

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

SUPPLEMENTAL REPORTS

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2017**

MICHAEL T. BARNHART, CPA, TREASURER



Dave Yost • Auditor of State

Board of Education
Findlay City School District
1100 Broad Avenue
Findlay, Ohio 45840

We have reviewed the *Independent Auditor's Report* of Findlay City School District, Hancock County, prepared by Julian & Grube, Inc., for the audit period July 1, 2016 through June 30, 2017. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

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Dave Yost
Auditor of State

January 31, 2018

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**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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**FINDLAY CITY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

FEDERAL GRANTOR/ SUB GRANTOR/ PROGRAM TITLE	CFDA NUMBER	(A) PASS-THROUGH GRANT NUMBER	(B) CASH FEDERAL DISBURSEMENTS
U.S. DEPARTMENT OF AGRICULTURE PASSED THROUGH THE OHIO DEPARTMENT OF EDUCATION			
Nutrition Grant Cluster:			
(D) School Breakfast Program	10.553	2017	\$ 169,450
(D) National School Lunch Program	10.555	2017	847,352
(C) National School Lunch Program - Food Donation	10.555	2017	110,144
Total National School Lunch Program			957,496
Total U.S. Department of Agriculture and Nutrition Grant Cluster			1,126,946
U.S. DEPARTMENT OF EDUCATION PASSED THROUGH THE OHIO DEPARTMENT OF EDUCATION			
Title I Grants to Local Educational Agencies	84.010	2016	259,099
Title I Grants to Local Educational Agencies	84.010	2017	1,393,272
Total Title I Grants to Local Educational Agencies			1,652,371
Special Education Grant Cluster:			
Special Education_Grants to States	84.027	2017	1,299,337
Special Education_Preschool Grants	84.173	2017	19,919
Total Special Education Grant Cluster			1,319,256
Vocational Education_Basic Grants to States	84.048	2017	209,242
English Language Acquisition Grants	84.365	2017	17,915
Improving Teacher Quality State Grants	84.367	2016	2,800
Improving Teacher Quality State Grants	84.367	2017	200,286
Total Improving Teacher Quality State Grants			203,086
Total U.S. Department of Education			3,401,870
Total Federal Financial Assistance			\$ 4,528,816

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:

- (A) OAKS did not assign pass-through numbers for fiscal year 2017.
- (B) This schedule includes the federal award activity of the Findlay City School District under programs of the federal government for the fiscal year ended June 30, 2017 and is prepared in accordance with the cash basis of accounting. The information on this schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Findlay City School District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Findlay City School District.
- (C) The Food Donation Program is a non-cash, in kind, federal grant. Commodities are reported at the entitlement value.
- (D) Commingled with state and local revenue from sales of lunches; assumed expenditures were made on a first-in, first-out basis.
- (E) CFR 200.414 allows a non-federal entity that has never received a negotiated indirect cost rate to charge a de minimis rate of 10% of modified total direct costs to indirect costs. Findlay City School District has not elected to use the 10% de minimis indirect cost rate.



Julian & Grube, Inc.
Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

**Independent Auditor's Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Required by *Government Auditing Standards***

Findlay City School District
Hancock County
1100 Broad Avenue
Findlay, Ohio 45840

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, the discretely presented component unit, its major fund, and the aggregate remaining fund information of the Findlay City School District, Hancock County, Ohio, as of and for the fiscal year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Findlay City School District's basic financial statements and have issued our report thereon dated December 26, 2017.

Internal Control Over Financial Reporting

As part of our financial statement audit, we considered the Findlay City School 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 Findlay City School 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 Findlay City School 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.

Board of Education
Findlay City School District

Compliance and Other Matters

As part of reasonably assuring whether the Findlay City School 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 Findlay City School District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Findlay City School District's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.
December 26, 2017



Julian & Grube, Inc.
Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

**Independent Auditor's Report on Compliance With Requirements Applicable to the Major Federal Program
and on Internal Control Over Compliance and Schedule of Expenditures
of Federal Awards Required by the Uniform Guidance**

Findlay City School District
Hancock County
1100 Broad Avenue
Findlay, Ohio 45840

To the Board of Education:

Report on Compliance for the Major Federal Program

We have audited the Findlay City School District's compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the Findlay City School District's major federal program for the fiscal year ended June 30, 2017. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the Findlay City School District's major federal program.

Management's Responsibility

The Findlay City School District's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to opine on the Findlay City School District's compliance for the Findlay City School District's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the Findlay City School 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 Findlay City School District major program. However, our audit does not provide a legal determination of the Findlay City School District's compliance.

Opinion on the Major Federal Program

In our opinion, the Findlay 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 fiscal year ended June 30, 2017.

Board of Education
Findlay City School District

Report on Internal Control Over Compliance

The Findlay City School 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 Findlay City School District's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the Findlay City School District's internal control over compliance.

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

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

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

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

We have also audited the financial statements of the governmental activities, the discretely presented component unit, its major fund and the aggregate remaining fund information of the Findlay City School District as of and for the fiscal year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Findlay City School District's basic financial statements. We issued our unmodified report thereon dated December 26, 2017. We conducted our audit to opine on the Findlay City School District's' basic financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Julian & Grube, Inc.
December 26, 2017

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

1. SUMMARY OF AUDITOR'S RESULTS		
<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unmodified
<i>(d)(1)(ii)</i>	<i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii)</i>	<i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material internal control weaknesses reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any significant deficiencies in internal control reported for major federal programs?</i>	No
<i>(d)(1)(v)</i>	<i>Type of Major Program's Compliance Opinion</i>	Unmodified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under 2 CFR §200.516(a)?</i>	No
<i>(d)(1)(vii)</i>	<i>Major Program (listed):</i>	Title I Grants to Local Educational Agencies, CFDA #84.010
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$750,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee under 2 CFR § 200.520?</i>	Yes

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

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Findlay City School District

Findlay, Ohio

COMPREHENSIVE ANNUAL

FINANCIAL REPORT

For Fiscal Year Ended June 30, 2017



COMPREHENSIVE
ANNUAL FINANCIAL REPORT

OF THE

FINDLAY, OHIO

CITY SCHOOL DISTRICT

FOR THE

FISCAL YEAR ENDED JUNE 30, 2017

PREPARED BY
TREASURER'S DEPARTMENT
MICHAEL T. BARNHART, CPA, TREASURER

1100 BROAD AVENUE
FINDLAY, OHIO 45840

INTRODUCTORY SECTION

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**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

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**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

COMPREHENSIVE ANNUAL FINANCIAL REPORT
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**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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Findlay City Schools

December 26, 2017

Members of the Board of Education and Residents of the Findlay City School District:

We are pleased to submit to you the Comprehensive Annual Financial Report of the Findlay City School District. This Comprehensive Annual Financial Report (CAFR) provides full disclosure of the financial operation of the Findlay City School District (the "District") for the fiscal year ended June 30, 2017. The CAFR, which includes an opinion from the Independent Public Accounting Firm that performed the District's audit, conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental entities. Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the District. This CAFR will provide the taxpayers of the District with comprehensive financial data in a format which will enable them to gain an understanding of the District's financial affairs. Copies will be made available to the Chamber of Commerce, the Findlay Public Library, financial rating services, and other interested parties.

The Comprehensive Annual Financial Report is presented in three sections:

1. The Introductory Section, which is unaudited, includes a Table of Contents, this Letter of Transmittal, a List of Principal Officials, an Organizational Chart, the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for the 2016 CAFR, and the Certificate of Excellence in Financial Reporting from the Association of School Business Officials International (ASBO) for the 2016 CAFR.
2. The Financial Section, which includes the Independent Auditor's Report, the Management's Discussion and Analysis, the Basic Financial Statements, the Notes to the Basic Financial Statements, Required Supplementary Information, and the Combining Statements and Individual Fund Schedules.
3. The Statistical Section, which is unaudited, includes various tables which reflect financial and demographic information, financial trends, and the fiscal capacity of the District.

SCHOOL DISTRICT ORGANIZATION

Findlay City School District is one of 969 public school districts and community schools in the State of Ohio and one of eight school districts in Hancock County. It provides education to approximately 5,700 students in pre-kindergarten through grade 12. The District is located in northwestern Ohio, approximately 65 miles south of the City of Toledo. 98 percent of the District's territory is within the City of Findlay, the county seat. The District serves an area of approximately 37 square miles.

Statutorily, the District operates under standards prescribed by the Ohio State Board of Education as provided in Division (D) of Section 3301.47 and Section 110.01 of the Ohio Revised Code, to provide educational services authorized and mandated by State or Federal agencies.

The Board of Education serves as the taxing authority, contracting body, and policy maker for the District. The Board adopts the annual operating budget and approves all expenditures of District monies. The superintendent is the chief administrative officer of the District, responsible for both education and support operations. The treasurer is the chief financial officer, responsible for maintaining records of all financial matters, issuing warrants in payment of liabilities incurred by the District, acting as custodian of all District funds, and investing of funds as specified by Ohio law.

THE REPORTING ENTITY

The District has reviewed its reporting entity definition in order to ensure conformance with the Governmental Accounting Standards Board (GASB) Statement No. 14, "The Financial Reporting Entity", and as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34". In evaluating how to define the District for financial reporting purposes, management has considered all agencies, departments, and organizations making up the District (the primary government) and its potential component units.

Excluded from the reporting entity, because they are fiscally independent of the District, are the City of Findlay, the Parent-Teacher Association, and the Booster Clubs. The Northwest Ohio Area Computer Services Cooperative (NOACSC) is reported as a jointly governed organization.

ECONOMIC OUTLOOK

With a total assessed valuation of \$816,594,640 and a tax rate of \$64.95 per \$1,000.00 of assessed valuation, the District has a sound financial base. A sexennial reappraisal of all real property was completed in 2010. This resulted in a valuation loss of approximately five percent. The Findlay community continues to explore solutions to frequent flooding issues that were most notable from the August 2007 flood and another large flood that hit in February 2008. The District is concerned with the ability and willingness of its taxpayers to support future levies given the financial hardships that voters may be experiencing as a result of past and future flooding; however, taxpayers did step up to approve a 5.9 mill replacement levy in November 2008; and a 4.3 mill, 28 year bond levy in November 2009 after a failed attempt in August 2009. Voters also passed a 4.9 mill continuing levy in May 2017, as well as a 5.9 mill continuing levy in May 2014 - both were previously 5-year levies and both passed by historically large margins.

The District's financial condition continues to be an area of focus for the Board of Education and Administration and is closely monitored through the five-year forecast. To begin the 2015-2016 school year, the Governor and General Assembly passed a new biennium budget which attempted to restructure the funding formula from many past attempts. The District benefited from the new formula which is based on various components; however a large portion of property tax allocation is being phased out and offsetting new formula gains. The District continues to be locally proactive in cost containment and is not optimistic for any solutions from the State given the history of school funding's susceptibility to political whims.

Total budgeted general fund revenues for fiscal year 2018 are forecast to remain about the same. The District's total expected expenditures for fiscal year 2018 will be about \$1.0 million more than the actual expenditures of fiscal year 2017. This is due to negotiated salary increases as well as additional costs for school choice where the District must pay. Ohio school districts cannot generate significant additional revenue from taxes except by the vote of the people. On May 6, 2014, voters renewed an expiring 5.9 mill levy for a continuous basis. On May 2, 2017, the voters elected to replace an expiring 4.9 mill levy for a continuous basis as well. Resources of the general fund will be impacted in the future by the local economy and past Ohio tax reforms including the past elimination of tangible personal property taxes, as well as increasing health care costs and declining enrollment, although the District continually looks for ways to contain those increasing costs.

MAJOR INITIATIVES

The District focuses on the six strategic objectives approved by the Board of Education as part of its Strategic Plan, which was redeveloped in 2015:

- Strategic Objective 1: 100% of students will graduate on time.
- Strategic Objective 2: 100% of graduates will be enrolled in post-secondary or in the workforce within six months of their program.
- Strategic Objective 3: Findlay City Schools will provide safe educational facilities that foster positive learning environments.
- Strategic Objective 4: Findlay City Schools will develop and implement plans to ensure sufficient funding for current and future operations, programs, and facilities.
- Strategic Objective 5: Findlay City Schools will create learning environments in which all students, staff and families will feel physically and emotionally safe, valued, and engaged.
- Strategic Objective 6: Findlay City Schools will serve as a partner in addressing root issues in Hancock County through collaborative efforts.

The District continues to implement solutions to its facility needs. The passage of a 2.5 mill permanent improvement levy in May 2006 has helped to alleviate many facility needs. However, the biggest improvement to the District's facility needs was made possible in November 2009, when voters approved a 4.3 mill, 28-year bond levy which pays the debt service on \$54,195,000 that was needed to cover the local share and locally funded initiatives used to build two (2) middle schools and a career tech building. The District consolidated the south, north, and east campuses of Millstream Career Center into one location. The District also converted its three (3) small middle schools into two (2) larger, more efficient, newly constructed middle schools. The Millstream Career Center was completed for the start of the 2012-13 school year, while the new middle schools first accepted students in January 2013.

The District now supports one high school, two middle schools, and eight elementary buildings along with Millstream Career Center for vocational education, and a former elementary school that now serves as a preschool and houses the Findlay Learning Center, which offers blended learning. The District also owns and operates a newly renovated transportation facility. These district buildings range in age from 46 to 102 years old, except for those that are newly built. The District's enrollment is decreasing.

RELEVANT FINANCIAL POLICIES

The District's primary management tool for monitoring its fiscal health is the Five-Year Forecast, which is a document that focuses on the general fund's past three years of actual expenditures, the current fiscal year, and the following four fiscal years. The District has set targets for certain financial ratios based on this document. A key ratio is the District's "true days cash" ratio. True days cash is the concept that calculates how many days the District can operate with the amount of cash available at the end of the year. The calculation takes the available cash balance at the end of the year and divides it by the year's average daily operating expense. The District has set an immediate target to maintain forty true days cash with the expectation for that figure to gradually grow. This ratio is used when negotiating future labor contracts and in determining the need for future levies.

FINANCIAL INFORMATION

The District's accounting system is organized on a fund basis. Each fund is a distinct self-balancing accounting entity. Governmental funds are presented on the modified accrual basis, whereby revenues are recognized when measurable and available, and expenditures are recognized when goods and services are received. Proprietary and fiduciary funds are presented on the accrual basis, whereby revenues are recognized when earned and expenses when incurred.

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

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

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

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

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the fund and function level of expenditures in the general fund and at the fund level of expenditures for all other funds. All purchase order requests must be approved by the Superintendent or his designee and certified by the Treasurer; necessary funds are then encumbered and purchase orders released to vendors. Those requests which exceed the available appropriation are rejected until additional appropriations are secured.

The accounting system used by the District provides interim financial reports which detail year-to-date expenditures and encumbrances versus the original appropriation, plus any additional appropriations made to date. In addition to interim financial statements, each administrator and school principal has access to ongoing reports showing the status of the budget accounts for which they are responsible.

As an additional safeguard, all employees are covered by a blanket bond, and certain individuals in policy-making roles are covered by a separate, higher limit bond.

The basis of accounting and the funds utilized by the District are fully described in Note 2 to the Basic Financial Statements. Additional information on the District's budgetary accounting can also be found in Note 2 to the Basic Financial Statements.

FINANCIAL HIGHLIGHTS

Management is responsible for preparing a Management's Discussion and Analysis of the District. This discussion follows this letter of transmittal, providing an assessment of the District's finances for fiscal year 2017 and the outlook for the future. Because that discussion focuses on major funds, the financial highlights provided in this letter focus on certain nonmajor funds of the District.

Internal Service Fund - The only internal service fund of the District is the Employee Benefits Self Insurance Fund. This internal service fund had a deficit net position balance of \$628,160 at June 30, 2017, compared to a deficit net position of \$224,358 at June 30, 2016, reflecting a decrease in net position of \$403,802.

Fiduciary Funds - The fiduciary funds account for assets held by the District in a trustee capacity, or as an agent, for other funds, governments, organizations, or individuals. The District maintains a private-purpose trust fund and an agency fund. The private-purpose trust fund had net position of \$32,593 at June 30, 2017, compared to net position of \$26,054 at June 30, 2016.

LONG-TERM FINANCIAL PLANNING

The District will continue to implement new courses of study in an ongoing effort to meet, and exceed, the national and state standards to affect student outcomes in order to achieve an A grade on the Ohio Report Card. Part of this effort is the adoption of a more rigorous high school program, all day every day kindergarten and the expansion of preschool to serve a larger population. However, the District will remain financially prudent and will not offer courses without sufficient demand.

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

Ongoing support through permanent improvement tax dollars and the Ohio School Facilities Commission will help ensure the viability of the physical plants within the District. With the full implementation of these plans and directives, the District will remain poised to retain the full academic excellence and fiscal accountability standards that the community has come to expect of the Findlay City School District.

USE OF THIS REPORT

This report is published to provide to the Board of Education, as well as our citizens and other interested persons, detailed information concerning the financial condition of the District, with particular emphasis placed on the utilization of resources during the past fiscal year. It is also intended that this report will serve as a guide in formulating policies and in conducting the District's future day-to-day activities. We believe the information, as presented, is accurate in all material aspects, that it is presented in a manner designed to fairly set forth the financial activity of its various funds, and that all disclosures necessary to enable the reader to gain the maximum understanding of the District's financial affairs have been included.

In today's bond market environment, it is increasingly important that public agencies prepare soundly conceived annual financial reports which are independently audited by a qualified firm or agency. It has become almost required practice that such reports are prepared in accordance with GAAP, and the major bond rating agencies review the data presented in such reports before determining a public agency's bond rating. The District's bond rating is Aa2 from Moody's.

INDEPENDENT AUDIT

Provisions of State statute require the District's Basic Financial Statements to be subjected to an annual examination by an independent auditor. Those provisions have been satisfied and the opinion of the District's independent auditors is included herein. The single audit report is not included in this CAFR, but is located in a separate report.

Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all units of local education agencies in Ohio. The District adopted and has been in conformance with that system effective with its annual financial report for the 1979 fiscal year.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Findlay City School District for its comprehensive annual financial report for the fiscal year ended June 30, 2016. In order to be awarded a Certificate of Achievement, a government 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. The District has received this award for the past twenty-six (26) years. 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 GFOA to determine its eligibility for another certificate.

The District has also received a Certificate of Excellence in Financial Reporting in School Districts from the Association of School Business Officials International (ASBO) for the District's CAFR for the fiscal year ended June 30, 2016. The award is granted only after an intensive review of financial reports by an expert panel of certified public accountants and practicing school business officials. The District has received this award for the past twenty-six (26) years. We believe that our current report continues to conform to the Certificate of Excellence program requirements, and we are submitting it to ASBO to determine its eligibility for another certificate.

ACKNOWLEDGMENTS

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

Special appreciation is expressed to Ms. Brandi Smart, of Julian & Grube, Inc., who compiled this report in compliance with GAO guidance, and to the auditors of Julian & Grube, Inc., who audited this report.

Finally, sincere appreciation is extended to the Board of Education for its interest in and support of this project, and to the taxpayers and voters of the District, who have continued to show their faith in education and in the Findlay City School District.

Respectfully,



Michael T. Barnhart, CPA
Treasurer



Ed Kurt,
Superintendent

FINDLAY CITY SCHOOL DISTRICT

LIST OF PRINCIPAL OFFICIALS

JUNE 30, 2017

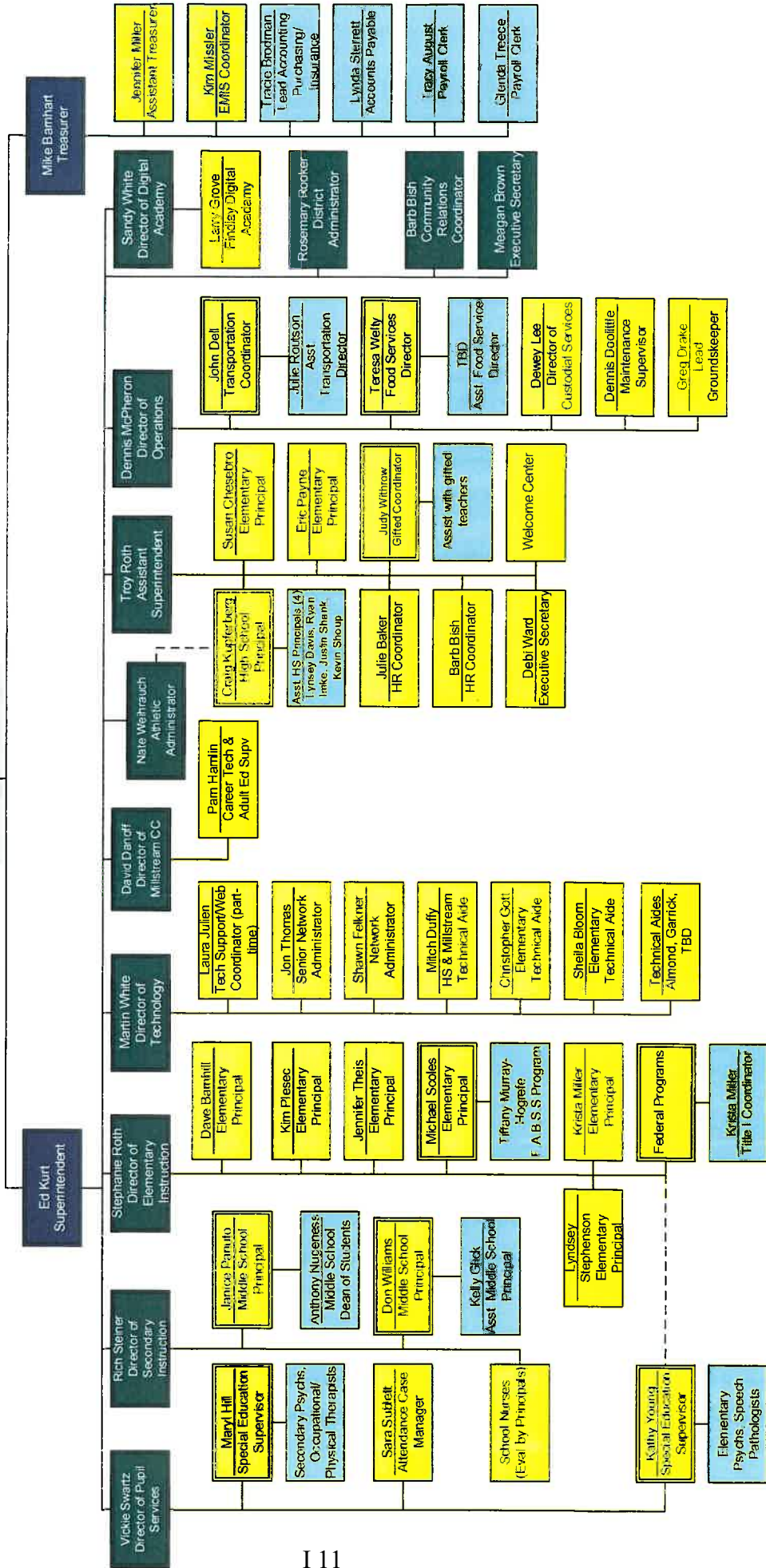
BOARD OF EDUCATION

Mr. Shane Pochard. President
Mrs. Barbara Dysinger. Vice-President
Mr. Chris Aldrich. Member
Mrs. Jane Robertson Member
Dr. Kathy Siebenaler Wilson. Member

ADMINISTRATION

Mr. Edward Kurt Superintendent
Mr. Troy Roth Assistant Superintendent
Mr. Michael T. Barnhart Treasurer
Ms. Stephanie Roth Director of Elementary Curriculum
Mr. Richard Steiner Director of Secondary Curriculum
Mr. Martin White Director of Technology
Mr. Dennis McPheron Director of Facilities

Findlay City Schools
2016 – 2017 Leadership Team





Government Finance Officers Association

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

Presented to

**Findlay City School District
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Findlay City School District

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

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



A handwritten signature in black ink, appearing to read 'Anthony N. Dragona'. The signature is written over a horizontal line.

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

A handwritten signature in black ink, appearing to read 'John D. Musso'. The signature is written over a horizontal line.

John D. Musso, CAE
Executive Director

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FINANCIAL SECTION

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Julian & Grube, Inc.

Serving Ohio Local Governments

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Independent Auditor's Report

Findlay City School District
Hancock County
1100 Broad Avenue
Findlay, Ohio 45840

To the Board of Education:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, its major fund, and the aggregate remaining fund information of the Findlay City School District, Hancock County, Ohio, as of and for the fiscal year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Findlay City School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Findlay City School 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 Findlay City School 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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, its major fund, and the aggregate remaining fund information of the Findlay City School District, Hancock County, Ohio, as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General fund thereof for the fiscal year then ended in accordance with the accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis* 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 Findlay City School District's basic financial statements taken as a whole.

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 26, 2017, on our consideration of the Findlay City School 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 Findlay City School District's internal control over financial reporting and compliance.



Julian & Grube, Inc.
December 26, 2017

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

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

Financial Highlights

Key financial highlights for fiscal year 2017 are as follows:

- In total, net position of governmental activities decreased \$3,419,594 which represents a 19.84% decrease from 2016's net position.
- General revenues accounted for \$61,724,858 in revenue or 79.92% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$15,510,644 or 20.08% of total revenues of \$77,235,502.
- The District had \$80,655,096 in expenses related to governmental activities; only \$15,510,644 of these expenses was offset by program specific charges for services, grants or contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$61,724,858 were not adequate to provide for these programs.
- The District's major governmental fund is the general fund. The general fund had \$63,581,930 in revenues and \$65,414,460 in expenditures. During fiscal year 2017, the general fund's fund balance decreased \$1,893,204 from a balance of \$12,768,592 to a balance of \$10,875,388.

Using these Basic Financial Statements

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

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

Reporting the District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2017?" The statement of net position and the statement of activities answer this question. These statements include *all assets, deferred outflows, liabilities, deferred inflows, revenues and expenses* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

These two statements report the District's *net position* and changes in that position. This change in net position is important because it tells the reader that, for the District as a whole, the *financial position* of the District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the statement of net position and the statement of activities, the governmental activities include the District's programs and services, including instruction, support services, operation of non-instructional services, extracurricular activities, interest on fiscal charges, and food service operations.

Reporting the District's Most Significant Funds

Fund Financial Statements

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

Governmental Funds

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

Proprietary Funds

The District maintains a proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District's internal service fund accounts for self-insurance.

Reporting the District's Fiduciary Responsibilities

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

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's net pension liability.

The District as a Whole

The table below provides a summary of the District's net position at June 30, 2017 and June 30, 2016.

	Net Position	
	Governmental Activities <u>2017</u>	Governmental Activities <u>2016</u>
<u>Assets</u>		
Current and other assets	\$ 55,655,798	\$ 54,956,315
Capital assets, net	<u>96,506,993</u>	<u>95,872,056</u>
Total assets	<u>152,162,791</u>	<u>150,828,371</u>
<u>Deferred Outflows of Resources</u>		
Pension	<u>21,212,957</u>	<u>9,106,793</u>
<u>Liabilities</u>		
Current liabilities	10,184,789	8,609,010
Long-term liabilities:		
Due within one year	2,160,932	2,372,485
Due in more than one year:		
Net pension liability	106,230,779	85,029,707
Other amounts	<u>49,164,801</u>	<u>50,184,707</u>
Total liabilities	<u>167,741,301</u>	<u>146,195,909</u>
<u>Deferred Inflows of Resources</u>		
Property taxes and PILOTs levied for next year	26,293,124	25,590,505
Pensions	<u>-</u>	<u>5,387,833</u>
Total deferred inflows of resources	<u>26,293,124</u>	<u>30,978,338</u>
<u>Net Position</u>		
Net investment in capital assets	49,016,340	47,538,520
Restricted	7,138,085	6,411,757
Unrestricted (deficit)	<u>(76,813,102)</u>	<u>(71,189,360)</u>
Total net position (deficit)	<u>\$ (20,658,677)</u>	<u>\$ (17,239,083)</u>

The District adopted GASB Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27," and GASB Statement 71 "Pension Transition for Contributions made subsequent to the measurement date—an Amendment of GASB Statement No.68," 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 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.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

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 District's proportionate share of each plan's collective:

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

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

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

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

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2017, the District's liabilities and deferred inflows exceeded assets and deferred outflows by \$20,658,677. Of this total \$7,138,085 is restricted in use. This includes \$2,849,883 restricted for capital projects.

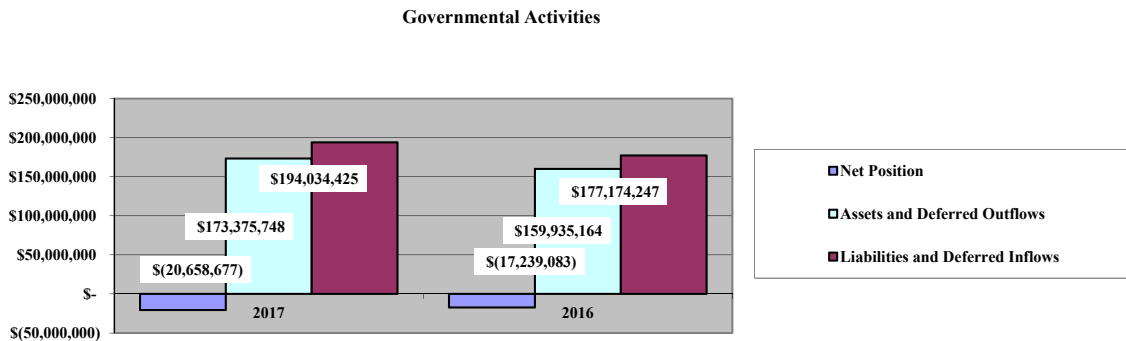
**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

At year-end, capital assets represented 63.42% of total assets. Capital assets include land, construction in progress, land improvements, buildings and improvements, equipment and furniture and vehicles. The District's net investment in capital assets at June 30, 2017, was \$49,016,340. These capital assets are used to provide services to the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the District's net position, \$7,138,085, represents resources that are subject to external restriction on how they may be used.

The graph below shows the District's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position at June 30, 2017 and June 30, 2016.



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

	Change in Net Position	
	Governmental Activities <u>2017</u>	Governmental Activities <u>2016</u>
<u>Revenues</u>		
Program revenues:		
Charges for services and sales	\$ 5,959,542	\$ 4,921,720
Operating grants and contributions	9,349,602	8,723,167
Capital grants and contributions	201,500	128,787
General revenues:		
Property taxes	31,279,197	29,642,678
Payments in lieu of taxes	171,444	170,058
Grants and entitlements	29,344,856	28,752,689
Investment earnings	241,396	269,681
Change in fair value of investments	47,786	154,578
Miscellaneous	<u>640,179</u>	<u>772,909</u>
Total revenues	<u>77,235,502</u>	<u>73,536,267</u>

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

	Change in Net Position	
	Governmental Activities	Governmental Activities
	<u>2017</u>	<u>2016</u>
<u>Expenses</u>		
Program expenses:		
Instruction:		
Regular	\$ 29,049,482	\$ 24,498,426
Special	11,027,071	8,993,961
Vocational	3,945,264	3,530,574
Adult/continuing	29,835	30,268
Other	6,477,905	6,028,071
Support services:		
Pupil	3,334,374	2,811,482
Instructional staff	3,307,013	2,767,588
Board of education	191,696	178,336
Administration	4,662,980	4,042,315
Fiscal	1,446,548	1,354,689
Business	-	32,028
Operations and maintenance	6,772,689	8,987,724
Pupil transportation	2,871,394	2,392,247
Central	172,565	138,237
Other non-instructional services	852,959	718,193
Food service operations	1,906,801	1,709,784
Extracurricular activities	1,762,566	1,309,874
Interest and fiscal charges	<u>2,843,954</u>	<u>2,869,740</u>
Total expenses	<u>80,655,096</u>	<u>72,393,537</u>
Special item	<u>-</u>	<u>(735,957)</u>
Change in net position	(3,419,594)	406,773
Net position (deficit), beginning of year	<u>(17,239,083)</u>	<u>(17,645,856)</u>
Net position (deficit), end of year	<u>\$ (20,658,677)</u>	<u>\$ (17,239,083)</u>

Governmental Activities

Net position of the District's governmental activities decreased \$3,419,594. Total governmental expenses of \$80,655,096 were offset by program revenues of \$15,510,644 and general revenues of \$61,724,858. Program revenues supported 19.23% 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 78.49% of total governmental revenue. Real estate property is reappraised every six years.

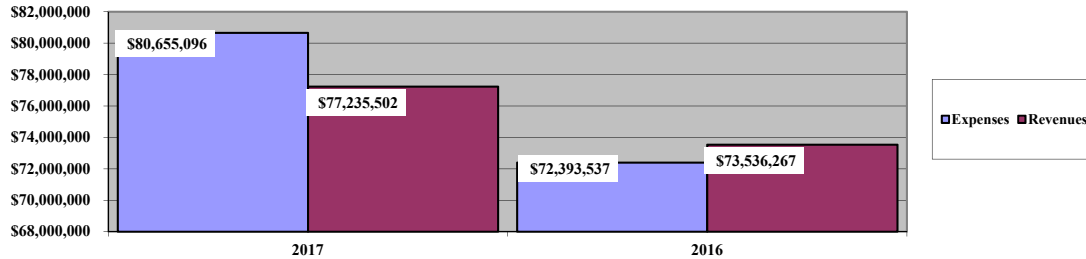
The largest expense of the District is for instructional programs. Instruction expenses totaled \$50,529,557 or 62.65% of total governmental expenses for fiscal year 2017. The expenses of the District increased primarily due to the current year net pension liability. \$3,707,075 was recorded in the current fiscal year because of this liability.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

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

Governmental Activities - Revenues and Expenses



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

Governmental Activities

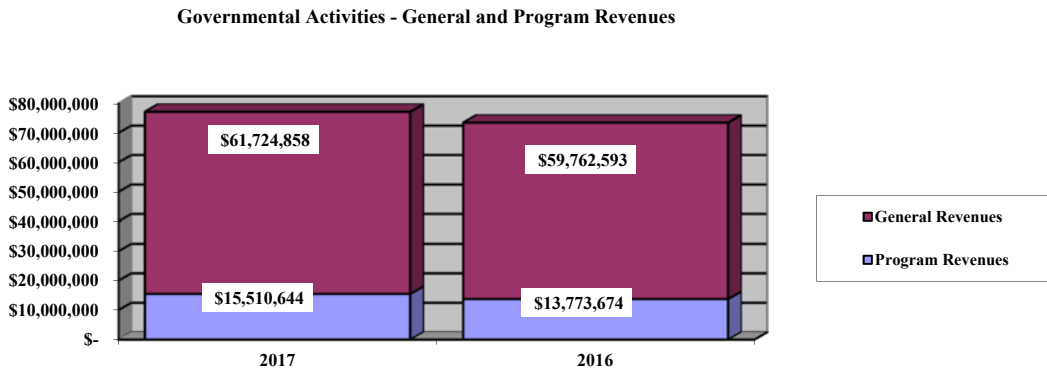
	Total Cost of Services <u>2017</u>	Net Cost of Services <u>2017</u>	Total Cost of Services <u>2016</u>	Net Cost of Services <u>2016</u>
Program expenses				
Instruction:				
Regular	\$ 29,049,482	\$ 25,875,917	\$ 24,498,426	\$ 22,035,346
Special	11,027,071	4,607,154	8,993,961	3,651,617
Vocational	3,945,264	3,116,146	3,530,574	2,681,578
Adult/continuing	29,835	274	30,268	4,704
Other	6,477,905	6,468,932	6,028,071	5,906,959
Support services:				
Pupil	3,334,374	3,056,947	2,811,482	2,556,165
Instructional staff	3,307,013	2,489,026	2,767,588	2,065,596
Board of education	191,696	191,696	178,336	178,336
Administration	4,662,980	4,640,768	4,042,315	4,026,635
Fiscal	1,446,548	1,446,402	1,354,689	1,354,689
Business	-	-	32,028	25,886
Operations and maintenance	6,772,689	6,055,179	8,987,724	8,232,738
Pupil transportation	2,871,394	2,705,915	2,392,247	2,227,920
Central	172,565	167,058	138,237	132,635
Operation of non-instructional services:				
Other non-instructional services	852,959	202,038	718,193	92,205
Food service operations	1,906,801	197,414	1,709,784	(71,863)
Extracurricular activities	1,762,566	1,079,632	1,309,874	648,977
Interest and fiscal charges	2,843,954	2,843,954	2,869,740	2,869,740
Total expenses	<u>\$ 80,655,096</u>	<u>\$ 65,144,452</u>	<u>\$ 72,393,537</u>	<u>\$ 58,619,863</u>

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

The dependence upon tax and other general revenues for governmental activities is apparent; as 79.30% of instruction activities are supported through taxes and other general revenues. For all governmental activities, general revenue support is 80.77%. The District's taxpayers, and unrestricted grants and entitlements are the primary support for District's students.

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



The District's Funds

The District's governmental funds reported a combined fund balance of \$18,769,639, which is less than last year's total of \$19,803,876. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2017 and 2016.

	Fund Balance <u>June 30, 2017</u>	Fund Balance <u>June 30, 2016</u>	<u>(Decrease)</u>
General	\$ 10,875,388	\$ 12,768,592	\$ (1,893,204)
Other Governmental	<u>7,894,251</u>	<u>7,035,284</u>	<u>858,967</u>
Total	<u>\$ 18,769,639</u>	<u>\$ 19,803,876</u>	<u>\$ (1,034,237)</u>

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**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

General Fund

The District's general fund balance decreased \$1,893,204. This decrease was primarily the result of increasing instruction and support service expenditures outpacing the slight increase in total revenues.

	<u>2017</u> <u>Amount</u>	<u>2016</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<u>Revenues</u>			
Taxes and payments in lieu of taxes	\$ 26,579,696	\$ 25,516,653	4.17 %
Tuition	3,686,288	2,739,118	34.58 %
Earnings on investments	200,283	218,121	(8.18) %
Intergovernmental	31,643,750	30,814,542	2.69 %
Other revenues	<u>1,471,913</u>	<u>1,556,099</u>	(5.41) %
Total	<u>\$ 63,581,930</u>	<u>\$ 60,844,533</u>	4.50 %
<u>Expenditures</u>			
Instruction	\$ 43,817,467	\$ 39,684,438	10.41 %
Support services	20,405,370	20,092,026	1.56 %
Operation of non-instructional services	211,891	188,809	12.23 %
Extracurricular activities	952,626	919,673	3.58 %
Facilities acquisition and construction	<u>27,106</u>	<u>11,146</u>	143.19 %
Total	<u>\$ 65,414,460</u>	<u>\$ 60,896,092</u>	7.42 %

Tax revenues increased from fiscal year 2016 to fiscal year 2017 due to an increase in the amount of real estate taxes collected. Tuition revenue increased due to an increase in open enrollment foundation revenues and tuition received from other districts. Earnings on investments decreased from fiscal year 2016 to fiscal year 2017 due a decrease in funds being invested. Intergovernmental revenues increased primarily due to increases in State foundation revenues. Expenditures related to instruction and support services increased primarily due to fluctuations in personnel costs. All other revenues and expenditures remained consistent with the prior year.

General Fund Budgeting Highlights

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

During the course of fiscal year 2017, the District amended its general fund budget numerous times. For the general fund, final budgeted revenues and other financing sources were \$60,029,460, which was more than the original budget estimate of \$59,667,844. This increase is due to higher estimates regarding property taxes. Actual revenues and other financing sources for fiscal year 2017 were \$61,234,085. This represents a \$1,204,625 increase from final budgeted revenues. The increase was primarily a result of increases in state and federal intergovernmental revenue and tuition revenues.

General fund original appropriations (appropriated expenditures plus other financing uses) of \$63,731,964 were increased to \$65,397,964 in the final budget. Actual budget basis expenditures and other financing uses for fiscal year 2017 totaled \$64,964,562, which was \$433,402 less than the final budget appropriations. The decrease was primarily a result of decreases in instruction and support service expenditures.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2017, the District had \$96,506,993 invested in land, construction in progress, land improvements, buildings and improvements, equipment and furniture and vehicles, net of accumulated depreciation. This entire amount is reported in governmental activities. The following table shows fiscal year 2017 balances compared to 2016:

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

	Governmental Activities	
	2017	2016
Land	\$ 1,722,570	\$ 1,722,570
Construction in progress	2,163,908	1,862,968
Land improvements	3,062,421	3,053,071
Buildings and improvements	82,248,233	82,313,846
Equipment and Furniture	5,386,509	5,075,369
Vehicles	1,923,352	1,844,232
Total	\$ 96,506,993	\$ 95,872,056

Total additions to capital assets for fiscal year 2017 were \$3,602,023. The overall increase in capital assets of \$634,937 is primarily due to additions relating to ongoing projects exceeding the recording of \$2,956,554 in depreciation expense and disposals of \$10,532 (net of accumulated depreciation) for fiscal year 2017. See Note 9 to the basic financial statements for additional information on the District's capital assets.

Debt Administration

At June 30, 2017, the District had \$46,907,683 in general obligation bonds outstanding. Of this total, \$1,347,683 is due within one year and \$45,560,000 is due in greater than one year. The following table summarizes the debt obligations outstanding.

Outstanding Debt, at Year End

	Governmental Activities	Governmental Activities
	2017	2016
General obligation bonds	\$ 46,907,683	\$ 48,151,037

See Note 10 to the basic financial statements for additional information on the District's debt administration.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

Current Financial Related Activities

The District has carefully managed its finances in order to maximize the dollars spent on educating students; however, unpredictable costs and limited revenue streams continue to make it difficult. The biggest challenge for the District is its enrollment and the ability to attract and retain students while adjusting operations accordingly. For instance the District has added modular classrooms and teachers to reduce teacher ratios in the primary grades while enrollments are dropping from the high school which may lead to fewer class offerings.

The passage of a 2.5 mill permanent improvement levy in May 2006 has helped to alleviate many facility needs. However, the biggest improvement to the District's facility needs was made possible in November 2011, when voters approved a 4.3 mill, 28-year bond levy which will pay the debt service on \$54,195,000 that was needed to cover the local share and locally funded initiatives to build two middle schools and a career tech building. The District has consolidated the south, north, and east campuses of Millstream Career Center into one location. The District has also converted its three small middle schools into two larger, more efficient, newly constructed middle schools. The Millstream Career Center was completed for the start of the 2012-13 school year while both new middle schools accepted students in January 2013.

In May 2015 the District's five-year 5.9 mill operating levy collections was renewed on a continuous basis. This levy amounts to \$4.5 million per year. Similarly, in May 2017, the District's five-year 4.9 mill operating levy was renewed on a continuous basis. This levy amounts to \$3.9 million per year. The district no longer has any operating levies that will expire.

In order to meet ongoing challenges, the District developed and implemented a fiscal health plan in 2006 and continues to update it with the last update taking place in June, 2015. The plan includes strategies for diversifying revenue sources and reducing expenditures. The District will continue to implement and update the plan as it remains fiscally vigilant and works through the present national economic recession. The District has committed itself to educational and financial excellence, and the District's Board and management team will continue to work with the community it serves to provide the best education and the best resources possible to its students, teachers, employees and community.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Mr. Michael T. Barnhart, Treasurer, Findlay City School District, 2019 Broad Avenue, Findlay, Ohio 45840.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

STATEMENT OF NET POSITION
JUNE 30, 2017

	Governmental Activities	Component Unit
Assets:		
Equity in pooled cash, cash equivalents and investments	\$ 22,360,494	\$ 1,546,982
Receivables:		
Property taxes	31,931,826	-
Payment in lieu of taxes	148,193	-
Accounts	521,261	-
Accrued interest	77,927	3,302
Intergovernmental	326,351	-
Prepayments	153,880	4,233
Materials and supplies inventory	11,026	-
Inventory held for resale	15,571	-
Security deposit	15,000	-
Due from component unit	94,269	-
Capital assets:		
Nondepreciable capital assets	3,886,478	-
Depreciable capital assets, net	92,620,515	140,486
Capital assets, net	96,506,993	140,486
Total assets	152,162,791	1,695,003
Deferred outflows of resources:		
Pension - STRS	15,748,813	-
Pension - SERS	5,464,144	-
Total deferred outflows of resources	21,212,957	-
Liabilities:		
Accounts payable	328,808	1,740
Contracts payable	869,839	-
Accrued wages and benefits payable	5,527,592	-
Intergovernmental payable	184,908	149,314
Due to primary government	-	94,269
Pension and postemployment benefits payable	1,031,414	-
Accrued interest payable	212,868	-
Unearned revenue	100,000	-
Claims payable	1,929,360	-
Long-term liabilities:		
Due within one year	2,160,932	-
Due in more than one year:		
Net pension liability	106,230,779	-
Other amounts due in more than one year	49,164,801	-
Total liabilities	167,741,301	245,323
Deferred inflows of resources:		
Property taxes levied for the next fiscal year	26,144,931	-
Payment in lieu of taxes levied for the next fiscal year	148,193	-
Total deferred inflows of resources	26,293,124	-
Net position:		
Net investment in capital assets	49,016,340	140,486
Restricted for:		
Capital projects	2,849,883	-
Permanent fund - expendable	42,818	-
Permanent fund - nonexpendable	615,076	-
Classroom facilities maintenance	1,863,193	-
Debt service	698,119	-
Locally funded programs	182,627	851
State funded programs	24,281	-
Student activities	363,111	-
Other purposes	498,977	-
Unrestricted (deficit)	(76,813,102)	1,308,343
Total net position (deficit)	\$ (20,658,677)	\$ 1,449,680

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants Grants and Contributions	Governmental Activities	Component Unit
Governmental activities:						
Instruction:						
Regular	\$ 29,049,482	\$ 2,434,671	\$ 547,126	\$ 191,768	\$ (25,875,917)	\$ -
Special	11,027,071	950,681	5,469,236	-	(4,607,154)	-
Vocational	3,945,264	145,419	683,699	-	(3,116,146)	-
Adult/continuing.	29,835	29,561	-	-	(274)	-
Other	6,477,905	15	8,958	-	(6,468,932)	-
Support services:						
Pupil.	3,334,374	95,075	182,352	-	(3,056,947)	-
Instructional staff	3,307,013	539,949	278,038	-	(2,489,026)	-
Board of education	191,696	-	-	-	(191,696)	-
Administration.	4,662,980	10,492	11,720	-	(4,640,768)	-
Fiscal.	1,446,548	146	-	-	(1,446,402)	-
Operations and maintenance . .	6,772,689	393,548	320,119	3,843	(6,055,179)	-
Pupil transportation.	2,871,394	5,112	160,367	-	(2,705,915)	-
Central	172,565	5,507	-	-	(167,058)	-
Operation of non-instructional services:						
Other non-instructional services	852,959	217,058	433,863	-	(202,038)	-
Food service operations	1,906,801	557,316	1,152,071	-	(197,414)	-
Extracurricular activities.	1,762,566	574,992	102,053	5,889	(1,079,632)	-
Interest and fiscal charges	2,843,954	-	-	-	(2,843,954)	-
Total governmental activities . . .	80,655,096	5,959,542	9,349,602	201,500	(65,144,452)	-
Component unit:						
Findlay Digital Academy	1,238,509	-	994,931	-	-	(243,578)
Total component unit	1,238,509	-	994,931	-	-	(243,578)
Totals	\$ 81,893,605	\$ 5,959,542	\$ 10,344,533	\$ 201,500	(65,144,452)	(243,578)
General revenues:						
Property taxes levied for:						
General purposes					26,466,556	-
Debt service.					3,041,848	-
Capital outlay.					1,770,793	-
Grants and entitlements not restricted						
to specific programs					29,344,856	91,660
Investment earnings					241,396	1,694
Increase in fair value of investments					47,786	-
Payments in-lieu of taxes					171,444	-
Miscellaneous					640,179	-
Total general revenues					61,724,858	93,354
Change in net position					(3,419,594)	(150,224)
Net position (deficit) at beginning of year					(17,239,083)	1,599,904
Net position (deficit) at end of year.					\$ (20,658,677)	\$ 1,449,680

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2017

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:			
Equity in pooled cash and investments	\$ 13,011,536	\$ 8,068,228	\$ 21,079,764
Receivables:			
Property taxes	26,990,879	4,940,947	31,931,826
Payment in lieu of taxes	129,592	18,601	148,193
Accounts	515,194	6,067	521,261
Accrued interest	76,526	1,401	77,927
Interfund loans	70,000	-	70,000
Intergovernmental.	57,820	268,531	326,351
Prepayments.	153,880	-	153,880
Materials and supplies inventory	-	11,026	11,026
Inventory held for resale.	-	15,571	15,571
Security deposit.	15,000	-	15,000
Due from component unit	94,269	-	94,269
Total assets	<u>\$ 41,114,696</u>	<u>\$ 13,330,372</u>	<u>\$ 54,445,068</u>
Liabilities:			
Accounts payable	\$ 270,994	\$ 57,814	\$ 328,808
Contracts payable.	289,000	580,839	869,839
Accrued wages and benefits payable	5,221,065	306,527	5,527,592
Compensated absences payable	99,871	10,198	110,069
Intergovernmental payable	180,819	4,089	184,908
Pension and postemployment benefits payable	944,434	86,980	1,031,414
Interfund loans payable.	-	70,000	70,000
Unearned revenue.	-	100,000	100,000
Claims payable	20,470	-	20,470
Total liabilities.	<u>7,026,653</u>	<u>1,216,447</u>	<u>8,243,100</u>
Deferred inflows of resources:			
Property taxes levied for the next fiscal year.	22,142,464	4,002,467	26,144,931
Payment in lieu of taxes levied for the next fiscal year.	129,592	18,601	148,193
Delinquent property tax revenue not available	777,727	144,506	922,233
Intergovernmental revenue not available.	38,767	52,787	91,554
Accrued interest not available.	29,836	1,313	31,149
Miscellaneous revenue not available.	9,108	-	9,108
Tuition revenue not available.	85,161	-	85,161
Total deferred inflows of resources	<u>23,212,655</u>	<u>4,219,674</u>	<u>27,432,329</u>
Total liabilities and deferred inflows of resources	<u>30,239,308</u>	<u>5,436,121</u>	<u>35,675,429</u>

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

BALANCE SHEET
GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2017

	General	Nonmajor Governmental Funds	Total Governmental Funds
Fund balances:			
Nonspendable:			
Materials and supplies inventory	\$ -	\$ 11,026	\$ 11,026
Prepays.	153,880	-	153,880
Permanent fund	-	615,076	615,076
Restricted:			
Debt service	-	1,479,953	1,479,953
Capital improvements	-	2,795,646	2,795,646
Classroom facilities maintenance	-	1,863,193	1,863,193
Food service operations	-	319,853	319,853
Non-public schools	-	25,643	25,643
Other purposes.	-	441,942	441,942
Extracurricular.	-	363,111	363,111
Scholarships	-	42,818	42,818
Committed:			
Capital improvements	-	88,000	88,000
Student and staff support	189,310	-	189,310
Assigned:			
Student instruction	346,447	-	346,447
Student and staff support.	1,133,285	-	1,133,285
Extracurricular activities	2,732	-	2,732
Subsequent year's appropriations	4,084,505	-	4,084,505
School supplies	360,374	-	360,374
Career center	265,550	-	265,550
Before school and after school care	130,060	-	130,060
Other purposes.	236,277	-	236,277
Unassigned (deficit)	3,972,968	(152,010)	3,820,958
Total fund balances	10,875,388	7,894,251	18,769,639
Total liabilities, deferred inflows and fund balances	\$ 41,114,696	\$ 13,330,372	\$ 54,445,068

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

Total governmental fund balances		\$	18,769,639
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			96,506,993
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.			
Property taxes receivable	\$	922,233	
Tuition receivable		85,161	
Miscellaneous receivable		9,108	
Accrued interest receivable		31,149	
Intergovernmental receivable		91,554	
Total			1,139,205
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 on the statement of net position.			(628,160)
Unamortized premiums on bonds issued are not recognized in the funds.			(373,679)
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.			(212,868)
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:			
Deferred outflows of resources - pension		21,212,957	
Net pension liability		(106,230,779)	
Total			(85,017,822)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.			
General obligation bonds		(46,907,683)	
Compensated absences		(3,934,302)	
Total			(50,841,985)
Net position of governmental activities		\$	(20,658,677)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

	General	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:			
From local sources:			
Property taxes	\$ 26,429,862	\$ 4,804,627	\$ 31,234,489
Payment in lieu of taxes	149,834	21,610	171,444
Tuition	3,686,288	-	3,686,288
Earnings on investments	200,283	37,872	238,155
Charges for services	-	557,316	557,316
Extracurricular	9,230	577,052	586,282
Classroom materials and fees	383,768	-	383,768
Rental income	22,823	370,725	393,548
Contributions and donations	6,306	438,878	445,184
Contract services	165,205	-	165,205
Other local revenues	800,900	384,595	1,185,495
Intergovernmental - state	31,395,331	1,069,815	32,465,146
Intergovernmental - federal	248,419	5,330,444	5,578,863
Change in fair value of investments	83,681	(35,895)	47,786
Total revenues	<u>63,581,930</u>	<u>13,557,039</u>	<u>77,138,969</u>
Expenditures:			
Current:			
Instruction:			
Regular	26,371,947	975,213	27,347,160
Special	7,643,969	2,319,859	9,963,828
Vocational	3,319,102	168,618	3,487,720
Adult/continuing	28,000	-	28,000
Other	6,454,449	9,189	6,463,638
Support services:			
Pupil	2,869,170	163,399	3,032,569
Instructional staff	2,739,755	269,672	3,009,427
Board of education	191,696	-	191,696
Administration	4,207,948	10,302	4,218,250
Fiscal	1,320,033	-	1,320,033
Business	-	253,487	253,487
Operations and maintenance	6,105,630	1,012,692	7,118,322
Pupil transportation	2,810,628	48,063	2,858,691
Central	160,510	-	160,510
Operation of non-instructional services:			
Other non-instructional services	211,891	478,470	690,361
Food service operations	-	1,756,110	1,756,110
Extracurricular activities	952,626	698,604	1,651,230
Facilities acquisition and construction	27,106	424,887	451,993
Debt service:			
Principal retirement	-	1,395,000	1,395,000
Interest and fiscal charges	-	2,715,143	2,715,143
Total expenditures	<u>65,414,460</u>	<u>12,698,708</u>	<u>78,113,168</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,832,530)</u>	<u>858,331</u>	<u>(974,199)</u>
Other financing sources (uses):			
Transfers in	-	40,288	40,288
Transfers (out)	-	(40,288)	(40,288)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(1,832,530)	858,331	(974,199)
Fund balances at beginning of year	12,768,592	7,035,284	19,803,876
Increase (decrease) in reserve for inventory	(60,674)	636	(60,038)
Fund balances at end of year	<u>\$ 10,875,388</u>	<u>\$ 7,894,251</u>	<u>\$ 18,769,639</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

Net change in fund balances - total governmental funds	\$	(974,199)
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital asset additions	\$ 3,602,023	
Current year depreciation	<u>(2,956,554)</u>	
Total		645,469
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins, and donations) is to decrease net position.		
		(10,532)
Governmental funds report expenditures for inventory when purchased. However, in the statement of activities, they are reported as an expense when consumed.		
		(60,038)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	44,708	
Tuition	11,000	
Miscellaneous	9,108	
Earnings on investments	(2,734)	
Intergovernmental	<u>13,309</u>	
Total		75,391
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position. Principal payments during the year were:		
		1,395,000
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:		
Decrease in accrued interest payable	4,532	
Accreted interest on capital appreciation bonds	(151,646)	
Amortization of bond premiums	<u>18,303</u>	
Total		(128,811)
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of activities reports these amounts as deferred outflows.		
		5,371,464
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.		
		(9,078,539)
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
		(250,997)
An internal service fund used by management to charge the costs of insurance to individual funds is not reported in the district-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net expense of the internal service fund is allocated among the governmental activities.		
		<u>(403,802)</u>
Change in net position of governmental activities	\$	<u><u>(3,419,594)</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
From local sources:				
Property taxes	\$ 26,242,916	\$ 26,604,532	\$ 26,272,788	\$ (331,744)
Payment in lieu of taxes.	-	-	149,834	149,834
Tuition.	2,013,000	2,013,000	2,528,893	515,893
Earnings on investments	150,000	150,000	184,660	34,660
Classroom materials and fees	10,000	10,000	8,112	(1,888)
Rental income	35,000	35,000	22,823	(12,177)
Contributions and donations	4,000	4,000	2,750	(1,250)
Other local revenues	425,000	425,000	478,178	53,178
Intergovernmental - state	30,428,928	30,428,928	31,248,447	819,519
Intergovernmental - federal	200,000	200,000	248,419	48,419
Total revenues	59,508,844	59,870,460	61,144,904	1,274,444
Expenditures:				
Current:				
Instruction:				
Regular	25,175,319	25,800,319	25,796,422	3,897
Special.	6,972,298	7,382,298	7,380,703	1,595
Vocational.	2,894,221	3,219,221	3,215,831	3,390
Other.	6,500,708	6,500,708	6,488,838	11,870
Support services:				
Pupil.	2,689,357	2,729,357	2,728,122	1,235
Instructional staff	1,996,422	2,190,422	2,190,417	5
Board of education	215,380	237,380	236,622	758
Administration.	4,350,778	4,350,778	4,346,908	3,870
Fiscal	1,416,140	1,416,140	1,410,040	6,100
Operations and maintenance.	7,044,077	7,094,077	7,089,407	4,670
Pupil transportation	2,926,000	2,926,000	2,894,077	31,923
Central.	178,000	178,000	152,195	25,805
Extracurricular activities.	981,658	981,658	937,874	43,784
Facilities acquisition and construction	27,106	27,106	27,106	-
Total expenditures	63,367,464	65,033,464	64,894,562	138,902
Excess of expenditures over revenues	(3,858,620)	(5,163,004)	(3,749,658)	1,413,346
Other financing sources (uses):				
Refund of prior year's expenditures	150,000	150,000	87,347	(62,653)
Refund of prior year's receipts.	(24,500)	(24,500)	-	24,500
Transfers (out).	(50,000)	(50,000)	-	50,000
Advances (out)	(290,000)	(290,000)	(70,000)	220,000
Sale of capital assets	9,000	9,000	1,834	(7,166)
Total other financing sources (uses)	(205,500)	(205,500)	19,181	224,681
Net change in fund balance	(4,064,120)	(5,368,504)	(3,730,477)	1,638,027
Fund balance at beginning of year	11,466,324	11,466,324	11,466,324	-
Prior year encumbrances appropriated	2,130,717	2,130,717	2,130,717	-
Fund balance at end of year	\$ 9,532,921	\$ 8,228,537	\$ 9,866,564	\$ 1,638,027

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2017

	<u>Governmental Activities - Internal Service Fund</u>
Assets:	
Equity in pooled cash and investments	\$ 1,280,730
Total assets.	<u>1,280,730</u>
Liabilities:	
Claims payable	<u>1,908,890</u>
Total liabilities	<u>1,908,890</u>
Net position:	
Unrestricted (deficit)	<u>(628,160)</u>
Total net position (deficit).	<u>\$ (628,160)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Governmental Activities - Internal Service Fund
Operating revenues:	
Sales/charges for services.	\$ 8,208,401
Total operating revenues	8,208,401
Operating expenses:	
Purchased services.	1,256,107
Claims	7,377,238
Total operating expenses.	8,633,345
Operating loss	(424,944)
Nonoperating revenues:	
Interest revenue	21,142
Total nonoperating revenues.	21,142
Change in net position	(403,802)
Net position (deficit) at beginning of year. .	(224,358)
Net position (deficit) at end of year	\$ (628,160)

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Governmental Activities - Internal Service Fund
Cash flows from operating activities:	
Cash received from charges for services	\$ 8,208,401
Cash payments for contractual services	(1,256,107)
Cash payments for claims	<u>(7,179,349)</u>
Net cash used in operating activities	<u>(227,055)</u>
Cash flows from investing activities:	
Interest received	<u>21,142</u>
Net cash provided by investing activities	<u>21,142</u>
Net decrease in cash and cash equivalents	(205,913)
Cash and cash equivalents at beginning of year	<u>1,486,643</u>
Cash and cash equivalents at end of year	<u><u>\$ 1,280,730</u></u>
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (424,944)
Changes in assets and liabilities:	
Increase in claims payable	<u>197,889</u>
Net cash used in operating activities	<u><u>\$ (227,055)</u></u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2017

	Private-Purpose Trust	
	Scholarship	Agency
Assets:		
Current assets:		
Equity in pooled cash and investments	\$ 36,105	\$ 138,557
Total assets.	36,105	\$ 138,557
Liabilities:		
Current liabilities:		
Accounts payable.	2,512	\$ -
Unearned revenue.	1,000	-
Due to students.	-	138,557
Total liabilities	3,512	\$ 138,557
Net position:		
Held in trust for scholarships	32,593	
Total net position.	\$ 32,593	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

	Private-Purpose Trust
	Scholarship
Additions:	
Interest	\$ 226
Gifts and contributions	23,500
Total additions	23,726
Deductions:	
Scholarships awarded	17,187
Change in net position	6,539
Net position at beginning of year	26,054
Net position at end of year	\$ 32,593

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT

The Findlay City School District (the "District") is located in Hancock County in northwest Ohio. The District is located in a prosperous community, which includes most of the City of Findlay.

The District operates under a locally elected, five-member Board and provides educational services as authorized by its charter or further mandated by State and/or federal agencies. The Board controls the District's fourteen instructional facilities and one support facility staffed by 441 certified teaching personnel, 427 classified support personnel, and 42 administrators.

The District is organized under Sections 2 and 3, Article VI of the Constitution of the State of Ohio. The legislative power of the District is vested in the Board of Education, consisting of five members elected at large for staggered four-year terms.

It currently operates 9 elementary schools, 2 middle schools, 1 high school, and a vocational center, to provide services to approximately 5,697 students in grades K-12 and various community groups.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The reporting entity has been defined in accordance with GASB Statement No. 14, "The Financial Reporting Entity" as amended by GASB Statement No. 39, "Determining Whether Certain Organizations Are Component Units" and GASB Statement No. 61, "The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34". The reporting entity is composed of the primary government and component units. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the District, this includes general operations, food service, and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's Governing Board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government's financial statements incomplete or misleading. Based upon the application of these criteria, the District has one component unit. The basic financial statements of the reporting entity include only those of the District (the primary government) and the component unit.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

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

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

DISCRETELY PRESENTED COMPONENT UNIT

Findlay Digital Academy

The Findlay Digital Academy (the "Academy") is a Conversion Community School established pursuant to Ohio Revised Code, Chapter 3314. The Academy is sponsored by the District to serve ninth through twelfth grade students living in the District. The Academy's mission is to enhance and facilitate student learning by combining state-of-the-art digital curriculum with access to local school resources to complement that instruction and prepare students to become lifelong learners and productive citizens. The Academy is governed by a seven-member Board of Directors, the majority of which are public officials or public sector employees who have a professional interest in furthering the establishment of the Academy, the District's Superintendent, who serves as the non-voting Board President, and can also include one or more parents of enrolled students and community civic leaders. The Academy's Treasurer serves as a non-voting ex-officio member of the Board. The Academy issues a publicly available, stand-alone financial report that includes basic financial statements and supplementary information. This report may be obtained by writing to Greg Spiess, Treasurer, Findlay Digital Academy at 7746 County Road 140, Findlay, Ohio 45840.

The Academy is included as a component unit of the District because the District appoints the Academy's Board of Directors. Therefore, the District is able to significantly influence the programs or services performed or provided by the organization. In addition, through contractual arrangements, the District is able to access a significant portion of the Academy's resources. Based on the District's relationship with the Academy and due to the significant resources and services provided by the District to the Academy, it would be misleading to exclude the Academy from the District's financial reporting entity and as such, the Academy warrants inclusion in the District's financial statements as a discretely presented component unit.

JOINTLY GOVERNED ORGANIZATION

Northwest Ohio Area Computer Services Cooperative

The District is a participant in the Northwest Ohio Area Computer Services Cooperative (NOACSC) which is a computer consortium. NOACSC is an association of public school districts within the boundaries of Allen, Hancock, Paulding, Putnam, and Van Wert counties, and the cities of St. Marys and Wapakoneta. The organization was formed for the purpose of applying modern technology (with the aid of computers and other electronic equipment) to administrative and instructional functions among member school districts.

The Governing Board of NOACSC consists of two representatives from each county elected by majority vote of all charter member school districts within each county plus one representative from the fiscal agent school district. Financial information can be obtained from Ray Burden, who serves as Director, at 645 South Main Street, Lima, Ohio 45804.

PUBLIC ENTITY RISK POOL

Workers' Compensation Retrospective Ratings Plan

The District participates in the Bureau of Workers' Compensation Retrospective Rating Plan. See Note 11.B. for further details on this alternative rating plan.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

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

B. Fund Accounting

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

GOVERNMENTAL FUNDS

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

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

Other governmental funds of the District are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets, (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects, (c) financial resources that are restricted, committed, or assigned to expenditure for principal and interest and (d) resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the District's programs.

PROPRIETARY FUNDS

Proprietary funds are used to account for the District's ongoing activities which are similar to those often found in the private sector. The District has no enterprise funds. The following is a description of the District's internal service fund:

Internal service fund - The internal service fund is used to account for the financing of services provided by one fund or department to other funds or departments of the District, or to other governments, on a cost-reimbursement basis. The only internal service fund of the District accounts for a self-insurance program which provides insurance benefits to employees.

FIDUCIARY FUNDS

Fiduciary fund reporting focuses on net position and changes in net position. The District's fiduciary funds include a private-purpose trust fund and agency funds. Trust funds account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's programs. The District's only trust fund is a private-purpose trust which accounts for scholarship programs for students. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District's agency funds account for student activities and activities of individuals, private organizations, and other governmental units.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

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

C. Measurement Focus

Government-wide Financial Statements - The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. Internal service fund operating activity is eliminated to avoid overstatement of revenues and expenses.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the governmental activities of the District. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include amounts paid by the recipient of goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues of the District.

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

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

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 and current liabilities and deferred inflows 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 a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the District's internal service fund are charges for services. Operating expenses for internal service funds include claims and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The private-purpose trust fund is reported using the economic resources measurement focus. The agency fund does not report a measurement focus as it does not report operations.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

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

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting.

Revenues - Exchange and Nonexchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of fiscal year end.

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

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

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

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the District, see Note 12 for deferred outflows of resources related the District's net pension liability.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

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

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

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The entitlement value of donated commodities received during the fiscal year is reported in the financial statements as an expense with a like amount reported as intergovernmental revenue.

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

E. Budgets

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control is at the fund and first two digits of function level for the general fund and at the fund level for all other funds. Any budgetary modifications at these levels may only be made by resolution of the Board of Education.

Tax Budget:

A budget of estimated cash receipts is submitted to the County Auditor, as Secretary of the County Budget Commission, by January 20 of each year, for the period July 1 to June 30 of the following year.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

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

Estimated Resources:

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

Appropriations:

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

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

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

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

F. Cash and Investments

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

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

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

During fiscal year 2017, investments were limited to nonnegotiable certificates of deposits, negotiable certificates of deposit, federal agency securities, U.S. government money market mutual funds, and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio). Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Nonparticipating investment contracts, such as nonnegotiable certificates of deposit, are reported at cost.

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

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

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund or the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2017 amounted to \$200,283, which includes \$58,512 assigned from other District funds.

For presentation on the basic financial statements, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the District are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments.

An analysis of the District's investment account at fiscal year-end is provided in Note 4.

G. Inventory

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

Inventory consists of general supplies, purchased food and donated food.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

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

H. Capital Assets

General capital assets are those assets specifically related to 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 in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and deletions during the year. Donated capital assets are recorded at their acquisition value. The District maintains a capitalization threshold of \$2,500. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

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

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>
Land improvements	20 years
Buildings and improvements	25 - 50 years
Equipment and furniture	5 - 20 years
Vehicles	5 - 10 years

I. Compensated Absences

Compensated absences of the District consist of vacation leave and sick leave to the extent that payments to the employee for these absences are attributable to services already rendered and are not contingent on a specific event that is outside the control of the District and the employee.

In accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences", a liability for vacation leave is accrued if a) the employees' rights to payment are attributable to services already rendered; and b) it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as cash payment at termination or retirement. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination (severance) payments. A liability for sick leave is accrued using the vesting method; i.e., the liability is based on the sick leave accumulated at June 30, 2017, by those employees who are currently eligible to receive termination (severance) payments, as well as those employees expected to become eligible in the future. For purposes of establishing a liability for sick leave on employees expected to become eligible to retire in the future, employees age 50 with at least 10 years of service and any employees with at least 15 years of service regardless of their age were considered expected to become eligible to retire in accordance with GASB Statement No. 16.

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

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

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

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

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount expected to be paid using expendable available resources. These amounts are recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. The noncurrent portion of the liability is not reported.

J. 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, accrued liabilities and long-term obligations payable from the internal service fund are reported on the proprietary fund financial 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, net pension liability and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds, loans and capital lease obligations are recognized as a liability on the fund financial statements when due.

K. Fund Balance

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

Nonspendable - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable.

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

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

Assigned - Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The 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, as discussed above, an additional action is essential to either remove or revise a commitment.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

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

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

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

L. Net Position

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

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

M. Prepayments

Certain payments to vendors reflect the costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These items are reported as assets on the balance sheet using the consumption method. A current asset for the prepaid amounts is recorded at the time of the purchase and the expenditure/expense is reported in the year in which services are consumed.

N. Estimates

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

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

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

O. Interfund Activity

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

P. Parochial Schools

St. Michael's Elementary and Heritage Christian School are operated within the District boundaries. Current state legislation provides funding to state chartered parochial schools. These monies are received and disbursed on behalf of the parochial schools by the Treasurer of the District, as directed by the parochial school. The receipt and expenditure of these state monies by the District are reflected in a nonmajor governmental fund for financial reporting purposes.

Q. Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. During the current fiscal year, the District reported neither transaction.

R. Bond Premium

Bond premiums are deferred and amortized over the term of the bonds using the straight-line method, which approximates the effective interest method. Bond premiums are presented as an addition to the face amount of the bonds.

On the government-wide and fund financial statements, bond issuance costs are expensed during the fiscal year in which they are incurred.

S. Security Deposit

At June 30, 2017, the District had a deposit of \$15,000 with Great Scot, Inc. as security for the faithful performance of all lease covenants and conditions of the property leased. The deposit is recorded on the accompanying statement of net position as a non-current asset.

T. Pensions

For purposes of measuring the net pension liability and deferred outflows 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.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

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

U. Fair Market Value

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

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE

A. Change in Accounting Principles

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

GASB Statement No. 77 requires governments that enter into tax abatement agreements to disclose certain information about the agreement. GASB Statement No. 77 also requires disclosures related to tax abatement agreements that have been entered into by other governments that reduce the reporting government’s tax revenues. These disclosures were incorporated in the District’s fiscal year 2017 financial statements (see Note 18); however, there was no effect on beginning net position/fund balance.

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

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

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

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 3 - ACCOUNTABILITY AND COMPLIANCE - (Continued)

B. Deficit Fund Balances

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

<u>Nonmajor funds</u>	<u>Deficit</u>
IDEA Part-B	\$ 35,131
Vocational education	1,233
Title I - disadvantaged children	75,129
Improving teacher quality	40,517

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

NOTE 4 - DEPOSITS AND INVESTMENTS

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

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

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

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use, but which will be needed before the end of the current period of designation of depositories.

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

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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 two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in items (1) and (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasury Asset Reserve of Ohio (STAR Ohio) investment pool;
7. Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

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

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

A. Cash on Hand

At fiscal year end, the District had \$3,427 in undeposited cash on hand which is included on the financial statements of the District as part of "equity in pooled cash and investments".

B. Deposits with Financial Institutions

At June 30, 2017, the carrying amount of all District deposits was \$1,925,250. Based on the criteria described in GASB Statement No. 40, "Deposits and Investment Risk Disclosures", as of June 30, 2017, \$1,384,666 of the District's bank balance of \$2,759,711 was covered by the Federal Deposit Insurance Corporation, while \$1,375,045 was exposed to custodial risk as discussed below.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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

C. Investments

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

Measurement/ <u>Investment type</u>	Measurement <u>Value</u>	<u>Investment Maturities</u>				
		<u>6 months or less</u>	<u>7 to 12 months</u>	<u>13 to 18 months</u>	<u>19 to 24 months</u>	<u>More than 24 months</u>
Fair Value:						
FNMA	\$ 4,263,458	\$ -	\$ 748,650	\$ -	\$ -	\$ 3,514,808
FHLB	1,901,264	-	-	-	-	1,901,264
FFCB	3,753,649	-	-	-	-	3,753,649
FHLMC	3,322,343	-	-	-	-	3,322,343
U.S. Government money markets	141,322	141,322	-	-	-	-
Negotiable CD's	6,882,568	346,304	2,105,817	989,935	989,012	2,451,500
Amortized Cost:						
STAR Ohio	341,875	341,875	-	-	-	-
Total	\$ 20,606,479	\$ 829,501	\$ 2,854,467	\$ 989,935	\$ 989,012	\$ 14,943,564

The weighted average maturity of investments is 3.11 years.

The District's investments in U.S. Government money market mutual funds are valued using quoted market prices in active markets (Level 1 inputs). The District's investments in federal agency securities (FFCB, FHLB, FHLMC, FNMA) and negotiable CD's are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

Interest Rate Risk: Interest rate risk arises because potential purchasers of debt securities will not agree to pay face value for those securities if interest rates subsequently increase. The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. The District's investment policy addresses interest rate risk by requiring the consideration of cash flow requirements and market conditions in determining the term of an investment and limiting investment portfolio maturities to five years or less.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Credit Risk: The District's investments, except for STAR Ohio, were rated AA+ and AAA by Standard & Poor's and Moody's Investor Services, respectively. Standard & Poor's has assigned STAR Ohio an AAAm money market rating. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The negotiable CDs are fully covered by the FDIC. The District's investment policy does not specifically address credit risk beyond the adherence to Chapter 135 of the Ohio Revised Code, of which all relevant provisions are described previously in this note disclosure (Note 4).

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The federal agency securities are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent, but not in the District's name. State statute prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee. The District's investment policy does not specifically address custodial credit risk beyond the adherence to this requirement.

Concentration of Credit Risk: The District's investment policy addresses concentration of credit risk by requiring investments to be diversified in order to reduce the risk of loss resulting from the over concentration of assets in a specific type of security, the erosion of market value, or by default. However, the District's investment policy does not place any limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the District at June 30, 2017:

<u>Measurement</u> <u>Investment type</u>	<u>Measurement</u> <u>Value</u>	<u>Percent</u> <u>of Total</u>
Fair Value:		
FNMA	\$ 4,263,458	20.68
FHLB	1,901,264	9.23
FFCB	3,753,649	18.22
FHLMC	3,322,343	16.12
U.S. Government money markets	141,322	0.69
Negotiable CD's	6,882,568	33.40
Amortized Cost:		
STAR Ohio	<u>341,875</u>	<u>1.66</u>
Total	<u>\$ 20,606,479</u>	<u>100.00</u>

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

D. Reconciliation of Cash and Investments to the Statement of Net Position

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

<u>Cash and investments per note disclosure</u>	
Carrying amount of deposits	\$ 1,925,250
Investments	20,606,479
Cash on hand	<u>3,427</u>
Total	<u>\$ 22,535,156</u>
 <u>Cash and investments per statement of net position</u>	
Governmental activities	\$ 22,360,494
Private-purpose trust funds	36,105
Agency funds	<u>138,557</u>
Total	<u>\$ 22,535,156</u>

NOTE 5 - INTERFUND TRANSACTIONS

- A. Interfund transfers for the fiscal year ended June 30, 2017 consisted of the following transfers, as reported in the fund financial statements:

	<u>Amount</u>
<u>Transfers from nonmajor governmental fund to:</u>	
Nonmajor governmental fund	<u>\$ 40,288</u>

Transfers are used to move revenues from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. The \$40,288 transfer is from the permanent improvement fund (a nonmajor governmental fund) to the classroom facilities maintenance fund (a nonmajor governmental fund) in accordance with the OFCC agreement requirement.

Transfers were made in compliance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16. Interfund transfers between governmental funds are eliminated on the government-wide financial statements.

- B. Interfund balances at June 30, 2017, as reported on the fund statements, consist of the following amounts due to/from other funds:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General fund	Nonmajor governmental funds	<u>\$ 70,000</u>

The primary purpose of the interfund balances is to cover negative cash balances in specific funds where revenues were requested, but were not received by June 30. These interfund balances will be repaid once the anticipated revenues are received.

Interfund balances between governmental funds are eliminated on the government-wide financial statements.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 6 - PROPERTY TAXES

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

Property taxes include amounts levied against all real property and public utility property. Real property tax revenues received in calendar year 2017 represent the collection of calendar year 2016 taxes. Real property taxes received in calendar year 2017 were levied after April 1, 2016, on the assessed values as of January 1, 2016, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Public utility property tax revenues received in calendar year 2017 represent the collection of calendar year 2016 taxes. Public utility real and personal property taxes received in calendar year 2017 became a lien on December 31, 2015, were levied after April 1, 2016, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The District receives property taxes from Hancock County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2017, are available to finance fiscal year 2017 operations. The amount available as an advance at June 30, 2017 was \$4,070,688 in the general fund, \$503,850 in the bond retirement fund (a nonmajor governmental fund) and \$290,124 in the permanent improvement fund (a nonmajor governmental fund). This amount is recorded as revenue. The amount available for advance at June 30, 2016 was \$3,913,614 in the general fund, \$481,095 in the bond retirement fund (a nonmajor governmental fund) and \$286,499 in the permanent improvement fund (a nonmajor governmental fund). The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

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

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

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 6 - PROPERTY TAXES - (Continued)

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

	2016 Second Half Collections		2017 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 744,674,000	95.06	\$ 772,328,730	94.58
Public utility personal	<u>38,702,510</u>	<u>4.94</u>	<u>44,265,910</u>	<u>5.42</u>
Total	<u>\$ 783,376,510</u>	<u>100.00</u>	<u>\$ 816,594,640</u>	<u>100.00</u>
Tax rate per \$1,000 of assessed valuation for:				
General operations	\$58.25		\$58.25	
Permanent improvements	2.50		2.50	
Bond retirement	4.19		4.20	

NOTE 7 - PAYMENTS IN LIEU OF TAXES

According to State law, Hancock County has entered into agreements with property owners under which Hancock County has granted property tax abatements to those property owners and agreed to construct certain infrastructure improvements. The property owners have agreed to make payments to Hancock County to help pay the costs of the infrastructure improvements. The amount of those payments generally reflects all or a portion of the property taxes which the property owners would have paid if their taxes had not been abated. The property owners' contractual promise to make these payments in lieu of taxes generally continues until the costs of the improvement have been paid or the agreement expires, whichever occurs first. Future development by those owners or others may result in subsequent agreements to make payments in lieu of taxes and may therefore spread the costs of the improvements to a larger number of property owners. The District received \$171,444 in payments in lieu of taxes during fiscal year 2017, and a receivable of \$148,193 has been reported on the statement of net position.

NOTE 8 - RECEIVABLES

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

Governmental activities:

Property taxes	\$ 31,931,826
PILOT	148,193
Accounts	521,261
Intergovernmental	326,351
Accrued interest	<u>77,927</u>
Total	<u>\$ 33,005,558</u>

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 8 - RECEIVABLES - (Continued)

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

NOTE 9 - CAPITAL ASSETS

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

	Balance			Balance
<u>Governmental activities:</u>	<u>06/30/16</u>	<u>Additions</u>	<u>Deductions</u>	<u>06/30/17</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 1,722,570	\$ -	\$ -	\$ 1,722,570
Construction in progress	<u>1,862,968</u>	<u>1,767,799</u>	<u>(1,466,859)</u>	<u>2,163,908</u>
<i>Total capital assets, not being depreciated</i>	<u>3,585,538</u>	<u>1,767,799</u>	<u>(1,466,859)</u>	<u>3,886,478</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	4,434,068	205,822	-	4,639,890
Buildings and improvements	104,928,834	1,899,322	-	106,828,156
Equipment and furniture	12,014,286	957,637	(19,399)	12,952,524
Vehicles	<u>3,908,672</u>	<u>238,302</u>	<u>(101,375)</u>	<u>4,045,599</u>
<i>Total capital assets, being depreciated</i>	<u>125,285,860</u>	<u>3,301,083</u>	<u>(120,774)</u>	<u>128,466,169</u>
<i>Less: accumulated depreciation:</i>				
Land improvements	(1,380,997)	(196,472)	-	(1,577,469)
Buildings and improvements	(22,614,988)	(1,964,935)	-	(24,579,923)
Equipment and furniture	(6,938,917)	(646,103)	19,005	(7,566,015)
Vehicles	<u>(2,064,440)</u>	<u>(149,044)</u>	<u>91,237</u>	<u>(2,122,247)</u>
<i>Total accumulated depreciation</i>	<u>(32,999,342)</u>	<u>(2,956,554)</u>	<u>110,242</u>	<u>(35,845,654)</u>
Total capital assets, net	<u>\$ 95,872,056</u>	<u>\$ 2,112,328</u>	<u>\$ (1,477,391)</u>	<u>\$ 96,506,993</u>

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 9 - CAPITAL ASSETS - (Continued)

Depreciation expense was charged to governmental functions as follows:

<u>Instruction:</u>	
Regular	\$ 1,319,786
Special	287,757
Vocational	349,337
<u>Support services:</u>	
Pupil	76,459
Instructional staff	95,116
Administration	144,711
Fiscal	65,222
Operations and maintenance	188,201
Pupil transportation	191,402
Other non-instructional services	144,922
Extracurricular activities	70,654
Food service operations	<u>22,987</u>
Total depreciation expense	<u>\$ 2,956,554</u>

NOTE 10 - LONG-TERM OBLIGATIONS

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

	Balance			Balance	Amount
<u>Governmental activities:</u>	<u>06/30/16</u>	<u>Increases</u>	<u>Decreases</u>	<u>06/30/17</u>	<u>Due in</u> <u>One Year</u>
<u>General obligation bonds</u>					
G.O. current interest bonds payable - 2010	\$ 47,425,000	\$ -	\$ (1,395,000)	\$ 46,030,000	\$ 470,000
G.O. capital appreciation bonds payable	217,135	-	-	217,135	217,135
Capital appreciation bonds - accreted interest	<u>508,902</u>	<u>151,646</u>	<u>-</u>	<u>660,548</u>	<u>660,548</u>
Total general obligation bonds	<u>48,151,037</u>	<u>151,646</u>	<u>(1,395,000)</u>	<u>46,907,683</u>	<u>1,347,683</u>
<u>Other long-term obligations</u>					
Net pension liability	85,029,707	21,201,072	-	106,230,779	-
Compensated absences	<u>4,014,173</u>	<u>1,007,683</u>	<u>(977,485)</u>	<u>4,044,371</u>	<u>813,249</u>
Total other long-term obligations	<u>89,043,880</u>	<u>22,208,755</u>	<u>(977,485)</u>	<u>110,275,150</u>	<u>813,249</u>
Total governmental activities	<u>\$ 137,194,917</u>	<u>\$ 22,360,401</u>	<u>\$ (2,372,485)</u>	157,182,833	<u>\$ 2,160,932</u>
				Unamortized premium on bonds	<u>373,679</u>
				Total on statement of net position	<u>\$ 157,556,512</u>

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

Net pension liabilities will be paid out of the fund from which the employee is paid, which is primarily the general fund for the District. See Note 12 for details of the Net Pension Liability.

Compensated absences will be paid out of the fund from which the employee is paid, which is primarily the general fund for the District.

B. General obligation bonds

On January 21, 2010, the District issued general obligation bonds (Series 2010, School Facilities Improvement Bonds) for construction and renovation of District buildings as part of the Ohio School Facilities Commission project. These bonds are general obligations of the District, for which its full faith and credit is pledged for repayment. On the fund financial statements, payments of principal and interest relating to these bonds will be recorded as expenditures in the bond retirement fund (a nonmajor governmental fund). On the government-wide financial statements, principal payments reduce the liability reported on the statement of net position.

This issue was comprised of current interest bonds, present value \$53,975,000, and capital appreciation bonds, par value \$217,135. The capital appreciation bonds mature December 1, 2017 (stated interest 20%) at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bonds is \$965,000. Total accreted interest of \$660,548 has been included on the statement of net position at June 30, 2017.

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated on this issue is December 1, 2037.

Principal and interest requirements to retire the long-term bonds are as follows:

Fiscal Year Ending June 30,	Current Interest Bonds			Capital Appreciation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2018	\$ 470,000	\$ 2,676,440	\$ 3,146,440	\$ 217,135	\$ 747,865	\$ 965,000
2019	1,450,000	2,633,347	4,083,347	-	-	-
2020	1,555,000	2,563,818	4,118,818	-	-	-
2021	1,600,000	2,488,475	4,088,475	-	-	-
2022	1,650,000	2,408,425	4,058,425	-	-	-
2023 - 2027	9,825,000	10,558,372	20,383,372	-	-	-
2028 - 2032	11,835,000	7,394,136	19,229,136	-	-	-
2033 - 2037	14,405,000	3,335,156	17,740,156	-	-	-
2038	3,240,000	101,250	3,341,250	-	-	-
Total	\$ 46,030,000	\$ 34,159,419	\$ 80,189,419	\$ 217,135	\$ 747,865	\$ 965,000

C. Legal Debt Margins

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1% of the property valuation of the District.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 10 - LONG-TERM OBLIGATIONS - (Continued)

The assessed valuation used in determining the District’s legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in the District’s legal debt margin calculation excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations.

The effects of these debt limitations at June 30, 2017 are a voted debt margin of \$28,726,336 (including available funds of \$1,479,953), and an unvoted debt margin of \$816,595.

NOTE 11 - RISK MANAGEMENT

A. Comprehensive

The District is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2017, the District contracted with the McGowan Governmental Underwriters for property and general liability insurance.

Professional liability is provided by the Argonaut Insurance Company with a \$7,000,000 annual aggregate (includes \$4,000,000 umbrella coverage) / \$1,000,000 single occurrence limit and a \$5,000 deductible. Vehicles are covered by the Argonaut Insurance Company and carry a \$1,000 deductible for comprehensive and a \$1,000 deductible for collision. Automobile liability has a \$1,000,000 combined single limit of liability.

Settled claims have not exceeded this commercial coverage in any of the past three years. There has been no significant reduction in the amount of insurance coverage from last year.

B. Workers’ Compensation

The District has participated in the Ohio Bureau of Workers’ Compensation (Bureau) Retrospective Rating Plan since 2006. The alternative rating program requires the District to pay only administrative charges to the Bureau, and in turn the District assumes the responsibility of paying all claims incurred during the policy period for up to ten years. After the tenth year, the Bureau will assume any existing claim for its duration. The District’s stop-loss coverage through the plan is limited to \$200,000 per claim stop-loss coverage with an annual aggregate.

The District’s Workers’ Compensation program is accounted for in the general fund which pays for all claims, claim reserves and administrative costs of the program. The general fund generates revenues by charging each fund a percentage rate determined by the Bureau for the payroll during the reporting period. The claims liability is recorded based on an actuarial determination of future claims. The claims liability is expected to be paid within one year. Changes in claims activity for current and prior fiscal year are as follows:

<u>Fiscal Year</u>	<u>Balance at Beginning of Year</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Balance at End of Year</u>
2017	\$ 11,799	\$ 34,071	\$ (25,400)	\$ 20,470
2016	8,506	24,693	(21,400)	11,799

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 11 - RISK MANAGEMENT - (Continued)

C. Employee Health Insurance

The District’s health insurance is funded through a self-insurance program. The District maintains a self-insurance internal service fund to account for and finance its uninsured risks of loss in this program. The District offers three comprehensive medical/surgical plans: Original Plan, Option B Plan and Option C (HSA) Plan. About half participate in the original plan while the other half participated in Option C and very few are on Option B. The Original Plan retains a deductible of \$200 for family coverage and \$100 for single coverage for all out of network providers. The District’s Original Plan is a preferred Provider Program through the Anthem network, which has co-pays ranging from \$20 to \$50. Maximum out-of-pocket expenses for employees are \$900 in addition to the deductibles. The District purchases stop-loss coverage of \$150,000 per employee. The District and employees pay into the self-insurance internal service fund. The District’s monthly portion of the original plan is \$1,342 for family coverage and \$537 for single coverage. The employee’s monthly portion of the majority employees is \$389 for family coverage and \$156 for single coverage. For Option C (HSA) the District’s monthly portion is \$1,125 for family coverage and \$450 for single coverage. However, employees are responsible for a \$2,000 per individual deductible with a \$4,000 per family out-of-pocket maximum. The premiums are paid by the fund that pays the salary for the employees and is based on historical cost information.

Dental and vision coverage is also provided on self-insured basis through Employee Benefit Consultants (EBC). Premiums for its coverage are \$95.94 monthly for family coverage and \$38.38 for single coverage. The District is responsible for payment of all claim amounts in excess of the employee payment percentages established in the plan document.

The claims payable liability of \$1,908,890 reported in the Employee Benefits Self Insurance fund at June 30, 2017 is based on the requirements of GASB Statement No. 10, “Accounting and Financial Reporting for Risk Financing and Related Insurance Issues”, and as amended by GASB Statement No. 30, “Risk Financing Omnibus”, which requires that a liability be reported for unpaid claims costs, including estimates of costs relating to incurred but not reported claims. The claims liability is based on an estimate supplied by the District’s third party administrator. Changes in the claims payable liability for the current and prior fiscal years are as follows:

<u>Fiscal Year</u>	<u>Balance at Beginning of Year</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Balance at End of Year</u>
2017	\$ 1,711,001	\$ 7,377,238	\$ (7,179,349)	\$ 1,908,890
2016	1,524,190	6,115,323	(5,928,212)	1,711,001

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 12 - DEFINED BENEFIT PENSION PLANS

Net Pension Liability

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

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

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

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

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

Plan Description - School Employees Retirement System (SERS)

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

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

Age and service requirements for retirement are as follows:

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

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

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

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

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2017, the entire 14 percent was allocated to pension, death benefits, and Medicare B and no portion of the employer contribution rate was allocated to the Health Care Fund.

The District's contractually required contribution to SERS was \$1,436,168 for fiscal year 2017. Of this amount, \$201,963 is reported as pension and postemployment benefits payable.

Plan Description - State Teachers Retirement System (STRS)

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

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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

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

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

The District's contractually required contribution to STRS was \$3,935,296 for fiscal year 2017. Of this amount, \$656,864 is reported as pension and postemployment benefits payable.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the net pension liability prior measurement date	0.291758100%	0.247427440%	
Proportion of the net pension liability current measurement date	<u>0.296636300%</u>	<u>0.252501130%</u>	
Change in proportionate share	<u>0.00487820%</u>	<u>0.00507369%</u>	
Proportionate share of the net pension liability	\$ 21,711,040	\$ 84,519,739	\$ 106,230,779
Pension expense	\$ 2,506,022	\$ 6,572,517	\$ 9,078,539

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**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred outflows of resources			
Differences between expected and actual experience	\$ 292,832	\$ 3,415,004	\$ 3,707,836
Net difference between projected and actual earnings on pension plan investments	1,790,847	7,017,410	8,808,257
Changes of assumptions	1,449,331	-	1,449,331
Difference between District contributions and proportionate share of contributions/ change in proportionate share	494,966	1,381,103	1,876,069
District contributions subsequent to the measurement date	<u>1,436,168</u>	<u>3,935,296</u>	<u>5,371,464</u>
Total deferred outflows of resources	<u>\$ 5,464,144</u>	<u>\$ 15,748,813</u>	<u>\$ 21,212,957</u>

\$5,371,464 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2018. Other amounts reported as deferred outflows of resources 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>
2018	\$ 1,088,148	\$ 2,009,964	\$ 3,098,112
2019	1,086,859	2,009,964	3,096,823
2020	1,338,172	4,702,740	6,040,912
2021	<u>514,797</u>	<u>3,090,849</u>	<u>3,605,646</u>
Total	<u>\$ 4,027,976</u>	<u>\$ 11,813,517</u>	<u>\$ 15,841,493</u>

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.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

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

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

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

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

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

Discount Rate - The total pension liability was calculated using the discount rate of 7.50 percent. A discount rate of 7.75 percent was used in the previous measurement period. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the long-term assumed investment rate of return (7.50 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
District's proportionate share of the net pension liability	\$ 28,744,064	\$ 21,711,040	\$ 15,824,106

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

Actuarial Assumptions - STRS

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

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

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

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

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

<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	<u>1.00</u>	3.00
Total	<u><u>100.00 %</u></u>	

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

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 12 - DEFINED BENEFIT PENSION PLANS - (Continued)

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

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
District's proportionate share of the net pension liability	\$ 112,319,866	\$ 84,519,739	\$ 61,068,694

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

NOTE 13 - POSTEMPLOYMENT BENEFITS

A. School Employees Retirement System

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

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 13 - POSTEMPLOYMENT BENEFITS - (Continued)

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required basic benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. For fiscal year 2017, none of the employer contribution was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. For fiscal year 2017, this amount was \$23,500. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2017, the District's surcharge obligation was \$163,181.

The District's contributions for health care for the fiscal years ended June 30, 2017, 2016, and 2015 were \$163,181, \$147,572, and \$211,212, respectively. The fiscal year 2017 amount has been reported as pension and postemployment benefits payable. The full amount has been contributed for fiscal years 2016 and 2015.

B. State Teachers Retirement System

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

Funding Policy - Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2017, STRS Ohio did not allocate any employer contributions to the Health Care Stabilization Fund. The District's did not make any contributions for health care for the fiscal years ended June 30, 2017, 2016 and 2015.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 14 - BUDGETARY BASIS OF ACCOUNTING

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

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

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

The adjustments necessary to convert the results of operations for the year on the budget basis to the GAAP basis for the general fund is as follows:

Net Change in Fund Balance

	<u>General fund</u>
Budget basis	\$ (3,730,477)
Net adjustment for revenue accruals	760,272
Net adjustment for expenditure accruals	(760,886)
Net adjustment for other sources/uses	(19,181)
Funds budgeted elsewhere*	117,829
Adjustment for encumbrances	<u>1,799,913</u>
GAAP basis	<u>\$ (1,832,530)</u>

*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 trust fund, the uniform school supplies fund, the special services rotary fund, the public school support fund, the special enterprises fund and the internal services rotary fund.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 15 - CONTINGENCIES

A. Grants

The District receives significant financial assistance from numerous federal, State and local agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds; however, in the opinion of management, any such disallowed claims will not have a material effect on the financial position of the District at June 30, 2017.

B. Litigation

The District is not involved in pending litigation that would have a material effect on the financial condition of the District.

C. Foundation Funding

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

NOTE 16 - SET-ASIDES

The District is required by State law to annually set-aside certain general fund revenue amounts, as defined by statutory formula, for the acquisition and construction of capital improvements. Amounts not spent by the end of the fiscal year or offset by similarly restricted resources received during the year must be held in cash at fiscal year-end. This amount must be carried forward to be used for the same purpose in future years. Expenditures exceeding the set-aside requirement may not be carried forward to the next fiscal year.

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

	<u>Capital Improvements</u>
Set-aside balance June 30, 2016	\$ -
Current year set-aside requirement	980,134
Current year offsets	<u>(1,992,025)</u>
Total	<u>\$ (1,011,891)</u>
Balance carried forward to fiscal year 2018	<u>\$ -</u>
Set-aside balance June 30, 2017	<u>\$ -</u>

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 17 - OTHER COMMITMENTS

The District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year-end may be reported as part of restricted, committed, or assigned classifications of fund balance. At year end, the District’s commitments for encumbrances in the governmental funds were as follows:

<u>Fund Type</u>	<u>Year-End Encumbrances</u>
General fund	\$ 1,315,729
Nonmajor governmental funds	<u>985,883</u>
 Total	 <u>\$ 2,301,612</u>

NOTE 18 - TAX ABATEMENTS ENTERED INTO BY OTHER GOVERNMENTS

The City of Findlay entered into property tax abatement agreements with property owners under the Ohio Community Reinvestment Area (“CRA”) program with the taxing districts of the District. The CRA program is a directive incentive tax exemption program benefiting property owners who renovate or construct new buildings. Under this program, the other governments designated areas to encourage revitalization of the existing housing stock and the development of new structures. Within the taxing districts of the District, the City Holland has entered into such agreements. Under these agreements, the District’s property taxes were reduced by \$129,430.

NOTE 19 - FINDLAY DIGITAL ACADEMY

Findlay Digital Academy (the “Academy”) is a Conversion Community School established pursuant to Ohio Revised Code Chapter 3314, and sponsored by the Findlay City Schools (FCS) to serve ninth through twelfth grade students living in the Findlay City School District. The Academy’s mission is to enhance and facilitate student learning by combining state-of-the-art digital curriculum with access to local school resources to complement that instruction and prepare students to become lifelong learners and productive citizens.

A. Description of the Digital Academy

The Academy is an innovative program operated as a cooperative effort between the Digital Academy Board of Directors and the Findlay City School District (“FCSD”). The Academy was approved for operation under a contract with the Findlay City School District (the “Sponsor”) commencing on April 1, 2004 and expiring on June 30, 2008. Another contract was signed in June 2008 that went through June 30, 2013. In June 2013, the Academy approved the current contract with the Sponsor that begins July 1, 2013 and expires June 30, 2018. The Academy enrolled its first students in January 2005. The Sponsor is responsible for evaluating the performance of the Academy and has the authority to deny renewal of the contract at its expiration or terminate the contract prior to its expiration.

The Academy is governed by a seven-member Board of Directors. The majority of the Board is composed of public officials or public sector employees who have a professional interest in furthering the establishment of the Academy. The Board may also include one or more parents of enrolled students and community civic leaders. The FCSD Treasurer serves as a Sponsor Representative.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 19 - FINDLAY DIGITAL ACADEMY - (Continued)

The Academy uses distance-learning technology to deliver instruction via computers to students, either in their homes or a group-learning environment such as a computer classroom at school. Although the Academy cannot exercise control over the home environments in which instruction will be received, it attempts to take reasonable steps to ensure compliance with health and safety standards deemed available to its students and within the Academy's control.

The Academy has entered into a purchased services agreement contract with the META Solutions ("META") for technology and services. See Note 19.K for detail on the Academy's purchased services agreement contract with META.

B. Summary of Significant Accounting Policies

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

Basis of Presentation: The Academy's basic financial statements consist of a statement of net position; a statement of revenue, expenses, and changes in net position; and a statement of cash flows. Enterprise fund reporting focuses on the determination of the change in net position, financial position, and cash flows.

Measurement Focus: Enterprise accounting uses a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities are included on the statement of net position. The statement of changes in net position presents increases (i.e. revenues) and decreases (i.e. expenses) in total net position. The statement of cash flows provides information about how the Academy finances and meets the cash flow needs of its enterprise activities.

Basis of Accounting: Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The Academy's financial statements are prepared using the accrual basis of accounting.

Non-exchange transactions, in which the Academy receives value without directly giving equal value in return, include grants, entitlements, and donations. 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 resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the Academy must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Academy on a reimbursement basis.

Expenses are recognized at the time they are incurred.

Budgetary Process: Unlike other public schools located in the State of Ohio, community schools are not required to follow budgetary provisions set forth in the Ohio Revised Code Chapter 5705, unless specifically provided in the contract between the Academy and its sponsor. The contract between the Academy and its Sponsor does not prescribe a budgetary process for the Academy; therefore, no budgetary information is presented in the financial statements.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 19 - FINDLAY DIGITAL ACADEMY - (Continued)

Cash and Investments: To improve cash management, cash received by the Academy is pooled and reported as “cash and cash equivalents” or “investments”. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the Academy’s records.

During fiscal year 2017, investments were limited to Federal Home Loan Bank (FHLB) bonds, Federal National Mortgage Association (FNMA) notes, negotiable certificates of deposit (negotiable CD’s), and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio). Investments are reported at fair value which is based on quoted market prices.

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

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

For presentation on the financial statements, investments with original maturities of three months or less at the time they are purchased by the Academy are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments. Investments are further classified on the statement of net position as either current or non-current. Current investments have a maturity date in the subsequent fiscal year while non-current investments have a maturity date beyond the subsequent fiscal year.

At June 30, 2017, investments are reported at fair value. The fluctuation in the fair value of investments is reported as a component of interest revenue. From June 30, 2016 to June 30, 2017, the fair value of investments decreased \$7,864 and accrued interest receivable on investments decreased \$935. Interest revenue reported on the statement of revenue, expenses and changes in net position was \$1,694 while interest receipts reported on the statements of cash flows was \$16,439. Although the fair value of investments can fluctuate, it’s the Academy’s policy to hold investments till maturity.

An analysis of the Academy’s deposits and investments at fiscal year-end is provided in Note 19.D.

Prepaid Items: Payments made to vendors for services that will benefit periods beyond June 30, 2017, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expense is reported in the year in which services are consumed.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 19 - FINDLAY DIGITAL ACADEMY - (Continued)

Capital Assets: Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value. The Academy maintains a capitalization threshold of five hundred dollars. The Academy does not possess any infrastructure. Depreciation of furniture and equipment is computed using the straight-line method over an estimated useful life of five years.

Net Position: Net position represents the difference between assets and liabilities. The net position component "investment in capital assets," consists of capital assets, net of accumulated depreciation. The Academy had no outstanding balances of borrowings used for the acquisition, construction or improvement of its capital assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the Academy or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

Operating Revenues and Expenses: Operating revenues are those revenues that are generated directly from the primary activities. For the Academy, these revenues are primarily foundation payments from the State. Operating expenses are necessary costs which are incurred to provide the good or service that is the primary activity of the Academy. Revenues and expenses not meeting this definition are reported as non-operating.

Intergovernmental Revenues: The Academy currently participates in the State Foundation Program, the Ohio Public Connectivity grant, the IDEA Part B grant, the Title I School Improvement grant and the Title II Improving Teacher Quality grant. Revenue from the State Foundation Program is recognized as operating revenue in the accounting period in which all eligibility requirements have been met. Amounts awarded under State Foundation Program for fiscal year 2017 school year, excluding all other State and Federal grants, totaled \$992,252.

Revenues received from the remaining programs are recognized as non-operating revenues in the accompanying financial statements. Grants and entitlements are recognized as non-operating revenues in the accounting period in which all eligibility requirements have been met. State and Federal grants revenue for fiscal year 2017 was \$91,660.

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

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

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 19 - FINDLAY DIGITAL ACADEMY - (Continued)

C. Changes in Accounting Policies

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

GASB Statement No. 77 requires governments that enter into tax abatement agreements to disclose certain information about the agreement. GASB Statement No. 77 also requires disclosures related to tax abatement agreements that have been entered into by other governments that reduce the reporting government’s tax revenues. The implementation of GASB Statement No. 77 did not have an effect on the financial statements of the Academy.

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

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

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

D. Deposits and Investments

The Academy’s investment policy allows the Treasurer to invest in instruments authorized by Ohio Revised Code Chapter 135. The Academy had the following deposits and investments at year-end:

Deposits: At June 30, 2017, the carrying amount of the Academy’s deposits was \$89,476. Based on the criteria described in GASB Statement No. 40, “*Deposits and Investment Risk Disclosures*”, as of June 30, 2017, \$19,971 of the Academy’s bank balance of \$269,971 was exposed to custodial risk as discussed below, while \$250,000 was covered by the FDIC.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 19 - FINDLAY DIGITAL ACADEMY - (Continued)

Investments: At June 30, 2017, the Academy had the following investment and maturities:

Measurement/ Investment type	Measurement Value	Investment Maturities				
		6 months or less	7 to 12 months	13 to 18 months	19 to 24 months	Greater than 24 months
Fair Value:						
Negotiable CD's	\$ 525,589	\$ -	\$ -	\$ 301,122	\$ -	\$ 224,467
FHLB	149,545	-	149,545	-	-	-
FNMA Notes	317,002	-	-	-	-	317,002
Amortized Cost:						
STAR Ohio	465,370	465,370	-	-	-	-
Total	<u>\$ 1,457,506</u>	<u>\$ 465,370</u>	<u>\$ 149,545</u>	<u>\$ 301,122</u>	<u>\$ -</u>	<u>\$ 541,469</u>

The weighted average maturity of investments is 1.41 years. Investments in negotiable CD's and federal agency securities can be sold prior to maturity on the secondary market if immediate cash flow is needed.

The Academy's investments in federal agency securities (FHLB, FNMA Notes) and negotiable CD's are valued using quoted prices in markets that are not considered to be active, dealer quotations or alternative pricing sources for similar assets or liabilities for which all significant inputs are observable, either directly or indirectly (Level 2 inputs).

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the investment policy, the Academy manages its exposure to declines in fair value of an investment.

Credit Risk - The Academy's investments in federal agency securities were rated AA+ and Aaa by Standards & Poor's and Moody's Investor Services, respectively. The Academy's investment in STAR Ohio obtained an AAAM money market rating by Standard & Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized rating agency. The negotiable certificates of deposit were fully covered by the FDIC. The Academy's investment policy does not specifically address credit risk beyond requiring the Academy to only invest in securities authorized by State statute.

Custodial Credit Risk - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Academy will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The federal agency securities are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent. The Academy's investment policy does not specifically address custodial risk beyond the requirement in State statute.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 19 - FINDLAY DIGITAL ACADEMY - (Continued)

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Academy places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the Academy at June 30, 2017:

<u>Measurement/ Investment type</u>	<u>Measurement Value</u>	<u>% to Total</u>
Fair Value:		
Negotiable CD's	\$ 525,589	36.06
FHLB	149,545	10.26
FNMA Notes	317,002	21.75
Amortized Cost:		
STAR Ohio	<u>465,370</u>	<u>31.93</u>
Total	<u>\$ 1,457,506</u>	<u>100.00</u>

Reconciliation of Cash and Investments to the Statement of Net Position

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

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 89,476
Investments	<u>1,457,506</u>
Total	<u>\$ 1,546,982</u>
 <u>Cash and investments per statement of net position</u>	
Cash and cash equivalents	\$ 554,846
Investments - current	149,545
Investments - noncurrent	<u>842,591</u>
Total	<u>\$ 1,546,982</u>

E. Receivables

Receivables at June 30, 2017 consisted of accrued interest in the amount of \$3,302. This receivable is expected to be collected in the subsequent year.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 19 - FINDLAY DIGITAL ACADEMY - (Continued)

F. Capital Assets

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

	<u>Balance</u> <u>06/30/16</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>06/30/17</u>
<i>Capital assets, being depreciated:</i>				
Furniture and equipment	\$ 333,459	\$ 65,410	\$ (94,992)	\$ 303,877
Less: accumulated depreciation	<u>(198,149)</u>	<u>(53,820)</u>	<u>88,578</u>	<u>(163,391)</u>
Capital assets, net	<u>\$ 135,310</u>	<u>\$ 11,590</u>	<u>\$ (6,414)</u>	<u>\$ 140,486</u>

G. Risk Management

The Academy is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Academy is covered under the liability and property policies of the Findlay City School District.

Insurance coverage for the Academy follows:

Property:	\$ 191,321,185
General Liability:	
Per Occurrence	1,000,000
Aggregate	3,000,000
Educators Legal Liability	3,000,000

Settled claims have not exceeded commercial insurance coverage in any of the past three fiscal years and there has been no significant reduction in insurance coverage from the previous year.

H. Purchased Service Expenses

For fiscal year ended June 30, 2017, purchased services expenses were as follows:

Professional and technical services	\$ 1,053,215
Property services	54,253
Travel mileage/meeting expenses	9,452
Tuition and similar payments	<u>21,881</u>
Total	<u>\$ 1,138,801</u>

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 19 - FINDLAY DIGITAL ACADEMY - (Continued)

I. Payments to Sponsor / Related Party Transaction

The Academy has entered into a Sponsorship Contract with the FCSD, its Sponsor, as described in Note 1. The Sponsorship Contract states that the FCSD may direct its Treasurer to serve as the Academy's fiscal officer. For fiscal year 2017, the Academy contracted its Treasurer functions from the Hancock County Educational Service Center. The Treasurer of the Academy performs the following functions for the Academy:

- A. Assumes responsibility for receipt, safekeeping and disbursement of all Academy funds;
- B. Directs and manages all financial accounting programs and systems; and
- C. Completes and files all forms, reports, papers and other requirements as prescribed by the Auditor of State, Department of Education, or other state or local agencies.

In addition to the Treasurer, the Academy contracts through the Hancock County Educational Service Center the services of the Executive Director through December 31, 2017, Academy Coordinator, Administrative Assistant and the EMIS Coordinator. During FY17 there was a transition of EMIS Coordinators and for a couple months the EMIS Coordinator was contracted with Warren County ESC to fill the gap.

The Sponsor contracts out all employees to the Academy, except as mentioned above, including the transition of the New Executive Director.

During the year ended June 30, 2017, the Academy incurred \$636,414 in expenses payable to its Sponsor, the FCSD, for:

Salaries and benefits	\$ 492,763
Other (computers/rent/supplies)	246
Millstream Career Center	109,281
Sponsor fees	<u>34,124</u>
Total	<u>\$ 636,414</u>

J. Contingencies

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

State Funding: Academy foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. However, there is an important nexus between attendance and enrollment for Foundation funding purposes. Community schools must provide documentation that clearly demonstrates students have participated in learning opportunities. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 19 - FINDLAY DIGITAL ACADEMY - (Continued)

Under Ohio Rev. Code Section 3314.08, ODE may also perform a FTE Review subsequent to the fiscal year end that may result in an additional adjustment to the enrollment information as well as claw backs of Foundation funding due to a lack of evidence to support student participation and other matters of noncompliance. ODE performed such a review on the Academy for fiscal year 2017.

As of the date of this report, additional ODE adjustments for fiscal year 2017 are not finalized. As a result, the impact of future FTE adjustments on the fiscal year 2017 financial statements is not determinable, at this time. Management believes this may result in either an additional receivable to, or a liability of, the Academy.

In addition, the Academy's contracts with their Sponsor require payment based on revenues received from the State. As discussed above, additional FTE adjustments for fiscal year 2017 are not finalized. Until such adjustments are finalized by ODE, the impact on the fiscal year 2017 financial statements, related to additional reconciliation necessary with these contracts, is not determinable. Management believes this may result in either an additional receivable to, or liability of, the Academy.

Litigation: On October 13, 2016, the Academy filed an appeal on the 2016 FTE Determination. As of the date of this report, the appeal has not been settled.

K. Contract with META

The Academy entered into a contract on April 18, 2016, for fiscal year 2017, with META. Under the contract, the following terms were agreed upon:

- META shall provide the Academy with instructional, administrative, staff training, and technical services sufficient to substantially implement the Academy's educational plan and the Academy's assessment and accountability plan.
- All personnel providing services to the Academy on behalf of META under the agreement shall be employees of META and META shall be solely responsible for all payroll functions, including retirement system contributions and all other legal withholding and/or payroll taxes, with respect to such personnel. All shall possess any certification or licensure which may be required by law.
- The Academy shall secure the services of an Executive Director, who shall be the chief operating officer of the Academy, with primary responsibility for day-to-day operation of the Academy.
- Curricular services provided by META shall be limited to the basic standardized curriculum developed by META. (Basic services do not include special education and related services.)
- In exchange for the services and support provided by META, the Academy agrees to pay META in accordance with META's invoice terms and subject to the terms stated in the contract.
- In the case of students enrolled in the Academy who are Disabled or Suspected Disabled, as defined in the Exhibit entitled "META Enhancement Services and Special Education Obligations of the Academy and META," the Academy shall additionally pay to META the fees and costs described in Section II of such exhibit.

For fiscal year 2017, \$85,722 was paid to META. There were no payables to META at June 30, 2017 or June 30, 2016. To obtain META's audited June 30, 2017 financial statements please contact David Varda, Chief Financial Officer, at 2100 City Gate Drive, Columbus, Ohio 43219.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

NOTE 19 - FINDLAY DIGITAL ACADEMY - (Continued)

L. Operating Lease

The Findlay Digital Academy entered into a lease agreement on July 7th, 2016 with TLB Corporate Center, LLC to lease office space located at the TLB Corporate Center at 1219 West Main Cross Street, Findlay, Ohio. The agreement is for three years, ending on September 30, 2019 and requiring a monthly lease payment of \$4,233. In accordance with the lease agreement, the Academy shall have use of leased space for office purposes only. The Academy makes payments related to the lease agreement directly to the TLB Corporate Center, LLC.

REQUIRED SUPPLEMENTARY INFORMATION

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST FOUR FISCAL YEARS (1)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability	0.29663630%	0.29175810%	0.28344800%	0.28344800%
District's proportionate share of the net pension liability	\$ 21,711,040	\$ 16,648,000	\$ 14,345,142	\$ 16,855,743
District's covered payroll	\$ 9,906,671	\$ 8,783,445	\$ 8,236,450	\$ 7,787,168
District's proportionate share of the net pension liability as a percentage of its covered payroll	219.16%	189.54%	174.17%	216.46%
Plan fiduciary net position as a percentage of the total pension liability	62.98%	69.16%	71.70%	65.52%

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

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

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST FOUR FISCAL YEARS (1)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability	0.25250113%	0.24742744%	0.24652338%	0.24652338%
District's proportionate share of the net pension liability	\$ 84,519,739	\$ 68,381,707	\$ 59,963,018	\$ 71,427,554
District's covered payroll	\$ 27,235,021	\$ 25,814,907	\$ 25,187,877	\$ 24,787,677
District's proportionate share of the net pension liability as a percentage of its covered payroll	310.33%	264.89%	238.06%	288.16%
Plan fiduciary net position as a percentage of the total pension liability	66.80%	72.10%	74.70%	69.30%

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

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

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

	LAST TEN FISCAL YEARS			
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 1,436,168	\$ 1,386,934	\$ 1,157,658	\$ 1,141,572
Contributions in relation to the contractually required contribution	<u>(1,436,168)</u>	<u>(1,386,934)</u>	<u>(1,157,658)</u>	<u>(1,141,572)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 10,258,343	\$ 9,906,671	\$ 8,783,445	\$ 8,236,450
Contributions as a percentage of covered payroll	14.00%	14.00%	13.18%	13.86%

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 1,077,744	\$ 1,081,230	\$ 1,057,230	\$ 1,151,236	\$ 820,196	\$ 782,471
<u>(1,077,744)</u>	<u>(1,081,230)</u>	<u>(1,057,230)</u>	<u>(1,151,236)</u>	<u>(820,196)</u>	<u>(782,471)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 7,787,168	\$ 8,038,885	\$ 8,410,740	\$ 8,502,482	\$ 8,335,325	\$ 7,968,136
13.84%	13.45%	12.57%	13.54%	9.84%	9.82%

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

	LAST TEN FISCAL YEARS			
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 3,935,296	\$ 3,812,903	\$ 3,614,087	\$ 3,274,424
Contributions in relation to the contractually required contribution	<u>(3,935,296)</u>	<u>(3,812,903)</u>	<u>(3,614,087)</u>	<u>(3,274,424)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 28,109,257	\$ 27,235,021	\$ 25,814,907	\$ 25,187,877
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	13.00%

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 3,222,398	\$ 3,335,090	\$ 3,524,123	\$ 3,535,033	\$ 3,481,650	\$ 3,405,244
<u>(3,222,398)</u>	<u>(3,335,090)</u>	<u>(3,524,123)</u>	<u>(3,535,033)</u>	<u>(3,481,650)</u>	<u>(3,405,244)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 24,787,677	\$ 25,654,538	\$ 27,108,638	\$ 27,192,562	\$ 26,781,923	\$ 26,194,185
13.00%	13.00%	13.00%	13.00%	13.00%	13.00%

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO

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

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

STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO

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

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

COMBINING STATEMENTS
AND INDIVIDUAL FUND SCHEDULES

**FINDLAY CITY SCHOOL DISTRICT
COMBINING STATEMENTS - GOVERNMENTAL FUND DESCRIPTIONS**

MAJOR GOVERNMENTAL FUNDS

General Fund

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

NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects. The term proceeds of specific revenue sources establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. A description of the District's special revenue funds follows:

Food Service Fund

Section 3313.81, Revised Code

A fund used to account for financial transactions related to food service operations.

Special Trust Fund - Special Revenue

Section 5705.09, Revised Code

A fund used to account for assets held by a school system in a trustee capacity or as an agent for individuals, private organizations, other governments, or other funds.

Other Grants Fund

Sections 5705.09 and 5705.13, Revised Code

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

Classroom Facilities Maintenance Fund

Section 3318.06, Revised Code

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

District Managed Activity Fund

Section 3313.062, Revised Code

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

Auxiliary Services Fund

Current Budget Bill. appropriation line item 200-511

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

Data Communication Fund

Section 5705.09, Revised Code

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

SchoolNet Professional Development Fund

State Line Item Appropriations 200-426

A fund used to account for a limited number of professional development subsidy grants.

**FINDLAY CITY SCHOOL DISTRICT
COMBINING STATEMENTS - GOVERNMENTAL FUND DESCRIPTIONS**

Nonmajor Special Revenue Funds - (Continued)

Miscellaneous State Grants Fund

Section 5705.12, Revised Code

A fund used to account for various monies received from State agencies not classified elsewhere.

IDEA Part B Grants Fund

Education of the Handicapped Act, PL 91-230
CFDA #84.027 & CFDA #84.391

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

Vocational Education Fund

Carl D. Perkins Vocational Education Act of 1984, PL 98-524
CFDA #84.048

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

Stimulus Title II D Fund

American Recovery and Reinvestment Act
CFDA #84.318

Grant focus on Professional Development and Student Learning. Through sustained, collaborative, job-embedded professional development and the use of research-based methods, teachers will experience new models and strategies for teaching and learning.

Limited English Proficiency Fund

CFDA #84.365

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

Title I Disadvantaged Children Fund

PL 97-35; Title I EESA 1965
CFDA #84.010 & CFDA #84.389

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

IDEA Preschool-Handicapped Fund

Education of the Handicapped Act Amendments,
PL 99-457. Catalog of Federal Domestic Assistance #84.173
& CFDA #84.392

A fund used to account for the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

**FINDLAY CITY SCHOOL DISTRICT
COMBINING STATEMENTS - GOVERNMENTAL FUND DESCRIPTIONS**

Nonmajor Special Revenue Funds - (Continued)

Improving Teacher Quality Fund

CFDA #84.340

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

Miscellaneous Federal Grants Fund

Section 5705.12, Revised Code

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

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

Uniform School Supplies Fund

Section 3313.81, Revised Code

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

Special Services Rotary Fund

Section 5705.12, Revised Code

A fund used to account for income and expenses made in connection with goods and services provided by the District. Activities using this fund tend to be curricular in nature.

Internal Services Rotary Fund

Section 5705.12, Revised Code

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

Public School Support Fund

Section 5705.12, Revised Code

A fund used to account for specific local revenue sources (i.e.: profits from vending machines, etc.), other than taxes or expendable trusts, that are restricted to expenditures for specified purposes approved by Board resolution. Such expenditures may include curricular and extra-curricular related purposes.

Special Enterprise Fund

Section 755.14, Revised Code

A fund used to account for the financial transactions related to before and after school childcare operations.

Special Trust Fund - General

Section 5705.09, Revised Code

A fund used to account for assets for specific local revenue sources that are used for expenditures for specified purposes assigned by the District treasurer.

**FINDLAY CITY SCHOOL DISTRICT
COMBINING STATEMENTS - GOVERNMENTAL FUND DESCRIPTIONS**

Nonmajor Debt Service Fund

Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated (i.e. debt payable from property taxes). Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds. A description of the District's nonmajor debt service fund follows:

Bond Retirement Fund

Section 5705.09, Revised Code

The bond retirement fund is used to account for the retirement of serial bonds and short term loans. All revenues derived from general or special levies, either within or exceeding the statutory unvoted ten-mill limitation, which is levied for debt service on bonds or loans paid into this fund. Since the District maintains only one debt service fund, no combining statements are presented.

Nonmajor Capital Projects Fund

Capital project funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital project funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments. A description of the District's nonmajor capital projects funds follows:

Permanent Improvement Fund

Section 5705.10, Revised Code

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

Building Fund

Section 5705.09, Revised Code

This building fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities or and other capital assets.

Nonmajor Permanent Fund

Permanent funds should be used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs - that is, for the benefit of the government or its citizenry. Permanent funds do not include private-purpose trust funds, which should be used to report situations in which the government is required to use the principal or earnings for the benefit of individuals, private organizations, or other governments. A description of the District's nonmajor permanent fund follows:

Endowment Fund

Section 5705.09, Revised Code

The endowment fund is used to account for revenues which have been set aside as an investment for public school purposes. Interest revenue may be expended, but the principal must remain intact. The interest revenue is used to support scholarships. Since the District maintains only one permanent fund, no combining statements are presented.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Assets:					
Equity in pooled cash and investments	\$ 3,259,958	\$ 976,103	\$ 3,174,273	\$ 657,894	\$ 8,068,228
Receivables:					
Property taxes	-	3,132,905	1,808,042	-	4,940,947
Payment in lieu of taxes	-	11,660	6,941	-	18,601
Accounts	6,067	-	-	-	6,067
Accrued interest	-	-	1,401	-	1,401
Intergovernmental	268,531	-	-	-	268,531
Materials and supplies inventory	11,026	-	-	-	11,026
Inventory held for resale	15,571	-	-	-	15,571
Total assets	\$ 3,561,153	\$ 4,120,668	\$ 4,990,657	\$ 657,894	\$ 13,330,372
Liabilities:					
Accounts payable	\$ 57,814	\$ -	\$ -	\$ -	\$ 57,814
Contracts payable	-	-	580,839	-	580,839
Accrued wages and benefits payable	306,527	-	-	-	306,527
Compensated absences payable	10,198	-	-	-	10,198
Intergovernmental payable	4,089	-	-	-	4,089
Pension and postemployment benefits payable	86,980	-	-	-	86,980
Interfund loans payable	70,000	-	-	-	70,000
Unearned revenue	100,000	-	-	-	100,000
Total liabilities	635,608	-	580,839	-	1,216,447
Deferred inflows of resources:					
Property taxes levied for the next fiscal year	-	2,537,473	1,464,994	-	4,002,467
Payment in lieu of taxes levied for the next fiscal year	-	11,660	6,941	-	18,601
Delinquent property tax revenue not available	-	91,582	52,924	-	144,506
Intergovernmental revenue not available	52,787	-	-	-	52,787
Accrued interest not available	-	-	1,313	-	1,313
Total deferred inflows of resources	52,787	2,640,715	1,526,172	-	4,219,674
Fund balances:					
Nonspendable:					
Materials and supplies inventory	11,026	-	-	-	11,026
Permanent fund	-	-	-	615,076	615,076
Restricted:					
Debt service	-	1,479,953	-	-	1,479,953
Capital improvements	-	-	2,795,646	-	2,795,646
Classroom facilities maintenance	1,863,193	-	-	-	1,863,193
Food service operations	319,853	-	-	-	319,853
Non-public schools	25,643	-	-	-	25,643
Other purposes	441,942	-	-	-	441,942
Extracurricular	363,111	-	-	-	363,111
Scholarships	-	-	-	42,818	42,818
Committed:					
Capital improvements	-	-	88,000	-	88,000
Unassigned (deficit)	(152,010)	-	-	-	(152,010)
Total fund balances	2,872,758	1,479,953	2,883,646	657,894	7,894,251
Total liabilities, deferred inflows and fund balances	\$ 3,561,153	\$ 4,120,668	\$ 4,990,657	\$ 657,894	\$ 13,330,372

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Nonmajor Permanent Fund	Total Nonmajor Governmental Funds
Revenues:					
From local sources:					
Property taxes	\$ -	\$ 3,035,845	\$ 1,768,782	\$ -	\$ 4,804,627
Payment in lieu of taxes	-	13,569	8,041	-	21,610
Earnings on investments	9,260	-	22,705	5,907	37,872
Charges for services	557,316	-	-	-	557,316
Extracurricular	577,052	-	-	-	577,052
Rental income	370,725	-	-	-	370,725
Contributions and donations	317,894	-	113,500	7,484	438,878
Other local revenues	384,595	-	-	-	384,595
Intergovernmental - state	454,572	388,375	226,868	-	1,069,815
Intergovernmental - federal	4,445,715	796,729	88,000	-	5,330,444
Change in fair value of investments	-	-	(35,895)	-	(35,895)
Total revenues	7,117,129	4,234,518	2,192,001	13,391	13,557,039
Expenditures:					
Current:					
Instruction:					
Regular	550,221	-	424,492	500	975,213
Special	2,319,859	-	-	-	2,319,859
Vocational	168,618	-	-	-	168,618
Other	9,189	-	-	-	9,189
Support services:					
Pupil	163,399	-	-	-	163,399
Instructional staff	269,672	-	-	-	269,672
Administration	10,302	-	-	-	10,302
Business	-	-	253,487	-	253,487
Operations and maintenance	1,004,185	-	8,507	-	1,012,692
Pupil transportation	48,063	-	-	-	48,063
Operation of non-instructional services:					
Other non-instructional services	478,470	-	-	-	478,470
Food service operations	1,756,110	-	-	-	1,756,110
Extracurricular activities	685,569	-	13,035	-	698,604
Facilities acquisition and construction	-	-	424,887	-	424,887
Debt service:					
Principal retirement	-	1,395,000	-	-	1,395,000
Interest and fiscal charges	-	2,715,143	-	-	2,715,143
Total expenditures	7,463,657	4,110,143	1,124,408	500	12,698,708
Excess (deficiency) of revenues over (under) expenditures	(346,528)	124,375	1,067,593	12,891	858,331
Other financing sources (uses):					
Transfers in	40,288	-	-	-	40,288
Transfers out	-	-	(40,288)	-	(40,288)
Total other financing sources (uses)	40,288	-	(40,288)	-	-
Net change in fund balances	(306,240)	124,375	1,027,305	12,891	858,331
Fund balances at beginning of year	3,178,362	1,355,578	1,856,341	645,003	7,035,284
Increase in reserve for inventory	636	-	-	-	636
Fund balances at end of year	\$ 2,872,758	\$ 1,479,953	\$ 2,883,646	\$ 657,894	\$ 7,894,251

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2017

	Food Service	Special Trust	Other Grants	Classroom Facilities Maintenance
Assets:				
Equity in pooled cash and investments	\$ 362,548	\$ 256,387	\$ 300,050	\$ 1,887,967
Receivables:				
Accounts	-	-	6,067	-
Intergovernmental	-	-	-	-
Materials and supplies inventory	11,026	-	-	-
Inventory held for resale	15,571	-	-	-
Total assets.	<u>\$ 389,145</u>	<u>\$ 256,387</u>	<u>\$ 306,117</u>	<u>\$ 1,887,967</u>
Liabilities:				
Accounts payable.	\$ 163	\$ 7,518	\$ 1,850	\$ 24,774
Accrued wages and benefits payable	24,482	-	16,999	-
Compensated absences payable	3,259	-	-	-
Intergovernmental payable	62	-	189	-
Pension and postemployment benefits payable.	30,300	-	4,452	-
Interfund loans payable.	-	-	-	-
Unearned revenue	-	-	100,000	-
Total liabilities.	<u>58,266</u>	<u>7,518</u>	<u>123,490</u>	<u>24,774</u>
Deferred inflows of resources:				
Intergovernmental revenue not available	-	-	-	-
Fund balances:				
Nonspendable:				
Materials and supplies inventory.	11,026	-	-	-
Restricted:				
Classroom facilities maintenance.	-	-	-	1,863,193
Food service operations	319,853	-	-	-
Non-public schools	-	-	-	-
Other purposes	-	248,869	182,627	-
Extracurricular.	-	-	-	-
Unassigned (deficit)	-	-	-	-
Total fund balances (deficit)	<u>330,879</u>	<u>248,869</u>	<u>182,627</u>	<u>1,863,193</u>
Total liabilities, deferred inflows and fund balances.	<u>\$ 389,145</u>	<u>\$ 256,387</u>	<u>\$ 306,117</u>	<u>\$ 1,887,967</u>

<u>District Managed Activity</u>	<u>Auxillary Services</u>	<u>Miscellaneous State Grants</u>	<u>IDEA Part B Grants</u>	<u>Vocational Education</u>	<u>Title I Disadvantaged Children</u>
\$ 379,480	\$ 56,541	\$ 10,387	\$ 1	\$ 1,460	\$ 5,137
-	-	-	-	-	-
-	-	7,641	-	8,541	252,349
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 379,480</u>	<u>\$ 56,541</u>	<u>\$ 18,028</u>	<u>\$ 1</u>	<u>\$ 10,001</u>	<u>\$ 257,486</u>
\$ 13,666	\$ 4,643	\$ 477	\$ -	\$ -	\$ 4,723
-	15,992	3,921	16,970	120	188,023
-	6,939	-	-	-	-
-	215	57	772	-	2,297
2,703	3,109	1,729	17,390	1,114	26,183
-	-	-	-	10,000	60,000
-	-	-	-	-	-
<u>16,369</u>	<u>30,898</u>	<u>6,184</u>	<u>35,132</u>	<u>11,234</u>	<u>281,226</u>
-	-	1,398	-	-	51,389
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	25,643	-	-	-	-
-	-	10,446	-	-	-
363,111	-	-	-	-	-
-	-	-	(35,131)	(1,233)	(75,129)
<u>363,111</u>	<u>25,643</u>	<u>10,446</u>	<u>(35,131)</u>	<u>(1,233)</u>	<u>(75,129)</u>
<u>\$ 379,480</u>	<u>\$ 56,541</u>	<u>\$ 18,028</u>	<u>\$ 1</u>	<u>\$ 10,001</u>	<u>\$ 257,486</u>

(continued)

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2017

	Improving Teacher Quality	Total Nonmajor Special Revenue Funds
Assets:		
Equity in pooled cash and investments	\$ -	\$ 3,259,958
Receivables:		
Accounts	-	6,067
Intergovernmental	-	268,531
Materials and supplies inventory	-	11,026
Inventory held for resale	-	15,571
	-	15,571
Total assets.	\$ -	\$ 3,561,153
Liabilities:		
Accounts payable.	\$ -	\$ 57,814
Accrued wages and benefits payable	40,020	306,527
Compensated absences payable	-	10,198
Intergovernmental payable	497	4,089
Pension and postemployment benefits payable.	-	86,980
Interfund loans payable.	-	70,000
Unearned revenue	-	100,000
	-	100,000
Total liabilities.	40,517	635,608
Deferred inflows of resources:		
Intergovernmental revenue not available	-	52,787
	-	52,787
Fund balances:		
Nonspendable:		
Materials and supplies inventory.	-	11,026
Restricted:		
Classroom facilities maintenance.	-	1,863,193
Food service operations	-	319,853
Non-public schools	-	25,643
Other purposes	-	441,942
Extracurricular.	-	363,111
Unassigned (deficit)	(40,517)	(152,010)
	(40,517)	(152,010)
Total fund balances (deficit)	(40,517)	2,872,758
Total liabilities, deferred inflows and fund balances. . .	\$ -	\$ 3,561,153

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**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

	<u>Food Service</u>	<u>Special Trust</u>	<u>Other Grants</u>	<u>Classroom Facilities Maintenance</u>
Revenues:				
From local sources:				
Earnings on investments	\$ 2,254	\$ 3,256	\$ -	\$ -
Charges for services	557,316	-	-	-
Extracurricular	-	-	-	-
Rental income	-	-	-	370,725
Contributions and donations	-	317,494	-	-
Other local revenues	500	2,110	302,309	-
Intergovernmental - state	22,371	-	-	-
Intergovernmental - federal	1,126,946	-	-	-
Total revenues	<u>1,709,387</u>	<u>322,860</u>	<u>302,309</u>	<u>370,725</u>
Expenditures:				
Current:				
Instruction:				
Regular	-	1,191	222,505	-
Special	-	-	-	-
Vocational	-	647	-	-
Other	-	-	9,045	-
Support services:				
Pupil	-	-	3,985	-
Instructional staff	-	-	-	-
Administration	-	-	-	-
Operations and maintenance	-	214,694	-	789,491
Pupil transportation	-	-	43,403	-
Operation of non-instructional services:				
Other non-instructional services	-	-	10,924	-
Food service operations	1,756,110	-	-	-
Extracurricular activities	-	-	20,120	-
Total expenditures	<u>1,756,110</u>	<u>216,532</u>	<u>309,982</u>	<u>789,491</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(46,723)</u>	<u>106,328</u>	<u>(7,673)</u>	<u>(418,766)</u>
Other financing sources:				
Transfers in	-	-	-	40,288
Net change in fund balances	(46,723)	106,328	(7,673)	(378,478)
Fund balances (deficit) at beginning of year	376,966	142,541	190,300	2,241,671
Increase in reserve for inventory	636	-	-	-
Fund balances (deficit) at end of year	<u>\$ 330,879</u>	<u>\$ 248,869</u>	<u>\$ 182,627</u>	<u>\$ 1,863,193</u>

District Managed Activity	Auxiliary Services	Data Communication	Miscellaneous State Grants	IDEA Part B Grants
\$ 2,932	\$ 818	\$ -	\$ -	\$ -
-	-	-	-	-
577,052	-	-	-	-
-	-	-	-	-
400	-	-	-	-
79,676	-	-	-	-
-	357,910	23,400	50,891	-
-	-	-	-	1,299,337
<u>660,060</u>	<u>358,728</u>	<u>23,400</u>	<u>50,891</u>	<u>1,299,337</u>
-	-	23,400	-	1,974
-	-	-	-	875,035
-	-	-	-	-
-	-	-	-	-
-	-	-	28,163	125,596
-	-	-	23,051	103,732
-	-	-	-	-
-	-	-	-	-
4,660	-	-	-	-
-	406,303	-	-	32,638
-	-	-	-	-
665,449	-	-	-	-
<u>670,109</u>	<u>406,303</u>	<u>23,400</u>	<u>51,214</u>	<u>1,138,975</u>
<u>(10,049)</u>	<u>(47,575)</u>	<u>-</u>	<u>(323)</u>	<u>160,362</u>
-	-	-	-	-
(10,049)	(47,575)	-	(323)	160,362
373,160	73,218	-	10,769	(195,493)
-	-	-	-	-
<u>\$ 363,111</u>	<u>\$ 25,643</u>	<u>\$ -</u>	<u>\$ 10,446</u>	<u>\$ (35,131)</u>

(continued)

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

	<u>Vocational Education</u>	<u>Limited English Proficiency</u>	<u>Title I Disadvantaged Children</u>	<u>IDEA Preschool- Handicapped</u>
Revenues:				
From local sources:				
Earnings on investments	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Extracurricular	-	-	-	-
Rental income	-	-	-	-
Contributions and donations	-	-	-	-
Other local revenues	-	-	-	-
Intergovernmental - state	-	-	-	-
Intergovernmental - federal	209,243	17,915	1,572,069	19,919
Total revenues	<u>209,243</u>	<u>17,915</u>	<u>1,572,069</u>	<u>19,919</u>
Expenditures:				
Current:				
Instruction:				
Regular	-	16,910	91,532	-
Special	-	-	1,424,905	19,919
Vocational	167,971	-	-	-
Other	-	-	144	-
Support services:				
Pupil	5,655	-	-	-
Instructional staff	-	1,005	128,775	-
Administration	10,302	-	-	-
Operations and maintenance	-	-	-	-
Pupil transportation	-	-	-	-
Operation of non-instructional services:				
Other non-instructional services	-	-	26,115	-
Food service operations	-	-	-	-
Extracurricular activities	-	-	-	-
Total expenditures	<u>183,928</u>	<u>17,915</u>	<u>1,671,471</u>	<u>19,919</u>
Excess (deficiency) of revenues over (under) expenditures	<u>25,315</u>	<u>-</u>	<u>(99,402)</u>	<u>-</u>
Other financing sources:				
Transfers in	-	-	-	-
Net change in fund balances	25,315	-	(99,402)	-
Fund balances (deficit) at beginning of year	(26,548)	-	24,273	-
Increase in reserve for inventory	-	-	-	-
Fund balances (deficit) at end of year	<u>\$ (1,233)</u>	<u>\$ -</u>	<u>\$ (75,129)</u>	<u>\$ -</u>

Improving Teacher Quality	Total Nonmajor Special Revenue Funds
\$ -	\$ 9,260
-	557,316
-	577,052
-	370,725
-	317,894
-	384,595
-	454,572
200,286	4,445,715
200,286	7,117,129
192,709	550,221
-	2,319,859
-	168,618
-	9,189
-	163,399
13,109	269,672
-	10,302
-	1,004,185
-	48,063
2,490	478,470
-	1,756,110
-	685,569
208,308	7,463,657
(8,022)	(346,528)
-	40,288
(8,022)	(306,240)
(32,495)	3,178,362
-	636
\$ (40,517)	\$ 2,872,758

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>Food Service Fund</u>				
Total Revenues and Other Financing Sources	\$ 2,000,000	\$ 2,000,000	\$ 1,599,559	\$ (400,441)
Total Expenditures and Other Financing Uses	2,086,116	2,086,116	1,759,705	326,411
Net Change in Fund Balance	(86,116)	(86,116)	(160,146)	(74,030)
Fund Balance, July 1	320,226	320,226	320,226	-
Prior Year Encumbrances Appropriated	86,116	86,116	86,116	-
Fund Balance, June 30	<u>\$ 320,226</u>	<u>\$ 320,226</u>	<u>\$ 246,196</u>	<u>\$ (74,030)</u>
<u>Special Trust Fund - Special Revenue</u>				
Total Revenues and Other Financing Sources	\$ 353,232	\$ 353,232	\$ 322,943	\$ (30,289)
Total Expenditures and Other Financing Uses	533,698	533,698	296,072	237,626
Net Change in Fund Balance	(180,466)	(180,466)	26,871	207,337
Fund Balance (deficit), July 1	(13,531)	(13,531)	(13,531)	-
Prior Year Encumbrances Appropriated	162,758	162,758	162,758	-
Fund Balance (deficit), June 30	<u>\$ (31,239)</u>	<u>\$ (31,239)</u>	<u>\$ 176,098</u>	<u>\$ 207,337</u>
<u>Other Grants Fund</u>				
Total Revenues and Other Financing Sources	\$ 374,000	\$ 374,000	\$ 401,890	\$ 27,890
Total Expenditures and Other Financing Uses	383,294	383,294	309,259	74,035
Net Change in Fund Balance	(9,294)	(9,294)	92,631	101,925
Fund Balance, July 1	204,560	204,560	204,560	-
Prior Year Encumbrances Appropriated	294	294	294	-
Fund Balance, June 30	<u>\$ 195,560</u>	<u>\$ 195,560</u>	<u>\$ 297,485</u>	<u>\$ 101,925</u>

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>Classroom Facilities Maintenance Fund</u>				
Total Revenues and Other Financing Sources	\$ 414,021	\$ 414,021	\$ 411,013	\$ (3,008)
Total Expenditures and Other Financing Uses	562,125	1,162,125	1,062,517	99,608
Net Change in Fund Balance	(148,104)	(748,104)	(651,504)	96,600
Fund Balance, July 1	2,085,950	2,085,950	2,085,950	-
Prior Year Encumbrances Appropriated	163,125	163,125	163,125	-
Fund Balance, June 30	<u>\$ 2,100,971</u>	<u>\$ 1,500,971</u>	<u>\$ 1,597,571</u>	<u>\$ 96,600</u>
<u>District Managed Activity Fund</u>				
Total Revenues and Other Financing Sources	\$ 500,000	\$ 500,000	\$ 660,174	\$ 160,174
Total Expenditures and Other Financing Uses	633,766	783,766	705,118	78,648
Net Change in Fund Balance	(133,766)	(283,766)	(44,944)	238,822
Fund Balance, July 1	348,589	348,589	348,589	-
Prior Year Encumbrances Appropriated	33,766	33,766	33,766	-
Fund Balance, June 30	<u>\$ 248,589</u>	<u>\$ 98,589</u>	<u>\$ 337,411</u>	<u>\$ 238,822</u>
<u>Auxiliary Services Fund</u>				
Total Revenues and Other Financing Sources	\$ 390,000	\$ 390,000	\$ 358,728	\$ (31,272)
Total Expenditures and Other Financing Uses	437,602	455,602	439,675	15,927
Net Change in Fund Balance	(47,602)	(65,602)	(80,947)	(15,345)
Fund Balance, July 1	53,606	53,606	53,606	-
Prior Year Encumbrances Appropriated	38,602	38,602	38,602	-
Fund Balance, June 30	<u>\$ 44,606</u>	<u>\$ 26,606</u>	<u>\$ 11,261</u>	<u>\$ (15,345)</u>

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>Data Communication Fund</u>				
Total Revenues and Other Financing Sources	\$ 30,000	\$ 30,000	\$ 23,400	\$ (6,600)
Total Expenditures and Other Financing Uses	<u>30,000</u>	<u>30,000</u>	<u>23,400</u>	<u>6,600</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>SchoolNet Professional Development Fund</u>				
Total Revenues and Other Sources	\$ 9,000	\$ 9,000	\$ -	\$ (9,000)
Total Expenditures and Other Uses	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Net Change in Fund Balances	8,000	8,000	-	(8,000)
Fund Balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 8,000</u>	<u>\$ 8,000</u>	<u>\$ -</u>	<u>\$ (8,000)</u>
<u>Miscellaneous State Grants Fund</u>				
Total Revenues and Other Financing Sources	\$ 90,000	\$ 90,000	\$ 48,134	\$ (41,866)
Total Expenditures and Other Financing Uses	<u>99,122</u>	<u>99,122</u>	<u>51,807</u>	<u>47,315</u>
Net Change in Fund Balance	(9,122)	(9,122)	(3,673)	5,449
Fund Balance, July 1	13,426	13,426	13,426	-
Prior Year Encumbrances Appropriated	<u>122</u>	<u>122</u>	<u>122</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 4,426</u>	<u>\$ 4,426</u>	<u>\$ 9,875</u>	<u>\$ 5,449</u>

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>IDEA Part B Grants Fund</u>				
Total Revenues and Other Financing Sources	\$ 1,570,000	\$ 1,370,000	\$ 1,299,337	\$ (70,663)
Total Expenditures and Other Financing Uses	1,353,116	1,353,116	1,283,208	69,908
Net Change in Fund Balance	216,884	16,884	16,129	(755)
Fund Balance (deficit), July 1	(69,244)	(69,244)	(69,244)	-
Prior Year Encumbrances Appropriated	53,116	53,116	53,116	-
Fund Balance (deficit), June 30	<u>\$ 200,756</u>	<u>\$ 756</u>	<u>\$ 1</u>	<u>\$ (755)</u>
<u>Vocational Education Fund</u>				
Total Revenues and Other Financing Sources	\$ 239,000	\$ 239,000	\$ 210,702	\$ (28,298)
Total Expenditures and Other Financing Uses	219,329	219,329	209,242	10,087
Net Change in Fund Balance	19,671	19,671	1,460	(18,211)
Fund Balance (deficit), July 1	(329)	(329)	(329)	-
Prior Year Encumbrances Appropriated	329	329	329	-
Fund Balance, June 30	<u>\$ 19,671</u>	<u>\$ 19,671</u>	<u>\$ 1,460</u>	<u>\$ (18,211)</u>
<u>Stimulus Title II D Fund</u>				
Total Revenues and Other Financing Sources	\$ 1,000	\$ 1,000	\$ -	\$ (1,000)
Total Expenditures and Other Financing Uses	1,000	1,000	-	1,000
Net Change in Fund Balance	-	-	-	-
Fund Balance, July 1	-	-	-	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>Limited English Proficiency Fund</u>				
Total Revenues and Other Financing Sources	\$ 25,000	\$ 25,000	\$ 17,915	\$ (7,085)
Total Expenditures and Other Financing Uses	25,000	25,000	17,915	7,085
Net Change in Fund Balance	-	-	-	-
Fund Balance, July 1	-	-	-	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Title I Disadvantaged Children Fund</u>				
Total Revenues and Other Financing Sources	\$ 1,560,000	\$ 1,650,000	\$ 1,613,926	\$ (36,074)
Total Expenditures and Other Financing Uses	1,601,878	1,691,878	1,657,227	34,651
Net Change in Fund Balance	(41,878)	(41,878)	(43,301)	(1,423)
Fund Balance (deficit), July 1	(59,296)	(59,296)	(59,296)	-
Prior Year Encumbrances Appropriated	102,878	102,878	102,878	-
Fund Balance, June 30	<u>\$ 1,704</u>	<u>\$ 1,704</u>	<u>\$ 281</u>	<u>\$ (1,423)</u>
<u>IDEA Preschool-Handicapped Fund</u>				
Total Revenues and Other Financing Sources	\$ 21,000	\$ 21,000	\$ 19,919	\$ (1,081)
Total Expenditures and Other Financing Uses	21,000	21,000	19,919	1,081
Net Change in Fund Balance	-	-	-	-
Fund Balance, July 1	-	-	-	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>Improving Teacher Quality Fund</u>				
Total Revenues and Other Financing Sources	\$ 230,000	\$ 230,000	\$ 200,286	\$ (29,714)
Total Expenditures and Other Financing Uses	230,000	230,000	203,086	26,914
Net Change in Fund Balance	-	-	(2,800)	(2,800)
Fund Balance, July 1	2,800	2,800	2,800	-
Fund Balance, June 30	<u>\$ 2,800</u>	<u>\$ 2,800</u>	<u>\$ -</u>	<u>\$ (2,800)</u>
<u>Miscellaneous Federal Grants Fund</u>				
Total Revenues and Other Financing Sources	\$ 29,000	\$ 29,000	\$ -	\$ (29,000)
Total Expenditures and Other Financing Uses	29,000	29,000	-	29,000
Net Change in Fund Balance	-	-	-	-
Fund Balance, July 1	-	-	-	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>Uniform School Supplies Fund</u>				
Total Revenues and Other Financing Sources	\$ 300,000	\$ 300,000	\$ 357,697	\$ 57,697
Total Expenditures and Other Financing Uses	375,552	375,552	365,375	10,177
Net Change in Fund Balance	(75,552)	(75,552)	(7,678)	67,874
Fund Balance, July 1	331,400	331,400	331,400	-
Prior Year Encumbrances Appropriated	25,552	25,552	25,552	-
Fund Balance, June 30	<u>\$ 281,400</u>	<u>\$ 281,400</u>	<u>\$ 349,274</u>	<u>\$ 67,874</u>
<u>Special Services Rotary Fund</u>				
Total Revenues and Other Financing Sources	\$ 115,000	\$ 115,000	\$ 131,758	\$ 16,758
Total Expenditures and Other Financing Uses	140,313	185,313	128,142	57,171
Net Change in Fund Balance	(25,313)	(70,313)	3,616	73,929
Fund Balance, July 1	76,764	76,764	76,764	-
Prior Year Encumbrances Appropriated	313	313	313	-
Fund Balance, June 30	<u>\$ 51,764</u>	<u>\$ 6,764</u>	<u>\$ 80,693</u>	<u>\$ 73,929</u>
<u>Internal Services Rotary Fund</u>				
Total Revenues and Other Financing Sources	\$ 795,000	\$ 795,000	\$ 756,638	\$ (38,362)
Total Expenditures and Other Financing Uses	1,008,752	1,008,752	714,467	294,285
Net Change in Fund Balance	(213,752)	(213,752)	42,171	255,923
Fund Balance, July 1	375,799	375,799	375,799	-
Prior Year Encumbrances Appropriated	7,752	7,752	7,752	-
Fund Balance, June 30	<u>\$ 169,799</u>	<u>\$ 169,799</u>	<u>\$ 425,722</u>	<u>\$ 255,923</u>

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>Public School Support Fund</u>				
Total Revenues and Other Financing Sources	\$ 150,000	\$ 150,000	\$ 192,409	\$ 42,409
Total Expenditures and Other Financing Uses	184,393	184,393	182,981	1,412
Net Change in Fund Balance	(34,393)	(34,393)	9,428	43,821
Fund Balance, July 1	113,714	113,714	113,714	-
Prior Year Encumbrances Appropriated	4,393	4,393	4,393	-
Fund Balance, June 30	<u>\$ 83,714</u>	<u>\$ 83,714</u>	<u>\$ 127,535</u>	<u>\$ 43,821</u>
<u>Special Enterprise Fund</u>				
Total Revenues and Other Financing Sources	\$ 170,000	\$ 170,000	\$ 218,324	\$ 48,324
Total Expenditures and Other Financing Uses	191,576	226,576	214,599	11,977
Net Change in Fund Balance	(21,576)	(56,576)	3,725	60,301
Fund Balance, July 1	145,403	145,403	145,403	-
Prior Year Encumbrances Appropriated	1,576	1,576	1,576	-
Fund Balance, June 30	<u>\$ 125,403</u>	<u>\$ 90,403</u>	<u>\$ 150,704</u>	<u>\$ 60,301</u>
<u>Special Trust Fund - General</u>				
Total Revenues and Other Financing Sources	\$ 23,717	\$ 23,717	\$ 21,683	\$ (2,034)
Total Expenditures and Other Financing Uses	40,283	40,283	22,679	17,604
Net Change in Fund Balance	(16,566)	(16,566)	(996)	15,570
Fund Balance, July 1	58,731	58,731	58,731	-
Prior Year Encumbrances Appropriated	1,541	1,541	1,541	-
Fund Balance, June 30	<u>\$ 43,706</u>	<u>\$ 43,706</u>	<u>\$ 59,276</u>	<u>\$ 15,570</u>

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>Bond Retirement Fund</u>				
Total Revenues and Other Financing Sources	\$ 4,157,356	\$ 4,233,240	\$ 4,211,763	\$ (21,477)
Total Expenditures and Other Financing Uses	4,110,143	4,110,143	4,110,143	-
Net Change in Fund Balance	47,213	123,097	101,620	(21,477)
Fund Balance, July 1	874,483	874,483	874,483	-
Fund Balance, June 30	<u>\$ 921,696</u>	<u>\$ 997,580</u>	<u>\$ 976,103</u>	<u>\$ (21,477)</u>

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT FUNDS
JUNE 30, 2017

	Permanent Improvement Fund	Building Fund	Total Nonmajor Capital Project Funds
Assets:			
Equity in pooled cash and investments	\$ 2,551,693	\$ 622,580	\$ 3,174,273
Receivables:			
Property taxes	1,808,042	-	1,808,042
Payment in lieu of taxes	6,941	-	6,941
Accrued interest	-	1,401	1,401
Total assets	<u>\$ 4,366,676</u>	<u>\$ 623,981</u>	<u>\$ 4,990,657</u>
Liabilities:			
Contracts payable	\$ 580,839	\$ -	\$ 580,839
Total liabilities	<u>580,839</u>	<u>-</u>	<u>580,839</u>
Deferred inflows of resources:			
Property taxes levied for the next fiscal year	1,464,994	-	1,464,994
Payment in lieu of taxes levied for the next fiscal year	6,941	-	6,941
Delinquent property tax revenue not available	52,924	-	52,924
Accrued interest not available	-	1,313	1,313
Total deferred inflows of resources	<u>1,524,859</u>	<u>1,313</u>	<u>1,526,172</u>
Fund balances:			
Restricted:			
Capital improvements	2,172,978	622,668	2,795,646
Committed:			
Capital improvements	88,000	-	88,000
Total fund balances	<u>2,260,978</u>	<u>622,668</u>	<u>2,883,646</u>
Total liabilities, deferred inflows and fund balances.	<u>\$ 4,366,676</u>	<u>\$ 623,981</u>	<u>\$ 4,990,657</u>

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

	Permanent Improvement Fund	Building Fund	Total Nonmajor Capital Project Funds
Revenues:			
From local sources:			
Property taxes	\$ 1,768,782	\$ -	\$ 1,768,782
Payment in lieu of taxes	8,041	-	8,041
Earnings on investments	11,725	10,980	22,705
Contributions and donations	113,500	-	113,500
Intergovernmental - state	226,868	-	226,868
Intergovernmental - federal	88,000	-	88,000
Change in fair value of investments	-	(35,895)	(35,895)
	<u>2,216,916</u>	<u>(24,915)</u>	<u>2,192,001</u>
Expenditures:			
Current:			
Instruction:			
Regular	424,492	-	424,492
Support services:			
Business	253,487	-	253,487
Operations and maintenance	8,507	-	8,507
Extracurricular activities	13,035	-	13,035
Facilities acquisition and construction	424,887	-	424,887
	<u>1,124,408</u>	<u>-</u>	<u>1,124,408</u>
Excess (deficiency) of revenues over (under) expenditures.	<u>1,092,508</u>	<u>(24,915)</u>	<u>1,067,593</u>
Other financing (uses):			
Transfer out.	(40,288)	-	(40,288)
	<u>(40,288)</u>	<u>-</u>	<u>(40,288)</u>
Net change in fund balances.	1,052,220	(24,915)	1,027,305
Fund balances at beginning of year	<u>1,208,758</u>	<u>647,583</u>	<u>1,856,341</u>
Fund balances at end of year	<u>\$ 2,260,978</u>	<u>\$ 622,668</u>	<u>\$ 2,883,646</u>

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>Permanent Improvement Fund</u>				
Total Revenues and Other Financing Sources	\$ 2,091,736	\$ 2,106,798	\$ 2,220,089	\$ 113,291
Total Expenditures and Other Financing Uses	<u>2,104,631</u>	<u>2,604,631</u>	<u>1,821,596</u>	<u>783,035</u>
Net Change in Fund Balance	(12,895)	(497,833)	398,493	896,326
Fund Balance, July 1	899,688	899,688	899,688	-
Prior Year Encumbrances Appropriated	<u>246,110</u>	<u>246,110</u>	<u>246,110</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 1,132,903</u>	<u>\$ 647,965</u>	<u>\$ 1,544,291</u>	<u>\$ 896,326</u>
<u>Building Fund</u>				
Total Revenues and Other Financing Sources	\$ 1,500,000	\$ 100,000	\$ 13,235	\$ (86,765)
Total Expenditures and Other Financing Uses	<u>751,182</u>	<u>751,182</u>	<u>97,225</u>	<u>653,957</u>
Net Change in Fund Balance	748,818	(651,182)	(83,990)	567,192
Fund Balance, July 1	607,457	607,457	607,457	-
Prior Year Encumbrances Appropriated	<u>101,182</u>	<u>101,182</u>	<u>101,182</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 1,457,457</u>	<u>\$ 57,457</u>	<u>\$ 624,649</u>	<u>\$ 567,192</u>

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>Endowment Fund</u>				
Total Revenues and Other Financing Sources	\$ 30,000	\$ 30,000	\$ 13,391	\$ (16,609)
Total Expenditures and Other Financing Uses	39,000	39,000	32,000	7,000
Net Change in Fund Balance	(9,000)	(9,000)	(18,609)	(9,609)
Fund Balance, July 1	636,003	636,003	636,003	-
Prior Year Encumbrances Appropriated	9,000	9,000	9,000	-
Fund Balance, June 30	<u>\$ 636,003</u>	<u>\$ 636,003</u>	<u>\$ 626,394</u>	<u>\$ (9,609)</u>

**FINDLAY CITY SCHOOL DISTRICT
PROPRIETARY FUND DESCRIPTION**

Nonmajor Internal Service Fund

Employee Benefits Self Insurance Fund

Section 5705.09, Revised Code

The employee benefits self insurance fund is used to account for monies received from other funds as payment for providing medical, hospitalization, life, dental, vision, and any other similar employee benefits. Since the District maintains only one internal service fund, no combining statements are presented.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>Employee Benefits Self Insurance Fund</u>				
Total Revenues and Other Financing Sources	\$ 7,000,000	\$ 8,100,000	\$ 8,229,543	\$ 129,543
Total Expenses and Other Financing Uses	7,600,701	8,435,701	8,435,456	245
Net Change in Fund Balance	(600,701)	(335,701)	(205,913)	129,788
Fund Balance, July 1	1,485,942	1,485,942	1,485,942	-
Prior Year Encumbrances Appropriated	701	701	701	-
Fund Balance, June 30	<u>\$ 885,942</u>	<u>\$ 1,150,942</u>	<u>\$ 1,280,730</u>	<u>\$ 129,788</u>

**FINDLAY CITY SCHOOL DISTRICT
FIDUCIARY FUND DESCRIPTIONS**

Private Purpose Trust Fund

Scholarship Fund

Section 5705.09, Revised Code

The scholarship fund is used to account for local revenues donated to support scholarships. Since the District maintains only one private purpose trust fund, no combining statements are presented.

Agency Fund

Student Managed Activity Fund

Section 3313.062, Revised Code

A fund used to account for those student activity programs which have student participation in the activity and have student involvement 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

Section 3313.062, Revised Code

A fund used to account for assets held by the District as an agent for individuals, private organizations, and other governmental units.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<u>Scholarship Fund</u>				
Total Revenues and Other Financing Sources	\$ 27,045	\$ 27,045	\$ 24,726	\$ (2,319)
Total Expenditures and Other Financing Uses	46,017	46,017	39,955	6,062
Net Change in Fund Balance	(18,972)	(18,972)	(15,229)	3,743
Fund Balance, July 1	21,225	21,225	21,225	-
Prior Year Encumbrances Appropriated	10,699	10,699	10,699	-
Fund Balance, June 30	<u>\$ 12,952</u>	<u>\$ 12,952</u>	<u>\$ 16,695</u>	<u>\$ 3,743</u>

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

	Beginning Balance July 1, 2016	Additions	Deductions	Ending Balance June 30, 2017
<u>District Agency Fund</u>				
Assets:				
Equity in pooled cash, cash equivalents and investments	\$ 564	\$ 53,471	\$ (52,999)	\$ 1,036
Total assets	<u>\$ 564</u>	<u>\$ 53,471</u>	<u>\$ (52,999)</u>	<u>\$ 1,036</u>
Liabilities:				
Pension obligation payable	\$ 74	\$ -	\$ (74)	\$ -
Due to students	490	53,471	(52,925)	1,036
Total liabilities	<u>\$ 564</u>	<u>\$ 53,471</u>	<u>\$ (52,999)</u>	<u>\$ 1,036</u>
<u>Student Managed Activity Fund</u>				
Assets:				
Equity in pooled cash, cash equivalents and investments	\$ 122,136	\$ 123,051	\$ (107,666)	\$ 137,521
Receivables Accounts	588	-	(588)	-
Total assets	<u>\$ 122,724</u>	<u>\$ 123,051</u>	<u>\$ (108,254)</u>	<u>\$ 137,521</u>
Liabilities:				
Due to students	\$ 122,724	\$ 123,051	\$ (108,254)	\$ 137,521
Total liabilities	<u>\$ 122,724</u>	<u>\$ 123,051</u>	<u>\$ (108,254)</u>	<u>\$ 137,521</u>
<u>Total Agency Funds</u>				
Assets:				
Equity in pooled cash, cash equivalents and investments	\$ 122,700	\$ 176,522	\$ (160,665)	\$ 138,557
Receivables Accounts	588	-	(588)	-
Total assets	<u>\$ 123,288</u>	<u>\$ 176,522</u>	<u>\$ (161,253)</u>	<u>\$ 138,557</u>
Liabilities:				
Pension obligation payable	\$ 74	\$ -	\$ (74)	\$ -
Due to students	123,214	176,522	(161,179)	138,557
Total liabilities	<u>\$ 123,288</u>	<u>\$ 176,522</u>	<u>\$ (161,253)</u>	<u>\$ 138,557</u>

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STATISTICAL SECTION

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**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

STATISTICAL SECTION

This part of the Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial position.

<u>Contents</u>	<u>Page</u>
Financial Trends: These schedules present trend information to demonstrate how the District's financial position and financial performance have changed over time.	S2 - S13
Revenue Capacity: These schedules present information to identify the capacity of the District's most significant local revenue source, property taxes.	S14 - S21
Debt Capacity: These schedules present information to assess the capacity of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	S22 - S25
Demographic and Economic Information: These schedules present information to show demographic and economic indicators of the environment within which the District's financial operations occur.	S26 - S27
Operating Information: These schedules present information about how the District's basic financial statements relate to the programs and services the District provides and the activities it performs.	S28 - S36
Sources: Sources are noted on the individual schedules.	

FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO
NET POSITION BY COMPONENT
ACCRUAL BASIS OF ACCOUNTING
LAST TEN FISCAL YEARS

<u>Governmental Activities</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>Net Position:</u>				
Net investment in capital assets	\$ 49,016,340	\$ 47,538,520	\$ 43,804,562	\$ 40,058,592
Restricted	7,138,085	6,411,757	9,259,238	11,663,339
Unrestricted (deficit)	<u>(76,813,102)</u>	<u>(71,189,360)</u>	<u>(70,709,656)</u>	<u>(72,178,719)</u>
Total governmental activities net position (deficit)	<u>\$ (20,658,677)</u>	<u>\$ (17,239,083)</u>	<u>\$ (17,645,856)</u>	<u>\$ (20,456,788)</u>

Source: Findlay CSD, Treasurer's Office.

Notes:

2012 amounts have been restated due to the implementation of GASB Statement No. 65.

2014 amounts have been restated due to implementation of GASB Statements No. 68 and No. 71.

2013	2012	2011	2010	2009	2008
\$ 36,707,854	\$ 33,870,976	\$ 17,194,091	\$ 15,084,461	\$ 13,598,457	\$ 11,666,148
11,034,090	9,747,567	24,592,513	22,508,530	3,546,125	2,789,266
9,369,113	10,025,932	6,919,739	4,627,370	4,826,479	5,798,930
<u>\$ 57,111,057</u>	<u>\$ 53,644,475</u>	<u>\$ 48,706,343</u>	<u>\$ 42,220,361</u>	<u>\$ 21,971,061</u>	<u>\$ 20,254,344</u>

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

CHANGES IN NET POSITION
ACCRUAL BASIS OF ACCOUNTING

LAST TEN FISCAL YEARS

Governmental Activities	2017	2016	2015	2014
Expenses:				
Instruction:				
Regular	\$ 29,049,482	\$ 24,498,426	\$ 24,614,019	\$ 24,083,569
Special	11,027,071	8,993,961	8,667,445	8,265,718
Vocational	3,945,264	3,530,574	3,261,293	3,200,325
Adult/continuing	29,835	30,268	48,764	71,734
Other	6,477,905	6,028,071	5,868,375	6,202,914
Support services:				
Pupil	3,334,374	2,811,482	2,623,398	2,558,309
Instructional staff	3,307,013	2,767,588	2,689,001	2,441,485
Board of education	191,696	178,336	191,883	147,509
Administration	4,662,980	4,042,315	4,259,706	3,746,934
Fiscal	1,446,548	1,354,689	1,325,530	1,235,660
Business	-	32,028	251,543	338,924
Operations and maintenance	6,772,689	8,987,724	7,031,705	5,594,361
Pupil transportation	2,871,394	2,392,247	2,279,661	2,271,051
Central	172,565	138,237	160,818	257,891
Operation of non-instructional services:				
Other non-instructional services	852,959	718,193	651,026	602,798
Food service operations	1,906,801	1,709,784	1,802,043	1,367,641
Extracurricular activities	1,762,566	1,309,874	1,374,947	1,656,885
Interest and fiscal charges	2,843,954	2,869,740	2,889,685	2,916,386
Total governmental activities expenses	<u>\$ 80,655,096</u>	<u>\$ 72,393,537</u>	<u>\$ 69,990,842</u>	<u>\$ 66,960,094</u>

Note: 2012 amounts have been restated due to the implementation of GASB Statement No. 65.

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$	22,985,792	\$ 23,783,570	\$ 24,035,747	\$ 24,815,455	\$ 25,159,062	\$ 26,196,394
	6,886,178	6,927,703	7,731,994	7,632,767	7,380,789	7,342,020
	2,849,763	2,671,736	2,847,494	2,980,116	3,589,139	2,974,529
	95,473	92,038	112,119	128,224	154,366	-
	5,561,892	5,027,978	4,233,845	3,399,411	2,753,803	2,245,606
	3,883,659	2,715,860	2,945,192	3,148,186	3,116,136	2,830,187
	4,451,017	4,571,308	4,829,089	4,926,352	4,482,244	3,953,929
	135,643	133,632	181,030	162,047	95,943	172,550
	3,730,286	3,818,259	4,209,417	4,105,906	4,152,921	3,867,750
	1,383,421	1,467,637	1,543,490	1,488,289	1,483,958	1,493,860
	-	-	-	-	44,109	-
	3,248,967	5,412,920	5,365,383	5,958,054	6,467,052	5,410,595
	2,185,744	2,131,581	2,113,301	2,126,078	2,165,597	2,151,281
	117,913	151,120	165,664	156,585	198,870	170,094
	649,898	577,016	596,615	659,606	715,273	487,370
	1,625,835	1,911,192	1,881,937	2,081,952	1,876,647	1,884,913
	1,267,489	1,154,589	1,421,284	1,360,886	1,404,405	1,357,637
	2,942,525	2,962,353	2,994,671	1,257,804	87,045	121,236
\$	<u>64,001,495</u>	<u>\$ 65,510,492</u>	<u>\$ 67,208,272</u>	<u>\$ 66,387,718</u>	<u>\$ 65,327,359</u>	<u>\$ 62,659,951</u>

(continued)

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

CHANGES IN NET POSITION
ACCRUAL BASIS OF ACCOUNTING

LAST TEN FISCAL YEARS

<u>Governmental Activities</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>Program Revenues:</u>				
Charges for services:				
Instruction:				
Regular	\$ 2,434,671	\$ 1,909,417	\$ 2,022,101	\$ 1,847,438
Special	950,681	368,081	76,735	526,559
Vocational	145,419	285,536	381,012	785,502
Adult/continuing	29,561	25,564	42,285	-
Other	15	-	-	-
Support services:				
Pupil	95,075	57,551	1,545	-
Instructional staff	539,949	458,285	426,753	-
Board of education	-	-	276	439
Administration	10,492	7,445	10,618	12,099
Fiscal	146	-	157	123
Business	-	4,204	-	-
Operations and maintenance	393,548	415,064	421,842	412,041
Pupil transportation	5,112	5,489	4,313	20,487
Central	5,507	5,602	3,653	7,082
Operation of non-instructional services:				
Other non-instructional services	217,058	206,365	195,906	181,632
Food service operations	557,316	574,497	608,977	528,281
Extracurricular activities	574,992	598,620	516,143	688,814
Operating grants and contributions:				
Instruction:				
Regular	547,126	445,267	567,485	387,026
Special	5,469,236	4,974,263	5,153,370	4,708,837
Vocational	683,699	563,460	450,782	392,353
Adult/continuing	-	-	-	-
Other	8,958	121,112	112,991	184,879
Support services:				
Pupil	182,352	197,766	229,965	250,377
Instructional staff	278,038	243,707	307,107	290,662
Administration	11,720	8,235	9,304	11,530
Fiscal	-	-	-	-
Operations and maintenance	320,119	325,578	308,462	294,957
Pupil transportation	160,367	158,838	117,438	111,015
Central	-	-	-	-
Operation of non-instructional services:				
Other non-instructional services	433,863	419,623	425,164	439,458
Food service operations	1,152,071	1,207,150	1,196,485	1,114,686
Extracurricular activities	102,053	58,168	61,318	52,304
Capital grants and contributions:				
Instruction:				
Regular	191,768	108,396	120,071	590,524
Support services:				
Pupil	-	-	-	-
Board of education	-	-	-	77,678
Administration	-	-	-	140,845
Fiscal	-	-	-	444,078
Business	-	1,938	2,171	-
Operations and maintenance	3,843	14,344	3,453	-
Pupil transportation	-	-	-	-
Extracurricular activities	5,889	4,109	1,105	13,540
Total governmental activities program revenues	<u>\$ 15,510,644</u>	<u>\$ 13,773,674</u>	<u>\$ 13,778,987</u>	<u>\$ 14,515,246</u>
Net Revenue/(Expense)	\$ (65,144,452)	\$ (58,619,863)	\$ (56,211,855)	\$ (52,444,848)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$	1,580,078	\$ 1,781,710	\$ 1,988,965	\$ 1,986,350	\$ 2,497,334	\$ 2,452,073
	517,515	672,592	435,144	448,454	488,310	397,500
	743,312	716,532	929,015	1,058,036	304,113	603,375
	-	-	-	-	-	-
	-	290	-	-	-	70,000
	-	-	-	-	-	-
	-	-	-	2	-	141
	-	-	-	-	-	-
	-	-	-	1,748	5,854	10,327
	-	-	-	-	17	-
	-	-	-	-	-	-
	289,108	160,018	37,051	70,474	56,178	79,575
	7,170	-	-	459	2,365	969
	-	-	-	952	1,785	-
	159,904	-	-	157,449	163,838	48,618
	520,556	624,541	736,579	894,769	884,000	851,519
	467,293	554,939	520,371	479,054	512,494	447,455
	581,536	546,041	2,119,682	938,302	1,324,528	604,819
	3,324,901	3,077,825	3,759,551	1,944,128	2,947,794	2,932,001
	393,492	411,411	303,867	381,644	403,721	392,516
	-	-	-	86,920	-	-
	16,800	42,058	242,953	-	845	8
	244,165	284,880	295,454	309,615	301,711	308,060
	1,019,780	1,008,606	1,254,666	1,072,593	1,010,815	950,239
	17,956	17,279	17,972	18,939	17,883	17,347
	-	-	-	-	327	-
	312,536	314,011	276,576	282,329	258,053	385,098
	100,728	93,044	173,935	73,492	89,528	84,846
	-	20,960	5,000	23,485	52,930	21,989
	480,775	429,531	409,875	475,578	499,572	468,226
	1,068,542	1,239,951	1,108,268	1,217,708	1,059,803	903,208
	112,994	54,889	706,197	580,973	18,098	17,976
	-	11,000	-	-	121,271	233,259
	-	-	-	-	8,004	31,767
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	13,295	297
	-	-	-	-	158,378	20,071
	100,000	-	-	-	5,236	7,613
\$	<u>12,059,141</u>	<u>\$ 12,062,108</u>	<u>\$ 15,321,121</u>	<u>\$ 12,503,453</u>	<u>\$ 13,208,080</u>	<u>\$ 12,340,892</u>
\$	<u>(51,942,354)</u>	<u>\$ (53,448,384)</u>	<u>\$ (51,887,151)</u>	<u>\$ (53,884,265)</u>	<u>\$ (52,119,279)</u>	<u>\$ (50,319,059)</u>

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

CHANGES IN NET POSITION
ACCRUAL BASIS OF ACCOUNTING

LAST TEN FISCAL YEARS

<u>Governmental Activities</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
General Revenues and				
<u>Other Changes in Net Position:</u>				
Property taxes levied for:				
General purposes	\$ 26,466,556	\$ 25,079,958	\$ 24,777,271	\$ 25,863,927
Debt service	3,041,848	2,861,429	2,835,907	2,978,497
Capital projects	1,770,793	1,701,291	1,684,842	1,770,634
Grants and entitlements				
not restricted to specific programs	29,344,856	28,752,689	28,843,874	26,971,165
Grants and entitlements restricted for				
Ohio School Facilities Commission	-	-	-	-
Investment earnings	241,396	269,681	272,024	314,511
Increase (decrease) in fair value of investments	47,786	154,578	31,773	165,012
Payments in-lieu of taxes	171,444	170,058	170,693	174,910
Gain on sale of assets	-	-	-	-
Miscellaneous	640,179	772,909	406,403	505,648
Total governmental activities general revenues	<u>\$ 61,724,858</u>	<u>\$ 59,762,593</u>	<u>\$ 59,022,787</u>	<u>\$ 58,744,304</u>
<u>Special Item:</u>				
Repayment of OFCC funding	<u>\$ -</u>	<u>\$ (735,957)</u>	<u>\$ -</u>	<u>\$ -</u>
Change in Net Position	<u>\$ (3,419,594)</u>	<u>\$ 406,773</u>	<u>\$ 2,810,932</u>	<u>\$ 6,299,456</u>

Source: Findlay CSD, Treasurer's Office.

Note: 2012 amounts have been restated due to the implementation of GASB Statement No. 65.

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$	24,466,445	\$ 26,068,254	\$ 25,022,687	\$ 22,896,396	\$ 25,284,305	\$ 27,357,581
	2,864,622	3,148,655	2,891,446	1,702,134	108,061	108,061
	1,687,333	1,825,682	1,743,558	1,622,185	1,793,374	1,995,210
	25,516,833	26,451,719	27,200,127	27,944,202	25,247,868	24,497,427
	-	-	-	18,410,485	-	-
	780,537	673,443	788,385	854,036	694,018	509,130
	(812,351)	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	144,042	-	-
	905,517	693,998	726,930	560,085	708,370	504,321
\$	<u>55,408,936</u>	<u>\$ 58,861,751</u>	<u>\$ 58,373,133</u>	<u>\$ 74,133,565</u>	<u>\$ 53,835,996</u>	<u>\$ 54,971,730</u>
\$	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$	<u>3,466,582</u>	<u>\$ 5,413,367</u>	<u>\$ 6,485,982</u>	<u>\$ 20,249,300</u>	<u>\$ 1,716,717</u>	<u>\$ 4,652,671</u>

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

FUND BALANCES - GOVERNMENTAL FUNDS
MODIFIED ACCRUAL BASIS OF ACCOUNTING

LAST TEN FISCAL YEARS

Governmental Funds	2017	2016	2015	2014
<u>General Fund:</u>				
Fund Balance:				
Nonspendable	\$ 153,880	\$ 124,996	\$ 89,854	\$ 88,850
Committed	189,310	-	-	-
Assigned	6,559,230	4,803,067	3,820,944	2,145,977
Unassigned	3,972,968	7,840,529	8,909,353	9,814,605
Reserved	-	-	-	-
Unreserved	-	-	-	-
Total general fund	<u>\$ 10,875,388</u>	<u>\$ 12,768,592</u>	<u>\$ 12,820,151</u>	<u>\$ 12,049,432</u>
<u>Other Governmental Funds:</u>				
Fund Balance:				
Nonspendable	\$ 626,102	\$ 614,910	\$ 618,000	\$ 637,756
Restricted	7,332,159	6,508,323	9,212,582	11,302,752
Committed	88,000	168,000	180,000	100,000
Unassigned (deficit)	(152,010)	(255,949)	(124,702)	(601)
Reserved	-	-	-	-
Unreserved, reported in:				
Special revenue funds	-	-	-	-
Capital projects funds	-	-	-	-
Permanent fund	-	-	-	-
Total other governmental funds	<u>\$ 7,894,251</u>	<u>\$ 7,035,284</u>	<u>\$ 9,885,880</u>	<u>\$ 12,039,907</u>
Total governmental funds	<u>\$ 18,769,639</u>	<u>\$ 19,803,876</u>	<u>\$ 22,706,031</u>	<u>\$ 24,089,339</u>

Source: Findlay CSD, Treasurer's Office.

Note: The District implemented GASB Statement No. 54 in 2011, which changed the fund balance classifications.

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 118,446	\$ 118,456	\$ 153,624	\$ -	\$ -	\$ -
-	-	-	-	-	-
3,401,843	1,236,841	1,964,729	-	-	-
5,889,856	8,660,868	5,122,427	-	-	-
-	-	-	2,881,936	3,811,682	2,971,277
-	-	-	3,335,028	3,393,209	2,815,693
<u>\$ 9,410,145</u>	<u>\$ 10,016,165</u>	<u>\$ 7,240,780</u>	<u>\$ 6,216,964</u>	<u>\$ 7,204,891</u>	<u>\$ 5,786,970</u>
\$ 636,057	\$ 634,886	\$ 641,382	\$ -	\$ -	\$ -
12,357,926	36,614,180	70,597,302	-	-	-
228,736	707,531	200,000	-	-	-
(83,806)	(64,758)	(61,130)	-	-	-
-	-	-	2,807,585	1,597,917	2,059,883
-	-	-	1,649,729	1,033,743	662,125
-	-	-	54,459,468	783,510	148,734
-	-	-	96,811	68,440	60,841
<u>\$ 13,138,913</u>	<u>\$ 37,891,839</u>	<u>\$ 71,377,554</u>	<u>\$ 59,013,593</u>	<u>\$ 3,483,610</u>	<u>\$ 2,931,583</u>
<u>\$ 22,549,058</u>	<u>\$ 47,908,004</u>	<u>\$ 78,618,334</u>	<u>\$ 65,230,557</u>	<u>\$ 10,688,501</u>	<u>\$ 8,718,553</u>

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
MODIFIED ACCRUAL BASIS OF ACCOUNTING

LAST TEN FISCAL YEARS

Governmental Funds	2017	2016	2015	2014
Revenues:				
From local sources:				
Taxes	\$ 31,234,489	\$ 29,984,910	\$ 29,366,155	\$ 30,706,695
Payment in lieu of taxes	171,444	170,058	170,693	174,910
Tuition	3,686,288	2,739,118	2,446,199	2,775,017
Earnings on investments	238,155	282,990	259,501	282,481
Charges for services	557,316	574,497	608,977	528,281
Extracurricular	586,282	608,638	526,340	720,617
Classroom materials and fees	383,768	366,140	374,768	406,042
Rental income	393,548	415,064	421,842	412,041
Contributions and donations	445,184	487,956	430,433	1,581,188
Contract services	165,205	106,306	105,689	60,069
Other local revenues	1,185,495	1,156,043	856,912	759,346
Intergovernmental - State	32,465,146	31,652,781	31,172,018	29,213,125
Intergovernmental - Federal	5,578,863	5,277,136	6,075,959	5,801,140
Change in fair value of investments	47,786	154,578	31,773	165,012
Total revenues	77,138,969	73,976,215	72,847,259	73,585,964
Expenditures:				
Current:				
Instruction:				
Regular	27,347,160	25,120,565	24,944,049	24,081,493
Special	9,963,828	8,741,792	8,533,770	8,068,212
Vocational	3,487,720	3,329,692	2,986,698	2,957,248
Adult/continuing	28,000	30,523	49,227	71,287
Other	6,463,638	5,997,447	5,911,925	6,202,914
Support services:				
Pupil	3,032,569	2,781,717	2,661,930	2,524,652
Instructional staff	3,009,427	2,716,480	2,571,724	2,400,412
Board of education	191,696	178,336	191,883	147,509
Administration	4,218,250	3,931,083	4,230,431	3,634,690
Fiscal	1,320,033	1,262,799	1,261,457	1,200,695
Business	253,487	32,028	251,543	338,924
Operations and maintenance	7,118,322	8,996,967	6,953,020	5,913,734
Pupil transportation	2,858,691	2,215,245	2,123,938	2,600,092
Central	160,510	135,994	126,967	173,464
Operation of non-instructional services:				
Other non-instructional services	690,361	589,586	589,435	540,297
Food service operations	1,756,110	1,747,512	1,738,087	1,638,844
Extracurricular activities	1,651,230	1,557,840	1,357,825	1,609,160
Facilities acquisition and construction	451,993	2,773,463	3,717,892	3,489,851
Debt service:				
Principal retirement	1,395,000	1,245,000	1,220,000	1,560,548
Interest and fiscal charges	2,715,143	2,766,150	2,807,165	2,852,534
Bond issuance costs	-	-	-	-
Total expenditures	78,113,168	76,150,219	74,228,966	72,006,560
Excess (deficiency) of revenues over (under) expenditures	(974,199)	(2,174,004)	(1,381,707)	1,579,404
Other Financing Sources (Uses):				
Transfers in	40,288	2,256,437	27,167	22,574
Transfers (out)	(40,288)	(2,256,437)	(27,167)	(22,574)
Sale of capital assets	-	-	-	-
Sale of bonds	-	-	-	-
Premium on bonds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Special Item:				
Repayment of OFCC funding	-	(735,957)	-	-
Net change in fund balances	\$ (974,199)	\$ (2,909,961)	\$ (1,381,707)	\$ 1,579,404
Debt service as a percentage of noncapital expenditures	5.52%	5.69%	5.83%	6.62%

Source: Findlay CSD, Treasurer's Office.

	2013	2012	2011	2010	2009	2008
\$	29,016,594	\$ 31,115,695	\$ 29,657,440	\$ 26,173,376	\$ 28,225,572	\$ 29,267,804
	202,827	164,014	160,004	-	-	-
	2,584,716	2,754,251	2,922,363	3,200,512	2,988,178	2,561,600
	797,745	895,844	692,126	692,725	829,673	664,436
	520,556	624,541	736,579	833,365	884,000	851,519
	484,423	565,694	533,387	493,079	532,585	475,029
	367,008	375,215	372,291	400,580	406,072	358,127
	270,014	160,018	165,277	48,655	42,764	-
	494,554	366,731	377,333	355,576	394,901	-
	58,219	30,903	45,454	60,152	-	-
	756,389	677,759	438,692	557,258	758,709	1,062,082
	28,028,512	29,970,887	41,535,537	30,197,993	28,723,675	26,078,163
	5,649,228	6,410,389	7,994,456	6,884,097	4,486,472	5,561,700
	(812,351)	-	-	-	-	-
	<u>68,418,434</u>	<u>74,111,941</u>	<u>85,630,939</u>	<u>69,897,368</u>	<u>68,272,601</u>	<u>66,880,460</u>
	23,021,813	23,527,813	24,239,559	24,749,868	24,630,850	26,634,467
	6,773,630	6,842,708	7,860,250	7,685,426	7,207,072	7,120,328
	2,634,910	2,568,092	2,827,020	2,999,561	3,433,998	2,835,411
	96,140	92,651	112,271	128,340	155,179	-
	5,561,892	5,028,013	4,233,845	3,399,411	2,768,086	2,222,197
	5,090,474	4,218,995	2,949,238	3,239,492	3,057,755	2,774,078
	4,384,397	4,572,768	4,914,694	4,911,676	4,557,078	3,752,110
	135,643	133,632	181,030	162,047	96,451	170,763
	3,847,219	3,787,213	4,142,449	4,050,210	4,112,967	3,743,620
	1,406,882	1,457,419	1,528,310	1,472,052	1,450,467	1,457,330
	-	-	-	-	44,346	-
	5,631,954	5,645,094	5,664,620	5,936,118	6,420,137	6,297,877
	2,076,964	2,057,066	2,375,884	2,029,893	2,544,164	2,138,796
	121,610	161,638	183,106	158,250	191,755	166,780
	607,178	549,242	595,773	623,539	658,433	437,777
	1,625,328	1,879,055	1,839,679	2,089,882	1,893,068	1,839,020
	1,412,382	1,463,091	1,432,812	1,364,871	1,412,921	1,348,542
	25,055,954	36,606,836	2,949,104	3,286,354	1,202,504	1,353,395
	1,499,571	1,295,510	1,258,396	401,812	388,149	959,328
	2,892,806	2,923,859	2,948,324	1,014,501	88,219	124,867
	-	-	-	500,721	-	-
	<u>93,876,747</u>	<u>104,810,695</u>	<u>72,236,364</u>	<u>70,204,024</u>	<u>66,313,599</u>	<u>65,376,686</u>
	(25,458,313)	(30,698,754)	13,394,575	(306,656)	1,959,002	1,503,774
	150,624	271,394	348,273	39,591,629	75,000	665,000
	(150,624)	(271,394)	(348,273)	(39,591,629)	(75,000)	(665,000)
	92,972	-	20	152,500	-	-
	-	-	-	54,192,135	-	-
	-	-	-	509,424	-	-
	<u>92,972</u>	<u>-</u>	<u>20</u>	<u>54,854,059</u>	<u>-</u>	<u>-</u>
	-	-	-	-	-	-
\$	<u>(25,365,341)</u>	<u>(30,698,754)</u>	<u>13,394,595</u>	<u>54,547,403</u>	<u>1,959,002</u>	<u>1,503,774</u>

6.80%

6.40%

6.14%

2.87%

0.75%

1.76%

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

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

Calendar Year	Real Estate Property		General Tangible Personal Property		Public Utility Tangible Personal Property	
	Assessed Valuation	Estimated Actual Valuation (a)	Assessed Valuation	Estimated Actual Valuation (a)	Assessed Valuation	Estimated Actual Valuation (a)
2017	\$ 772,328,730	2,206,653,514	\$ -	\$ -	\$ 44,265,910	\$ 50,302,170
2016	744,674,000	2,127,640,000	-	-	38,702,510	43,980,125
2015	739,502,700	2,112,864,857	-	-	33,679,160	38,271,773
2014	736,299,030	2,103,711,514	-	-	32,567,900	37,008,977
2013	745,725,300	2,130,643,714	-	-	24,973,460	28,378,932
2012	741,894,780	2,119,699,371	-	-	23,297,920	26,474,909
2011	745,637,250	2,130,392,143	-	-	22,501,820	25,570,250
2010	784,269,630	2,240,770,371	-	-	21,541,150	24,478,580
2009	780,240,270	2,229,257,914	1,358,660	5,434,640	20,228,090	22,986,466
2008	774,075,810	2,211,645,171	30,088,700	120,354,800	18,881,860	21,456,659

Source: Hancock County Auditor.

(a) These amounts are calculated based on the following percentages:

Real estate property is assessed at 35 percent of estimated actual value for 2014.

Public utility tangible personal property is assessed at 88 percent of estimated actual value for 2014.

Total Property		Assessed Valuation as a Percent of Estimated Actual Valuation	Direct Property Tax Rate
Assessed Valuation	Estimated Actual Valuation		
\$ 816,594,640	\$ 2,256,955,685	36.18%	\$ 64.95
783,376,510	2,171,620,125	36.07%	64.94
773,181,860	2,151,136,630	35.94%	64.95
768,866,930	2,140,720,492	35.92%	64.95
770,698,760	2,159,022,646	35.70%	64.95
765,192,700	2,146,174,281	35.65%	64.95
768,139,070	2,155,962,393	35.63%	64.99
805,810,780	2,265,248,951	35.57%	64.18
801,827,020	2,257,679,020	35.52%	60.75
823,046,370	2,353,456,631	34.97%	60.75

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**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUATION)

LAST TEN CALENDAR YEARS

Calendar Year	Direct Rates					Overlapping Rates					Total
	Voted			Unvoted	Total Direct	City of Findlay	Hancock County	Hancock County Park District	Findlay Hancock Public Library		
	General	Bond	Permanent Improvement								
2017	\$ 52.95	\$ 4.20	\$ 2.50	\$ 5.30	\$ 64.95	\$ 3.20	\$ 7.80	\$ 0.80	\$ 0.50	77.25	
2016	52.95	4.19	2.50	5.30	64.94	3.20	7.80	0.80	0.50	77.24	
2015	52.95	4.20	2.50	5.30	64.95	3.20	7.80	0.80	0.50	77.25	
2014	52.95	4.20	2.50	5.30	64.95	3.20	7.80	0.80	0.50	77.25	
2013	52.95	4.20	2.50	5.30	64.95	3.20	7.80	0.80	0.50	77.25	
2012	52.95	4.20	2.50	5.30	64.95	3.20	7.80	0.80	0.50	77.25	
2011	52.95	4.24	2.50	5.30	64.99	3.20	7.80	0.80	0.50	77.29	
2010	52.95	3.43	2.50	5.30	64.18	3.20	7.80	0.80	-	75.98	
2009	52.95	-	2.50	5.30	60.75	3.20	7.80	0.80	-	72.55	
2008	52.95	-	2.50	5.30	60.75	3.20	7.80	0.80	-	72.55	

Source: Hancock County Auditor.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

PRINCIPAL TAXPAYERS
REAL ESTATE PROPERTY

DECEMBER 31, 2016 AND DECEMBER 31, 2007

December 31, 2016			
Taxpayer	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Marathon Petroleum Company LP	\$ 9,594,810	1	1.22%
Blanchard Valley Port Authority	7,357,760	2	0.94%
Findlay Shopping Center	4,722,360	3	0.60%
Nissin Brake Ohio Inc	4,595,780	4	0.59%
LP Investment Co	3,550,400	5	0.45%
Ohio Logistics II LLC	2,612,820	6	0.33%
DDC Hotels Inc	2,294,980	7	0.29%
Lowe's Home Centers Inc	2,113,850	8	0.27%
Trilogy Real Estate of Findlay LLC	1,686,210	9	0.22%
Glaser Charleston LLC	1,637,510	10	0.21%
Total	\$ 40,166,480		\$ 783,376,510

December 31, 2007			
Taxpayer	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Marathon Oil / Ashland Petroleum Co.	\$ 10,646,930	1	1.30%
Cooper Tire & Rubber Co.	8,950,190	2	1.10%
Findlay Shopping Center, Inc.	6,460,380	3	0.79%
Ohio Power Co.	5,921,580	4	0.73%
Logistics Solutions of Ohio	3,844,010	5	0.47%
Lowe's Home Centers, Inc.	2,348,110	6	0.29%
LP Investment Co.	2,285,420	7	0.28%
Gardner, Phillip D. - Trustee	1,933,310	8	0.24%
Massillon Apartments	1,858,540	9	0.23%
Arbors of Findlay, LTD.	1,786,680	10	0.22%
	\$ 46,035,150		\$ 816,272,478

Source: Hancock County Auditor.

Note: Tax information is available on a calendar year basis. Therefore, principal taxpayer information for real estate property taxes is presented for December 31, 2016 (the most recent information available) and December 31, 2007 (nine years prior, in accordance with GASB Statement No. 44).

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**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN CALENDAR YEARS

<u>Calendar Year</u>	<u>Current Taxes Levied</u>	<u>Delinquent Taxes Levied</u>	<u>Total Taxes Levied</u>	<u>Current Taxes Collected</u>	<u>Percent of Current Tax Levy Collected</u>
2016	\$ 31,124,453	\$ 1,151,676	\$ 32,276,129	\$ 29,466,542	94.67%
2015	30,197,809	1,210,915	31,408,724	28,806,150	95.39%
2014	29,646,307	1,619,180	31,265,486	28,666,392	96.69%
2013	29,426,706	1,928,138	31,354,844	28,088,483	95.45%
2012	29,184,426	1,687,688	30,872,114	28,026,040	96.03%
2011	28,946,533	1,629,467	30,576,000	28,039,998	96.87%
2010	28,973,886	1,787,797	30,761,683	27,474,394	94.82%
2009	25,476,595	1,581,190	27,057,785	24,393,739	95.75%
2008	25,255,090	1,439,707	26,694,797	25,050,955	99.19%
2007	27,606,133	1,425,582	29,031,715	26,762,857	96.95%

Source: Hancock County Auditor.

An adjustment was made to 2009 and 2010 total taxes collected due to an estimate made by the treasurer of amounts paid ahead, Board of Revision adjustments and penalty fees.

Delinquent Taxes Collected	Total Taxes Collected	Total Taxes Collected as a Percent of Total Tax Levy
\$ 871,460	\$ 30,338,002	94.00%
929,475	29,735,625	94.67%
1,180,537	29,846,929	95.46%
880,527	28,969,010	92.39%
863,835	28,889,875	93.58%
926,797	28,966,795	94.74%
994,922	28,469,316	92.55%
789,927	25,183,666	93.07%
966,563	26,017,518	97.46%
880,735	27,643,592	95.22%

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Long-Term Debt				Total Long-Term Debt	Total Long-Term Debt Per Student	Total Long-Term Debt Per Capita	Percentage of Total Long-Term Debt to Total Personal Income
	Asbestos Removal Loans	Capital Leases	General Obligation Bonds	Energy Conservation Loans				
2017	\$ -	\$ -	\$ 47,281,362	\$ -	\$ 47,281,362	\$ 8,299	\$ 1,141	4.68%
2016	-	-	48,543,019	-	48,543,019	8,316	1,178	4.83%
2015	-	-	49,680,878	-	49,680,878	8,485	1,209	4.88%
2014	-	-	50,815,409	-	50,815,409	8,718	1,167	4.70%
2013	-	355,548	51,952,871	-	52,308,419	9,086	1,260	4.81%
2012	30,700	694,419	53,030,165	-	53,755,284	9,268	1,305	5.31%
2011	103,101	1,017,528	53,889,727	-	55,010,356	9,642	1,335	5.43%
2010	203,415	1,325,610	54,709,439	-	56,238,464	9,610	1,443	5.94%
2009	311,476	1,619,361	-	-	1,930,837	324	50	0.20%
2008	419,537	1,899,449	-	-	2,318,986	387	62	0.24%

Source: Findlay CSD, Treasurer's Office.

FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST EIGHT FISCAL YEARS

Fiscal Year	General Obligation Bonded Debt			Percentage of Actual Taxable Value of Property	Net Bonded Debt Per Capita
	General Obligation Bonds	Debt Service Available Balance (a)	Net Bonded Debt		
2017	\$ 47,281,362	\$ 1,479,953	\$ 45,801,409	2.03%	\$ 1,106
2016	48,543,019	1,355,578	47,187,441	2.17%	1,145
2015	49,680,878	1,341,762	48,339,116	2.25%	1,176
2014	50,815,409	1,394,652	49,420,757	2.31%	1,135
2013	51,952,871	1,225,964	50,726,907	2.35%	1,222
2012	53,030,165	1,252,581	51,777,584	2.41%	1,257
2011	53,889,727	1,246,050	52,643,677	2.44%	1,278
2010	54,709,439	1,023,729	53,685,710	2.37%	1,378

Source: Findlay CSD, Treasurer's Office.

(a) Modified accrual fund balance of the debt service fund.

The District did not have general obligation bonds outstanding prior to fiscal year 2010.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

DIRECT AND OVERLAPPING DEBT

JUNE 30, 2017

<u>Government Entity</u>	<u>Governmental Activities Outstanding Debt</u>	<u>Percentage Applicable to the District (a)</u>	<u>Amount Applicable to the District</u>
<u>Direct debt:</u>			
Findlay City School District	\$ 47,281,362	100.00%	\$ 47,281,362
Total direct debt	<u>47,281,362</u>		<u>47,281,362</u>
<u>Overlapping debt:</u>			
City of Findlay	6,130,000	86.66%	5,312,258
Hancock County	9,651,578	42.78%	4,128,945
Total overlapping debt	<u>15,781,578</u>		<u>9,441,203</u>
Total direct and overlapping debt	<u>\$ 63,062,940</u>		<u>\$ 56,722,565</u>

Sources: Findlay CSD, Treasurer's Office; City of Findlay; and Hancock County 2016 CAFRs.

(a) Percentages applicable to the District were determined by dividing the 2016 assessed valuation of the government entity located within the boundaries of the District by the 2016 assessed valuation of the government entity in total.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

LEGAL VOTED DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

Fiscal Year	Legal Voted Debt Limitation (a)	Total Debt Applicable to Limitation	Debt Service Available Balance	Net Debt Applicable to Limitation	Legal Voted Debt Margin	Net Debt Applicable to Limitation as a Percent of Voted Debt Limitation
2017	\$ 73,493,518	\$ 46,247,135	\$ 1,479,953	\$ 44,767,182	\$ 28,726,336	60.91%
2016	70,503,886	47,642,135	1,355,578	46,286,557	24,217,329	65.65%
2015	69,586,367	48,887,135	1,341,762	47,545,373	22,040,994	68.33%
2014	69,198,024	50,107,135	1,394,652	48,712,483	20,485,541	70.40%
2013	69,362,888	51,312,135	1,225,964	50,086,171	19,276,717	72.21%
2012	68,867,343	52,442,135	1,252,581	51,189,554	17,677,789	74.33%
2011	69,132,516	53,342,135	1,246,050	52,096,085	17,036,431	75.36%
2010	72,517,597	54,192,135	844,729	53,347,406	19,170,191	73.56%
2009	70,221,624	-	-	-	70,221,624	0.00%
2008	69,666,823	-	-	-	69,666,823	0.00%

Source: Findlay CSD, Treasurer's Office.

(a) Ohio Revised Code states that the legal voted debt limitation is 9% of the total assessed valuation.

FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS

Fiscal Year	Average Daily Membership	Population	Total Personal Income	Per Capita Personal Income	Median Age	Unemployment Rates		
						Hancock County	Ohio	United States
2017	5,697	41,422	\$ 1,010,406,846	\$ 24,393	36.6	4.4%	6.0%	4.8%
2016	5,837	41,200	1,004,991,600	24,393	34.9	4.4%	5.7%	5.1%
2015	5,855	41,098	1,018,531,734	24,783	34.7	4.6%	5.2%	5.5%
2014	5,829	43,537	1,081,676,765	24,845	35.9	4.0%	5.7%	5.9%
2013	5,757	41,526	1,086,693,894	26,169	35.9	5.6%	7.5%	7.3%
2012	5,800	41,202	1,012,291,938	24,569	36.0	8.4%	7.2%	8.2%
2011	5,705	41,202	1,012,291,938	24,569	35.9	8.9%	9.7%	9.7%
2010	5,852	38,967	946,742,232	24,296	34.8	9.5%	10.1%	9.6%
2009	5,956	38,375	974,456,375	25,393	35.0	9.1%	10.5%	10.2%
2008	5,992	37,492	979,703,452	26,131	37.6	5.1%	5.7%	3.6%

Sources: Findlay CSD, Treasurer's Office; City of Findlay; Hancock County; Ohio Department of Education; Ohio Department Of Development; and U.S. Census Bureau, ODJFS

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

PRINCIPAL EMPLOYERS

DECEMBER 31, 2016 AND DECEMBER 31, 2007

December 31, 2016			
Employer	Employees	Rank	Percentage of Total Employment
Whirlpool Corporation	2,400	1	5.48%
Marathon/Ashland Petroleum Company	2,200	2	5.03%
Blanchard Valley Health Association	2,025	3	4.63%
Cooper Tire and Rubber	2,000	4	4.57%
Nissin Brakes	936	5	2.14%
Findlay City Schools	872	6	1.99%
Lowe's Distribution	697	7	1.59%
The University of Findlay	650	8	1.49%
Hancock County	469	9	1.07%
Roki America	458	10	1.05%
Total	12,707		29.04%
Total employment	43,770		

December 31, 2007			
Employer	Employees	Rank	Percentage of Total Employment
Whirlpool Corporation	2,000	1	5.43%
Blanchard Valley Regional Health Center	1,956	2	5.31%
Cooper Tire & Rubber Co.	1,913	3	5.19%
Marathon Oil Co.	1,528	4	4.15%
Nissan Brakes (dba Fledflex Corporation)	831	5	2.26%
Findlay City School District	804	6	2.18%
Lowe's Home Centers, Inc.	785	7	2.13%
Wal-Mart Stores	633	8	1.72%
Hancock County	625	9	1.70%
Sanoh America Inc.	589	10	1.60%
Total	11,664		31.65%
Total employment	36,851		

Source: City of Findlay.

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

STAFFING STATISTICS
FULL TIME EQUIVALENTS BY TYPE AND FUNCTION
LAST TEN FISCAL YEARS

Staff Type	2017	2016	2015	2014	2013
Teaching Staff:					
Elementary School	180	175	155	152	149
Middle School	83	83	81	82	81
High School	111	111	118	106	115
Administration:					
District	43	46	49	49	49
Auxiliary Staff:					
Counselors	16	16	12	12	12
Librarians	1	1	1	1	1
Psychologists	6	6	4	4	4
Speech, Physical and Occupational Therapists	10	10	8	8	9
Nurses and Mental Health Specialists	9	7	1	1	1
Support Staff:					
Secretarial, Finance Clerks, EMIS	42	44	44	44	45
Aides	106	96	80	80	81
Program Directors (After / Before School & Alumni)	5	5	5	5	5
Food Services	36	33	32	30	38
Monitors and Security	29	31	33	33	21
Custodial	44	43	42	42	37
Maintenance	7	8	6	6	6
Bus Drivers	34	33	23	23	26
Mechanics	2	2	2	2	2
Extracurricular Coaches	47	52	101	99	110
Total	811	802	797	779	792

Staff Function	2017	2016	2015	2014	2013
Instruction:					
Regular	374	372	364	347	322
Other	150	142	110	115	122
Support Services:					
Pupil	26	24	28	28	31
Administration	85	89	83	83	84
Fiscal	6	6	6	6	6
Operations and maintenance	87	82	80	78	83
Pupil transportation	36	35	25	23	32
Extracurricular activities	47	52	101	99	112
Total	811	802	797	779	792

Source: Findlay CSD, Treasurer's Office.

2012	2011	2010	2009	2008
145	153	180	188	182
80	91	95	97	99
112	118	127	128	128
52	52	53	50	51
12	13	14	14	14
1	1	1	1	1
6	6	6	5	4
8	10	8	8	8
1	1	7	7	6
46	46	47	49	44
87	99	74	73	73
5	5	6	5	6
30	44	33	33	34
21	28	20	25	19
40	43	44	46	47
7	7	8	8	10
25	23	22	22	24
2	3	3	3	3
106	126	96	105	105
786	869	844	867	858

2012	2011	2010	2009	2008
315	386	380	389	385
127	87	125	128	123
32	34	38	38	37
83	91	80	78	73
7	7	7	7	7
83	107	89	91	95
31	29	29	29	31
108	128	96	107	107
786	869	844	867	858

**FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO**

CAPITAL ASSET STATISTICS

LAST TEN FISCAL YEARS

<u>Governmental Activities</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<u>Capital Assets:</u>				
Land	\$ 1,722,570	\$ 1,722,570	\$ 1,646,894	\$ 903,313
Land improvements	3,062,421	3,053,071	3,238,288	3,352,387
Buildings and improvements	82,248,233	82,313,846	82,557,868	81,068,090
Equipment and furniture	5,386,509	5,075,369	3,728,190	2,974,232
Vehicles	1,923,352	1,844,232	1,869,787	1,893,753
Construction in progress	2,163,908	1,862,968	60,955	402,539
Total	<u>\$ 96,506,993</u>	<u>\$ 95,872,056</u>	<u>\$ 93,101,982</u>	<u>\$ 90,594,314</u>

Source: Findlay CSD, Treasurer's Office.

Note: Capital asset amounts reported above are presented net of accumulated depreciation.

2013	2012	2011	2010	2009	2008
\$ 903,313	\$ 903,313	\$ 903,313	\$ 903,313	\$ 416,459	\$ 416,459
3,468,709	1,337,825	1,114,696	1,173,880	775,784	342,671
10,487,397	10,837,623	11,050,215	10,707,832	10,811,313	10,161,543
2,237,965	1,933,872	1,782,181	1,793,395	1,887,798	1,862,297
1,534,134	1,635,930	1,747,985	1,549,718	1,637,940	1,202,164
68,304,656	42,097,591	4,392,858	2,010,671	-	-
<u>\$ 86,936,174</u>	<u>\$ 58,746,154</u>	<u>\$ 20,991,248</u>	<u>\$ 18,138,809</u>	<u>\$ 15,529,294</u>	<u>\$ 13,985,134</u>

FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO
 BUILDING INFORMATION
 LAST TEN FISCAL YEARS

<u>Building</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<u>High School</u>					
Square footage	246,608	246,608	246,608	246,608	246,608
Student enrollment	1,617	1,617	1,887	1,895	1,916
<u>Central Middle School</u>					
Square footage	-	-	-	-	-
Student enrollment	-	-	-	-	-
<u>Donnell Middle School</u>					
Square footage	116,884	116,884	116,884	116,884	116,884
Student enrollment	587	587	608	576	595
<u>Glenwood Middle School</u>					
Square footage	112,545	112,545	112,545	112,545	112,545
Student enrollment	603	603	570	617	620
<u>Bigelow Hill Elementary School</u>					
Square footage	31,645	31,645	31,645	31,645	31,645
Student enrollment	250	250	281	288	202
<u>Chamberlin Hill Elementary School</u>					
Square footage	31,645	31,645	31,645	31,645	31,645
Student enrollment	275	275	228	248	249
<u>Jacobs Elementary School</u>					
Square footage	31,645	31,645	31,645	31,645	31,645
Student enrollment	323	323	306	348	276
<u>Jefferson Elementary School</u>					
Square footage	25,509	25,509	25,509	25,509	25,509
Student enrollment	325	325	241	237	224
<u>Lincoln Elementary School</u>					
Square footage	57,892	57,892	57,892	57,892	57,892
Student enrollment	374	374	397	349	334
<u>Northview Elementary School</u>					
Square footage	36,246	36,246	36,246	36,246	36,246
Student enrollment	351	351	355	339	370
<u>Washington Elementary School</u>					
Square footage	31,645	31,645	31,645	31,645	31,645
Student enrollment	203	203	148	110	211
<u>Whittier Elementary School</u>					
Square footage	31,930	31,930	31,930	31,930	31,930
Student enrollment	337	337	428	414	395
<u>Wilson Vance Elementary School</u>					
Square footage	38,193	38,193	38,193	38,193	38,193
Student enrollment	316	316	406	408	365
<u>Bus Garage</u>					
Square footage	3,000	3,000	3,000	3,000	3,000
<u>Maintenance Building</u>					
Square footage	5,000	5,000	5,000	5,000	5,000
<u>Millstream East</u>					
Square footage	-	-	-	-	-
<u>Millstream South</u>					
Square footage	-	-	-	-	-
<u>Millstream Career Center</u>					
Square footage	85,467	85,467	85,467	85,467	85,467

Source: Findlay CSD, Treasurer's Office.

2012	2011	2010	2009	2008
246,608	246,608	246,608	246,608	246,608
2,020	1,859	1,924	2,145	2,121
105,912	105,912	105,912	105,912	105,912
821	429	435	433	449
70,605	70,605	70,605	70,605	70,605
-	461	467	487	420
70,605	70,605	70,605	70,605	70,605
437	396	383	370	391
31,645	31,645	31,645	31,645	31,645
198	227	266	280	230
31,645	31,645	31,645	31,645	31,645
243	235	253	254	225
31,645	31,645	31,645	31,645	31,645
287	289	271	260	288
25,509	25,509	25,509	25,509	25,509
222	219	221	241	249
57,892	57,892	57,892	57,892	57,892
357	391	432	434	396
36,246	36,246	36,246	36,246	36,246
346	243	253	252	277
31,645	31,645	31,645	31,645	40,287
203	208	228	219	203
31,930	31,930	31,930	31,930	31,930
402	408	372	346	356
38,193	38,193	38,193	38,193	38,193
362	340	346	367	387
3,000	3,000	3,000	3,000	3,000
5,000	5,000	5,000	5,000	5,000
28,152	28,152	28,152	28,152	28,152
21,000	21,000	21,000	21,000	31,645
-	-	-	-	-

FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO
 OPERATING STATISTICS
 LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities		Governmental Funds		Average Daily Membership	ADM Percent Change
	Expenses	Expense Per Pupil	Expenditures	Expenditure Per Pupil		
2017	80,655,096	\$ 14,157	\$ 78,113,168	\$ 13,711	5,697	-2.40%
2016	72,393,537	12,403	76,150,219	13,046	5,837	-0.31%
2015	69,990,842	11,954	74,228,966	12,678	5,855	0.45%
2014	66,960,094	11,487	72,006,560	12,353	5,829	1.25%
2013	64,001,495	11,117	93,876,747	16,307	5,757	3.02%
2012	65,528,482	11,726	104,810,695	18,756	5,588	-2.05%
2011	67,208,272	11,781	72,236,364	12,662	5,705	-2.51%
2010	66,387,718	11,344	70,204,024	11,997	5,852	-1.75%
2009	65,327,359	10,968	66,313,599	11,134	5,956	-0.60%
2008	62,659,951	10,457	65,376,686	10,911	5,992	-8.73%

Source: Findlay CSD, Treasurer's Office. Attendance is from ODE Report Card.

Student Attendance Percentage	Students on Free & Reduced Lunches	Percentage of Students on Free & Reduced Lunches	Teaching Staff	Student/Teacher Ratio
95.4%	2,180	38.3%	403	14.14
95.9%	2,378	40.7%	404	14.45
95.6%	2,544	43.5%	354	16.54
95.7%	2,390	41.0%	340	17.14
95.4%	2,280	39.6%	345	16.69
95.5%	2,488	44.5%	337	16.58
95.6%	2,269	39.8%	362	15.76
95.5%	1,855	31.7%	418	14.00
95.5%	2,330	39.1%	440	13.54
95.1%	2,161	36.1%	454	13.20

FINDLAY CITY SCHOOL DISTRICT
HANCOCK COUNTY, OHIO
 CERTIFIED STAFF STATISTICS
 JUNE 30, 2017

Education	Number of Certified Staff	Percentage of Certified Staff	Salary Range	Average Salary
Bachelor's Degree	68	16.87%	\$35,597-\$59,764	\$ 42,638
Bachelor's Degree plus 15 hours	24	5.96%	\$36,462-\$61,885	48,877
Bachelor's Degree plus 30 hours	19	4.71%	\$37,323-\$66,104	55,370
Master's Degree	132	32.75%	\$39,053-\$70,315	57,100
Master's Degree plus 15 hours	58	14.39%	\$47,376-\$75,825	65,709
Master's Degree plus 30 hours	95	23.57%	\$44,891-\$80,303	71,838
Non-Degree	7	1.74%	\$37,793-\$57,575	49,708
Total	403	100.00%		

Experience	Number of Teachers	Percentage of Teachers	Salary Range	Average Salary
0 - 5 years	74	18.36%	\$35,597-\$49,654	\$ 40,613
6 - 10 years	107	26.55%	\$27,4112-\$63,939	52,147
11 - 20 years	141	34.99%	\$50,288-\$74,291	65,799
Over 20 years	81	20.10%	\$57,073-\$80,303	71,389
Total	403	100.00%		

Source: Findlay CSD, Treasurer's Office.

Note: Certified staff include teachers, librarians, speech therapists, psychologist and other auxillary positions



Dave Yost • Auditor of State

FINDLAY CITY SCHOOL DISTRICT

HANCOCK 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
FEBRUARY 13, 2018