATION

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

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

Government-wide Financial Statements

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

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

Fund Financial Statements

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

C. FUND ACCOUNTING

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. FUND ACCOUNTING (continued)

Governmental Funds

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

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

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

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

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

Proprietary Fund

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

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

Fiduciary Funds

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. MEASUREMENT FOCUS

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

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

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

E. BASIS OF ACCOUNTING

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

Revenues - Exchange and Non-exchange Transactions

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. BASIS OF ACCOUNTING (continued)

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

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

Deferred Outflows/Inflows of Resources

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

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, 2015, but which were levied to finance fiscal year 2016 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 12)

Expenditures/Expenses

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. BUDGETARY PROCESS

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

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

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

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

G. CASH AND INVESTMENTS

Cash received by the School District is deposited in one central bank account with individual fund balance integrity maintained through School District records. Monies for all funds are maintained in this account or temporarily transferred to the State Treasurer's investment pool (STAR Ohio) or other short term investments. Under existing Ohio statutes, interest earnings are allocated to funds based on average monthly cash balances. Interest revenue credited to the General Fund during fiscal year 2014 amounted to \$ 37,558 none of which was assigned from other School District Funds.

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

The School District has invested in the State Treasury Asset Reserve of Ohio (STAR Ohio) during the year. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 2015.

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. CASH AND INVESTMENTS (continued)

The Trust documents specifically require the maintenance of an insurance reserve, consisting of cash and investments, to provide a minimum funding level within the Trust to provide for future claims. At December 31, 2014 and 2013 this calculated reserve amount was \$ 802,098 and \$ 919,000, respectively. The Trustees authorized use of this reserve to subsidize Trust expenses with an understanding that the funds would be replenished by increasing employee and School District contributions and changes in benefits provided. This amount is reflected as restricted in the net position section of the Statement of Fund Net Position – Internal Service Fund.

The required balance in the run-out reserve is an amount equal to the incurred but unreported claims liability as calculated by the actuary. The balance in the run-out reserve was calculated to be \$ 336,700 and \$ 324,500 at December 31, 2014 and 2013, respectively. The balance in the run-out reserve at December 31, 2014 and 2013 was fully funded.

H. RESTRICTED ASSETS

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

I. PREPAID ITEMS

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

J. CAPITAL ASSETS

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

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

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

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. INTERFUND BALANCES

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

L. COMPENSATED ABSENCES

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

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

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

M. ACCRUED LIABILITIES AND LONG-TERM OBLIGATIONS

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

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

N. NET POSITION

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

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. FUND BALANCE

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

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

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

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

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

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

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

P. OPERATING REVENUES AND EXPENSES

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Q. 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.

R. INTERFUND TRANSACTIONS

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

S. ESTIMATES

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

NOTE 2 – CHANGE IN ACCOUNTING PRINCIPLES

For fiscal year 2015, the School District implemented the Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68." GASB 68 established standards for measuring and recognizing pension liabilities, deferred outflows of resources deferred inflows of resources and expense/expenditure. The implementation of this pronouncement had the following effect on net position as reported June 30, 2014:

	Governmental Activities
Net position June 30, 2014	\$ 24,884,071
Adjustments:	
Net pension liability	(50,870,826)
Deferred outflow - payments subsequent to measurement date	2,797,912
Restated net position June 30, 2014	\$ (23,188,843)

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 3 – COMPLIANCE AND ACCOUNTABILITY

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

Special Revenue Funds	
Title 1	\$ (18,003)
EHA Preschool	\$ (1,306)
Food Service	\$ (23,624)
Capital Projects Fund	
Capital Projects	\$ (493,575)

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

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING

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

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

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

Net Change in Fund Balance	
	General Fund
Budget basis	\$ 4,192,618
Adjustments, increase (decrease)	
Revenue accruals	(221,775)
Expenditure accruals	164,830
Funds budgeted elsewhere **	88,249
Encumbrances	461,577
GAAP basis, as reported	\$ 4,685,499

** 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 Special Projects Fund, Emergency Levy Fund, Support Fund, Uniform School Supplies Fund, Adult Education Fund, and the Summer School Fund.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 5 – FUND BALANCES

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

	General Fund	Building Fund	Classroom Facilities Fund	Nonmajor Governmental Funds	Total
Fund balances					
Restricted					
Athletics	\$ -	\$ -	\$ -	\$ 41,799	\$ 41,799
Non-public schools	-	-	-	47,133	47,133
Classroom facilities maintenance	-	-	-	243,262	243,262
Miscellaneous State Grants	-	-	-	447	447
Miscellaneous Federal Grants	-	-	-	1,320	1,320
Special education	-	-	-	77,278	77,278
Debt service	-	-	-	1,658,150	1,658,150
Capital projects	-	13,443,664	42,980,263	-	56,423,927
Total restricted	-	13,443,664	42,980,263	2,069,389	58,493,316
Assigned					
Student instruction	128,804	-	-	-	128,804
Student and staff support	162,503	-	-	-	162,503
School supplies	99,181	-	-	-	99,181
Other	15,309	-	-	-	15,309
Total assigned	405,797	-	-	-	405,797
Unassigned (deficit)	14,463,465	-	-	(536,508)	13,926,957
Total fund balances	\$ 14,869,262	\$ 13,443,664	\$ 42,980,263	\$ 1,532,881	\$ 72,826,070

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 6 - DEPOSITS AND INVESTMENTS

A. LEGAL REQUIREMENTS

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

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

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

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

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

Interim monies may be invested in the following securities:

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 6 - DEPOSITS AND INVESTMENTS(continued)

A. LEGAL REQUIREMENTS (continued)

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

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

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

At fiscal year end, the School District had \$ 2,430 in cash on hand which is included on the balance sheet of the School District as part of "Equity in Pooled Cash".

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 \$ 14,581,535 and the bank balance was \$ 15,276,086. Of the bank balance, \$ 14,266,594 was covered by federal depository insurance and \$ 1,009,492 was uninsured. Of the remaining balance, \$ 1,009,492 was collateralized with securities held by the pledging institution's trust department not in the School District's name. Although the securities were held by the pledging financial institutions' trust department and all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the School District to a successful claim by the FDIC.

The School District has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the School District or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure the repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

At December 31, 2014, the fiscal year end of the Trust, the School District's component unit, the carrying amount of the Trust's deposits was \$ 810,017 and the bank balance was the same, all of which was covered by Federal depository insurance or by collateral held by a qualified third party trustee in the name of the Trust.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 6 - DEPOSITS AND INVESTMENTS (continued)

C. INVESTMENTS

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

As of June 30, 2015, the School District had the following investments:

	Fair Value	Investment Maturities			Percentage of Investments
		Less than 1 yr	1 - 2 years	3 years and longer	
STAR Ohio	\$ 963,708	\$ 963,708	\$ -	\$ -	1.6%
U.S. Government securities	55,331,222	16,672,676	34,043,606	4,614,940	93.1%
Commercial paper	3,120,788	3,120,788	-	-	5.3%
	<u>\$ 59,415,718</u>	<u>\$ 20,757,172</u>	<u>\$ 34,043,606</u>	<u>\$ 4,614,940</u>	<u>100.0%</u>

The following table presents investments at December 31, 2014 of the Trust, the School District's component unit:

U.S. Government Agency	
Federal Home Loan Bank	
Step rate due 4/11/2018	
Callable 10/11/2013	\$ 99,715
1.500% due 7/11/2019	147,762
Fannie Mae	
.900% due 10/25/2017	
Callable 10/25/13	49,484
Total investments	<u>\$ 296,961</u>

D. INTEREST RATE RISK

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

E. CREDIT RISK

The School District follows the Ohio Revised Code that limits its investment choices (see Note 6 A). The School District has no investment policy that would further limit its investment choices. As of June 30, 2015, the School District's investment STAR Ohio was rated AAAM by Standard & Poor's.

F. CONCENTRATION OF CREDIT RISK

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 7 - PROPERTY TAXES

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

Property taxes include amounts levied against all real, public utility and tangible personal property (used in business) located in the School District. Real property tax revenue received in calendar 2015 represents collections of calendar year 2014 taxes. Real property taxes received in calendar year 2015 were levied after April 1, 2014, on the assessed value listed as of January 1, 2014, 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 2015 represents collections of calendar year 2014 taxes. Public utility real and tangible personal property taxes received in calendar year 2015 became a lien December 31, 2013, were levied after April 1, 2014 and are collected in 2015 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The School District receives property taxes from Lorain County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2015, are available to finance fiscal year 2015 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, 2015 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only delinquent settlement of tangible personal property taxes and the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 7 - PROPERTY TAXES (continued)

The amounts available as an advance at June 30, 2015, were \$ 2,993,436 in the General Fund, \$ 378,728 in the Debt Service Fund and \$ 131,564 in the Capital Projects Fund. The amounts available as an advance at June 30, 2014, were \$ 2,821,470 in the General Fund, \$ 371,275 in the Debt Service Fund and \$ 120,361 in the Capital Projects Fund.

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

The assessed values upon which the fiscal year 2015 taxes were collected are:

	2014 Second Half Collections		2015 First Half Collections	
	Amount	%	Amount	%
Agricultural / Residential				
Real Estate	\$ 604,351,560	86.24 %	\$ 619,345,930	86.57 %
Other Commercial	83,747,950	11.95	82,344,210	11.51
Public Utility Tangible	12,668,630	1.81	13,705,640	1.92
	<u>\$ 700,768,140</u>	<u>100.00 %</u>	<u>\$ 715,395,780</u>	<u>100.00 %</u>
 Tax Rate per \$ 1,000 of Assessed Valuation:	<u>56.29</u>		<u>55.70</u>	

NOTE 8 - RECEIVABLES

Receivables at June 30, 2015, consisted of property taxes, accounts and other, due from other governments and interfund. All receivables are considered substantially collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds. All receivables are expected to be collected within one year. A summary of the principal items of due from other governments follows:

<u>Fund</u>	<u>Amount</u>
General Fund	\$ 8,238
IDEA Part B	60,000
EHA Preschool	1,400
Total due from other governments	<u>\$ 69,638</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 9 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2015, was as follows:

<u>Governmental Activities</u>	Balance June 30, 2014	Additions	Disposals	Balance June 30, 2015
Nondepreciable capital assets				
Land	\$ 1,740,513	\$ -	\$ -	\$ 1,740,513
Construction in process	-	2,124,616	-	2,124,616
Total nondepreciable capital assets	<u>1,740,513</u>	<u>2,124,616</u>	<u>-</u>	<u>3,865,129</u>
Depreciable capital assets				
Buildings and improvements	20,436,215	181,156	42,015	20,575,356
Furniture and equipment	5,147,185	185,855	83,214	5,249,826
Vehicles	3,182,141	476,748	193,557	3,465,332
Total capital assets being depreciated	<u>28,765,541</u>	<u>843,759</u>	<u>318,786</u>	<u>29,290,514</u>
Less accumulated depreciation				
Buildings and improvements	11,311,082	378,129	700	11,688,511
Furniture and equipment	4,736,882	147,956	74,667	4,810,171
Vehicles	1,907,290	259,565	193,557	1,973,298
Total accumulated depreciation	<u>17,955,254</u>	<u>785,650</u>	<u>268,924</u>	<u>18,471,980</u>
Depreciable capital assets, net of accumulated depreciation	<u>10,810,287</u>	<u>58,109</u>	<u>49,862</u>	<u>10,818,534</u>
Governmental activities capital assets, net	<u>\$ 12,550,800</u>	<u>\$ 2,182,725</u>	<u>\$ 49,862</u>	<u>\$ 14,683,663</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 9 - CAPITAL ASSETS (continued)

Depreciation expense was charged to governmental functions as follows:

Instruction		
Regular	\$	435,236
Special		4,060
Vocational		1,512
Supporting services		
Pupil		16,213
Instructional staff		1,387
Administration		546
Operation and maintenance of plant		32,521
Pupil transportation		254,726
Central services		650
Operation of non-instructional services		
Food service		13,027
Community services		23,769
Extracurricular activities		2,003
Total depreciation expense	\$	<u>785,650</u>

NOTE 10 - INTERFUND ASSETS/LIABILITIES

On the fund financial statements at June 30, 2015, interfund balances consisted of the following:

	Due from:
	Nonmajor
	Governmental
	Funds
Due to:	
General Fund	\$ 1,160,472

These amounts are represented as "Interfund Receivable/Payable" on the balance sheet. The loans were made to support programs and projects in the Special Revenue Funds and the Capital Projects Fund. The loans are not scheduled to be collected in the subsequent year.

NOTE 11 - RISK MANAGEMENT

A. PROPERTY AND LIABILITY

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 11 - RISK MANAGEMENT (continued)

A. PROPERTY AND LIABILITY (continued)

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

B. WORKERS' COMPENSATION

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

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

C. EMPLOYEE MEDICAL BENEFITS

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 11 - RISK MANAGEMENT (continued)

C. EMPLOYEE MEDICAL BENEFITS (continued)

The claims liability of \$ 401,581 at December 31, 2014, is based on an estimate provided by the third party administrator and the requirements of Governmental Accounting Standards Board Statement No. 30. The Trust establishes a liability for both reported and unreported insured events. Changes in the balance of claims liability are summarized below. Incurred claims and claim payments are not segregated between current and prior year claims due to the impracticability of obtaining such information.

	12/31/14	12/31/13
Unpaid claims, beginning of year	\$ 359,878	\$ 357,140
Incurred claims	3,557,485	3,849,032
Paid claims	(3,515,782)	(3,846,294)
Unpaid claims, end of year	\$ 401,581	\$ 359,878

NOTE 12 - DEFINED BENEFIT PENSION PLANS

A. NET PENSION LIABILITY

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

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

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

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 12 - DEFINED BENEFIT PENSION PLANS (continued)

A. NET PENSION LIABILITY (continued)

The proportionate share of each plan's unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *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 under Employers/Audit Resources.

Age and service requirements for retirement are as follows:

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

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

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

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 12 - DEFINED BENEFIT PENSION PLANS (continued)

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

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2015, the allocation to pension, death benefits, and Medicare B was 13.18 percent. The remaining 0.82 percent of the 14 percent employer contribution rate was allocated to the Health Care Fund.

The School District's contractually required contribution to SERS was \$ 659,906 for fiscal year 2015. Of this amount none 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.

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

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

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 12 - DEFINED BENEFIT PENSION PLANS (continued)

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

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

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

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The statutory maximum employee contribution rate was increased one percent July 1, 2014, and will be increased one percent each year until it reaches 14 percent on July 1, 2016. For the fiscal year ended June 30, 2015, plan members were required to contribute 12 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 2015 contribution rates were equal to the statutory maximum rates.

The School District's contractually required contribution to STRS was \$ 2,170,012 for fiscal year 2015. Of this amount none is reported as an intergovernmental payable.

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, 2014, 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	\$ 7,926,803	\$ 34,886,626	\$ 42,813,429
Proportion of the net pension liability	0.156627%	0.143428%	
Pension expense	\$ 208,852	\$ 320,897	\$ 529,749

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 12 - DEFINED BENEFIT PENSION PLANS (continued)

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

At June 30, 2015, 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	\$ 67,466	\$ 335,860	\$ 403,326
School District contributions subsequent to the measurement date	646,413	2,102,840	2,749,253
Total deferred outflows of resources	<u>\$ 713,879</u>	<u>\$ 2,438,700</u>	<u>\$ 3,152,579</u>
Deferred inflows of resources			
Net difference between projected and actual earnings on pension plan investments	<u>\$ 1,029,234</u>	<u>\$ 5,163,326</u>	<u>\$ 6,192,560</u>

\$ 2,749,253 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, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year Ending June 30:	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
2016	\$ 240,442	\$ 1,206,867	\$ 1,447,309
2017	240,442	1,206,867	1,447,309
2018	240,442	1,206,866	1,447,308
2019	240,442	1,206,866	1,447,308
	<u>\$ 961,768</u>	<u>\$ 4,827,466</u>	<u>\$ 5,789,234</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 12 - DEFINED BENEFIT PENSION PLANS (continued)

E. ACTUARIAL ASSUMPTIONS - SERS

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

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

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2014, are presented below:

Wage inflation	3.25 percent
Future salary increases, including inflation	4.00 percent to 22 percent
COLA or Ad Hoc COLA	3 percent
Investment rate of return	7.75 percent of net of investments expense, including inflation
Actuarial cost method	Early age normal

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.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 12 - DEFINED BENEFIT PENSION PLANS (continued)

E. ACTUARIAL ASSUMPTIONS – SERS (continued)

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%	0.00%
U.S. stocks	22.50%	5.00%
Non-U.S. stocks	22.50%	5.50%
Fixed income	19.00%	1.50%
Private equity	10.00%	10.00%
Real assets	10.00%	5.00%
Multi-asset strategies	15.00%	7.50%
	100.00%	

Discount Rate - The total pension liability was calculated using the discount rate of 7.75 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 (7.75 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.75 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 (6.75 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	\$ 11,309,197	\$ 7,926,803	\$ 5,081,923

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 12 - DEFINED BENEFIT PENSION PLANS (continued)

F. ACTUARIAL ASSUMPTIONS - STRS

The total pension liability in the June 30, 2014, 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, 2014, 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:

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

Discount Rate - The discount rate used to measure the total pension liability was 7.75 percent as of June 30, 2014. 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, 2014. 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, 2014.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 12 - DEFINED BENEFIT PENSION PLANS (continued)

F. ACTUARIAL ASSUMPTIONS - STRS

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	\$ 49,944,010	\$ 34,886,626	\$ 22,153,147

NOTE 13 - 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 under Employers/Audit Resources.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Health care is financed through a combination of employer contributions and retiree premiums, copays and deductibles on covered health care expenses, investment returns, and any funds received as a result of SERS' participation in Medicare programs. Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, 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 2015, 0.82 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 2015, this amount was \$20,450. 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 2015, the School District's surcharge obligation was \$ 84,648.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 13 - POSTEMPLOYMENT BENEFITS (continued)

A. SCHOOL EMPLOYEES RETIREMENT SYSTEM (continued)

The School District's contributions for health care for the fiscal years ended June 30, 2015, 2014, and 2013 were \$ 41,056, \$ 34,589, and \$ 32,285, respectively. The full amount has been contributed for fiscal years 2015, 2014 and 2013.

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 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 year 2015, STRS did not allocate any employer contributions to post-employment health care. The School District's contributions for health care for the fiscal years ended June 30, 2015, 2014, and 2013 were \$0, \$ 85,117, and \$ 77,281 respectively. The full amount has been contributed for fiscal years 2015, 2014 and 2013.

NOTE 14 - LONG-TERM OBLIGATIONS

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

	Balance June 30, 2014	Increase	Decrease	Balance June 30, 2015	Amounts Due In One Year
Bonds payable	\$ 58,845,000	\$ -	\$ 1,080,000	\$ 57,765,000	\$ 860,000
Unamortized bond premiums	1,648,165	-	49,701	1,598,464	-
Net pension liability					
STRS	41,556,721	-	6,670,095	34,886,626	-
SERS	9,314,105	-	1,387,302	7,926,803	-
Capital lease	6,518	-	6,518	-	-
Compensated absences	1,043,284	69,708	164,794	948,198	251,328
	<u>\$ 112,413,793</u>	<u>\$ 69,708</u>	<u>\$ 9,358,410</u>	<u>\$ 103,125,091</u>	<u>\$ 1,111,328</u>

Bonds payable will be repaid from the Debt Service Fund. The Bond Anticipation Note was repaid from the Debt Service Fund. Capital lease will be repaid from the General Fund. The School District pay obligations related to employee compensation from the fund benefitting from their service.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 15 – BONDS PAYABLE

Bonds payable at year end consisted of:

	<u>June 30, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>June 30, 2015</u>
General obligation bonds				
Refunding of 2001 UTGO				
refunding bonds, series 2001				
(2011) 3.87% through 2016	\$ 950,000	\$ -	\$ 335,000	\$ 615,000
School Facilities Improvement				
bonds, Series 2014A (2014)				
1.5% to 5.0%, matures 2047	50,100,000	-	740,000	49,360,000
School Facilities Improvement				
bonds, Series 2014B (2014)				
2.0% to 4.25%, matures 2041	7,795,000	-	5,000	7,790,000
	<u>\$ 58,845,000</u>	<u>\$ -</u>	<u>\$ 1,080,000</u>	<u>\$ 57,765,000</u>

Principal and interest requirements to retire bonds payable outstanding at June 30, 2015, were as follows:

Year ending June 30,	Principal	Interest	Total
2016	\$ 860,000	\$ 2,526,157	\$ 3,386,157
2017	835,000	2,506,132	3,341,132
2018	615,000	2,492,151	3,107,151
2019	655,000	2,480,976	3,135,976
2020	730,000	2,467,126	3,197,126
2021 - 2025	4,245,000	11,979,305	16,224,305
2026 - 2030	4,725,000	11,158,880	15,883,880
2031 - 2035	7,185,000	9,980,874	17,165,874
2036 - 2040	10,575,000	7,974,412	18,549,412
2041 - 2045	15,345,000	4,760,929	20,105,929
2046 - 2048	11,995,000	848,489	12,843,489
	<u>\$ 57,765,000</u>	<u>\$ 59,175,431</u>	<u>\$ 116,940,431</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 16 – PRIOR YEAR DEFEASANCE OF DEBT

In 2002, the School District defeased 1992 general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School District’s financial statements. At June 30, 2015, \$ 1,035,000 of bonds outstanding are considered to be defeased.

In 2011, the School District defeased 2002 general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the School District’s financial statements. At June 30, 2015, \$ 630,000 of bonds outstanding are considered to be defeased.

NOTE 17- SET-ASIDES

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

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

	Capital Maintenance
Balance, July 1, 2014	\$ -
Required set aside	672,811
Qualifying expenditures	(3,018,928)
Balance June 30, 2015	\$ (2,346,117)

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 18 INTERFUND TRANSFERS

Transfers for the year ended June 30, 2015, consisted of the following:

	Transfer from		
Transfer to:	General Fund	Nonmajor Governmental Funds	Total
Nonmajor governmental funds	\$ 225,568	\$ 162,027	\$ 387,595

The General Fund transferred \$ 17,000 to the Athletic Fund to offset costs of the programs. The Capital Projects Fund transferred \$ 162,027 to the Classroom Facilities Maintenance Fund as required by the Ohio School Facilities Commission to be used for maintenance of facilities.

NOTE 19 CONTRACTUAL COMMITMENTS

As of June 30, 2015 the School District had entered into contracts for construction of a new grades 3 through 8 building, stadium facilities and for constructing, adding to, renovating, remodeling, furnishing, equipping, and otherwise improving School District building and facilities and improving and equipping real estate for such buildings and facilities.

At June 30, 2015 the School District had contractual commitments were as follow:

	Total Project Costs	Expended	Remaining Balance
Construction and renovation project	\$ 67,076,057	\$ 2,658,259	\$ 64,417,798

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 20- JOINTLY GOVERNED ORGANIZATION

A. NORTH COAST COUNCIL (NCC)

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

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

Financial information can be obtained by contacting the Fiscal Officer, 6393 Oak Tree Boulevard, Independence, Ohio 44131. During the year ended June 30, 2015, the School District paid \$ 143,846 to NCC.

B. LORAIN COUNTY JOINT VOCATIONAL SCHOOL DISTRICT

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

C. OHIO SCHOOLS COUNCIL

The Ohio Schools Council Association (Council) is a jointly governed organization among 126 school districts. The organization was formed to purchase quality products and services at the lowest possible cost to the member School Districts. Each School District supports the Council by paying an annual participation fee. The Council's Board consists of nine superintendents of the participating School Districts whose term rotates every year. The degree of control exercised by any school district is limited to its representation on the Board. In fiscal year 2015, the School District paid \$ 2,517 to the Council. Financial information can be obtained by contacting David A. Cottrell, the Executive Director/Treasurer of the Ohio Schools Council at 6393 Oak Tree Boulevard, Suite 377, Independence, Ohio 44131.

The School District participates in the natural gas purchase program. This program allows the School District to purchase natural gas at reduced rates. Energy USA served as the natural gas supplier and program manager from October 1, 2008 to September 30, 2010. In June 2010, the Council entered into an agreement with Compass Energy Gas Services LLC to be the natural gas supplier and program manager beginning October 1, 2010 through March 31, 2013. The contract with Compass Energy Gas Services LLC was extended for an additional three years beginning April 1, 2013 through March 31, 2106. There are currently 151 participants in the program. The participants make monthly payments based on estimated usage. Each September, these estimated payments are compared to their actual usage for the year (July to June). School Districts that paid more in estimated billings than their actual billings are issued credits on future billings in September until the credits are exhausted and School Districts that did not pay enough on estimated billings are invoiced for the difference on the September monthly estimated billing.

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

NOTE 21 - CONTINGENCIES

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

Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2015.

NOTE 22 - RETIREMENT INCENTIVE PLAN

The School District adopted a retirement incentive plan which became effective August 1, 2008 and expired on July 31, 2012. Certificated employees who met certain eligibility requirements will receive a lump sum retirement buyout equal to \$ 700 for each year of STRS service, up to thirty years. Classified employees who met certain eligibility requirements will receive a lump sum retirement buyout equal to \$ 200 for each year of SERS service, up to thirty years. Payment will be made in three equal installments beginning in January of the calendar year following the date of retirement and the following two Januaries thereafter. As of June 30, 2015 the School District's liability related to this retirement incentive plan was \$ 14,000 and is included in compensated absences.

NOTE 23 - FOUNDATION FUNDING

District Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. Effective for the 2014-2015 school year, traditional Districts must comply with minimum hours of instruction, instead of a minimum number of school days each year. The funding formula the Ohio Department of Education (ODE) is legislatively required to follow will continue to adjust as enrollment information is updated by the District, which can extend past the fiscal year-end. As of the date of this report, ODE has not finalized the impact of enrollment adjustments to the June 30, 2015 Foundation funding for the District; therefore, the financial statement impact is not determinable at this time. ODE and management believe this will result in either a receivable to or liability of the District.

NOTE 24 - SUBSEQUENT EVENTS

In November 2015, the School District issued \$ 3,800,000 Tax Anticipation Notes (ten years at 1.99%) to finance energy efficiency improvements, upgrades to existing facilities and facility expansion or renovations.

REQUIRED SUPPLEMENTARY INFORMATION

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TWO FISCAL YEARS (1)

	2014	2013
School District's proportion of the net pension liability	0.156627%	0.156627%
School District's proportionate share of the net pension liability	\$ 7,926,803	\$ 9,314,105
School District's covered-employee payroll	\$ 5,006,874	\$ 4,551,223
School District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	158.32%	204.65%
Plan fiduciary net position as a percentage of the total pension liability	71.70%	65.52%

(1) Information prior to 2013 is not available

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TWO FISCAL YEARS (1)

	2014	2013
School District's proportion of the net pension liability	0.143428%	0.143428%
School District's proportionate share of the net pension liability	\$ 34,886,626	\$ 41,556,721
School District's covered-employee payroll	\$ 15,500,075	\$ 14,988,225
School District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	225.07%	277.26%
Plan fiduciary net position as a percentage of the total pension liability	74.70%	69.30%

(1) Information prior to 2013 is not available

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

LAST TEN FISCAL YEARS

	2015	2014	2013	2012
Contractually required contribution	\$ 659,906	\$ 596,210	\$ 571,536	\$ 655,242
Contributions in relation to the contractually required contribution	<u>(659,906)</u>	<u>(596,210)</u>	<u>(571,536)</u>	<u>(655,242)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District covered-employee payroll	\$ 5,006,874	\$ 4,301,659	\$ 4,129,595	\$ 4,871,688
Contributions as a percentage of covered-employee payroll	13.18%	13.86%	13.84%	13.45%

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 716,811	\$ 648,728	\$ 437,527	\$ 409,402	\$ 449,777	\$ 404,654
<u>(716,811)</u>	<u>(648,728)</u>	<u>(437,527)</u>	<u>(409,402)</u>	<u>(449,777)</u>	<u>(404,654)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 5,702,554	\$ 4,791,196	\$ 4,446,413	\$ 4,169,063	\$ 4,211,395	\$ 3,824,707
12.57%	13.54%	9.84%	9.82%	10.68%	10.58%

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

LAST TEN FISCAL YEARS

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually required contribution	\$ 2,170,012	\$ 1,948,469	\$ 1,859,223	\$ 1,989,295
Contributions in relation to the contractually required contribution	<u>(2,170,012)</u>	<u>(1,948,469)</u>	<u>(1,859,223)</u>	<u>(1,989,295)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District covered-employee payroll	\$ 15,500,075	\$ 14,988,223	\$ 14,301,715	\$ 15,302,269
Contributions as a percentage of covered-employee payroll	14.00%	13.00%	13.00%	13.00%

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<u>\$ 2,104,618</u>	<u>\$ 2,164,223</u>	<u>\$ 2,091,874</u>	<u>\$ 1,994,778</u>	<u>\$ 1,918,562</u>	<u>\$ 1,810,216</u>
<u>(2,104,618)</u>	<u>(2,164,223)</u>	<u>(2,091,874)</u>	<u>(1,994,778)</u>	<u>(1,918,562)</u>	<u>(1,810,216)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 16,189,369	\$ 16,647,869	\$ 16,091,338	\$ 15,344,446	\$ 14,758,169	\$ 13,924,738
13.00%	13.00%	13.00%	13.00%	13.00%	13.00%

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COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS DESCRIPTIONS

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

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

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

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

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

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

NONMAJOR GOVERNMENTAL FUNDS DESCRIPTIONS

DEBT SERVICE FUND

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

CAPITAL PROJECTS FUND

The Capital Projects Fund is 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).

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2015

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Project Fund	Total Nonmajor Governmental Funds
Assets				
Equity in pooled cash and investments	\$ 506,528	\$ 1,279,422	\$ 562,733	\$ 2,348,683
Receivables, net of allowance				
Taxes, current	-	3,019,684	1,041,953	4,061,637
Taxes, delinquent	-	164,900	56,900	221,800
Accounts and other	9,203	-	-	9,203
Due from other governments	61,400	-	-	61,400
Total assets	\$ 577,131	\$ 4,464,006	\$ 1,661,586	\$ 6,702,723
Liabilities				
Accounts and contracts payable	\$ 57,766	\$ -	\$ 62,872	\$ 120,638
Accrued salaries, wages and benefits	66,088	-	-	66,088
Due to other governments	42,462	-	-	42,462
Interfund payable	35,472	-	1,125,000	1,160,472
Matured compensated absences	7,037	-	-	7,037
Total liabilities	208,825	-	1,187,872	1,396,697
Deferred inflows of resources				
Property taxes levied for next year and unavailable resources	-	2,805,856	967,289	3,773,145
Total deferred inflows of resources	-	2,805,856	967,289	3,773,145
Fund balances (deficits)				
Restricted	411,239	1,658,150	-	2,069,389
Unassigned	(42,933)	-	(493,575)	(536,508)
Total fund balances (deficits)	368,306	1,658,150	(493,575)	1,532,881
Total liabilities, deferred inflows of resources and fund balances (deficits)	\$ 577,131	\$ 4,464,006	\$ 1,661,586	\$ 6,702,723

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Project Fund	Total Nonmajor Governmental Funds
Revenue				
Taxes	\$ -	\$ 3,416,262	\$ 1,055,816	\$ 4,472,078
Interest	633	-	905	1,538
Intergovernmental	1,970,447	164,819	149,000	2,284,266
Extracurricular	174,452	-	-	174,452
Charges for services	583,684	-	-	583,684
Other	11,919	-	17,600	29,519
Total revenues	<u>2,741,135</u>	<u>3,581,081</u>	<u>1,223,321</u>	<u>7,545,537</u>
Expenditures				
Current				
Instruction				
Regular	100,467	-	115,138	215,605
Special	1,111,843	-	-	1,111,843
Supporting services				
Pupil	75	-	-	75
Instructional staff	33,124	-	-	33,124
Fiscal services	-	52,207	19,239	71,446
Operation and maintenance	-	-	355,318	355,318
Pupil transportation	-	-	434,680	434,680
Central services	-	-	33,021	33,021
Operation of non-instructional services				
Food service operation	1,075,198	-	-	1,075,198
Community services	549,387	-	-	549,387
Extracurricular activities	246,014	-	-	246,014
Capital outlay	-	-	402,832	402,832
Debt service				
Principal	-	1,080,000	-	1,080,000
Interest	-	2,548,908	-	2,548,908
Total expenditures	<u>3,116,108</u>	<u>3,681,115</u>	<u>1,360,228</u>	<u>8,157,451</u>
Excess (deficiency) of revenues over expenditures	<u>(374,973)</u>	<u>(100,034)</u>	<u>(136,907)</u>	<u>(611,914)</u>
Other financing sources (uses)				
Transfers in	179,027	-	208,568	387,595
Transfers out	-	-	(162,027)	(162,027)
Total other financing sources (uses)	<u>179,027</u>	<u>-</u>	<u>46,541</u>	<u>225,568</u>
Net change in fund balances	(195,946)	(100,034)	(90,366)	(386,346)
Fund balances (deficits), beginning of year	<u>564,252</u>	<u>1,758,184</u>	<u>(403,209)</u>	<u>1,919,227</u>
Fund balances (deficits), end of year	<u>\$ 368,306</u>	<u>\$ 1,658,150</u>	<u>\$ (493,575)</u>	<u>\$ 1,532,881</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2015

	Athletics	Auxiliary Service	Data Communications
Assets			
Equity in pooled cash	\$ 58,202	\$ 105,341	\$ -
Receivables, net of allowance			
Accounts and other	-	-	-
Due from other governments	-	-	-
Total assets	\$ 58,202	\$ 105,341	\$ -
Liabilities			
Accounts and contracts payable	\$ 5,042	\$ 49,478	\$ -
Accrued salaries, wages and benefits	-	7,541	-
Due to other governments	11,361	1,189	-
Interfund payable	-	-	-
Matured compensated absences	-	-	-
Total liabilities	16,403	58,208	-
Fund balances			
Restricted	41,799	47,133	-
Unassigned	-	-	-
Total fund balances (deficits)	41,799	47,133	-
Total liabilities, deferred inflows of resources and fund balances (deficits)	\$ 58,202	\$ 105,341	\$ -

Miscellaneous State Grants	IDEA Part B	Classroom Facilities Maintenance
\$ 13,244	\$ 17,278	\$ 243,262
9,203	-	-
-	60,000	-
<u>\$ 22,447</u>	<u>\$ 77,278</u>	<u>\$ 243,262</u>
\$ -	\$ -	\$ -
-	-	-
-	-	-
22,000	-	-
-	-	-
<u>22,000</u>	<u>-</u>	<u>-</u>
447	77,278	243,262
-	-	-
<u>447</u>	<u>77,278</u>	<u>243,262</u>
<u>\$ 22,447</u>	<u>\$ 77,278</u>	<u>\$ 243,262</u>

(CONTINUED)

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2015

(CONCLUDED)

	Title I	Limited English Proficiency	EHA Preschool
Assets			
Equity in pooled cash and investments	\$ 2,076	\$ -	\$ 311
Receivables, net of allowance			
Accounts and other	-	-	-
Due from other governments	-	-	1,400
Total assets	\$ 2,076	\$ -	\$ 1,711
Liabilities			
Accounts and contracts payable	\$ 2,064	\$ -	\$ -
Accrued salaries, wages and benefits	4,543	-	2,974
Due to other governments	-	-	43
Interfund payable	13,472	-	-
Matured compensated absences	-	-	-
Total liabilities	20,079	-	3,017
Fund balances			
Restricted	-	-	-
Unassigned	(18,003)	-	(1,306)
Total fund balances (deficits)	(18,003)	-	(1,306)
Total liabilities, deferred inflows of resources and fund balances (deficits)	\$ 2,076	\$ -	\$ 1,711

Title VI-R	Food Service	Total Nonmajor Special Revenue Funds
\$ 1,320	\$ 65,494	\$ 506,528
-	-	9,203
-	-	61,400
<u>\$ 1,320</u>	<u>\$ 65,494</u>	<u>\$ 577,131</u>
\$ -	\$ 1,182	\$ 57,766
-	51,030	66,088
-	29,869	42,462
-	-	35,472
-	7,037	7,037
<u>-</u>	<u>89,118</u>	<u>208,825</u>
1,320	-	411,239
-	(23,624)	(42,933)
<u>1,320</u>	<u>(23,624)</u>	<u>368,306</u>
<u>\$ 1,320</u>	<u>\$ 65,494</u>	<u>\$ 577,131</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

	Athletics	Auxiliary Service	Data Communications
Revenue			
Interest	\$ -	\$ 279	\$ -
Intergovernmental	-	484,196	10,800
Extracurricular	174,452	-	-
Charges for services	20,711	-	-
Other	2,123	-	-
Total revenues	<u>197,286</u>	<u>484,475</u>	<u>10,800</u>
Expenditures			
Current			
Instruction			
Regular	-	-	10,800
Special	-	-	-
Supporting services			
Pupil	-	-	-
Instructional staff	-	-	-
Operation of non-instructional services			
Food service operation	-	-	-
Community services	-	545,436	-
Extracurricular activities	246,014	-	-
Total expenditures	<u>246,014</u>	<u>545,436</u>	<u>10,800</u>
Excess (deficiency) of revenues over expenditures	<u>(48,728)</u>	<u>(60,961)</u>	<u>-</u>
Other financing sources (uses)			
Transfers in	17,000	-	-
Total other financing sources (uses)	<u>17,000</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(31,728)	(60,961)	-
Fund balances (deficits), beginning of year	<u>73,527</u>	<u>108,094</u>	<u>-</u>
Fund balances (deficits), end of year	<u>\$ 41,799</u>	<u>\$ 47,133</u>	<u>\$ -</u>

Miscellaneous State Grants	IDEA Part B	Classroom Facilities Maintenance
\$ -	\$ -	\$ 221
-	707,843	-
-	-	-
-	-	-
9,203	-	-
<u>9,203</u>	<u>707,843</u>	<u>221</u>
8,000	-	-
-	770,332	-
-	-	-
-	-	-
-	-	-
-	2,951	-
-	-	-
<u>8,000</u>	<u>773,283</u>	<u>-</u>
<u>1,203</u>	<u>(65,440)</u>	<u>221</u>
-	-	162,027
-	-	162,027
1,203	(65,440)	162,248
<u>(756)</u>	<u>142,718</u>	<u>81,014</u>
<u>\$ 447</u>	<u>\$ 77,278</u>	<u>\$ 243,262</u>

(CONTINUED)

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

(CONCLUDED)

	Title I	Limited English Proficiency	EHA Preschool
Revenue			
Interest	\$ -	\$ -	\$ -
Intergovernmental	259,272	8,486	19,283
Extracurricular	-	-	-
Charges for services	-	-	-
Other	-	-	-
Total revenues	<u>259,272</u>	<u>8,486</u>	<u>19,283</u>
Expenditures			
Current			
Instruction			
Regular	-	-	-
Special	331,146	10,365	-
Supporting services			
Pupil	-	-	75
Instructional staff	12,652	-	20,472
Operation of non-instructional services			
Food service operation	-	-	-
Community services	-	-	-
Extracurricular activities	-	-	-
Total expenditures	<u>343,798</u>	<u>10,365</u>	<u>20,547</u>
Excess (deficiency) of revenues over expenditures	<u>(84,526)</u>	<u>(1,879)</u>	<u>(1,264)</u>
Other financing sources (uses)			
Transfers in	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(84,526)	(1,879)	(1,264)
Fund balances (deficits), beginning of year	<u>66,523</u>	<u>1,879</u>	<u>(42)</u>
Fund balances (deficits), end of year	<u>\$ (18,003)</u>	<u>\$ -</u>	<u>\$ (1,306)</u>

Title V-R	Food Service	Total Nonmajor Special Revenue Funds
\$ -	\$ 133	\$ 633
70,832	409,735	1,970,447
-	-	174,452
-	562,973	583,684
-	593	11,919
<u>70,832</u>	<u>973,434</u>	<u>2,741,135</u>
81,667	-	100,467
-	-	1,111,843
-	-	75
-	-	33,124
-	1,075,198	1,075,198
1,000	-	549,387
-	-	246,014
<u>82,667</u>	<u>1,075,198</u>	<u>3,116,108</u>
<u>(11,835)</u>	<u>(101,764)</u>	<u>(374,973)</u>
-	-	179,027
-	-	179,027
(11,835)	(101,764)	(195,946)
<u>13,155</u>	<u>78,140</u>	<u>564,252</u>
<u>\$ 1,320</u>	<u>\$ (23,624)</u>	<u>\$ 368,306</u>

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

	General Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Revenues				
Taxes	\$ 22,794,687	\$ 22,820,901	\$ 22,820,901	\$ -
Tuition and fees	684,000	706,184	706,184	-
Interest	14,000	37,551	37,551	-
Intergovernmental	14,284,457	14,683,357	14,683,357	-
Miscellaneous	265,100	221,333	176,950	(44,383)
Total revenues	38,042,244	38,469,326	38,424,943	(44,383)
Expenditures				
Current				
Instruction				
Regular				
Salaries	10,348,000	10,001,700	10,119,808	(118,108)
Benefits	3,206,823	2,984,717	3,136,107	(151,390)
Purchased services	2,581,437	2,511,435	2,524,512	(13,077)
Materials and supplies	509,964	556,897	498,718	58,179
Total regular	16,646,224	16,054,749	16,279,145	(224,396)
Special				
Salaries	2,308,366	2,080,500	2,257,462	(176,962)
Benefits	1,268,818	1,201,250	1,240,838	(39,588)
Purchased services	2,437,583	2,281,682	2,383,830	(102,148)
Materials and supplies	26,368	29,350	25,787	3,563
Total special	6,041,135	5,592,782	5,907,917	(315,135)
Vocational				
Salaries	142,547	130,000	139,404	(9,404)
Benefits	27,850	60,600	27,236	33,364
Purchased services	992	1,250	970	280
Materials and supplies	10,292	10,688	10,065	623
Total vocational	181,681	202,538	177,675	24,863
Other				
Salaries	10,941	-	10,700	(10,700)
Benefits	1,788	-	1,749	(1,749)
Total other instruction	12,729	-	12,449	(12,449)
Total instruction	22,881,769	21,850,069	22,377,186	(527,117)

(CONTINUED)

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

	General Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Supporting services				
Pupil				
Salaries	1,318,595	1,295,200	1,289,518	5,682
Benefits	391,521	381,050	382,887	(1,837)
Purchased services	3,329	4,696	3,256	1,440
Materials and supplies	1,012	1,523	990	533
Total pupil	<u>1,714,457</u>	<u>1,682,469</u>	<u>1,676,651</u>	<u>5,818</u>
Instructional staff				
Salaries	549,435	514,700	537,319	(22,619)
Benefits	178,919	184,000	174,974	9,026
Purchased services	8,038	23,332	7,861	15,471
Materials and supplies	23,017	25,251	22,509	2,742
Other	92	90	90	-
Total instructional staff	<u>759,501</u>	<u>747,373</u>	<u>742,753</u>	<u>4,620</u>
Board of education				
Salaries	21,857	20,000	21,375	(1,375)
Benefits	4,701	4,700	4,597	103
Purchased services	100,950	114,400	98,724	15,676
Materials and supplies	1,273	1,160	1,245	(85)
Other	10,860	11,000	10,621	379
Total board of education	<u>139,641</u>	<u>151,260</u>	<u>136,562</u>	<u>14,698</u>
Administration				
Salaries	1,419,739	1,484,950	1,388,431	96,519
Benefits	437,440	466,300	427,794	38,506
Purchased services	106,388	129,636	104,042	25,594
Materials and supplies	40,284	38,403	39,396	(993)
Other	3,150	3,995	3,081	914
Total administration	<u>2,007,001</u>	<u>2,123,284</u>	<u>1,962,744</u>	<u>160,540</u>
Fiscal services				
Salaries	258,834	270,000	253,126	16,874
Benefits	61,464	114,400	60,109	54,291
Purchased services	51,700	48,310	50,560	(2,250)
Materials and supplies	3,028	3,500	2,961	539
Other	492,011	504,800	481,161	23,639
Total fiscal services	<u>867,037</u>	<u>941,010</u>	<u>847,917</u>	<u>93,093</u>

(CONTINUED)

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

	General Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Business				
Salaries	152,233	147,000	148,876	(1,876)
Benefits	30,562	31,700	29,888	1,812
Purchased services	14,910	19,159	14,581	4,578
Other	57,411	114,236	56,145	58,091
Total business	<u>255,116</u>	<u>312,095</u>	<u>249,490</u>	<u>62,605</u>
Operation and maintenance				
Salaries	1,017,867	1,023,700	995,421	28,279
Benefits	473,674	480,869	463,229	17,640
Purchased services	827,232	954,833	808,990	145,843
Materials and supplies	135,584	133,639	132,594	1,045
Total operation and maintenance	<u>2,454,357</u>	<u>2,593,041</u>	<u>2,400,234</u>	<u>192,807</u>
Pupil transportation				
Salaries	1,322,281	1,282,200	1,293,122	(10,922)
Benefits	596,928	565,879	583,765	(17,886)
Purchased services	149,671	162,479	146,370	16,109
Materials and supplies	379,882	380,144	371,505	8,639
Total pupil transportation	<u>2,448,762</u>	<u>2,390,702</u>	<u>2,394,762</u>	<u>(4,060)</u>
Central services				
Salaries	92,587	92,000	90,545	1,455
Benefits	32,760	44,605	32,038	12,567
Purchased services	14,903	17,150	14,574	2,576
Materials and supplies	251	500	245	255
Other	47,572	25,340	46,523	(21,183)
Total central services	<u>188,073</u>	<u>179,595</u>	<u>183,925</u>	<u>(4,330)</u>
Total supporting services	<u>10,833,945</u>	<u>11,120,829</u>	<u>10,595,038</u>	<u>525,791</u>

(CONTINUED)

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

	General Fund (concluded)			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Extracurricular activities				
Academic and subject oriented				
Salaries	73,578	73,600	71,955	1,645
Benefits	10,375	6,700	10,146	(3,446)
Total academic and subject oriented	<u>83,953</u>	<u>80,300</u>	<u>82,101</u>	<u>(1,801)</u>
Sports oriented				
Salaries	389,271	367,100	380,687	(13,587)
Benefits	87,058	85,500	85,138	362
Total sports oriented	<u>476,329</u>	<u>452,600</u>	<u>465,825</u>	<u>(13,225)</u>
Co-curricular activities				
Salaries	23,865	24,500	23,339	1,161
Benefits	3,308	2,800	3,235	(435)
Total co-curricular activities	<u>27,173</u>	<u>27,300</u>	<u>26,574</u>	<u>726</u>
Total extracurricular activities	<u>587,455</u>	<u>560,200</u>	<u>574,500</u>	<u>(14,300)</u>
Capital outlay	<u>448,668</u>	<u>448,623</u>	<u>438,774</u>	<u>9,849</u>
Total expenditures	<u>34,751,837</u>	<u>33,979,721</u>	<u>33,985,498</u>	<u>(5,777)</u>
Excess (deficiency) of revenues over expenditures	<u>3,290,407</u>	<u>4,489,605</u>	<u>4,439,445</u>	<u>(50,160)</u>
Other financing sources (uses)				
Gain (loss) on sale of assets	-	-	2,495	2,495
Advances in	25,993	25,993	3,993	(22,000)
Refund of prior year expenditures	-	-	66,557	66,557
Transfers-out	-	(314,400)	(306,400)	8,000
Advances out	-	(13,472)	(13,472)	-
Total other financing sources (uses)	<u>25,993</u>	<u>(301,879)</u>	<u>(246,827)</u>	<u>55,052</u>
Net change in fund balance	3,316,400	4,187,726	4,192,618	4,892
Prior year encumbrances	633,659	633,659	633,659	-
Fund balances, beginning of year	<u>9,593,694</u>	<u>9,593,694</u>	<u>9,593,694</u>	<u>-</u>
Fund balances, end of year	<u>\$ 13,543,753</u>	<u>\$ 14,415,079</u>	<u>\$ 14,419,971</u>	<u>\$ 4,892</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

	Building Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 60,000	\$ 74,344	\$ 77,131	\$ 2,787
Total expenditures and other uses	1,619,005	1,053,101	990,348	62,753
Net change in fund balance	(1,559,005)	(978,757)	(913,217)	65,540
Prior year encumbrances	563,005	563,005	563,005	-
Fund balances, beginning of year	13,708,209	13,708,209	13,708,209	-
Fund balances, end of year	<u>\$ 12,712,209</u>	<u>\$ 13,292,457</u>	<u>\$ 13,357,997</u>	<u>\$ 65,540</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

	Classroom Facilities Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 400,100	\$ 576,261	\$ 580,710	\$ 4,449
Total expenditures and other uses	2,397,705	2,003,737	1,958,101	45,636
Net change in fund balance	(1,997,605)	(1,427,476)	(1,377,391)	50,085
Prior year encumbrances	559	559	559	-
Fund balances, beginning of year	44,162,890	44,162,890	44,162,890	-
Fund balances, end of year	\$ 42,165,844	\$ 42,735,973	\$ 42,786,058	\$ 50,085

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

	Athletic Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 240,304	\$ 214,286	\$ 214,286	\$ -
Total expenditures and other uses	270,097	270,097	254,435	15,662
Net change in fund balance	(29,793)	(55,811)	(40,149)	15,662
Prior year encumbrances	30,097	30,097	30,097	-
Fund balances, beginning of year	48,823	48,823	48,823	-
Fund balances, end of year	\$ 49,127	\$ 23,109	\$ 38,771	\$ 15,662

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

	Auxiliary Services Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 499,291	\$ 544,769	\$ 544,781	\$ 12
Total expenditures and other uses	670,855	705,821	705,821	-
Net change in fund balance	(171,564)	(161,052)	(161,040)	12
Prior year encumbrances	117,784	117,784	117,784	-
Fund balances, beginning of year	53,780	53,780	53,780	-
Fund balances, end of year	\$ -	\$ 10,512	\$ 10,524	\$ 12

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

	Data Communications Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 12,600	\$ 10,800	\$ 10,800	\$ -
Total expenditures and other uses	12,600	10,800	10,800	-
Net change in fund balance	-	-	-	-
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

	Miscellaneous State Grants Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ -	\$ -	\$ -	\$ -
Total expenditures and other uses	21,697	21,697	8,663	13,034
Net change in fund balance	(21,697)	(21,697)	(8,663)	13,034
Prior year encumbrances	1,695	1,695	1,695	-
Fund balances, beginning of year	20,212	20,212	20,212	-
Fund balances, end of year	<u>\$ 210</u>	<u>\$ 210</u>	<u>\$ 13,244</u>	<u>\$ 13,034</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

	IDEA Part B Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 921,126	\$ 795,317	\$ 795,317	\$ -
Total expenditures and other uses	921,126	921,126	778,039	143,087
Net change in fund balance	-	(125,809)	17,278	143,087
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ (125,809)	\$ 17,278	\$ 143,087

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

	Classroom Facilities Maintenance Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 163,027	\$ 162,222	\$ 162,248	\$ 26
Total expenditures and other uses	-	-	-	-
Net change in fund balance	163,027	162,222	162,248	26
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	81,014	81,014	81,014	-
Fund balances, end of year	\$ 244,041	\$ 243,236	\$ 243,262	\$ 26

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

	Title I Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 438,077	\$ 346,626	\$ 346,626	\$ -
Total expenditures and other uses	444,723	444,723	353,272	91,451
Net change in fund balance	(6,646)	(98,097)	(6,646)	91,451
Prior year encumbrances	3,717	3,717	3,717	-
Fund balances, beginning of year	2,929	2,929	2,929	-
Fund balances, end of year	\$ -	\$ (91,451)	\$ -	\$ 91,451

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

	Limited English Proficiency Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 1,819	\$ 10,305	\$ 10,305	\$ -
Total expenditures and other uses	2,879	25,454	11,365	14,089
Net change in fund balance	(1,060)	(15,149)	(1,060)	14,089
Prior year encumbrances	1,000	1,000	1,000	-
Fund balances, beginning of year	60	60	60	-
Fund balances, end of year	\$ -	\$ (14,089)	\$ -	\$ 14,089

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

	EHA Preschool Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 22,065	\$ 19,461	\$ 19,461	\$ -
Total expenditures and other uses	23,386	23,386	20,472	2,914
Net change in fund balance	(1,321)	(3,925)	(1,011)	2,914
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	1,321	1,321	1,321	-
Fund balances, end of year	\$ -	\$ (2,604)	\$ 310	\$ 2,914

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

	Title VI-R Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 103,063	\$ 84,129	\$ 84,130	\$ 1
Total expenditures and other uses	103,063	103,063	82,810	20,253
Net change in fund balance	-	(18,934)	1,320	20,254
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ (18,934)	\$ 1,320	\$ 20,254

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

	Food Service Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 977,300	\$ 930,179	\$ 930,185	\$ 6
Total expenditures and other uses	1,133,949	1,087,782	1,026,199	61,583
Net change in fund balance	(156,649)	(157,603)	(96,014)	61,589
Prior year encumbrances	9,985	9,985	9,985	-
Fund balances, beginning of year	147,618	147,618	147,618	-
Fund balances, end of year	<u>\$ 954</u>	<u>\$ -</u>	<u>\$ 61,589</u>	<u>\$ 61,589</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

	Special Projects Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 2,955	\$ 4,618	\$ 4,618	\$ -
Total expenditures and other uses	15,686	15,686	5,584	10,102
Net change in fund balance	(12,731)	(11,068)	(966)	10,102
Prior year encumbrances	459	459	459	-
Fund balances, beginning of year	15,226	15,226	15,226	-
Fund balances, end of year	<u>\$ 2,954</u>	<u>\$ 4,617</u>	<u>\$ 14,719</u>	<u>\$ 10,102</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

	Support Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 288,000	\$ 299,172	\$ 299,172	\$ -
Total expenditures and other uses	308,189	323,414	323,414	-
Net change in fund balance	(20,189)	(24,242)	(24,242)	-
Prior year encumbrances	25,189	25,189	25,189	-
Fund balances, beginning of year	104,952	104,952	104,952	-
Fund balances, end of year	<u>\$ 109,952</u>	<u>\$ 105,899</u>	<u>\$ 105,899</u>	<u>\$ -</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

	Uniform School Supplies Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 128,850	\$ 137,397	\$ 137,397	\$ -
Total expenditures and other uses	136,890	136,890	100,730	36,160
Net change in fund balance	(8,040)	507	36,667	36,160
Prior year encumbrances	726	726	726	-
Fund balances, beginning of year	57,437	57,437	57,437	-
Fund balances, end of year	\$ 50,123	\$ 58,670	\$ 94,830	\$ 36,160

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

	Summer School Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 82,732	\$ 73,428	\$ 73,428	\$ -
Total expenditures and other uses	74,442	81,118	81,118	-
Net change in fund balance	8,290	(7,690)	(7,690)	-
Prior year encumbrances	3,180	3,180	3,180	-
Fund balances, beginning of year	28,497	28,497	28,497	-
Fund balances, end of year	<u>\$ 39,967</u>	<u>\$ 23,987</u>	<u>\$ 23,987</u>	<u>\$ -</u>

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

	Debt Service Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 3,468,802	\$ 3,573,628	\$ 3,573,628	\$ -
Total expenditures and other uses	3,663,408	3,681,115	3,681,115	-
Net change in fund balance	(194,606)	(107,487)	(107,487)	-
Prior year encumbrances	-	-	-	-
Fund balances, beginning of year	1,386,909	1,386,909	1,386,909	-
Fund balances, end of year	\$ 1,192,303	\$ 1,279,422	\$ 1,279,422	\$ -

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY

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

FOR THE YEAR ENDED JUNE 30, 2015

	Capital Projects Fund			Variance with Final Budget Positive (Negative)
	Budget Amounts		Actual	
	Original	Final		
Total revenues and other sources	\$ 1,358,088	\$ 1,424,295	\$ 1,424,357	\$ 62
Total expenditures and other uses	1,579,649	1,779,649	1,757,343	22,306
Net change in fund balance	(221,561)	(355,354)	(332,986)	22,368
Prior year encumbrances	471,740	471,740	471,740	-
Fund balances, beginning of year	177,399	177,399	177,399	-
Fund balances, end of year	\$ 427,578	\$ 293,785	\$ 316,153	\$ 22,368

AGENCY FUNDS

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

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

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

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2015

	Student Activities	District Agency	Totals
Assets			
Equity in pooled cash and investments	\$ 76,929	\$ 4,859	\$ 81,788
Total assets	\$ 76,929	\$ 4,859	\$ 81,788
 Liabilities			
Accounts payable	\$ 3,927	\$ -	\$ 3,927
Due to students	73,002	-	73,002
Due to others	-	4,859	4,859
Total liabilities	\$ 76,929	\$ 4,859	\$ 81,788

NORTH RIDGEVILLE CITY SCHOOL DISTRICT
LORAIN COUNTY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

Student Activities Fund				
	Beginning Balance June 30, 2014	Additions	Reductions	Ending Balance June 30, 2015
Assets				
Equity in pooled cash and investments	\$ 85,457	\$ 95,138	\$ 103,666	\$ 76,929
Total assets	\$ 85,457	\$ 95,138	\$ 103,666	\$ 76,929
Liabilities				
Accounts payable	\$ 860	\$ 3,927	\$ 860	\$ 3,927
Due to students	84,597	91,211	102,806	73,002
Total liabilities	\$ 85,457	\$ 95,138	\$ 103,666	\$ 76,929

District Agency Fund				
	Beginning Balance June 30, 2014	Additions	Reductions	Ending Balance June 30, 2015
Assets				
Equity in pooled cash and investments	\$ 6,189	\$ 17,805	\$ 19,135	\$ 4,859
Total assets	\$ 6,189	\$ 17,805	\$ 19,135	\$ 4,859
Liabilities				
Accounts payable	\$ 928	\$ -	\$ 928	\$ -
Due to students	159	-	159	-
Due to others	\$ 5,102	\$ 17,805	\$ 18,048	\$ 4,859
Total liabilities	\$ 6,189	\$ 17,805	\$ 19,135	\$ 4,859

Total Agency Funds				
	Beginning Balance June 30, 2014	Additions	Reductions	Ending Balance June 30, 2015
Assets				
Equity in pooled cash and investments	\$ 91,646	\$ 112,943	\$ 122,801	\$ 81,788
Total assets	\$ 91,646	\$ 112,943	\$ 122,801	\$ 81,788
Liabilities				
Accounts payable	\$ 1,788	\$ 3,927	\$ 1,788	\$ 3,927
Due to students	84,756	91,211	102,965	73,002
Due to others	5,102	17,805	18,048	4,859
Total liabilities	\$ 91,646	\$ 112,943	\$ 122,801	\$ 81,788

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STATISTICAL SECTION

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

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

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The School District implemented GASB Statement No. 34 for the year ended June 30, 2003; schedules presenting government-wide information include information beginning in that year.

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

	2015	Restated 2014 (a)	2013	2012
Governmental activities				
Net investment in capital assets	\$ 11,754,444	\$ 10,485,780	\$ 11,733,610	\$ 11,327,521
Restricted	2,218,843	2,469,301	755,787	898,555
Unrestricted	(29,115,971)	(36,143,924)	5,279,187	1,900,001
Total primary government net position	<u>\$ (15,142,684)</u>	<u>\$ (23,188,843)</u>	<u>\$ 17,768,584</u>	<u>\$ 14,126,077</u>

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

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 11,519,860	\$ 12,010,174	\$ 12,216,232	\$ 11,858,968	\$ 11,835,047	\$ 11,771,262
712,027	1,027,320	733,374	943,772	1,077,767	1,061,976
663,705	(453,917)	1,483,610	4,673,543	6,532,386	7,517,446
<u>\$ 12,895,592</u>	<u>\$ 12,583,577</u>	<u>\$ 14,433,216</u>	<u>\$ 17,476,283</u>	<u>\$ 19,445,200</u>	<u>\$ 20,350,684</u>

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

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Expenses				
Governmental activities:				
Instruction				
Regular	\$ 16,849,020	\$ 16,401,112	\$ 13,726,250	\$ 14,825,748
Special	6,643,625	6,389,566	4,901,355	4,888,882
Vocational	162,453	216,249	116,219	112,438
Adult continuing	-	-	-	1,002
Other instruction	13,692	4,026	1,808,468	1,525,239
Supporting services				
Pupil	1,833,646	1,939,224	1,794,791	1,864,381
Instructional staff	755,381	612,732	2,055,316	2,358,860
Board of education	124,692	136,735	154,245	119,382
Administration	1,817,337	1,968,907	2,065,148	2,019,304
Fiscal services	950,941	877,678	873,272	805,425
Business	231,521	248,688	186,165	257,393
Operation and maintenance	2,552,076	2,528,510	3,071,152	2,709,029
Pupil transportation	2,580,862	2,643,317	2,134,495	2,493,805
Central services	218,688	365,184	72,684	51,111
Operation of non-instructional services				
Food service operation	1,067,707	1,041,632	1,115,629	1,110,397
Community services	501,063	398,861	584,043	356,911
Extracurricular activities	781,970	791,344	807,780	782,720
Interest	2,497,428	2,063,552	61,927	79,461
Total primary government expenses	<u>39,582,102</u>	<u>38,627,317</u>	<u>35,528,939</u>	<u>36,361,488</u>
Program revenues				
Governmental activities:				
Charges for services and sales				
Instruction	849,442	824,237	855,594	428,513
Supporting services	299,004	1,000	255,254	255,107
Food service	567,606	594,600	635,633	709,900
Extracurricular activities	197,286	229,098	232,722	219,608
Operating grants, interest and contributions	1,970,447	2,150,282	2,280,113	2,280,103
Capitla grants, interest and contributions	657,841	-	-	-
Total primary government program revenues	<u>4,541,626</u>	<u>3,799,217</u>	<u>4,259,316</u>	<u>3,893,231</u>
Net (expense) revenue				
Total primary government net expense	<u>\$ (35,040,476)</u>	<u>\$ (34,828,100)</u>	<u>\$ (31,269,623)</u>	<u>\$ (32,468,257)</u>

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$	14,394,222	\$ 14,715,532	\$ 14,918,937	\$ 14,576,614	\$ 13,964,123	\$ 13,604,996
	4,850,255	4,614,251	4,296,050	3,923,682	3,827,673	3,395,338
	110,316	296,883	331,312	390,538	483,696	433,462
	-	-	-	-	-	-
	1,256,977	1,255,761	1,076,261	937,878	677,282	659,767
	1,752,229	1,789,256	1,751,588	1,517,395	1,419,027	1,363,607
	2,674,993	3,039,915	2,696,766	2,591,260	2,406,631	2,100,797
	160,490	85,439	87,447	145,829	104,838	68,503
	2,142,857	2,225,696	2,207,492	1,948,304	1,780,095	1,795,164
	808,594	789,869	735,038	762,286	693,931	662,940
	276,687	306,856	267,577	276,050	271,207	258,882
	2,874,846	3,120,377	3,065,138	2,942,498	2,972,431	2,610,662
	2,609,473	2,589,963	2,328,188	2,300,684	2,055,290	1,824,404
	82,320	66,050	60,837	62,116	59,984	78,202
	1,138,120	1,106,927	1,115,919	1,044,420	1,106,654	1,017,763
	489,295	443,542	579,679	410,899	641,355	418,798
	768,442	821,490	769,471	730,632	719,142	696,805
	302,470	296,713	308,459	92,176	102,661	112,501
	<u>36,692,586</u>	<u>37,564,520</u>	<u>36,596,159</u>	<u>34,653,261</u>	<u>33,286,020</u>	<u>31,102,591</u>
	452,493	508,133	472,937	554,039	481,890	380,420
	217,015	189,109	195,078	183,985	203,785	157,379
	716,665	733,968	758,889	718,600	1,103,440	1,015,853
	176,535	193,536	194,453	180,486	160,642	197,498
	3,052,274	3,538,202	2,014,180	1,962,965	1,673,640	1,749,500
	-	-	-	-	-	-
	<u>4,614,982</u>	<u>5,162,948</u>	<u>3,635,537</u>	<u>3,600,075</u>	<u>3,623,397</u>	<u>3,500,650</u>
\$	<u>(32,077,604)</u>	<u>(32,401,572)</u>	<u>(32,960,622)</u>	<u>(31,053,186)</u>	<u>(29,662,623)</u>	<u>(27,601,941)</u>

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

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Net (expense) revenue				
Total primary government net expense	<u>\$ (35,040,476)</u>	<u>\$ (34,828,100)</u>	<u>\$ (31,269,623)</u>	<u>\$ (32,468,257)</u>
General revenues and other changes in net position				
Governmental activities:				
Property taxes levied for:				
General purposes	23,063,967	22,926,984	20,843,196	19,804,064
Debt service	3,418,062	2,199,051	310,975	340,348
Capital improvements	1,059,216	896,801	658,964	691,795
Grants and entitlements				
not restricted to specific purposes	14,452,217	14,139,841	12,191,341	11,628,782
Investment earnings	317,331	18,175	7,968	14,216
Miscellaneous	<u>775,842</u>	<u>1,762,735</u>	<u>899,686</u>	<u>1,219,537</u>
Total primary government	<u>43,086,635</u>	<u>41,943,587</u>	<u>34,912,130</u>	<u>33,698,742</u>
Change in net position				
Total primary government	<u>\$ 8,046,159</u>	<u>\$ 7,115,487</u>	<u>\$ 3,642,507</u>	<u>\$ 1,230,485</u>

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<u>\$ (32,077,604)</u>	<u>\$ (32,401,572)</u>	<u>\$ (32,960,622)</u>	<u>\$ (31,053,186)</u>	<u>\$ (29,662,623)</u>	<u>\$ (27,601,941)</u>
18,711,244	16,601,413	15,825,598	15,331,424	15,127,166	15,255,604
330,891	290,133	273,137	260,637	366,782	368,394
661,327	636,183	605,525	592,046	611,053	657,040
11,689,048	11,626,013	12,157,210	11,593,096	11,753,656	11,056,557
14,088	15,208	142,154	425,740	540,965	445,746
983,021	1,382,983	913,931	881,326	357,517	481,067
<u>32,389,619</u>	<u>30,551,933</u>	<u>29,917,555</u>	<u>29,084,269</u>	<u>28,757,139</u>	<u>28,264,408</u>
<u>\$ 312,015</u>	<u>\$ (1,849,639)</u>	<u>\$ (3,043,067)</u>	<u>\$ (1,968,917)</u>	<u>\$ (905,484)</u>	<u>\$ 662,467</u>

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

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Fund				
Assigned	\$ 405,797	\$ 197,061	\$ 476,910	\$ 417,359
Unassigned	14,463,465	9,986,702	3,674,725	(175,186)
Total General Fund	<u>\$ 14,869,262</u>	<u>\$ 10,183,763</u>	<u>\$ 4,151,635</u>	<u>\$ 242,173</u>
All other governmental funds				
Restricted	\$ 58,493,316	\$ 60,757,897	\$ 792,127	\$ 932,875
Unassigned	(536,508)	(404,007)	(794,048)	(210,654)
Total all other governmental funds	<u>\$ 57,956,808</u>	<u>\$ 60,353,890</u>	<u>\$ (1,921)</u>	<u>\$ 722,221</u>

The District implemented GASB Statement No. 54 in 2011.

<u>2011</u>	<u>2010</u>
\$ 382,694	\$ 131,179
<u>(130,912)</u>	<u>(517,201)</u>
<u>\$ 251,782</u>	<u>\$ (386,022)</u>

\$ 772,193	\$ 895,156
<u>(584,424)</u>	<u>(723,164)</u>
<u>\$ 187,769</u>	<u>\$ 171,992</u>

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
General Fund				
Reserved	\$ 1,156,577	\$ 1,908,964	\$ 3,013,413	\$ 3,525,844
Unreserved	600,117	1,939,246	2,319,550	3,287,927
Total General Fund	<u>\$ 1,756,694</u>	<u>\$ 3,848,210</u>	<u>\$ 5,332,963</u>	<u>\$ 6,813,771</u>
All other governmental funds				
Reserved	\$ 578,135	\$ 1,370,008	\$ 1,610,168	\$ 2,062,365
Unreserved, reported in				
Special Revenue Funds (1)	158,525	311,250	238,984	375,954
Debt Service Funds	416,452	473,103	481,805	458,924
Capital Projects Funds	(937,748)	(823,983)	(554,255)	(941,776)
Total all other governmental funds	<u>\$ 215,364</u>	<u>\$ 1,330,378</u>	<u>\$ 1,776,702</u>	<u>\$ 1,955,467</u>

The District implemented GASB Statement No. 54 in 2011.

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

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Taxes	\$ 27,464,945	\$ 25,788,136	\$ 21,739,235	\$ 20,533,507
Tuition and Fees	839,055	822,165	855,459	422,468
Interest	314,437	18,175	5,932	7,181
Intergovernmental	17,080,505	16,290,123	14,471,454	13,908,885
Extracurricular	354,029	319,509	294,119	301,688
Charges for services	587,296	604,024	648,393	719,149
Other	<u>334,842</u>	<u>866,572</u>	<u>451,264</u>	<u>496,271</u>
Total	<u><u>\$ 46,975,109</u></u>	<u><u>\$ 44,708,704</u></u>	<u><u>\$ 38,465,856</u></u>	<u><u>\$ 36,389,149</u></u>

<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
\$ 19,657,562	\$ 17,521,229	\$ 16,596,360	\$ 15,998,607	\$ 15,982,401	\$ 16,294,538
455,603	501,981	468,675	532,572	442,606	368,865
7,742	10,609	117,442	386,515	523,268	436,619
14,741,322	15,164,215	14,171,390	13,556,061	13,427,296	12,806,057
260,772	247,643	250,520	244,310	211,504	229,451
711,312	765,143	780,316	742,269	723,678	718,735
346,922	460,661	442,570	388,819	343,182	560,925
<u>\$ 36,181,235</u>	<u>\$ 34,671,481</u>	<u>\$ 32,827,273</u>	<u>\$ 31,849,153</u>	<u>\$ 31,653,935</u>	<u>\$ 31,415,190</u>

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

	2015	2014 (a)	2013	2012
Expenditures				
Instruction	\$ 23,821,584	\$ 22,442,223	\$ 19,897,214	\$ 20,785,134
Pupil support services	1,936,348	1,862,218	1,725,861	1,833,762
Instructional support	793,746	601,198	1,968,298	2,261,856
Administration / BOE	2,079,004	2,069,528	2,162,506	2,193,784
Business and fiscal	1,205,486	1,151,744	1,013,098	1,051,084
Operation and maintenance of plant	2,688,417	2,589,219	2,555,351	2,554,880
Pupil transportation	2,815,032	2,345,750	2,553,907	2,390,744
Central services	221,938	140,285	69,959	54,457
Operational of non- instructional services	1,628,770	1,427,373	1,699,924	1,456,476
Extracurricular activities	832,150	771,322	796,922	764,130
Capital outlay	3,031,265	231,833	385,915	35,404
Debt service				
Principal	1,086,518	401,586	388,654	390,834
Interest	2,548,929	1,914,453	62,927	91,761
Total expenditures	<u>\$ 44,689,187</u>	<u>\$ 37,948,732</u>	<u>\$ 35,280,536</u>	<u>\$ 35,864,306</u>
Debt service as a percentage of noncapital expenditures	<u>8.70%</u>	<u>6.15%</u>	<u>1.31%</u>	<u>1.35%</u>

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

2011	2010	2009	2008	2007	2006
\$ 19,839,212	\$ 21,129,873	\$ 19,900,211	\$ 19,243,904	\$ 18,673,875	\$ 17,385,770
1,728,384	1,775,939	1,706,512	1,461,533	1,424,528	1,345,449
2,483,934	2,856,942	2,529,360	2,388,709	2,330,821	2,002,643
2,198,833	2,187,437	2,103,129	2,004,462	1,929,596	1,786,755
1,091,951	1,021,968	1,021,140	996,116	951,834	925,775
2,711,994	2,892,985	3,031,637	2,723,351	2,519,638	2,582,195
2,482,790	2,535,715	2,579,314	2,199,233	2,083,382	1,852,879
74,260	61,890	64,070	60,720	59,780	77,360
1,585,513	1,466,357	1,621,665	1,444,920	1,761,645	1,406,837
762,269	766,983	716,867	681,338	685,073	696,723
150,216	58,999	373,483	199,043	515,930	1,698,225
150,047	154,385	108,393	285,000	275,000	270,000
343,239	303,963	278,022	91,901	102,406	112,150
<u>\$ 35,602,642</u>	<u>\$ 37,213,436</u>	<u>\$ 36,033,803</u>	<u>\$ 33,780,230</u>	<u>\$ 33,313,508</u>	<u>\$ 32,142,761</u>
<u>1.42%</u>	<u>1.27%</u>	<u>1.08%</u>	<u>1.12%</u>	<u>1.15%</u>	<u>1.26%</u>

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

	2015	2014 (a)	2013	2012
Excess of revenues over (under) expenditures	\$ 2,285,922	\$ 6,759,972	\$ 3,185,320	\$ 524,843
Other financing sources (uses)				
Proceeds from bond issues	-	57,895,000	-	-
Proceeds of refunding bonds	-	-	-	-
Transfers-in	387,595	98,014	23,182	68,983
Gain on sale of capital assets	2,495	35,101	-	-
Capital lease proceeds	-	-	-	-
Premium on debt issue	-	1,697,866	-	-
Transfers-out	(387,595)	(98,014)	(23,182)	(68,983)
Payment to bond escrow agent	-	-	-	-
Total other financing sources (uses)	2,495	59,627,967	-	-
Net change in fund balances	\$ 2,288,417	\$ 66,387,939	\$ 3,185,320	\$ 524,843

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

2011	2010	2009	2008	2007	2006
<u>\$ 578,593</u>	<u>\$ (2,541,955)</u>	<u>\$ (3,206,530)</u>	<u>\$ (1,931,077)</u>	<u>\$ (1,659,573)</u>	<u>\$ (727,571)</u>
-	-	-	-	-	-
-	-	-	-	-	-
1,610,000	-	-	-	-	-
17,000	108,619	107,612	51,943	118,385	48,400
-	-	-	-	-	-
-	355,867	-	-	-	-
74,988	-	-	-	-	-
-	-	-	-	-	-
(17,000)	(108,619)	(107,612)	(51,943)	(118,385)	(48,400)
(1,610,000)	-	-	-	-	-
<u>74,988</u>	<u>355,867</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 653,581</u>	<u>\$ (2,186,088)</u>	<u>\$ (3,206,530)</u>	<u>\$ (1,931,077)</u>	<u>\$ (1,659,573)</u>	<u>\$ (727,571)</u>

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

Year	Real Property		Public Utility Property		Tangible Personal Property	
	Assessed Value	Estimated Actual Value (1)	Assessed Value	Estimated Actual Value (2)	Assessed Value	Estimated Actual Value (3)
2015	\$ 701,690,140	\$ 2,004,828,971	\$ 13,705,640	\$ 15,574,591	\$ - (4)	\$ -
2014	688,099,510	1,965,998,600	12,668,630	14,396,170	\$ - (4)	-
2013	667,660,670	1,907,601,914	12,012,660	13,650,750	- (4)	-
2012	720,626,020	2,058,931,486	10,994,850	12,494,148	- (4)	-
2011	708,492,680	2,024,264,800	10,455,350	11,881,080	- (4)	-
2010	693,460,692	1,981,316,263	9,801,290	11,137,830	555,529 (4)	2,222,116
2009	711,641,722	2,033,262,063	9,364,430	10,641,398	591,014 (4)	2,364,056
2008	682,070,410	1,948,772,600	9,167,490	10,417,602	5,976,264 (4)	23,905,056
2007	647,273,940	1,849,354,114	12,382,300	14,070,795	12,133,626 (4)	48,534,504
2006	556,194,190	1,589,126,257	12,533,180	14,242,250	18,804,216 (4)	75,216,864

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

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

Assessed Value	Total Estimated Actual Value	Total Direct Rate
\$ 715,395,780	\$ 2,020,403,562	55.70
700,768,140	1,980,394,770	56.29
679,673,330	1,921,252,664	51.90
731,620,870	2,071,425,634	44.63
718,948,030	2,036,145,880	44.79
703,817,511	1,994,676,209	42.19
721,597,166	2,046,267,517	42.01
697,214,164	1,983,095,258	42.28
671,789,866	1,911,959,413	42.62
587,531,586	1,678,585,371	43.92

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

Year	School District			Total
	General	Voted Debt	Permanent Improvements	
2015	48.01	4.69	3.00	55.70
2014	48.34	4.95	3.00	56.29
2013	48.86	0.54	2.50	51.90
2012	41.62	0.51	2.50	44.63
2011	41.77	0.52	2.50	44.79
2010	39.20	0.49	2.50	42.19
2009	39.06	0.45	2.50	42.01
2008	39.29	0.49	2.50	42.28
2007	39.52	0.60	2.50	42.62
2006	40.72	0.70	2.50	43.92

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

Lorain County	Lorain County Joint Vocational School	City	Total
14.48	2.45	12.71	85.34
14.48	2.45	12.71	85.93
13.66	2.45	12.71	80.72
13.69	2.45	12.71	73.48
13.69	2.45	12.71	73.64
13.39	2.45	12.71	70.74
13.39	2.45	12.71	70.56
13.39	2.45	12.95	71.07
13.49	2.45	13.06	71.62
13.49	2.45	13.36	73.22

North Ridgeville City School District
Principal Taxpayers
Real Estate Tax
As of June 30, 2015 and June 30, 2006

JUNE 30, 2015

Name of Taxpayer	Assessed Value (1)	Percent of Total Assessed Value
Ridgeville Two LLC	\$ 2,807,150	0.39%
Rini Realty Company	2,458,650	0.34%
Ridgeville One LLC	2,380,000	0.33%
R W Beckett Corp	2,044,990	0.29%
Pulte Homes of Ohio, LLC	1,775,330	0.25%
Invacare Corporation	1,743,980	0.24%
R W Beckett Corporation	1,721,870	0.24%
R W Beckett Corp Corporation	1,708,160	0.24%
Lake Ridge Holdings LTD	1,538,910	0.22%
Galileo North Ridgeville LLC	1,510,290	0.21%
	<u>\$ 19,689,330</u>	
Total Assessed value	<u>\$ 715,395,780</u>	

JUNE 30, 2006

Name of Taxpayer	Assessed Value (1)	Percent of Total Assessed Value
FJD Properties LLC	\$ 3,228,040	0.55%
Rini Realty Company	2,003,330	0.34%
Invacare Corporation	1,838,880	0.31%
Oster Construction Inc.	1,730,330	0.29%
R.W. Beckett Corporation	1,412,520	0.24%
All Purpose Construction	1,379,350	0.23%
R.W. Beckett	1,316,020	0.22%
Lake Ridge Holding Ltd.	1,292,740	0.22%
Bob Schmitt Homes Inc.	1,171,740	0.20%
Starland Investments	1,138,080	0.19%
	<u>\$ 16,511,030</u>	
Total Assessed value	<u>\$ 587,531,586</u>	

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

(1) Assessed Values are for the 2014 and 2005 collection year, respectively.

North Ridgeville City School District
Principal Taxpayers
Public Utility Tax
As of June 30, 2015 and June 30, 2006

JUNE 30, 2015

Name of Taxpayer	Assessed Value (1)	Percent of Total Assessed Value
Ohio Edison Company	\$ 7,382,530	1.03%
Columbia Gas of Ohio Inc.	2,834,270	0.40%
Cleveland Electric Illuminating Co. (a)	1,719,280	0.24%
American Transmission Systems Inc	1,114,390	0.16%
Columbia Gas Transmission	704,960	0.10%
	<u>\$ 13,755,430</u>	
Total Assessed value	<u>\$ 715,395,780</u>	

JUNE 30, 2006

Name of Taxpayer	Assessed Value (1)	Percent of Total Assessed Value
Ohio Edison Company	\$ 4,504,900	0.77%
Alltel Ohio	2,503,430	0.43%
Cleveland Electric Illuminating Co. (a)	1,204,680	0.21%
Columbia Gas of Ohio Inc.	978,310	0.17%
Columbia Gas Transmission	892,950	0.15%
America Transmission	793,020	0.13%
	<u>\$ 10,877,290</u>	
Total Assessed value	<u>\$ 587,531,586</u>	

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

(1) Assessed Values are for the 2014 and 2005 collection year, respectively.

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

Collection Year	Current Taxes Levy	Delinquent Taxes Levy	Total Taxes Levy	Current Taxes Collections
2015	\$ 31,298,497	\$ 1,495,341	\$ 32,793,838	\$ 30,590,723
2014	31,090,877	1,060,580	32,151,457	30,255,933
2013	27,259,483	1,227,448	28,486,931	26,543,822
2012	22,891,489	1,153,672	24,045,161	22,233,185
2011	22,569,624	927,458	23,497,082	21,908,546
2010	20,263,408	927,758	21,191,166	20,141,517
2009	20,053,094	967,660	21,020,754	19,396,105
2008	19,561,563	893,367	20,454,930	18,933,424
2007	18,866,392	830,611	19,697,003	18,245,802
2006	17,178,611	658,824	17,837,435	16,661,347

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

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

<u>Percent of Current Levy Collected</u>	<u>Delinquent Taxes Collections</u>	<u>Total Tax Collections</u>	<u>Total Collection As a Percent of Current Levy</u>
97.739%	\$ 809,172	\$ 31,399,895	95.749%
97.315%	693,273	30,949,206	96.261%
97.375%	692,016	27,235,838	95.608%
97.124%	618,073	22,851,258	95.035%
97.071%	740,205	22,648,751	96.390%
99.398%	642,176	20,783,693	98.077%
96.724%	561,144	19,957,249	94.941%
96.789%	560,382	19,493,806	95.301%
96.711%	539,413	18,785,215	95.371%
96.989%	418,391	17,079,738	95.752%

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

Year	General Obligation Bonded Debt (1)	Capital Leases (1)	Tax Anticipation Notes (1)	Total Primary Government	Percentage of Personal Income (3)	Per Capita (3)	Per ADM (2) (3)
2015	\$ 59,363,464	\$ -	\$ -	\$ 59,363,464	6.17%	\$ 1,863	\$ 14,830
2014	58,845,000	6,518	-	58,851,518	6.36%	1,997	15,382
2013	1,275,000	83,104	-	1,358,104	0.15%	46	355
2012	1,590,000	156,758	-	1,746,758	0.26%	59	457
2011	1,910,000	227,592	-	2,137,592	0.32%	74	563
2010	2,006,593	295,715	-	2,302,308	0.35%	80	607
2009	2,110,076	-	-	2,110,076	0.33%	77	592
2008	2,222,232	-	-	2,222,232	0.36%	82	623
2007	2,506,142	-	-	2,506,142	0.42%	96	730
2006	2,780,002	-	-	2,780,002	0.48%	110	817

Source: (1) School District Financial Records

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

(3) See Schedule S-31 for personal income, population, and ADM data. These ratios are calculated using data for the prior calendar year.

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

Year	General Obligation Bonded Debt (1)	Debt Service Funds Available	Net Bonded Debt	Percentage of Actual Taxable Property Value (2)	Per Capita (3)
2015	\$ 59,363,464	\$ 1,279,422	\$ 58,084,042	2.87%	\$ 1,822.5
2014	58,845,000	1,386,909	57,458,091	2.90%	1,950.0
2013	1,275,000	328,297	946,703	0.05%	32.1
2012	1,590,000	334,591	1,255,409	0.06%	42.6
2011	1,910,000	353,976	1,556,024	0.08%	54.1
2010	2,006,593	360,570	1,646,023	0.08%	57.2
2009	2,110,076	416,452	1,693,624	0.08%	61.4
2008	2,222,232	473,103	1,749,129	0.09%	64.3
2007	2,506,142	481,805	2,024,337	0.11%	77.5
2006	2,780,002	458,924	2,321,078	0.14%	92.1

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

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

(Amounts in thousands)

	2015	2014	2013	2012
Assessed Valuation	\$ 715,396	\$ 700,768	\$ 679,673	\$ 731,621
Debt Limit -9% of Assessed Value (1)	64,386	63,069	61,171	65,846
Amount of Debt Application to Debt Limit:				
General Obligation Bonds	57,765	58,845	1,275	1,590
Less: Amount Available in Debt Service Fund	1,279	1,387	328	335
Total	56,486	57,458	947	1,255
Overall Debt Margin	\$ 7,900	\$ 5,611	\$ 60,224	\$ 64,591
Overall Limit - .10% of Assessed Value (1)	\$ 715	\$ 701	\$ 680	\$ 732
Amount of Debt Applicable				
Tax Anticipation Notes				
Permanent Improvement Long Term Debt	\$ -	\$ -	\$ -	\$ -
Unvoted Debt Margin	\$ 715	\$ 701	\$ 680	\$ 732

Source: Lorain County Auditor and School District Financial Records.

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

2011	2010	2009	2008	2007	2006
\$ 708,493	\$ 693,461	\$ 711,642	\$ 682,070	\$ 647,274	\$ 556,194
63,764	62,411	64,048	61,386	58,255	50,057
1,910	2,007	2,110	2,222	2,506	2,780
-	380	437	512	561	567
1,910	1,627	1,673	1,710	1,945	2,213
\$ 61,854	\$ 60,784	\$ 62,375	\$ 59,676	\$ 56,310	\$ 47,844
\$ 708	\$ 693	\$ 712	\$ 682	\$ 647	\$ 556
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 708	\$ 693	\$ 712	\$ 682	\$ 647	\$ 556

North Ridgeville City School District
 Computation of Direct and Overlapping General Obligation Debt
 As of June 30, 2015

Jurisdiction	Debt Outstanding	Total Assessed Value	Percentage Applicable to School District (1)	Amount Applicable to School District
North Ridgeville City School District	\$ 59,363,464	\$ 715,395,780	100.00%	\$ 59,363,464
Lorain County	24,385,000 (2)	6,196,990,410	11.54%	2,814,029
Lorain County Joint Vocational School	-	5,470,357,930	13.08%	-
North Ridgeville City	<u>4,248,208 (2)</u>	<u>715,395,780</u>	100.00%	<u>4,248,208</u>
Sub Total				<u>7,062,237</u>
Total	<u>\$ 87,996,672</u>	<u>\$ 13,098,139,900</u>		<u>\$ 66,425,701</u>

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

- (1) Percentages are computed by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision.
- (2) Debt is as of December 31, 2014.

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

Calendar Year	Population	Per Capita Income	Personal Income	Average Daily Student Enrollment (2)	Unemployment Rate		
					Lorain County	State	Country
2014	31,871 (4)	\$ 30,209	\$ 962,791,039	4,003	6.9% (4)	5.2% (4)	5.3% (4)
2013	31,269 (1)	29,584	925,062,096	3,964	7.2% (1)	6.6% (1)	6.7% (1)
2012	30,571 (1)	29,310	896,036,010	3,964	8.2% (1)	7.3% (1)	8.1% (1)
2011	29,465 (1)	22,971	676,840,515	3,841	8.1% (1)	8.9% (1)	8.9% (1)
2010	29,465 (1)	22,971	676,840,515	3,826	9.9% (1)	10.0% (1)	9.6% (1)
2009	28,768 (1)	22,971	660,829,728	3,795	9.8% (1)	10.6% (1)	9.3% (1)
2008	28,153 (3)	22,971	646,702,563	3,630	7.6% (1)	6.7% (1)	5.8% (1)
2007	27,578 (3)	22,971	633,494,238	3,564	6.7% (1)	5.6% (1)	4.6% (1)
2006	27,197 (3)	22,971	624,742,287	3,566	6.6% (1)	5.6% (1)	4.6% (1)
2005	26,108 (3)	22,971	599,726,868	3,433	6.1% (1)	5.9% (1)	5.1% (1)

Source: (1) Wikipedia, the free encyclopedia

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

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

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

North Ridgeville City School District
Principal Employers
As of Fiscal Years June 30, 2015 and June 30, 2006

December 31, 2014 (1)

Employer	Nature of Activity or Business	Approximate Number of Employees (2)	Percent of Total
North Ridgeville City School District	Public education	500	4.5%
Invacare Corporation	Manufacturer of wheelchairs	350	3.2%
Beckett Gas, Inc.	Manufacturer of gas burners	230	2.1%
City of North Ridgeville, Ohio	Municipal government	203	1.8%
Center Ridge Nursing Home, Inc.	Skilled nursing home facility	200	1.8%
R. W. Beckett Corporation	Manufacturer of oil burners	193	1.8%
Beckett Air, Inc.	Manufacturer of blower wheels	165	1.5%
Riser Foods, Inc.	Retail grocery	150	1.4%
JBC Technologies, Inc.	Precision die cutting	136	1.2%
Dreco, Inc.	Manufacturer of plastic products	130	1.2%
Total of all employees within the city		11,000	

Source: Hoovers - A D&B Company; respective employers.

December 31, 2005 (1)

Employer	Nature of Activity or Business	Approximate Number of Employees (2)
Invacare Corporation	Manufacturer of wheelchairs	500
North Ridgeville City School District	Public education	450
Beckett Gas, Inc.	Manufacturer of gas burners	230
R. W. Beckett Corporation	Manufacturer of oil burners	200
City of North Ridgeville, Ohio	Municipal government	200
Center Ridge Nursing Home, Inc.	Skilled nursing home facility	200
Northridge Health Center	Skilled nursing home facility	150
Beckett Air, Inc.	Manufacturer of blower wheels	140
Lake Ridge Academy	Education	130
Estes Express Lines	Freight terminal	120
Total of all employees within the city		N/A

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

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

(2) Approximate number of employees within the City.

North Ridgeville City School District
Operating Statistics
Last Ten Fiscal Years

Year	Average Daily Student Enrollment	Operating Expenditures	Cost Per Pupil	Percent Change	Teaching Staff	Pupil Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
2015	4,003	\$ 44,689,187	\$ 11,164	2.51%	245	16.34	24.00%
2014	3,965	45,404,212	11,451	-28.66%	245	16.18	23.00%
2013	3,964	35,280,536	8,900	4.68%	215	18.44	28.00%
2012	3,841	35,864,306	9,337	-0.73%	239	16.07	25.00%
2011	3,841	35,602,642	9,269	4.70%	246	15.61	25.00%
2010	3,826	37,213,436	9,726	-2.43%	254	15.06	23.00%
2009	3,795	36,033,803	9,495	-2.03%	251	15.12	18.00%
2008	3,630	33,780,230	9,306	0.44%	237	15.32	18.00%
2007	3,564	33,313,508	9,347	-3.69%	234	15.23	18.00%
2006	3,566	32,142,761	9,014	9.01%	238	14.98	18.00%

Source: School District Financial Records.

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

	2015	2014	2013	2012
Administrators and Supervisors				
Superintendent	1	1	1	1
Assistant Superintendents	1	1	1	2
Treasurer	1	1	1	1
Principals	6	6	6	6
Assistant Principals	3	3	3	3
Coordinators and Supervisors	8	10	6	8
Total Administrators and Supervisors	<u>20</u>	<u>22</u>	<u>18</u>	<u>21</u>
Instructional Staff				
Teachers	158	160	147	157
Phys. Ed., Art and Music Teachers	28	28	25	24
Title I	5	4	4	4
Intervention Specialists	48	49	34	47
Tutors	1	1	1	1
Vocational Education Teachers	5	3	4	6
Total Certified Staff	<u>245</u>	<u>245</u>	<u>215</u>	<u>239</u>
Student Services				
Guidance counselors	8	8	8	6
Psychologists	4	4	4	4
Speech and Language Pathologists	6	7	7	6
Librarians	6	5	2	2
Nurses	5	5	5	6
Other Professionals (Non-Instructional)	2	15	3	5
Technicians	2	2	1	1
Total Student Services	<u>33</u>	<u>46</u>	<u>30</u>	<u>30</u>
Support and Administration				
Administrative Assistants	13	12	9	12
Clerical and Secretarial	17	16	15	18
Paraprofessionals	60	57	51	67
Cafeteria Workers	27	28	29	29
Bus Drivers	39	37	32	31
Mechanics	3	3	3	3
Maintenance	34	34	34	36
Total Support and Administration	<u>193</u>	<u>187</u>	<u>173</u>	<u>196</u>
Total	<u>491</u>	<u>500</u>	<u>436</u>	<u>486</u>

Source: School District records.

2011	2010	2009	2008	2007	2006
1	1	1	1	1	1
2	2	2	2	2	2
1	1	1	1	1	1
6	6	6	5	5	5
3	3	3	3	3	3
8	8	8	6	6	6
<u>21</u>	<u>21</u>	<u>21</u>	<u>18</u>	<u>18</u>	<u>18</u>
162	168	166	160	158	155
24	22	22	19	19	19
4	4	4	4	4	4
49	52	52	47	46	42
1	1	1	1	1	12
6	7	6	6	6	6
<u>246</u>	<u>254</u>	<u>251</u>	<u>237</u>	<u>234</u>	<u>238</u>
6	7	6	6	6	6
4	4	4	3	3	3
6	5	5	4	4	4
2	2	2	2	2	2
6	6	6	6	6	5
5	5	5	5	3	1
1	1	1	2	2	2
<u>30</u>	<u>30</u>	<u>29</u>	<u>28</u>	<u>26</u>	<u>23</u>
12	12	12	13	13	13
18	18	17	17	17	16
81	86	86	85	80	78
29	28	28	28	28	29
34	35	35	35	35	34
3	3	3	3	3	3
36	37	37	35	35	35
<u>213</u>	<u>219</u>	<u>218</u>	<u>216</u>	<u>211</u>	<u>208</u>
<u>510</u>	<u>524</u>	<u>519</u>	<u>499</u>	<u>489</u>	<u>487</u>

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

	2015	2014	2013	2012
Elementary				
Fields Sweet (Year Built)	1920	1920	1920	1920
Square Feet	25,000	25,000	25,000	25,000
Capacity	227	227	227	227
Enrollment	78	76	79	95
Education Center (Year Built)	1933	1933	1933	1933
Square Feet	22,500	22,500	22,500	22,500
Capacity	205	205	205	205
Enrollment	186	150	154	152
Lear North (Year Built)	1967	1967	1967	1967
Square Feet	22,920	22,920	22,920	22,920
Capacity	208	208	208	208
Enrollment	317	313	346	292
Liberty (Year Built)	1976	1976	1976	1976
Square Feet	48,570	48,570	48,570	48,570
Capacity	442	442	442	442
Enrollment	668	658	549	607
Wilcox (Year Built)	1958	1958	1958	1958
Square Feet	52,793	52,793	52,793	52,793
Capacity	480	480	480	480
Enrollment	605	620	706	627
Middle School				
Middle School (Year Built)	1923	1923	1923	1923
Square Feet	94,277	94,277	94,277	94,277
Capacity	773	773	773	773
Enrollment	960	969	937	922
High School				
High School (Year Built)	1967	1967	1967	1967
Square Feet	146,646	146,646	146,646	146,646
Capacity	978	978	978	978
Enrollment	1,189	1,179	1,191	1,151
Administrative				
Buildings (Included Ed Center)	1	1	1	1
Square Feet	11,200	11,200	11,200	11,200
Transportation				
Year Built	1968	1968	1968	1968
Garages	1	1	1	1
Square Feet	4,960	4,960	4,960	4,960
Buses	46	44	44	44
Maintenance				
Year Built	1991	1991	1991	1991
Buildings	1	1	1	1
Square Feet	7,200	7,200	7,200	7,200
Athletics				
Football fields	1	1	1	1
Soccer fields	1	1	1	1
Running tracks	1	1	1	1
Baseball/softball	2	2	2	2
Playgrounds	5	5	5	5
Tennis courts	1	1	1	1

Source: School District records.

2011	2010	2009	2008	2007	2006
1920	1920	1920	1920	1920	1920
25,000	25,000	25,000	25,000	25,000	25,000
227	227	227	227	227	227
73	73	51	51	33	26
1933	1933	1933	1933	1933	1933
22,500	22,500	22,500	22,500	22,500	22,500
205	205	205	205	205	205
150	150	150	150	145	141
1967	1967	1967	1967	1967	1967
22,920	22,920	22,920	22,920	22,920	22,920
208	208	208	208	208	208
305	305	309	309	290	226
1976	1976	1976	1976	1976	1976
48,570	48,570	48,570	48,570	48,570	48,570
442	442	442	442	442	442
582	582	550	550	544	585
1958	1958	1958	1958	1958	1958
52,793	52,793	52,793	52,793	52,793	52,793
480	480	480	480	480	480
630	630	602	602	593	586
1923	1923	1923	1923	1923	1923
94,277	94,277	94,277	94,277	94,277	94,277
773	773	773	773	773	773
930	930	856	856	794	817
1967	1967	1967	1967	1967	1967
146,646	146,646	146,646	146,646	146,646	146,646
978	978	978	978	978	978
1,151	1,151	1,112	1,112	1,165	1,185
1	1	1	1	1	1
11,200	11,200	11,200	11,200	11,200	11,200
1968	1968	1968	1968	1968	1968
1	1	1	1	1	1
4,960	4,960	4,960	4,960	4,960	4,960
43	43	43	43	43	43
1991	1991	1991	1991	1991	1991
1	1	1	1	1	1
7,200	7,200	7,200	7,200	7,200	7,200
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
2	2	2	2	2	2
5	5	5	5	5	5
1	1	1	1	1	1

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Dave Yost • Auditor of State

NORTH RIDGEVILLE CITY SCHOOL DISTRICT

LORAIN COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JANUARY 12, 2016**