

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2018

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Springfield, Ohio 45506

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OHIO AUDITOR OF STATE KEITH FABER



Board of Education
Springfield City School District
1500 W Jefferson St
Springfield, OH 45506

We have reviewed the *Independent Auditor's Report* of Springfield City School District, Clark County, prepared by Clark, Schaefer, Hackett & Co., for the audit period July 1, 2017 through June 30, 2018. 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. Springfield City School District is responsible for compliance with these laws and regulations.

Ohio Auditor of State

A handwritten signature in cursive script that reads "Keith Faber".

January 18, 2019

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Springfield City School District
Clark County, Ohio

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2018

Prepared by:
Nicole Cottrell, Treasurer/CFO



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INTRODUCTORY SECTION

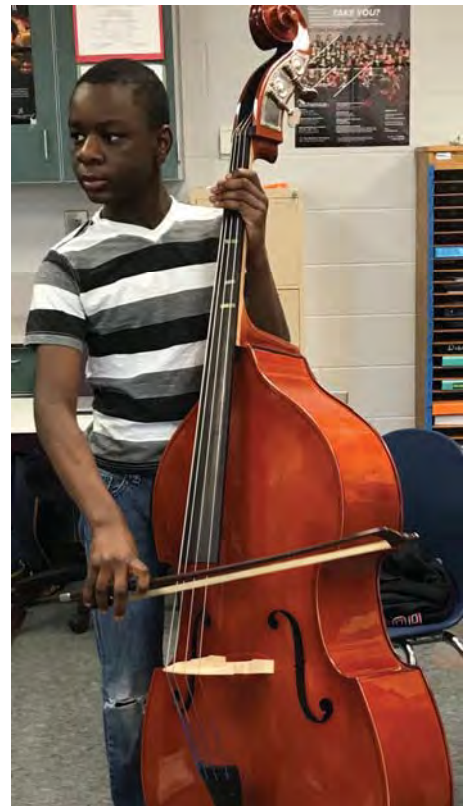
COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2018

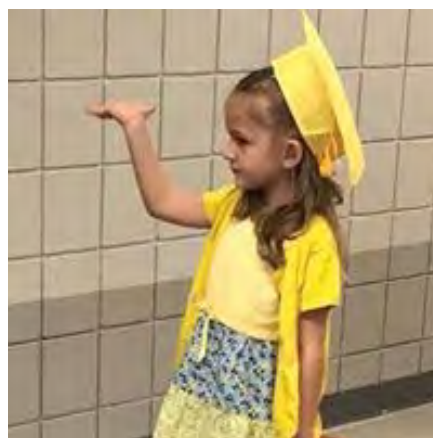
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Springfield City School District, Ohio
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2018

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December 26, 2018

To the Citizens and Board of Education of the Springfield City School District:

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Springfield City School District (District) for the fiscal year ended June 30, 2018. This CAFR is prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) and in conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB) using guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA). The intent of this report is to provide taxpayers of the Springfield City School District with comprehensive financial data in a format that enables them to gain a true understanding of the School District's financial affairs as well as provide management with better financial information for future decision making.

Superintendent
Robert Hill
937.505.2806

Treasurer
Nicole Cottrell
937.505.2811

Board Members
Anita Biles
Jamie Callan
Carol Dunlap
Ed Leventhal
Chris Williams

This report was prepared by the Treasurer's Office. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Management's discussion and analysis immediately follows the Independent Auditor's Report and provides a narrative introduction, overview, and analysis of the basic financial statements. Management's discussion and analysis complements this letter of transmittal and should be read in conjunction with it.

This report includes all funds of the School District. The School District provides a full range of traditional and nontraditional educational programs and services. These include elementary and secondary curriculum offerings at the general, college preparatory and vocational levels; a broad range of co-curricular and extracurricular activities; adult and community education offerings; and special education programs and facilities.

The basic financial statements of the School District for the fiscal year ended June 30, 2018, were audited by Clark Schaefer Hackett whose unmodified opinions are included at the beginning of the Financial Section of this report.

ORGANIZATION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

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

The Board members represent a cross section of professions found in the City of Springfield. The Board members on June 30, 2018, were as follows:

<u>Board Member</u>	<u>Service as a Board Member</u>		
	<u>Began</u>	<u>Expires</u>	
Ed Leventhal	01/01/08	12/31/19	Board President
Anita Biles	09/29/11	12/31/21	Board Vice-President
Jamie Callan	01/01/08	12/31/19	Board Member
Chris Williams	06/18/15	12/31/19	Board Member
Carol Dunlap	01/01/18	12/31/21	Board Member

The Superintendent is the chief executive officer of the School District, responsible directly to the Board of Education for all educational and support operations. Dr. Robert Hill began his tenure as Superintendent on July 1, 2015. The Treasurer is the chief financial officer of the School District, responsible directly to the Board of Education for all financial records and statutorily defined duties which in part relate to paying all expenses, debt issuance, reporting, record retention, strategic planning and many other areas. Mrs. Nicole Cottrell began her tenure as Treasurer on March 1, 2018.

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

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

In addition to providing the general activities mentioned above, the School District has administrative responsibility for State funds distributed to private schools located within School District boundaries. In accordance with GASB Statement No. 24, this responsibility is included in the reporting entity as a special revenue fund. The private schools served are Catholic Central, Catholic Central Lagonda Elementary, Catholic Central Limestone Elementary, Springfield Christian and Nightingale Montessori School. While these organizations share operations and services similar with the School District, all are separate and distinct entities. Because of their independent nature, none of these organization’s financial statements are included in this report.

The Clark County Family and Children First Council, the Southwestern Ohio Educational Purchasing Council, and the Springfield-Clark Career Technology Center are reported as jointly governed organizations in Note 16. The Ohio SchoolComp Group Retrospective Rating Program and the Ohio School Plan are reported as insurance purchasing pools in Note 17.

The School Board adopts an annual budget by July 1 which may be amended any time during the fiscal year as new information becomes available. This annual budget serves as the foundation of the Springfield City School District's financial planning and control. The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution. The legal level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The Treasurer has been authorized to allocate Board appropriations to the object level within the funds.

THE SCHOOL DISTRICT AND ITS FACILITIES

The School District serves an area of approximately 17 square miles in and around the City of Springfield. It is located in Clark County, approximately 45 miles west of downtown Columbus, the State capital. The Springfield City School District is an urban school district with nearly 100 percent of the City of Springfield being located within the School District. According to the City of Springfield, Springfield's population is 60,960.

Because of economic stress, as in most urban school districts, the Springfield City School District and its surrounding areas struggle. The School District had an enrollment of 7,818 students for the fiscal year ending June 30, 2018. This was a decrease of 120 students compared to the fiscal year ending June 30, 2017. The School District estimates enrollment to be between 7,800 and 7,850 for the fiscal year ending June 30, 2019. The School District's enrollment figures do not include students living within the School District's attendance area who attend charter schools. Currently, the School District has 766 students attending charter schools.

The School District's facilities include ten neighborhood elementary schools (grades K through 6), three middle schools (Grades 7 and 8), one alternative school, one high school (Grades 9 through 12), a maintenance building, a bus garage, an administration building/preschool and several athletic fields. The maintenance building and stadiums were built in 1960 and 1977, respectively. Of the School District's 18 active buildings, 17 have been built since 2004. In August 2011, a new transportation facility which includes offices, a maintenance area, an automatic bus washing system, and a fueling system was completed. In August 2015, the Career ConnectED center was opened. This center includes teacher training and meeting rooms, District program offices and innovative spaces for students to develop success skills as they explore digital media, computer science, welding, and woodworking. In October 2016, the John Legend Theatre was opened to enhance the cultural opportunities for the students and the entire community.

SERVICES PROVIDED BY THE SCHOOL DISTRICT

The School District provides a wide variety of educational and support services as mandated by the Ohio Revised Code or by Board directives. At the center of the School District's services are the instructional programs. The School District offers regular instructional programs daily to students in Grades K through 12. The School District serves approximately 130 students with an interest in vocational education, and approximately 1,370 children who need individual instruction or are physically or mentally handicapped. These students receive service through the wide array of special education programs offered in the School District. The School District issued 348 diplomas in 2018.

There are also several academic and athletic programs for students, providing them with a number of enriching experiences. The programs and activities provide a lifetime of memories for the Springfield City School District students.

In addition to the educational services provided, the School District's fleet of 33 buses traveled approximately 1,500 miles each day providing transportation services to 1,340 public and 151 private and parochial students. Many of the School District's students walk to school because of the proximity of

neighborhood schools to the students' homes. The Food Service Department serves over 9,170 breakfast and lunch meals daily for a total of over 1.6 million meals served annually through the School District's lunchrooms.

Along with transportation and school lunch services offered to children in the School District, the students also receive guidance, psychological, and health services free of charge. The guidance services are designed to help a student match his/her natural skills with vocational and/or academic programs to help him/her achieve his/her full potential in life. Psychological services offer a wide variety of help to students ranging from early developmentally handicapped identification to drug and behavior counseling. Health services provide limited medical services free of charge to many of the School District's youths.

EMPLOYEE RELATIONS

The School District currently has 1,086 full-time and part-time employees. There are two organizations representing School District employees. The Springfield Education Association (SEA) represents certificated employees, including teachers and educational specialists, for collective bargaining purposes. Classified employees, which include bus drivers, cooks, and clerical staff, are represented for collective bargaining purposes by the Springfield Education United Support Staff (SEUSS). The Board successfully concluded negotiations with both labor organizations on a multi-year agreement for wages and fringe benefits. The SEA's wage agreement is in effect for the period August 1, 2017, through July 31, 2020. The SEUSS's wage agreement is in effect for the period September 1, 2017, through August 31, 2020.

ECONOMIC CONDITION AND OUTLOOK

The City of Springfield's employment is dominated by healthcare activities, which includes the Springfield Regional Medical Center, one of the School District's largest employers. Other large employers within the City of Springfield include a service industry with the corporate headquarters of the Assurant Specialty Property and governmental services.

Ohio's seasonally adjusted unemployment rate continues to decline as the economy begins to recover. The Ohio unemployment rate for June 2018 decreased to 4.3 percent from 5.2 percent in June 2017. The nation's unemployment rate for June 2018 was 4.0 percent. Specific employment figures for the Springfield City School District are not available. However, the Clark County unemployment rate for June 2018 was 4.0 percent (Ohio Department of Job and Family Services). The School District has an excellent relationship with the City of Springfield, which assures that development projects selected by the City are also highly desirable for the School District. The School District will continue to work with the City of Springfield and the other government agencies to attract desirable development to the community.

FINANCIAL OUTLOOK

It is important to review the financial history of the School District and to understand its current financial position requires constant review and accountability of the Board of Education, Administration, and Treasurer. The current financial plans are included in the five-year forecast which indicates the School District will maintain a positive cash balance through fiscal year 2022. Currently, the most significant risks to the School District are cost provisions in the current biennium State budget, declines in Federal grant funding and the Health Care and Education Reconciliation Act.

For fiscal year 2018, the School District's General Fund revenues exceeded its expenditures primarily due to increases in State funding and careful monitoring of expenditures. The School District intends to continue monitoring its revenue and expenditure streams in order to provide consistency each fiscal year.

FINANCIAL PLANNING AND POLICIES

The School District annually prepares a five-year financial forecast to ensure long-term financial success. The five-year financial forecast is prepared and approved by the Board in October and May of each fiscal year. The five-year financial forecast provides actual data on each major revenue and expenditure category for the past three fiscal years and forecasts these same categories for an additional five fiscal years.

The five-year financial forecast is a planning tool used to certify if funds are available for future expenditures and additionally to strategize when the School District will need to return to voters for additional funds or reduce expenditures accordingly. The five-year financial forecast is published on the Ohio Department of Education's website for public use.

DISTRICT GOALS

In fiscal year 2016 the Board engaged in a strategic planning process to ensure that the quality of educational opportunities for our students are the best available. The resulting strategic plan is based on a comprehensive assessment of organizational culture, strengths, weaknesses, opportunities, barriers and challenges. The strategic planning process also allowed the School District to incorporate stakeholder data that had been gathered over the past several years in order to identify what skills and competencies are necessary for a Springfield graduate to be successful in college or career and most importantly, life. The strategic plan identified four strategic priorities as follows:

- 1) Align and integrate resources to ensure academic and life success.
- 2) Build a culture of trust and empowerment across our School District
- 3) Forge strong community partnerships that support the whole child and connect the community and schools.
- 4) Promote transparent communication and a sense of inclusion between staff, parents and students.

The School District has made a five year commitment to implementing the strategic plan and measuring progress. The School District will continue to revisit the plan over the next five years to make adjustments as necessary.

MAJOR INITIATIVES AND EVENTS

FOR THE YEAR

In fiscal year 2018 the Springfield City School District added student 1:1 devices in grades K-3. With this addition of the student devices for grades K-3, the District is now a full 1:1 status that provides each student in grades K-12 a laptop or tablet to accelerate personalized learning.

The Federal Government continues to reduce funding in several School District programs. The School District continues budgeting to absorb or eliminate certain grant funded positions into the operational funds of the School District in an effort to continue to improve student performance while maintaining fiscal solvency. Across the School District, additional resources were committed to support problem based learning, positive behavior intervention support and aligning instruction with standards. The School District continues to provide high quality preschool to families regardless of ability to pay. The decision to absorb previously grant funded positions, commit additional resources to current programs and continue providing a no-cost preschool program were made because the School District believes in these foundational efforts that allow staff and students to grow together.

FOR THE FUTURE

The School District continues to incorporate the strategic plan into the budgeting process and preparation of the five year forecast in an effort to balance programs and funding sources.

Instructional leaders completed the process of updating curricular resources at all building levels in an effort to continue to meet society's demand for a 21st Century workforce. In addition, the School District created a centralized registration location and is modernizing the student registration process to provide easier access for parents and reduce the time needed to register current students and enroll new students.

AWARDS AND ACKNOWLEDGEMENTS

AWARDS

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Springfield City School District for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2017. This was the seventh year that the School District has achieved this prestigious award since discontinuing in fiscal year 2005. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We are submitting our current CAFR to GFOA to determine its eligibility for another certificate as we believe our current report conforms to the Certificate of Achievement Program's requirements.

ASBO Certificate

The Springfield City School District received the Association of School Business Officials International (ASBO) Certificate of Excellence in Financial Reporting for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2017. This award certifies that the report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials International. An expert ASBO Panel of Review consisting of certified public accountants and practicing school business officials grants the award only after an intensive review of financial reports. Receiving the award is recognition that a school system has met the highest standards of excellence in school financial reporting. A Certificate of Excellence is valid for a period of one year only. We are submitting our current CAFR to ASBO, as we believe that our current report conforms to the Certificate of Excellence Program requirements.

GFOA Certificate of Achievement for the Popular Annual Financial Report

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement in Popular Annual Financial Reporting to the Springfield City School District for its Popular Annual Financial Report (PAFR) for the fiscal year ended June 30, 2017. This was the sixth year that the School District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized PAFR. This report must satisfy both generally accepted accounting principles and information requirements to the general public. A Certificate of Achievement is valid for a period of one year only. We are submitting our current PAFR to GFOA to determine its eligibility for another certificate as we believe our current report conforms to the Certificate of Achievement Program's requirements.

ACKNOWLEDGEMENTS

The preparation and publication of this Comprehensive Annual Financial Report on a timely basis could not have been possible without the cooperation of the entire Treasurer's Department.

Finally, this report would not have been possible without the continued support of the Board of Education, who values quality financial information with which to help make decisions. Without their leadership and commitment to excellence, this report would not be possible.

Sincerely,



Nicole Cottrell
Treasurer/CFO



Dr. Robert F. Hill
Superintendent



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Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Springfield City School District
Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Springfield City School District

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2017.**

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



A handwritten signature in black ink, reading 'Charles E. Peterson, Jr.' The signature is written in a cursive style and is positioned above a horizontal line.

Charles E. Peterson, Jr., SFO, RSBA, MBA
President

A handwritten signature in black ink, reading 'John D. Musso'. The signature is written in a cursive style and is positioned above a horizontal line.

John D. Musso, CAE
Executive Director

The Springfield City School District Officials
(937) 505-2800
www.scsdoh.org

Robert F. Hill, Ed.D.
Superintendent
(937) 505-2800

Nicole L. Cottrell, CPA
Treasurer/CFO
(937) 505-2811

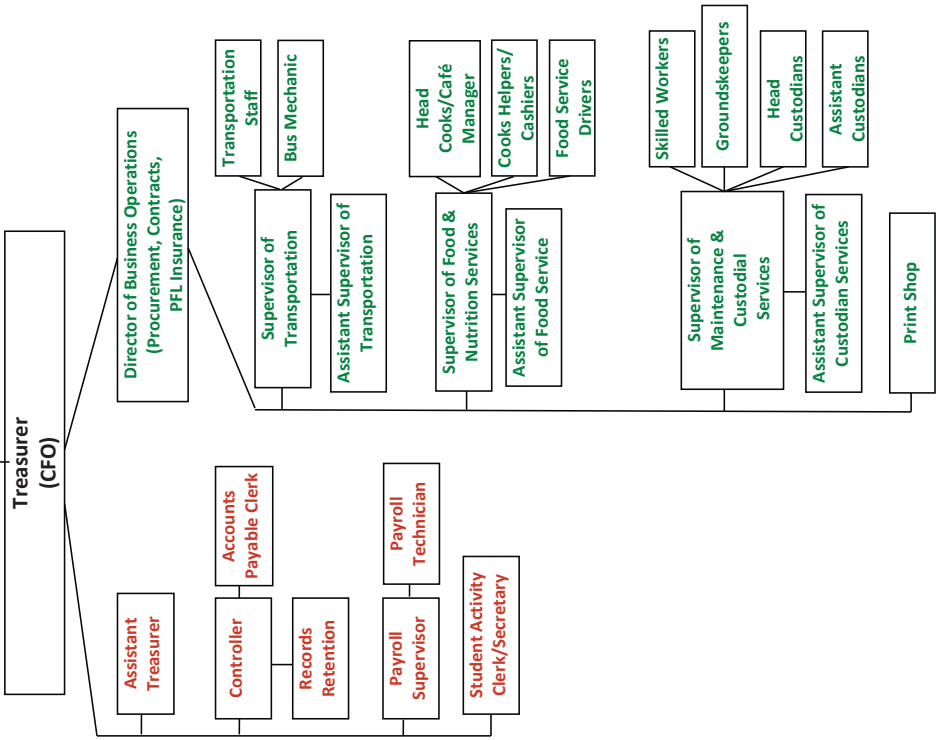
Board of Education
Mr. Ed Leventhal, President
Ms. Anita Biles, Vice President

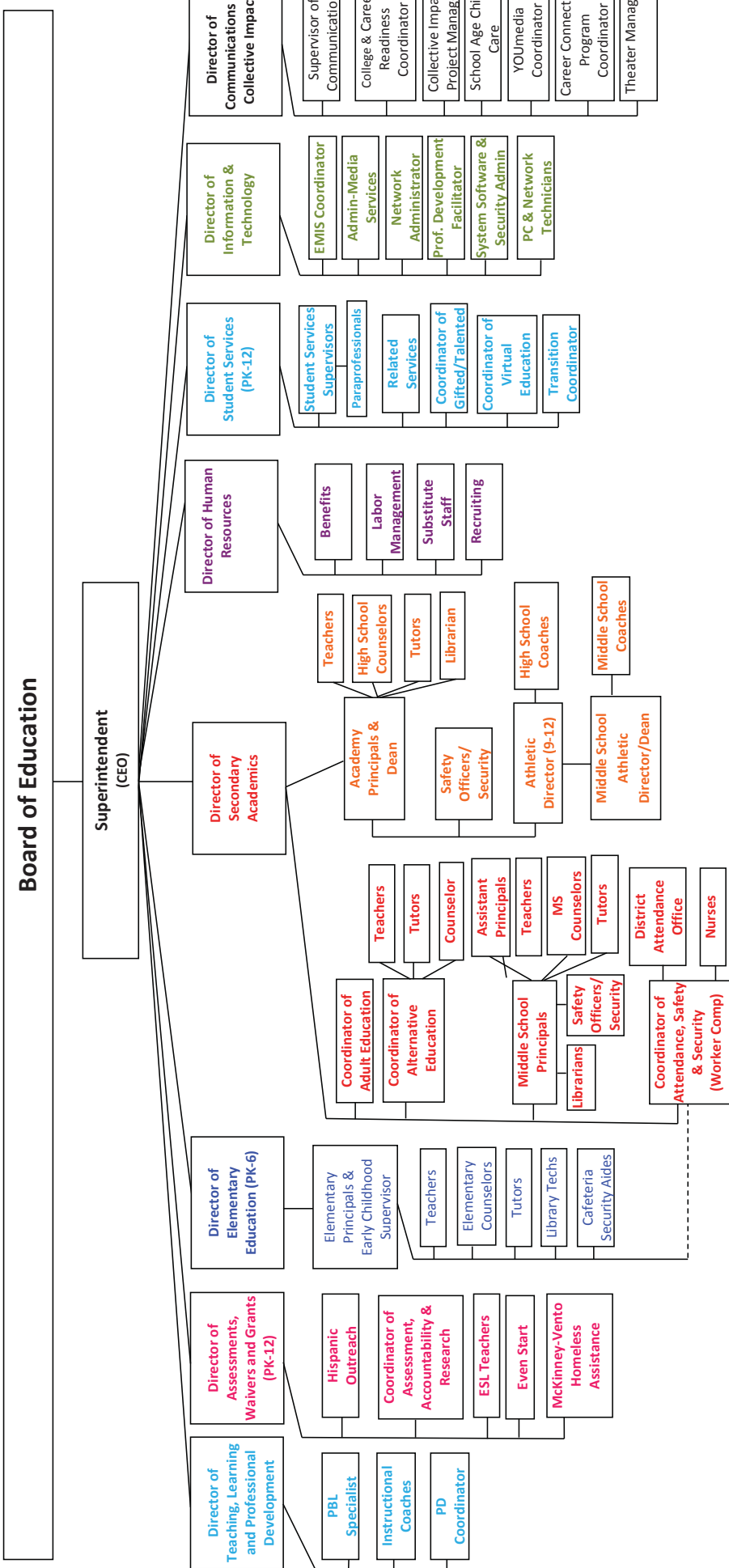
Board Members
Mr. Jamie Callan
Ms. Carol Dunlap
Mr. Chris Williams

Director of Assessment, Waivers and Grants
Director of Teaching, Learning and Professional Development
Director of Human Resources
Director of Business Operations
Director of Information & Technology
Director of Elementary Education
Director of Secondary Academics
Director of Student Services

Paul Schneider
Emily Jablonka
Lydia Gaddis
Vacant
Stacy Parr
Cristina Sanchez
Marvin Jones
Karen Hall

Board of Education







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FINANCIAL SECTION

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2018

COLLABORATIVE
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Phone: (937) 505-2800

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INDEPENDENT AUDITORS' REPORT

Board of Education
Springfield City School District
1500 West Jefferson Street
Springfield, Ohio 45506

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Springfield City School District, Ohio (the "District") as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Springfield City School District, Ohio, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

During fiscal year ended June 30, 2018, the District adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions*. As a result of the implementation of GASB Statement No. 75, the District restated net position at July 1, 2017 for the change in accounting principle (see Note 23). Our auditors' opinion was not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of proportionate share of net pension and OPEB liabilities, pension and OPEB contributions, and notes to the supplementary information, as listed in the tables of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 26, 2018 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
December 26, 2018



Every Student | Every Opportunity | Every Day

Springfield City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
Unaudited

The discussion and analysis of the Springfield City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2018. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the transmittal letter, the financial statements and the notes to the basic financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2018 are as follows:

- As a result of implementing GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions", the total net position at June 30, 2017 was restated from \$74,379,655 to \$43,306,881 a decrease of \$31,072,774. Total net position for fiscal year 2018 increased \$49.2 million from the fiscal year 2017 restated net position. This increase was primarily due to a decrease in health insurance claims, reducing long-term debt obligations, and the effects of the changes in the net pension and net other postemployment benefits (OPEB) liabilities.
- General revenues accounted for \$106,333,181 or 85.5% of total revenues. Program specific revenues accounted for \$18,043,572 or 14.5% of total revenues of \$124,376,753.
- The School District had \$75,205,566 in expenses related to governmental activities; only \$18,043,572 of these expenses were offset by program specific charges for services, grants, contributions, and interest. General revenues (primarily grants and entitlements and property taxes) of \$106,333,181 were adequate to provide for these programs.

Using this Comprehensive Annual Financial Report

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Springfield City School District as a financial whole, an entire operating entity.

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

Reporting the School District as a Whole

One of the most important questions asked about the School District is "How did we do financially during fiscal year 2018?" The Statement of Net Position and the Statement of Activities, which appear first in the School District's financial statements, report information on the School District as a whole and its activities in a way that helps answer this question. These government-wide financial statements include all assets, deferred outflows, liabilities and deferred inflows using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current fiscal year's revenues and expenses regardless of when cash is received or paid.

Springfield City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
Unaudited

These two statements report the School District's net position and changes in net position. This change in net position is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. However, the School District's goal is to provide services to our students, not to generate profits as commercial entities do. One must consider many other non-financial factors, such as the School District's property tax base, current property tax laws in Ohio restricting revenue growth, required educational programs and other factors.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's major funds. The major funds for Springfield City School District are the General Fund, Bond Retirement Debt Service Fund and Building Capital Projects Fund.

Governmental Funds

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

Proprietary Fund

Proprietary funds use the same basis of accounting as business-type activities. The Internal Service Fund is used to report activities that provide services to the School District's other funds and departments.

Fiduciary Funds

The School District's fiduciary funds are private purpose trust funds and agency funds. All of the School District's fiduciary funds are reported in a separate Statement of Fiduciary Net Position. We exclude these activities from the School District's other financial statements because the School District cannot use these assets to finance its operations. The School District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Fiduciary funds use the accrual basis of accounting.

Springfield City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
Unaudited

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's Net Position for fiscal year 2018 compared to fiscal year 2017:

(Table 1)
Net Position

	2018	(Restated) 2017
Assets:		
Current and Other Assets	\$ 89,090,680	\$ 85,476,202
Capital Assets, Net	168,506,868	172,896,371
Total Assets	257,597,548	258,372,573
Deferred Outflows of Resources		
Deferred Charge on Refunding	114,881	173,281
Pension and OPEB	42,637,426	32,958,003
Total Deferred Outflows of Resources	42,752,307	33,131,284
Liabilities:		
Current and Other Liabilities	11,832,615	12,771,471
Long-term Liabilities		
Due Within One Year	4,090,102	3,883,599
Due in More than One Year:		
Net Pension Liability	116,685,168	155,217,169
Net OPEB Liability	26,214,165	31,301,085
Other Amounts	22,846,677	25,047,834
Total Liabilities	181,668,727	228,221,158
Deferred Inflows of Resources		
Property Taxes	19,287,313	19,880,711
Pension and OPEB	6,915,747	95,107
Total Deferred Inflows of Resources	26,203,060	19,975,818
Net Position		
Net Investment in Capital Assets	150,314,696	152,049,477
Restricted	13,850,702	13,136,246
Unrestricted	(71,687,330)	(121,878,842)
Total Net Position	\$ 92,478,068	\$ 43,306,881

Springfield City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
Unaudited

The net pension liability (NPL) is the largest single liability reported by the School District at June 30, 2018 and is reported pursuant to GASB 68, "Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement 27". For fiscal year 2018, the School District adopted GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions", which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the School District's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

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

GASB 68 and GASB 75 required the net pension liability and the net OPEB liability to equal the School District's proportionate share of each plan's collective:

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

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

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

Springfield City School District
Management's Discussion and Analysis
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Unaudited

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

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

As a result of implementing GASB 75, the School District is reporting a net OPEB liability and deferred inflows/outflows of resources related to OPEB on the accrual basis of accounting. This implementation also had the effect of restating net position at June 30, 2017, from \$74,379,655 to \$43,306,881.

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Springfield City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
Unaudited

Table 2 shows the changes in Net Position for fiscal years 2018 and 2017.

Table 2
Change in Net Position

	2018	2017
REVENUES:		
Program Revenues:		
Charges for Services	\$ 3,487,232	\$ 3,163,075
Operating Grants and Contributions	14,556,340	16,673,827
<i>Total Program Revenues</i>	18,043,572	19,836,902
General Revenues:		
Property Taxes	24,310,696	23,192,592
Grants and Entitlements	80,528,240	78,093,810
Investment Earnings	368,677	190,483
Other	1,125,568	645,704
<i>Total General Revenues</i>	106,333,181	102,122,589
<i>Total Revenues</i>	124,376,753	121,959,491
PROGRAM EXPENSES:		
Instruction	37,166,610	70,022,750
Support Services:		
Pupils and Instructional Staff	7,578,446	15,278,008
Board of Education, Administration		
Fiscal and Business	3,727,201	11,880,500
Operation and Maintenance of Plant	7,725,864	8,658,008
Pupil Transportation	2,621,302	2,902,373
Central	2,578,885	4,091,097
Operation of Non-Instructional Services	6,535,773	7,340,430
Extracurricular Activities	1,342,464	1,354,644
Interest and Fiscal Charges	651,091	784,016
Depreciation Expense	5,277,930	5,284,118
<i>Total Expenses</i>	75,205,566	127,595,944
 <i>Change in Net Position</i>	 49,171,187	 (5,636,453)
<i>Net Position at Beginning of Year-restated</i>	43,306,881	N/A
<i>Net Position at End of Year</i>	\$ 92,478,068	\$ 43,306,881

Springfield City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
Unaudited

The information necessary to restate the 2017 beginning balances and the 2017 OPEB expense amounts for the effects of the initial implementation of GASB 75 is not available. Therefore, 2017 functional expenses still include OPEB expense equal to the contractually required contributions to the plans (GASB 27), which was \$228,311. Under GASB 75, OPEB expense represents additional amounts earned, adjusted by deferred inflows/outflows or resources. The contractually required contribution is no longer a component of OPEB expense. Under GASB 75, the 2018 statements report negative OPEB expense of \$3.7 million. Consequently, in order to compare 2018 total program expense to 2017, the following adjustments are needed.

Total FY2018 program expenses under GASB 75	\$ 75,205,566
Negative OPEB expense under GASB 75	3,723,786
FY2018 contractually required contributions	<u>257,143</u>
Adjusted FY2018 program expenses	79,186,495
Total FY2017 program expenses under GASB 45	<u>127,595,944</u>
Decrease in program expenses not related to OPEB	<u>\$ (48,409,449)</u>

Program revenues decreased as a result of the School District receiving less grant funding as a result of the completion of the Straight A and Alternative Schools programs and less federal grant allocations for Title I. Grants and Entitlements not Restricted to Specific programs increased as a result of the School District receiving \$2.4 million more in State funding from the prior year due to the formula provisions in the State biennium budget.

Grants and Entitlements not Restricted to Specific Programs made up \$80.5 million or 75.7% of the total general revenues for governmental activities of the School District for fiscal year 2018. Property Tax revenues made up \$24.3 million or 22.9% of the total general revenues for governmental activities. Grants not restricted for specific programs and property tax revenues totaled \$104.8 million, or 84.3% of total revenues.

The decrease in program expenses not related to the implementation of GASB Statement 75 is a result of the following:

- Pension expense reduced approximately \$48.1 million due to the change in assumptions and the change in the District's proportionate share as correlated with the decrease in the net pension liability; a negative \$34.6 million pension expense for FY2018 and a positive \$13.5 million pension expense for FY2017.
- Health insurance claim expenses decreased approximately \$2.1 million due to decreased enrollment and changes in plan coverage elections.

The School District's Funds

On a modified accrual basis of accounting, all governmental funds had total revenues and other financing sources of \$125.6 million and expenditures and other financing uses of \$122.4 million. The net change in fund balances was most significant in the General Fund with an increase of \$2.8 million. The increase in the General Fund is a result of receiving additional state revenue of \$2.5 million and additional property tax revenue of \$0.8 million.

The Building fund had an ending fund balance of \$18,444 with no significant change from previous year ending fund balance. This fund was used to account for various capital improvements and building or grounds maintenance.

Springfield City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
Unaudited

The fund balance for the Bond Retirement Debt Service Fund had an increase of \$12,874 due to savings from refunding long term debt. The Bond Retirement Debt Service Fund had an ending fund balance of \$5,674,387.

General Fund Budgeting Highlights

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

During the course of fiscal year 2018, the School District revised its budget as it attempted to deal with unexpected changes in revenues and expenditures. A variance comparison is presented between the final budgeted amount and the actual amounts.

For the General Fund, original and final budget basis revenues were \$103.3 million with final actual revenues of \$103.3 million for a difference of \$35,612. The excess of actual revenue over final budgeted revenues is due primarily to an increase in property tax revenue and miscellaneous revenue.

Original budget basis appropriations were \$101.4 million with final budget basis appropriations of \$103.6 million for an increase of \$2.2 million primarily in the regular instruction.

Actual expenditures were less than budgeted expenditures by \$2.6 million. The primary reason for the decrease is due to the School District closely monitoring expenditures to keep expenditures at or below the budgeted appropriations.

The School District's ending unobligated cash balance was \$3.3 million above the final budgeted amount.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2018, the School District had \$168.5 million, net of accumulated depreciation, invested in land, construction in progress, buildings, furniture and equipment, and vehicles in governmental activities. The primary reason for the decrease from the fiscal year 2017 balance of \$172.9 million, net of accumulated depreciation, was current year depreciation exceeding current year additions. (See Note 8 of the Notes to the Basic Financial Statements).

Debt

At June 30, 2018, the School District had total bonded debt outstanding in the amount of \$20.4 million, which includes \$2.5 million of accretion on capital appreciation bonds. \$2.6 million of the total bonded debt outstanding is due within one year. The School District also had capital lease obligations outstanding of \$374,311 of which \$85,638 is due within one year.

See Note 13 of the Notes to the Basic Financial Statements for capital lease details and Note 14 for details on the long-term obligations.

As of June 30, 2018, the overall legal debt margin was \$41,240,064 with an unvoted debt margin of \$616,077, and an Energy Conservation debt margin of \$5,014,689.

Springfield City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
Unaudited

Current Financial Issues and Concerns

There are a few major concerns for fiscal year 2019:

- 1) There are several variables related to some provisions in the State's biennium budget that could increase District expenditures in the form of school choice scholarships or vouchers, additional special education costs, school reform initiatives and college credit plus.
- 2) Continuing to provide the level of services the community expects when federal grant revenues have declined over the past three fiscal years and there is the expectation that at the very least federal grant revenue will remain flat in fiscal year 2019.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Treasurer's Office at Springfield City School District, 1500 West Jefferson Street, Springfield, Ohio 45506, or call (937) 505-2811.



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Springfield City School District
Statement of Net Position
June 30, 2018

	Governmental Activities
<u>Assets:</u>	
Equity in Pooled Cash, Cash Equivalents and Investments	\$54,530,880
Accounts Receivable	44,999
Property Taxes Receivable	32,125,462
Intergovernmental Receivable	2,389,339
Capital Assets:	
Land	15,374,624
Construction in Progress	54,460
Depreciable Capital Assets, Net	153,077,784
<i>Total Assets</i>	257,597,548
<u>Deferred Outflows of Resources:</u>	
Deferred Charge on Refunding	114,881
Pension and OPEB	42,637,426
<i>Total Deferred Outflows of Resources</i>	42,752,307
<u>Liabilities:</u>	
Accounts Payable	462,841
Accrued Wages and Benefits Payable	8,166,629
Intergovernmental Payable	1,954,971
Accrued Interest Payable	129,985
Claims Payable	1,118,189
Long-Term Liabilities:	
Due Within One Year	4,090,102
Due in More Than One Year:	
Net Pension Liability	116,685,168
Net OPEB Liability	26,214,165
Other Amounts	22,846,677
<i>Total Liabilities</i>	181,668,727
<u>Deferred Inflows of Resources:</u>	
Property Taxes	19,287,313
Pension and OPEB	6,915,747
<i>Total Deferred Inflows of Resources</i>	26,203,060
<u>Net Position:</u>	
Net Investment in Capital Assets	150,314,696
Restricted for:	
Debt Service	3,634,563
Capital Improvements	3,368,300
Food Service Operations	2,047,282
Classroom Facilities Maintenance	2,799,027
Auxiliary Services	129,039
Title Programs	1,100,026
Other Purposes	772,465
Unrestricted	(71,687,330)
<i>Total Net Position</i>	\$92,478,068

See accompanying notes to the basic financial statements

Springfield City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2018

	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants, Contributions, and Interest	Governmental Activities
<u>Governmental Activities:</u>				
Instruction:				
Regular	\$ 14,158,293	\$ 1,688,433	\$ 18	\$ (12,469,842)
Special	8,199,419	-	3,316,728	(4,882,691)
Vocational	368,300	-	-	(368,300)
Adult/Continuing	77,335	-	68,536	(8,799)
Student Intervention Services	14,363,263	-	959,690	(13,403,573)
Support Services:				
Pupils	4,897,545	-	797,825	(4,099,720)
Instructional Staff	2,680,901	-	3,006,550	325,649
Board of Education	117,203	-	-	(117,203)
Administration	1,534,754	-	497,375	(1,037,379)
Fiscal	1,932,742	-	30,671	(1,902,071)
Business	142,502	-	-	(142,502)
Operation and Maintenance of Plant	7,725,864	-	317,092	(7,408,772)
Pupil Transportation	2,621,302	84,830	4,819	(2,531,653)
Central	2,578,885	-	27,000	(2,551,885)
Operation of Non-Instructional Services	6,535,773	1,112,822	5,530,036	107,085
Extracurricular Activities	1,342,464	601,147	-	(741,317)
Interest and Fiscal Charges	651,091	-	-	(651,091)
Unallocated Depreciation *	5,277,930	-	-	(5,277,930)
Total Governmental Activities	\$ 75,205,566	\$ 3,487,232	\$ 14,556,340	(57,161,994)

General Revenues:

Property Taxes Levied for:	
General Purposes	20,847,781
Debt Service	2,518,926
Capital Outlay	698,516
Facilities Maintenance	245,473
Operating Grants and Entitlements not Restricted to Specific Programs	80,528,240
Investment Earnings	368,677
Miscellaneous	1,125,568
Total General Revenues	106,333,181
Change in Net Position	49,171,187
Net Position at Beginning of Year, restated	43,306,881
Net Position at End of Year	\$92,478,068

* This amount excludes the depreciation that is included in the direct expenses of the various programs.

See accompanying notes to the basic financial statements



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Springfield City School District

Balance Sheet

Governmental Funds

June 30, 2018

	General	Bond Retirement	Building Fund	Nonmajor Governmental Funds	Total Governmental Funds
<u>Assets:</u>					
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 36,119,583	\$ 5,298,128	\$ 18,444	\$ 9,801,260	\$ 51,237,415
Receivables:					
Property Taxes	27,925,524	3,068,135	-	1,131,803	32,125,462
Accounts	31,584	-	-	10,951	42,535
Intergovernmental	29,572	-	-	2,359,767	2,389,339
Interfund	847,000	-	-	-	847,000
Total Assets	\$ 64,953,263	\$ 8,366,263	\$ 18,444	\$ 13,303,781	\$ 86,641,751
<u>Liabilities:</u>					
Accounts Payable	\$ 303,047	\$ -	\$ -	\$ 157,499	\$ 460,546
Accrued Wages and Benefits Payable	7,423,830	-	-	742,029	8,165,859
Intergovernmental Payable	1,766,613	-	-	186,808	1,953,421
Interfund Payable	-	-	-	847,000	847,000
Total Liabilities	9,493,490	-	-	1,933,336	11,426,826
<u>Deferred Inflows of Resources:</u>					
Unavailable Revenue	6,910,938	568,636	-	2,086,605	9,566,179
Property Taxes Not Levied for Current Year	16,441,809	2,123,240	-	722,264	19,287,313
Total Deferred Inflows of Resources	23,352,747	2,691,876	-	2,808,869	28,853,492
<u>Fund Balances:</u>					
Restricted	-	5,674,387	18,444	8,754,825	14,447,656
Committed	11,000	-	-	63,975	74,975
Assigned	2,842,795	-	-	-	2,842,795
Unassigned (Deficit)	29,253,231	-	-	(257,224)	28,996,007
Total Fund Balances	32,107,026	5,674,387	18,444	8,561,576	46,361,433
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 64,953,263	\$ 8,366,263	\$ 18,444	\$ 13,303,781	\$ 86,641,751

See accompanying notes to the basic financial statements

Springfield City School District
 Reconciliation of Total Governmental Fund Balances to
 Net Position of Governmental Activities
 June 30, 2018

Total Governmental Fund Balances \$46,361,433

*Amounts reported for governmental activities in the
 Statement of Net Position are different because:*

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds. These assets consist of:

Land	15,374,624	
Construction in Progress	54,460	
Other Capital Assets	232,554,212	
Accumulated Depreciation	<u>(79,476,428)</u>	
Total Capital Assets		168,506,868

Some of the School District's revenues will be collected after fiscal year-end, but are not available soon enough to pay for the current period's expenditures and therefore are reported as deferred inflows in the funds.

Property Taxes	7,726,034	
Intergovernmental	<u>1,840,145</u>	
		9,566,179

The Internal Service Fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the Internal Service Fund are included in governmental activities in the Statement of Net Position. 2,173,125

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is recorded when due. (129,985)

Some liabilities and miscellaneous deferred outflows of resources are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Bonds Payable	(16,694,095)	
Energy Conservation Notes	(530,000)	
Deferred Charge on Refunding	114,881	
Accretion on Capital Appreciation Bonds	(2,478,475)	
Premium on Bonds	(708,647)	
Capital Leases	(374,311)	
Compensated Absences	<u>(6,151,251)</u>	
Total Liabilities		(26,821,898)

The net pension and OPEB liabilities are not due and payable in the current period; therefore, these liabilities and related deferred inflows/outflows are not reported in the governmental funds:

Deferred Outflows - Pension and OPEB	42,637,426	
Deferred Inflows - Pension and OPEB	(6,915,747)	
Net Pension Liability	(116,685,168)	
Net OPEB Liability	<u>(26,214,165)</u>	
		<u>(107,177,654)</u>

Net Position of Governmental Activities \$92,478,068

See accompanying notes to the basic financial statements

Springfield City School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2018

	General	Bond Retirement	Building Fund	Nonmajor Governmental Funds	Total Governmental Funds
<u>Revenues:</u>					
Property Taxes	\$ 20,614,326	\$ 2,546,682	\$ -	\$ 934,883	\$ 24,095,891
Intergovernmental	79,872,736	461,080	-	14,448,444	94,782,260
Investment Earnings	305,899	-	1	62,777	368,677
Tuition and Fees	1,722,594	-	-	365,243	2,087,837
Extracurricular Activities	198,478	-	-	402,669	601,147
Rentals	214,094	-	-	-	214,094
Charges for Services	50,669	-	-	747,579	798,248
Contributions and Donations	5,766	-	-	21,862	27,628
Miscellaneous	808,053	-	-	67,286	875,339
Total Revenues	103,792,615	3,007,762	1	17,050,743	123,851,121
<u>Expenditures:</u>					
Current:					
Instruction:					
Regular	37,412,150	-	-	6,414	37,418,564
Special	12,334,146	-	-	3,641,011	15,975,157
Vocational	368,300	-	-	-	368,300
Adult/Continuing	46,116	-	-	70,051	116,167
Student Intervention Services	234,966	-	-	830,301	1,065,267
Other	14,668,224	-	-	137,004	14,805,228
Support Services:					
Pupils	8,328,041	-	-	877,896	9,205,937
Instructional Staff	2,539,303	-	-	2,450,064	4,989,367
Board of Education	119,761	-	-	-	119,761
Administration	7,740,295	-	-	583,066	8,323,361
Fiscal	1,423,480	49,675	-	509,087	1,982,242
Business	160,794	-	-	-	160,794
Operation and Maintenance of Plant	7,202,907	-	-	694,986	7,897,893
Pupil Transportation	2,412,851	-	-	346,284	2,759,135
Central	2,655,599	-	-	32,973	2,688,572
Operation of Non-Instructional Services	496,326	-	-	6,177,342	6,673,668
Extracurricular Activities	878,208	-	-	1,606,147	2,484,355
Capital Outlay	12,400	-	-	447,580	459,980
Debt Service:					
Principal Retirement	147,005	2,410,000	-	-	2,557,005
Interest and Fiscal Charges	51,383	535,213	-	-	586,596
Total Expenditures	99,232,255	2,994,888	-	18,410,206	120,637,349
Excess of Revenues Over (Under) Expenditures	4,560,360	12,874	1	(1,359,463)	3,213,772
<u>Other Financing Sources (Uses):</u>					
Proceeds from Sale of Capital Assets	-	-	-	8,507	8,507
Transfers In	-	-	-	1,740,000	1,740,000
Transfers Out	(1,740,000)	-	-	-	(1,740,000)
Total Other Financing Sources (Uses)	(1,740,000)	-	-	1,748,507	8,507
Net Change in Fund Balances	2,820,360	12,874	1	389,044	3,222,279
Fund Balances at Beginning of Year	29,286,666	5,661,513	18,443	8,172,532	43,139,154
Fund Balances at End of Year	\$ 32,107,026	\$ 5,674,387	\$ 18,444	\$ 8,561,576	\$ 46,361,433

See accompanying notes to the basic financial statements

Springfield City School District
 Reconciliation of the Statement of Revenues, Expenditures
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Fiscal Year Ended June 30, 2018

Net Change in Fund Balances - Total Governmental Funds \$3,222,279

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

Capital outlays are reported as expenditures in governmental funds. However, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital Assets Additions	2,056,052	
Depreciation Expense	(6,445,555)	
Excess of Depreciation Expense over Capital Outlay		(4,389,503)

Because some revenues will not be collected for several months after the School District's fiscal year end, they are not considered "available" revenues and are reported as deferred inflows in the governmental funds.

Delinquent Property Taxes	214,805	
Intergovernmental	302,320	
		517,125

Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. In the current fiscal year, these amounts consist of:

Principal Retirement	2,475,000	
Capital Lease Payments	82,005	
Total Long-Term Debt Repayment		2,557,005

Accretion and amortization of bond premium, the deferred loss on refunding of debt, as well as accrued interest payable on the bonds are not reported in the funds, but is allocated as an expense over the life of the debt in the Statement of Activities.

Amortization of Bond Premium	156,117	
Amortization of Deferred Charge on Refunding	(58,400)	
Accretion on Bonds	(186,048)	
Decrease in Accrued Interest	23,836	
		(64,495)

Contractually required contributions are reported as expenditures in governmental funds; however, the statement of activities reports these amount as deferred outflows. 8,141,425

Except for amounts reported as deferred inflows/outflows, changes in the net pension and OPEB liabilities are allocated by functional expense in the statement of activities. 38,336,279

The Internal Service Fund used by management to charge the cost of insurance to individual funds is reported in the entity-wide Statement of Activities. 1,383,492

Some items reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

These activities consist of:

Increase in Compensated Absences Payable	(532,420)
--	-----------

Change in Net Position of Governmental Activities \$49,171,187

See accompanying notes to the basic financial statements

Springfield City Schools
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Property and Other Local Taxes	\$ 20,669,061	\$ 20,669,061	\$ 20,956,742	\$ 287,681
Intergovernmental	80,324,341	80,324,341	79,225,791	(1,098,550)
Interest	331,970	331,970	397,054	65,084
Tuition and Fees	1,641,402	1,641,402	1,722,594	81,192
Rent	129,286	129,286	215,339	86,053
Extracurricular Activities	3,566	3,566	18,014	14,448
Customer Sales and Services	28,246	28,246	50,669	22,423
Miscellaneous	179,550	179,550	756,831	577,281
Total Revenues	103,307,422	103,307,422	103,343,034	35,612
EXPENDITURES:				
Current:				
Instruction:				
Regular	34,135,619	37,814,557	37,170,759	643,798
Special	11,234,911	11,815,381	12,298,627	(483,246)
Vocational	398,992	398,992	398,692	300
Adult/Continuing	42,790	48,568	47,642	926
Student Intervention Services	241,794	241,794	236,812	4,982
Other	17,665,513	15,269,919	14,666,572	603,347
Support Services:				
Pupils	8,836,620	8,765,070	8,563,236	201,834
Instructional Staff	2,561,273	2,725,336	2,555,339	169,997
Board of Education	215,450	210,950	175,644	35,306
Administration	7,914,455	7,911,903	7,875,672	36,231
Fiscal	1,563,556	1,588,029	1,488,739	99,290
Business	223,258	223,257	199,069	24,188
Operation and Maintenance of Plant	8,480,545	8,436,377	7,914,394	521,983
Pupil Transportation	2,746,139	2,726,139	2,476,907	249,232
Central	3,370,437	3,628,957	3,511,913	117,044
Operation of Non-Instructional/Shared Services:				
Community Services	591,254	592,566	542,852	49,714
Extracurricular Activities:				
Academic Oriented Activities	57,085	59,395	54,002	5,393
Occupation Oriented Activities	229,345	237,309	218,107	19,202
Sport Oriented Activities	495,453	514,791	500,202	14,589
Capital Outlay:				
Site Improvement Services	14,550	14,550	12,400	2,150
Building Improvement Services	300,000	300,000	-	300,000
Debt Service:				
Principal	65,000	65,000	65,000	-
Interest	32,400	33,200	33,188	12
Total Expenditures	101,416,439	103,622,040	101,005,768	2,616,272
Excess of Revenues Over (Under) Expenditures	1,890,983	(314,618)	2,337,266	2,651,884
OTHER FINANCING SOURCES AND USES:				
Advances In	128,000	128,000	-	(128,000)
Proceeds from Sale of Capital Assets	18,568	18,568	-	(18,568)
Refund of Prior Year Expenditures	49,400	49,400	708,919	659,519
Transfers Out	(1,740,000)	(1,740,000)	(1,740,000)	-
Advances Out	(128,000)	(128,000)	-	128,000
Total Other Financing Sources and Uses	(1,672,032)	(1,672,032)	(1,031,081)	640,951
Net Change in Fund Balances	218,951	(1,986,650)	1,306,185	3,292,835
Fund Balance (Deficit) at Beginning of Year	31,903,560	31,903,560	31,903,560	-
Prior Year Encumbrances Appropriated	1,439,708	1,439,708	1,439,708	-
Fund Balance (Deficit) at End of Year	\$ 33,562,219	\$ 31,356,618	\$ 34,649,453	\$ 3,292,835

See accompanying notes to the basic financial statements

Springfield City School District
Statement of Fund Net Position
Internal Service Fund
June 30, 2018

	<u>Self-Insurance</u>
<u>Current Assets:</u>	
Equity in Pooled Cash and Cash Equivalents	\$3,293,465
Accounts Receivable	2,464
	<u>3,295,929</u>
<i>Total Assets</i>	
<u>Current Liabilities:</u>	
Accounts Payable	2,295
Intergovernmental Payable	1,550
Accrued Wages and Benefits	770
Claims Payable	1,118,189
	<u>1,122,804</u>
<i>Total Current Liabilities</i>	
<i>Total Liabilities</i>	<u>1,122,804</u>
<u>Net Position:</u>	
Unrestricted	<u>\$2,173,125</u>

See accompanying notes to the basic financial statements

Springfield City School District
Statement of Revenues, Expenses
and Changes in Fund Net Position
Internal Service Fund
For the Fiscal Year Ended June 30, 2018

	Self-Insurance
<u>Operating Revenues:</u>	
Charges for Services	\$16,201,582
Other	352,381
	16,553,963
 <u>Operating Expenses:</u>	
Salaries	22,719
Fringe Benefits	16,110
Purchased Services	53,921
Claims	15,108,379
	15,201,129
<i>Operating Income (Loss)</i>	1,352,834
 <u>Non-Operating Revenues:</u>	
Investment Earnings	30,658
	1,383,492
<i>Change in Net Position</i>	
<i>Net Position at Beginning of Year</i>	789,633
	\$2,173,125
<i>Net Position at End of Year</i>	\$2,173,125

See accompanying notes to the basic financial statements

Springfield City School District
Statement of Cash Flows
Internal Service Fund
For the Fiscal Year Ended June 30, 2018

	<u>Self-Insurance</u>
<i>Increase (Decrease) in Cash and Cash Equivalents:</i>	
<u>Cash Flows From Operating Activities:</u>	
Receipts from Interfund Services Provided	\$16,201,582
Receipts from Other Sources	352,381
Cash Payments to Suppliers for Goods and Services	(53,225)
Cash Payments to Employees for Services	(26,097)
Cash Payments for Employee Benefits	(16,408)
Cash Payments for Claims	<u>(15,280,091)</u>
<i>Net Cash Provided (Used) by Operating Activities</i>	1,178,142
<u>Cash Flows From Investing Activities:</u>	
Investment Earnings	<u>30,658</u>
<i>Net Increase (Decrease) in Cash and Cash Equivalents</i>	1,208,800
<i>Cash and Cash Equivalents at Beginning of Year</i>	<u>2,084,665</u>
<i>Cash and Cash Equivalents at End of Year</i>	<u><u>\$3,293,465</u></u>
<i>Reconciliation of Operating Income (Loss) to Net Cash</i>	
<u>Provided (Used) By Operating Activities:</u>	
Operating Income (Loss)	\$1,352,834
<i>Adjustments to Reconcile Operating Income (Loss) to</i>	
<u>Net Cash Provided (Used) By Operating Activities:</u>	
Changes in Assets and Liabilities:	
Decrease in Accounts Payable	(137,155)
Decrease in Accrued Wages and Benefits	(3,378)
Increase in Intergovernmental Payable	1,550
Decrease in Claims Payable	<u>(35,709)</u>
<i>Net Cash Provided (Used) By Operating Activities</i>	<u><u>\$1,178,142</u></u>

See accompanying notes to the basic financial statements

Springfield City School District
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2018

	<u>Private Purpose Trust</u>	<u>Agency</u>
<u>Assets:</u>		
Equity in Pooled Cash and Cash Equivalents	<u>\$77,040</u>	<u>\$1,234,428</u>
<i>Total Assets</i>	<u>77,040</u>	<u><u>1,234,428</u></u>
<u>Liabilities:</u>		
Due to Students	-	77,014
Due to Other Governments	-	<u>1,157,414</u>
<i>Total Liabilities</i>	<u>-</u>	<u><u>\$1,234,428</u></u>
<u>Net Position:</u>		
Restricted - Nonexpendable	10,000	
Held in Trust for Scholarships	<u>67,040</u>	
<i>Total Net Position</i>	<u><u>\$77,040</u></u>	

See accompanying notes to the basic financial statements

Springfield City School District
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2018

	Private Purpose Trust
<u>Additions:</u>	
Investment Earnings	\$1,120
Contributions and Donations	7,122
<i>Total Additions</i>	8,242
<u>Deductions:</u>	
Payment in Accordance with Trust Agreements	8,564
<i>Change in Net Position</i>	(322)
<i>Net Position at Beginning of Year</i>	77,362
<i>Net Position at End of Year</i>	\$77,040

See accompanying notes to the basic financial statements

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

Springfield City School District (the "School District") is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The School District operates under a locally-elected Board form of government consisting of five members elected at-large for staggered four-year terms. The first official body designated as the Springfield Board of Education was formed on April 28, 1855. The School District provides educational services as authorized by State statute and federal guidelines.

The Board controls the School District's 18 instructional/support facilities staffed by 329 non-certificated employees, 620 certificated full-time teaching personnel and 96 administrative employees who provide services to 7,810 students and other community members.

Reporting Entity

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

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

The following activities are included within the reporting entity:

Parochial Schools - Within the School District boundaries, Catholic Central School, Springfield Christian, and Nightingale Montessori School are operated as private schools. Current State legislation provides funding to these parochial schools. These monies are received and disbursed on behalf of the parochial schools by the Treasurer of the School District, as directed by the parochial schools. This activity is reflected in a nonmajor special revenue fund for financial reporting purposes.

The School District participates in three jointly governed organizations and two insurance purchasing pools. These organizations are the Clark County Family and Children First Council, the Southwestern Ohio Educational Purchasing Council, the Springfield-Clark Career Technology Center, the Ohio SchoolComp Group Retrospective Rating Program and the Ohio School Plan. These organizations are presented in Notes 16 and 17 to the basic financial statements.

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Basis of Presentation

The School District's basic financial statements consist of government-wide statements, including a Statement of Net Position and a Statement of Activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the Internal Service Fund is eliminated to avoid "doubling up" revenues and expenses. The government-wide financial statements usually distinguish between activities that are governmental and those that are considered business-type. The School District, however, has no activities which are reported as business-type.

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

Fund Financial Statements

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

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Accounting

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

Governmental Funds

Governmental funds are those through which most governmental functions of the School District 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 compared with liabilities and deferred inflows of resources is reported as fund balance. The following are the School District's major governmental funds:

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

Bond Retirement Fund - The Bond Retirement Debt Service Fund is used to account for and report restricted financial resources, including property taxes, for the repayment of principal, interest and related costs of general long-term obligations.

Building Fund - The Building Fund is used to account for and report restricted proceeds from the sale of bonds, notes or certificates of indebtedness, except premiums and accrued interest, paid into this fund. Expenditures recorded in this fund represent costs of acquiring capital facilities as well as the costs of renovating, improving, refurbishing and maintaining existing school facilities.

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

Proprietary Fund

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

Self-Insurance Fund - The Self-Insurance Internal Service Fund is used to account for medical and dental benefits provided to employees.

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District has two private purpose trust funds. Both funds provide scholarships to its students, one from donations and the other from an endowment. The School District also has two agency funds, one is used to account for student activity programs which consist of a student body, student president, student treasurer, and faculty advisor and the second is used to account for worker's compensation payments.

Measurement Focus

Government-wide Financial Statements

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

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, deferred outflows, 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 all liabilities associated with the operation of these funds are included on the Statement of Fund Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position. The Statement of Cash Flows provides information about how the School District finances and meets the cash flow needs of its internal service activities.

The private purpose trust funds are reported using the economic resources measurement focus.

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 and the financial statements of the proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows of resources, and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. “Measurable” means that the amount of the transaction can be determined, and “available” means that the resources are collectible 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 School District, available means expected to be received within 60 days of fiscal year-end.

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

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. 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 School District, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding, pension, and OPEB. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension and OPEB plans are explained in Note 10 and 11.

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

In addition to liabilities, the Statement of Net Position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the School District, deferred inflows of resources include property taxes, pension, OPEB, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2018, but which were levied to finance fiscal year 2019 operations. These amounts have been recorded as deferred inflow 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 School District, unavailable revenue includes delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of the resources in the period the amounts become available. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 10 and 11)

Pensions/Other Postemployment Benefit (OPEB) Plans

For purposes of measuring the net pension and OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB 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 and OPEB plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred.

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

Cash and Cash Equivalents

To improve cash management, all cash received by the School District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through the School District's records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents and Investments" on the financial statements.

During fiscal year 2018, the School District's investments were limited to commercial paper, STAROhio, negotiable certificates of deposit, US Treasuries and money market mutual funds. Investments in commercial paper, negotiable certificates of deposit, US Treasuries and money market mutual funds are reported at fair value which is based on quoted market prices or current share prices.

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

During fiscal year 2018, the School 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 implemented Governmental Accounting Standards Board (GASB), Statement No. 79, “Certain External Investment Pools and Pool Participants.” The School District measures their 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 the fiscal year 2018, 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 \$100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Investment earnings credited to the General Fund during fiscal year 2018 amounted to \$305,899 of which \$59,452 was earned by other funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are presented on the financial statements as cash and cash equivalents. Additional information regarding the fair value measurement of investments is disclosed in Note 5.

Capital Assets

The School District’s only capital assets are general capital assets. General capital assets are those assets specifically related to governmental activities. General capital assets generally result from expenditures in the governmental funds. These assets are reported in the government-wide Statement of Net Position but are not reported in the fund financial statements.

Capital assets are capitalized at cost (or estimated historical cost, which is determined by indexing the current replacement cost back to the year of acquisition) and updated for additions and retirements during the fiscal year. Donated capital assets are recorded at their acquisition value. The School District maintains a capitalization threshold of \$2,500. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are not capitalized.

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>Estimated Lives</u>
Buildings	40 years
Furniture and Equipment	7 - 20 years
Vehicles	7 years

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “Interfund Receivable” and “Interfund Payable”. These amounts are eliminated in the governmental activities column of the Statement of Net Position.

Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent it is probable that benefits will result in termination payments. The liability is an estimate based on the School District’s past experience of making termination payments.

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

On the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account “Matured Compensated Absences Payable” in the funds from which the employees will be paid. As of June 30, 2018, there were no matured compensated absences payable identified or reported by the District.

Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. 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 governmental funds. However, 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 with current available resources. Net pension and OPEB liabilities should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension and OPEB plans’ fiduciary net position is not sufficient for payment of those benefits. Long-term bonds, notes, and capital leases that will be paid from governmental funds are recognized as an expenditure and liability in the governmental fund financial statements when due.

Bond Premiums and Compounded Interest on Capital Appreciation Bonds

For governmental activities, bond premiums are deferred and amortized over the term of the bonds using the straight-line method since the results are not significantly different from the effective interest method. Capital appreciation bonds are accreted each fiscal year for the compounded interest accrued during the fiscal year. Bond premiums and the compounded interest on the capital appreciation bonds are presented as an addition to the face amount of the bonds payable.

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

On the governmental fund financial statements bond premiums are recognized in the period in which the bonds were issued. Accretion on the capital appreciation bonds is not reported. Interest on the capital appreciation bonds is recorded as an expenditure when the debt becomes due.

Deferred Charge on Refunding

On the government-wide financial statements an advance refunding resulting in the defeasance of debt generates an accounting loss calculated by comparing the reacquisition price and the net carrying amount of the old debt. This accounting loss is presented as a deferred outflow on the government-wide financial statements and is not reported on the governmental fund financial statements.

Net Position

Net position represents the difference between assets and deferred outflows compared with liabilities and deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net position restricted for other purposes include resources restricted for student activities and federal and State grants restricted to expenditures for specified purposes.

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

Internal Activity

Transfers within governmental activities are eliminated on the government-wide financial statements.

Internal allocations of overhead expenses from one function to another or within the same function are eliminated of the Statement of Activities. Payments for interfund services provided and used are not eliminated.

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

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the Internal Service Fund. For the School District, these revenues are charges for services for medical and dental insurance. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. Revenues and expenses that do not meet these definitions are reported as non-operating.

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Balance

The Districts fund balance, as of June 30, 2018, is divided into four classifications based primarily on the extent to which the School District is bound to observe constraints imposed upon the use of the resources in the governmental funds.

These classifications are as follows:

Restricted

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

Committed

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

Assigned

Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, through the School District's purchasing policy, the Board has given the Treasurer the authority to constrain monies for intended purposes, which are reported as assigned.

Unassigned

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

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

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Budgetary Process

All funds, other than the agency funds, are legally required to be budgeted and appropriated. In fiscal year 2018, the Race to the Top fund did not have a legally adopted budget. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of budgetary control has been established by the Board of Education at the fund level. The Treasurer has been authorized to allocate Board appropriations to the object level within each fund.

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

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

Estimates

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

NOTE 3 - ACCOUNTABILITY

At June 30, 2018, the following funds had deficit fund balances:

	<u>Deficit Fund Equity</u>
Special Revenue Funds:	
Early Childhood Education	\$ 52,806
Adult Basic Education	3,878
Title VI-B Special Education Part B - IDEA	70,344
Title I	90,379
Preschool Grant	2,395
Title VI-R	37,422

The General Fund provides transfers to cover deficit balances in these funds; however, this is done when cash is needed rather than when accruals occur.

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 4 - BUDGETARY BASIS OF ACCOUNTING

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

The major differences between the budget basis and GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than restricted, committed, or assigned fund balance (GAAP basis).
4. Advances In and Advances Out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).
5. Investments are recorded at fair value (GAAP) rather than cost (budget basis).

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

Net Change in Fund Balances	
	General Fund
GAAP Basis	\$ 2,820,360
Revenue Accruals	455,825
Expenditure Accruals	(548,421)
Encumbrances	(1,411,064)
Perspective Difference	(10,515)
Budget (Non-GAAP) Basis	\$ 1,306,185

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 5 - DEPOSITS AND INVESTMENTS

Monies held by the School District are classified by State statute into three categories.

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

Inactive deposits are public deposits 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 held by the School District 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;
3. Written repurchase agreements in the securities listed above;
4. Bonds and other obligations of the State of Ohio;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) above;
7. The State Treasurer's investment pool (STAROhio); and
8. Commercial paper and bankers' acceptances if training requirements have been meet.

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. Investments may only be made through specified dealers and institutions.

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At fiscal year-end, \$10,700,656 of the School District's bank balance of \$17,592,075 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution but not in the name of the School District.

The School District has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or be protected by eligible securities pledged to and deposited either with the School District or a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105 percent of the deposits being secured, or participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total market value of the securities to be 102 percent of the deposits being secured or a rate set by the Treasurer of State.

Investments

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure 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.

As of June 30, 2018 the School District had the following recurring fair value measurements.

- U.S. Agency securities of \$9,382,660, money market mutual funds of \$1,777,622, commercial paper of \$1,291,243 and negotiable certificates of deposit of \$2,980,753 are valued using significant other observable inputs (Level 2 inputs), or quoted market prices provided by investment manager.

Interest Rate Risk

As a means of limiting its exposure to fair value losses caused by rising interest rates, the School District's investment policy requires that, to the extent possible, investments will match anticipated cash flow requirements. No investment shall be made unless the Treasurer, at the time of making the investment, reasonably expects it can be held to its maturity. Unless matched to a specific obligation or debt of the School District, the School District will not directly invest in securities maturing more than five years from the date of investment.

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 5 - DEPOSITS AND INVESTMENTS (continued)

Credit Risk

The Standard and Poor's rating of the investment securities are listed in the table below. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service and that the mutual fund be rated in the highest category at the time of purchase by at least one nationally recognized rating service. The School District's investment policy limits investments to those authorized by State statute.

Concentration of Credit Risk

The School District's investment policy provides that the School District will diversify its investments in securities by maturity, issue, and class. The percentage that each investment represents of the total investments is listed in the table below.

As of June 30, 2018, the School District had the following investments. All investments are in an internal investment pool.

	Measurement Value	Maturity (in years)			Percent of Total Portfolio	Credit Rating*
		0 - 1	2 - 3	4 - 5		
Money Market	\$ 1,777,622	1,777,622	-	-	4.59%	AAAm
Negotiable Certificates of Deposit	2,980,753	1,743,843	1,236,910	-	7.69%	N/A
Federal Home Loan Bank	4,430,380	-	985,520	3,444,860	11.43%	AA+
Federal Home Loan Mortgage	4,952,280	-	3,951,950	1,000,330	12.78%	AA+
Commercial Paper	1,291,243	1,291,243	-	-	3.33%	A-1
STAROhio	23,318,192	23,318,192	-	-	60.18%	AAAm
Total Investments	\$ 38,750,470	28,130,900	6,174,380	4,445,190		

NOTE 6 - PROPERTY TAXES

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

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenue received in fiscal year 2018 represents collections of calendar year 2017 taxes. Real property taxes received in calendar year 2018 were levied after April 1, 2017, on the assessed value listed as of January 1, 2017, 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 semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in fiscal year 2018 represents collections of calendar year 2017 taxes. Public utility real and tangible personal property taxes received in calendar year 2017 became a lien December 31, 2016, were levied after April 1, 2017, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 6 - PROPERTY TAXES (continued)

The School District receives property taxes from Clark County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2018, are available to finance fiscal year 2019 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property and public utility property taxes which were measurable as of June 30, 2018 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 reflected 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 inflow of resources.

The amounts available as an advance at June 30, 2018 was, \$4,572,777 in the General Fund, \$376,259 in the Bond Retirement Debt Service Fund, and \$163,079 in the Other Governmental Funds. The amounts available as an advance at June 30, 2017 was, \$4,915,193 in the General Fund, \$439,044 in the Bond Retirement Debt Service Fund, and \$174,732 in the Other Governmental Funds.

On an accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been reported as deferred inflows of resources – unavailable revenue.

The assessed values upon which fiscal year 2018 taxes were collected are:

	<u>2018 First Half Collections</u>		<u>2017 Second Half Collections</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/Residential and Other Real Estate	\$ 561,728,460	91.18%	565,616,890	92.86%
Public Utility	<u>54,348,140</u>	<u>8.82%</u>	<u>43,506,600</u>	<u>7.14%</u>
Total Assessed Value	<u>\$ 616,076,600</u>	<u>100.00%</u>	<u>609,123,490</u>	<u>100.00%</u>
 Tax rate per \$1,000 of assessed valuation	 <u>\$64.41</u>		 <u>\$64.93</u>	

NOTE 7 - RECEIVABLES

Receivables at June 30, 2018, consisted of property taxes, accounts, intergovernmental grants, and interfund. All receivables are considered collectible in full. With the exception of delinquent property taxes, all receivables will be received within one year. Property taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year.

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 7 – RECEIVABLES (continued)

A summary of the principal items of intergovernmental receivables follows:

<u>Governmental Activities:</u>	<u>Amount</u>
General Fund	\$ 29,572
Food Service	35,249
Mental Health/Early Start	19,836
School Age Child Care/After School Enrichment	1,946
Auxiliary Services	4,449
Early Childhood Education	105,213
Adult Basic Education	19,458
Special Education Part B - IDEA	441,116
Title I School Improvement, Stimulus A	390,050
Title III	6,011
Title I	1,014,777
Pre-School Grant	14,952
Title VI-R	192,326
Miscellaneous Federal Grants	114,384
Total Intergovernmental Receivables	<u>\$ 2,389,339</u>

NOTE 8 - CAPITAL ASSETS

Capital assets activity for the fiscal year ended June 30, 2018, was as follows:

<u>Governmental Activities:</u>	<u>Balance at 6/30/2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance at 6/30/2018</u>
Capital Assets Not Being Depreciated				
Land	\$ 15,374,624	\$ -	\$ -	\$ 15,374,624
Construction in Progress	19,965	54,460	(19,965)	54,460
Total Capital Assets Not Being Depreciated	<u>15,394,589</u>	<u>54,460</u>	<u>(19,965)</u>	<u>15,429,084</u>
Depreciable Capital Assets				
Buildings	216,054,718	87,800	-	216,142,518
Furniture and Equipment	11,123,838	1,512,367	-	12,636,205
Vehicles	3,482,626	421,390	(128,527)	3,775,489
Total Depreciable Capital Assets	<u>230,661,182</u>	<u>2,021,557</u>	<u>(128,527)</u>	<u>232,554,212</u>
Accumulated Depreciation				
Buildings	(64,154,848)	(5,133,877)	-	(69,288,725)
Furniture and Equipment	(6,673,989)	(925,919)	-	(7,599,908)
Vehicles	(2,330,563)	(385,759)	128,527	(2,587,795)
Total Accumulated Depreciation	<u>(73,159,400)</u>	<u>(6,445,555) *</u>	<u>128,527</u>	<u>(79,476,428)</u>
Depreciable Capital Assets, Net	<u>157,501,782</u>	<u>(4,423,998)</u>	<u>-</u>	<u>153,077,784</u>
Governmental Activities Capital Assets, Net	<u>\$ 172,896,371</u>	<u>\$ (4,369,538)</u>	<u>\$ (19,965)</u>	<u>\$ 168,506,868</u>

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 8 - CAPITAL ASSETS (continued)

* - Depreciation expense was charged to governmental functions as follows:

Instruction		
Regular	\$	66,900
Special		19,176
Student Intervention Services		1,936
Support Services		
Pupils		19,499
Instructional Staff		13,114
Administration		1,307
Fiscal		98,150
Operation and Maintenance of Plant		161,795
Pupil Transportation		332,137
Central		187,945
Operation of Non-Instructional Services		173,510
Extracurricular Activities		92,156
		1,167,625
Unallocated Depreciation		5,277,930
Total Depreciation Expense	\$	6,445,555

NOTE 9 - RISK MANAGEMENT

Workers' Compensation

For fiscal year 2018, the School District participated in the Ohio SchoolComp Group Retrospective Rating Program (GRRP), an insurance purchasing pool (See Note 17). The intent of the GRRP is to reward participants that are able to keep their claims costs below a predetermined amount. As part of the GRRP, school districts join together as a group. Each school district continues to pay its own individual premium to the State. However, each school district has the opportunity to receive retrospective premium adjustments (refunds or assessments) at 12, 24, and 36 months after the end of the policy year. At the end of each policy year, the Bureau of Workers' Compensation (BWC) will take a snap-shot of the incurred claims losses (indemnity, medical, and reserves) for the entire group and calculate the group's retrospective premium. If the retrospective premium that is calculated is less than the group's total standard premium, the participants will receive a refund. However, if the retrospective premium is greater than the group's total standard premium, an assessment will be levied by BWC. Each group limits the maximum assessment by selecting a premium cap between five percent and 100 percent of merit rated premium. Participation in the GRRP is limited to school districts that can meet the GRRP's selection criteria. The firm of CompManagement, Inc. provides administrative, cost control, and actuarial services to the GRRP.

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 9 - RISK MANAGEMENT (continued)

Property and Liability

The School District 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 School District, along with other school districts in Ohio, participates in the Ohio School Plan (OSP), an insurance purchasing pool. Each individual School District enters into an agreement with the OSP and its premium is based on types of coverage, limits of coverage, and deductibles that it selects. The School District pays this annual premium to the OSP. (See Note 17). During fiscal year 2018, the School District contracted with the Ohio School Plan for property, inland marine, crime, automobile liability and general liability insurance coverage. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There has been no significant change in insurance coverage from last fiscal year.

Employee Health Insurance

The School District is self-insured for health benefits with Anthem as the plan administrator. It is the stated goal of the insurance committee to maintain a balance of one to two months' average claims history. The School District purchased additional stop-loss coverage from Anthem. The specific stop-loss limit is \$225,000 with a maximum aggregate limit of \$2,000,000 per person.

The School District is self-insured for dental benefits with Delta Dental as the plan administrator. The District made claims payments of \$557,585 during the fiscal year.

The liability for unpaid claims of \$1,118,189 reported in the Self-Insurance Fund at June 30, 2018, is based on the requirements of GASB Statement No. 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues," as amended by GASB Statement No. 30, "Risk Management Omnibus," which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. Estimates were calculated based upon an independent actuarial evaluation of claims payable. The estimate was not affected by incremental claims adjustment expenses and does not include other allocated or unallocated claims adjustment expenses. Due to nature of health claims, payment of all claims outstanding at June 30, 2018, is expected to be made within one year.

Changes in claims activity for the past two fiscal years are as follows:

<u>Year</u>	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2017	\$ 980,215	17,234,578	(17,060,895)	1,153,898
2018	\$ 1,153,898	15,244,382	(15,280,091)	1,118,189

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 10 - 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 School District's proportionate share of each pension plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan's fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

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

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

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

Plan Description - School Employees Retirement System (SERS)

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

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 10 - 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 on or after August 1, 2017
Full benefits	Age 65 with 5 years of service credit; or 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; or 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 School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2018, the allocation to pension, death benefits, and Medicare B was 13.5 percent. The remaining 0.5 percent of the 14 percent employer contribution rate was allocated to the Health Care Fund.

The School District's contractually required contribution to SERS was \$1,711,701 for fiscal year 2018. Of this amount, \$587,961 is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

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

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 10 - 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, 12 percent of the 14 percent member rate goes to the DC Plan and 2 percent goes to the DB Plan. Member contributions to the DC Plan 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, 2018, plan members were required to contribute 14 percent of their annual covered salary. The School District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2018 contribution rates were equal to the statutory maximum rates.

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

The School District's contractually required contribution to STRS was \$6,172,581 for fiscal year 2018. Of this amount \$1,241,012 is reported as an intergovernmental payable.

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

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on the School District's share of contributions to the pension plan relative to the projected contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate share of the net pension liability	\$ 24,081,622	\$ 92,603,546	\$ 116,685,168
Proportion of the net pension liability	0.4030546%	0.3898241%	
Change in proportionate share	0.0251826%	0.0087397%	
Pension (negative) expense	\$ (347,788)	\$ (34,264,705)	\$ (34,612,493)

At June 30, 2018, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<u>Deferred Outflows of Resources:</u>			
Differences between expected and actual experience	\$ 1,036,390	\$ 3,575,914	\$ 4,612,304
Change in assumptions	1,245,279	20,253,412	21,498,691
Change in School District's proportionate share and difference in employer contributions	1,421,996	5,149,223	6,571,219
School District contributions subsequent to the measurement date	<u>1,711,701</u>	<u>6,172,581</u>	<u>7,884,282</u>
Total	<u>\$ 5,415,366</u>	<u>\$ 35,151,130</u>	<u>\$ 40,566,496</u>
<u>Deferred Inflows of Resources:</u>			
Differences between expected and actual experience	\$ -	\$ (746,348)	\$ (746,348)
Net difference between projected and actual earnings on pension plan investments	(114,309)	(3,056,024)	(3,170,333)
Change in School District's proportionate share and difference in employer contributions	<u>(50,455)</u>	<u>-</u>	<u>(50,455)</u>
Total	<u>\$ (164,764)</u>	<u>\$ (3,802,372)</u>	<u>\$ (3,967,136)</u>

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

\$7,884,282 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year Ending June 30	SERS	STRS	Total
2019	\$ 1,488,918	\$ 5,797,433	\$ 7,286,351
2020	1,965,037	9,954,681	11,919,718
2021	646,338	7,293,457	7,939,795
2022	(561,392)	2,130,606	1,569,214
	\$ 3,538,901	\$ 25,176,177	\$ 28,715,078

Actuarial Assumptions - SERS

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

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

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2017, are presented below:

Wage inflation	3.00 percent
Future salary increases, including inflation	3.50 percent to 18.20 percent
COLA or Ad Hoc COLA	2.50 percent
Investment rate of return	7.50 percent of net investments expense, including inflation
Actuarial cost method	Entry Age Normal

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

Mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females. Mortality among service retired members, and beneficiaries were based upon the RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates and 110% of female rates. Mortality among disabled members were based upon the 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 actuarial assumptions used were based on the results of an actuarial experience study for the period ending July 1, 2010 to June 30, 2015 adopted by the Retirement Board on April 21, 2016.

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

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

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

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

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
School District's proportionate share of the net pension liability	\$ 33,419,033	\$ 24,081,622	\$ 16,259,636

Actuarial Assumptions - STRS

The total pension liability in the June 30, 2017, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Assumptions	July 1, 2017 Valuation	July 1, 2016 Valuation and Prior
Inflation	2.50%	2.75%
Salary increases	12.50% at age 20 to 2.50% at age 65	12.25% at age 20 to 2.75% at age 70
Investment rate of return, including inflation	7.45%, net of investment expenses	7.75%, net of investment expenses
Payroll increases	3.00%	3.50% per annum compounded annually for the next two years, 4.00% thereafter
Cost-of-living adjustments (COLA)	0.00% effective July 1, 2017	2.00% simple for members retiring August 1, 2013, 2% per year; for members retiring August 1, 2013 or later, 2% COLA commences on 5th anniversary of retirement date
Mortality tables	RP-2014	RP-2000

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

The actuarial assumptions were based on the results of an actual experience study for the period July 1, 2011 through June 30, 2016.

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

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 10 - DEFINED BENEFIT PENSION PLANS (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return **</u>
Domestic equity	28.00%	7.35%
International equity	23.00%	7.55%
Alternatives	17.00%	7.09%
Fixed income	21.00%	3.00%
Real estate	10.00%	6.00%
Liquidity reserves	<u>1.00%</u>	<u>2.25%</u>
Total	<u>100.00%</u>	<u>6.84%</u>

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

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

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the School District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.45 percent, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.45 percent) or one-percentage-point higher (8.45 percent) than the current rate:

	<u>1% Decrease (6.45%)</u>	<u>Current Discount Rate (7.45%)</u>	<u>1% Increase (8.45%)</u>
School District's proportionate share of the net pension liability	\$ 132,744,031	\$ 92,603,546	\$ 58,791,203

Social Security System

All employees not covered by SERS or STRS have an option to choose Social Security or SERS/STRS. As of June 30, 2018, one of the members of the Board of Education has elected social security. The Board's liability is 6.2% of wages paid.

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 11 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB)

Net OPEB Liability

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

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

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

GASB Statement No. 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio Revised Code permits, but does not require, the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

Plan Description - School Employees Retirement System (SERS)

Health Care Plan Description—The School District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB Statement No. 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS’ Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS’ health care coverage. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS’ health care coverage. Most retirees and dependents choosing SERS’ health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 11 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) (continued)

mandated, by statute. The financial report of the Plan is included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

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

Funding Policy—State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14% of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2018, 0.5% of covered payroll was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2018, the minimum compensation amount was \$23,700. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2018, the School District's surcharge obligation was \$193,747.

The surcharge, added to the 0.5% allocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The School District's contractually required contribution to SERS was \$257,143 for fiscal year 2018. Of this amount, \$215,523 is reported as an intergovernmental payable.

Plan Description - State Teachers Retirement System (STRS)

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

Funding Policy—Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14% of covered payroll. For the fiscal year ended June 30, 2018, STRS did not allocate any employer contributions to post-employment health care.

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 11 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) (continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The School District's proportion of the net OPEB liability was based on the School District's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate share of the net OPEB liability	\$ 11,004,669	\$ 15,209,496	\$ 26,214,165
Proportion of the net OPEB liability	0.4100502%	0.3898241%	
Change in proportionate share	0.0269211%	0.0087397%	
OPEB (negative) expense	\$ 850,561	\$ (4,574,347)	\$ (3,723,786)

At June 30, 2018, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<u>Deferred Outflows of Resources:</u>			
Differences between expected and actual experience	\$ -	\$ 877,986	\$ 877,986
Change in School District's proportionate share and difference in employer contributions	535,171	400,630	935,801
School District contributions subsequent to the measurement date	<u>257,143</u>	<u>-</u>	<u>257,143</u>
Total	<u>\$ 792,314</u>	<u>\$ 1,278,616</u>	<u>\$ 2,070,930</u>

Deferred Inflows of Resources:

Net difference between projected and actual earnings on OPEB plan investments	\$ (29,060)	\$ (650,088)	\$ (679,148)
Change in assumptions	<u>(1,044,287)</u>	<u>(1,225,176)</u>	<u>(2,269,463)</u>
Total	<u>\$ (1,073,347)</u>	<u>\$ (1,875,264)</u>	<u>\$ (2,948,611)</u>

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 11 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) (continued)

\$257,143 reported as deferred outflows of resources related to OPEB resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2019. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30	SERS	STRS	Total
2019	\$(191,728)	\$(153,615)	\$ (345,343)
2020	(191,728)	(153,615)	(345,343)
2021	(147,455)	(153,615)	(301,070)
2022	(7,265)	(153,615)	(160,880)
2023	-	8,907	8,907
2024	-	8,905	8,905
	<u>\$(538,176)</u>	<u>\$(596,648)</u>	<u>\$(1,134,824)</u>

Actuarial Assumptions – SERS

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

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

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will consider the employee’s entire career with the employer and 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.

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 11 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) (continued)

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation, prepared as of June 30, 2017, are presented below:

Investment rate of return	7.50% net of investment expense, including inflation
Wage inflation	3.00%
Future salary increases, including inflation	3.50% to 18.20%
Municipal bond index rate:	
Prior measurement date	2.92%
Measurement date	3.56%
Single equivalent interest rate, net of plan investment expense, including price inflation:	
Prior measurement date	2.98%
Measurement date	3.63%
Municipal bond index rate:	
Pre-Medicare	7.50% - 5.00%
Medicare	5.50% - 5.00%

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

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

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

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 11 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) (continued)

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

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

Discount Rate – The discount rate used to measure the total OPEB liability at June 30, 2017 was 3.63%. The discount rate used to measure total OPEB liability prior to June 30, 2017 was 2.98%. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and SERS at the state statute contribution rate of 2.00% of projected covered employee payroll each year, which includes a 1.50% payroll surcharge and 0.50% of contributions from basic benefits plan. Based on these assumptions, the OPEB plan’s fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2025. Therefore, the long-term expected rate of return on OPEB plan assets was used to present value the projected benefit payments through the fiscal year ending June 30, 2024 and the Fidelity General Obligation 20-year Municipal Bond Index rate of 3.56% as of June 30, 2017 (i.e., municipal bond rate) was used to present value the projected benefit payments for the remaining years in the projection. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The projection of future benefit payments for all current plan members was until the benefit payments ran out.

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and the Health Care Cost Trend Rates – The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability calculated using the discount rate of 3.63%, as well as what the School District’s net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.63%) and one percentage point higher (4.63%) than the current rate.

	1% Decrease (2.63%)	Current Discount Rate (3.63%)	1% Increase (4.63%)
School District's proportionate share of the net OPEB liability	\$ 13,289,539	\$ 11,004,669	\$ 9,194,469

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 11 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) (continued)

The following table presents the net OPEB liability calculated using current health care cost trend rates, as well as what the School District's net OPEB liability would be if it were calculated using health care cost trend rates that are one percentage point lower (6.5% decreasing to 4.0%) and one percentage point higher (8.5% decreasing to 6.0%) than the current rates.

	1% Decrease (6.50% decreasing to 4.00%)	Current Trend Rate (7.50% decreasing to 5.00%)	1% Increase (8.50% decreasing to 6.00%)
School District's proportionate share of the net OPEB liability	\$ 8,929,464	\$ 11,004,669	\$ 13,751,238

Actuarial Assumptions - STRS

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2017 actuarial valuation are presented below:

Inflation	2.50%
Salary increases	12.50% at age 20 to 2.50% at age 65
Payroll increases	3.00%
Blended discount rate of return	4.13%
Investment rate of return	7.45%, net of investment expenses, including inflation
Health care cost trends	6.00% - 11.00% initially, 4.50% ultimate
Cost-of-living adjustments	0.00% effective July 1, 2017

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

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

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

Since the prior measurement date, the discount rate was increased from 3.26% to 4.13% based on the methodology defined under GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB)* and the long term expected rate of return was reduced from 7.75% to 7.45%. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 11 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) (continued)

Also since the prior measurement date, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1% to 1.9% per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019. Subsequent to the current measurement date, the date for discontinuing remaining Medicare Part B premium reimbursements was extended to January 2020.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return **</u>
Domestic equity	28.00%	7.35%
International equity	23.00%	7.55%
Alternatives	17.00%	7.09%
Fixed income	21.00%	3.00%
Real estate	10.00%	6.00%
Liquidity reserves	<u>1.00%</u>	<u>2.25%</u>
Total	<u>100.00%</u>	<u>6.84%</u>

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

Discount Rate – The discount rate used to measure the total OPEB liability was 4.13% as of June 30, 2017. The projection of cash flows used to determine the discount rate assumes STRS continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was not projected to be sufficient to make all projected future benefit payments of current plan members. The OPEB plan's fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2037. Therefore, the long-term expected rate of return on OPEB plan assets was used to determine the present value of the projected benefit payments through the fiscal year ending June 30, 2036 and the Bond Buyer 20-year municipal bond rate of 3.58% as of June 30, 2017 (i.e. municipal bond rate), was used to determine the present value of the projected benefit payments for the remaining years in the projection. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The blended discount rate of 4.13%, which represents the long-term expected rate of return of 7.45% for the funded benefit payments and the Bond Buyer 20-year municipal bond rate of 3.58% for the unfunded benefit payments, was used to measure the total OPEB liability as of June 30, 2017. A blended discount rate of 3.26% which represents the long term expected rate of return of 7.75% for the funded benefit payments and the Bond Buyer 20-year municipal bond rate of 2.85% for the unfunded benefit payments was used to measure the total OPEB liability at June 30, 2016.

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 11 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) (continued)

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and the Health Care Cost Trend Rates – The following table presents the School District's proportionate share of the net OPEB liability calculated using the current period discount rate assumption of 4.13%, as well as what the School District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.13%) and one percentage point higher (5.13%) than the current rate. Also shown is the net OPEB liability as if it were calculated using health care cost trend rates that are one percentage point lower and one percentage point higher than the current health care cost trend rates:

	1% Decrease (3.13%)	Current Discount Rate (4.13%)	1% Increase (5.13%)
School District's proportionate share of the net OPEB liability	\$ 20,418,506	\$ 15,209,496	\$ 11,092,678
	1% Decrease In Trend Rates	Current Trend Rates	1% Increase In Trend Rates
School District's proportionate share of the net OPEB liability	\$ 10,566,907	\$ 15,209,496	\$ 21,319,689

NOTE 12 - EMPLOYEE BENEFITS

Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees and administrators earn 10 to 25 days of vacation per fiscal year, depending upon length of service, except for the Superintendent and the Treasurer. The Superintendent receives 25 days and the Treasurer receives 20 days per fiscal year. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Teachers do not earn vacation time.

Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of 246 days for teachers, 3,120 hours for classified employees, and 320 days for administrative personnel. Upon retirement, payment is made for one-fourth of the total sick leave accumulation up to a maximum of 61.5 days for teachers. For administrators, payment is made for one-fourth of the total sick leave accumulation. For classified personnel, payment is made for one-fourth of the total sick leave accumulation up to a maximum of 512 hours.

Insurance

The School District provides life insurance and accidental death and dismemberment insurance to most employees through various life insurance companies. The School District provides health benefits to employees through a self-insurance plan administered through Anthem. Dental insurance is provided by the School District to all employees through a self-insurance plan administered through Delta Dental.

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 12 - EMPLOYEE BENEFITS (continued)

Deferred Compensation

School District employees may participate in the ING Financial, VALIC or Ohio Public Employees Deferred Compensation plans in accordance with Internal Revenue Code Section 457. The employees may also participate in a qualified annuity plan, sponsored by multiple providers, in accordance with Internal Revenue Code Section 403(b). Participation is on a voluntary payroll deduction basis. The plans permit deferral of compensation until future years. According to the plans, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency.

NOTE 13 - LEASES - LESSEE DISCLOSURE

In fiscal year 2017, the School District entered into a capitalized lease for copiers. The lease meets the criteria of a capital lease as the benefits and risks of ownership have transferred to the School District. Capital lease payments have been reclassified and are reflected as debt service expenditures in the basic financial statements for the governmental funds. These expenditures are reflected as program/function expenditures on a budgetary basis.

Capital assets acquired by the 2017 lease are capitalized in the amount of \$489,449, which is equal to the present value of the minimum lease payments at the time of acquisition. A corresponding liability was recorded on the Statement of Net Position for governmental activities. Principal payments in fiscal year 2018 on the lease totaled \$82,005 and were paid from the General Fund.

The assets acquired through capital leases as of June 30, 2018, are as follows:

	Asset Value	Accumulated Depreciation	Net Book Value
Furniture and Equipment	\$ 489,449	\$ (138,681)	\$ 350,768

The following is a schedule of the future long-term minimum lease payments required under the capital leases and the present value of the minimum lease payments as of June 30, 2018:

Year	Amount
2019	\$ 100,200
2020	100,200
2021	100,200
2022	100,200
2023	8,350
	409,150
Less: Amount representing interest	(34,839)
Total Present value of minimum lease payments	\$ 374,311

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 14 - LONG-TERM OBLIGATIONS

The changes in the School District's long-term obligations during fiscal year 2018 were as follows:

	(Restated) Balance June 30, 2017	Additions	Deductions	Balance June 30, 2018	Due Within One Year
Government Activities:					
2006 Various Purpose Refunding Bonds					
Capital Appreciation Bonds (4.25% - 4.30%)	\$ 2,014,095	\$ -	\$ -	\$ 2,014,095	\$ -
Accretion on Capital Appreciation Bonds	2,292,427	186,048	-	2,478,475	-
2010 Energy Conservation Notes (5.9%)	595,000	-	(65,000)	530,000	65,000
2013 School Facility Construction Bonds					
Serial Bonds (2.00% - 4.00%)	5,415,000	-	(240,000)	5,175,000	245,000
Bond Premium	168,365	-	(16,837)	151,528	-
2016 Various Purpose Refunding Bond					
Serial Bonds (1.25% - 4.00%)	11,675,000	-	(2,170,000)	9,505,000	2,250,000
Bond Premium	696,399	-	(139,280)	557,119	-
Net Pension Liability					
State Teachers Retirement System	127,560,422		(34,956,876)	92,603,546	-
School Employees Retirement System	27,656,747		(3,575,125)	24,081,622	-
Net OPEB Liability					
State Teachers Retirement System	20,380,491		(5,170,995)	15,209,496	-
School Employees Retirement System	10,920,594	84,075	-	11,004,669	-
Capital Lease	456,316	-	(82,005)	374,311	85,638
Compensated Absences	5,618,831	1,859,016	(1,326,596)	6,151,251	1,444,464
Total Governmental Activities Long Term Obligations	<u>\$ 215,449,687</u>	<u>\$ 2,129,139</u>	<u>\$(47,742,714)</u>	<u>\$169,836,112</u>	<u>\$4,090,102</u>

Annual debt service requirements to maturity for governmental long-term obligations are:

Fiscal Year	Serial Bond Principal	Serial Bond Interest	Capital Appreciation Bond Principal	Capital Appreciation Bond Interest	Total
2019	\$ 2,495,000	\$ 441,963	\$ -	\$ -	\$ 2,936,963
2020	2,590,000	357,713	-	-	2,947,713
2021	2,670,000	268,813	-	-	2,938,813
2022	2,770,000	189,013	-	-	2,959,013
2023	275,000	157,188	1,038,100	1,736,900	3,207,188
2024-2027	3,880,000	367,929	975,995	1,799,005	7,022,929
	<u>\$ 14,680,000</u>	<u>\$ 1,782,619</u>	<u>\$ 2,014,095</u>	<u>\$ 3,535,905</u>	<u>\$ 22,012,619</u>

The School District's overall legal debt margin was \$41,240,064 with an unvoted debt margin of \$616,077 and an Energy Conservation debt margin of \$5,014,689 at June 30, 2018.

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 14 - LONG-TERM OBLIGATIONS (continued)

2006 Various Purpose Refunding Bonds - On December 21, 2006, the School District issued bonds for the purpose of advance refunding the \$19,890,000 outstanding 2001 Classroom Facilities Assistance General Obligation Term Bonds.

The capital appreciation bonds, issued at \$2,014,095, are not subject to prior redemption. The capital appreciation bonds will mature in fiscal years 2023 and 2024. The maturity amounts of the capital appreciation bonds are \$2,775,000 in each fiscal years 2023 and 2024. Accretion on the capital appreciation bonds for fiscal year 2018 was \$186,048.

2013 School Facility Construction Bonds – On September 12, 2013, the School District issued \$5,880,000 of School Facilities Construction and Improvement Bonds for the purpose of renovating, improving, refurbishing and maintaining existing school facilities; furnishing and equipping the same; acquiring school buses; and upgrading and improving technology and building security. The bonds were issued for an 11 year period and will be retired from the Debt Service fund.

2016 Refunding Bonds - On September 22, 2016, the School District issued refunding bonds in the amount of \$11,675,000 for the redemption of the outstanding serial bonds of the 2006 Various Purpose Refunding Bonds. As a result, the serial bonds are considered to be defeased and the liability for those bonds has been removed from the Statement of Net Position. The purpose of the refunding was to reduce the School District’s total debt service payments through fiscal year 2022 and to obtain an economic gain of \$1.29 million. The bonds were issued for a five year period and will be retired from the Debt Service fund.

2010 Energy Conservation Notes - On December 21, 2010, the School District issued \$985,000 in Energy Conservation Notes, Series 2010 (Taxable Qualified School Construction Bonds), for the purpose of making energy conservation improvements to the School District’s various buildings. The notes were issued for a 15 year period. The federal government is expected to subsidize the interest on the notes by reimbursing the School District for 95 percent of the interest payments made. The notes will be retired from the General Fund.

The School District will make annual principal payments, with the first payment due on December 1, 2011 and the final payment on December 1, 2025 as follows:

Fiscal Year	Principal	Interest	Interest Subsidy
2019	\$ 65,000	\$ 28,656	\$ 27,313
2020	65,000	24,912	23,744
2021	65,000	21,168	20,176
2022	65,000	17,424	16,607
2023	65,000	13,680	13,039
2024-2026	205,000	18,000	17,156
	\$ 530,000	\$ 123,840	\$ 118,035

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 14 - LONG-TERM OBLIGATIONS (continued)

The notes are subject to extraordinary optional redemption by the School District prior to maturity, in whole at any time or in any part on any interest date, at a redemption price of 100 percent, plus interest accrued to date fixed for redemption in the event that the subsidy payments from the federal government cease or are in an amount less than the lesser of (i) of the interest payable under such bond or (ii) the amount of interest which would have been payable under such bond if interest were determined at the applicable credit rate determined under Section 54A(b)(3) of the Code with respect to such bond.

Capital leases will be paid from the General Fund. Compensated absences, as well as required pension and OPEB contributions, will be paid from the General Fund and the Food Service, Mental Health – Early Start, School Age Childcare/After School Enrichment, Auxiliary Services, Early Childhood Education, Miscellaneous State Grants, Adult Basic Education, Special Education Part B-IDEA, Title I School Improvement, Title I, Preschool Grant, Title VI-R, and Miscellaneous Federal Grants Special Revenue Funds.

NOTE 15 - INTERFUND ACTIVITY

Transfers made during the fiscal year ended June 30, 2018, were as follows:

	Transfer In	Transfer Out
Permanent Improvement	\$ 1,710,000	-
General Fund	-	1,740,000
District Managed Student Activities	30,000	-
	\$ 1,740,000	1,740,000

The transfer from the General Fund to the Permanent Improvement Fund is to provide continuing funds for future capital improvements and the transfer to the District Managed Student Activity Fund was to make the fund whole as a result of suspending pay to participate fees.

Interfund balances at June 30, 2018, consist of the following interfund receivables and payables:

Fund Due To	Fund Due From	Amount
General Fund	Permanent Improvement	\$ 847,000

General Fund advances are made to move unrestricted balances to support programs and projects accounted for in other funds. Advancing monies to other funds is necessary due to timing differences in the receiving of grant monies and pledged donations. When the grant monies and donations are finally received, those restricted monies will be used to reimburse the General Fund for the initial advance.

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 16 - JOINTLY GOVERNED ORGANIZATIONS

Clark County Family and Children First Council

The School District participates in the Clark County Family and Children First Council. The Council coordinates and integrates services within Clark County, which are available for families and children, and establishes a comprehensive, coordinated, multi-disciplinary, interagency system for the delivery of such services in order to more effectively meet the needs of families and children. A board of 18 trustees, one of which is the Superintendent of the Springfield City School District, governs the Council. During fiscal year 2018, the School District paid \$11,972 to the Council. Financial information can be obtained from Leslie Crew, Executive Director, at 1345 Lagonda Ave, Springfield, Ohio 45501.

Southwestern Ohio Educational Purchasing Council

The Southwestern Ohio Educational Purchasing Council (SOEPC) is a purchasing council made up of nearly 100 school districts in 12 counties. The purpose of the cooperative is to obtain prices for quality merchandise and services commonly used by schools. All member districts are obligated to pay all fees, charges, or other assessments as established by the SOEPC.

Each member district has one voting representative. Title to any and all equipment, furniture, and supplies purchased by the SOEPC is held in trust for the member district. Any district withdrawing from SOEPC forfeits its claim to any and all SOEPC assets. One year prior notice is necessary for withdrawal from the SOEPC. During this time, the withdrawing member is liable for all member obligations. Payments to SOEPC are made from the General Fund. The School District made no financial contributions to the SOEPC during fiscal year 2018. To obtain financial information, write to the Southwestern Ohio Educational Purchasing Council, Ken Swink, who serves as Director, at 303 Corporate Center Drive, Suite 208, Vandalia, Ohio 45377.

Springfield-Clark Career Technology Center

Springfield-Clark Career Technology Center is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of one or two representatives from each of the eight participating school districts' and educational service centers' elected boards, which possesses its own budgeting and taxing authority. One member is appointed from the following: Clark-Shawnee Local School District, Greenon Local School District, Northeastern Local School District, Northwestern Local School District, Southeastern Local School District, Tecumseh Local School District, and the Clark County Educational Service Center. Two members are appointed from the Springfield City School District. The School District makes payments to the Career Technology Center through direct deductions by the Ohio Department of Education from the School District's State funding. To obtain financial information, write to the Springfield-Clark Career Technology Center, Steve Clark, who serves as Treasurer, at 1901 Selma Road, Springfield, Ohio 45505-4329.

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 17 - INSURANCE PURCHASING POOL

Ohio SchoolComp Group Retrospective Rating Program

The School District participates in the Ohio SchoolComp Group Retrospective Rating Program (GRRP), an insurance purchasing pool. The GRRP's business and affairs are conducted by a five member Board of Directors. Each fiscal year, the participants pay an enrollment fee to CompManagement, Inc. to cover the costs of administering the program.

Ohio School Plan

The School District participates in the Ohio School Plan (OSP), an insurance purchasing pool. The OSP was created and organized pursuant to and as authorized by Section 2744.081 of the Ohio Revised Code. The OSP is an unincorporated, non-profit association of its members and an instrumentality for each member for the sole purpose of enabling members of the OSP to provide for a formalized, jointly administered self-insurance program to maintain adequate insurance protection, risk management programs and other administrative services. The OSP's business and affairs are conducted by a 13 member Board of Directors consisting of school district superintendents and treasurers. The OSP has an agreement with Hylant Administrative Services, LLC to provide underwriting, claims management, risk management, accounting, system support services, sales and marketing for the OSP. Hylant Administrative Services, LLC also coordinates reinsurance brokerage services for the OSP.

NOTE 18 - SET-ASIDES

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

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

	Capital Acquisition
Set-aside Cash Balance as of June 30, 2017	\$ -
Current Year Set-aside Requirement	1,352,720
Current Year Off-Sets	<u>(1,352,720)</u>
Total	<u>\$ -</u>
Balance Carried Forward to FY 2019	<u>\$ -</u>

Amounts of offsets and qualifying disbursements presented in the table for capital improvements were limited to those necessary to reduce the fiscal year-end balance to zero. Although the School District may have had additional offsets and qualifying disbursements for capital improvements during the fiscal year, this extra amount may not be used to reduce the set-aside requirements of future fiscal years.

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 19 – COMMITMENTS

At June 30, 2018, the School District had the following significant outstanding encumbrances:

General Fund	\$ 1,411,064
Permanent Improvement Fund	368,507
Food Service Fund	<u>433,817</u>
Total	<u><u>\$ 2,213,388</u></u>

NOTE 20 - FUND BALANCES

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the School District is bound to observe constraints imposed upon the use of the resources in the governmental funds.

The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

Fund Balances	General	Bond Retirement	Building	Other Governmental	Total
Restricted for:					
Debt Service	\$ -	\$ 5,674,387	\$ -	\$ -	\$ 5,674,387
Food Service Operations	-	-	-	2,275,713	2,275,713
Classroom Facilities Maintenance	-	-	-	2,738,764	2,738,764
District Managed Activities	-	-	-	209,102	209,102
Auxiliary Services	-	-	-	143,405	143,405
Title Programs	-	-	-	26,577	26,577
Other Purposes	-	-	-	197,605	197,605
Capital Improvements	-	-	18,444	3,163,659	3,182,103
Total Restricted	<u>-</u>	<u>5,674,387</u>	<u>18,444</u>	<u>8,754,825</u>	<u>14,447,656</u>
Committed to:					
Underground Storage	11,000	-	-	-	11,000
School Age Child Care	-	-	-	63,975	63,975
Total Committed	<u>11,000</u>	<u>-</u>	<u>-</u>	<u>63,975</u>	<u>74,975</u>
Assigned to:					
Purchases on Order	1,077,940	-	-	-	1,077,940
Subsequent Appropriations	1,595,147	-	-	-	1,595,147
Student Activities	169,708	-	-	-	169,708
Total Assigned	<u>2,842,795</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,842,795</u>
Unassigned (Deficit)	<u>29,253,231</u>	<u>-</u>	<u>-</u>	<u>(257,224)</u>	<u>28,996,007</u>
Total Fund Balances	<u><u>\$ 32,107,026</u></u>	<u><u>\$ 5,674,387</u></u>	<u><u>\$ 18,444</u></u>	<u><u>\$ 8,561,576</u></u>	<u><u>\$46,361,433</u></u>

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 21 - CONTINGENCIES

Grants

The School District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2018, if applicable, cannot be determined at this time.

Litigation

The School District is party to legal proceedings. The School District is of the opinion that ultimate disposition of claims will not have a material effect, if any, on the financial condition of the School District.

Full-Time Equivalency Review

State Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. Effective for the 2014-2015 school year, traditional school districts were required to comply with minimum hours of instruction, instead of a minimum number of school days each year. The funding formula the Ohio Department of Education (ODE) is legislatively required to follow will continue to adjust as enrollment information is updated by the school district, which can extend past the fiscal year. As of the date of this report, ODE has not finalized the impact of the of enrollment adjustments to the Foundation funding for the School District for fiscal year 2018; however based on information currently available, management does not believe the results of that review will have a material effect on the School District's financial statement.

NOTE 22 – TAX ABATEMENTS

Government Accounting Standards Board (GASB) Statement No. 77, *Tax Abatement Disclosures*, requires disclosures about certain tax abatements resulting from both (a) agreements that are entered into by the reporting government and (b) agreements that are entered into by other governments that reduce the reporting government's tax revenues.

The School District's property tax revenues were reduced by \$187,209 under agreements entered into by the City of Springfield.

Springfield City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

NOTE 23 – CHANGE IN ACCOUNTING PRINCIPLES/RESTATEMENT of NET POSITION

For fiscal year 2018, the District implemented the Governmental Accounting Standards Board (GASB) Statements No. 75, *Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions*, No. 81, *Irrevocable Split-Interest*, No. 85, *Omnibus 2017*, and No. 86, *Certain Debt Extinguishment Issues*.

GASB Statement No. 75 replaces the requirements of Statement 45 and requires governments to report a liability on the face of the financial statements for the OPEB provided to employees. Statement 75 also requires governments in all types of OPEB plans to provide more extensive note disclosures and required supplementary information (RSI) about their OPEB liabilities. The implementation of GASB Statement No. 75 required the District to restate beginning net position of governmental activities at July 1, 2017.

GASB Statement No. 81 requires the government that receives resources pursuant to an irrevocable split interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. GASB Statement No. 85 establishes accounting and reporting requirements for blending component units, goodwill, fair value measurement and applications, and postemployment benefits (pension and other postemployment benefits). GASB Statement No. 86 establishes standards of accounting and financial reporting for in-substance defeasance transactions in which cash and other monetary assets acquired with only existing resources are placed in an irrevocable trust for the purpose of extinguishing debt. The implementation of these Standards had no effect on the District's financial statements.

The implementation of GASB Statement No. 75 for fiscal year 2018 had the following effect on the governmental activities net position as reported June 30, 2017:

Net Position June 30, 2017 as previously reported	\$ 74,379,655
Adjustments:	
Net OPEB Liability at June 30, 2017	(31,301,085)
Deferred Outflow - Payments Subsequent to Measurement Date	<u>228,311</u>
Restated Net Position June 30, 2017	<u>\$ 43,306,881</u>



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SPRINGFIELD CITY SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST FIVE MEASUREMENT PERIODS (1)

	2017	2016	2015	2014	2013
<u>School Employees Retirement System of Ohio:</u>					
District's Proportion of the Net Pension Liability	0.40305460%	0.37787200%	0.36309200%	0.36673600%	0.36673600%
District's Proportionate Share of the Net Pension Liability	\$ 24,081,622	\$ 27,656,747	\$ 20,718,393	\$ 18,560,300	\$ 21,808,613
District's Covered Payroll	\$ 12,533,279	\$ 11,735,300	\$ 11,611,047	\$ 10,764,257	\$ 9,634,292
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	192.14%	235.67%	178.44%	172.43%	226.36%
Plan Fiduciary Net Pension as a Percentage of the Total Pension Liability	69.50%	62.98%	69.16%	71.70%	65.52%
<u>State Teachers Retirement System of Ohio:</u>					
District's Proportion of the Net Pension Liability	0.38982408%	0.38108436%	0.36544876%	0.36025825%	0.36025825%
District's Proportionate Share of the Net Pension Liability	\$ 92,603,546	\$ 127,560,422	\$ 100,999,349	\$ 87,627,274	\$ 104,381,036
District's Covered Payroll	\$ 42,856,379	\$ 40,097,400	\$ 38,128,457	\$ 39,639,862	\$ 37,119,969
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	216.08%	318.13%	264.89%	221.06%	281.20%
Plan Fiduciary Net Pension as a Percentage of the Total Pension Liability	75.30%	66.80%	72.10%	74.70%	69.30%

(1) - Information prior to 2013 is not available. The District will continue to present information for years available until a full ten-year trend is presented.

See accompanying notes to the supplementary information.

SPRINGFIELD CITY SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT'S CONTRIBUTIONS - PENSION PLANS
LAST NINE FISCAL YEARS (1)

	2018	2017	2016	2015	2014	2013	2012	2011	2010
<u>School Employees Retirement System of Ohio:</u>									
Contractually Required Contribution	\$ 1,711,701	\$ 1,754,659	\$ 1,642,942	\$ 1,530,336	\$ 1,491,926	\$ 1,333,386	\$ 1,273,481	\$ 1,162,928	\$ 1,421,793
Contributions in Relation to the Contractually Required Contributions	(1,711,701)	(1,754,659)	(1,642,942)	(1,530,336)	(1,491,926)	(1,333,386)	(1,273,481)	(1,162,928)	(1,421,793)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District Covered Payroll	\$12,679,267	\$12,533,279	\$11,735,300	\$11,611,047	\$10,764,257	\$ 9,634,292	\$ 9,468,260	\$ 9,251,615	\$10,500,687
Contributions as a Percentage of Covered Payroll	13.50%	14.00%	14.00%	13.18%	13.86%	13.84%	13.45%	12.57%	13.54%
<u>State Teachers Retirement System of Ohio:</u>									
Contractually Required Contribution	\$ 6,172,581	\$ 5,999,893	\$ 5,613,636	\$ 5,337,984	\$ 5,153,182	\$ 4,825,596	\$ 4,925,937	\$ 4,681,903	\$ 4,566,512
Contributions in Relation to the Contractually Required Contributions	(6,172,581)	(5,999,893)	(5,613,636)	(5,337,984)	(5,153,182)	(4,825,596)	(4,925,937)	(4,681,903)	(4,566,512)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District Covered Payroll	\$44,089,864	\$42,856,379	\$40,097,400	\$38,128,457	\$39,639,862	\$37,119,969	\$37,891,823	\$36,014,638	\$35,127,015
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%	13.00%	13.00%	13.00%	13.00%	13.00%

(1) - Information prior to fiscal year 2010 is not available. The District will continue to present information for years available until a full ten-year trend is presented.

See accompanying notes to the supplementary information.

SPRINGFIELD CITY SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
LAST TWO MEASUREMENT PERIODS (1)

	2017	2016
<u>School Employees Retirement System of Ohio:</u>		
District's Proportion of the Net OPEB Liability	0.41005017%	0.38312910%
District's Proportionate Share of the Net OPEB Liability	\$ 11,004,669	\$ 10,920,594
District's Covered Payroll	\$ 12,533,279	\$ 11,735,300
District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll.	87.80%	93.06%
Plan Fiduciary Net OPEB as a Percentage of the Total OPEB Liability	12.46%	11.49%
 <u>State Teachers Retirement System of Ohio:</u>		
District's Proportion of the Net OPEB Liability	0.38982408%	0.38108436%
District's Proportionate Share of the Net OPEB Liability	\$ 15,209,496	\$ 20,380,491
District's Covered Payroll	\$ 42,856,379	\$ 40,097,400
District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll.	35.49%	50.83%
Plan Fiduciary Net OPEB as a Percentage of the Total OPEB Liability	47.11%	37.30%

(1) - Information prior to 2016 is not available. The District will continue to present information for years available until a full ten-year trend is presented.

See accompanying notes to the supplementary information.

SPRINGFIELD CITY SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF DISTRICT'S CONTRIBUTIONS - OPEB PLANS
LAST THREE FISCAL YEARS (1)

	2018	2017	2016
<u>School Employees Retirement System of Ohio:</u>			
Contractually Required Contribution (2)	\$ 257,143	\$ 228,311	\$ 194,705
Contributions in Relation to the Contractually Required Contributions	(257,143)	(228,311)	(194,705)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
District Covered Payroll	\$ 12,679,267	\$ 12,533,279	\$ 11,735,300
Contributions as a Percentage of Covered Payroll (2)	2.03%	1.82%	1.66%
<u>State Teachers Retirement System of Ohio:</u>			
Contractually Required Contribution	\$ -	\$ -	\$ -
Contributions in Relation to the Contractually Required Contributions	-	-	-
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
District Covered Payroll	\$ 44,089,864	\$ 42,856,379	\$ 40,097,400
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%

(1) - Information prior to fiscal year 2016 is not available. The District will continue to present information for years available until a full ten-year trend is presented.

(2) - In addition to the allocation of employer contributions, SERS assesses a surcharge on employers for employees earning less than an actuarially determined minimum compensation amount, which is pro-rated if less than a full year of service credit is earned.

See accompanying notes to the supplementary information.

Springfield City School District
Notes to the Required Supplementary Information Schedules
For the Fiscal Year Ended June 30, 2018

1. Pension Plans:

School Employees Retirement System of Ohio:

Change in assumptions. In 2017, changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended June 30, 2015. Significant changes included a reduction of the discount rate from 7.75% to 7.50%, a reduction in the wage inflation rate from 3.25% to 3.00%, a reduction in the payroll growth assumption used from 4.00% to 3.50%, reduction in the assumed real wage growth rate from 0.75% to 0.50%, update of the rates of withdrawal, retirement and disability to reflect recent experience, and transition from the RP-2000 mortality tables to the RP-2014 mortality tables for active members and service retired members and beneficiaries.

State Teachers Retirement System of Ohio:

Change in assumptions. In 2018, changes in assumptions were made based upon an updated experience study that was completed for the five-year period ended June 30, 2016. Significant changes included a reduction of the discount rate from 7.75% to 7.45%, the inflation assumption was lowered from 2.75% to 2.50%, the payroll growth assumption was lowered to 3.00%, and total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25% due to lower inflation. The healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016. Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

Change in benefit terms. Effective July 1, 2017, the COLA was reduced to zero.

2. Other Postemployment Benefit (OPEB) Plans:

School Employees Retirement System of Ohio:

Change in assumption. Amounts reported for fiscal year 2018 incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

Municipal Bond Index Rate:	
Fiscal Year 2018	3.56%
Fiscal Year 2017	2.92%
Single Equivalent Interest Rate, net of plan investment expense, including price inflation:	
Fiscal Year 2018	3.63%
Fiscal Year 2017	2.98%

Springfield City School District
Notes to the Required Supplementary Information Schedules
For the Fiscal Year Ended June 30, 2018

2. Other Postemployment Benefit (OPEB) Plans: (Continued)

State Teachers Retirement System of Ohio:

Change in assumption. For fiscal year 2018, the discount rate was increased from 3.26% to 4.13% based on the methodology defined under GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB)*, and the long-term expected rate of return was reduced from 7.75% to 7.45%. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

Also for fiscal year 2018, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1% to 1.9% per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2020.



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Springfield City School District
Combining and Individual Fund Statements and Schedules



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Springfield City School District

Nonmajor Governmental Fund Descriptions

NONMAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt or capital projects. The following are descriptions of the School District's nonmajor special revenue funds.

Food Service

To account for and report monies restricted to the food service operations of the School District.

Mental Health/Early Start

To account for and report revenues and expenditures restricted in conjunction with programs entered into with the Boards of Mental Health and Developmental Disabilities of Clark County.

Other Grants

To account for and report the proceeds of restricted revenue sources, except for State and federal grants that are legally restricted to expenditures for specified purposes.

School Age Childcare/After School Enrichment

To account for and report the revenues and expenditures committed for after-school care and instructional services to students whose parents are not at home when the student gets out of school.

Basic Education Foundation

A fund used to account for and report restricted donations that are used to recognize student and staff achievements.

Ohio School Facilities Classroom Maintenance

To account for and report the revenues restricted to expenditures for the maintenance and upkeep of School District classroom facilities.

District Managed Student Activities

To account for and report the revenues and expenditures restricted for student activity programs which have student participation in the activity, but are not student managed programs.

Auxiliary Services

To account for and report restricted monies which provide services and materials to pupils attending non-public schools within the School District.

(continued)

NONMAJOR SPECIAL REVENUE FUNDS (continued)

Early Childhood Education

To account for and report restricted monies used to assist school districts in paying the cost of preschool programs for three and four year-olds.

Data Communications

To account for and report restricted monies for Ohio Educational Computer Network connections.

Alternative Schools

To account for and report restricted monies used to provide alternative educational programs for existing and new at-risk and delinquent youth. Programs focus on youth that have been expelled or suspended, have dropped out of school, are at risk of dropping out of school, are habitually truant or disruptive, or are on probation or on parole from a Department of Youth Services facility.

Straight A Grant

To account for and report restricted monies used to implement initiatives identified in the Straight A Grant proposal. The initiatives focus on expanding the School District's college and career readiness system and making it available to more staff and students; adding a deliberate focus on developing soft skills and habits that are required for success in college, career and life; renovating a school building that was no longer being used to better meet the purpose of a location for educational tenants, a center for professional development and a dedicated space for student skill development and career exploration.

Miscellaneous State Grants

To account for and report various restricted state monies received from state agencies which are not classified elsewhere

Adult Basic Education

To account for and report restricted monies used for planning and conducting programs for persons 16 years of age and older who are not enrolled in secondary school and who have less than a twelfth grade education or its equivalent; development of basic educational skills; or do not have a secondary school diploma or its recognized equivalent, and have not achieved an equivalent level of education, or are unable to speak, read, or write the English language.

Race to the Top

To account for and report restricted monies that provide for either a new program or expansion of an existing program to support initiatives in the following areas: Standards and Assessments; Using Data to Improve Instruction; Great Teachers and Leaders; and Turning Around the Lowest-Achieving School.

(continued)

NONMAJOR SPECIAL REVENUE FUNDS (continued)

Title VI-B Special Education Part B - IDEA

To account for and report restricted federal monies used to offer full educational opportunities to handicapped children at the preschool, elementary and secondary levels, and to assist in the training of teachers, supervisors and other specialists in providing educational services to the handicapped.

Title I – School Improvement, Stimulus A

To account for and report restricted federal monies allocated from the American Recovery and Reinvestment Act to Ohio for distribution to school districts based on four distinct funding formulas as affected by census poverty data. The funding is to provide supplemental funding to economically disadvantaged school districts and some of their eligible schools for improving educational outcomes for students who are failing or at risk of failing to meet State standards.

Title III – Limited English Proficiency

To account for and report restricted monies used to develop and carry out elementary and secondary school programs, including activities at the preschool level, to meet the educational needs of children of limited English proficiency.

Title I

To account for and report restricted financial assistance to meet the special needs of educationally deprived children.

Preschool Grant

To account for and report restricted federal monies used to support preschool improvement and expansion of services for handicapped children ages three through five years.

Title VI-R

To account for and report restricted monies received from the Preschool Grant Program, Section 619 of Public Law 99-457, which addresses the improvement and expansion of services for handicapped children ages three through five years.

Miscellaneous Federal Grants

To account for and report various restricted federal monies received from federal agencies which are not classified elsewhere.

NONMAJOR CAPITAL PROJECTS FUNDS

The Capital Projects Funds are established to account for and report financial resources that are restricted to expenditure for capital outlays, including the acquisition or construction of capital facilities and other, committed or assigned capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organization, or other governments. The following are descriptions of each Capital Projects Fund.

Permanent Improvement

To account for and report all restricted transactions relating to the acquiring, constructing, or improving facilities within the School District.

FUNDS WITH LEGALY ADOPTED BUDGETS

The following funds have been combined with the General Fund for reporting purposes but have legally adopted budgets as a nonmajor special revenue fund.

Public School Support

To account for special local revenue sources, other than taxes and permanent fund monies (i.e., profits from vending machines, sales of pictures, etc.) that are restricted to specified purposes approved by Board resolution

Underground Storage Tank

To account for the underground storage tank money as required by Ohio Administrative Code.

Springfield City School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2018

	Nonmajor Special Revenue Funds	Permanent Improvement Capital Projects Fund	Total Nonmajor Governmental Funds
<u>Assets:</u>			
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 5,897,625	\$ 3,903,635	\$ 9,801,260
Receivables:			
Property Taxes	305,510	826,293	1,131,803
Accounts	10,951	-	10,951
Intergovernmental	2,359,767	-	2,359,767
<i>Total Assets</i>	<u>\$ 8,573,853</u>	<u>\$ 4,729,928</u>	<u>\$ 13,303,781</u>
<u>Liabilities:</u>			
Accounts Payable	\$ 141,319	\$ 16,180	\$ 157,499
Accrued Wages and Benefits Payable	742,029	-	742,029
Intergovernmental Payable	186,808	-	186,808
Interfund Payable	-	847,000	847,000
<i>Total Liabilities</i>	<u>1,070,156</u>	<u>863,180</u>	<u>1,933,336</u>
<u>Deferred Inflows of Resources:</u>			
Unavailable Revenue	1,900,408	186,197	2,086,605
Property Taxes Not Levied for Current Year	205,372	516,892	722,264
<i>Total Deferred Inflows of Resources</i>	<u>2,105,780</u>	<u>703,089</u>	<u>2,808,869</u>
<u>Fund Balances:</u>			
Restricted	5,591,166	3,163,659	8,754,825
Committed	63,975	-	63,975
Unassigned (Deficit)	(257,224)	-	(257,224)
<i>Total Fund Balances</i>	<u>5,397,917</u>	<u>3,163,659</u>	<u>8,561,576</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 8,573,853</u>	<u>\$ 4,729,928</u>	<u>\$ 13,303,781</u>

Springfield City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2018

	Nonmajor Special Revenue Funds	Permanent Improvement Capital Projects Fund	Total Nonmajor Governmental Funds
<u>Revenues:</u>			
Property Taxes	\$ 243,046	\$ 691,837	\$ 934,883
Intergovernmental	14,354,025	94,419	14,448,444
Investment Earnings	40,118	22,659	62,777
Tuition and Fees	365,243	-	365,243
Extracurricular Activities	402,669	-	402,669
Charges for Services	747,579	-	747,579
Contributions and Donations	17,268	4,594	21,862
Miscellaneous	67,286	-	67,286
<i>Total Revenues</i>	<u>16,237,234</u>	<u>813,509</u>	<u>17,050,743</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	6,414	-	6,414
Special	3,603,855	37,156	3,641,011
Adult/Continuing	70,051	-	70,051
Student Intervention Services	830,301	-	830,301
Other	137,004	-	137,004
Support Services:			
Pupils	867,580	10,316	877,896
Instructional Staff	2,450,064	-	2,450,064
Administration	581,634	1,432	583,066
Fiscal	495,867	13,220	509,087
Operation and Maintenance of Plant	485,776	209,210	694,986
Pupil Transportation	8,170	338,114	346,284
Central	2,156	30,817	32,973
Operation of Non-Instructional Services	6,177,342	-	6,177,342
Extracurricular Activities	493,595	1,112,552	1,606,147
Capital Outlay	-	447,580	447,580
<i>Total Expenditures</i>	<u>16,209,809</u>	<u>2,200,397</u>	<u>18,410,206</u>
Excess of Revenues Over (Under) Expenditures	<u>27,425</u>	<u>(1,386,888)</u>	<u>(1,359,463)</u>
<u>Other Financing Sources (Uses):</u>			
Proceeds from Sale of Capital Assets	8,507	-	8,507
Transfers In	30,000	1,710,000	1,740,000
<i>Total Other Financing Sources (Uses)</i>	<u>38,507</u>	<u>1,710,000</u>	<u>1,748,507</u>
<i>Net Change in Fund Balances</i>	65,932	323,112	389,044
<i>Fund Balances at Beginning of Year</i>	<u>5,331,985</u>	<u>2,840,547</u>	<u>8,172,532</u>
<i>Fund Balances at End of Year</i>	<u>\$ 5,397,917</u>	<u>\$ 3,163,659</u>	<u>\$ 8,561,576</u>

Springfield City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2018

	Food Service	Mental Health/ Early Start	Other Grants	School Age Childcare/ After School Enrichment
<u>Assets:</u>				
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 2,320,794	\$ 31,368	\$ 107,911	\$ 82,440
Receivables:				
Property Taxes	-	-	-	-
Accounts	10,764	-	-	-
Intergovernmental	35,249	19,836	-	1,946
Total Assets	\$ 2,366,807	\$ 51,204	\$ 107,911	\$ 84,386
<u>Liabilities:</u>				
Accounts Payable	\$ 21,180	\$ 146	\$ 4,175	\$ 1,166
Accrued Wages and Benefits Payable	43,797	2,098	-	5,563
Intergovernmental Payable	26,117	11,651	-	13,682
Total Liabilities	91,094	13,895	4,175	20,411
<u>Deferred Inflows of Resources:</u>				
Unavailable Revenue	-	-	-	-
Property Taxes Not Levied for Current Year	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
<u>Fund Balances:</u>				
Restricted	2,275,713	37,309	103,736	-
Committed	-	-	-	63,975
Unassigned (Deficit)	-	-	-	-
Total Fund Balances (Deficit)	2,275,713	37,309	103,736	63,975
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,366,807	\$ 51,204	\$ 107,911	\$ 84,386

Basic Education Foundation	Ohio School Facilities Classroom Maintenance	District Managed Student Activities	Auxiliary Services	Early Childhood Education
\$ 1,321	\$ 2,728,769	\$ 209,429	\$ 143,184	\$ 10,374
-	305,510	-	-	-
-	-	-	-	-
-	-	-	4,449	105,213
<u>\$ 1,321</u>	<u>\$ 3,034,279</u>	<u>\$ 209,429</u>	<u>\$ 147,633</u>	<u>\$ 115,587</u>
\$ -	\$ 29,880	\$ 327	\$ 1,675	\$ -
-	-	-	1,024	101,578
-	-	-	1,529	14,119
-	29,880	327	4,228	115,697
-	60,263	-	-	52,696
-	205,372	-	-	-
-	265,635	-	-	52,696
1,321	2,738,764	209,102	143,405	-
-	-	-	-	-
-	-	-	-	(52,806)
<u>1,321</u>	<u>2,738,764</u>	<u>209,102</u>	<u>143,405</u>	<u>(52,806)</u>
<u>\$ 1,321</u>	<u>\$ 3,034,279</u>	<u>\$ 209,429</u>	<u>\$ 147,633</u>	<u>\$ 115,587</u>

(continued)

Springfield City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2018
(Continued)

	<u>Data</u> <u>Communications</u>	<u>Alternative</u> <u>Schools</u>	<u>Straight A</u> <u>Grant</u>	<u>Miscellaneous</u> <u>State Grants</u>
<u>Assets:</u>				
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 29,071	\$ -	\$ -	\$ 5,176
Receivables:				
Property Taxes	-	-	-	-
Accounts	-	-	-	-
Intergovernmental	-	-	-	-
<i>Total Assets</i>	<u>\$ 29,071</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,176</u>
<u>Liabilities:</u>				
Accounts Payable	\$ -	\$ -	\$ -	\$ 1,275
Accrued Wages and Benefits Payable	-	-	-	-
Intergovernmental Payable	-	-	-	140
<i>Total Liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,415</u>
<u>Deferred Inflows of Resources:</u>				
Unavailable Revenue	-	-	-	-
Property Taxes Not Levied for Current Year	-	-	-	-
<i>Total Deferred Inflows of Resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Fund Balances:</u>				
Restricted	29,071	-	-	3,761
Committed	-	-	-	-
Unassigned (Deficit)	-	-	-	-
<i>Total Fund Balances (Deficit)</i>	<u>29,071</u>	<u>-</u>	<u>-</u>	<u>3,761</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 29,071</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,176</u>

<u>Adult Basic Education</u>	<u>Race to the Top</u>	<u>Title VI-B Special Education Part B - IDEA</u>	<u>Title I - School Improvement, Stimulus A</u>	<u>Title III - Limited English Proficiency</u>	<u>Title I</u>
\$ 600	\$ 789	\$ 74,903	\$ 43,530	\$ 9,028	\$ 52,590
-	-	-	-	-	-
-	-	-	-	-	187
19,458	-	441,116	390,050	6,011	1,014,777
<u>\$ 20,058</u>	<u>\$ 789</u>	<u>\$ 516,019</u>	<u>\$ 433,580</u>	<u>\$ 15,039</u>	<u>\$ 1,067,554</u>
\$ -	\$ -	\$ -	\$ 25,953	\$ -	\$ 22,008
14,163	-	176,156	-	-	309,459
2,611	-	37,387	14	14	65,778
16,774	-	213,543	25,967	14	397,245
7,162	-	372,820	390,050	6,011	760,688
-	-	-	-	-	-
7,162	-	372,820	390,050	6,011	760,688
-	789	-	17,563	9,014	-
-	-	-	-	-	-
(3,878)	-	(70,344)	-	-	(90,379)
(3,878)	789	(70,344)	17,563	9,014	(90,379)
<u>\$ 20,058</u>	<u>\$ 789</u>	<u>\$ 516,019</u>	<u>\$ 433,580</u>	<u>\$ 15,039</u>	<u>\$ 1,067,554</u>

(continued)

Springfield City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2018
(Continued)

	Preschool Grant	Title VI-R	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
<u>Assets:</u>				
Equity in Pooled Cash, Cash Equivalents and Investments	\$ 605	\$ 25,530	\$ 20,213	\$ 5,897,625
Receivables:				
Property Taxes	-	-	-	305,510
Accounts	-	-	-	10,951
Intergovernmental	14,952	192,326	114,384	2,359,767
<i>Total Assets</i>	<u>\$ 15,557</u>	<u>\$ 217,856</u>	<u>\$ 134,597</u>	<u>\$ 8,573,853</u>
<u>Liabilities:</u>				
Accounts Payable	\$ -	\$ -	\$ 33,534	\$ 141,319
Accrued Wages and Benefits Payable	5,556	82,635	-	742,029
Intergovernmental Payable	817	11,689	1,260	186,808
<i>Total Liabilities</i>	<u>6,373</u>	<u>94,324</u>	<u>34,794</u>	<u>1,070,156</u>
<u>Deferred Inflows of Resources:</u>				
Unavailable Revenue	11,579	160,954	78,185	1,900,408
Property Taxes Not Levied for Current Year	-	-	-	205,372
<i>Total Deferred Inflows of Resources</i>	<u>11,579</u>	<u>160,954</u>	<u>78,185</u>	<u>2,105,780</u>
<u>Fund Balances:</u>				
Restricted	-	-	21,618	5,591,166
Committed	-	-	-	63,975
Unassigned (Deficit)	(2,395)	(37,422)	-	(257,224)
<i>Total Fund Balances (Deficit)</i>	<u>(2,395)</u>	<u>(37,422)</u>	<u>21,618</u>	<u>5,397,917</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 15,557</u>	<u>\$ 217,856</u>	<u>\$ 134,597</u>	<u>\$ 8,573,853</u>



Every Student | Every Opportunity | Every Day

Springfield City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2018

	Food Service	Mental Health/ Early Start	Other Grants	School Age Childcare/ After School Enrichment
<u>Revenues:</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	4,384,051	258,763	100,006	24,751
Investment Earnings	33,689	-	-	1,487
Tuition and Fees	-	-	-	365,243
Extracurricular Activities	-	-	-	-
Charges for Services	747,579	-	-	-
Contributions and Donations	-	150	3,000	-
Miscellaneous	43,584	4,808	-	-
Total Revenues	5,208,903	263,721	103,006	391,481
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	-	-	-	-
Special	-	-	4,242	-
Adult/Continuing	-	13,707	-	-
Student Intervention Services	-	-	307	-
Other	-	-	-	-
Support Services:				
Pupils	-	15,217	16,468	-
Instructional Staff	-	176,014	16,432	-
Administration	-	70,620	-	-
Fiscal	462,277	-	-	-
Operation and Maintenance of Plant	97,938	-	-	-
Pupil Transportation	-	1,155	-	-
Central	-	-	-	-
Operation of Non-Instructional Services	4,623,637	251	7,854	420,843
Extracurricular Activities	11,902	-	-	-
Total Expenditures	5,195,754	276,964	45,303	420,843
Excess of Revenues Over (Under) Expenditures	13,149	(13,243)	57,703	(29,362)
<u>Other Financing Sources:</u>				
Proceeds from Sale of Capital Assets	8,507	-	-	-
Transfers In	-	-	-	-
Total Other Financing Sources (Uses)	8,507	-	-	-
Net Change in Fund Balances	21,656	(13,243)	57,703	(29,362)
Fund Balances (Deficit) at Beginning of Year	2,254,057	50,552	46,033	93,337
Fund Balances (Deficit) at End of Year	\$ 2,275,713	\$ 37,309	\$ 103,736	\$ 63,975

Basic Education Foundation	Ohio School Facilities Classroom Maintenance	District Managed Student Activities	Auxiliary Services	Early Childhood Education
\$ -	\$ 243,046	\$ -	\$ -	\$ -
-	317,092	-	590,171	1,033,346
-	-	2,901	2,041	-
-	-	-	-	-
-	-	402,669	-	-
-	-	-	-	-
7,610	-	6,508	-	-
-	-	17,964	930	-
<u>7,610</u>	<u>560,138</u>	<u>430,042</u>	<u>593,142</u>	<u>1,033,346</u>
-	-	-	-	-
-	-	-	-	1,005,907
-	-	-	-	-
-	-	-	-	-
6,422	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	4,672	-	23,356	-
-	387,838	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	150	449,531	-
-	-	481,693	-	-
<u>6,422</u>	<u>392,510</u>	<u>481,843</u>	<u>472,887</u>	<u>1,005,907</u>
1,188	167,628	(51,801)	120,255	27,439
-	-	-	-	-
-	-	30,000	-	-
-	-	30,000	-	-
1,188	167,628	(21,801)	120,255	27,439
133	2,571,136	230,903	23,150	(80,245)
<u>\$ 1,321</u>	<u>\$ 2,738,764</u>	<u>\$ 209,102</u>	<u>\$ 143,405</u>	<u>\$ (52,806)</u>

(continued)

Springfield City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2018
(Continued)

	Data Communications	Alternative Schools	Straight A Grant	Miscellaneous State Grants
<u>Revenues:</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	27,000	-	70,000	5,176
Investment Earnings	-	-	-	-
Tuition and Fees	-	-	-	-
Extracurricular Activities	-	-	-	-
Charges for Services	-	-	-	-
Contributions and Donations	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	27,000	-	70,000	5,176
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	-	-	6,414	-
Special	-	-	-	832
Adult/Continuing	-	-	-	-
Student Intervention Services	-	2,507	-	-
Other	-	-	-	-
Support Services:				
Pupils	-	-	3,508	-
Instructional Staff	6,300	-	36,967	-
Administration	-	-	71,442	-
Fiscal	-	-	-	-
Operation and Maintenance of Plant	-	-	-	-
Pupil Transportation	-	-	-	-
Central	2,156	-	-	-
Operation of Non-Instructional Services	-	-	-	-
Extracurricular Activities	-	-	-	-
Total Expenditures	8,456	2,507	118,331	832
Excess of Revenues Over (Under) Expenditures	18,544	(2,507)	(48,331)	4,344
<u>Other Financing Sources:</u>				
Proceeds from Sale of Capital Assets	-	-	-	-
Transfers In	-	-	-	-
Total Other Financing Sources	-	-	-	-
Net Change in Fund Balances	18,544	(2,507)	(48,331)	4,344
Fund Balances (Deficit) at Beginning of Year	10,527	2,507	48,331	(583)
Fund Balances (Deficit) at End of Year	\$ 29,071	\$ -	\$ -	\$ 3,761

Adult Basic Education	Race to the Top	Title VI-B Special Education Part B - IDEA	Title I - School Improvement, Stimulus A	Title III - Limited English Proficiency	Title I
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
120,495	-	1,869,487	515,186	82,418	4,218,523
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
120,495	-	1,869,487	515,186	82,418	4,218,523
-	-	-	-	-	-
-	-	976,852	12,064	56,026	1,492,443
56,344	-	-	-	-	-
-	-	62,789	4,190	2,092	646,706
-	-	-	-	-	126,908
-	-	488,013	66,959	4,033	136,686
41,044	-	54,282	354,898	1,776	1,455,150
30,215	-	272,281	-	-	137,076
-	-	-	-	-	-
-	-	-	-	-	-
200	-	-	677	-	5,000
-	-	-	-	-	-
-	-	84,151	61,299	10,369	416,154
-	-	-	-	-	-
127,803	-	1,938,368	500,087	74,296	4,416,123
(7,308)	-	(68,881)	15,099	8,122	(197,600)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(7,308)	-	(68,881)	15,099	8,122	(197,600)
3,430	789	(1,463)	2,464	892	107,221
<u>\$ (3,878)</u>	<u>\$ 789</u>	<u>\$ (70,344)</u>	<u>\$ 17,563</u>	<u>\$ 9,014</u>	<u>\$ (90,379)</u>

(continued)

Springfield City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2018
(Continued)

	Preschool Grant	Title VI-R	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
<u>Revenues:</u>				
Property Taxes	\$ -	\$ -	\$ -	\$ 243,046
Intergovernmental	54,428	306,098	377,034	14,354,025
Investments Earnings	-	-	-	40,118
Tuition and Fees	-	-	-	365,243
Extracurricular Activities	-	-	-	402,669
Charges for Services	-	-	-	747,579
Contributions and Donations	-	-	-	17,268
Miscellaneous	-	-	-	67,286
Total Revenues	54,428	306,098	377,034	16,237,234
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	-	-	-	6,414
Special	55,489	-	-	3,603,855
Adult/Continuing	-	-	-	70,051
Student Intervention Services	-	-	111,710	830,301
Other	-	-	10,096	137,004
Support Services:				
Pupils	-	-	130,274	867,580
Instructional Staff	82	294,778	12,341	2,450,064
Administration	-	-	-	581,634
Fiscal	-	-	5,562	495,867
Operation and Maintenance of Plant	-	-	-	485,776
Pupil Transportation	-	-	1,138	8,170
Central	-	-	-	2,156
Operation of Non-Instructional Services	-	16,342	86,761	6,177,342
Extracurricular Activities	-	-	-	493,595
Total Expenditures	55,571	311,120	357,882	16,209,809
Excess of Revenues Over (Under) Expenditures	(1,143)	(5,022)	19,152	27,425
<u>Other Financing Sources:</u>				
Proceeds from Sale of Capital Assets	-	-	-	8,507
Transfers In	-	-	-	30,000
Total Other Financing Sources	-	-	-	38,507
Net Change in Fund Balances	(1,143)	(5,022)	19,152	65,932
Fund Balances (Deficit) at Beginning of Year	(1,252)	(32,400)	2,466	5,331,985
Fund Balances (Deficit) at End of Year	\$ (2,395)	\$ (37,422)	\$ 21,618	\$ 5,397,917

FIDUCIARY FUNDS

Private Purpose Trust Funds

Private Purpose Trust Funds are used to account for any trust arrangement under which principal and income benefit individuals, private organizations, or other governments.

College Scholarship

To account for contributions and donations to be used as scholarships for students in the School District.

Endowment

To account for contributions and donations which have been set aside as an investment to provide scholarships to students of the School District. The income from this fund may be expended, but the principal must remain intact.

Agency Funds

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

District Agency

To account for money that is set aside each pay period to make the School District's semi-annual workers' compensation payments.

Student Managed Activities

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

Springfield City School District
Combining Statement of Fiduciary Net Position
Private Purpose Trust Funds
June 30, 2018

	College Scholarship	Endowment	Total
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$ 60,118	\$ 16,922	\$ 77,040
<u>Net Position:</u>			
Restricted - Nonexpendable	-	10,000	10,000
Held in Trust for Scholarships	60,118	6,922	67,040
<i>Total Net Position</i>	\$ 60,118	\$ 16,922	\$ 77,040

Springfield City School District
Combining Statement of Changes in Fiduciary Net Position
Private Purpose Trust Funds
For the Fiscal Year Ended June 30, 2018

	College Scholarship	Endowment	Total
<u>Additions:</u>			
Investment Earnings	\$ 882	\$ 238	\$ 1,120
Contributions and Donations	7,122	-	7,122
<i>Total Additions</i>	8,004	238	8,242
<u>Deductions:</u>			
Payments in Accordance with Trust Agreements	8,564	-	8,564
<i>Change in Net Position</i>	(560)	238	(322)
<i>Net Position at Beginning of Year</i>	60,678	16,684	77,362
<i>Net Position at End of Year</i>	\$ 60,118	\$ 16,922	\$ 77,040

Springfield City School District
Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2018

	<u>Beginning Balance July 1, 2017</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance June 30, 2018</u>
District Agency Fund				
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 1,170,018	\$ 593,072	\$ 605,676	\$ 1,157,414
<u>Liabilities:</u>				
Due to Other Governments	\$ 1,170,018	\$ 593,072	\$ 605,676	\$ 1,157,414
Student Managed Activities Fund				
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 76,977	\$ 65,181	\$ 65,144	\$ 77,014
<u>Liabilities:</u>				
Due to Students	\$ 76,977	\$ 65,181	\$ 65,144	\$ 77,014
Total Agency Funds				
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$ 1,246,995	\$ 658,253	\$ 670,820	\$ 1,234,428
<i>Total Assets</i>	<u>\$ 1,246,995</u>	<u>\$ 658,253</u>	<u>\$ 670,820</u>	<u>\$ 1,234,428</u>
<u>Liabilities:</u>				
Due to Students	\$ 76,977	\$ 65,181	\$ 65,144	\$ 77,014
Due to Other Governments	1,170,018	593,072	605,676	1,157,414
<i>Total Liabilities</i>	<u>\$ 1,246,995</u>	<u>\$ 658,253</u>	<u>\$ 670,820</u>	<u>\$ 1,234,428</u>

Springfield City School District

Individual Fund Schedules of Revenues, Expenditures and Changes in
Fund Balance – Budget (Non-GAAP Basis) and Actual



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Springfield City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Bond Retirement Fund
For the Fiscal Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Property and Other Local Taxes	\$ 2,650,000	\$ 2,609,467	\$ (40,533)
Intergovernmental	400,000	461,080	61,080
Total Revenues	<u>3,050,000</u>	<u>3,070,547</u>	<u>20,547</u>
EXPENDITURES:			
Current:			
Support Services:			
Fiscal	234,818	49,675	185,143
Debt Service:			
Principal	2,410,000	2,410,000	137
Interest	535,350	535,213	-
Total Expenditures	<u>3,180,168</u>	<u>2,994,888</u>	<u>185,280</u>
Net Change in Fund Balances	(130,168)	75,659	205,827
Fund Balance (Deficit) at Beginning of Year	5,072,651	5,072,651	-
Prior Year Encumbrances Appropriated	<u>149,818</u>	<u>149,818</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ 5,092,301</u>	<u>\$ 5,298,128</u>	<u>\$ 205,827</u>

Springfield City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Building Fund
For the Fiscal Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with</u> <u>Final Budget</u>
REVENUES:			
Interest	\$ -	\$ 1	\$ 1
Total Revenues	<u>-</u>	<u>1</u>	<u>1</u>
EXPENDITURES:			
Current:			
Support Services:			
Fiscal	3,770	-	3,770
Capital Outlay:			
Site Improvement Services	12,757	-	12,757
Building Acquisition and Construction Services	<u>1,919</u>	<u>-</u>	<u>1,919</u>
Total Expenditures	<u>18,446</u>	<u>-</u>	<u>18,446</u>
Net Change in Fund Balances	(18,446)	1	18,447
Fund Balance (Deficit) at Beginning of Year	<u>18,446</u>	<u>18,446</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ 18,447</u>	<u>\$ 18,447</u>

Springfield City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Permanent Improvement Fund
For the Fiscal Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Property and Other Local Taxes	\$ 727,141	\$ 700,788	\$ (26,353)
Intergovernmental	70,098	94,419	24,321
Interest	1,575	22,659	21,084
Gifts and Donations	-	4,594	4,594
	<hr/>	<hr/>	<hr/>
Total Revenues	798,814	822,460	23,646
EXPENDITURES:			
Current:			
Instruction:			
Regular	6,540	6,540	-
Special	37,156	37,156	-
Support Services:			
Pupils	10,316	10,316	-
Administration	2,000	1,432	568
Fiscal	1,781,182	13,220	1,767,962
Operation and Maintenance of Plant	212,616	211,977	639
Pupil Transportation	340,184	338,114	2,070
Central	33,622	33,622	-
Extracurricular Activities:			
Sport Oriented Activities	1,112,762	1,112,552	210
Capital Outlay:			
Site Improvement Services	693,815	669,048	24,767
Architecture and Engineering Services	72,568	70,795	1,773
Building Improvement Services	50,757	50,757	-
	<hr/>	<hr/>	<hr/>
Total Expenditures	4,353,518	2,555,529	1,797,989
Excess of Revenues Over (Under) Expenditures	<u>(3,554,704)</u>	<u>(1,733,069)</u>	<u>1,821,635</u>
OTHER FINANCING SOURCES AND USES:			
Transfers In	-	1,710,000	1,710,000
	<hr/>	<hr/>	<hr/>
Total Other Financing Sources and Uses	-	1,710,000	1,710,000
Net Change in Fund Balances	(3,554,704)	(23,069)	3,531,635
Fund Balance (Deficit) at Beginning of Year	2,244,682	2,244,682	-
Prior Year Encumbrances Appropriated	1,313,467	1,313,467	-
	<hr/>	<hr/>	<hr/>
Fund Balance (Deficit) at End of Year	<u>\$ 3,445</u>	<u>\$ 3,535,080</u>	<u>\$ 3,531,635</u>

Springfield City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Food Service Fund
For the Fiscal Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with</u> <u>Final Budget</u>
REVENUES:			
Intergovernmental	\$ 4,982,000	\$ 4,649,559	\$ (332,441)
Interest	12,000	33,689	21,689
Customer Sales and Services	630,750	737,143	106,393
Miscellaneous	13,315	11,735	(1,580)
	<u>5,638,065</u>	<u>5,432,126</u>	<u>(205,939)</u>
Total Revenues			
EXPENDITURES:			
Current:			
Support Services:			
Fiscal	462,277	462,277	-
Operation and Maintenance of Plant	169,067	123,277	45,790
Operation of Non-Instructional/Shared Services:			
Food Service Operations	6,313,799	5,379,704	934,095
Extracurricular Activities:			
Sport Oriented Activities	12,419	11,902	517
Capital Outlay:			
Site Improvement Services	65,000	-	65,000
	<u>7,022,562</u>	<u>5,977,160</u>	<u>1,045,402</u>
Total Expenditures			
Excess of Revenues Over (Under) Expenditures	<u>(1,384,497)</u>	<u>(545,034)</u>	<u>839,463</u>
OTHER FINANCING SOURCES AND USES:			
Proceeds from Sale of Capital Assets	3,000	8,507	5,507
Refund of Prior Year Expenditures	-	31,849	31,849
Refund of Prior Year Receipts	(150)	(82)	68
	<u>2,850</u>	<u>40,274</u>	<u>37,424</u>
Total Other Financing Sources and Uses			
Net Change in Fund Balances	(1,381,647)	(504,760)	876,887
Fund Balance (Deficit) at Beginning of Year	1,962,480	1,962,480	-
Prior Year Encumbrances Appropriated	429,253	429,253	-
Fund Balance (Deficit) at End of Year	<u>\$ 1,010,086</u>	<u>\$ 1,886,973</u>	<u>\$ 876,887</u>

Springfield City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Mental Health - Early Start Fund
For the Fiscal Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 264,738	\$ 265,873	\$ 1,135
Gifts and Donations	150	150	0
Miscellaneous	4,500	4,808	308
Total Revenues	<u>269,388</u>	<u>270,831</u>	<u>1,443</u>
EXPENDITURES:			
Current:			
Instruction:			
Adult/Continuing	19,674	15,563	4,111
Support Services:			
Pupils	19,905	15,747	4,158
Instructional Staff	182,770	177,649	5,121
Administration	69,680	74,181	(4,501)
Pupil Transportation	1,853	1,130	723
Operation of Non-Instructional/Shared Services:			
Community Services	2,947	459	2,488
Total Expenditures	<u>296,829</u>	<u>284,729</u>	<u>12,100</u>
Net Change in Fund Balances	(27,441)	(13,898)	13,543
Fund Balance (Deficit) at Beginning of Year	33,434	33,434	-
Prior Year Encumbrances Appropriated	6,992	6,992	-
Fund Balance (Deficit) at End of Year	<u>\$ 12,985</u>	<u>\$ 26,528</u>	<u>\$ 13,543</u>

Springfield City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Other Grants Fund
For the Fiscal Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 100,006	\$ 100,006	\$ -
Gifts and Donations	3,000	3,000	-
Total Revenues	<u>103,006</u>	<u>103,006</u>	<u>-</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	93	-	93
Special	5,840	4,242	1,598
Student Intervention Services	307	307	0
Other	3,150	57	3,093
Support Services:			0
Pupils	62,663	19,206	43,457
Instructional Staff	53,793	23,604	30,189
Operation of Non-Instructional/Shared Services:			
Community Services	26,820	12,409	14,411
Total Expenditures	<u>152,666</u>	<u>59,825</u>	<u>92,841</u>
Net Change in Fund Balances	(49,660)	43,181	92,841
Fund Balance (Deficit) at Beginning of Year	17,039	17,039	-
Prior Year Encumbrances Appropriated	32,621	32,621	-
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ 92,841</u>	<u>\$ 92,841</u>

Springfield City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
School Age Child Care/After School Enrichment Fund
For the Fiscal Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with</u> <u>Final Budget</u>
REVENUES:			
Intergovernmental	\$ 32,000	\$ 23,848	\$ (8,152)
Interest	500	1,487	987
Tuition and Fees	<u>370,000</u>	<u>365,243</u>	<u>(4,757)</u>
Total Revenues	<u>402,500</u>	<u>390,578</u>	<u>(11,922)</u>
EXPENDITURES:			
Current:			
Operation of Non-Instructional/Shared Services:			
Community Services	<u>505,201</u>	<u>435,476</u>	<u>69,725</u>
Total Expenditures	<u>505,201</u>	<u>435,476</u>	<u>69,725</u>
Net Change in Fund Balances	(102,701)	(44,898)	57,803
Fund Balance (Deficit) at Beginning of Year	116,984	116,984	-
Prior Year Encumbrances Appropriated	<u>5,201</u>	<u>5,201</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ 19,484</u>	<u>\$ 77,287</u>	<u>\$ 57,803</u>

Springfield City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Basic Education Foundation Fund
For the Fiscal Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with</u> <u>Final Budget</u>
REVENUES:			
Gifts and Donations	\$ 8,260	\$ 7,610	\$ (650)
Total Revenues	<u>8,260</u>	<u>7,610</u>	<u>(650)</u>
EXPENDITURES:			
Current:			
Support Services:			
Pupils	<u>6,422</u>	<u>6,422</u>	<u>0</u>
Total Expenditures	<u>6,422</u>	<u>6,422</u>	<u>0</u>
Net Change in Fund Balances	1,838	1,188	(650)
Fund Balance (Deficit) at Beginning of Year	<u>134</u>	<u>134</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ 1,972</u>	<u>\$ 1,322</u>	<u>\$ (650)</u>

Springfield City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Ohio School Facilities Classroom Maintenance Fund
For the Fiscal Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Property and Other Local Taxes	\$ 256,012	\$ 245,748	\$ (10,264)
Intergovernmental	<u>25,372</u>	<u>317,092</u>	<u>291,720</u>
Total Revenues	<u>281,384</u>	<u>562,840</u>	<u>281,456</u>
EXPENDITURES:			
Current:			
Support Services:			
Fiscal	10,000	4,672	5,328
Operation and Maintenance of Plant	<u>642,682</u>	<u>430,223</u>	<u>212,459</u>
Total Expenditures	<u>652,682</u>	<u>434,895</u>	<u>217,787</u>
Net Change in Fund Balances	(371,298)	127,945	499,243
Fund Balance (Deficit) at Beginning of Year	2,490,128	2,490,128	-
Prior Year Encumbrances Appropriated	<u>42,682</u>	<u>42,682</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ 2,161,512</u>	<u>\$ 2,660,755</u>	<u>\$ 499,243</u>

Springfield City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
District Managed Student Activities Fund
For the Fiscal Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Interest	\$ 1,112	\$ 2,901	\$ 1,789
Extracurricular Activities	399,363	402,669	3,306
Gifts and Donations	16,120	6,508	(9,612)
Miscellaneous	<u>15,520</u>	<u>17,964</u>	<u>2,444</u>
Total Revenues	<u>432,115</u>	<u>430,042</u>	<u>(2,073)</u>
EXPENDITURES:			
Current:			
Operation of Non-Instructional/Shared Services:			
Community Services	1,300	150	1,150
Extracurricular Activities:			
Academic Oriented Activities	101,589	67,089	34,500
Occupation Oriented Activities	24,360	20,567	3,793
Sport Oriented Activities	425,857	367,291	58,566
School and Public Service Co-Curricular Activities	<u>47,955</u>	<u>44,355</u>	<u>3,600</u>
Total Expenditures	<u>601,061</u>	<u>499,452</u>	<u>101,609</u>
Excess of Revenues Over (Under) Expenditures	<u>(168,946)</u>	<u>(69,410)</u>	<u>99,536</u>
OTHER FINANCING SOURCES AND USES:			
Transfers In	30,000	30,000	-
Refund of Prior Year Expenditures	<u>436</u>	<u>-</u>	<u>(436)</u>
Total Other Financing Sources and Uses	<u>30,436</u>	<u>30,000</u>	<u>(436)</u>
Net Change in Fund Balances	(138,510)	(39,410)	99,100
Fund Balance (Deficit) at Beginning of Year	225,977	225,977	-
Prior Year Encumbrances Appropriated	<u>6,570</u>	<u>6,570</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ 94,037</u>	<u>\$ 193,137</u>	<u>\$ 99,100</u>

Springfield City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Auxiliary Services Fund
For the Fiscal Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 585,722	\$ 585,722	\$ -
Interest	<u>1,604</u>	<u>2,041</u>	<u>437</u>
Total Revenues	<u>587,326</u>	<u>587,763</u>	<u>437</u>
EXPENDITURES:			
Current:			
Support Services:			
Fiscal	23,356	23,356	-
Operation of Non-Instructional/Shared Services:			
Community Services	<u>587,427</u>	<u>454,899</u>	<u>132,528</u>
Total Expenditures	<u>610,783</u>	<u>478,255</u>	<u>132,528</u>
Excess of Revenues Over (Under) Expenditures	<u>(23,457)</u>	<u>109,508</u>	<u>132,965</u>
OTHER FINANCING SOURCES AND USES:			
Refund of Prior Year Expenditures	930	930	-
Refund of Prior Year Receipts	<u>(23,467)</u>	<u>(23,467)</u>	<u>-</u>
Total Other Financing Sources and Uses	<u>(22,537)</u>	<u>(22,537)</u>	<u>-</u>
Net Change in Fund Balances	(45,994)	86,971	132,965
Fund Balance (Deficit) at Beginning of Year	37,029	37,029	-
Prior Year Encumbrances Appropriated	<u>9,535</u>	<u>9,535</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ 570</u>	<u>\$ 133,535</u>	<u>\$ 132,965</u>

Springfield City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Early Childhood Education Fund
For the Fiscal Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 1,266,029	\$ 1,035,309	\$ (230,720)
Total Revenues	<u>1,266,029</u>	<u>1,035,309</u>	<u>(230,720)</u>
EXPENDITURES:			
Current:			
Instruction:			
Special	<u>1,290,184</u>	<u>1,049,090</u>	<u>241,094</u>
Total Expenditures	<u>1,290,184</u>	<u>1,049,090</u>	<u>241,094</u>
Net Change in Fund Balances	(24,155)	(13,781)	10,374
Fund Balance (Deficit) at Beginning of Year	(110,245)	(110,245)	-
Prior Year Encumbrances Appropriated	<u>134,400</u>	<u>134,400</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ 10,374</u>	<u>\$ 10,374</u>

Springfield City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Data Communications Fund
For the Fiscal Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 27,000	\$ 27,000	\$ -
Total Revenues	<u>27,000</u>	<u>27,000</u>	<u>-</u>
EXPENDITURES:			
Current:			
Support Services:			
Instructional Staff	6,300	6,300	-
Central	<u>20,700</u>	<u>20,699</u>	<u>1</u>
Total Expenditures	<u>27,000</u>	<u>26,999</u>	<u>1</u>
Net Change in Fund Balances	-	1	1
Fund Balance (Deficit) at Beginning of Year	<u>10,528</u>	<u>10,528</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ 10,528</u>	<u>\$ 10,529</u>	<u>\$ 1</u>

Springfield City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Alternative Schools Fund
For the Fiscal Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
EXPENDITURES:			
Current:			
Instruction:			
Student Intervention Services	\$ 1,545	\$ 1,545	\$ -
Support Services:			
Pupils	<u>6,545</u>	<u>6,545</u>	<u>-</u>
Total Expenditures	<u>8,090</u>	<u>8,090</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>(8,090)</u>	<u>(8,090)</u>	<u>-</u>
OTHER FINANCING SOURCES AND USES:			
Refund of Prior Year Receipts	<u>(1,152)</u>	<u>(1,152)</u>	<u>-</u>
Total Other Financing Sources and Uses	<u>(1,152)</u>	<u>(1,152)</u>	<u>-</u>
Net Change in Fund Balances	(9,242)	(9,242)	-
Fund Balance (Deficit) at Beginning of Year	2,697	2,697	-
Prior Year Encumbrances Appropriated	<u>6,545</u>	<u>6,545</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Springfield City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Straight A Grant Fund
For the Fiscal Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with</u> <u>Final Budget</u>
REVENUES:			
Intergovernmental	\$ 70,000	\$ 70,000	\$ -
Total Revenues	<u>70,000</u>	<u>70,000</u>	<u>-</u>
EXPENDITURES:			
Current:			
Instruction:			
Regular	6,874	6,874	-
Support Services:			
Pupils	14,018	14,018	-
Instructional Staff	52,933	52,933	-
Administration	83,893	83,893	-
Central	<u>9,500</u>	<u>9,500</u>	<u>-</u>
Total Expenditures	<u>167,218</u>	<u>167,218</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>(97,218)</u>	<u>(97,218)</u>	<u>-</u>
OTHER FINANCING SOURCES AND USES:			
Refund of Prior Year Receipts	<u>(2,840)</u>	<u>(2,840)</u>	<u>-</u>
Total Other Financing Sources and Uses	<u>(2,840)</u>	<u>(2,840)</u>	<u>-</u>
Net Change in Fund Balances	(100,058)	(100,058)	-
Fund Balance (Deficit) at Beginning of Year	7,837	7,837	-
Prior Year Encumbrances Appropriated	<u>92,221</u>	<u>92,221</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Springfield City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Miscellaneous State Grants Fund
For the Fiscal Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 8,285	\$ 8,285	\$ -
Total Revenues	<u>8,285</u>	<u>8,285</u>	<u>-</u>
EXPENDITURES:			
Current:			
Instruction:			
Special	5,176	5,176	-
Support Services:			
Pupils	<u>3,746</u>	<u>3,746</u>	<u>-</u>
Total Expenditures	<u>8,922</u>	<u>8,922</u>	<u>-</u>
Net Change in Fund Balances	(637)	(637)	-
Fund Balance (Deficit) at Beginning of Year	<u>637</u>	<u>637</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Springfield City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Adult Basic Education Fund
For the Fiscal Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 147,466	\$ 124,875	\$ (22,591)
Total Revenues	<u>147,466</u>	<u>124,875</u>	<u>(22,591)</u>
EXPENDITURES:			
Current:			
Instruction:			
Adult/Continuing	64,287	54,812	9,475
Support Services:			
Instructional Staff	49,157	42,206	6,951
Administration	36,949	30,185	6,764
Pupil Transportation	<u>200</u>	<u>200</u>	<u>-</u>
Total Expenditures	<u>150,593</u>	<u>127,403</u>	<u>23,190</u>
Net Change in Fund Balances	(3,127)	(2,528)	599
Fund Balance (Deficit) at Beginning of Year	2,965	2,965	-
Prior Year Encumbrances Appropriated	<u>162</u>	<u>162</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ 599</u>	<u>\$ 599</u>

Springfield City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title VI-B Special Education Part B - IDEA Fund
For the Fiscal Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 2,393,799	\$ 1,952,681	\$ (441,118)
Total Revenues	<u>2,393,799</u>	<u>1,952,681</u>	<u>(441,118)</u>
EXPENDITURES:			
Current:			
Instruction:			
Special	1,270,434	979,835	290,599
Student Intervention Services	66,185	62,789	3,396
Support Services:			
Pupils	542,907	489,685	53,222
Instructional Staff	83,726	57,715	26,011
Administration	315,241	283,564	31,677
Operation of Non-Instructional/Shared Services:			
Community Services	<u>162,228</u>	<u>88,646</u>	<u>73,582</u>
Total Expenditures	<u>2,440,721</u>	<u>1,962,234</u>	<u>478,487</u>
Net Change in Fund Balances	(46,922)	(9,553)	37,369
Fund Balance (Deficit) at Beginning of Year	38,371	38,371	-
Prior Year Encumbrances Appropriated	<u>8,551</u>	<u>8,551</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ 37,369</u>	<u>\$ 37,369</u>

Springfield City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title I School Improvement, Stimulus A Fund
For the Fiscal Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with</u> <u>Final Budget</u>
REVENUES:			
Intergovernmental	\$ 948,052	\$ 566,313	\$ (381,739)
Total Revenues	<u>948,052</u>	<u>566,313</u>	<u>(381,739)</u>
EXPENDITURES:			
Current:			
Instruction:			
Special	134,845	12,164	122,681
Student Intervention Services	4,190	4,190	-
Support Services:			
Pupils	81,000	66,959	14,041
Instructional Staff	651,244	413,194	238,050
Public Transportation	7,000	677	6,323
Operation of Non-Instructional/Shared Services:			
Community Services	<u>76,000</u>	<u>61,299</u>	<u>14,701</u>
Total Expenditures	<u>954,279</u>	<u>558,483</u>	<u>395,796</u>
Net Change in Fund Balances	(6,227)	7,830	14,057
Fund Balance (Deficit) at Beginning of Year	(64,577)	(64,577)	-
Prior Year Encumbrances Appropriated	<u>70,804</u>	<u>70,804</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ 14,057</u>	<u>\$ 14,057</u>

Springfield City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title III Limited English Proficiency Fund
For the Fiscal Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 88,429	\$ 82,418	\$ (6,011)
Total Revenues	<u>88,429</u>	<u>82,418</u>	<u>(6,011)</u>
EXPENDITURES:			
Current:			
Instruction:			
Special	69,879	56,026	13,853
Student Intervention Services	2,092	2,092	-
Support Services:			
Pupils	5,367	4,302	1,065
Instructional Staff	1,762	1,762	-
Operation of Non-Instructional/Shared Services:			
Community Services	<u>10,413</u>	<u>10,369</u>	<u>44</u>
Total Expenditures	<u>89,513</u>	<u>74,551</u>	<u>14,962</u>
Net Change in Fund Balances	(1,084)	7,867	8,951
Fund Balance (Deficit) at Beginning of Year	(1,227)	(1,227)	-
Prior Year Encumbrances Appropriated	<u>2,311</u>	<u>2,311</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ 8,951</u>	<u>\$ 8,951</u>

Springfield City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title I Fund
For the Fiscal Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with</u> <u>Final Budget</u>
REVENUES:			
Intergovernmental	\$ 5,389,454	\$ 4,367,965	\$ (1,021,489)
Total Revenues	<u>5,389,454</u>	<u>4,367,965</u>	<u>(1,021,489)</u>
EXPENDITURES:			
Current:			
Instruction:			
Special	1,914,380	1,435,612	478,768
Student Intervention Services	926,072	667,323	258,749
Other	178,879	140,444	38,435
Support Services:			
Pupils	162,115	146,236	15,879
Instructional Staff	1,766,003	1,594,128	171,875
Administration	172,299	150,907	21,392
Pupil Transportation	5,000	5,000	0
Operation of Non-Instructional/Shared Services:			
Community Services	<u>463,578</u>	<u>436,114</u>	<u>27,464</u>
Total Expenditures	<u>5,588,326</u>	<u>4,575,764</u>	<u>1,012,562</u>
Net Change in Fund Balances	(198,872)	(207,799)	(8,927)
Fund Balance (Deficit) at Beginning of Year	137,473	137,473	-
Prior Year Encumbrances Appropriated	<u>61,399</u>	<u>61,399</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ (8,927)</u>	<u>\$ (8,927)</u>

Springfield City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Preschool Grant Fund
For the Fiscal Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 68,068	\$ 53,116	\$ (14,952)
Total Revenues	<u>68,068</u>	<u>53,116</u>	<u>(14,952)</u>
EXPENDITURES:			
Current:			
Instruction:			
Special	65,227	54,737	10,490
Support Services:			
Instructional Staff	<u>5,019</u>	<u>0</u>	<u>5,019</u>
Total Expenditures	<u>70,246</u>	<u>54,737</u>	<u>15,509</u>
Net Change in Fund Balances	(2,178)	(1,621)	557
Fund Balance (Deficit) at Beginning of Year	692	692	-
Prior Year Encumbrances Appropriated	<u>1,486</u>	<u>1,486</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ 557</u>	<u>\$ 557</u>

Springfield City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title VI-R Fund
For the Fiscal Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 507,099	\$ 314,773	\$ (192,326)
Total Revenues	<u>507,099</u>	<u>314,773</u>	<u>(192,326)</u>
EXPENDITURES:			
Current:			
Instruction:			
Special	65,713	65,713	0
Support Services:			
Instructional Staff	426,949	232,847	194,102
Operation of Non-Instructional/Shared Services:			
Community Services	<u>40,101</u>	<u>22,149</u>	<u>17,952</u>
Total Expenditures	<u>532,763</u>	<u>320,709</u>	<u>212,054</u>
Net Change in Fund Balances	(25,664)	(5,936)	19,728
Fund Balance (Deficit) at Beginning of Year	25,448	25,448	-
Prior Year Encumbrances Appropriated	<u>216</u>	<u>216</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ 19,728</u>	<u>\$ 19,728</u>

Springfield City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Miscellaneous Federal Grants Fund
For the Fiscal Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:			
Intergovernmental	\$ 477,221	\$ 341,718	\$ (135,503)
Total Revenues	<u>477,221</u>	<u>341,718</u>	<u>(135,503)</u>
EXPENDITURES:			
Current:			
Instruction:			
Student Intervention Services	145,559	135,858	9,701
Support Services:			
Pupils	177,904	175,490	2,414
Instructional Staff	37,576	12,895	24,681
Fiscal	5,562	5,562	-
Pupil Transportation	3,626	2,723	903
Operation of Non-Instructional/Shared Services:			
Community Services	<u>125,503</u>	<u>92,190</u>	<u>33,313</u>
Total Expenditures	<u>495,730</u>	<u>424,718</u>	<u>71,012</u>
Net Change in Fund Balances	(18,509)	(83,000)	(64,491)
Fund Balance (Deficit) at Beginning of Year	(1,713)	(1,713)	-
Prior Year Encumbrances Appropriated	<u>20,222</u>	<u>20,222</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ (64,491)</u>	<u>\$ (64,491)</u>

Springfield City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Public School Support Fund
For the Fiscal Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with</u> <u>Final Budget</u>
REVENUES:			
Intergovernmental	\$ 1,200	\$ 700	\$ (500)
Extracurricular Activities	182,727	180,677	(2,050)
Gifts and Donations	7,050	5,766	(1,284)
Miscellaneous	11,269	5,972	(5,297)
	<hr/>	<hr/>	<hr/>
Total Revenues	202,246	193,115	(9,131)
	<hr/>	<hr/>	<hr/>
EXPENDITURES:			
Current:			
Instruction:			
Regular	13,132	5,540	7,592
Special	1,200	799	401
Adult/Continuing	1,855	0	1,855
Other	1,000	0	1,000
Support Services:			
Pupils	11,730	10,433	1,297
Instructional Staff	28,818	21,866	6,952
Operation of Non-Instructional/Shared Services:			
Other	1,535	-	1,535
Extracurricular Activities:			
Academic Oriented Activities	18,542	4,014	14,528
School and Public Service Co-Curricular Activities	219,679	153,412	66,267
	<hr/>	<hr/>	<hr/>
Total Expenditures	297,491	196,064	101,427
	<hr/>	<hr/>	<hr/>
Excess of Revenues Over (Under) Expenditures	(95,245)	(2,949)	92,296
	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES AND USES:			
Refund of Prior Year Expenditures	-	30	30
	<hr/>	<hr/>	<hr/>
Total Other Financing Sources and Uses	-	30	30
	<hr/>	<hr/>	<hr/>
Net Change in Fund Balances	(95,245)	(2,919)	92,326
	<hr/>	<hr/>	<hr/>
Fund Balance (Deficit) at Beginning of Year	152,938	152,938	-
	<hr/>	<hr/>	<hr/>
Prior Year Encumbrances Appropriated	4,983	4,983	-
	<hr/>	<hr/>	<hr/>
Fund Balance (Deficit) at End of Year	\$ 62,676	\$ 155,002	\$ 92,326
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Springfield City Schools
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Underground Storage Tank Fund
For the Fiscal Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with</u> <u>Final Budget</u>
EXPENDITURES:			
Current:			
Support Services:			
Operation and Maintenance of Plant	\$ 11,000	\$ -	\$ 11,000
Total Expenditures	<u>11,000</u>	<u>-</u>	<u>11,000</u>
Net Change in Fund Balances	(11,000)	-	11,000
Fund Balance (Deficit) at Beginning of Year	<u>11,000</u>	<u>11,000</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ -</u>	<u>\$ 11,000</u>	<u>\$ 11,000</u>

Springfield City Schools
Schedule of Revenues, Expenses and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Self-Insurance Fund
For the Fiscal Year Ended June 30, 2018

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
OPERATING REVENUES:			
Charges for Services	\$ 16,112,000	\$ 16,201,582	\$ 89,582
Other Revenues	645	644	(1)
	<hr/>	<hr/>	<hr/>
Total Operating Revenues	16,112,645	16,202,226	89,581
OPERATING EXPENSES:			
Salaries	26,248	26,097	151
Fringe Benefits	16,520	16,404	116
Purchased Services	64,750	55,053	9,697
Claims	14,657,792	13,366,513	1,291,279
Other	1,993,050	1,916,539	76,511
	<hr/>	<hr/>	<hr/>
Total Operating Expenses	16,758,360	15,380,606	1,377,754
Operating Income (Loss)	<hr/> (645,715)	<hr/> 821,620	<hr/> 1,467,335
NON-OPERATING REVENUES (EXPENSES):			
Interest	30,025	30,658	633
Refund of Prior Year Expense	350,000	351,737	1,737
	<hr/>	<hr/>	<hr/>
Total Non-Operating Revenues (Expenses)	380,025	382,395	2,370
Net Change in Net Position	(265,690)	1,204,015	1,469,705
Net Position(Deficit) at Beginning of Year	2,083,904	2,083,904	-
Prior Year Encumbrances Appropriated	<hr/> 767	<hr/> 767	<hr/> -
Net Position (Deficit) at End of Year	<hr/> <u>\$ 1,818,981</u>	<hr/> <u>\$ 3,288,686</u>	<hr/> <u>\$ 1,469,705</u>

STUDENT-CENTERED



COLLABORATIVE



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1500 W Jefferson Street, Springfield, Ohio 45506

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STATISTICAL TABLES

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

<u>CONTENTS</u>	<u>PAGES</u>
Financial Trends	132-143
These schedules contain trend information to help the reader understand how the School District’s financial performance and well-being have changed over time.	
Revenue Capacity	144-153
These schedules contain information to help the reader assess the School District’s most significant local revenue sources.	
Debt Capacity	154-159
These schedules present information to help the reader assess the affordability of the School District’s current levels of outstanding debt and the School District’s ability to issue additional debt in the future.	
Demographic and Economic Information	160-161
These schedules offer demographic and economic indicators to help the reader understand the environment within which the School District’s financial activities take place.	
Operating information	162-168
These schedules contain service and capital assets data to help the reader understand how the information in the School District’s financial report relates to the services the School District provides and the activities it performs.	

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

Springfield City School District
Net Position by Component
Governmental Activities
Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year	2009	2010	2011	2012
Net Investment in Capital Assets	\$ 157,096,582	\$ 155,009,658	\$ 153,803,982	\$ 153,769,985
Restricted	17,127,725	15,596,423	19,585,138	11,651,741
Unrestricted (Deficit)	8,937,593	18,912,126	22,677,618	30,725,501
<i>Total Net Position</i>	\$ 183,161,900	\$ 189,518,207	\$ 196,066,738	\$ 196,147,227

(1) The District implemented GASB 68 in fiscal year 2015 which required a restatement of fiscal year 2014 amounts and explains the significant decrease in Unrestricted Net Position.
(2) The District implemented GASB 75 in fiscal year 2018 which required a restatement of fiscal year 2017 amounts and explains the significant decrease in Unrestricted Net Position.

2013	2014 (1)	2015	2016	2017 (2)	2018
\$ 147,160,678	\$ 142,878,068	\$ 148,898,831	\$ 152,888,984	\$ 152,049,477	\$ 150,314,696
14,155,592	14,293,037	15,275,859	12,577,780	13,136,246	13,850,702
28,684,131	(87,017,215)	(86,083,798)	(85,450,656)	(121,878,842)	(71,687,330)
<u>\$ 190,000,401</u>	<u>\$ 70,153,890</u>	<u>\$ 78,090,892</u>	<u>\$ 80,016,108</u>	<u>\$ 43,306,881</u>	<u>\$ 92,478,068</u>

Springfield City School District
Changes in Net Position
Governmental Activities
Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year	2009	2010	2011	2012
Expenses:				
Current:				
Instruction:				
Regular	\$ 41,317,982	\$ 39,305,210	\$ 43,206,893	\$ 42,585,310
Special	10,467,442	11,654,525	10,446,395	10,839,302
Vocational	191,489	198,117	198,230	199,176
Adult/Continuing	145,162	119,608	130,193	150,523
Student Intervention Services	1,929,098	1,488,378	391,333	669,752
Support Services:				
Pupils	5,855,781	6,228,605	7,029,551	7,732,168
Instructional Staff	6,940,114	7,482,630	7,017,109	7,245,080
Board of Education	207,244	323,239	233,064	335,410
Administration	6,679,185	6,357,072	6,892,481	7,276,306
Fiscal	1,562,836	1,685,061	1,545,232	1,640,152
Business	395,008	578,731	298,592	402,992
Operation and Maintenance of Plant	8,374,131	8,739,837	8,539,156	7,033,279
Pupil Transportation	2,188,121	2,160,195	2,398,981	2,232,768
Central	527,764	616,503	1,238,962	1,568,814
Operation of Non-Instructional Services	7,573,260	5,475,323	4,985,764	5,568,068
Extracurricular Activities	1,214,731	758,748	880,975	1,068,171
Interest and Fiscal Charges	2,596,675	2,356,708	2,295,411	1,738,970
Unallocated Depreciation	4,757,102	4,709,637	4,733,369	4,733,369
<i>Total Expenses</i>	<u>102,923,125</u>	<u>100,238,127</u>	<u>102,461,691</u>	<u>103,019,610</u>
Program Revenues:				
Charges for Services:				
Instruction:				
Regular	9,835	267	764,143	962,362
Special	627,922	716,601	12,111	12,960
Vocational	18,820	19,195	-	-
Support Services:				
Pupils	-	-	4,623	1,536
Instructional Staff	183,791	180,412	-	1,167
Operation and Maintenance of Plant	19,912	28,690	31,029	31,944
Pupil Transportation	-	-	-	-
Operation of Non-Instructional Services	1,430,653	1,368,210	1,413,084	1,333,773
Extracurricular Activities	325,145	302,965	334,245	269,987
Operating Grants, Contributions, and Interest	26,340,799	23,113,839	25,703,076	21,613,045
Capital Grants and Contributions	-	-	-	-
<i>Total Program Revenues</i>	<u>28,956,877</u>	<u>25,730,179</u>	<u>28,262,311</u>	<u>24,226,774</u>
<i>Net Expense</i>	<u>\$ (73,966,248)</u>	<u>\$ (74,507,948)</u>	<u>\$ (74,199,380)</u>	<u>\$ (78,792,836)</u>

	2013	2014	2015	2016	2017	2018
\$	30,603,988	\$ 28,304,925	\$ 32,729,214	\$ 33,299,111	\$ 36,303,389	\$ 14,158,293
	11,454,695	13,282,992	13,372,436	14,301,335	16,967,107	8,199,419
	235,148	221,834	297,577	388,387	368,300	368,300
	325,703	99,254	88,041	113,516	121,459	77,335
	15,069,726	15,817,670	17,588,982	16,598,378	16,262,495	14,363,263
	7,457,141	7,216,500	8,093,932	8,521,514	9,420,341	4,897,545
	7,459,472	4,134,605	5,091,965	5,035,073	5,857,667	2,680,901
	264,601	155,191	301,796	143,439	258,826	117,203
	7,408,066	7,468,692	7,384,742	8,196,928	9,319,267	1,534,754
	1,777,031	1,788,430	2,105,149	1,918,952	2,114,845	1,932,742
	391,781	281,957	251,433	196,131	187,562	142,502
	7,423,986	7,528,706	7,591,939	8,395,747	8,658,008	7,725,864
	2,580,468	2,422,546	2,561,420	2,723,857	2,902,373	2,621,302
	1,481,061	2,014,929	2,026,274	2,199,399	4,091,097	2,578,885
	6,146,987	6,710,022	8,093,844	6,665,390	7,340,430	6,535,773
	977,180	1,081,018	1,081,167	1,324,026	1,354,644	1,342,464
	2,498,213	1,579,546	1,090,791	1,060,057	784,016	651,091
	4,733,369	4,815,340	4,862,059	5,154,810	5,284,118	5,277,930
	<u>108,288,616</u>	<u>104,924,157</u>	<u>114,612,761</u>	<u>116,236,050</u>	<u>127,595,944</u>	<u>75,205,566</u>
	905,890	1,282,628	1,029,543	1,261,926	1,491,595	1,688,433
	17,320	18,705	19,665	10,005	545	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	217,065	88,352	79,051	104,865	74,545	84,830
	1,131,229	1,065,941	1,095,420	1,053,871	1,065,121	1,112,822
	318,828	424,589	480,322	577,022	531,269	601,147
	16,606,922	15,264,059	15,545,074	16,370,983	16,673,827	14,556,340
	-	-	11,289,980	108,954	-	-
	<u>19,197,254</u>	<u>18,144,274</u>	<u>29,539,055</u>	<u>19,487,626</u>	<u>19,836,902</u>	<u>18,043,572</u>
\$	<u>(89,091,362)</u>	<u>(86,779,883)</u>	<u>(85,073,706)</u>	<u>(96,748,424)</u>	<u>(107,759,042)</u>	<u>(57,161,994)</u>

(continued)

Springfield City School District
Changes in Net Position
Governmental Activities
Last Ten Fiscal Years
(accrual basis of accounting)
(continued)

Fiscal Year	2009	2010	2011	2012
General Revenues:				
Property Taxes Levied for:				
General Purposes	\$ 22,126,066	\$ 20,978,321	\$ 19,890,366	\$ 20,056,407
Debt Service	3,812,724	4,312,062	4,163,701	4,105,034
Capital Outlay	713,133	650,578	1,141,206	197,061
Facilities Maintenance	250,471	240,884	238,146	233,025
Grants and Entitlements not Restricted to Specific Programs	46,431,981	54,043,542	54,806,827	52,933,220
Investment Earnings	665,442	286,221	90,151	284,901
Miscellaneous	550,860	352,647	417,514	1,063,677
Total General Revenues	<u>74,550,677</u>	<u>80,864,255</u>	<u>80,747,911</u>	<u>78,873,325</u>
Change in Net Position	<u>584,429</u>	<u>6,356,307</u>	<u>6,548,531</u>	<u>80,489</u>
Net Position Beginning of Year	182,577,471	183,161,900	189,518,207	196,066,738
<i>Restatement to Implement GASB 68 and 75 (1) (2)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Position End of Year	<u>\$ 183,161,900</u>	<u>\$ 189,518,207</u>	<u>\$ 196,066,738</u>	<u>\$ 196,147,227</u>

(1) The District implemented GASB 68 in fiscal year 2015 which required a restatement of fiscal year 2014 ending net position; however information necessary to restate beginning balance was not available.

(2) The District implemented GASB 75 in fiscal year 2018 which required a restatement of fiscal year 2017 ending net position; however information necessary to restate beginning balance was not available.

Source: School District Financial Records

2013	2014 (1)	2015	2016	2017 (2)	2018
\$ 19,342,891	\$ 20,346,092	\$ 20,587,370	\$ 20,894,336	\$ 19,686,341	\$ 20,847,781
3,269,688	2,603,938	2,609,543	2,741,429	2,606,580	2,518,926
654,546	672,263	683,514	696,561	665,801	698,516
229,821	236,075	240,578	244,131	233,870	245,473
58,543,009	61,870,010	67,762,794	72,808,491	78,093,810	80,528,240
126,065	173,477	87,201	230,961	190,483	368,677
778,516	576,058	1,039,708	1,057,731	645,704	1,125,568
82,944,536	86,477,913	93,010,708	98,673,640	102,122,589	106,333,181
(6,146,826)	(301,970)	7,937,002	1,925,216	(5,636,453)	49,171,187
196,147,227	190,000,401	70,153,890	78,090,892	80,016,108	43,306,881
-	(119,544,541)	-	-	(31,072,774)	-
<u>\$ 190,000,401</u>	<u>\$ 70,153,890</u>	<u>\$ 78,090,892</u>	<u>\$ 80,016,108</u>	<u>\$ 43,306,881</u>	<u>\$ 92,478,068</u>

Springfield City School District
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
General Fund:				
Restricted	\$ -	\$ 1,326,046	\$ 1,249,178	\$ -
Committed	-	11,000	11,000	11,000
Assigned	-	569,315	1,816,872	4,889,849
Unassigned	-	20,087,757	21,190,116	20,990,372
Reserved	6,740,373	-	-	-
Unreserved (Deficit)	4,380,681	-	-	-
<i>Total General Fund (Deficit)</i>	<u>11,121,054</u>	<u>21,994,118</u>	<u>24,267,166</u>	<u>25,891,221</u>
All Other Governmental Funds:				
Nonspendable	-	41,620	16,953	19,567
Restricted	-	14,557,617	13,730,432	13,424,532
Committed	-	75,425	136,326	128,645
Unassigned	-	(3,781,698)	(1,903,296)	(1,680,879)
Reserved	3,680,185	-	-	-
Unreserved, Undesignated (Deficit), Reported in:				
Special Revenue Funds	2,727,072	-	-	-
Debt Service Funds	6,398,209	-	-	-
Capital Projects Funds	893,990	-	-	-
<i>Total All Other Governmental Funds</i>	<u>13,699,456</u>	<u>10,892,964</u>	<u>11,980,415</u>	<u>11,891,865</u>
<i>Total Governmental Funds</i>	<u>\$ 24,820,510</u>	<u>\$ 32,887,082</u>	<u>\$ 36,247,581</u>	<u>\$ 37,783,086</u>

The School District implemented GASB 54 in fiscal year 2010.

2013	2014	2015	2016	2017	2018
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11,000	11,000	11,000	11,000	11,000	11,000
2,044,205	2,050,295	5,781,891	4,950,450	1,309,480	2,842,795
22,051,560	24,003,989	19,352,136	21,034,725	27,966,186	29,253,231
-	-	-	-	-	-
-	-	-	-	-	-
24,106,765	26,065,284	25,145,027	25,996,175	29,286,666	32,107,026
-	-	-	-	-	-
12,571,081	16,014,346	15,769,265	14,536,312	13,875,094	14,447,656
68,473	80,332	109,172	106,307	93,337	63,975
(1,295,527)	(535,717)	(414)	(21,176)	(115,943)	(257,224)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
11,344,027	15,558,961	15,878,023	14,621,443	13,852,488	14,254,407
\$ 35,450,792	\$ 41,624,245	\$ 41,023,050	\$ 40,617,618	\$ 43,139,154	\$ 46,361,433

Springfield City School District
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2009	2010	2011	2012
<u>Revenues:</u>				
Property Taxes	\$ 27,397,079	\$ 25,523,863	\$ 24,700,079	\$ 23,770,433
Intergovernmental	74,101,419	78,338,410	77,593,123	76,898,961
Investment Earnings	591,030	246,957	62,376	305,194
Tuition and Fees	1,195,941	1,263,384	1,192,957	1,302,183
Extracurricular Activities	279,393	251,343	287,905	308,708
Rentals	19,912	28,690	31,029	31,944
Charges for Services	1,120,832	1,072,923	1,047,344	1,009,793
Contributions and Donations	75,338	15,603	12,339	37,470
Miscellaneous	550,860	352,647	405,858	1,076,333
Total Revenues	105,331,804	107,093,820	105,333,010	104,741,019
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	40,154,588	39,452,176	43,298,640	42,683,517
Special	10,152,738	11,787,128	10,549,482	10,768,489
Vocational	213,312	198,329	198,329	199,176
Adult/Continuing	141,456	119,716	128,281	147,745
Student Intervention Services and Other	1,882,924	1,490,488	400,869	666,101
Support Services:				
Pupils	5,687,337	6,514,307	6,980,301	7,560,144
Instructional Staff	6,677,472	7,478,741	7,190,667	7,168,923
Board of Education	202,439	329,567	233,064	335,410
Administration	6,438,872	6,380,678	6,905,072	7,246,785
Fiscal	1,530,193	1,553,080	1,532,929	1,635,984
Business	362,042	576,928	296,916	400,872
Operation and Maintenance of Plant	8,026,038	7,513,983	7,641,074	7,131,654
Pupil Transportation	2,085,567	2,133,109	2,725,609	2,689,835
Central	476,258	688,599	1,214,151	2,497,400
Operation of Non-Instructional Services	7,047,588	5,284,008	4,758,326	5,477,580
Extracurricular Activities	1,170,683	751,944	1,009,326	1,081,203
Capital Outlay	9,441,964	1,596,306	2,632,858	462,870
Debt Service:				
Principal Retirement	4,054,503	2,473,778	2,523,131	2,656,658
Interest and Fiscal Charges	1,661,639	1,481,789	1,428,132	1,143,807
Escrow	-	-	-	-
Accretion	-	1,262,206	1,291,292	1,316,383
Issuance Costs	71,586	-	19,062	-
Total Expenditures	107,479,199	99,066,860	102,957,511	103,270,536
Excess of Revenues Over (Under) Expenditures	\$ (2,147,395)	\$ 8,026,960	\$ 2,375,499	\$ 1,470,483

2013	2014	2015	2016	2017	2018
\$ 23,930,875	\$ 23,547,802	\$ 23,953,967	\$ 24,542,230	\$ 23,328,634	\$ 24,095,891
75,646,031	77,111,332	94,738,218	89,663,907	94,272,297	94,782,260
132,154	173,477	87,201	230,961	190,483	368,677
1,368,403	1,728,198	1,465,523	1,691,562	1,907,516	2,087,837
353,868	424,589	480,322	577,022	531,269	601,147
28,474	23,620	26,079	110,603	168,187	214,094
868,061	727,428	758,156	739,105	724,290	798,248
38,975	30,430	45,462	39,913	58,969	27,628
711,065	522,008	958,294	907,215	363,282	875,339
103,077,906	104,288,884	122,513,222	118,502,518	121,544,927	123,851,121
30,151,615	28,515,528	33,168,097	33,284,220	32,826,151	37,418,564
11,205,565	13,301,443	13,537,505	14,294,574	15,507,608	15,975,157
235,148	221,834	298,439	388,387	368,300	368,300
325,382	98,711	83,021	112,366	114,017	116,167
15,068,825	15,818,217	17,666,227	16,588,827	16,077,770	15,870,495
7,349,161	7,249,731	8,098,967	8,624,926	8,682,301	9,205,937
7,404,501	4,197,510	5,140,932	5,008,586	5,371,330	4,989,367
264,601	155,191	302,426	144,079	257,123	119,761
7,379,307	7,476,384	7,646,462	8,113,276	8,148,379	8,323,361
2,230,244	1,684,117	2,007,124	1,790,412	2,417,502	1,982,242
395,968	279,331	241,702	204,052	170,442	160,794
7,278,455	7,580,203	7,786,023	8,471,791	8,330,734	7,897,893
2,726,276	2,551,218	2,633,329	2,664,889	2,668,114	2,759,135
1,376,274	1,925,881	2,072,321	2,475,891	3,890,161	2,688,572
6,054,537	6,563,349	6,523,784	6,707,200	7,402,907	6,673,668
987,839	1,091,994	1,102,028	1,298,772	1,310,616	2,484,355
545,747	2,000,728	9,534,374	5,352,818	2,968,965	459,980
2,709,221	1,145,060	2,562,273	2,430,549	2,497,608	2,557,005
2,313,715	2,378,033	2,614,995	952,335	550,077	586,596
-	-	104,258	-	-	-
-	-	-	-	-	-
-	-	-	-	167,818	-
106,002,381	104,234,463	123,124,287	118,907,950	119,727,923	120,637,349
\$ (2,924,475)	\$ 54,421	\$ (611,065)	\$ (405,432)	\$ 1,817,004	\$ 3,213,772

(continued)

Springfield City School District
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(continued)

	2009	2010	2011	2012
<i>Other Financing Sources (Uses):</i>				
Refunding General Obligation Bonds Issued	\$ -	\$ -	\$ -	\$ -
Payment to Refunded Bond Escrow Agent	-	-	-	-
Premium on Debt Issuance	71,586	-	-	-
Proceeds from Sale of Capital Assets	115,564	39,612	-	65,022
Energy Conservation Bonds Issued	3,064,000	-	985,000	-
General Obligation Bonds Issued	-	-	-	-
Inception of Capital Leases	-	-	-	-
Transfers In	11,000	6,600	463,669	295,218
Transfers Out	(11,000)	(6,600)	(463,669)	(295,218)
<i>Total Other Financing Sources (Uses)</i>	3,251,150	39,612	985,000	65,022
Net Change in Fund Balances	\$ 1,103,755	\$ 8,066,572	\$ 3,360,499	\$ 1,535,505
 Debt Service as a Percentage of Noncapital Expenditures	 5.8%	 4.0%	 4.0%	 3.8%

2013	2014	2015	2016	2017	2018
\$ -	\$ -	\$ -	\$ -	\$ 11,675,000	\$ -
-	-	-	-	(12,308,041)	-
-	227,294	-	-	800,859	-
69,428	11,738	9,870	-	47,265	8,507
-	-	-	-	-	-
-	5,880,000	-	-	-	-
522,753	-	-	-	489,449	-
716,273	547,250	525,750	1,730,000	1,730,000	1,740,000
(716,273)	(547,250)	(525,750)	(1,730,000)	(1,730,000)	(1,740,000)
592,181	6,119,032	9,870	-	704,532	8,507
<u>\$ (2,332,294)</u>	<u>\$ 6,173,453</u>	<u>\$ (601,195)</u>	<u>\$ (405,432)</u>	<u>\$ 2,521,536</u>	<u>\$ 3,222,279</u>
4.9%	3.5%	4.3%	3.0%	2.8%	2.7%

Springfield City School District
Assessed Valuation and Estimated Actual Value of Taxable Property
Last Ten Collection (Calendar) Years

Collection Year	Real Property				Tangible Personal Property	
	Assessed Value				Public Utility	
	Residential/ Agricultural	Commercial/ Industrial/PU	Total Real Property	Estimated Actual Value	Assessed Value	Estimated Actual Value
2009	\$ 496,581,440	\$ 214,643,590	\$ 711,225,030	\$ 2,032,071,514	\$ 25,631,950	\$ 102,527,800
2010	484,517,960	195,478,840	679,996,800	1,942,848,000	26,700,460	106,801,840
2011	448,100,050	199,437,871	647,537,921	1,850,108,346	27,559,950	110,239,800
2012	445,578,690	197,361,610	642,940,300	1,836,972,286	27,795,160	111,180,640
2013	442,793,780	180,881,040	623,674,820	1,781,928,057	30,231,110	120,924,440
2014	399,539,970	173,118,880	572,658,850	1,636,168,143	30,731,110	122,924,440
2015	395,474,060	167,194,220	562,668,280	1,607,623,657	36,181,960	144,727,840
2016	393,717,610	164,195,290	557,912,900	1,594,036,857	38,210,300	152,841,200
2017	397,906,370	167,710,520	565,616,890	1,616,048,257	43,506,600	174,026,400
2018	396,521,980	165,206,480	561,728,460	1,604,938,457	54,348,140	217,392,560

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax has been phased out. The assessment percent was 18.75 percent for 2006, 12.5 percent for 2007, 6.25 percent for 2008, and zero for 2009. Beginning in 2007, House Bill 66 switched telephone companies from being public utilities to general business taxpayers and began a four year phase out of the tangible personal property tax on local and inter-exchange telephone companies. No tangible personal property taxes were levied or collected in 2009 from general business taxpayers, except telephone companies whose last year to pay tangible personal property tax is 2010. The percentages for telecommunications are 10.0 percent for 2009, 5.0 percent for 2010 and zero for 2011.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent rollback, 2 1/2 percent rollback, and homestead exemptions before being billed. The 10 percent rollback for commercial/industrial property was eliminated in 2006.

Source: Ohio Department of Taxation

- (1) Ratio represents assessed value/total estimated actual value.

Tangible Personal Property		Total				Direct Rate (per \$1,000 of assessed value)
General Business		Assessed Value	Estimated Actual Value	Ratio (1)		
2,210,900	\$ 22,109,000	\$ 739,067,880	\$ 2,156,708,314	34.27%	63.74	
2,147,940	42,958,800	708,845,200	2,092,608,640	33.87%	64.82	
0	0	675,097,871	1,960,348,146	34.44%	65.25	
0	0	670,735,460	1,948,152,926	34.43%	65.34	
0	0	653,905,930	1,902,852,497	34.36%	64.02	
0	0	603,389,960	1,759,092,583	34.30%	64.60	
0	0	598,850,240	1,752,351,497	34.17%	65.05	
0	0	596,123,200	1,746,878,057	34.13%	65.26	
0	0	609,123,490	1,790,074,657	34.03%	64.93	
0	0	616,076,600	1,822,331,017	33.81%	64.41	

*Springfield City School District
Principal Real Property Taxpayers
Tax Year 2017 and 2009(1)*

Tax Payer	2017	
	Assessed Value	Percentage of Real Property Assessed Valuation
Allied Park LLC	\$ 3,720,910	0.66%
HCP CC SNF LLC	2,656,220	0.47%
Springfield Surgical Properties	2,655,480	0.47%
Westerville Square Inc	2,380,420	0.42%
CREFIII Waramaug Springfield	2,277,880	0.41%
Coventry Village LLC	2,054,790	0.37%
Jan LTD	2,004,300	0.36%
Community Mercy Health Partner	1,590,420	0.28%
Villa Park LTD	1,460,310	0.26%
FB Springfield GA LLC	1,409,590	0.25%
Subtotal	22,210,320	3.95%
All Others	539,518,140	96.05%
Total Assessed Valuation	\$ 561,728,460	100.00%

Tax Payer	2009	
	Assessed Value	Percentage of Real Property Assessed Valuation
Ohio Edison Company	\$ 17,403,670	2.36%
American Transmission System	3,434,290	0.47%
Allied SSR Shopping Center Inc.	3,420,190	0.46%
AHE of Ohio, Inc	3,086,760	0.42%
Community Hospital of Springfield	2,762,510	0.37%
Coventry Village LLC	1,945,540	0.26%
Eby Brown Company LLC	1,815,300	0.25%
Wellington Square Hotel	1,750,000	0.24%
DW28 Sylvania Towers LLC	1,731,500	0.23%
JAN Ltd.	1,713,910	0.23%
Subtotal	39,063,670	5.29%
All Others	700,004,210	94.71%
Total Assessed Valuation	\$ 739,067,880	100.00%

Source: Clark County Auditor
(1) Earliest year available is 2009



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Springfield City School District
Property Tax Rates (Per \$1,000 of Assessed Valuation)
Direct and Overlapping Governments
Last Ten Collection (Calendar) Years

	<u>2009</u>	<u>2010</u>	<u>2011</u>
UNVOTED MILLAGE:			
Operating	<u>\$6.60</u>	<u>\$6.60</u>	<u>\$6.60</u>
VOTED MILLAGE - BY LEVY:			
1976 Current Expense			
Residential/Agricultural Real	\$6.17	\$6.32	\$6.83
Commercial/Industrial and Public Utility Real	12.12	12.60	12.84
General Business and Public Utility Personal	26.50	26.50	26.50
1987 Current Expense			
Residential/Agricultural Real	3.08	3.16	3.41
Commercial/Industrial and Public Utility Real	4.21	4.38	4.46
General Business and Public Utility Personal	7.00	7.00	7.00
1991 Bond Levy (\$20,000,000)			
Residential/Agricultural Real	2.21	2.37	2.49
Commercial/Industrial and Public Utility Real	2.21	2.37	2.49
General Business and Public Utility Personal	2.21	2.37	2.49
1996 Permanent Improvement			
Residential/Agricultural Real	1.00	1.02	1.11
Commercial/Industrial and Public Utility Real	1.20	1.24	1.27
General Business and Public Utility Personal	1.55	1.55	1.55
2000 Current Expense			
Residential/Agricultural Real	5.13	5.25	5.67
Commercial/Industrial and Public Utility Real	5.59	5.81	5.92
General Business and Public Utility Personal	7.00	7.00	7.00
2000 Bond Levy (\$29,853,000)			
Residential/Agricultural Real	2.83	3.33	3.14
Commercial/Industrial and Public Utility Real	2.83	3.33	3.14
General Business and Public Utility Personal	2.83	3.33	3.14
2000 Site Acquisition (\$8,250,000)			
Residential/Agricultural Real	0.79	0.82	0.88
Commercial/Industrial and Public Utility Real	0.79	0.82	0.88
General Business and Public Utility Personal	0.79	0.82	0.88
2001 Classroom Facilities			
Residential/Agricultural Real	0.37	0.38	0.41
Commercial/Industrial and Public Utility Real	0.40	0.42	0.42
General Business and Public Utility Personal	0.50	0.50	0.50
2006 Emergency Levy (\$6,462,895)			
Residential/Agricultural Real	8.76	9.15	9.59
Commercial/Industrial and Public Utility Real	8.76	9.15	9.59
General Business and Public Utility Personal	8.76	9.15	9.59

2012	2013	2014	2015	2016	2017	2018
<u>\$6.60</u>	<u>\$6.60</u>	<u>\$6.60</u>	<u>\$6.60</u>	<u>\$6.60</u>	<u>\$6.60</u>	<u>\$6.60</u>
\$6.85	\$6.88	\$7.64	\$7.72	\$7.74	\$7.64	\$7.67
13.01	13.18	13.83	14.31	14.51	14.29	14.47
26.50	26.50	26.50	26.50	26.50	26.50	26.50
3.42	3.44	3.82	3.86	3.87	3.82	3.83
4.52	4.57	4.80	4.97	5.04	4.96	5.02
7.00	7.00	7.00	7.00	7.00	7.00	7.00
2.51	0.00	0.00	0.00	0.00	0.00	0.00
2.51	0.00	0.00	0.00	0.00	0.00	0.00
2.51	0.00	0.00	0.00	0.00	0.00	0.00
1.11	1.11	1.24	1.25	1.25	1.24	1.24
1.28	1.30	1.36	1.41	1.43	1.41	1.43
1.55	1.55	1.55	1.55	1.55	1.55	1.55
5.69	5.72	6.35	6.41	6.43	6.35	6.37
6.00	6.78	6.37	6.60	6.69	6.59	6.67
7.00	7.00	7.00	7.00	7.00	7.00	7.00
3.12	4.08	3.48	3.52	3.62	3.47	3.15
3.12	0.00	0.00	3.52	3.62	3.47	3.15
3.12	4.08	3.48	3.52	3.62	3.47	3.15
0.87	0.90	0.96	0.85	0.91	0.97	0.88
0.87	0.90	0.96	0.85	0.91	0.97	0.88
0.87	0.90	0.96	0.85	0.91	0.97	0.88
0.41	0.41	0.45	0.46	0.46	0.45	0.45
0.43	0.43	0.45	0.47	0.48	0.47	0.48
0.50	0.50	0.50	0.50	0.50	0.50	0.50
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00

(continued)

Springfield City School District
Property Tax Rates (Per \$1,000 of Assessed Valuation)
Direct and Overlapping Governments
Last Ten Collection (Calendar) Years
(continued)

	2009	2010	2011
2011 Emergency Levy (\$6,462,895)			
Residential/Agricultural Real	0.00	0.00	0.00
Commercial/Industrial and Public Utility Real	0.00	0.00	0.00
General Business and Public Utility Personal	0.00	0.00	0.00
2013 Bond Levy			
Residential/Agricultural Real	0.00	0.00	0.00
Commercial/Industrial and Public Utility Real	0.00	0.00	0.00
General Business and Public Utility Personal	0.00	0.00	0.00
2016 Substitute Levy			
Residential/Agricultural Real	0.00	0.00	0.00
Commercial/Industrial and Public Utility Real	0.00	0.00	0.00
General Business and Public Utility Personal	0.00	0.00	0.00
TOTAL VOTED MILLAGE BY TYPE OF PROPERTY			
Residential/Agricultural Real	\$30.34	\$31.80	\$33.53
Commercial/Industrial and Public Utility Real	38.10	40.11	41.00
General Business and Public Utility Personal	57.14	58.22	58.65
TOTAL MILLAGE BY TYPE OF PROPERTY			
Residential/Agricultural Real	36.94	38.40	40.13
Commercial/Industrial and Public Utility Real	44.70	46.71	47.60
General Business and Public Utility Personal	63.74	64.82	65.25
OVERLAPPING RATES BY TAXING DISTRICT (1)			
TOWNSHIPS:			
Residential/Agricultural Real	0.03 - 1.87	0.03 - 1.87	0.03 - 2.00
Commercial/Industrial and Public Utility Real	0.03 - 1.66	0.03 - 1.69	0.03 - 1.74
General Business and Public Utility Personal	0.03 - 2.00	0.03 - 2.00	0.03 - 2.00
CORPORATIONS:			
Residential/Agricultural Real	0.30 - 3.00	0.30 - 3.00	0.30 - 3.00
Commercial/Industrial and Public Utility Real	0.30 - 3.00	0.30 - 3.00	0.30 - 3.00
General Business and Public Utility Personal	0.30 - 3.00	0.30 - 3.00	0.30 - 3.00
SPRINGFIELD-CLARK COUNTY JOINT VOCATIONAL SCHOOL DISTRICT:			
Residential/Agricultural Real	0.77 - 1.55	0.79 - 1.57	0.82 - 1.64
Commercial/Industrial and Public Utility Real	0.77 - 1.53	0.78 - 1.56	0.79 - 1.57
General Business and Public Utility Personal	1.00 - 2.00	1.00 - 2.00	1.00 - 2.00
COUNTY AND OTHER UNITS:			
Residential/Agricultural Real	0.03 - 3.03	0.03 - 3.08	0.48 - 3.20
Commercial/Industrial and Public Utility Real	0.03 - 2.87	0.03 - 2.92	0.58 - 2.95
General Business and Public Utility Personal	0.03 - 3.50	0.03 - 3.50	1.00 - 3.50

Source: Ohio Department of Taxation

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue for that year. Rates may only be raised by obtaining the approval of the voters at a public election.

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes. Real property is reappraised every six years and property values are updated in the third year following each reappraisal.

(1) The overlapping rates by taxing district are presented for all overlapping governments by type of government and property type. Each corresponding range provides the lowest and highest tax rate for each type of property by government type. All property tax rates for each type of government fall within the ranges presented.

2012	2013	2014	2015	2016	2017	2018
9.69	9.89	10.67	10.80	10.84	10.62	0.00
9.69	9.89	10.67	10.80	10.84	10.62	0.00
9.69	9.89	10.67	10.80	10.84	10.62	0.00
0.00	0.00	0.34	0.73	0.74	0.72	0.72
0.00	0.00	0.34	0.73	0.74	0.72	0.72
0.00	0.00	0.34	0.73	0.74	0.72	0.72
0.00	0.00	0.00	0.00	0.00	0.00	10.51
0.00	0.00	0.00	0.00	0.00	0.00	10.51
0.00	0.00	0.00	0.00	0.00	0.00	10.51
\$33.67	\$32.43	\$34.95	\$35.60	\$35.86	\$35.28	\$34.82
41.43	37.04	38.77	43.66	44.25	43.49	43.32
58.74	57.42	58.00	58.45	58.66	58.33	57.81
40.27	39.03	41.55	42.20	42.46	41.88	41.42
48.03	43.64	45.37	50.26	50.85	50.09	49.92
65.34	64.02	64.60	65.05	65.26	64.93	64.41
0.03 - 2.00	0.03 - 2.00	0.03 - 2.00	0.03 - 2.00	0.03 - 2.00	0.03 - 2.00	0.03 - 2.00
0.03 - 1.76	0.03 - 1.76	0.03 - 1.76	0.03 - 1.76	0.03 - 1.76	0.03 - 1.76	0.03 - 1.76
0.03 - 2.00	0.03 - 2.00	0.03 - 2.00	0.03 - 2.00	0.03 - 2.00	0.03 - 2.00	0.03 - 2.00
0.30 - 3.00	0.30 - 3.00	0.30 - 3.00	0.30 - 3.00	0.30 - 3.00	0.30 - 3.00	0.30 - 3.00
0.30 - 3.00	0.30 - 3.00	0.30 - 3.00	0.30 - 3.00	0.30 - 3.00	0.30 - 3.00	0.30 - 3.00
0.30 - 3.00	0.30 - 3.00	0.30 - 3.00	0.30 - 3.00	0.30 - 3.00	0.30 - 3.00	0.30 - 3.00
0.82 - 1.64	0.82 - 1.64	0.82 - 1.64	0.82 - 1.64	0.82 - 1.64	0.82 - 1.64	0.82 - 1.64
0.82 - 1.64	0.82 - 1.64	0.87 - 1.75	0.87 - 1.75	0.87 - 1.75	0.87 - 1.75	0.87 - 1.75
1.00 - 2.00	1.00 - 2.00	1.00 - 2.00	1.00 - 2.00	1.00 - 2.00	1.00 - 2.00	1.00 - 2.00
0.60 - 3.21	0.60 - 3.21	0.60 - 3.21	0.60 - 3.21	0.60 - 3.21	0.60 - 3.21	0.60 - 3.21
0.60 - 3.07	0.60 - 3.07	0.60 - 3.07	0.60 - 3.07	0.60 - 3.07	0.60 - 3.07	0.60 - 3.07
0.60 - 3.50	0.60 - 3.50	0.60 - 3.50	0.60 - 3.50	0.60 - 3.50	0.60 - 3.50	0.60 - 3.50

Springfield City School District

*Property Tax Levies and Collections - Real, Public Utility Personal
and General Business Personal Property
Last Ten Collection (Calendar) Years*

<u>Collection Year (1)</u>	<u>Total Tax Levied (2)</u>	<u>Current Tax Collection</u>	<u>Percent of Current Levy Collected</u>	<u>Delinquent Tax Collection (3)</u>	<u>Total Tax Collections</u>
2008	\$ 34,003,514	\$ 25,447,519	74.84%	\$ 1,629,100	\$ 27,076,619
2009	32,505,854	25,626,121	78.84%	1,870,135	27,496,256
2010	31,700,100	26,587,887	83.87%	1,708,664	28,296,551
2011	32,045,110	26,580,451	82.95%	1,464,534	28,044,985
2012	32,224,077	22,679,782	70.38%	1,464,564	24,144,346
2013	30,763,752	22,637,334	73.58%	1,297,985	23,935,319
2014	30,806,645	22,054,543	71.59%	1,471,964	23,526,507
2015	31,177,109	22,199,346	71.20%	1,337,038	23,536,384
2016	31,435,805	22,902,117	72.85%	1,302,857	24,204,974
2017	31,919,162	23,130,923	72.47%	1,206,786	24,337,709

Source: Clark County Auditor

- (1) The 2018 information cannot be presented because all collections have not been made by June 30, 2018.
- (2) Taxes levied and collected are presented on a cash basis because that is the manner that information is maintained by the County Auditor.
- (3) Penalties and interest are included since, by Ohio law, they become part of the tax obligation as assessment occurs.

<u>Percent of Total Collections To Total Levy</u>	<u>Outstanding Delinquent Taxes</u>	<u>Percent of Outstanding Delinquent Taxes To Total Tax Levied</u>
79.63%	\$ 6,214,388	18.28%
84.59%	5,603,350	17.24%
89.26%	6,146,955	19.39%
87.52%	6,354,319	19.83%
74.93%	6,600,544	20.48%
77.80%	6,717,322	21.84%
76.37%	7,280,138	23.63%
75.49%	7,640,725	24.51%
77.00%	7,511,229	23.89%
76.25%	7,581,452	23.75%

*Springfield City School District
Ratio of Debt to Estimated Actual Value,
Personal Income and Debt Per Capita
Last Ten Fiscal Years*

<u>Fiscal Year</u>	<u>General Obligation Bonds (1)</u>	<u>Energy Conservation Notes (1)</u>	<u>Capital Leases (1)</u>	<u>Total Outstanding Debt</u>	<u>Estimated Actual Value (2)</u>
2009	\$ 37,727,063	\$ 0	\$ 227,296	\$ 37,954,359	\$ 2,156,708,314
2010	34,913,791	0	161,312	35,075,103	2,092,608,640
2011	32,012,913	985,000	91,889	33,089,802	1,960,348,146
2012	28,754,776	920,000	18,848	29,693,624	1,948,152,926
2013	26,828,194	855,000	480,930	28,164,124	1,902,852,497
2014	31,032,142	790,000	394,090	32,216,232	1,759,092,583
2015	27,082,368	725,000	310,592	28,117,960	1,752,351,497
2016	24,864,945	660,000	215,043	25,739,988	1,746,878,057
2017	22,261,286	595,000	456,316	23,312,602	1,790,074,657
2018	19,881,217	530,000	374,311	20,785,528	1,822,331,017

Source: (1) School District Financial Records; includes outstanding principal on debt issuances, as well as accretion on capital appreciation bonds and unamortized premiums.
(2) Ohio Department of Taxation
(3) City of Springfield Comprehensive Annual Financial Report; information is reported for calendar years 2008 through 2017 as fiscal years 2009 through 2018.

<u>Population (3)</u>	<u>Total Personal Income (3)</u>	<u>Ratio of Debt to Estimated Actual Value</u>	<u>Ratio of Debt to Personal Income</u>	<u>Debt Per Capita</u>
62,417	\$ 1,413,044,050	1.76%	2.69%	\$ 608.08
62,269	1,135,131,514	1.68%	3.09%	563.28
60,608	1,089,004,544	1.69%	3.04%	545.96
60,652	1,263,706,413	1.52%	2.35%	489.57
60,147	1,297,648,541	1.48%	2.17%	468.25
60,147	1,232,106,100	1.83%	2.61%	535.62
59,357	1,116,060,801	1.60%	2.52%	473.71
59,680	1,114,796,982	1.47%	2.31%	431.30
59,680	1,138,665,577	1.30%	2.05%	390.63
60,960	1,158,577,896	1.14%	1.79%	340.97

Springfield City School District
Ratio of General Obligation Bonded Debt to
Estimated Actual Value and General Obligation Bonded Debt Per Capita
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>General Obligation Bonded Debt (1)</u>	<u>Estimated Actual Value (2)</u>	<u>Population (3)</u>	<u>Ratio of General Obligation Debt to Estimated Actual Value</u>	<u>General Obligation Debt Per Capita</u>
2009	\$ 37,727,063	\$ 2,156,708,314	62,417	1.75%	\$ 604.44
2010	34,913,791	2,092,608,640	62,269	1.67%	560.69
2011	32,997,913	1,960,348,146	60,608	1.68%	544.45
2012	29,674,776	1,948,152,926	60,652	1.52%	489.26
2013	27,683,194	1,902,852,497	60,147	1.45%	460.26
2014	31,822,142	1,759,092,583	60,147	1.81%	529.07
2015	27,807,368	1,752,351,497	59,357	1.59%	468.48
2016	25,524,945	1,746,878,057	59,680	1.46%	427.70
2017	22,856,286	1,790,074,657	59,680	1.28%	382.98
2018	20,411,217	1,822,331,017	60,960	1.12%	334.83

Source: (1) Includes the School District's general obligation bonds and energy conservation bonds
(2) Ohio Department of Taxation
(3) City of Springfield Comprehensive Annual Financial Report;
information is reported for calendar years 2008 through 2017 as fiscal years 2009 through 2018.

Note: Although the general obligation bond retirement fund is restricted for debt service, it is not specifically restricted to the payment of principal. Therefore, these resources are not shown as a deduction from general obligation bonded debt.

Springfield City School District
Computation of Direct and Overlapping Debt
June 30, 2018

Jurisdiction	Debt Attributable to Governmental Activities	Percentage Applicable to District (1)	Amount Applicable to District
Direct:			
Springfield City School District:			
General Obligation Bonds	\$19,881,217	100.00	\$19,881,217
Energy Conservation Notes	530,000	100.00	530,000
Capital Lease Obligation	<u>374,311</u>	100.00	<u>374,311</u>
Total Direct Debt	<u>20,785,528</u>		<u>20,785,528</u>
Overlapping:			
Clark County:			
General Obligation Bonds	13,760,000	26.01	3,578,976
City of Springfield:			
General Obligation Bonds	1,361,800	75.48	1,027,887
Department of Development Loan	<u>1,015,000</u>	75.48	<u>766,122</u>
Total Overlapping Debt	<u>16,136,800</u>		<u>5,372,986</u>
Total Direct and Overlapping Debt	<u><u>\$36,922,328</u></u>		<u><u>\$26,158,514</u></u>

Source: Ohio Municipal Advisory Council

(1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the School District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the School District. This process recognizes that, when considering the School District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore, responsible for repaying the debt of each overlapping government.

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

	2009	2010	2011
Total Assessed Valuation	\$ 739,067,880	\$ 708,845,200	\$ 675,097,871
Less Railroad and Telephone Property Valuation	(116,630)	(121,570)	-
Less General Business Tangible Personal Property Valuation	(2,210,900)	(2,147,940)	-
Total Assessed Valuation used to Calculate Legal Debt Margin (1)	736,740,350	706,575,690	675,097,871
Overall debt limitation - 9.0% of assessed valuation (2)	66,306,632	63,591,812	60,758,808
Gross indebtedness authorized by the School District	31,564,760	29,156,966	27,688,258
Less exempt debt:			
Energy Conservation Notes	(3,064,000)	(2,814,000)	(3,544,000)
Debt within 9.0% limitation	28,500,760	26,342,966	24,144,258
Less amount available in the debt service fund	(6,962,224)	(6,895,042)	(6,485,072)
Net debt within 9.0% limitation	21,538,536	19,447,924	17,659,186
Legal debt margin within 9.0% limitation	<u>\$ 44,768,096</u>	<u>\$ 44,143,888</u>	<u>\$ 43,099,622</u>
Legal Debt Margin as a Percentage of the Debt Limit	67.5%	69.4%	70.9%
<hr/>			
Energy Conservation Debt limitation 0.9% of assessed valuation	\$ 6,630,663	\$ 6,359,181	\$ 6,075,881
Net debt within 0.9% limitation	(3,064,000)	(2,814,000)	(3,544,000)
Energy Conservation Debt Margin	<u>\$ 3,566,663</u>	<u>\$ 3,545,181</u>	<u>\$ 2,531,881</u>
Energy Conservation Debt Margin as a Percentage of the Energy Conservation Debt Limit	53.8%	55.7%	41.7%
<hr/>			
Unvoted debt limitation .10% of assessed valuation (2)	\$ 736,740	\$ 706,576	\$ 675,098
Gross indebtedness authorized by the School District	3,064,000	2,814,000	3,544,000
Less exempt debt:			
Energy Conservation Notes	(3,064,000)	(2,814,000)	(3,544,000)
Legal debt margin within .10% limitation	<u>\$ 736,740</u>	<u>\$ 706,576</u>	<u>\$ 675,098</u>
Unvoted Legal Debt Margin as a Percentage of the Excess of Revenues Over (Under) Expenditures	100.0%	100.0%	100.0%

Source: Ohio Department of Taxation and School District Records

(1) The definition of tax valuation for the purpose of calculating the debt margin was modified by H.B. 530, effective 3/30/06, to exclude 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.

(2) Ohio Bond Law sets a limit of 9 percent for voted debt and .10 percent for unvoted debt.

	2012	2013	2014	2015	2016	2017	2018
\$	670,735,460	\$ 653,905,930	\$ 603,389,960	\$ 598,850,240	\$ 596,123,200	\$ 609,123,490	\$ 616,076,600
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	670,735,460	653,905,930	603,389,960	598,850,240	596,123,200	609,123,490	616,076,600
	60,366,191	58,851,534	54,305,096	53,896,522	53,651,088	54,821,114	55,446,894
	25,104,641	22,456,091	31,822,142	27,807,368	25,524,945	22,856,286	20,411,217
	(3,214,000)	(2,874,000)	(2,529,000)	(725,000)	(660,000)	(595,000)	(530,000)
	21,890,641	19,582,091	29,293,142	27,082,368	24,864,945	22,261,286	19,881,217
	(6,261,514)	(5,201,938)	(5,445,537)	(5,488,403)	(5,473,194)	(5,661,513)	(5,674,387)
	15,629,127	14,380,153	23,847,605	21,593,965	19,391,751	16,599,773	14,206,830
\$	<u>44,737,064</u>	<u>\$ 44,471,381</u>	<u>\$ 30,457,491</u>	<u>\$ 32,302,557</u>	<u>\$ 34,259,337</u>	<u>\$ 38,221,341</u>	<u>\$ 41,240,064</u>
	74.1%	75.6%	56.1%	59.9%	63.9%	69.7%	74.4%
\$	6,036,619	\$ 5,885,153	\$ 5,430,510	\$ 5,389,652	\$ 5,365,109	\$ 5,482,111	\$ 5,544,689
	(3,214,000)	(2,874,000)	(2,529,000)	(725,000)	(660,000)	(595,000)	(530,000)
\$	<u>2,822,619</u>	<u>\$ 3,011,153</u>	<u>\$ 2,901,510</u>	<u>\$ 4,664,652</u>	<u>\$ 4,705,109</u>	<u>\$ 4,887,111</u>	<u>\$ 5,014,689</u>
	46.8%	51.2%	53.4%	86.5%	87.7%	89.1%	90.4%
\$	670,735	\$ 653,906	\$ 603,390	\$ 598,850	\$ 596,123	\$ 609,123	\$ 616,077
	3,214,000	2,874,000	2,529,000	725,000	660,000	595,000	530,000
	(3,214,000)	(2,874,000)	(2,529,000)	(725,000)	(660,000)	(595,000)	(530,000)
\$	<u>670,735</u>	<u>\$ 653,906</u>	<u>\$ 603,390</u>	<u>\$ 598,850</u>	<u>\$ 596,123</u>	<u>\$ 609,123</u>	<u>\$ 616,077</u>
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

*Springfield City School District
Demographic and Economic Statistics
Last Ten Fiscal Years*

<u>Year</u>	<u>Population (1)</u>	<u>Total Personal Income (1)</u>	<u>Per Capita Personal Income (2)</u>	<u>Clark County Unemployment Rate (3)</u>
2009	62,417	\$ 1,413,044,050	\$ 22,639	10.80%
2010	62,269	1,135,131,514	18,229	10.70%
2011	60,608	1,089,004,544	17,968	10.20%
2012	60,652	1,263,706,413	20,835	8.10%
2013	60,147	1,297,648,541	21,575	6.60%
2014	60,147	1,232,106,100	20,485	6.20%
2015	59,357	1,116,060,801	18,633	4.80%
2016	59,680	1,114,796,982	18,680	4.80%
2017	59,680	1,138,665,577	19,080	5.40%
2018	60,960	1,158,577,896	19,006	4.00%

Source: (1) City of Springfield Comprehensive Annual Financial Report; information is reported for calendar years 2007 through 2016 as fiscal years 2008 through 2017.
(2) Computation of total personal income divided by population
(3) Ohio Department of Job and Family Services

Springfield City School District
Ranking of Top Ten Employers
For Fiscal Year 2018 and Fiscal Year 2009

	2018	2009
Employer	Rank	Rank
Community Mercy Health Partners	1	1
American Security Group	2	3
Springfield City School District	3	4
Clark County, Ohio	4	2
City of Springfield	5	5
Gordon Food Services, LLC	6	7
Wittenberg University	7	6
Kone Cranes Inc.	8	-
Mercy Health Phys Cincinnati	9	-
International Truck and Engine	10	-
Honda of America Inc.	-	8
Moyno Inc	-	9
State of Ohio	-	10

Source: City of Springfield Comprehensive Annual Financial report; information reported for calendar year 2017 and 2008 as fiscal years 2018 and 2009.

*Springfield City School District
Building Statistics
Last Ten Fiscal Years*

<u>Buildings</u>	<u>Primary Use of Building</u>	<u>Year Built/ Renovated</u>	<u>2009 Average Daily Membership</u>	<u>2010 Average Daily Membership</u>	<u>2011 Average Daily Membership</u>
Fulton Elementary School	Elementary K to 6	2004	309	348	365
Kenton Elementary School	Elementary K to 6	2004	394	429	384
Kenwood Elementary School	Elementary K to 6	2004	371	413	393
Lagonda Elementary School	Elementary K to 6	2004	451	358	371
Lincoln Elementary School	Elementary K to 6	2004	369	387	408
Mann Elementary School	Elementary K to 6	2004	422	484	458
Perrin Woods Elementary School	Elementary K to 6	2004	398	444	425
Snowhill Elementary School	Elementary K to 6	2006	425	485	487
Snyder Park Elementary	Elementary K to 6	2006	400	404	385
Warder Park - Wayne Elementary School	Elementary K to 6	2004	330	468	523
Springfield High School	High School 9 to 12	2008	2,174	1,965	1,963
Hayward Middle School	Middle School 7 to 8	2005	415	395	403
Roosevelt Middle School	Middle School 7 to 8	2005	456	362	393
Schaefer Middle School	Middle School 7 to 8	2005	407	283	272
Clark Center	Administration and Preschool Administration, K to 12 Special Education, and 9 to 12 Alternative	2005	284	241	253
Keifer Alternative School	Education	2006	93	183	179
Service Center	Administration and Warehouse	2004			
Transportation Center	Transportation	2011			
South High School	Community Center	1981			
Evans Stadium	Athletic Activities	1985			
North Stadium	Athletic Activities	1973			

Source: School District Records

Prior to fiscal year 2010, the elementary schools were Pre-K through 5th grade and the middle schools were 6th through 8th grade

2012 Average Daily Membership	2013 Average Daily Membership	2014 Average Daily Membership	2015 Average Daily Membership	2016 Average Daily Membership	2017 Average Daily Membership	2018 Average Daily Membership
335	374	406	395	396	368	368
391	434	418	453	504	497	454
381	415	431	458	456	468	438
349	403	394	398	422	337	376
398	390	418	435	438	424	430
498	422	406	457	466	462	476
431	419	405	432	411	426	408
473	467	502	491	462	487	505
389	402	397	369	370	407	406
531	431	440	447	456	462	457
1,795	1,742	1,853	1,745	1,761	1,833	1,785
416	408	363	331	330	319	304
405	414	419	445	433	443	393
280	273	315	297	287	282	282
259	258	242	329	402	420	455
294	292	280	377	334	303	281

Springfield City School District
Per Pupil Cost
Last Ten Fiscal Years

<u>Year</u>	<u>General Government Expenditures (1)</u>	<u>Average Daily Membership</u>		<u>Per Pupil Cost</u>	<u>Teaching Staff</u>	<u>Pupil/ Teacher Ratio</u>
2009	\$ 107,479,199	7,698		\$ 13,962	540	14.26
2010	99,066,860	7,649		12,952	557	13.73
2011	102,957,511	7,662		13,437	453	16.91
2012	103,270,536	7,625		13,544	463	16.47
2013	106,002,381	7,536	(2)	14,066	482	15.63
2014	104,234,463	7,674	(2)	13,583	473	16.22
2015	123,124,287	7,847	(2)	15,691	556	14.11
2016	118,907,950	7,928		14,998	598	13.26
2017	119,727,923	7,938		15,083	616	12.89
2018	120,637,349	7,818		15,431	620	12.61

Source: School District Records

(1) Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds

Springfield City School District

Employees by Function

Last Ten Fiscal Years

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<i>Governmental Activities</i>										
Instruction:										
Regular	352	334	336	344	383	386	382	412	380	396
Special	118	107	111	113	93	94	98	91	209	231
Vocational	4	3	3	3	2	1	2	2	3	0
Adult/Continuing	2	1	1	1	1	1	1	1	1	1
Student Intervention Services	5	2	2	2	3	3	3	3	0	0
Support Services:										
Pupils	57	55	68	68	70	69	70	73	80	80
Instructional Staff	118	110	111	113	118	120	119	154	47	52
Administration	78	68	72	82	85	86	82	80	100	93
Fiscal	7	7	8	8	8	8	8	8	8	8
Business	5	5	5	5	5	4	4	5	2	2
Operation and Maintenance of Plant	63	57	58	58	75	62	64	66	69	72
Pupil Transportation	36	32	33	33	54	60	60	55	55	53
Operation of Non-Instructional Services	82	70	71	71	80	73	74	75	97	98
<i>Total Number of Employees</i>	<u>927</u>	<u>851</u>	<u>879</u>	<u>901</u>	<u>977</u>	<u>967</u>	<u>967</u>	<u>1,025</u>	<u>1,051</u>	<u>1,086</u>

Source: School District Records (Count is taken on June 30th of each fiscal year)

Springfield City School District
Enrollment
Last Ten Fiscal Years

<u>Year</u>	<u>Preschool</u>	<u>K</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
2009	205	633	624	615	624	622	551
2010	242	625	613	609	595	613	627
2011	252	657	608	589	573	592	596
2012	259	704	637	580	567	558	571
2013	258	695	661	591	572	539	565
2014	242	711	722	626	554	544	527
2015	329	730	772	641	614	528	545
2016	402	693	737	710	636	583	509
2017	420	624	691	627	706	617	597
2018	455	641	625	646	634	635	599

Source: School District Records

<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>	<u>12</u>	<u>Total</u>
555	521	503	875	520	441	409	7,698
550	558	503	813	510	415	376	7,649
600	535	545	704	556	458	397	7,662
573	584	526	616	574	481	395	7,625
545	540	585	586	535	490	374	7,536
555	566	559	662	496	503	407	7,674
530	573	558	646	536	438	407	7,847
554	538	579	611	524	456	396	7,928
511	539	561	634	504	451	456	7,938
570	485	538	611	519	423	437	7,818

Springfield City School District
Percentage of Students who Receive Free and Reduced Lunches
Last Ten Fiscal Years

<u>Year</u>	<u>Free Lunches</u>	<u>Reduced Lunches</u>	<u>Total</u>
2009	66.60%	6.40%	73.00%
2010	69.09%	5.46%	74.55%
2011	70.04%	3.40%	73.44%
2012	74.51%	3.91%	78.42%
2013(1)	100.00%	0.00%	100.00%
2014	100.00%	0.00%	100.00%
2015(1)	100.00%	0.00%	100.00%
2016	100.00%	0.00%	100.00%
2017(1)	100.00%	0.00%	100.00%
2018	100.00%	0.00%	100.00%

Source: Ohio Department of Education

(1) Fiscal year 2013 was the first full school year that the District qualified as a Provision 1 District. Provision 1 allows free eligibility for all students for a two year period, regardless of whether or not the individual student qualifies. The District renewed it's Provision 1 status in fiscal year 2015 and 2017 for an additional two year period each.

**SPRINGFIELD CITY SCHOOL DISTRICT
CLARK COUNTY, OHIO**

Independent Auditors' Reports on
Internal Controls and Compliance
and Schedule of Expenditures of Federal Awards

June 30, 2018

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

Board of Education
Springfield City School District
1500 West Jefferson Street
Springfield, Ohio 45506

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Springfield City School District (the "District"), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 26, 2018, wherein we noted the District adopted the provisions of GASB Statement No. 75 for the year ended June 30, 2018.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
December 26, 2018

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

Board of Education
Springfield City School District
1500 West Jefferson Street
Springfield, Ohio 45506

Report on Compliance for Each Major Federal Program

We have audited Springfield City School District's (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2018. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2018-001. Our opinion on each major federal program is not modified with respect to this matter.

The District's response to the noncompliance finding identified in our audit is described in the accompanying corrective action plan. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2018-001 that we consider to be a significant deficiency.

The District's response to the internal control over compliance finding identified in our audit is described in the corrective action plan. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

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

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated December 26, 2018, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Clark, Schaefer, Hackett & Co.

Springfield, Ohio
December 26, 2018

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SPRINGFIELD CITY SCHOOL DISTRICT
CLARK COUNTY, OHIO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Federal Agency/ Pass Through Agency/ Program Title	Federal CFDA Number	Pass Through Entity Identifying Number	Disbursements	Non-Cash Disbursements
U.S. Department of Agriculture:				
<i>Direct Program</i>				
Farm to School Grant Program	10.575	N/A	45,079	-
<i>Passed through Ohio Department of Education:</i>				
<u>Nutrition Cluster:</u>				
School Breakfast Program	10.553	N/A	1,227,701	-
National School Lunch Program	10.555	N/A	3,321,884	-
National School Lunch Program - Food Distribution	10.555	N/A	-	233,575
			<u>3,321,884</u>	<u>233,575</u>
Total Nutrition Cluster			4,549,585	233,575
Child and Adult Care Food Program	10.558	N/A	23,848	-
Total US Department of Agriculture			<u>4,618,512</u>	<u>233,575</u>
U.S. Department of Education:				
<i>Passed through Ohio Department of Education:</i>				
Adult Education - Basic Grants to States	84.002	V002A180036	107,602	-
		V002A170036	19,803	-
			127,405	-
Title I Grants to Local Education Agencies	84.010	S010A180035	4,270,152	-
	84.010	S010A170035	728,875	-
			<u>4,999,027</u>	-
<u>Special Education Cluster:</u>				
Special Education Grants to States	84.027	H027A180111	1,685,639	-
	84.027	H027A170111	239,044	-
			1,924,683	-
Special Education Preschool Grants	84.173	H173A180119	47,815	-
	84.173	H173A170119	6,876	-
			<u>54,691</u>	-
Total Special Education Cluster			1,979,374	-
Education for Homeless Children and Youth	84.196	H196A180036	42,568	-
	84.196	H196A170036	1,630	-
			44,198	-
Twenty-First Century Community Learning Centers	84.287	S287C180035	241,006	-
	84.287	S287C170035	19,393	-
			260,399	-
English Language Acquisition Grants	84.365	S365A180035	74,127	-
	84.365	S365A170035	351	-
			74,478	-
Supporting Effective Instruction State Grants	84.367	S367A180034	249,188	-
	84.367	S367A170034	65,713	-
			314,901	-
Student Support and Academic Enrichment Program	84.424A	S424A180036	34,534	-
Total U.S. Department of Education			<u>7,834,316</u>	-
Total Expenditures of Federal Awards			<u>\$ 12,452,828</u>	<u>\$ 233,575</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

Springfield City School District
Clark County, Ohio

Notes to the Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2018

NOTE 1 – GENERAL

The accompanying schedule of expenditures of federal awards is a summary activity of all federal award programs of the Springfield City School District (School District). The information in this Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the School District, it is not intended to and does not present the financial position, changes in net position or cash flows of the School District.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards has been prepared on the cash basis of accounting. Expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, or the cost principles contained in *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* wherein certain types of expenditures are not allowable or are limited as to reimbursement. In addition, the School District did not pass-through any federal awards to subrecipients during the year ended June 30, 2018.

The School District has not elected to use the 10 percent de minimus indirect cost rate to recover indirect costs as allowed under the Uniform Guidance.

NOTE 3 – U.S. DEPARTMENT OF AGRICULTURE PROGRAMS

Non-monetary assistance, such as food received from the U.S. Department of Agriculture, is reported on the schedule of expenditures of federal awards at the market value of the commodities received and consumed. Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first.

Section I – Summary of Auditors’ Results

Financial Statements

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

Federal Awards

Internal control over major programs:	
• Material weakness(es) identified?	None noted
• Significant deficiency(ies) identified not considered to be material weakness(es)?	Yes
Type of auditors’ report issued on compliance for major programs:	Unmodified
Any audit findings that are required to be reported in accordance with 2 CFR 200.516(a)?	Yes
Identification of major programs:	
CFDA 84.010 – Title I Grant to Local Education Agencies	
<i>Special Education Cluster:</i>	
CFDA 84.027 – Grants to States (IDEA, Part B)	
CFDA 84.173 – Preschool Grants (IDEA Preschool)	
Dollar threshold to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

Section II – Financial Statement Findings

None noted

Section III – Federal Awards Findings and Questioned Costs

2018-001: - Significant Deficiency/Noncompliance – Cash Management

Program: Title I Grants to Local Educational Agencies and Special Education Cluster

CFDA#: 84.010, 84.027, and 84.173

Grant Year: 2017-2018

Federal Agency: U.S. Department of Education

Pass-through Agency: Ohio Department of Education

Repeat Finding from Prior Audit: No

- Condition:** While testing the compliance requirements of the cash management provisions for both the Title I Grants and the Special Education Cluster, we noted various grant drawdowns that were not fully disbursed within 5 days of receipt.
- Criteria:** 2 C.F.R. § 3474.1 gives regulatory effect to the Department of Education for 2 C.F.R. § 200.305(b) which requires, in part, that for non-Federal entities other than states, payment methods must minimize the time elapsing between the transfer of funds from the United States Treasury or the pass-through entity and the disbursement by the non-Federal entity whether the payment is made by electronic funds transfer, or issuance or redemption of checks, warrants, or payment by other means. 2 C.F.R. § 200.305(b)(1), requires, in part, that advance payments to a non-Federal entity must be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements of the non-Federal entity in carrying out the purpose of the approved program or project.
- The timing and amount of advance payments must be as close as is administratively feasible to the actual disbursements by the non-Federal entity for direct program or project costs and the proportionate share of any allowable indirect costs. In addition, Ohio Department of Education, cash management guidelines require that advance funds may be requested in order to meet upcoming obligations that will be paid within five business days of receiving the advance funds.
- Cause:** The District did not have adequate internal controls in place to properly monitor expenditures and ensure timely disbursement of funds.
- Effect:** The failure to disburse Federal funds in a timely manner increases the risk of loss of current and/or future funding.
- Recommendation:** The District should develop and implement procedures and/or controls, such as a detailed review and approval of anticipated spending needs prior to processing funding requests, to ensure draws are disbursed in a timely manner.



Springfield City School District
Clark Count, Ohio
Corrective Action Plan
2 CFR § 200.511(c)
June 30, 2018

Superintendent
Robert F. Hill, Ed.D.
937.505.2806

Treasurer
Nicole Cottrell
937.505.2811

Board Members
Anita Biles
Jamie Callan
Carol Dunlap
Ed Leventhal
Chris Williams

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2018-001	Each Project Cash Request will be reviewed by the Treasurer and/or the Controller to ensure the advance amount requested is of an appropriate amount that can be liquidated within the required timeframe.	12/31/2018	Nicole Cottrell, Treasurer



OHIO AUDITOR OF STATE
KEITH FABER



SPRINGFIELD CITY SCHOOL DISTRICT

CLARK COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JANUARY 31, 2019**