



OHIO AUDITOR OF STATE  
**KEITH FABER**





SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY  
JUNE 30, 2019

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**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

<b>FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title</b>	<b>Federal CFDA Number</b>	<b>Total Federal Expenditures</b>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>		
<i>Passed Through Ohio Department of Education</i>		
<u>Child Nutrition Cluster:</u>		
School Breakfast Program	10.553	\$147,409
National School Lunch Program	10.555	
Cash Assistance		679,327
Non-Cash Assistance (Food Distribution)		179,179
Total National School Lunch Program		<u>858,506</u>
Total Child Nutrition Cluster		<u>1,005,915</u>
Total U.S. Department of Agriculture		<u><b>1,005,915</b></u>
<b>U.S. DEPARTMENT OF EDUCATION</b>		
<i>Passed Through Ohio Department of Education</i>		
Adult Education - Basic Grants to States	84.002	92,769
Title I Grants to Local Educational Agencies	84.010	742,749
Career and Technical Education - Basic Grants to States	84.048	104,589
<u>Special Education Cluster:</u>		
Special Education_Grants to States	84.027	1,552,736
Special Education_Preschool Grants	84.173	34,285
Total Special Education Cluster		<u>1,587,021</u>
English Language Acquisition State Grants	84.365	21,489
Student Support and Academic Enrichment Program	84.424	68,783
Improving Teacher Quality State Grants	84.367	190,770
Total U.S. Department of Education		<u><b>2,808,170</b></u>
<b>Total Expenditures of Federal Awards</b>		<u><b>\$3,814,085</b></u>

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

**SYLVANIA CITY SCHOOLS  
LUCAS COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
2 CFR 200.510(b)(6)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Sylvania City School District, Lucas County, Ohio (the District) under programs of the federal government for the year ended June 30, 2019. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position or changes in net position of the District.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

**NOTE C – INDIRECT COST RATE**

The District has elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**NOTE D - CHILD NUTRITION CLUSTER**

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

**NOTE E – FOOD DONATION PROGRAM**

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

**NOTE F - TRANSFERS BETWEEN PROGRAM YEARS**

Federal regulations require schools to obligate certain federal awards by June 30. However, with the Ohio Department of Education's consent, schools can transfer unobligated amounts to the subsequent fiscal year's program. The District transferred the following amounts from 2019 to 2020 programs:

<u>Program Title</u>	<u>CFDA Number</u>	<u>Amt. Transferred</u>
Title I Grants to Local Educational Agencies	84.010	\$ 41,382
Special Education - Grants to States	84.027	\$ 39,117
English Language Acquisition State Grants	84.365	\$ 23,704
Student Support and Academic Enrichment Program	84.424	\$ 29,674



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

Sylvania City School District  
Lucas County  
4747 North Holland-Sylvania Road  
Sylvania, Ohio 43560

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Sylvania City School District, Lucas County, Ohio (the District) as of and for the year ended June 30, 2019, 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 20, 2019.

***Internal Control Over Financial Reporting***

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

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

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

***Compliance and Other Matters***

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

***Purpose of this Report***

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



Keith Faber  
Auditor of State

Columbus, Ohio

December 20, 2019





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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Sylvania City School District  
Lucas County  
4747 North Holland-Sylvania Road  
Sylvania, Ohio 43560

To the Board of Education:

***Report on Compliance for the Major Federal Program***

We have audited Sylvania City School District, Lucas County, Ohio's (the District) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect Sylvania City School District's major federal program for the year ended June 30, 2019. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the District's major federal program.

***Management's Responsibility***

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

***Auditor's Responsibility***

Our responsibility is to opine on the District's compliance for the District's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

***Opinion on the Major Federal Program***

In our opinion, Sylvania City School District complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended June 30, 2019.

***Report on Internal Control Over Compliance***

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

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

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

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

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

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Sylvania City School District, Lucas County, Ohio (the District) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated December 20, 2019. We conducted our audit to opine on the District's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Keith Faber  
Auditor of State

Columbus, Ohio

December 20, 2019

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**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
JUNE 30, 2019**

**1. SUMMARY OF AUDITOR'S RESULTS**

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unmodified
<b>(d)(1)(ii)</b>	<b>Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any material weaknesses in internal control reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any significant deficiencies in internal control reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unmodified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under 2 CFR § 200.516(a)?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	Special Education Cluster
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 750,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee under 2 CFR § 200.520?</b>	Yes

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

None

**3. FINDINGS FOR FEDERAL AWARDS**

None

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# *Comprehensive Annual Financial Report*

## **Sylvania Schools**

Preparing students to be life-long learners and engaged citizens

Innovation • Diversity • Achievement • Collaboration • Leadership • Integrity



Sylvania, OH  
Fiscal Year Ending June 30, 2019

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COMPREHENSIVE  
ANNUAL FINANCIAL REPORT

OF THE

SYLVANIA CITY  
SCHOOL DISTRICT

FOR THE

FISCAL YEAR ENDED JUNE 30, 2019

PREPARED BY  
TREASURER'S DEPARTMENT  
LISA SHANKS, TREASURER/CFO

4747 N. HOLLAND SYLVANIA RD.  
SYLVANIA, OHIO 43560

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**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

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# Sylvania City Schools

## Introductory Section



Increasing academic achievement for all students is a top priority for our district. Students pictured are using circuits for a STEM project (left), independently working on writing and literacy (middle), and presenting research at the Ohio Academy Of Science District Competition (right.)

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## Office of the Treasurer

Lisa Shanks, Treasurer/CFO



December 20, 2019

Board of Education Members and Citizens of the Sylvania City School District:

As the Superintendent and Treasurer/CFO of the Sylvania City School District (the “District”), we are pleased to submit to you the twenty-third Comprehensive Annual Financial Report (CAFR) issued by the District. This report provides full disclosure of the financial operation of the District for the fiscal year ended June 30, 2019. This CAFR, which includes an opinion from Keith Faber, Auditor of State, who performed the District’s audit, conforms to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental entities. The responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the District. This report will provide the taxpayers of the District with comprehensive financial data in a format which will enable them to gain an understanding of the District’s financial affairs. This report is available to the Chamber of Commerce, major taxpayers, the public library, financial rating services, and other interested parties.

The District is located in Northwestern Ohio on the Ohio-Michigan border and is comprised of the City of Sylvania, Sylvania Township, a portion of the City of Toledo and a portion of the Village of Ottawa Hills, which are all part of Lucas County. As a suburb of Toledo, Sylvania is basically a residential community with a broad service-based economy. Socioeconomic indicators continue to describe Sylvania as an affluent community with housing values and income levels well above state and county norms.

The District provides a full range of educational programs and services. These include diverse learning opportunities at the elementary and secondary levels. Educational opportunities range from comprehensive career and technical programs to college preparatory classes with an emphasis on honors and Advanced Placement course work. A broad range of clubs, co-curricular and extracurricular activities are available to students so that they may have a well-rounded educational experience in Sylvania Schools. Special education services are in-depth and provide the support necessary for our students with disabilities to be successful. The district also provides support for adult and community learning. In addition, the District provides state-financed assistance to non-public schools located within its boundaries. This assistance is accounted for in a non-major governmental fund. The District currently serves approximately 7,800 students in grades pre-K through 12<sup>th</sup> Grade.

Statutorily, the District operates under standards prescribed by the Ohio State Board of Education as provided in division (D) of Section 3301.07 and Section 119.01 of the Ohio Revised Code for the purpose of providing educational services authorized by charter and further mandated by State and/or Federal agencies. A five member Board of Education (the “Board”) serves as the taxing authority, contracting body and policy maker for the District. The Board adopts the annual operating budget and approves all expenditures of District monies.

The Superintendent is the chief administrative officer of the District, responsible for both education and support operations. The Treasurer/CFO is the chief financial officer of the District, responsible for maintaining records of all financial matters, issuing warrants in payment of liabilities incurred by the District, acting as custodian of all District funds, and investing idle funds as specified by Ohio law.

Other Board appointed officials includes directors of educational and support services and building principals.

### ***THE REPORTING ENTITY***

The District has reviewed its reporting entity definition in order to ensure conformance with GASB. In evaluating how to define the District for financial reporting purposes, management has considered all agencies, departments, and organizations making up the District (the primary government) and its potential component units. The District has no component units nor is it a component unit of any other governmental entity.

The Cities of Sylvania and Toledo, Sylvania Township, and the Village of Ottawa Hills have all been excluded from the accompanying financial statements. The Northwest Ohio Computer Association (NWOCA) and the Sylvania Area Joint Recreation District (SAJRD) are reported as jointly governed organizations.

### ***QUALITY IN EDUCATION***

The District strives to maintain quality schools that not only reflect the philosophy of the community, but help to maintain property values as well. While the emphasis is on the educational program itself, the District continues to maintain expectations for excellence in our students, staff, and programs. We feel it is appropriate to briefly review some of the District's quality benchmarks that define the foundation upon which the success of our programs are built.

**Curriculum Development.** The District is implementing Ohio's Learning Standards in the four core areas: English Language Arts, Mathematics, Science, and Social Studies and in all supporting discipline areas. Teachers are continuing to participate in intensive training that emphasizes ways to raise student achievement with a heavy emphasis on differentiation and closing the gap. The District is continuing to focus on and support innovative thought-provoking learning experiences. Teacher leadership teams at all levels have targeted areas to help train academic leaders in each building. Teachers are continuing to design rigorous lessons for their students and are creating hands-on, 21<sup>st</sup> century skills to help prepare them to be life-long learners and engaged citizens. As the new standards continue to take shape over the next year, resources will be chosen to best support the new curriculum.

**Technology.** Technology is one of the District's top initiatives in preparing our students for their future. We utilize technology in a variety of ways to enhance differentiated learning, digital citizenship and access to dynamic curriculum tools. We have also implemented a pervasive wireless access system to provide staff and student access to the internet from anywhere in all of our buildings. Lastly, we are continuing with our district-wide Digital Learning Initiative which includes professional development for staff to integrate technology into our rich student experience. The goal is to ensure that our students develop into contributing community members. The District is now 1:1, assigning a digital device to each student 6-12 and providing access at all grades at the elementary schools. Through the daily use of technology students become better prepared for college and careers.

**Testing.** Our students continue to outscore the national and State averages on the ACT and SAT. Over 80% of the students participating in advanced placement testing qualify for college credit. The District continues to grow the number of students qualifying as National Merit Scholars and now boasts over 15 perfect scores on the PSAT and ACT tests in the past four years. Over 92% of the District's graduates pursue post-secondary/military education, earning millions in scholarships each year.

**Class Size.** There is an average of 21-22 students per class in grades K through 5. The class size for grades 6 – 12 is dependent upon the class offered and ranges from 25-30 students. This range compares very favorably among our comparable districts across the State as well as other districts in the area.

**Co-curricular and Extra-curricular.** Over 85% of our students are involved in inter-scholastic athletics, programs, clubs, AP/honors, and contests representing about 120 academic and athletic teams and organizations. Many of these teams and clubs receive regional and state rankings in contests annually.

**Staff Development.** Professional development is a top focus of the District to help teachers learn new ways to differentiate learning through digital and traditional instruction in the classroom. Teacher leaders have been developing the training framework and supporting teachers in every department and grade level in each of the District's 12 schools. As Ohio's Learning Standards are implemented, the professional development efforts are combining with technology to help teachers best create a 21<sup>st</sup> century learning environment for students.

**Comprehensive Support for Special Needs.** The District is prepared to meet the needs of all students, but extra attention has been given to ensure that the District provides an outstanding and comprehensive special-needs and gifted program, along with interventions for identified students in specific areas. With the digital classrooms, the ability to differentiate education to better meet the individual needs of every student increases and allows us to focus on closing the gap for all our students. The District continues to implement new schedules to meet the needs of all students and to help provide time and support for continued student growth at all levels.

### ***ECONOMIC CONDITIONS AND OUTLOOK***

The District's population has been stable the past several years with only minimal changes, if any, from year to year. The District's Communication's Department estimates 67,445 people in 25,000 households living in the City of Sylvania and Sylvania Township. Sylvania Township has realized the most residential growth as it encompasses land available for expansion. Unfortunately, the City of Sylvania has limited land available for residential development. On the other hand, commercial development has increased modestly in both Sylvania Township and the City of Sylvania.

Sylvania Schools finished fiscal year 2019 strong with a balanced budget and adequate cash reserves. Both are essential components to long term fiscal health. Operating within a carefully developed fiscal spending plan is a district wide commitment. Not only is it responsible to taxpayers, but it also allows district leaders to focus on educational goals such as maintaining low class sizes, eliminating barriers in classrooms that impact student achievement and providing the best overall experience for students.

In anticipation of the next state biennial budget, public schools are hopeful that key funding inequities are addressed. With the majority of Ohio school districts forced to the funding guarantee or cap, it is imperative the next funding model is solution based. Providing appropriate resources for state imposed mandates and eliminating the funding cap limit would greatly benefit Sylvania Schools and help to shift the disproportionate financial responsibility away from taxpayers.

### ***MAJOR INITIATIVES FOR THE FUTURE***

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

Fundraising efforts by the Sylvania Schools' Foundation will raise money privately to help support the District's ongoing initiatives. The Foundation is providing support to renovate and replace athletic facilities in addition to raising funds to support a variety of teacher initiated professional development initiatives as well as instructional tools in order to enhance the classroom experience for all Sylvania Schools students. Educational initiatives include, but are not limited to enhancing and expanding digital education as well as a variety of STEM based instructional opportunities. Moreover, the Foundation works to supply all educators with educational tools that support auditory, visual and kinesthetic based learners through the differentiation and individualization of the educational experience.

With the full implementation of these plans and directives, the District will continue the academic excellence and fiscal accountability standards that the community has come to expect of the Sylvania City School District.

### ***LONG-TERM FINANCIAL PLANNING***

The Ohio Department of Education requires school districts to submit a five year forecast in October and May each year. The forecast provides three years of historical financial data and five years of revenue and expenditure estimates. The forecast is a benchmark used by administrators and the Sylvania Board of Education to determine the current and future costs of existing educational programs and sustainability of proposed educational initiatives.

The need for general permanent improvements is at the forefront of concerns. The recent passage of a new permanent improvement levy will allow the District to plan for the necessary repairs to its buildings and grounds. Building administrators are working closely together to prioritize and develop preventative maintenance plans and replacement schedules so resources are allocated effectively.

### ***FINANCIAL INFORMATION***

**Internal Accounting and Budgetary Control.** The District's accounting system is organized on a "fund" basis. Each fund is a distinct self-balancing accounting entity. Governmental fund operations are presented on the modified accrual basis, whereby revenues are recognized when measurable and available, and expenditures are recognized when goods and services are received. Proprietary funds and the private-purpose trust fund operations are presented on the accrual basis, whereby revenues are recognized when earned, and expenses when incurred.

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

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

At the beginning of each fiscal year, the Board of Education adopts either a temporary appropriation measure or a permanent appropriation measure for that fiscal year. If a temporary appropriation is first adopted, the permanent appropriation measure must be adopted upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates, which is usually within the first three months of the fiscal year. Annual appropriations may not exceed the County Budget Commission's official estimate of resources. The County Auditor must certify that the Board of Education's appropriation measures, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the fund level for all budgeted funds. All purchase order requests must be approved by the Director of Business Affairs and certified by the Treasurer/CFO; necessary funds are then encumbered and purchase orders released to vendors. Those requests which exceed the available appropriation are rejected until additional appropriations are secured.

The accounting system used by the District provides interim financial reports, which detail year-to-date expenditures and encumbrances versus the original appropriation, plus any additional appropriations made to date. In addition to interim financial statements, each administrator and school principal is furnished monthly reports showing the status of the budget accounts for which they are responsible. As an additional safeguard, a blanket bond covers all employees, and a separate, higher limit bond covers certain individuals in policy-making roles.

The basis of accounting, the basis of presentation of the District's various funds, and information on budgetary accounting can be found in Note 2 to the financial statements.

### ***FINANCIAL REPORTING***

The basic financial statements for reporting on the District's financial activities are as follows:

**Government-wide financial statements:** These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by business enterprises. The government-wide statements distinguish between those activities of the District that are governmental and those that are considered business-type activities. The District did not have any business-type activities.

**Fund financial statements:** These statements present information for individual major funds rather than by fund type. Non-major funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include a reconciliation to the governmental activities accrual information presented in the government-wide financial statements. Proprietary and fiduciary funds use the accrual basis of accounting. The District has no proprietary funds.

**Schedule of budgetary comparisons:** This schedule presents comparisons of actual information to the legally adopted budget. The budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The budgetary comparison for the general fund has been presented as required supplementary information and is not considered part of the basic financial statements.

Management is responsible for preparing a Discussion and Analysis (MD&A) of the District. This discussion appears after the Report of Independent Auditors in the financial section of this report. The MD&A provides an assessment of the District's finances for 2019. The MD&A is intended to be read in conjunction with this letter of transmittal.

### ***INDEPENDENT AUDIT***

State statutes require the District to be subjected to an annual examination by an independent auditor. An annual audit serves to maintain and strengthen the District's accounting and budgetary controls. Independent auditor Keith Faber, Auditor of State, was selected to render an opinion on the District's financial statements as of and for the year ended June 30, 2019. The opinion appears at the beginning of the financial section of this report.

Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all school governments in Ohio. The District adopted and has been in conformance with that system beginning with its financial report for the 1979 year.

### ***AWARDS***

**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 Sylvania City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2018.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose content conforms to program standards. Such a report must satisfy both accounting principles generally accepted in the United States of America as applied to governmental units and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA for review.

### ***ACKNOWLEDGMENTS***

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

Special appreciation is expressed to Julian & Grube, Inc. who provided technical assistance on this report. Finally, sincere appreciation is extended to the Board of Education for its interest in and support of this project.

Respectfully,



Lisa Shanks  
Treasurer/CFO



Jane Spurgeon  
Superintendent

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO  
List of Principal Officials**

**MEMBERS OF THE BOARD OF EDUCATION**

The Board of Education is a body politic and corporate with the responsibility of managing and controlling affairs of the District and is, together with the District, governed by laws of the State of Ohio. The Board is comprised of five members who are elected for overlapping four-year terms. The current members of the Board of Education of the Sylvania City School District are:

<u>Board Member</u>	<u>Began Service as a Board member</u>	<u>Present Term Expires</u>
Jim Nusbaum, President	January, 2004	December 31, 2019
Vicki Donovan Lyle, Vice President	January, 2004	December 31, 2019
Julie Hoffman, Member	January, 2010	December 31, 2021
Ruslan Slutsky, Member	August, 2019	December 31, 2021
Shannon Szyperski, Member	January, 2018	December 31, 2021

**SUPERINTENDENT OF SCHOOLS**

The superintendent is the executive officer of the District and is responsible for administering policies adopted by the Board of Education. The superintendent is expected to provide leadership in all phases of policy formulation and is the chief advisor to the Board on all aspects of the educational program and total operation of the District. Adam Fineske was appointed on August 1, 2017 to serve in this capacity. Adam left the District July 31, 2019. Jane Spurgeon was appointed by the Board to be Superintendent effective August 1, 2019.

**TREASURER/CFO**

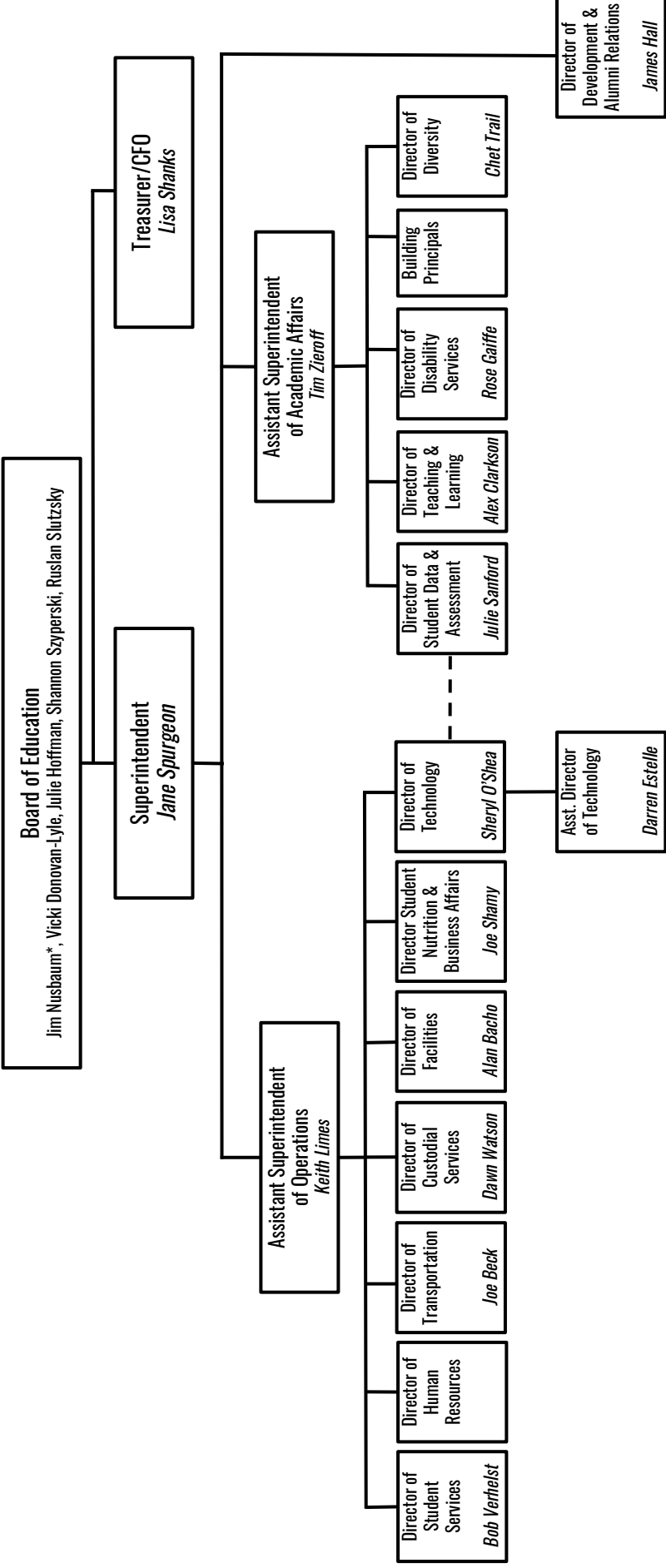
The treasurer serves as the chief financial officer of the District and, with the Board president, executes all conveyances made by the Board of Education. The Board appointed Lisa Shanks, Treasurer/CFO of the Sylvania City School District effective September 1, 2016.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

**MANAGEMENT TEAM**

Jane Spurgeon	Superintendent of Schools
Lisa Shanks	Treasurer/CFO
Keith Limes	Asst Superintendent/Operations
Tim Zieroff	Asst Superintendent/Academic Affairs
Sheryl O'Shea	Director Technology
Alan Bacho	Director Facilities
Rose Gaiffe	Director Disability Services
Bob Verhelst	Director Student Services
Joe Beck	Director Transportation
Joe Shamy	Director Student Nutrition/Business Affairs
Vacant	Director Human Resources
Julie Sanford	Director Student Data/Assessment
Alex Clarkson	Director Teaching/Learning
Dawn Watson	Director Custodial Services
James Hall	Director Development/Alumni Relations
Chet Trail	Director Diversity
Darren Estelle	Assistant Director Technology
Gwen Clark	Assistant Director Human Resources
Amy Addington	Communications Coordinator
Mark Pugh	Northview High School Principal
Kasey Vens	Southview High School Principal
Mellisa McDonald	Arbor Hills Junior High School Principal
Josh Tyburski	McCord Junior High School Principal
Mike Bader	Timberstone Principal
Amanda Ogren	Central Elementary Principal
Steve Swaggerty	Highland Elementary Principal
Chad Kolebuck	Hill View Elementary Principal
John Duwve	Maplewood Elementary Principal
Jeremy Bauer	Stranahan Elementary Principal
Julie Gault	Sylvan Elementary Principal
Andrew Duncan	Whiteford Elementary Principal







Government Finance Officers Association

**Certificate of  
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Presented to

**Sylvania City School District  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2018**

*Christopher P. Morrill*

Executive Director/CEO

# Financial Section



2019 Educators of the Year: Students, parents, alumni, colleagues, and members of the community nominate deserving staff each spring for the Educator of the Year award. The awards are announced at the beginning of the school year.

Pictured: (top row) Rick Fuchs (Volunteer of the Year), Cary Rickman, Susan Crandall, (bottom row) Chris Awls, Anna Drake-Kotz, Pam Thiel, Mark Pugh. (Not pictured: Denise DiGuglielmo.)

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One Government Center, Suite 1420  
Toledo, Ohio 43604-2246  
(419) 245-2811 or (800) 443-9276  
NorthwestRegion@ohioauditor.gov

## INDEPENDENT AUDITOR'S REPORT

Sylvania City School District  
Lucas County  
4747 North Holland-Sylvania Road  
Sylvania, Ohio 43560

To the Board of Education:

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Sylvania City School District, Lucas County, Ohio (the District), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

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

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

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

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

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Sylvania City School District, Lucas County, Ohio, as of June 30, 2019, and the respective changes in financial position and the budgetary comparison for the General fund thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

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

#### *Supplementary and Other Information*

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

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2019, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters.

That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

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

Keith Faber  
Auditor of State

Columbus, Ohio

December 20, 2019

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**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(UNAUDITED)**

The discussion and analysis of Sylvania City School District's ("the District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2019. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, the basic financial statements and the notes to the basic financial statements to enhance their understanding of the District's financial performance.

**Financial Highlights**

Key financial highlights for 2019 are as follows:

- In total, the net position of governmental activities increased \$16,757,185 which represents a 20.44% increase from 2018's net position.
- General revenues accounted for \$97,727,967 in revenue or 88.44% of all revenues. Program specific revenues in the form of charges for services and sales, operating grants and contributions, and capital grants and contributions accounted for \$12,780,190 or 11.56% of total revenues of \$110,508,157.
- The District had \$93,750,972 in expenses related to governmental activities; only \$12,780,190 of these expenses was offset by program specific charges for services, operating grants or contributions or capital grants and contributions. General revenues supporting governmental activities (primarily taxes and unrestricted grants and entitlements) of \$97,727,967 were adequate to provide for these programs.
- The general fund and debt service fund are the only major funds of the District. The general fund had \$94,186,070 in revenues and \$89,545,586 in expenditures and other financing uses. During fiscal year 2019, the general fund's fund balance increased \$4,640,484 from a balance of \$9,039,797 to \$13,680,281.
- The debt service fund had \$7,567,128 in revenues and \$7,708,418 in expenditures. During fiscal year 2019, the debt service fund's fund balance decreased \$141,290 from \$3,891,599 to \$3,750,309.

**Using this Comprehensive Annual Financial Report (CAFR)**

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

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

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(UNAUDITED)

**Reporting the District as a Whole**

***Statement of net position and the statement of activities***

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2019?" The statement of net position and the statement of activities answer this question. These statements include *all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenses* using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

The statement of net position and the statement of activities include the District's programs and services, including instruction, support services, operation and maintenance of plant, pupil transportation, extracurricular activities, food service operations, uniform school supplies activities and natatorium operations.

The District's statement of net position and statement of activities can be found on pages F19 – F20 of this report.

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

***Fund Financial Statements***

The analysis of the District's major governmental funds begins on page F14. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the general fund and debt service fund. All other governmental funds are considered nonmajor.

***Governmental Funds***

Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial assets* that can readily be converted to cash. The governmental fund financial statements provide a detailed *short-term* view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental *activities* (reported in the statement of net position and the statement of activities) and governmental *funds* is reconciled in the basic financial statements. The basic governmental fund financial statements can be found on pages F21 and F23 of this report. Reconciliations between amounts reported in the governmental funds and amounts reported on the statement of net position and the statement of activities is presented on pages F22 and F24.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(UNAUDITED)

***Reporting the District's Fiduciary Responsibilities***

The District is the trustee, or fiduciary, for its scholarship programs. This activity is presented as a private-purpose trust fund. The District also acts in a trustee capacity as an agent for students. These activities are reported in an agency fund. All of the District's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position on pages F25 and F26. These activities are excluded from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

***Notes to the Basic Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages F27 - F72 of this report.

***Required Supplementary Information***

The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis) for the general fund is provided on pages F74 and F75 of this report.

Required supplementary information concerning the District's net pension liability and net OPEB liability/asset can be found on pages F76 - F91 of this report.

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**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(UNAUDITED)

**The District as a Whole**

The statement of net position provides the perspective of the District as a whole. The table below provides a summary of the District's net position for the fiscal years ended June 30, 2019 and 2018.

	Net Position - Governmental Activities	
	2019	2018
<b><u>Assets</u></b>		
Current and other assets	\$ 102,364,834	\$ 94,527,919
Net OPEB asset	5,663,811	-
Capital assets, net	94,492,714	98,415,591
Total assets	202,521,359	192,943,510
<b><u>Deferred outflows of resources</u></b>		
Unamortized deferred charges	5,578,372	5,930,000
Pension	24,861,568	31,409,596
OPEB	1,124,662	1,054,693
Total deferred outflows	31,564,602	38,394,289
<b><u>Liabilities</u></b>		
Current liabilities	10,800,036	9,629,945
Long-term liabilities:		
Due within one year	5,798,512	5,665,735
Due in more than one year:		
Net pension liability	97,851,760	105,393,296
Net OPEB liability	10,015,567	23,515,160
Other amounts	88,368,290	92,739,800
Total liabilities	212,834,165	236,943,936
<b><u>Deferred inflows of resources</u></b>		
Property taxes and PILOTS	69,970,778	68,998,603
Pensions	6,599,115	4,504,706
OPEB	9,925,383	2,891,219
Total deferred inflows	86,495,276	76,394,528
<b><u>Net Position</u></b>		
Net investment in capital assets	15,809,180	15,489,254
Restricted	5,432,732	4,346,761
Unrestricted (deficit)	(86,485,392)	(101,836,680)
Total net position (deficit)	\$ (65,243,480)	\$ (82,000,665)

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(UNAUDITED)

The net pension liability is reported pursuant to Governmental Accounting Standards Board (GASB) Statement 68, "Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27." The net other postemployment benefits (OPEB) liability/asset is reported pursuant to GASB Statement 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions." For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the District's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability, and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB and the net OPEB asset.

GASB 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 *net 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 require the net pension liability and the net OPEB liability/asset to equal the 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 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 system. 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 retirement system is responsible for the administration of the pension and OPEB plans.

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 OPEB 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 that 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.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(UNAUDITED)**

In accordance with GASB 68 and GASB 75, the 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/asset, respectively, not accounted for as deferred inflows/outflows.

*Analysis of Net Position*

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2019, the District's liabilities plus deferred inflows exceeded assets plus deferred outflows by \$65,243,480. Of this total \$5,432,732 is restricted in use and \$15,809,180 is invested in capital assets (net of related debt), resulting in a deficit in unrestricted net position of \$86,485,392.

Current and other assets increased primarily due to an increase in cash and cash equivalents in the general fund as a result of current fiscal year operations.

Deferred outflows related to pension decreased primarily due to changes in assumptions by the State Teachers Retirement System (STRS). See Note 11 for more detail.

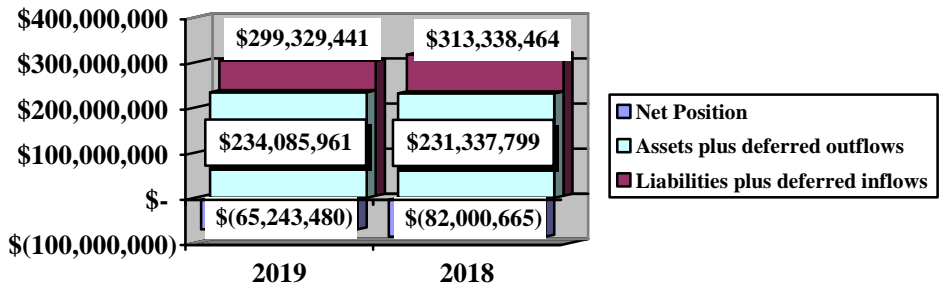
Total assets include a net OPEB asset reported by STRS. See Note 12 for more detail. STRS did not report a net pension asset in the prior year.

At year-end, capital assets represented 46.66% of total assets. Capital assets include land, construction in progress, land improvements, buildings and improvements, furniture and equipment, and vehicles. The net investment in capital assets at June 30, 2019, was \$15,809,190. These capital assets are used to provide services to the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

Long-term liabilities decreased primarily due to a decrease in the net pension liability and net OPEB liability. These liabilities are outside of the control of the District. The District contributes its statutorily required contributions to the pension systems; however, it's the pension systems that collect, hold and distribute pensions and OPEB to District employees, not the District.

Deferred inflows related to OPEB increased primarily due to changes in assumptions by STRS. See Note 12 for more detail.

**Governmental Activities**



**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(UNAUDITED)

The table below shows the change in net position for fiscal years 2019 and 2018.

	Change in Net Position - Governmental Activities	
<u>Revenues</u>	2019	2018
Program revenues:		
Charges for services and sales	\$ 3,587,065	\$ 3,895,560
Operating grants and contributions	8,943,125	8,746,729
Capital grants and contributions	250,000	-
General revenues:		
Property taxes	72,005,891	71,533,396
Payments in lieu of taxes	333,215	398,566
Grants and entitlements	24,314,157	23,686,204
Investment earnings	795,330	378,977
Miscellaneous	279,374	218,095
Total revenues	<u>110,508,157</u>	<u>108,857,527</u>
<u>Expenses</u>		
Program expenses:		
Instruction:		
Regular	34,456,693	17,467,589
Special	13,039,592	7,063,906
Vocational	1,884,636	1,221,311
Adult/continuing	78,777	27,869
Other	2,136,763	2,032,109
Support services:		
Pupil	5,924,523	2,701,436
Instructional staff	1,797,200	1,043,280
Board of education	34,465	28,886
Administration	6,820,625	4,321,384
Fiscal	1,836,227	1,585,485
Business	132,803	107,107
Operations and maintenance	9,971,172	6,956,354
Pupil transportation	4,639,121	2,520,832
Central	1,116,585	835,751
Operation of non-instructional services:		
Food service operations	2,435,568	1,847,751
Other non-instructional services	1,239,156	1,053,190
Extracurricular activities	2,463,841	1,804,350
Interest and fiscal charges	3,743,225	3,945,063
Total expenses	<u>93,750,972</u>	<u>56,563,653</u>
Change in net position	16,757,185	52,293,874
Net position (deficit) at beginning of year	<u>(82,000,665)</u>	<u>(134,294,539)</u>
Net position (deficit) at end of year	<u>\$ (65,243,480)</u>	<u>\$ (82,000,665)</u>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(UNAUDITED)**

**Governmental Activities**

Net position of the District's governmental activities increased \$16,757,185. Total governmental expenses of \$93,750,972 were offset by program revenues of \$12,780,190 and general revenues of \$97,727,967. Program revenues supported 13.63% of the total governmental expenses.

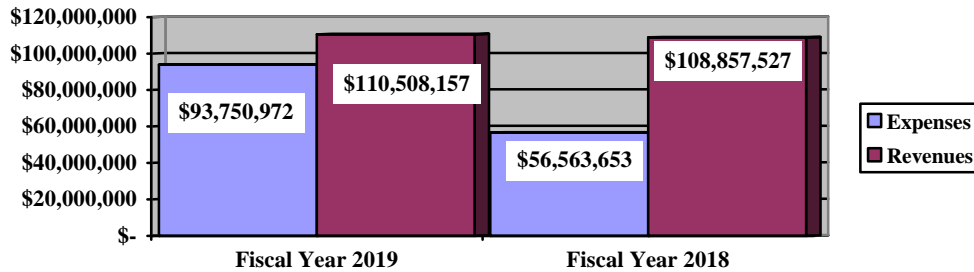
The primary sources of revenue for governmental activities are derived from property taxes and grants and entitlements. These revenue sources represent 87.16% of total governmental revenue. In the general revenues area, property taxes increased due to the increased collections. Tax revenues vary based on when tax bills are sent each year. Unrestricted grants and entitlements revenue increased as the District received more unrestricted State Foundation aid from the State of Ohio in fiscal year 2019. Investment earnings increased as the District had more monies to invest and earned higher interest rates. In the program revenues area, operating grants and contributions remained comparable to the prior year. Charges for services and sales revenue decreased due to decreased tuition revenue. Capital grants and contributions increased as the District received a \$250,000 donation for the Northview Athletic Complex.

Overall, expenses of the governmental activities increased \$37,187,319 or 65.74%. This increase is primarily the result of the STRS indefinitely suspending the Cost of Living Adjustment ("COLA") and the School Employee Retirement System (SERS) lowering the COLA from 3.00% to 2.50% in fiscal year 2018. These benefit changes caused a decrease to the net pension liability reported at June 30, 2018 and the subsequent expenses reported for fiscal year 2018 when compared to fiscal year 2017.

On an accrual basis, the District reported \$8,540,303 and (\$33,597,194) in pension expense for fiscal year 2019 and 2018, respectively. In addition, the District reported (\$11,899,579) and (\$3,723,228) in OPEB expense for fiscal year 2019 and 2018, respectively. The increase in both the net pension expense and the OPEB expense from fiscal year 2018 to fiscal year 2019 was \$33,961,146. This increase is primarily the result of the benefit changes by the retirement systems. Fluctuations in the pension and OPEB expense makes it difficult to compare financial information between years. Pension and OPEB expense are components of program expenses reported on the statement of activities. The District's total expenses for fiscal year 2019 are comparable to total fiscal year 2017 expenses.

The graph below presents the District's governmental activities revenue and expenses for fiscal years 2019 and 2018.

**Governmental Activities - Revenues and Expenses**





**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(UNAUDITED)

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

The following table shows, for governmental activities, the total cost of services and the net cost of services.

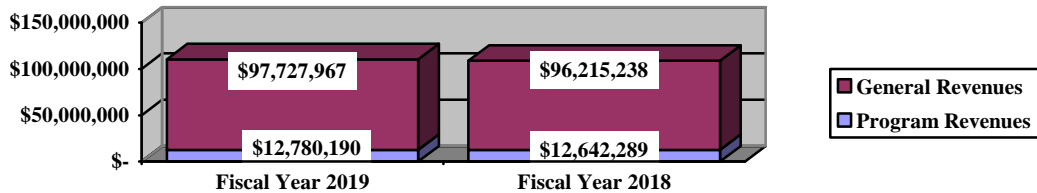
<b>Governmental Activities</b>				
	Total Cost of Services <u>2019</u>	Net Cost of Services <u>2019</u>	Total Cost of Services <u>2018</u>	Net Cost of Services <u>2018</u>
<b>Program expenses</b>				
Instruction:				
Regular	\$ 34,456,693	\$ 33,207,872	\$ 17,467,589	\$ 15,747,896
Special	13,039,592	7,123,636	7,063,906	1,224,301
Vocational	1,884,636	1,194,240	1,221,311	538,728
Adult/continuing	78,777	(16,253)	27,869	(63,930)
Other	2,136,763	2,136,763	2,032,109	2,032,109
Support services:				
Pupil	5,924,523	5,807,024	2,701,436	2,618,241
Instructional staff	1,797,200	1,777,463	1,043,280	1,028,265
Board of education	34,465	34,465	28,886	28,886
Administration	6,820,625	6,813,585	4,321,384	4,321,384
Fiscal	1,836,227	1,836,227	1,585,485	1,585,485
Business	132,803	132,803	107,107	107,107
Operations and maintenance	9,971,172	9,871,712	6,956,354	6,896,607
Pupil transportation	4,639,121	4,493,568	2,520,832	2,473,937
Central	1,116,585	1,094,985	835,751	814,151
Operations of non-instructional services:				
Food service operations	2,435,568	184,078	1,847,751	(361,106)
Other non-instructional services	1,239,156	87,495	1,053,190	(37,646)
Extracurricular activities	2,463,841	1,447,894	1,804,350	1,021,886
Interest and fiscal charges	<u>3,743,225</u>	<u>3,743,225</u>	<u>3,945,063</u>	<u>3,945,063</u>
Total expenses	<u>\$ 93,750,972</u>	<u>\$ 80,970,782</u>	<u>\$ 56,563,653</u>	<u>\$ 43,921,364</u>

The dependence upon tax and other general revenues for governmental activities is apparent, 84.59% of instruction activities are supported through taxes and other general revenues. For all governmental activities, general revenue support is 86.37%. The District's taxpayers and unrestricted grants and entitlements from the State of Ohio, as a whole, are by far the primary support for the District's students. The graph on the following page presents the District's governmental activities revenue for fiscal years 2019 and 2018.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(UNAUDITED)

**Governmental Activities - General and Program Revenues**



**The District's Funds**

The District's governmental funds reported a combined fund balance of \$20,160,029, which is higher than last year's total of \$14,751,749. The schedule below indicates the fund balance and the total change in fund balance as of June 30, 2019 and 2018.

	<u>Fund Balance</u> <u>June 30, 2019</u>	<u>Fund Balance</u> <u>June 30, 2018</u>	<u>Increase</u> <u>(Decrease)</u>
General	\$ 13,680,281	\$ 9,039,797	\$ 4,640,484
Debt service	3,750,309	3,891,599	(141,290)
Nonmajor Governmental	<u>2,729,439</u>	<u>1,820,353</u>	<u>909,086</u>
<b>Total</b>	<b><u>\$ 20,160,029</u></b>	<b><u>\$ 14,751,749</u></b>	<b><u>\$ 5,408,280</u></b>

**General Fund**

The District's general fund balance increased \$4,640,484. The table that follows assists in illustrating the financial activities of the general fund.

	<u>General Fund</u>			
	<u>2019</u>	<u>2018</u>	<u>Increase</u>	<u>Percentage</u>
<u>Revenues</u>	<u>Amount</u>	<u>Amount</u>	<u>(Decrease)</u>	<u>Change</u>
Taxes	\$ 63,525,615	\$ 63,223,548	\$ 302,067	0.48 %
Tuition	833,640	1,262,137	(428,497)	(33.95) %
Earnings on investments	748,767	378,977	369,790	97.58 %
Intergovernmental	27,275,902	26,590,163	685,739	2.58 %
Other revenues	<u>1,802,146</u>	<u>1,647,694</u>	<u>154,452</u>	9.37 %
<b>Total</b>	<b><u>\$ 94,186,070</u></b>	<b><u>\$ 93,102,519</u></b>	<b><u>\$ 1,083,551</u></b>	<b>1.16 %</b>
<u>Expenditures</u>				
Instruction	\$ 53,166,141	\$ 51,608,158	\$ 1,557,983	3.02 %
Support services	33,433,292	32,476,803	956,489	2.95 %
Operation of non-instructional services	192,512	161,221	31,291	19.41 %
Extracurricular activities	1,716,552	1,725,533	(8,981)	(0.52) %
Facilities acquisition and construction	53,016	23,060	29,956	129.90 %
Debt service	<u>456,950</u>	<u>458,200</u>	<u>(1,250)</u>	(0.27) %
<b>Total</b>	<b><u>\$ 89,018,463</u></b>	<b><u>\$ 86,452,975</u></b>	<b><u>\$ 2,565,488</u></b>	<b>2.97 %</b>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(UNAUDITED)**

As can be seen in the above table, revenues generated are sufficient to cover expenditures in the general fund.

Tax revenue increased due to an increase in tax advances available at June 30, 2019 versus June 30, 2018 which are recorded as revenue. The amount of tax advance available can vary depending upon when the tax bills are sent by the County Auditor. Earnings on investment revenues increased due to the District having more monies to invest and improved interest rates. Tuition revenues decreased due to the District receiving less tuition from other districts from open enrollment. Instruction expenditures increased primarily in the area of regular programs. All other revenue and expenditures remained comparable to the prior year or were immaterial in amount.

***Debt Service Fund***

The debt service fund had \$7,567,128 in revenues and \$7,708,418 in expenditures. During fiscal year 2019, the debt service fund's fund balance decreased \$141,290 from \$3,891,599 to \$3,750,309.

***General Fund Budgeting Highlights***

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

During the course of fiscal 2019, the District did amend its general fund budget. For the general fund, original and final budgeted revenues and other financing sources were \$93,070,083 and \$93,567,491 respectively. Actual revenues and other financing sources for fiscal 2019 was \$95,113,709. This represents a \$1,546,218 increase, or less than three percent, from final budgeted revenues. This increase is primarily due to intergovernmental revenues being more than estimated. General fund original and final appropriations (appropriated expenditures plus other financing uses) were \$89,460,332 and \$89,895,778 respectively. The actual budget basis expenditures and other financing uses for fiscal year 2019 totaled \$89,606,506, which was \$289,272 less than the final budget appropriations. Actual expenditures were less than budgeted expenditures as salary and fringe benefit costs proved to be lower than anticipated in the original and final budget.

The budgetary statement for the general fund has been presented as required supplementary information.

**Capital Assets and Debt Administration**

***Capital Assets***

At the end of fiscal 2019, the District had \$94,492,714 invested in land, construction in progress, land improvements, buildings and improvements, furniture and equipment, and vehicles. This entire amount is reported in governmental activities. The following table shows fiscal 2019 balances compared to 2018:

<b>Capital Assets at June 30 (Net of Depreciation)</b>		
	<u>Governmental Activities</u>	
	<u>2019</u>	<u>2018</u>
Land	\$ 2,694,493	\$ 2,694,493
Land improvements	3,737,378	3,582,083
Buildings and improvements	82,144,513	85,578,456
Furniture and equipment	4,735,820	5,321,141
Vehicles	1,010,173	630,801
Construction in progress	<u>170,337</u>	<u>608,617</u>
<b>Total</b>	<b><u>\$ 94,492,714</u></b>	<b><u>\$ 98,415,591</u></b>

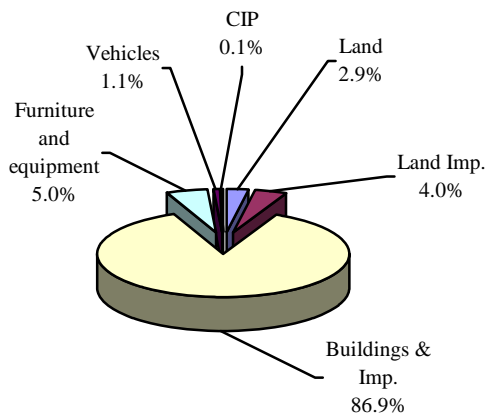
**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(UNAUDITED)**

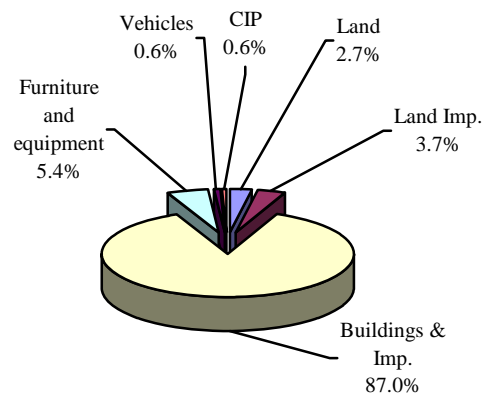
The overall decrease in capital assets of \$3,922,877 is primarily due to depreciation expense of \$4,763,497 being greater than the increase in capital assets of \$840,620.

The graphs below present the District's capital assets for fiscal 2019 and fiscal 2018.

**Capital Assets - Governmental Activities  
2019**



**Capital Assets - Governmental Activities  
2018**



See Note 8 for further information on the District's capital assets.

***Debt Administration***

At June 30, 2019, the District had \$78,272,388 in general obligation bonds, energy conservation bonds and lease purchase obligations outstanding. Of this total, \$5,035,295 is due within one year and \$73,237,093 is due within greater than one year.

The following table summarizes the bonds, notes and leases outstanding.

**Outstanding Debt, at Year End**

	Governmental Activities 2019	Governmental Activities 2018
General obligation bonds	\$ 72,124,157	\$ 76,062,946
Lease purchase obligation	2,338,231	2,597,474
Energy conservation bonds	3,810,000	4,125,000
<b>Total</b>	<b>\$ 78,272,388</b>	<b>\$ 82,785,420</b>

The District's lease purchase obligation was issued in fiscal year 2017 to provide financing for boilers, chillers and HVAC (see Note 16). The energy conservation notes were issued in fiscal year 2014 to provide financing for HVAC, electrical, and plumbing system upgrades to create energy savings by reducing energy consumption. The project will be funded from the savings created from reduced energy consumption.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019  
(UNAUDITED)**

The District has issued various general obligation bonds to provide resources to finance construction projects throughout the District and to refund previous bonds outstanding. The District's general obligation bonds consist of both current interest bonds and capital appreciation bonds.

The District's general obligation bond, energy conservation bond and lease purchase obligation activity is detailed in Note 9 to the basic financial statements.

**Current Financial Related Activities**

Sylvania Schools finished fiscal year 2019 strong with a balanced budget and adequate cash reserves. Both are essential components to long term fiscal health. Operating within a carefully developed fiscal spending plan is a district wide commitment. Not only is it responsible to taxpayers, but it also allows district leaders to focus on educational goals such as maintaining low class sizes, eliminating barriers in classrooms that impact student achievement and providing the best overall experience for students.

In fiscal year 2019, Sylvania Schools entered into a favorable multi-year agreement with Paramount Insurance Company for employee health benefits. In an effort to better manage costs, the District transitioned to four-tier health plans and implemented a spousal carve out provision that went into effect on January 1, 2019. These changes align closely with comparable public-school employers while allowing the District to maintain competitive benefits for employees.

In anticipation of the next state biennial budget, public schools are hopeful that key funding inequities are addressed. With the majority of Ohio school districts forced to the funding guarantee or cap, it is imperative the next funding model is solution based. Providing appropriate resources for state-imposed mandates and eliminating the funding cap limit would greatly benefit Sylvania Schools and help to shift the disproportionate financial responsibility away from taxpayers.

**Contacting the District's Financial Management**

This financial report is designed to provide our citizen's taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Ms. Lisa Shanks, Treasurer/CFO, Sylvania City School District, 4747 N. Holland Sylvania Rd., Sylvania, Ohio 43560.

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**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

STATEMENT OF NET POSITION  
JUNE 30, 2019

	<u><b>Governmental Activities</b></u>
<b>Assets:</b>	
Equity in pooled cash and cash equivalents. . . . .	\$ 28,237,346
Receivables:	
Property taxes . . . . .	72,554,061
Payment in lieu of taxes . . . . .	597,952
Accounts. . . . .	113,562
Accrued interest . . . . .	56,104
Intergovernmental . . . . .	658,498
Prepayments . . . . .	143,097
Inventory held for resale. . . . .	4,214
Net OPEB asset (Note 12) . . . . .	5,663,811
Capital assets:	
Nondepreciable capital assets . . . . .	2,864,830
Depreciable capital assets, net. . . . .	91,627,884
Capital assets, net . . . . .	<u>94,492,714</u>
Total assets. . . . .	<u>202,521,359</u>
 <b>Deferred outflows of resources:</b>	
Unamortized deferred charges on debt refunding	5,578,372
Pension (Note 11). . . . .	24,861,568
OPEB (Note 12). . . . .	1,124,662
Total deferred outflows of resources . . . . .	<u>31,564,602</u>
 <b>Liabilities:</b>	
Accounts payable. . . . .	441,770
Contracts payable. . . . .	149,547
Retainage payable . . . . .	20,790
Accrued wages and benefits payable . . . . .	8,188,641
Intergovernmental payable . . . . .	218,748
Pension and postemployment benefits payable. . . . .	1,505,977
Accrued interest payable . . . . .	274,563
Long-term liabilities:	
Due within one year. . . . .	5,798,512
Due in more than one year:	
Net pension liability (Note 11) . . . . .	97,851,760
Net OPEB liability (Note 12) . . . . .	10,015,567
Other amounts due in more than one year . . . . .	88,368,290
Total liabilities . . . . .	<u>212,834,165</u>
 <b>Deferred inflows of resources:</b>	
Property taxes levied for the next fiscal year. . . . .	69,372,826
Payment in lieu of taxes levied for the next fiscal year	597,952
Pension (Note 11). . . . .	6,599,115
OPEB (Note 12). . . . .	9,925,383
Total deferred inflows of resources . . . . .	<u>86,495,276</u>
 <b>Net position:</b>	
Net investment in capital assets . . . . .	15,809,180
Restricted for:	
Capital projects . . . . .	2,849,800
Debt service. . . . .	2,284,034
Locally funded programs . . . . .	9,011
State funded programs. . . . .	22,307
Student activities . . . . .	267,580
Unrestricted (deficit) . . . . .	(86,485,392)
Total net position (deficit). . . . .	<u>\$ (65,243,480)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position Governmental Activities
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Governmental activities:</b>					
Instruction:					
Regular . . . . .	\$ 34,456,693	\$ 1,058,549	\$ 190,272	\$ -	\$ (33,207,872)
Special . . . . .	13,039,592	387,072	5,528,884	-	(7,123,636)
Vocational . . . . .	1,884,636	-	690,396	-	(1,194,240)
Adult/continuing . . . . .	78,777	-	95,030	-	16,253
Other . . . . .	2,136,763	-	-	-	(2,136,763)
Support services:					
Pupil . . . . .	5,924,523	-	117,499	-	(5,807,024)
Instructional staff . . . . .	1,797,200	-	19,737	-	(1,777,463)
Board of education . . . . .	34,465	-	-	-	(34,465)
Administration . . . . .	6,820,625	-	7,040	-	(6,813,585)
Fiscal . . . . .	1,836,227	-	-	-	(1,836,227)
Business . . . . .	132,803	-	-	-	(132,803)
Operations and maintenance . . . . .	9,971,172	53,174	46,286	-	(9,871,712)
Pupil transportation . . . . .	4,639,121	109,709	35,844	-	(4,493,568)
Central . . . . .	1,116,585	-	21,600	-	(1,094,985)
Operation of non-instructional services:					
Food service operations . . . . .	2,435,568	1,230,096	1,021,394	-	(184,078)
Other non-instructional services . . . . .	1,239,156	88,158	1,063,503	-	(87,495)
Extracurricular activities . . . . .	2,463,841	660,307	105,640	250,000	(1,447,894)
Interest and fiscal charges . . . . .	3,743,225	-	-	-	(3,743,225)
<b>Total governmental activities . . . . .</b>	<b>\$ 93,750,972</b>	<b>\$ 3,587,065</b>	<b>\$ 8,943,125</b>	<b>\$ 250,000</b>	<b>(80,970,782)</b>
<b>General revenues:</b>					
Property taxes levied for:					
General purposes . . . . .					63,621,619
Debt service . . . . .					6,664,706
Capital outlay . . . . .					1,719,566
Payments in lieu of taxes . . . . .					333,215
Grants and entitlements not restricted					
to specific programs . . . . .					24,314,157
Investment earnings . . . . .					795,330
Miscellaneous . . . . .					279,374
<b>Total general revenues . . . . .</b>					<b>97,727,967</b>
Change in net position . . . . .					16,757,185
<b>Net position (deficit) at beginning of year . . . . .</b>					<b>(82,000,665)</b>
<b>Net position (deficit) at end of year . . . . .</b>					<b>\$ (65,243,480)</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2019

	General	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 21,359,322	\$ 3,537,955	\$ 3,340,069	\$ 28,237,346
Receivables:				
Property taxes . . . . .	64,106,605	6,718,071	1,729,385	72,554,061
Payment in lieu of taxes . . . . .	534,902	49,998	13,052	597,952
Accounts . . . . .	95,825	-	17,737	113,562
Accrued interest . . . . .	56,104	-	-	56,104
Interfund loans . . . . .	169,342	-	-	169,342
Intergovernmental . . . . .	221,682	-	436,816	658,498
Prepayments . . . . .	143,097	-	-	143,097
Inventory held for resale . . . . .	-	-	4,214	4,214
Total assets . . . . .	<u>\$ 86,686,879</u>	<u>\$ 10,306,024</u>	<u>\$ 5,541,273</u>	<u>\$ 102,534,176</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 250,170	\$ -	\$ 191,600	\$ 441,770
Contracts payable . . . . .	-	-	149,547	149,547
Retainage payable . . . . .	-	-	20,790	20,790
Accrued wages and benefits payable . . . . .	7,849,463	-	339,178	8,188,641
Compensated absences payable . . . . .	407,962	-	39,415	447,377
Intergovernmental payable . . . . .	203,525	-	15,223	218,748
Pension and postemployment benefits payable . . . . .	1,400,418	-	105,559	1,505,977
Interfund loans payable . . . . .	-	-	169,342	169,342
Total liabilities . . . . .	<u>10,111,538</u>	<u>-</u>	<u>1,030,654</u>	<u>11,142,192</u>
<b>Deferred inflows of resources:</b>				
Property taxes levied for the next fiscal year . . . . .	61,296,776	6,423,272	1,652,778	69,372,826
Payment in lieu of taxes levied for the next fiscal year . . . . .	534,902	49,998	13,052	597,952
Delinquent property tax revenue not available . . . . .	795,137	82,445	20,235	897,817
Intergovernmental revenue not available . . . . .	221,682	-	95,115	316,797
Accrued interest not available . . . . .	46,563	-	-	46,563
Total deferred inflows of resources . . . . .	<u>62,895,060</u>	<u>6,555,715</u>	<u>1,781,180</u>	<u>71,231,955</u>
<b>Fund balances:</b>				
Nonspendable:				
Prepays . . . . .	143,097	-	-	143,097
Restricted:				
Debt service . . . . .	-	3,750,309	-	3,750,309
Capital improvements . . . . .	-	-	2,659,228	2,659,228
Non-public schools . . . . .	-	-	7,515	7,515
Other purposes . . . . .	-	-	23,803	23,803
Extracurricular . . . . .	-	-	267,580	267,580
Assigned:				
Student instruction . . . . .	3,691	-	-	3,691
Student and staff support . . . . .	268,675	-	-	268,675
Extracurricular activities . . . . .	5,317	-	-	5,317
Facilities acquisition and construction . . . . .	198,466	-	-	198,466
Other purposes . . . . .	73,092	-	-	73,092
Unassigned (deficit) . . . . .	12,987,943	-	(228,687)	12,759,256
Total fund balances . . . . .	<u>13,680,281</u>	<u>3,750,309</u>	<u>2,729,439</u>	<u>20,160,029</u>
Total liabilities, deferred inflows and fund balances . . . . .	<u>\$ 86,686,879</u>	<u>\$ 10,306,024</u>	<u>\$ 5,541,273</u>	<u>\$ 102,534,176</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES  
JUNE 30, 2019

<b>Total governmental fund balances</b>		\$	20,160,029
<i>Amounts reported for governmental activities on the statement of net position are different because:</i>			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			94,492,714
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred inflows in the funds.			
Delinquent property taxes receivable	\$	897,817	
Accrued interest receivable		46,563	
Intergovernmental receivable		316,797	
Total		1,261,177	1,261,177
Unamortized premiums on bonds issued are not recognized in the funds.			(7,093,338)
Unamortized deferred charges on debt refundings are not recognized in the funds.			5,578,372
Accrued interest payable is not due and payable in the current period and therefore is not reported in the funds.			(274,563)
The net pension liability is not due and payable in the current period; therefore, liability and related deferred inflows/outflows are not reported in governmental funds.			
Deferred outflows - Pension		24,861,568	
Deferred Inflows - Pension		(6,599,115)	
Net pension liability		(97,851,760)	
Total		(79,589,307)	(79,589,307)
The net OPEB liability/asset is not due and payable in the current period; therefore, liability/asset and related deferred inflows/outflows are not reported in governmental funds.			
Net OPEB asset		5,663,811	
Deferred outflows - OPEB		1,124,662	
Deferred Inflows - OPEB		(9,925,383)	
Net OPEB liability		(10,015,567)	
Total		(13,152,477)	(13,152,477)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.			
General obligation bonds		(75,934,157)	
Lease-purchase obligation		(2,338,231)	
Compensated absences		(8,353,699)	
Total		(86,626,087)	(86,626,087)
<b>Net position (deficit) of governmental activities</b>		<b>\$</b>	<b>(65,243,480)</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>General</u>	<u>Debt Service</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>				
From local sources:				
Property taxes . . . . .	\$ 63,525,615	\$ 6,658,832	\$ 1,717,429	\$ 71,901,876
Payment in lieu of taxes . . . . .	297,076	30,545	5,594	333,215
Tuition . . . . .	833,640	-	-	833,640
Transportation fees . . . . .	109,480	-	-	109,480
Earnings on investments . . . . .	748,767	-	4,610	753,377
Charges for services . . . . .	-	-	1,230,096	1,230,096
Extracurricular . . . . .	200,168	-	460,838	661,006
Classroom materials and fees . . . . .	611,981	-	-	611,981
Rental income . . . . .	52,704	-	-	52,704
Contributions and donations . . . . .	175,260	-	256,000	431,260
Contract services . . . . .	88,158	-	-	88,158
Other local revenues . . . . .	267,319	-	32,746	300,065
Intergovernmental - state . . . . .	27,030,865	877,751	1,052,234	28,960,850
Intergovernmental - federal . . . . .	245,037	-	3,928,177	4,173,214
Total revenues . . . . .	<u>94,186,070</u>	<u>7,567,128</u>	<u>8,687,724</u>	<u>110,440,922</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	36,961,673	-	189,069	37,150,742
Special . . . . .	12,365,471	-	2,141,818	14,507,289
Vocational . . . . .	1,702,234	-	101,296	1,803,530
Adult/continuing . . . . .	-	-	94,495	94,495
Other . . . . .	2,136,763	-	-	2,136,763
Support services:				
Pupil . . . . .	6,415,425	-	110,134	6,525,559
Instructional staff . . . . .	1,824,850	-	19,505	1,844,355
Board of education . . . . .	37,063	-	-	37,063
Administration . . . . .	7,452,262	-	7,320	7,459,582
Fiscal . . . . .	1,807,169	94,275	22,497	1,923,941
Business . . . . .	117,766	-	16,341	134,107
Operations and maintenance . . . . .	9,560,766	-	946,203	10,506,969
Pupil transportation . . . . .	5,042,892	-	500,507	5,543,399
Central . . . . .	1,175,099	-	21,600	1,196,699
Operation of non-instructional services:				
Food service operations . . . . .	-	-	2,322,311	2,322,311
Other non-instructional services . . . . .	192,512	-	1,057,161	1,249,673
Extracurricular activities . . . . .	1,716,552	-	428,069	2,144,621
Facilities acquisition and construction . . . . .	53,016	-	-	53,016
Debt service:				
Principal retirement . . . . .	315,000	3,310,000	259,243	3,884,243
Interest and fiscal charges . . . . .	141,950	3,004,143	69,093	3,215,186
Accretion on capital appreciation bonds . . . . .	-	1,300,000	-	1,300,000
Total expenditures . . . . .	<u>89,018,463</u>	<u>7,708,418</u>	<u>8,306,662</u>	<u>105,033,543</u>
Excess of revenues over (under) expenditures . . . . .	<u>5,167,607</u>	<u>(141,290)</u>	<u>381,062</u>	<u>5,407,379</u>
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	-	-	527,123	527,123
Transfers (out) . . . . .	(527,123)	-	-	(527,123)
Total other financing sources (uses) . . . . .	<u>(527,123)</u>	<u>-</u>	<u>527,123</u>	<u>-</u>
Net change in fund balances . . . . .	4,640,484	(141,290)	908,185	5,407,379
<b>Fund balances at beginning of year . . . . .</b>	<b>9,039,797</b>	<b>3,891,599</b>	<b>1,820,353</b>	<b>14,751,749</b>
<b>Increase in reserve for inventory . . . . .</b>	<b>-</b>	<b>-</b>	<b>901</b>	<b>901</b>
<b>Fund balances at end of year . . . . .</b>	<b><u>\$ 13,680,281</u></b>	<b><u>\$ 3,750,309</u></b>	<b><u>\$ 2,729,439</u></b>	<b><u>\$ 20,160,029</u></b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

<b>Net change in fund balances - total governmental funds</b>	\$	5,407,379
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense.		
Capital asset additions	\$ 840,620	
Current year depreciation	(4,763,497)	
Total		(3,922,877)
Governmental funds report expenditures for inventory when purchased. However, in the statement of activities, they are reported as an expense when consumed.		
		901
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Delinquent property tax revenue	104,015	
Earnings on investments	46,563	
Intergovernmental	138,339	
Total		288,917
Repayment of bond and lease-purchase principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net position. Principal payments during the year were:		
Bonds	2,600,000	
Capital appreciation bonds	1,025,000	
Accreted interest on capital appreciation bonds	1,300,000	
Lease-purchase	259,243	
Total		5,184,243
In the statement of activities, interest is accrued on outstanding bonds, whereas in the funds, an interest expenditure is reported when due. The following items contributed in additional interest being reported in the statement of activities:		
Decrease in accrued interest payable	7,892	
Accreted interest on capital appreciation bonds	(671,211)	
Amortization of bond premiums	486,908	
Amortization of deferred charges on debt refundings	(351,628)	
Total		(528,039)
Contractually required pension contributions are reported as expenditures in the funds; however, the statement of activities reports these amounts as deferred outflows.		
		7,439,402
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.		
		(8,540,303)
Contractually required OPEB contributions are reported as expenditures in the funds; however, the statement of activities reports these amounts as deferred outflows.		
		299,630
Except for amounts reported as deferred inflows/outflows, changes in the net OPEB liability/asset are reported as OPEB expense in the statement of activities.		
		11,899,579
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in the funds.		
		(771,647)
<b>Change in net position of governmental activities</b>	<b>\$</b>	<b>16,757,185</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
JUNE 30, 2019

	<b>Private-Purpose Trust</b>	
	<b>Scholarship</b>	<b>Agency</b>
<b>Assets:</b>		
Equity in pooled cash and cash equivalents . . . . .	\$ 14,628	\$ 100,545
Total assets. . . . .	14,628	\$ 100,545
<b>Liabilities:</b>		
Accounts payable. . . . .	-	\$ 8,963
Intergovernmental payable . . . . .	-	300
Due to students. . . . .	-	91,282
Total liabilities . . . . .	-	\$ 100,545
<b>Net position:</b>		
Held in trust for scholarships . . . . .	14,628	
Total net position. . . . .	\$ 14,628	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<b>Private-Purpose Trust</b>
	<b>Scholarship</b>
<b>Additions:</b>	
Interest . . . . .	\$ 299
Gifts and contributions . . . . .	13,000
Total additions . . . . .	13,299
 <b>Deductions:</b>	
Scholarships awarded . . . . .	7,161
Change in net position . . . . .	6,138
<b>Net position at beginning of year . . . . .</b>	<b>8,490</b>
<b>Net position at end of year . . . . .</b>	<b>\$ 14,628</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS, COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 1 - DESCRIPTION OF THE SCHOOL DISTRICT**

Sylvania City School District (the "District") is located in the greater metropolitan Toledo area of Lucas County in northwestern Ohio. The District encompasses all of the City of Sylvania, and portions of Sylvania Township.

The District is organized under Section 2 and 3, Article VI of the Constitution of the State of Ohio. Under such laws, there is no authority for a school district to have a charter or adopt local laws. The legislative power of the District is vested in the Board of Education, consisting of five members elected at large for staggered four-year terms.

The District currently operates 7 elementary schools, 3 middle schools, and 2 comprehensive high schools. The District employs 295 non-certified, 49 administrative, and 543 certified employees (full time equivalents) to provide services to 7,787 students in grades K through 12 and various community groups.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Reporting Entity**

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

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's Governing Board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Certain organizations are also included as component units if the nature and significance of the relationship between the primary government and the organization is such that exclusion by the primary government would render the primary government's financial statements incomplete or misleading. Based upon the application of these criteria, the District has no component units. The basic financial statements of the reporting entity include only those of the District (the primary government).

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS, COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

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

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

*JOINTLY GOVERNED ORGANIZATIONS*

Northwest Ohio Computer Association (NWOCA)

The District is a participant with 41 other public entities in a jointly governed organization to operate NWOCA. NWOCA was formed for the purpose of providing computer services. NWOCA is governed by a board of directors consisting of the superintendents of the member school districts. The degree of control exercised by any participating school district is limited to its representation on the board. The District does not have an ongoing financial interest or responsibility in NWOCA.

Sylvania Area Joint Recreation District (SAJRD)

The District, in conjunction with the City of Sylvania and the Sylvania Township, formed the Sylvania Area Joint Recreation District under the authority of Ohio Revised Code Section 755.14(C). The SAJRD Board of Trustees is composed of twelve members, four of whom are appointed by each of the separate governmental entities identified above. Funding for the SAJRD is provided by a voter-approved tax levy on all real property located within the Sylvania School District. Taxes are collected by the County Auditor and remitted to the SAJRD Board of Trustees.

**B. Fund Accounting**

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

*GOVERNMENTAL FUNDS*

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

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

*Debt service fund* - The debt service fund is used to account for the resources restricted for the payment of general long-term debt principal, interest and related costs including the retirement of current interest term and serial bonds, capital appreciation bonds and both short-term and long-term notes and loans. All revenues derived from general or special levies, either within or exceeding the statutory unvoted ten mill limitation, which is levied for debt service on bonds or loans are paid into this fund.



**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS, COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

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

Other governmental funds of the District are used to account for (a) financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets, and (b) specific revenue sources that are restricted or committed to an expenditure for specified purposes other than debt service or capital projects.

*PROPRIETARY FUNDS*

Proprietary funds are used to account for the District's ongoing activities which are similar to those often found in the private sector. The District has no proprietary funds.

*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 District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. The District's only trust fund is a private purpose trust which accounts for scholarship programs for students. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District's agency fund accounts for student activities.

**C. Basis of Presentation and Measurement Focus**

*Government-Wide Financial Statements* - The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. These statements distinguish between those activities that are governmental and those that are considered business-type activities. The District has no business-type activities.

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

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

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

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS, COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, current deferred outflows of resources, current liabilities and current inflows of resources are generally 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 private-purpose trust fund is accounted for on a flow of economic resources measurement focus. All assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of this fund are included on the statement of fund net position. The statement of changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Agency funds do not report a measurement focus as they do not report operations.

**D. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Fiduciary funds also use the 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, 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. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within sixty days of fiscal year end.

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

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

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS, COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

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

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

Deferred Outflows of Resources and Deferred Inflows of Resources - In addition to assets, the government-wide statement of net position will report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the District, see note 11 and 12 for deferred outflows of resources related to the District's net pension liability and net OPEB liability/asset, respectively. In addition, deferred outflows of resources include a deferred charge on debt refunding. 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.

In addition to liabilities, both the government-wide statement of net position and the governmental fund financial statements report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the District, deferred inflows of resources include property taxes, payments in lieu of taxes and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of June 30, 2019, but which were levied to finance fiscal year 2020 operations. These amounts have been recorded as a deferred inflow of resources on both the government-wide statement of net position and the governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the District unavailable revenue includes, but is not limited to, delinquent property taxes and intergovernmental grants. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

For the District, see Note 11 and 12 for deferred inflows of resources related to the District's net pension liability and net OPEB liability/asset, respectively. This deferred inflow of resources is only reported on the government-wide statement of net position.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. The entitlement value of donated commodities received during the year is reported in the statement of revenues, expenditures and changes in fund balances as an expenditure with a like amount reported as intergovernmental revenue.

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

**SYLVANIA CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

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

**E. Budgets**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The Certificate of Estimated Resources and the Appropriations Resolution are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control has been established by the Board of Education at the fund level for all budgeted funds.

Although the legal level of budgetary control was established at the fund level of expenditures, the District has elected to present budgetary statement comparisons at the fund and function level of expenditures. Any budgetary modifications at this level may only be made by resolution of the Board of Education.

Tax Budget:

Prior to January 15, the Superintendent and Treasurer submit to the Board of Education a proposed operating budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing for all funds. Public hearings are publicized and conducted to obtain taxpayers' comments. The express purpose of this budget document is to reflect the need for existing (or increased) tax rates. By no later than January 20, the Board-adopted budget is filed with the Lucas County Budget Commission for rate determination.

Estimated Resources:

By April 1, the Board of Education accepts, by formal resolution, the tax rates as determined by the Budget Commission and receives the Commission's certificate of estimated resources, which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that total contemplated expenditures from any fund during the ensuing year will not exceed the amount stated in the certificate of estimated resources. The revised budget then serves as the basis for the appropriation measure. On or about July 1, the certificate is amended to include any unencumbered cash balances from the preceding year. The certificate may be further amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts from the certificate of estimated resources that was in effect at the time the original permanent appropriations covering the entire fiscal year were passed by the Board of Education. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts from the certificate of amended resources that was in effect at the time the final appropriations were passed by the Board of Education.

**SYLVANIA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

Appropriations:

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

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

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

Lapsing of Appropriations:

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

**F. Cash and Investments**

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

During fiscal year 2019, investments were limited to commercial paper, negotiable certificates of deposit (negotiable CDs), U.S. Treasury notes, a U.S. government money market mutual fund, and investments in the State Treasury Asset Reserve of Ohio (STAR Ohio). Except for investments in STAR Ohio, the District measures investments at fair value which is based on quoted market prices.

During fiscal year 2019, the District invested in the State Treasury Asset Reserve of Ohio (STAR Ohio). STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The District measures its investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

**SYLVANIA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

For fiscal year 2019, 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.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund or the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2019 amounted to \$748,767, which includes \$111,145 assigned from other District funds.

For presentation on the basic financial statements, investments purchased by the cash management pool and investments with original maturities of three months or less at the time they are purchased by the District are considered to be cash equivalents. Investments with an initial maturity of more than three months are reported as investments. An analysis of the District's investment account at fiscal year end is provided in Note 4.

**G. Inventory**

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

On the fund financial statements, reported materials and supplies inventory is equally offset by nonspendable fund balance in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets. Inventory consists of expendable supplies held for consumption, donated food and purchased food.

**H. Capital Assets**

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value. The District maintains a capitalization threshold of \$5,000. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

**SYLVANIA CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

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

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>	Governmental Activities <u>Estimated Lives</u>
Land improvements	5 - 50 years
Buildings and improvements	7 - 45 years
Furniture and equipment	5 - 20 years
Vehicles	5 - 15 years

**I. Interfund Balances**

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund loans receivable/payable.” Interfund balances between governmental funds are eliminated in the governmental activities column on the statement of net position.

**J. Compensated Absences**

In accordance with the provisions of GASB Statement No. 16, “Accounting for Compensated Absences”, a liability for vacation leave is accrued if a) the employees’ rights to payment are attributable to services already rendered; and b) it is probable that the employer will compensate the employees for the benefits through paid time off or other means, such as cash payment at termination or retirement. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination (severance) payments. A liability for sick leave is accrued using the vesting method; i.e., the liability is based on the sick leave accumulated at the balance sheet date by those employees who are currently eligible to receive termination (severance) payments, as well as those employees expected to become eligible in the future. For purposes of establishing a liability for sick leave on employees expected to become eligible to retire in the future, all employees age 50 or greater with at least 10 years of service; or 20 years service at any age were considered expected to become eligible to retire in accordance with GASB Statement No. 16.

The total liability for vacation and sick leave payments has been calculated using pay rates in effect at June 30, 2019, and reduced to the maximum payment allowed by labor contract and/or statute, plus any additional salary related payments.

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

For governmental fund financial statements, compensated absences are recognized as liabilities and expenditures as payments come due each period upon the occurrence of employee resignations and retirements.

**K. Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

**SYLVANIA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year. Bonds and notes are recognized as a liability on the fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

**L. Fund Balance**

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

*Nonspendable* - The nonspendable fund balance classification includes amounts that cannot be spent because they are not in spendable form or legally required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash.

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

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

*Assigned* - Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted nor committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the District Board of Education, which includes giving the Treasurer the authority to constrain monies for intended purposes. When unassigned fund balance is a deficit in the general fund, assigned fund balance may not be presented in the general fund.

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



**SYLVANIA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

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

**M. Net Position**

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

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

**N. Estimates**

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

**O. Interfund Activity**

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

**P. Nonpublic Schools**

Within the District boundaries, St. Joseph school is operated through the Toledo Catholic Diocese; and Toledo Junior, Emmanuel Baptist, and Toledo Islamic are operated as private schools. All of these schools provide instruction for grades K-8. 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 District, as directed by the parochial school. The receipt and expenditure of these state monies by the District are reflected in a nonmajor governmental fund for financial reporting purposes.

**SYLVANIA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

**Q. Issuance Costs/Bond Premiums and Discounts and Accounting Gain or Loss on Debt Refunding**

On the governmental fund financial statements, issuance costs, bond premiums, bond discounts, and deferred charges from debt refunding are recognized in the current period.

On the government-wide financial statements, issuance costs are recognized in the current period and are not amortized. Bond premiums and discounts are amortized over the term of the bonds using the straight-line method. Unamortized bond premiums are presented as an addition to the face amount of the bonds reported on the statement of net position. Unamortized bond discounts are presented as a reduction to the face amount of the bonds reported on the statement of net position. The reconciliation between the bonds face value and the amount reported on the statement of net position is presented in Note 9.

For advance refunding resulting in the defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting gain or loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a deferred outflow of resources.

**R. Pensions/Other Postemployment Benefits (OPEB)**

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

**S. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence. Neither one of these transactions occurred during fiscal year 2019.

**T. Fair Value Measurements**

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

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS, COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

**NOTE 3 - ACCOUNTABILITY AND COMPLIANCE**

**A. Change in Accounting Principles**

For fiscal year 2019, the District has implemented GASB Statement No. 83, "Certain Asset Retirement Obligations" and GASB Statement No. 88, "Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements".

GASB Statement No. 83 addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability. The implementation of GASB Statement No. 83 did not have an effect on the financial statements of the District.

GASB Statement No. 88 improves the information that is disclosed in notes to the basic financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The implementation of GASB Statement No. 88 did not have an effect on the financial statements of the District.

**B. Deficit Fund Balances**

Fund balances at June 30, 2019 included the following individual fund deficits:

<u>Nonmajor funds</u>	<u>Deficit</u>
Food service	\$ 83,877
Adult basic education	916
IDEA Part B	62,364
Title III - limited english proficiency	89
Title I	62,172
IDEA Part B - preschool stimulus	1,040
Improving teacher quality	18,202
Miscellaneous federal grants	27

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

**NOTE 4 - DEPOSITS AND INVESTMENTS**

The District maintains a cash and investment pool used by all funds. Each fund type's portion of this pool is displayed on the financial statements as "equity in pooled cash and cash equivalents". State statutes require the classification of monies held by the District into three categories.

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

**SYLVANIA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

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

Interim 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 one year from the date of deposit or by savings accounts, including passbook accounts.

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal or 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 provided that the fair value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2% and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in items (1) and (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool, the State Treasury Asset Reserve of Ohio (STAR Ohio);
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed one-hundred-eighty days and two-hundred-seventy days, respectively, in an amount not to exceed forty percent of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt instruments rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

Protection of the District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System, 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.

**SYLVANIA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 4 - 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. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

**A. Deposits with Financial Institutions**

At June 30, 2019, the carrying amount of all District deposits was \$2,089,040 and the bank balance of all District deposits was \$3,304,347. Of the bank balance, \$2,361,303 was covered by the FDIC and \$943,044 was covered by the Ohio Pooled Collateral System.

Custodial credit risk is the risk that, in the event of bank failure, the District will not be able to recover deposits or collateral securities that are in the possession of an outside party. The District has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or protected by (1) eligible securities pledged to the District and deposited with a qualified trustee by the financial institution as security for repayment whose fair value at all times shall be at least 105 percent of the deposits being secured, or (2) 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 fair value of the securities pledged to be 102 percent of the deposits being secured or a rate set by the Treasurer of State. For 2019, the District's financial institutions were approved for a reduced collateral rate of 50 percent through the OPCS. Although all statutory requirements for the deposit of money had been followed, noncompliance with Federal requirements could potentially subject the District to a successful claim by the FDIC.

**SYLVANIA CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

**B. Investments**

As of June 30, 2019, the District had the following investments and maturities:

Measurement/ Investment type	Measurement Value	Investment Maturities		
		6 months or less	7 to 12 months	19 to 24 months
<i>Fair Value:</i>				
Commercial Paper	\$ 1,497,255	\$ 1,497,255	\$ -	\$ -
Negotiable CD's	2,462,255	-	491,186	1,971,069
U.S. Treasury notes	6,093,390	5,342,339	751,051	-
U.S government money market mutual fund	105,208	105,208	-	-
<i>Amortized Cost:</i>				
STAR Ohio	16,105,371	16,105,371	-	-
<b>Total</b>	<b>\$ 26,263,479</b>	<b>\$ 23,050,173</b>	<b>\$ 1,242,237</b>	<b>\$ 1,971,069</b>

The District's weighted average length to maturity for investments is 0.23 years.

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

*Interest Rate Risk:* As a means of limiting its exposure to fair value losses arising from rising interest rates and according to state law, the District's investment policy limits investment portfolio maturities to five years or less. State law and the District policy requires that repurchase agreements cannot exceed thirty (30) days. In addition, securities subject to repurchase agreements must exceed the principal value by greater or equal to two (2) percent.

*Credit Risk:* STAR Ohio must maintain the highest letter or numerical rating provided by at least one nationally recognized standard service. Standard & Poor's has assigned STAR Ohio an AAAM money market rating. The U.S. Treasury notes were rated AA+ and Aaa by Standard & Poor's and Moody's Investor Services, respectively. The negotiable CDs are not rated but are fully covered by the FDIC. The investments in commercial paper were rated A1 and A1+ by Standard & Poor's and P1 by Moody's. The District's investment policy does not specifically address credit risk beyond the adherence to Chapter 135 of the Ohio Revised Code, of which all relevant provisions are described previously in this note disclosure (Note 4).

*Custodial Credit Risk:* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The U.S. Treasury notes, and commercial paper are exposed to custodial credit risk in that they are uninsured, unregistered and held by the counterparty's trust department or agent, but not in the District's name. The District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the treasurer or qualified trustee.

**SYLVANIA CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

**NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)**

*Concentration of Credit Risk:* The District's investment policy places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the District at June 30, 2019:

<u>Measurement/ Investment type</u>	<u>Measurement Value</u>	<u>% of Total</u>
<i>Fair Value:</i>		
Commercial Paper	\$ 1,497,255	5.70
Negotiable CD's	2,462,255	9.38
U.S. Treasury notes	6,093,390	23.20
U.S government money market mutual fund	105,208	0.40
<i>Amortized Cost:</i>		
STAR Ohio	<u>16,105,371</u>	<u>61.32</u>
Total	<u>\$ 26,263,479</u>	<u>100.00</u>

**C. Reconciliation of cash and investments to the Statement of Net Position**

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported above on the statement of net position as of June 30, 2019:

<u>Cash and investments per note</u>	
Carrying amount of deposits	\$ 2,089,040
Investments	<u>26,263,479</u>
Total	<u>\$ 28,352,519</u>
 <u>Cash and investments per statement of net position</u>	
Governmental activities	\$ 28,237,346
Private-purpose trust funds	14,628
Agency funds	<u>100,545</u>
Total	<u>\$ 28,352,519</u>

**NOTE 5 - INTERFUND TRANSACTIONS**

**A.** Interfund loans receivable/payable consisted of the following at June 30, 2019, as reported on the fund statements:

<u>Receivable fund</u>	<u>Payable fund</u>	<u>Amount</u>
General fund	Nonmajor governmental funds	<u>\$ 169,342</u>

**SYLVANIA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 5 - INTERFUND TRANSACTIONS - (Continued)**

The primary purpose of the interfund balances is to cover costs in specific funds where revenues were not received by June 30. These interfund balances will be repaid once the anticipated revenues are received. Interfund balances between governmental funds are eliminated on the government-wide financial statements.

- B.** Interfund transfers for the fiscal year ended June 30, 2019, consisted of the following, as reported on the fund statements:

<u>Transfers from general fund to:</u>	<u>Amount</u>
Nonmajor governmental funds	<u>\$ 527,123</u>

Interfund transfers represent the use of unrestricted revenues collected in the general fund that are used to finance various programs accounted for in other funds in accordance with budgetary authorizations. The transfer above was made from the general fund to supported food service operations. Interfund transfers between governmental funds are eliminated for reporting on the statement of activities. All transfers were made in compliance with Ohio Revised Code Sections 5705.14, 5705.15 and 5705.16.

**NOTE 6 - PROPERTY TAXES**

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

Property taxes include amounts levied against all real property and public utility property. Real property tax revenues received in calendar year 2019 represent the collection of calendar year 2018 taxes. Real property taxes received in calendar year 2019 were levied after April 1, 2018, on the assessed values as of January 1, 2018, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised fair value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Public utility property tax revenues received in calendar year 2019 represent the collection of calendar year 2018 taxes. Public utility real and personal property taxes received in calendar year 2019 became a lien on December 31, 2017, were levied after April 1, 2018, and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

The District receives property taxes from Lucas County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2019, are available to finance fiscal year 2019 operations. The amount available as an advance at June 30, 2019 was \$2,014,692 in the general fund, \$212,354 in the debt service fund and \$56,372 in the permanent improvement fund (a nonmajor governmental fund). This amount is recorded as revenue. The amount available for advance at June 30, 2018 was \$1,770,374 in the general fund, \$191,427 in the debt service fund and \$49,558 in the permanent improvement fund (a nonmajor governmental fund). The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.



**SYLVANIA CITY SCHOOL DISTRICT  
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FOR THE FISCAL YEAR ENDED JUNE 30, 2019

**NOTE 6 - PROPERTY TAXES - (Continued)**

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2019 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows.

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

The assessed values upon which the fiscal year 2019 taxes were collected are:

	2018 Second Half Collections		2019 First Half Collections	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Agricultural/residential and other real estate	\$ 1,373,628,590	97.33	\$ 1,518,655,070	97.57
Public utility personal	<u>37,748,060</u>	<u>2.67</u>	<u>37,862,500</u>	<u>2.43</u>
<b>Total</b>	<b><u>\$ 1,411,376,650</u></b>	<b><u>100.00</u></b>	<b><u>\$ 1,556,517,570</u></b>	<b><u>100.00</u></b>
Tax rate per \$1,000 of assessed valuation	\$ 88.56		\$ 87.99	

**NOTE 7 - RECEIVABLES**

Receivables at June 30, 2019 consisted of taxes, payments in lieu of taxes, accounts (billings for user charged services and student fees), accrued interest, and intergovernmental grants and entitlements. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs and the current year guarantee of federal funds. A summary of the principal items of receivables reported on the statement of net position follows:

**Governmental Activities**

Property taxes	\$ 72,554,061
Payments in lieu of taxes	597,952
Accounts	113,562
Accrued interest	56,104
Intergovernmental	<u>658,498</u>
<b>Total</b>	<b><u>\$ 73,980,177</u></b>

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

**SYLVANIA CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

**NOTE 8 - CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2019, was as follows:

	<u>Balance</u> <u>06/30/18</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>06/30/19</u>
<b>Governmental activities:</b>				
<i>Capital assets, not being depreciated:</i>				
Land	\$ 2,694,493	\$ -	\$ -	\$ 2,694,493
Construction in progress	<u>608,617</u>	<u>170,337</u>	<u>(608,617)</u>	<u>170,337</u>
Total capital assets, not being depreciated	<u>3,303,110</u>	<u>170,337</u>	<u>(608,617)</u>	<u>2,864,830</u>
<i>Capital assets, being depreciated:</i>				
Land improvements	9,011,825	551,382	-	9,563,207
Building and improvements	130,984,492	24,958	-	131,009,450
Furniture and equipment	11,947,787	172,113	-	12,119,900
Vehicles	<u>6,607,887</u>	<u>530,447</u>	<u>(385,530)</u>	<u>6,752,804</u>
Total capital assets, being depreciated	<u>158,551,991</u>	<u>1,278,900</u>	<u>(385,530)</u>	<u>159,445,361</u>
<i>Less: accumulated depreciation</i>				
Land improvements	(5,429,742)	(396,087)	-	(5,825,829)
Building and improvements	(45,406,036)	(3,458,901)	-	(48,864,937)
Furniture and equipment	(6,626,646)	(757,434)	-	(7,384,080)
Vehicles	<u>(5,977,086)</u>	<u>(151,075)</u>	<u>385,530</u>	<u>(5,742,631)</u>
Total accumulated depreciation	<u>(63,439,510)</u>	<u>(4,763,497)</u>	<u>385,530</u>	<u>(67,817,477)</u>
Governmental activities capital assets, net	<u>\$ 98,415,591</u>	<u>\$ (3,314,260)</u>	<u>\$ (608,617)</u>	<u>\$ 94,492,714</u>

Depreciation expense was charged to governmental functions as follows:

Instruction:

Regular	\$ 2,577,360
Special	167,901
Vocational	268,529

Support Services:

Pupil	12,949
Instructional staff	146,375
Administration	143,121
Fiscal	13,052
Business	25,416
Operations and maintenance	438,296
Pupil transportation	135,908

Operation of non-instructional services:

Food service operations	259,371
Other non-instructional services	2,843
Extracurricular activities	<u>572,376</u>
Total depreciation expense	<u>\$ 4,763,497</u>

**SYLVANIA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 8 - CAPITAL ASSETS - (Continued)**

During fiscal year 2019, the District expensed \$57,235 of previously reported construction in progress that was determined to be items that should not be capitalized.

**NOTE 9 - LONG-TERM OBLIGATIONS**

**A. General Obligation Bonds**

General obligation bonds are general obligations of the District for which the full faith and credit of the District is pledged for repayment. Accordingly, such unmatured obligations are reported on the statement of net position. Payments of principal and interest relating to these liabilities are recorded as expenditures in the debt service fund. The source of payment is derived from bonded debt tax levies.

Series 2006 Refunding General Obligation Bonds

On December 27, 2006, the District issued general obligation bonds (Series 2006 Refunding Bonds) to advance refund the callable of the Series 2001 and Series 2002 school improvement current interest bonds. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded current interest bonds at June 30, 2019 is \$3,555,000. The Series 2006 refunding general obligation bonds were advance refunded in fiscal year 2017 with the issuance of the Series 2017 refunding general obligation bonds described below.

The refunding issue is comprised of both current interest bonds, par value \$8,315,000, and capital appreciation bonds par value \$509,990. The interest rates on the current interest bonds range from 3.75% - 4.00%. The capital appreciation bonds matured on December 1, 2014 (effective interest rate 11.8708%) and December 1, 2015 (effective interest rate 16.0366%) at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bond which matured December 1, 2014 was \$580,000. The accreted value at maturity for the capital appreciation bond which matured December 1, 2015 was \$1,100,000.

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is December 1, 2021.

The reacquisition price exceeded the net carrying amount of the old debt by \$597,320. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued.

Series 2011 Refunding General Obligation Bonds

On September 7, 2011, the District issued general obligation bonds (Series 2011 Refunding Bonds) to advance refund the callable of the Series 1998 refunding current interest bonds, the Series 2001 refunding current interest bonds and the Series 2002 school improvement current interest bonds. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded current interest bonds that is considered defeased at June 30, 2019, is \$3,730,000. At June 30, 2019 the balance of the Series 2011 refunding bonds is \$3,290,000.

The refunding issue is comprised of both current interest bonds, par value \$8,615,000, and capital appreciation bonds par value \$415,000. The interest rates on the current interest bonds range from 2.00% - 4.00%. The capital appreciation bonds matured on December 1, 2014 (effective interest rate 4.55%) at an accreted value of \$485,000.

**SYLVANIA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is December 1, 2022.

The reacquisition price exceeded the net carrying amount of the old debt by \$312,919. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued.

Series 2014 Energy Conservation Bonds

On July 29, 2014, the District issued \$5,255,000 of House Bill 264 (H.B. 264) energy conservation bonds to retire energy conservation notes previously issued on January 17, 2014. Proceeds of the issuances are to provide financing to perform various energy improvement capital projects at the District. HVAC, electrical, and plumbing systems are being updated further to create energy savings by reducing energy consumption. The project will be funded from the savings created from reduced energy consumption. The bonds bear an interest rates from 1.00% - 4.00% and mature on December 1, 2028.

Series 2015 Refunding General Obligation Bonds

On April 9, 2015, the District issued general obligation bonds (Series 2015 Refunding Bonds) to advance refund the callable of the Series 2009 refunding current interest bonds. The refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded Series 2009 current interest bonds that is considered defeased at June 30, 2019, is \$65,465,000. At June 30, 2019 the balance of the Series 2015 refunding bonds is \$63,210,000.

The refunding issue is comprised of both current interest bonds serial bonds, par value \$55,855,000, current interest term bonds, par value \$9,750,000, and capital appreciation bonds par value \$1,845,000. The interest rates on the current interest bonds range from 2.00% - 5.00%. The capital appreciation bonds mature on December 1, 2018 (effective interest rate 24.173%) and December 1, 2019 (effective interest rate 24.259%) at a redemption price equal to 100% of the principal, plus accrued interest to the redemption date. The accreted value at maturity for the capital appreciation bonds maturing December 1, 2018 and December 1, 2019 are \$2,325,000 and \$2,345,000, respectively. Total accreted interest of \$1,274,157 has been included in the statement of net position at June 30, 2019.

Interest payments on the current interest bonds are due on June 1 and December 1 of each year. The final maturity stated in the issue is December 1, 2036.

The reacquisition price exceeded the net carrying amount of the old debt by \$6,753,487. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued.

Series 2017 Refunding General Obligation Bonds

On April 11, 2017, the District issued general obligation bonds (Series 2017 Refunding General Obligation Bonds) to advance refund the callable portion of the Series 2006 Refunding General Obligation Bonds (principal \$5,940,000; interest rate of 3.75% to 4.00%). Issuance proceeds of \$6,046,260 were used to purchase securities which were placed in an irrevocable trust to provide resources for all future debt service payments on the refunded debt. This refunded debt is considered defeased (in-substance) and accordingly, has been removed from the statement of net position. The balance of the refunded bonds that is considered defeased at June 30, 2019, is \$3,555,000. At June 30, 2019 the balance of the Series 2017 refunding bonds is \$3,530,000.

**SYLVANIA CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

The refunding issue is comprised of current interest bonds, par value \$5,940,000. The interest rate on the current interest bonds is 2.100%.

The reacquisition price exceeded the net carrying amount of the old debt (including unamortized deferred changes and unamortized premiums) by \$47,789. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is equal to the life of the new debt issued. The refunding was undertaken to reduce future debt service payments by \$372,090.

Payments of principal and interest relating to the Series 2017 refunding general obligation bonds are recorded as expenditures in the bond retirement fund. Interest payments on the current interest bonds are due on June 1 and December 1 each year. The final maturity stated in the issue is December 1, 2021.

**B. Other Long-Term Obligations**

*Net pension liability:* The District's net pension liability is described in Note 11. The District pays obligations related to employee compensation from the fund benefitting from their service.

*Net OPEB liability/asset:* The District's net OPEB liability/asset is described in Note 12. The District pays obligations related to employee compensation from the fund benefitting from their service.

*Compensated absences:* The liability for compensated absences will be paid from the fund from which the employee was paid. For the District, this is primarily the general fund.

*Lease-Purchase Obligation:* The District's lease-purchase obligation is described in Note 16.

**SYLVANIA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

C. During fiscal year 2019, the following changes occurred in governmental activities long-term obligations.

	<u>Balance</u> <u>06/30/18</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>06/30/19</u>	<u>Amount</u> <u>Due in</u> <u>One Year</u>
<u>General Obligation Bonds</u>					
Series 2011, Refunding:					
Current Interest Bonds (2.00% - 4.00%, 12/01/12 maturity)	\$ 4,325,000	\$ -	\$ (1,035,000)	\$ 3,290,000	\$ 975,000
Series 2014, Energy:					
Current Interest Bonds (1.00% - 4.00%, 12/01/28 maturity)	4,125,000	-	(315,000)	3,810,000	325,000
Series 2015, Refunding:					
Current Interest Bonds (2.00% - 5.00%, 12/01/36 maturity)	63,210,000	-	-	63,210,000	-
Capital Appreciation Bonds (24.22% average effective) 12/01/18 and 12/01/19 maturity	1,845,000	-	(1,025,000)	820,000	820,000
Capital Appreciation Bonds - Accreted interest	1,902,946	671,211	(1,300,000)	1,274,157	1,274,157
Series 2017, Refundings					
Current Interest Bonds (2.100%, 12/01/21 maturity)	<u>4,780,000</u>	<u>-</u>	<u>(1,250,000)</u>	<u>3,530,000</u>	<u>1,375,000</u>
Total General Obligation Bonds	<u>80,187,946</u>	<u>671,211</u>	<u>(4,925,000)</u>	<u>75,934,157</u>	<u>4,769,157</u>
<u>Other Obligations:</u>					
Net Pension Liability	105,393,296	-	(7,541,536)	97,851,760	-
Net OPEB Liability	23,515,160	328,440	(13,828,033)	10,015,567	-
Compensated Absences	8,039,869	1,332,506	(571,299)	8,801,076	763,217
Lease-Purchase Obligation	<u>2,597,474</u>	<u>-</u>	<u>(259,243)</u>	<u>2,338,231</u>	<u>266,138</u>
Total Other Obligations	<u>139,545,799</u>	<u>1,660,946</u>	<u>(22,200,111)</u>	<u>119,006,634</u>	<u>1,029,355</u>
Total All Governmental Activities Long-Term Liabilities	219,733,745	<u>\$ 2,332,157</u>	<u>\$ (27,125,111)</u>	194,940,791	<u>\$ 5,798,512</u>
Add: Unamortized Bond Premiums	<u>7,580,246</u>			<u>7,093,338</u>	
Total on Statement on Net Position	<u>\$ 227,313,991</u>			<u>\$ 202,034,129</u>	

**SYLVANIA CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

**NOTE 9 - LONG-TERM OBLIGATIONS - (Continued)**

**D.** Principal and interest requirements to retire general obligation school improvement bonds and general obligation refunding bonds outstanding at June 30, 2019, are as follows:

Fiscal Year Ending June 30	Current Interest Refunding Bonds			Current Interest Energy Conservation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2020	\$ 2,350,000	\$ 2,936,681	\$ 5,286,681	\$ 325,000	\$ 133,925	\$ 458,925
2021	4,775,000	2,809,515	7,584,515	335,000	124,025	459,025
2022	4,220,000	2,625,763	6,845,763	345,000	113,825	458,825
2023	3,235,000	2,495,569	5,730,569	355,000	103,325	458,325
2024	2,965,000	2,382,075	5,347,075	370,000	90,600	460,600
2025 - 2029	17,090,000	9,635,725	26,725,725	2,080,000	214,400	2,294,400
2030 - 2034	20,925,000	5,777,000	26,702,000	-	-	-
2035 - 2037	14,470,000	1,089,000	15,559,000	-	-	-
<b>Total</b>	<b>\$ 70,030,000</b>	<b>\$ 29,751,328</b>	<b>\$ 99,781,328</b>	<b>\$ 3,810,000</b>	<b>\$ 780,100</b>	<b>\$ 4,590,100</b>

Fiscal Year Ending June 30	Capital Appreciation Refunding Bonds		
	Principal	Interest	Total
2020	\$ 820,000	\$ 1,525,000	\$ 2,345,000
<b>Total</b>	<b>\$ 820,000</b>	<b>\$ 1,525,000</b>	<b>\$ 2,345,000</b>

**E. Legal Debt Margin**

The Ohio Revised Code provides that voted net general obligation debt of the District shall never exceed 9% of the total assessed valuation of the District. The code further provides that unvoted indebtedness shall not exceed 1/10 of 1% of the property valuation of the District. The code additionally states that unvoted indebtedness related to energy conservation debt shall not exceed 9/10 of 1% of the property valuation of the District. The assessed valuation use in determining the District's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in the District's legal debt margin calculation excluded tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. The effects of these debt limitations at June 30, 2019, are a voted debt margin of \$72,986,890 (including available funds of \$3,750,309), an unvoted debt margin of \$1,556,518, and an energy conservation debt margin of \$10,198,658.

**SYLVANIA CITY SCHOOL DISTRICT  
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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 10 - RISK MANAGEMENT**

**A. Comprehensive**

The District is exposed to various risks of loss related to torts; theft or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2019, the District purchased commercial coverage through the Ohio School Plan for property and contents with a limit of \$251,987,679 and a \$1,000 deductible.

General liability is protected by the Ohio School Plan with an \$8,000,000 general aggregate/\$6,000,000 single occurrence limit and a \$0 deductible.

Vehicles are covered by The Ohio School Plan and hold \$1,000 deductible for comprehensive coverage. Vehicles have been insured under a liability policy, with a \$6,000,000 per occurrence limitation and a \$0 deductible.

Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There was no significant reduction in coverage from the prior year.

**B. Group Health and Dental Insurance**

The District is fully insured through commercial carriers for group health and dental benefits.

The District provides employee medical/surgical benefits through a Paramount health insurance program. This plan provides employees a choice of four levels of HMO coverage. Paramount administers the health insurance program. The District pays \$2,210.80 (100% co-ins), \$2,122.67 (90/10 co-ins), \$2,041.31 (80/20 co-ins), \$1,845.36 (High Deductible) and \$2,120.81 (out of area 90/10 co-ins) for family coverage or \$795.25 (100% co-ins), \$763.55 (90/10 co-ins), \$734.28 (80/20 co-ins), \$663.80 (High Deductible) and \$762.88 (out of area 90/10 co-ins) for individual coverage per month for full-time employees. The premium is paid by the fund that pays the salary for the employee.

The District provides employee dental benefits through a managed-care dental program. This plan provides dental benefits with a \$50 family and \$25 single deductible. Delta Dental administers the dental program. The District pays \$95.13 family or \$31.46 single per employee per month, which represents the entire premium required. The premium is paid by the fund that pays the salary for the employee.

**C. Workers' Compensation**

For fiscal year 2019, the District paid the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.



**SYLVANIA CITY SCHOOL DISTRICT  
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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

**NOTE 11 - DEFINED BENEFIT PENSION PLANS**

***Net Pension Liability***

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

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

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

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

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

***Plan Description - School Employees Retirement System (SERS)***

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

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017 *	Eligible to Retire after August 1, 2017
Full benefits	Age 65 with 5 years of services 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 years of service; 2.2% for the first thirty years of service and 2.5% for years of service credit over 30. Final average salary is the average of the highest three years of salary.

Effective January 1, 2018, SERS cost-of-living adjustment (COLA) changed from a fixed 3% annual increase to one based on the Consumer Price Index (CPI-W) with a cap of 2.5% and a floor of 0%. SERS also has the authority to award or suspend the COLA, or to adjust the COLA above or below CPI-W. SERS suspended the COLA increases for 2018, 2019 and 2020 for current retirees, and confirmed their intent to implement a four-year waiting period for the state of a COLA for future retirees.

Funding Policy - Plan members are required to contribute 10% of their annual covered salary and the District is required to contribute 14% 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% for plan members and 14% 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, 2019, the allocation to pension, death benefits, and Medicare B was 13.5%. The remaining 0.5% of the employer contribution rate was allocated to the Health Care Fund.

The District's contractually required contribution to SERS was \$1,814,759 for fiscal year 2019. Of this amount, \$218,966 is reported as pension and postemployment benefits payable.

***Plan Description - State Teachers Retirement System (STRS)***

Plan Description - Licensed teachers 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 website at [www.strsoh.org](http://www.strsoh.org).

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**NOTE 11 - 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% of final average salary for the five highest years of earnings multiplied by all years of service. Effective July 1, 2017, the cost-of-living adjustment was reduced to zero. Members are eligible to retire at age 60 with five years of qualifying service credit, or age 55 with 26 years of service, or 31 years of service regardless of age. Eligibility changes will be phased in until August 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60.

The DC Plan allows members to place all their member contributions and 9.53% of the 14% employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.47% of the 14% 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% of the 14% member rate goes to the DC Plan and the remaining 2% is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member 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 service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity after termination of employment at age 50 or later.

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 to 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 fiscal year 2019, plan members were required to contribute 14% of their annual covered salary. The District was required to contribute 14%; the entire 14% was the portion used to fund pension obligations. The fiscal year 2019 contribution rates were equal to the statutory maximum rates.

The District's contractually required contribution to STRS was \$5,624,643 for fiscal year 2019. Of this amount, \$937,584 is reported as pension and postemployment benefits payable.

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**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

*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, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions to the pension plan relative to the 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>
Proportion of the net pension liability prior measurement date	0.35483890%	0.35441674%	
Proportion of the net pension liability current measurement date	<u>0.35535460%</u>	<u>0.35246866%</u>	
Change in proportionate share	<u>0.00051570%</u>	<u>-0.00194808%</u>	
Proportionate share of the net pension liability	\$ 20,351,816	\$ 77,499,944	\$ 97,851,760
Pension expense	\$ 1,198,885	\$ 7,341,418	\$ 8,540,303

At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<b>Deferred outflows of resources</b>			
Differences between expected and actual experience	\$ 1,116,169	\$ 1,788,937	\$ 2,905,106
Changes of assumptions	459,587	13,734,451	14,194,038
Difference between District contributions and proportionate share of contributions/ change in proportionate share	47,829	275,193	323,022
Contributions subsequent to the measurement date	<u>1,814,759</u>	<u>5,624,643</u>	<u>7,439,402</u>
Total deferred outflows of resources	<u>\$ 3,438,344</u>	<u>\$ 21,423,224</u>	<u>\$ 24,861,568</u>

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**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<b>Deferred inflows of resources</b>			
Differences between expected and actual experience	\$ -	\$ 506,122	\$ 506,122
Net difference between projected and actual earnings on pension plan investments	563,888	4,699,513	5,263,401
Difference between District contributions and proportionate share of contributions/change in proportionate share	<u>441,105</u>	<u>388,487</u>	<u>829,592</u>
Total deferred inflows of resources	<u>\$ 1,004,993</u>	<u>\$ 5,594,122</u>	<u>\$ 6,599,115</u>

\$7,439,402 reported as deferred outflows of resources related to pension resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2020.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2020	\$ 1,219,429	\$ 6,543,523	\$ 7,762,952
2021	239,993	4,384,935	4,624,928
2022	(667,891)	360,652	(307,239)
2023	<u>(172,939)</u>	<u>(1,084,651)</u>	<u>(1,257,590)</u>
Total	<u>\$ 618,592</u>	<u>\$ 10,204,459</u>	<u>\$ 10,823,051</u>

**Actuarial Assumptions - SERS**

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

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

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**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2018, are presented below:

Wage inflation	3.00%
Future salary increases, including inflation	3.50% to 18.20%
COLA or ad hoc COLA	2.50%, on and after April 1, 2018, COLA's for future retirees will be delayed for three years following commencement
Investment rate of return	7.50% net of investments expense, including inflation
Actuarial cost method	Entry age normal (level percent of payroll)

For 2018, the 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 was 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 most recent experience study was completed for the five year period ended June 30, 2015.

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

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

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

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

**Discount Rate** - The total pension liability was calculated using the discount rate of 7.50%. 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%). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

**Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** - Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50%, 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%), or one percentage point higher (8.50%) than the current rate.

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
District's proportionate share of the net pension liability	\$ 28,667,068	\$ 20,351,816	\$ 13,380,034

**Actuarial Assumptions - STRS**

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the July 1, 2018, actuarial valuation are presented below:

	July 1, 2018
Inflation	2.50%
Projected salary increases	12.50% at age 20 to 2.50% at age 65
Investment rate of return	7.45%, net of investment expenses, including inflation
Payroll increases	3.00%
Cost-of-living adjustments (COLA)	0.0%, effective July 1, 2017

For the July 1, 2018, actuarial valuation, 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 disabled 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.

Actuarial assumptions used in the July 1, 2018 valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

**NOTE 11 - DEFINED BENEFIT PENSION PLANS - (Continued)**

STRS Ohio's 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	1.00	2.25
Total	<u>100.00 %</u>	

\*10-Year 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.

\*\*The Target Allocation percentage is effective as of July 1, 2017. Target weights will be phased in over a 24-month period concluding on July 1, 2019.

**Discount Rate** - The discount rate used to measure the total pension liability was 7.45% as of June 30, 2018. 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, 2018. Therefore, the long-term expected rate of return on pension plan investments of 7.45% was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2018.

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

	1% Decrease (6.45%)	Current Discount Rate (7.45%)	1% Increase (8.45%)
District's proportionate share of the net pension liability	\$ 113,178,467	\$ 77,499,944	\$ 47,302,916



**SYLVANIA CITY SCHOOL DISTRICT  
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**NOTE 12 - DEFINED BENEFIT OPEB PLANS**

***Net OPEB Liability/Asset***

The net OPEB liability/asset reported on the statement of net position represents a liability/asset 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/asset represents the 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/asset 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 these estimates annually.

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

GASB 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/asset. Resulting adjustments to the net OPEB liability/asset 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* or *net OPEB asset* on the accrual basis of accounting. Any liability for the contractually-required OPEB contribution outstanding at the end of the year is included in *pension and postemployment benefits payable* on both the accrual and modified accrual bases of accounting.

***Plan Description - School Employees Retirement System (SERS)***

Health Care Plan Description - The District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 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 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](http://www.ohsers.org) under Employers/Audit Resources.

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**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. 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 2019, 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 2019, this amount was \$21,600. 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 2019, the District's surcharge obligation was \$232,417.

The surcharge added to the allocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The District's contractually required contribution to SERS was \$299,630 for fiscal year 2019. Of this amount, \$240,527 is reported as pension and postemployment benefits 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](http://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, 2019, STRS did not allocate any employer contributions to post-employment health care.

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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

The net OPEB liability/asset was measured as of June 30, 2018, and the total OPEB liability/asset used to calculate the net OPEB liability/asset was determined by an actuarial valuation as of that date. The District's proportion of the net OPEB liability/asset was based on the 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>
Proportion of the net OPEB liability prior measurement date	0.36095660%	0.35441674%	
Proportion of the net OPEB liability/asset current measurement date	<u>0.36101630%</u>	<u>0.35246866%</u>	
Change in proportionate share	<u>0.00005970%</u>	<u>-0.00194808%</u>	
Proportionate share of the net OPEB liability	\$ 10,015,567	\$ -	\$ 10,015,567
Proportionate share of the net OPEB asset	\$ -	\$ (5,663,811)	\$ (5,663,811)
OPEB expense	\$ 401,582	\$ (12,301,161)	\$ (11,899,579)

At June 30, 2019, the 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>
<b>Deferred outflows of resources</b>			
Differences between expected and actual experience	\$ 163,489	\$ 661,543	\$ 825,032
Contributions subsequent to the measurement date	<u>299,630</u>	<u>-</u>	<u>299,630</u>
Total deferred outflows of resources	<u>\$ 463,119</u>	<u>\$ 661,543</u>	<u>\$ 1,124,662</u>
	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<b>Deferred inflows of resources</b>			
Differences between expected and actual experience	\$ -	\$ 329,992	\$ 329,992
Net difference between projected and actual earnings on pension plan investments	15,028	647,043	662,071
Changes of assumptions	899,823	7,717,392	8,617,215
Difference between District contributions and proportionate share of contributions/change in proportionate share	<u>222,062</u>	<u>94,043</u>	<u>316,105</u>
Total deferred inflows of resources	<u>\$ 1,136,913</u>	<u>\$ 8,788,470</u>	<u>\$ 9,925,383</u>

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NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

\$299,630 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability/asset in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2020	\$ (459,053)	\$ (1,454,686)	\$ (1,913,739)
2021	(360,677)	(1,454,686)	(1,815,363)
2022	(49,159)	(1,454,686)	(1,503,845)
2023	(42,767)	(1,307,740)	(1,350,507)
2024	(43,804)	(1,256,188)	(1,299,992)
Thereafter	(17,964)	(1,198,941)	(1,216,905)
Total	\$ (973,424)	\$ (8,126,927)	\$ (9,100,351)

***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 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.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS, COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2018, are presented below:

Wage inflation	3.00%
Future salary increases, including inflation	3.50% to 18.20%
Investment rate of return	7.50% net of investments expense, including inflation
Municipal bond index rate:	
Measurement date	3.62%
Prior measurement date	3.56%
Single equivalent interest rate, net of plan investment expense, including price inflation:	
Measurement date	3.70%
Prior measurement date	3.63%
Medical trend assumption:	
Medicare	5.375 to 4.75%
Pre-Medicare	7.25 to 4.75%

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. RP-2000 Disabled Mortality Table with 90% for male rates 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.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS, COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

The target asset 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 as follows:

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

**Discount Rate** - The discount rate used to measure the total OPEB liability at June 30, 2018 was 3.70%. The discount rate used to measure total OPEB liability prior to June 30, 2018 was 3.63%. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System 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 the 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, 2026. 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, 2025 and the Fidelity General Obligation 20-year Municipal Bond Index rate of 3.62%, as of June 30, 2018 (i.e. municipal bond rate), was used to present value the projected benefit payments for the remaining years in the projection. A municipal bond rate of 3.56% was used as of June 30, 2017. 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.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS, COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

*Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in 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 of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.70%) and higher (4.70%) than the current discount rate (3.70%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.25% decreasing to 3.75%) and higher (8.25% decreasing to 5.75%) than the current rate.

	1% Decrease (2.70%)	Current Discount Rate (3.70%)	1% Increase (4.70%)
District's proportionate share of the net OPEB liability	\$ 12,153,104	\$ 10,015,567	\$ 8,323,039

	1% Decrease (6.25 % decreasing to 3.75 %)	Current Trend Rate (7.25 % decreasing to 4.75 %)	1% Increase (8.25 % decreasing to 5.75 %)
District's proportionate share of the net OPEB liability	\$ 8,080,726	\$ 10,015,567	\$ 12,577,645

**Actuarial Assumptions - STRS**

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the July 1, 2018, actuarial valuation, compared with July 1, 2017, are presented below:

	July 1, 2018		July 1, 2017
Inflation	2.50%		2.50%
Projected salary increases	12.50% at age 20 to 2.50% at age 65		12.50% at age 20 to 2.50% at age 65
Investment rate of return	7.45%, net of investment expenses, including inflation		7.45%, net of investment expenses, including inflation
Payroll increases	3.00%		3.00%
Cost-of-living adjustments (COLA)	0.00%		0.00%, effective July 1, 2017
Discounted rate of return	7.45%		N/A
Blended discount rate of return	N/A		4.13%
Health care cost trends			6 to 11% initial, 4.50% ultimate
	Initial	Ultimate	
Medical			
Pre-Medicare	6.00%	4.00%	
Medicare	5.00%	4.00%	
Prescription Drug			
Pre-Medicare	8.00%	4.00%	
Medicare	-5.23%	4.00%	

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS, COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

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% 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, 2018 valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

*Assumption Changes Since the Prior Measurement Date* - The discount rate was increased from the blended rate of 4.13% to the long-term expected rate of return of 7.45% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB). Valuation year per capita health care costs were updated.

*Benefit Term Changes Since the Prior Measurement Date* - The subsidy multiplier for non-Medicare benefit recipients was increased from 1.90% to 1.944% per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased effective January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 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:

Asset Class	Target Allocation**	Long Term Expected Real Rate of Return *
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	1.00	2.25
Total	<u>100.00 %</u>	

\*10-Year 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.

\*\* The Target Allocation percentage is effective as of July 1, 2017. Target weights will be phased in over a 24-month period concluding on July 1, 2019.



**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS, COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

**NOTE 12 - DEFINED BENEFIT OPEB PLANS - (Continued)**

**Discount Rate** - The discount rate used to measure the total OPEB asset was 7.45% as of June 30, 2018. A 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 Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on health care plan investments of 7.45% was used to measure the total OPEB asset as of June 30, 2018.

**Sensitivity of the District's Proportionate Share of the Net OPEB Asset to Changes in the Discount and Health Care Cost Trend Rate** - The following table represents the net OPEB asset as of June 30, 2018, calculated using the current period discount rate assumption of 7.45%, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.45%) or one percentage point higher (8.45%) than the current assumption. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease (6.45%)	Current Discount Rate (7.45%)	1% Increase (8.45%)
District's proportionate share of the net OPEB asset	\$ 4,854,417	\$ 5,663,811	\$ 6,344,069
	1% Decrease	Current Trend Rate	1% Increase
District's proportionate share of the net OPEB asset	\$ 6,305,668	\$ 5,663,811	\$ 5,011,956

**NOTE 13 - STATUTORY RESERVES**

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

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

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS, COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

**NOTE 13 - STATUTORY RESERVES – (Continued)**

	<u>Capital Improvements</u>
Set-aside balance June 30, 2018	\$ -
Current year set-aside requirement	1,367,345
Current year qualifying expenditures	(938,652)
Current year offsets	<u>(428,693)</u>
Total	<u>\$ -</u>
Balance carried forward to fiscal year 2020	<u>\$ -</u>
Set-aside balance June 30, 2019	<u>\$ -</u>

**NOTE 14 - CONTINGENCIES**

**A. Grants**

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

**B. Litigation**

The District is not involved in material litigation as either plaintiff or defendant that management believes would have a material adverse effect on the financial statements.

**C. Foundation Funding**

District Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. Traditional Districts must comply with minimum hours of instruction, instead of a minimum number of school days each year. The funding formula the Ohio Department of Education (ODE) is legislatively required to follow will continue to adjust as enrollment information is updated by the District, which can extend past the fiscal year-end.

The District's August 23 and December 13, 2019 foundation settlement receipts included the FTE adjustments for fiscal year 2019. For the District, this resulted in a total increase of \$48,509, which is the net amount of the August 23 and December 13, 2019 settlements. This amount is not material to the financial statements and is not included in the financial statements as of June 30, 2019.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS, COUNTY**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**NOTE 15 - OTHER COMMITMENTS**

The District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed, or assigned classifications of fund balance to the extent fund balance is available. For the general fund, fund balance is not reported as assigned for encumbrances as unassigned fund balance is negative. At year end, the District's commitments for encumbrances (less amounts already reported as payables) in the governmental funds were as follows:

<u>Fund</u>	<u>Year-End Encumbrances</u>
General fund	\$ 289,621
Nonmajor governmental	<u>1,747,357</u>
Total	<u>\$ 2,036,978</u>

**NOTE 16 - LEASE-PURCHASE AGREEMENT**

On March 31, 2017, the District entered into a \$2,850,000 lease-purchase agreement with U.S. Bancorp Government Leasing and Finance, Inc. to finance the acquisition of boilers, chillers, and an HVAC unit. The source of revenue to fund the principal and interest payments will be derived from general operating revenues of the District.

As of June 30, 2019, the District expended \$2,804,378 of the available \$2,850,000. The remaining \$45,622 was applied to the fiscal year 2019 principal payment.

Lease-purchase payments are reported as function expenditures on a budgetary basis. However, on a GAAP basis, these payments have been reclassified and are reported as debt service expenditures in the permanent improvement fund (a nonmajor governmental fund). During fiscal year 2019, the District made \$259,243 and \$69,093 in principal and interest payments, respectively, on the lease-purchase agreement.

A liability in the amount of the present value of minimum lease payments has been recorded on the statement of net position. Capital assets consisting of vehicles and equipment have been capitalized to the extent the capital assets acquired exceeded the District's capitalization threshold. At June 30, 2019, capital assets in the amount of \$2,804,378 have been capitalized under buildings and improvements.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS, COUNTY**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

**NOTE 16 - LEASE-PURCHASE AGREEMENT - (Continued)**

The following is a schedule of the future minimum lease payments required under the lease-purchase agreement and the present value of the future minimum lease payments as of June 30, 2019:

<u>Fiscal Year Ending June 30,</u>	<u>Amount</u>
2020	\$ 328,335
2021	328,336
2022	328,335
2023	328,335
2024	328,336
2025 - 2028	<u>985,006</u>
Total minimum lease payments	2,626,683
Less: amount representing interest	<u>(288,452)</u>
Total	<u>\$ 2,338,231</u>

**NOTE 17 - TAX ABATEMENTS ENTERED INTO BY OTHER GOVERNMENTS**

Other governments have entered into property tax abatement agreements with property owners under the Ohio Community Reinvestment Area ("CRA") program within taxing districts of the District. The CRA program is a direct incentive tax exemption program benefiting property owners who renovate existing buildings or construct new buildings. Under this program, the other governments have designated areas to encourage revitalization of the existing structures and the development of new structures.

The District has incurred a reduction in property tax receipts due to agreements entered into by other governments. During fiscal year 2019, the District's property tax receipts were reduced under agreements entered into by other governments as follows:

<u>Government Entering Into Agreement</u>	<u>Tax Abatement Program</u>
	<u>CRA</u>
Sylvania Township	\$ 15,318
City of Sylvania	<u>17,798</u>
Total	<u>\$ 33,116</u>

The District is not receiving any amounts from these other governments in association with the forgone property tax receipts.

**NOTE 18 – SUBSEQUENT EVENT**

On July 18, 2019, the District issued Tax Anticipation Notes in the amount of \$4,000,000 and carry an interest rate of 2.380%. The debt will mature on December 1, 2029.

**REQUIRED SUPPLEMENTARY INFORMATION**

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
From local sources:				
Property taxes . . . . .	\$ 62,656,724	\$ 63,337,839	\$ 63,281,297	\$ (56,542)
Payments in lieu of taxes. . . . .	297,076	297,076	297,076	-
Tuition. . . . .	826,926	1,044,781	835,130	(209,651)
Transportation fees. . . . .	111,365	45,000	112,470	67,470
Earnings on investments . . . . .	647,007	425,000	653,426	228,426
Classroom materials and fees . . . . .	610,154	654,438	616,207	(38,231)
Rental income . . . . .	49,804	50,000	50,298	298
Contributions and donations . . . . .	11,956	-	12,075	12,075
Other local revenues . . . . .	439,676	396,200	476,874	80,674
Intergovernmental - state . . . . .	26,794,703	26,735,095	27,060,537	325,442
Intergovernmental - federal . . . . .	242,630	200,000	245,037	45,037
<b>Total revenues . . . . .</b>	<b>92,688,021</b>	<b>93,185,429</b>	<b>93,640,427</b>	<b>454,998</b>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular . . . . .	36,471,952	36,649,478	36,531,545	117,933
Special. . . . .	12,005,851	12,064,289	12,025,468	38,821
Vocational. . . . .	1,766,339	1,774,936	1,769,225	5,711
Other. . . . .	2,143,233	2,153,665	2,146,735	6,930
Support services:				
Pupil. . . . .	6,334,484	6,365,317	6,344,834	20,483
Instructional staff . . . . .	1,862,115	1,871,179	1,865,158	6,021
Board of education . . . . .	37,170	37,351	37,231	120
Administration. . . . .	7,266,052	7,301,419	7,277,924	23,495
Fiscal . . . . .	1,787,208	1,795,907	1,790,128	5,779
Business . . . . .	120,351	120,937	120,548	389
Operations and maintenance. . . . .	9,421,890	9,467,751	9,437,285	30,466
Pupil transportation . . . . .	4,920,110	4,944,058	4,928,149	15,909
Central. . . . .	1,181,225	1,186,975	1,183,155	3,820
Operation of non-instructional services:				
Other non-instructional services . . . . .	22,460	22,570	22,497	73
Extracurricular activities. . . . .	1,493,044	1,500,312	1,495,484	4,828
Facilities acquisition and construction . . . . .	251,072	252,294	251,482	812
Debt service:				
Principal . . . . .	314,486	316,017	315,000	1,017
Interest and fiscal charges. . . . .	141,718	142,408	141,950	458
<b>Total expenditures . . . . .</b>	<b>87,540,760</b>	<b>87,966,863</b>	<b>87,683,798</b>	<b>283,065</b>
<b>Excess of revenues over expenditures . . . . .</b>	<b>5,147,261</b>	<b>5,218,566</b>	<b>5,956,629</b>	<b>738,063</b>
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	5,000	5,000	1,174,420	1,169,420
Transfers (out). . . . .	(1,750,506)	(1,759,026)	(1,753,366)	5,660
Advances in. . . . .	277,062	277,062	277,062	-
Advances (out) . . . . .	(169,066)	(169,889)	(169,342)	547
Refund of prior year's expenditures . . . . .	100,000	100,000	21,800	(78,200)
<b>Total other financing sources (uses) . . . . .</b>	<b>(1,537,510)</b>	<b>(1,546,853)</b>	<b>(449,426)</b>	<b>1,097,427</b>
<b>Net change in fund balance . . . . .</b>	<b>3,609,751</b>	<b>3,671,713</b>	<b>5,507,203</b>	<b>1,835,490</b>
<b>Fund balance at beginning of year . . . . .</b>	<b>15,028,723</b>	<b>15,028,723</b>	<b>15,028,723</b>	<b>-</b>
<b>Prior year encumbrances appropriated . . . . .</b>	<b>133,106</b>	<b>133,106</b>	<b>133,106</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 18,771,580</b>	<b>\$ 18,833,542</b>	<b>\$ 20,669,032</b>	<b>\$ 1,835,490</b>

**SYLVANIA CITY SCHOOL DISTRICT**  
**LUCAS COUNTY, OHIO**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL FUND (CONTINUED)  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2019

**BUDGETARY BASIS OF ACCOUNTING**

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

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

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

The adjustments necessary to convert the changes in financial position/fund balance for the year on the budget basis to the GAAP basis for the general fund are as follows:

**Net Change in Fund Balance**

	General Fund
Budget basis	\$ 5,507,203
Net adjustment for revenue accruals	94,132
Net adjustment for expenditure accruals	(1,185,193)
Net adjustment for other sources/uses	(129,520)
Funds budgeted elsewhere	23,006
Adjustment for encumbrances	330,856
GAAP basis	\$ 4,640,484

Certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. These include the public school support fund, the uniform school supplies fund, the natatorium fund, the special services rotary fund, and the rotary fund.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST SIX FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
District's proportion of the net pension liability	0.35535460%	0.35483890%	0.36520450%	0.37531480%
District's proportionate share of the net pension liability	\$ 20,351,816	\$ 21,200,840	\$ 26,729,600	\$ 21,415,826
District's covered payroll	\$ 11,831,207	\$ 11,585,579	\$ 11,137,893	\$ 11,298,938
District's proportionate share of the net pension liability as a percentage of its covered payroll	172.02%	182.99%	239.99%	189.54%
Plan fiduciary net position as a percentage of the total pension liability	71.36%	69.50%	62.98%	69.16%

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION



<u>2015</u>	<u>2014</u>
0.37966100%	0.37966100%
\$ 19,214,427	\$ 22,577,221
\$ 11,032,186	\$ 10,474,176
174.17%	215.55%
71.70%	65.52%

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST SIX FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
District's proportion of the net pension liability	0.35246866%	0.35441674%	0.35506133%	0.35296087%
District's proportionate share of the net pension liability	\$ 77,499,944	\$ 84,192,456	\$ 118,849,730	\$ 97,548,060
District's covered payroll	\$ 40,899,571	\$ 39,999,943	\$ 38,017,786	\$ 36,825,550
District's proportionate share of the net pension liability as a percentage of its covered payroll	189.49%	210.48%	312.62%	264.89%
Plan fiduciary net position as a percentage of the total pension liability	77.31%	75.30%	66.80%	72.10%

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

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2015</u>	<u>2014</u>
0.35329868%	0.35329868%
\$ 85,934,466	\$ 102,364,574
\$ 36,097,362	\$ 37,587,531
238.06%	272.34%
74.70%	69.30%

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 1,814,759	\$ 1,597,213	\$ 1,621,981	\$ 1,559,305
Contributions in relation to the contractually required contribution	<u>(1,814,759)</u>	<u>(1,597,213)</u>	<u>(1,621,981)</u>	<u>(1,559,305)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 13,442,659	\$ 11,831,207	\$ 11,585,579	\$ 11,137,893
Contributions as a percentage of covered payroll	13.50%	13.50%	14.00%	14.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 1,489,200	\$ 1,529,061	\$ 1,449,626	\$ 1,424,025	\$ 1,436,569	\$ 1,586,889
<u>(1,489,200)</u>	<u>(1,529,061)</u>	<u>(1,449,626)</u>	<u>(1,424,025)</u>	<u>(1,436,569)</u>	<u>(1,586,889)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 11,298,938	\$ 11,032,186	\$ 10,474,176	\$ 10,587,546	\$ 11,428,552	\$ 11,720,007
13.18%	13.86%	13.84%	13.45%	12.57%	13.54%

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 5,624,643	\$ 5,725,940	\$ 5,599,992	\$ 5,322,490
Contributions in relation to the contractually required contribution	<u>(5,624,643)</u>	<u>(5,725,940)</u>	<u>(5,599,992)</u>	<u>(5,322,490)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 40,176,021	\$ 40,899,571	\$ 39,999,943	\$ 38,017,786
Contributions as a percentage of covered payroll	14.00%	14.00%	14.00%	14.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 5,155,577	\$ 4,692,657	\$ 4,886,379	\$ 4,828,217	\$ 5,247,089	\$ 5,275,129
<u>(5,155,577)</u>	<u>(4,692,657)</u>	<u>(4,886,379)</u>	<u>(4,828,217)</u>	<u>(5,247,089)</u>	<u>(5,275,129)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 36,825,550	\$ 36,097,362	\$ 37,587,531	\$ 37,140,131	\$ 40,362,223	\$ 40,577,915
14.00%	13.00%	13.00%	13.00%	13.00%	13.00%

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST THREE FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the net OPEB liability	0.36101630%	0.36095660%	0.36989523%
District's proportionate share of the net OPEB liability	\$ 10,015,567	\$ 9,687,127	\$ 10,543,382
District's covered payroll	\$ 11,831,207	\$ 11,585,579	\$ 11,137,893
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	84.65%	83.61%	94.66%
Plan fiduciary net position as a percentage of the total OPEB liability	13.57%	12.46%	11.49%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION



**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST THREE FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the net OPEB liability/asset	0.35246866%	0.35441674%	0.35506133%
District's proportionate share of the net OPEB liability/(asset)	\$ (5,663,811)	\$ 13,828,033	\$ 18,988,772
District's covered payroll	\$ 40,899,571	\$ 39,999,943	\$ 38,017,786
District's proportionate share of the net OPEB liability/asset as a percentage of its covered payroll	13.85%	34.57%	49.95%
Plan fiduciary net position as a percentage of the total OPEB liability/asset	176.00%	47.10%	37.33%

Note: Information prior to 2017 was unavailable. Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

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

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 299,630	\$ 256,453	\$ 200,787	\$ 186,313
Contributions in relation to the contractually required contribution	<u>(299,630)</u>	<u>(256,453)</u>	<u>(200,787)</u>	<u>(186,313)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 13,442,659	\$ 11,831,207	\$ 11,585,579	\$ 11,137,893
Contributions as a percentage of covered payroll	2.23%	2.17%	1.73%	1.67%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ 238,348	\$ 203,950	\$ 180,282	\$ 235,069	\$ 412,737	\$ 295,163
<u>(238,348)</u>	<u>(203,950)</u>	<u>(180,282)</u>	<u>(235,069)</u>	<u>(412,737)</u>	<u>(295,163)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 11,298,938	\$ 11,032,186	\$ 10,474,176	\$ 10,587,546	\$ 11,428,552	\$ 11,720,007
2.11%	1.85%	1.72%	2.22%	3.61%	2.52%

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

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

LAST TEN FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	-	-	-	-
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 40,176,021	\$ 40,899,571	\$ 39,999,943	\$ 38,017,786
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%

SEE ACCOMPANYING NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$ -	\$ 368,635	\$ 375,875	\$ 371,401	\$ 403,622	\$ 405,799
-	(368,635)	(375,875)	(371,401)	(403,622)	(405,799)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 36,825,550	\$ 36,097,362	\$ 37,587,531	\$ 37,140,131	\$ 40,362,223	\$ 40,577,915
0.00%	1.00%	1.00%	1.00%	1.00%	1.00%

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

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PENSION

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*SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO*

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for fiscal years 2014-2017. For fiscal year 2018, SERS changed from a fixed 3% annual increase to a Cost of Living Adjustment (COLA) based on the changes in the Consumer Price Index (CPI-W), with a cap of 2.5% and a floor of 0%. There were no changes in benefit terms from the amounts previously reported for fiscal year 2019.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2016. For fiscal year 2017, the following changes of assumptions affected the total pension liability since the prior measurement date: (a) the assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) Rates of withdrawal, retirement and disability were updated to reflect recent experience, (e) mortality among active members was updated to RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females, (f) mortality among service retired members, and beneficiaries was updated to the following RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates, (g) mortality among disabled members was updated to RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement and (h) the discount rate was reduced from 7.75% to 7.50%. There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2018-2019.

*STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO*

Changes in benefit terms: There were no changes in benefit terms from the amounts reported for fiscal years 2014-2017. For fiscal year 2018, STRS decreased the Cost of Living Adjustment (COLA) to zero. There were no changes in benefit terms from amounts previously reported for fiscal year 2019.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal years 2014-2017. For fiscal year 2018, the following changes of assumption affected the total pension liability since the prior measurement date: (a) the long term expected rate of return was reduced from 7.75% to 7.45%, (b) the inflation assumption was lowered from 2.75% to 2.50%, (c) the payroll growth assumption was lowered to 3.00%, (d) 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 (e) the healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016 and (f) rates of retirement, termination and disability were modified to better reflect anticipated future experience. There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2019.

(Continued)

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

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*SCHOOL EMPLOYEES RETIREMENT SYSTEM (SERS) OF OHIO*

Changes in benefit terms: There were no changes in benefit terms from the amounts previously reported for fiscal years 2017-2019.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017. For fiscal year 2018, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) assumed rate of inflation was reduced from 3.25% to 3.00%, (b) payroll growth assumption was reduced from 4.00% to 3.50%, (c) assumed real wage growth was reduced from 0.75% to 0.50%, (d) rates of withdrawal, retirement, and disability were updated to reflect recent experience, (e) mortality among active members was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection and a five-year age set-back for both males and females, (f) mortality among service retired members, and beneficiaries was updated to the following: RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates, (g) mortality among disabled members was updated to the following: 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, (h) the municipal bond index rate increased from 2.92% to 3.56% and (i) the single equivalent interest rate, net of plan investment expense, including price inflation increased from 2.98% to 3.63%. For fiscal year 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate increased from 3.63% to 3.70%, (b) the health care cost trend rate for Medicare were changed from a range of 5.50%-5.00% to a range of 5.375%-4.75% and Pre-Medicare were changed from a range of 7.50%-5.00% to a range of 7.25%-4.75%, (c) the municipal bond index rate increased from 3.56% to 3.62% and (i) the single equivalent interest rate, net of plan investment expense, including price inflation increased from 3.63% to 3.70%.

*STATE TEACHERS RETIREMENT SYSTEM (STRS) OF OHIO*

Changes in benefit terms: There were no changes in benefit terms from the amounts previously reported for fiscal year 2017. For fiscal year 2018, STRS reduced the subsidy multiplier for non-Medicare benefit recipients 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. For fiscal year 2019, STRS increased the subsidy multiplier for non-Medicare benefit recipients from 1.9% to 1.944% per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased January 1, 2019 and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020.

Changes in assumptions: There were no changes in methods and assumptions used in the calculation of actuarial determined contributions for fiscal year 2017. For fiscal year 2018, the following changes of assumption affected the total OPEB liability since the prior measurement date: (a) 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), (b) the long term expected rate of return was reduced from 7.75% to 7.45%, (c) valuation year per capita health care costs were updated, and the salary scale was modified, (d) 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 and (e) the assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs. For fiscal year 2019, the following changes of assumptions affected the total OPEB liability since the prior measurement date: (a) the discount rate was increased from the blended rate of 4.13% to the long-term expected rate of return of 7.45% based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB) and (b) decrease in trend rates from 6.00%-11.00 initial; 4.50% ultimate down to Medical Pre-Medicare 6.00% and Medicare 5.00% initial; 4.00% ultimate and Prescription Drug Pre-Medicare 8.00% and Medicare (5.23%) initial; 4.00% ultimate.

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COMBINING STATEMENTS AND  
INDIVIDUAL FUND SCHEDULES

**SYLVANIA CITY SCHOOL DISTRICT  
MAJOR FUNDS**

**General Fund**

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

**Other Major Fund**

**Debt Service Fund**

The debt service fund is used to account for and report financial resources that are restricted committed or assigned to expenditure for principal and interest.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
From local sources:				
Property taxes . . . . .	\$ 62,656,724	\$ 63,337,839	\$ 63,281,297	\$ (56,542)
Payments in lieu of taxes. . . . .	297,076	297,076	297,076	-
Tuition . . . . .	826,926	1,044,781	835,130	(209,651)
Transportation fees. . . . .	111,365	45,000	112,470	67,470
Earnings on investments . . . . .	647,007	425,000	653,426	228,426
Classroom materials and supplies . . . . .	610,154	654,438	616,207	(38,231)
Rental income . . . . .	49,804	50,000	50,298	298
Contributions and donations. . . . .	11,956	-	12,075	12,075
Other local revenue . . . . .	439,676	396,200	476,874	80,674
Intergovernmental-state . . . . .	26,794,703	26,735,095	27,060,537	325,442
Intergovernmental-federal. . . . .	242,630	200,000	245,037	45,037
Total revenues . . . . .	<u>92,688,021</u>	<u>93,185,429</u>	<u>93,640,427</u>	<u>454,998</u>
<b>Expenditures:</b>				
Current:				
Instruction-regular				
Salaries and wages . . . . .	24,909,461	25,030,708	25,019,057	11,651
Fringe benefits . . . . .	9,596,169	9,642,878	9,642,015	863
Purchased services . . . . .	308,039	309,538	309,538	-
Supplies and materials . . . . .	1,656,794	1,664,858	1,559,636	105,222
Other . . . . .	1,489	1,496	1,299	197
Total instruction-regular. . . . .	<u>36,471,952</u>	<u>36,649,478</u>	<u>36,531,545</u>	<u>117,933</u>
Instruction-special				
Salaries and wages . . . . .	7,222,800	7,257,957	7,221,704	36,253
Fringe benefits . . . . .	3,275,888	3,291,833	3,291,813	20
Purchased services . . . . .	1,466,063	1,473,199	1,472,814	385
Supplies and materials . . . . .	41,100	41,300	39,137	2,163
Total instruction-special. . . . .	<u>12,005,851</u>	<u>12,064,289</u>	<u>12,025,468</u>	<u>38,821</u>
Instruction-vocational				
Salaries and wages . . . . .	1,053,246	1,058,373	1,058,373	-
Fringe benefits . . . . .	446,116	448,287	448,287	-
Purchased services . . . . .	39,735	39,928	39,928	-
Supplies and materials . . . . .	200,197	201,171	198,665	2,506
Capital outlay . . . . .	6,859	6,892	6,892	-
Other . . . . .	20,186	20,285	17,080	3,205
Total instruction-vocational . . . . .	<u>1,766,339</u>	<u>1,774,936</u>	<u>1,769,225</u>	<u>5,711</u>
Instruction-other				
Purchased services . . . . .	2,143,233	2,153,665	2,146,735	6,930
Total instruction-other. . . . .	<u>2,143,233</u>	<u>2,153,665</u>	<u>2,146,735</u>	<u>6,930</u>
Support services-pupil				
Salaries and wages . . . . .	4,078,321	4,098,172	4,078,865	19,307
Fringe benefits . . . . .	1,586,223	1,593,944	1,593,944	-
Purchased services . . . . .	518,917	521,443	521,443	-
Supplies and materials . . . . .	4,635	4,658	3,482	1,176
Capital outlay . . . . .	38,866	39,055	39,055	-
Other . . . . .	107,522	108,045	108,045	-
Total support services-pupil . . . . .	<u>6,334,484</u>	<u>6,365,317</u>	<u>6,344,834</u>	<u>20,483</u>

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**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Support services-instructional staff</b>				
Salaries and wages . . . . .	945,540	950,142	950,142	-
Fringe benefits . . . . .	655,967	659,160	659,160	-
Purchased services . . . . .	60,817	61,113	61,113	-
Supplies and materials . . . . .	191,755	192,689	186,668	6,021
Other . . . . .	8,036	8,075	8,075	-
Total support services-instructional staff . . . . .	<u>1,862,115</u>	<u>1,871,179</u>	<u>1,865,158</u>	<u>6,021</u>
<b>Support services-board of education</b>				
Salaries and wages . . . . .	12,439	12,500	12,500	-
Fringe benefits . . . . .	2,411	2,423	2,423	-
Purchased services . . . . .	4,464	4,486	4,486	-
Supplies and materials . . . . .	9,740	9,786	9,666	120
Other . . . . .	8,116	8,156	8,156	-
Total support services-board of education. . . . .	<u>37,170</u>	<u>37,351</u>	<u>37,231</u>	<u>120</u>
<b>Support services-administration</b>				
Salaries and wages . . . . .	4,439,770	4,461,380	4,461,380	-
Fringe benefits . . . . .	2,227,087	2,237,927	2,237,927	-
Purchased services . . . . .	398,549	400,489	400,489	-
Supplies and materials . . . . .	93,666	94,122	89,944	4,178
Other . . . . .	106,980	107,501	88,184	19,317
Total support services-administration . . . . .	<u>7,266,052</u>	<u>7,301,419</u>	<u>7,277,924</u>	<u>23,495</u>
<b>Support services-fiscal</b>				
Salaries and wages . . . . .	463,899	466,157	466,157	-
Fringe benefits . . . . .	220,473	221,546	221,546	-
Purchased services . . . . .	126,976	127,594	127,594	-
Supplies and materials . . . . .	21,180	21,283	18,440	2,843
Other . . . . .	954,680	959,327	956,391	2,936
Total support services-fiscal. . . . .	<u>1,787,208</u>	<u>1,795,907</u>	<u>1,790,128</u>	<u>5,779</u>
<b>Support services-business</b>				
Salaries and wages . . . . .	58,735	59,021	59,021	-
Fringe benefits . . . . .	32,990	33,151	33,151	-
Purchased services . . . . .	21,131	21,234	21,234	-
Supplies and materials . . . . .	4,360	4,381	3,992	389
Other . . . . .	3,135	3,150	3,150	-
Total support services-business . . . . .	<u>120,351</u>	<u>120,937</u>	<u>120,548</u>	<u>389</u>
<b>Support services-operations &amp; maintenance</b>				
Salaries and wages . . . . .	3,348,794	3,365,094	3,365,094	-
Fringe benefits . . . . .	1,835,797	1,844,733	1,844,733	-
Purchased services . . . . .	3,097,548	3,112,625	3,108,642	3,983
Supplies and materials . . . . .	993,258	998,093	976,904	21,189
Capital outlay . . . . .	60,040	60,332	55,038	5,294
Other . . . . .	86,453	86,874	86,874	-
Total support services-operations & maintenance . . . . .	<u>9,421,890</u>	<u>9,467,751</u>	<u>9,437,285</u>	<u>30,466</u>

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**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Support services-pupil transportation				
Salaries and wages . . . . .	2,632,426	2,645,239	2,645,239	-
Fringe benefits . . . . .	1,377,402	1,384,106	1,384,105	1
Purchased services . . . . .	237,001	238,155	238,155	-
Supplies and materials . . . . .	632,608	635,687	619,813	15,874
Capital outlay . . . . .	40,673	40,871	40,837	34
Total support services-pupil transportation . . . . .	<u>4,920,110</u>	<u>4,944,058</u>	<u>4,928,149</u>	<u>15,909</u>
Support services-central				
Salaries and wages . . . . .	429,196	431,286	431,286	-
Fringe benefits . . . . .	206,515	207,520	207,517	3
Purchased services . . . . .	336,593	338,231	338,231	-
Supplies and materials . . . . .	198,223	199,188	198,658	530
Capital outlay . . . . .	1,493	1,500	-	1,500
Other . . . . .	9,205	9,250	7,463	1,787
Total support services-central . . . . .	<u>1,181,225</u>	<u>1,186,975</u>	<u>1,183,155</u>	<u>3,820</u>
Other non-instructional services				
Purchased services . . . . .	22,341	22,450	22,450	-
Supplies and materials . . . . .	119	120	47	73
Total other non-instructional services . . . . .	<u>22,460</u>	<u>22,570</u>	<u>22,497</u>	<u>73</u>
Extracurricular activities				
Salaries and wages . . . . .	1,182,351	1,188,106	1,188,106	-
Fringe benefits . . . . .	223,690	224,779	224,779	-
Purchased services . . . . .	23,255	23,369	23,369	-
Other . . . . .	63,748	64,058	59,230	4,828
Total extracurricular activities. . . . .	<u>1,493,044</u>	<u>1,500,312</u>	<u>1,495,484</u>	<u>4,828</u>
Facilities acquisition and construction				
Supplies and materials . . . . .	251,072	252,294	251,482	812
Total facilities acquisition and construction. . . . .	<u>251,072</u>	<u>252,294</u>	<u>251,482</u>	<u>812</u>
Debt service:				
Principal retirement . . . . .	314,486	316,017	315,000	1,017
Interest and fiscal charges. . . . .	141,718	142,408	141,950	458
Total debt service. . . . .	<u>456,204</u>	<u>458,425</u>	<u>456,950</u>	<u>1,475</u>
Total expenditures . . . . .	<u>87,540,760</u>	<u>87,966,863</u>	<u>87,683,798</u>	<u>283,065</u>
Excess of revenues over expenditures . . . . .	<u>5,147,261</u>	<u>5,218,566</u>	<u>5,956,629</u>	<u>738,063</u>
<b>Other financing sources (uses):</b>				
Transfers in . . . . .	5,000	5,000	1,174,420	1,169,420
Transfers out . . . . .	(1,750,506)	(1,759,026)	(1,753,366)	5,660
Advances in. . . . .	277,062	277,062	277,062	-
Advances out . . . . .	(169,066)	(169,889)	(169,342)	547
Refund of prior year expenditures . . . . .	100,000	100,000	21,800	(78,200)
Total other financing sources (uses) . . . . .	<u>(1,537,510)</u>	<u>(1,546,853)</u>	<u>(449,426)</u>	<u>1,097,427</u>
Net change in fund balance . . . . .	3,609,751	3,671,713	5,507,203	1,835,490
<b>Fund balance at beginning of year . . . . .</b>	<b>15,028,723</b>	<b>15,028,723</b>	<b>15,028,723</b>	<b>-</b>
<b>Prior year encumbrances appropriated. . . . .</b>	<b>133,106</b>	<b>133,106</b>	<b>133,106</b>	<b>-</b>
<b>Fund balance at end of year. . . . .</b>	<b><u>\$ 18,771,580</u></b>	<b><u>\$ 18,833,542</u></b>	<b><u>\$ 20,669,032</u></b>	<b><u>\$ 1,835,490</u></b>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DEBT SERVICE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget- Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
Total Revenues and Other Sources. . . . .	\$ 7,612,000	\$ 7,612,000	\$ 7,546,201	\$ (65,799)
Total Expenditures and Other Uses. . . . .	<u>7,724,443</u>	<u>7,708,881</u>	<u>7,708,418</u>	<u>463</u>
Net Change in Fund Balance . . . . .	(112,443)	(96,881)	(162,217)	(65,336)
Fund balance at beginning of year . . . . .	<u>3,700,172</u>	<u>3,700,172</u>	<u>3,700,172</u>	<u>(23,278)</u>
Fund balance at end of year . . . . .	<u><u>\$ 3,587,729</u></u>	<u><u>\$ 3,603,291</u></u>	<u><u>\$ 3,537,955</u></u>	<u><u>\$ (88,614)</u></u>

**SYLVANIA CITY SCHOOL DISTRICT  
NONMAJOR GOVERNMENTAL FUND DESCRIPTION**

**Nonmajor Special Revenue Funds**

The special revenue funds are established to account for revenues from specific sources which, legally or otherwise, are restricted to expenditures for specific purposes. A description of the District's special revenue funds follows:

**Food Service** Section 3313.81, Revised Code

This fund is used to record financial transactions related to food service operations.

**Other Grants** Sections 5705.09 and 5705.13, Revised Code

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

**District Managed Student Activity** Section 3313.062, Revised Code

A fund provided to account for those student activity programs which have student participation in the activity, but do not have student management of the programs. This fund would usually include athletic programs but could also include the band, cheerleaders, flag corps, and other similar types of activities.

**Auxiliary Services** Current Budget Bill, appropriation line item 200-511

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

**Data Communications for Schools** Section 5705.09, Revised Code

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

**Vocational Educational Enhancements** State Line Item Appropriation GRF 200-545

A fund used to account for Vocational Education Enhancements that: 1) expand the number of students enrolled in tech prep programs, 2) enable students to develop career plans, to identify initial educational and career goals, and to develop a career passport which provides a clear understanding of the student's knowledge, skills, and credentials to present to future employers, universities, and other training institutes and 3) replace or update equipment essential for the instruction of students in job skills taught as part of a vocational program or programs approved for such instruction by the State Board of Education.

**Miscellaneous State Grants** Section 5705.12, Revised Code

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

**Adult Basic Education** PL 91-230, Title III

This fund accounts for Federal monies used to provide programs in reading, writing and math competency for adults who have not earned a high school diploma.

**IDEA Part B** Education of the Handicapped Act, PL 91-230

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

**Vocational Education** Carl D. Perkins Vocational Education Act of 1984, PL 98-524

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

**SYLVANIA CITY SCHOOL DISTRICT  
NONMAJOR GOVERNMENTAL FUND DESCRIPTION**

**Nonmajor Special Revenue Funds (Continued)**

**Title III - Limited English Proficiency**

Catalog of Federal Domestic Assistance #84.365

Funds to develop and carry out elementary and secondary school programs, including activities at the pre-school level, to meet the educational needs of children of limited English proficiency. These programs provided structured English language instruction, with the respect to the years of study to which the program is applicable, and instruction in the child's native language to the extent necessary to allow a child to achieve competence in English. The instruction must be, to the extent necessary, in all courses or subjects of study which will allow a child to meet grade promotion and graduation standards.

**Title I**

Catalog of Federal Domestic Assistance #84.010

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

**Pre-school for the Handicapped Grant**

Education of the Handicapped Act Amendments, PL 99-457.

Catalog of Federal Domestic Assistance #84-173

The Pre-school Grant Program addresses the improvement and expansion of services for handicapped children ages three (3) through five (5) years.

**Improving Teacher Quality**

Title VI ESEA

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

**Miscellaneous Federal Grants**

Section 5705.09, Revised Code

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

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

**Special Services Rotary Fund**

Section 5705.12, Revised Code

A fund provided to account for income and expenses made in connection with goods and services provided by a school district. Activities in this fund tend to be circicular in nature.

**Natatorium**

Section 755.14, Revised Code

A fund provided to account for monies received and expended in connection with a community recreation program.

**Rotary Fund**

Section 5705.12, Revised Code

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

**Public School Support**

Section 5705.12, Revised Code

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



**SYLVANIA CITY SCHOOL DISTRICT  
NONMAJOR GOVERNMENTAL FUND DESCRIPTION**

**Nonmajor Capital Projects Fund**

Capital projects funds are used to account for financial resources that are restricted, committed or assigned for the construction or acquisition of major capital facilities and other capital assets (other than those financed by proprietary funds and trust funds). A description of the District's nonmajor capital projects fund follows:

**Permanent Improvement**

Section 5705.10, Revised Code

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

**Building Fund**

Section 5705.09, Revised Code

This fund accounts for the receipts and expenditures related to all special bond funds in the District and to account for receipts and expenditures involved in the replacement or updating of equipment essential for the instruction of students in job skills. All proceeds from the sale of bonds, notes, or certificates of indebtedness, except premium and accrued interest, must be paid into this fund. Expenditures recorded here represent the costs of acquiring capital facilities, including real property.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2019

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Fund</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents. . . . .	\$ 413,129	\$ 2,926,940	\$ 3,340,069
Receivables:			
Property taxes . . . . .	-	1,729,385	1,729,385
Payment in lieu of taxes. . . . .	-	13,052	13,052
Accounts. . . . .	17,737	-	17,737
Intergovernmental . . . . .	436,816	-	436,816
Inventory held for resale . . . . .	4,214	-	4,214
Total assets. . . . .	\$ 871,896	\$ 4,669,377	\$ 5,541,273
<b>Liabilities:</b>			
Accounts payable. . . . .	\$ 37,853	\$ 153,747	\$ 191,600
Contracts payable. . . . .	-	149,547	149,547
Retainage payable . . . . .	-	20,790	20,790
Accrued wages and benefits payable . . . . .	339,178	-	339,178
Compensated absences payable . . . . .	39,415	-	39,415
Intergovernmental payable . . . . .	15,223	-	15,223
Pension and postemployment benefits payable . . . . .	105,559	-	105,559
Interfund loan payable . . . . .	169,342	-	169,342
Total liabilities. . . . .	706,570	324,084	1,030,654
<b>Deferred inflows of resources:</b>			
Property taxes levied for the next fiscal year. . . . .	-	1,652,778	1,652,778
Payment in lieu of taxes levied for the next fiscal year . . . . .	-	13,052	13,052
Delinquent property tax revenue not available. . . . .	-	20,235	20,235
Intergovernmental revenue not available . . . . .	95,115	-	95,115
Total deferred inflows of resources . . . . .	95,115	1,686,065	1,781,180
<b>Fund balances:</b>			
Restricted:			
Capital improvements . . . . .	-	2,659,228	2,659,228
Non-public schools . . . . .	7,515	-	7,515
Other purposes . . . . .	23,803	-	23,803
Extracurricular . . . . .	267,580	-	267,580
Unassigned (deficit) . . . . .	(228,687)	-	(228,687)
Total fund balances . . . . .	70,211	2,659,228	2,729,439
Total liabilities and fund balances. . . . .	\$ 871,896	\$ 4,669,377	\$ 5,541,273

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Fund</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues:</b>			
From local sources:			
Property taxes . . . . .	\$ -	\$ 1,717,429	\$ 1,717,429
Payment in lieu of taxes . . . . .	-	5,594	5,594
Earnings on investments . . . . .	4,610	-	4,610
Charges for services . . . . .	1,230,096	-	1,230,096
Extracurricular . . . . .	460,838	-	460,838
Contributions and donations . . . . .	6,000	250,000	256,000
Other local revenues . . . . .	20,691	12,055	32,746
Intergovernmental - state . . . . .	975,377	76,857	1,052,234
Intergovernmental - federal . . . . .	3,928,177	-	3,928,177
Total revenue. . . . .	<u>6,625,789</u>	<u>2,061,935</u>	<u>8,687,724</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular. . . . .	189,069	-	189,069
Special . . . . .	2,141,818	-	2,141,818
Vocational . . . . .	101,296	-	101,296
Adult/continuing . . . . .	94,495	-	94,495
Support services:			
Pupil . . . . .	110,134	-	110,134
Instructional staff. . . . .	19,505	-	19,505
Administration . . . . .	7,320	-	7,320
Fiscal. . . . .	-	22,497	22,497
Business . . . . .	-	16,341	16,341
Operations and maintenance . . . . .	46,735	899,468	946,203
Pupil transportation . . . . .	31,263	469,244	500,507
Central . . . . .	21,600	-	21,600
Operation of non-instructional services:			
Food service operations . . . . .	2,322,311	-	2,322,311
Other non-instructional services . . . . .	1,057,161	-	1,057,161
Extracurricular activities. . . . .	428,069	-	428,069
Debt service:			
Principal retirement . . . . .	-	259,243	259,243
Interest and fiscal charges. . . . .	-	69,093	69,093
Total expenditures . . . . .	<u>6,570,776</u>	<u>1,735,886</u>	<u>8,306,662</u>
Excess of revenues (under) expenditures . . . . .	<u>55,013</u>	<u>326,049</u>	<u>381,062</u>
<b>Other financing sources:</b>			
Transfers in. . . . .	27,123	500,000	527,123
Total other financing sources . . . . .	<u>27,123</u>	<u>500,000</u>	<u>527,123</u>
Net change in fund balances . . . . .	82,136	826,049	908,185
<b>Fund balances (deficit) at beginning of year .</b>	(12,826)	1,833,179	1,820,353
<b>Increase in reserve for inventory . . . . .</b>	901	-	901
<b>Fund balances at end of year . . . . .</b>	<u>\$ 70,211</u>	<u>\$ 2,659,228</u>	<u>\$ 2,729,439</u>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2019

	<u>Food Service</u>	<u>Other Grants</u>	<u>District Managed Student Activity</u>	<u>Auxiliary Services</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 57,140	\$ 9,418	\$ 301,623	\$ 9,644
Receivables:				
Accounts . . . . .	17,657	-	80	-
Intergovernmental . . . . .	-	-	-	-
Inventory held for resale . . . . .	4,214	-	-	-
Total assets. . . . .	<u>\$ 79,011</u>	<u>\$ 9,418</u>	<u>\$ 301,703</u>	<u>\$ 9,644</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ 908	\$ -	\$ 27,442	\$ 2,129
Accrued wages and benefits payable . . . . .	96,009	-	-	-
Compensated absences payable . . . . .	-	-	-	-
Intergovernmental payable . . . . .	3,824	407	2,200	-
Pension and postemployment benefits payable . . . . .	62,147	-	2	-
Interfund loan payable . . . . .	-	-	4,479	-
Total liabilities. . . . .	<u>162,888</u>	<u>407</u>	<u>34,123</u>	<u>2,129</u>
<b>Deferred inflows of resources:</b>				
Intergovernmental revenue not available . . . . .	-	-	-	-
<b>Fund balances:</b>				
Restricted:				
Non-public schools . . . . .	-	-	-	7,515
Other purposes . . . . .	-	9,011	-	-
Extracurricular . . . . .	-	-	267,580	-
Unassigned (deficit) . . . . .	(83,877)	-	-	-
Total fund balances (deficit) . . . . .	<u>(83,877)</u>	<u>9,011</u>	<u>267,580</u>	<u>7,515</u>
Total liabilities and fund balances . . . . .	<u>\$ 79,011</u>	<u>\$ 9,418</u>	<u>\$ 301,703</u>	<u>\$ 9,644</u>

Miscellaneous State Grants	Adult Basic Education	IDEA Part B	Vocational Education	Title III - Limited English Proficiency	Title I	Pre-school for the Handicapped Grant	Improving Teacher Quality
\$ 15,219	\$ 294	\$ 15,721	\$ 231	\$ -	\$ 488	\$ -	\$ 3,351
-	-	-	-	-	-	-	-
2,670	8,307	255,822	60	2,261	144,451	-	20,992
-	-	-	-	-	-	-	-
<u>\$ 17,889</u>	<u>\$ 8,601</u>	<u>\$ 271,543</u>	<u>\$ 291</u>	<u>\$ 2,261</u>	<u>\$ 144,939</u>	<u>\$ -</u>	<u>\$ 24,343</u>
\$ 202	\$ -	\$ 4,632	\$ -	\$ -	\$ -	\$ -	\$ 2,540
-	4,508	133,314	-	-	88,481	-	16,866
-	-	-	-	-	39,415	-	-
-	64	7,328	-	-	1,189	-	211
225	1,548	30,879	-	89	8,477	1,040	1,125
2,670	3,397	101,267	291	2,261	41,095	-	11,629
<u>3,097</u>	<u>9,517</u>	<u>277,420</u>	<u>291</u>	<u>2,350</u>	<u>178,657</u>	<u>1,040</u>	<u>32,371</u>
-	-	56,487	-	-	28,454	-	10,174
-	-	-	-	-	-	-	-
14,792	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	(916)	(62,364)	-	(89)	(62,172)	(1,040)	(18,202)
<u>14,792</u>	<u>(916)</u>	<u>(62,364)</u>	<u>-</u>	<u>(89)</u>	<u>(62,172)</u>	<u>(1,040)</u>	<u>(18,202)</u>
<u>\$ 17,889</u>	<u>\$ 8,601</u>	<u>\$ 271,543</u>	<u>\$ 291</u>	<u>\$ 2,261</u>	<u>\$ 144,939</u>	<u>\$ -</u>	<u>\$ 24,343</u>

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**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
JUNE 30, 2019

	<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue</u>
<b>Assets:</b>		
Equity in pooled cash and cash equivalents . . . . .	\$ -	\$ 413,129
Receivables:		
Accounts . . . . .	-	17,737
Intergovernmental . . . . .	2,253	436,816
Inventory held for resale . . . . .	-	4,214
Total assets. . . . .	<u>\$ 2,253</u>	<u>\$ 871,896</u>
<b>Liabilities:</b>		
Accounts payable. . . . .	\$ -	\$ 37,853
Accrued wages and benefits payable . . . . .	-	339,178
Compensated absences payable . . . . .	-	39,415
Intergovernmental payable . . . . .	-	15,223
Pension and postemployment benefits payable . . . . .	27	105,559
Interfund loan payable . . . . .	2,253	169,342
Total liabilities. . . . .	<u>2,280</u>	<u>706,570</u>
<b>Deferred inflows of resources:</b>		
Intergovernmental revenue not available . . . . .	<u>-</u>	<u>95,115</u>
<b>Fund balances:</b>		
Restricted:		
Non-public schools . . . . .	-	7,515
Other purposes . . . . .	-	23,803
Extracurricular . . . . .	-	267,580
Unassigned (deficit) . . . . .	(27)	(228,687)
Total fund balances (deficit) . . . . .	<u>(27)</u>	<u>70,211</u>
Total liabilities and fund balances . . . . .	<u>\$ 2,253</u>	<u>\$ 871,896</u>

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**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Food Service</u>	<u>Other Grants</u>	<u>District Managed Student Activity</u>	<u>Auxiliary Services</u>	<u>Data Communications for Schools</u>
<b>Revenues:</b>					
From local sources:					
Earnings on investments . . . . .	\$ 34	\$ -	\$ -	\$ 4,576	\$ -
Charges for services . . . . .	1,230,096	-	-	-	-
Extracurricular . . . . .	-	-	460,838	-	-
Contributions and donations . . . . .	-	-	6,000	-	-
Other local revenues . . . . .	284	20,407	-	-	-
Intergovernmental - state . . . . .	15,161	-	-	849,622	21,600
Intergovernmental - federal . . . . .	1,005,915	-	-	-	-
Total revenue. . . . .	<u>2,251,490</u>	<u>20,407</u>	<u>466,838</u>	<u>854,198</u>	<u>21,600</u>
<b>Expenditures:</b>					
Current:					
Instruction:					
Regular. . . . .	-	12,060	-	-	-
Special . . . . .	-	-	-	-	-
Vocational . . . . .	-	-	-	-	-
Adult/continuing . . . . .	-	-	-	-	-
Support services:					
Pupil . . . . .	-	-	-	-	-
Instructional staff. . . . .	-	-	-	-	-
Administration . . . . .	-	-	-	-	-
Operations and maintenance . . . . .	-	-	437	-	-
Pupil transportation . . . . .	-	-	213	-	-
Central . . . . .	-	-	-	-	21,600
Operation of non-instructional services:					
Food service operations . . . . .	2,322,311	-	-	-	-
Other non-instructional services . . . . .	-	-	-	886,403	-
Extracurricular activities . . . . .	-	407	427,662	-	-
Total expenditures . . . . .	<u>2,322,311</u>	<u>12,467</u>	<u>428,312</u>	<u>886,403</u>	<u>21,600</u>
Excess of revenues over (under) expenditures . . . . .	<u>(70,821)</u>	<u>7,940</u>	<u>38,526</u>	<u>(32,205)</u>	<u>-</u>
<b>Other financing sources:</b>					
Transfers in. . . . .	<u>27,123</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources. . . . .	<u>27,123</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances . . . . .	(43,698)	7,940	38,526	(32,205)	-
<b>Fund balances (deficit) at beginning of year . . . . .</b>	(41,080)	1,071	229,054	39,720	-
<b>Increase in reserve for inventory . . . . .</b>	901	-	-	-	-
<b>Fund balances (deficit) at end of year . . . . .</b>	<u>\$ (83,877)</u>	<u>\$ 9,011</u>	<u>\$ 267,580</u>	<u>\$ 7,515</u>	<u>\$ -</u>



<u>Miscellaneous State Grants</u>	<u>Adult Basic Education</u>	<u>IDEA Part B</u>	<u>Vocational Education</u>	<u>Title III - Limited English Proficiency</u>	<u>Title I</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
88,994	-	-	-	-	-
-	95,030	1,620,434	104,411	21,488	788,726
<u>88,994</u>	<u>95,030</u>	<u>1,620,434</u>	<u>104,411</u>	<u>21,488</u>	<u>788,726</u>
-	-	-	-	-	-
3,343	-	1,363,347	-	19,203	721,842
8,279	-	-	93,017	-	-
-	94,495	-	-	-	-
29,805	-	80,302	-	-	-
1,725	-	-	11,280	-	-
-	-	-	-	-	7,320
-	-	-	-	-	-
31,050	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	90,582	-	2,093	44,663
-	-	-	-	-	-
<u>74,202</u>	<u>94,495</u>	<u>1,534,231</u>	<u>104,297</u>	<u>21,296</u>	<u>773,825</u>
<u>14,792</u>	<u>535</u>	<u>86,203</u>	<u>114</u>	<u>192</u>	<u>14,901</u>
-	-	-	-	-	-
-	-	-	-	-	-
14,792	535	86,203	114	192	14,901
-	(1,451)	(148,567)	(114)	(281)	(77,073)
-	-	-	-	-	-
<u>\$ 14,792</u>	<u>\$ (916)</u>	<u>\$ (62,364)</u>	<u>\$ -</u>	<u>\$ (89)</u>	<u>\$ (62,172)</u>

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**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<b>Pre-school for the Handicapped Grant</b>	<b>Improving Teacher Quality</b>	<b>Miscellaneous Federal Grants</b>	<b>Total Nonmajor Special Revenue</b>
<b>Revenues:</b>				
From local sources:				
Earnings on investments . . . . .	\$ -	\$ -	\$ -	\$ 4,610
Charges for services . . . . .	-	-	-	1,230,096
Extracurricular . . . . .	-	-	-	460,838
Contributions and donations . . . . .	-	-	-	6,000
Other local revenues . . . . .	-	-	-	20,691
Intergovernmental - state . . . . .	-	-	-	975,377
Intergovernmental - federal . . . . .	34,285	189,105	68,783	3,928,177
Total revenue. . . . .	<u>34,285</u>	<u>189,105</u>	<u>68,783</u>	<u>6,625,789</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular. . . . .	-	177,009	-	189,069
Special . . . . .	34,083	-	-	2,141,818
Vocational . . . . .	-	-	-	101,296
Adult/continuing . . . . .	-	-	-	94,495
Support services:				
Pupil . . . . .	-	-	27	110,134
Instructional staff. . . . .	-	-	6,500	19,505
Administration . . . . .	-	-	-	7,320
Operations and maintenance . . . . .	-	-	46,298	46,735
Pupil transportation . . . . .	-	-	-	31,263
Central . . . . .	-	-	-	21,600
Operation of non-instructional services:				
Food service operations . . . . .	-	-	-	2,322,311
Other non-instructional services . . . . .	-	17,435	15,985	1,057,161
Extracurricular activities . . . . .	-	-	-	428,069
Total expenditures . . . . .	<u>34,083</u>	<u>194,444</u>	<u>68,810</u>	<u>6,570,776</u>
Excess of revenues over (under) expenditures . . . . .	202	(5,339)	(27)	55,013
<b>Other financing sources:</b>				
Transfers in. . . . .	-	-	-	27,123
Total other financing sources. . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,123</u>
Net change in fund balances . . . . .	202	(5,339)	(27)	82,136
<b>Fund balances (deficit)</b>				
at beginning of year . . . . .	(1,242)	(12,863)	-	(12,826)
Increase in reserve for inventory . . . . .	-	-	-	901
<b>Fund balances (deficit) at end of year . . . . .</b>	<u>\$ (1,040)</u>	<u>\$ (18,202)</u>	<u>\$ (27)</u>	<u>\$ 70,211</u>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Food Services</b>				
Total Revenues and Other Sources. . . . .	\$ 2,098,000	\$ 2,126,925	\$ 2,096,288	\$ (30,637)
Total Expenditures and Other Uses. . . . .	<u>2,147,762</u>	<u>2,130,380</u>	<u>2,123,243</u>	<u>7,137</u>
Net Change in Fund Balance . . . . .	(49,762)	(3,455)	(26,955)	(23,500)
Fund balance at beginning of year . . . . .	60,736	60,736	60,736	-
Prior year encumbrances appropriated. . . . .	<u>3,555</u>	<u>3,555</u>	<u>3,555</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ 14,529</u>	<u>\$ 60,836</u>	<u>\$ 37,336</u>	<u>\$ (23,500)</u>
<b>Other Grants</b>				
Total Revenues and Other Sources. . . . .	\$ -	\$ 20,407	\$ 20,407	\$ -
Total Expenditures and Other Uses. . . . .	<u>-</u>	<u>20,000</u>	<u>12,060</u>	<u>7,940</u>
Net Change in Fund Balance . . . . .	-	407	8,347	7,940
Fund balance at beginning of year . . . . .	<u>1,071</u>	<u>1,071</u>	<u>1,071</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ 1,071</u>	<u>\$ 1,478</u>	<u>\$ 9,418</u>	<u>\$ 7,940</u>
<b>District Managed Student Activity</b>				
Total Revenues and Other Sources. . . . .	\$ 526,562	\$ 545,562	\$ 473,714	\$ (71,848)
Total Expenditures and Other Uses. . . . .	<u>641,570</u>	<u>661,857</u>	<u>497,081</u>	<u>164,776</u>
Net Change in Fund Balance . . . . .	(115,008)	(116,295)	(23,367)	92,928
Fund balance at beginning of year . . . . .	204,595	204,595	204,595	-
Prior year encumbrances appropriated. . . . .	<u>53,530</u>	<u>53,530</u>	<u>53,530</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ 143,117</u>	<u>\$ 141,830</u>	<u>\$ 234,758</u>	<u>\$ 92,928</u>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Auxiliary Services</b>				
Total Revenues and Other Sources. . . . .	\$ 852,000	\$ 854,178	\$ 854,198	\$ 20
Total Expenditures and Other Uses. . . . .	<u>762,662</u>	<u>893,935</u>	<u>892,911</u>	<u>1,024</u>
Net Change in Fund Balance . . . . .	89,338	(39,757)	(38,713)	1,044
Fund balance at beginning of year . . . . .	28,092	28,092	28,092	-
Prior year encumbrances appropriated. . . . .	<u>12,100</u>	<u>12,100</u>	<u>12,100</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ 129,530</u>	<u>\$ 435</u>	<u>\$ 1,479</u>	<u>\$ 1,044</u>
<b>Data Communications for Schools</b>				
Total Revenues and Other Sources. . . . .	\$ -	\$ 21,600	\$ 21,600	\$ -
Total Expenditures and Other Uses. . . . .	<u>-</u>	<u>21,600</u>	<u>21,600</u>	<u>-</u>
Net Change in Fund Balance . . . . .	-	-	-	-
Fund balance at beginning of year . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Vocational Educational Enhancements</b>				
Total Revenues and Other Sources. . . . .	\$ 2,220	\$ 2,220	\$ 2,221	\$ 1
Total Expenditures and Other Uses. . . . .	<u>3,031</u>	<u>3,031</u>	<u>3,032</u>	<u>(1)</u>
Net Change in Fund Balance . . . . .	(811)	(811)	(811)	-
Fund balance at beginning of year . . . . .	-	-	-	-
Prior year encumbrances appropriated. . . . .	<u>811</u>	<u>811</u>	<u>811</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Miscellaneous State Grants</b>				
Total Revenues and Other Sources. . . . .	\$ 43,255	\$ 89,303	\$ 89,303	\$ -
Total Expenditures and Other Uses. . . . .	<u>43,255</u>	<u>74,286</u>	<u>74,286</u>	<u>-</u>
Net Change in Fund Balance . . . . .	-	15,017	15,017	-
Fund balance (deficit) at beginning of year . . . . .	(3,343)	(3,343)	(3,343)	(3,343)
Prior year encumbrances appropriated. . . . .	<u>3,343</u>	<u>3,343</u>	<u>3,343</u>	<u>-</u>
Fund balance at end of year. . . . .	<u>\$ -</u>	<u>\$ 15,017</u>	<u>\$ 15,017</u>	<u>\$ (3,343)</u>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Adult Basic Education</b>				
Total Revenues and Other Sources. . . . .	\$ 104,214	\$ 94,334	\$ 94,334	\$ -
Total Expenditures and Other Uses. . . . .	<u>104,214</u>	<u>94,334</u>	<u>94,334</u>	<u>-</u>
Net Change in Fund Balance . . . . .	-	-	-	-
Fund balance at beginning of year . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<b>IDEA Part B</b>				
Total Revenues and Other Sources. . . . .	\$ 1,909,941	\$ 1,730,485	\$ 1,730,485	\$ -
Total Expenditures and Other Uses. . . . .	<u>1,915,658</u>	<u>1,736,202</u>	<u>1,729,409</u>	<u>6,793</u>
Net Change in Fund Balance . . . . .	(5,717)	(5,717)	1,076	6,793
Fund balance at beginning of year . . . . .	90	90	90	-
Prior year encumbrances appropriated. . .	<u>5,627</u>	<u>5,627</u>	<u>5,627</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 6,793</u></u>	<u><u>\$ 6,793</u></u>
<b>Vocational Education</b>				
Total Revenues and Other Sources. . . . .	\$ 101,107	\$ 105,667	\$ 105,667	\$ -
Total Expenditures and Other Uses. . . . .	<u>101,730</u>	<u>106,290</u>	<u>106,059</u>	<u>231</u>
Net Change in Fund Balance . . . . .	(623)	(623)	(392)	231
Fund balance at beginning of year . . . . .	-	-	-	-
Prior year encumbrances appropriated. . .	<u>623</u>	<u>623</u>	<u>623</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 231</u></u>	<u><u>\$ 231</u></u>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Title III - Limited English Proficiency</b>				
Total Revenues and Other Sources. . . . .	\$ 56,160	\$ 43,459	\$ 43,459	\$ -
Total Expenditures and Other Uses. . . . .	<u>56,160</u>	<u>43,459</u>	<u>43,459</u>	<u>-</u>
Net Change in Fund Balance . . . . .	-	-	-	-
Fund balance at beginning of year . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<b>Title I</b>				
Total Revenues and Other Sources. . . . .	\$ 902,014	\$ 783,668	\$ 783,668	\$ -
Total Expenditures and Other Uses. . . . .	<u>907,364</u>	<u>789,018</u>	<u>788,780</u>	<u>238</u>
Net Change in Fund Balance . . . . .	(5,350)	(5,350)	(5,112)	238
Fund balance at beginning of year . . . . .	-	-	-	-
Prior year encumbrances appropriated. . . . .	<u>5,350</u>	<u>5,350</u>	<u>5,350</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 238</u></u>	<u><u>\$ 238</u></u>
<b>Pre-school for the Handicapped Grant</b>				
Total Revenues and Other Sources. . . . .	\$ 34,271	\$ 34,285	\$ 34,285	\$ -
Total Expenditures and Other Uses. . . . .	<u>34,271</u>	<u>34,285</u>	<u>34,285</u>	<u>-</u>
Net Change in Fund Balance . . . . .	-	-	-	-
Fund balance at beginning of year . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Improving Teacher Quality</b>				
Total Revenues and Other Sources . . . . .	\$ 217,676	\$ 208,017	\$ 208,017	\$ -
Total Expenditures and Other Uses . . . . .	<u>217,676</u>	<u>208,017</u>	<u>208,017</u>	<u>-</u>
Net Change in Fund Balance . . . . .	-	-	-	-
Fund balance at beginning of year . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<b>Miscellaneous Federal Grants</b>				
Total Revenues and Other Sources . . . . .	\$ 79,244	\$ 68,783	\$ 68,783	\$ -
Total Expenditures and Other Uses . . . . .	<u>79,244</u>	<u>68,783</u>	<u>68,783</u>	<u>-</u>
Net Change in Fund Balance . . . . .	-	-	-	-
Fund balance at beginning of year . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
<b>Special Services Rotary Fund</b>				
Total Revenues and Other Sources . . . . .	\$ 32,415	\$ 21,738	\$ 22,244	\$ 506
Total Expenditures and Other Uses . . . . .	<u>32,415</u>	<u>38,713</u>	<u>21,995</u>	<u>16,718</u>
Net Change in Fund Balance . . . . .	-	(16,975)	249	17,224
Fund balance at beginning of year . . . . .	<u>18,324</u>	<u>18,324</u>	<u>18,324</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ 18,324</u></u>	<u><u>\$ 1,349</u></u>	<u><u>\$ 18,573</u></u>	<u><u>\$ 17,224</u></u>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Natatorium</b>				
Total Revenues and Other Sources. . . . .	\$ 137,670	\$ 113,507	\$ 112,225	\$ (1,282)
Total Expenditures and Other Uses. . . . .	<u>137,670</u>	<u>113,439</u>	<u>113,440</u>	<u>(1)</u>
Net Change in Fund Balance . . . . .	-	68	(1,215)	(1,283)
Fund balance at beginning of year . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit) at end of year . . . . .	<u><u>\$ -</u></u>	<u><u>\$ 68</u></u>	<u><u>\$ (1,215)</u></u>	<u><u>\$ (1,283)</u></u>
<b>Rotary Fund</b>				
Total Revenues and Other Sources. . . . .	\$ 90,365	\$ 66,365	\$ 64,202	\$ (2,163)
Total Expenditures and Other Uses. . . . .	<u>90,615</u>	<u>97,711</u>	<u>97,526</u>	<u>185</u>
Net Change in Fund Balance . . . . .	(250)	(31,346)	(33,324)	(1,978)
Fund balance at beginning of year . . . . .	86,446	86,446	86,446	-
Prior year encumbrances appropriated. . . . .	<u>250</u>	<u>250</u>	<u>250</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ 86,446</u></u>	<u><u>\$ 55,350</u></u>	<u><u>\$ 53,372</u></u>	<u><u>\$ (1,978)</u></u>
<b>Public School Support</b>				
Total Revenues and Other Sources. . . . .	\$ 364,147	\$ 386,233	\$ 297,392	\$ (88,841)
Total Expenditures and Other Uses. . . . .	<u>374,715</u>	<u>405,454</u>	<u>258,139</u>	<u>147,315</u>
Net Change in Fund Balance . . . . .	(10,568)	(19,221)	39,253	58,474
Fund balance at beginning of year . . . . .	145,867	145,867	145,867	-
Prior year encumbrances appropriated. . . . .	<u>8,210</u>	<u>8,210</u>	<u>8,210</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ 143,509</u></u>	<u><u>\$ 134,856</u></u>	<u><u>\$ 193,330</u></u>	<u><u>\$ 58,474</u></u>



**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUND  
JUNE 30, 2019

	<u>Permanent Improvement</u>
<b>Assets:</b>	
Equity in pooled cash and cash equivalents. . . . .	\$ 2,926,940
Receivables:	
Property taxes . . . . .	1,729,385
Payment in lieu of taxes . . . . .	<u>13,052</u>
Total assets. . . . .	<u>\$ 4,669,377</u>
 <b>LIABILITIES, EQUITY AND OTHER CREDITS</b>	
<b>Liabilities:</b>	
Accounts payable . . . . .	\$ 153,747
Contracts payable. . . . .	149,547
Retainage payable . . . . .	<u>20,790</u>
Total liabilities. . . . .	<u>324,084</u>
 <b>Deferred inflows of resources:</b>	
Property taxes levied for the next fiscal year. . .	1,652,778
Payment in lieu of taxes levied for the next fiscal year . . . . .	13,052
Delinquent property tax revenue not available. . .	<u>20,235</u>
Total deferred inflow of resources . . . . .	<u>1,686,065</u>
 <b>Fund balances:</b>	
Restricted:	
Capital improvements . . . . .	<u>2,659,228</u>
Total fund balances. . . . .	<u>2,659,228</u>
 Total liabilities, deferred inflows and fund balance . . .	 <u>\$ 4,669,377</u>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<b>Permanent Improvement</b>	<b>Building</b>	<b>Total Nonmajor Capital Projects</b>
<b>Revenues:</b>			
From local sources:			
Property taxes . . . . .	\$ 1,717,429	\$ -	\$ 1,717,429
Payment in lieu of taxes . . . . .	5,594	-	5,594
Contributions and donations . . . . .	250,000	-	250,000
Other local revenues . . . . .	12,055	-	12,055
Intergovernmental - state . . . . .	76,857	-	76,857
Total revenue . . . . .	2,061,935	-	2,061,935
<b>Expenditures:</b>			
Current:			
Support services:			
Fiscal . . . . .	22,497	-	22,497
Business . . . . .	16,341	-	16,341
Operations and maintenance . . . . .	899,468	-	899,468
Pupil transportation . . . . .	469,244	-	469,244
Debt service:			
Principal retirement . . . . .	213,621	45,622	259,243
Interest and fiscal charges . . . . .	69,093	-	69,093
Total expenditures . . . . .	1,690,264	45,622	1,735,886
Excess of revenues over (under) expenditures . . . . .	371,671	(45,622)	326,049
<b>Other financing sources:</b>			
Transfer in . . . . .	500,000	-	500,000
Total other financing sources . . . . .	500,000	-	500,000
Net change in fund balances . . . . .	871,671	(45,622)	826,049
<b>Fund balances at beginning of year . . . . .</b>	<b>1,787,557</b>	<b>45,622</b>	<b>1,833,179</b>
<b>Fund balances at end of year . . . . .</b>	<b>\$ 2,659,228</b>	<b>\$ -</b>	<b>\$ 2,659,228</b>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<b>Variance with Final Budget- Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
<b>Permanent Improvement</b>				
Total Revenues and Other Sources . . . . .	\$ 1,861,500	\$ 2,950,549	\$ 2,894,170	\$ (56,379)
Total Expenditures and Other Uses . . . . .	<u>1,298,853</u>	<u>4,380,095</u>	<u>3,978,889</u>	<u>401,206</u>
Net Change in Fund Balance . . . . .	562,647	(1,429,546)	(1,084,719)	344,827
Fund balance at beginning of year . . . . .	1,450,118	1,450,118	1,450,118	-
Prior year encumbrances appropriated . . . . .	<u>730,600</u>	<u>730,600</u>	<u>730,600</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ 2,743,365</u>	<u>\$ 751,172</u>	<u>\$ 1,095,999</u>	<u>\$ 344,827</u>
<b>Building</b>				
Total Revenues and Other Sources . . . . .	\$ -	\$ 250,000	\$ -	\$ (250,000)
Total Expenditures and Other Uses . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance . . . . .	-	250,000	-	(250,000)
Fund balance at beginning of year . . . . .	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year . . . . .	<u>\$ -</u>	<u>\$ 250,000</u>	<u>\$ -</u>	<u>\$ (250,000)</u>

## 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 and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. Agency funds are purely custodial (assets equal liabilities) and thus do not involve the measure of results of operations

### Private-Purpose Trust Fund

#### **Scholarship Fund**

Section 5705.09, Revised Code

This fund accounts for monies to be set aside for college scholarships for students enrolled in the School District. The income from such a fund may be expended, but the principal must remain intact.

### Agency Funds

#### **OHSAA Tournaments Fund**

Section 5705.12, Revised Code

This fund reflects resources that are collected for various tournaments and remitted to the Ohio High School Athletic Association (OHSAA).

#### **Student Managed Activity Fund**

Section 3315.062, Revised Code

This fund accounts for those student activity programs which have student participation in the activity and have students involved in the management of the program.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SCHOLARSHIP FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Total Revenues and Other Sources. . . . .	\$ -	\$ 13,000	\$ 13,299	\$ 299
Total Expenditures and Other Uses. . . . .	<u>7,361</u>	<u>20,950</u>	<u>7,161</u>	<u>13,789</u>
Net Change in Fund Balance . . . . .	(7,361)	(7,950)	6,138	14,088
Fund balance at beginning of year . . . . .	<u>8,490</u>	<u>8,490</u>	<u>8,490</u>	<u>-</u>
Fund balance at end of year . . . . .	<u><u>\$ 1,129</u></u>	<u><u>\$ 540</u></u>	<u><u>\$ 14,628</u></u>	<u><u>\$ 14,088</u></u>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

	<u>Beginning Balance June 30, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance June 30, 2019</u>
<b>OHSAA Tournaments Fund</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 2,133	\$ 9,156	\$ 11,289	\$ -
Total assets . . . . .	<u>\$ 2,133</u>	<u>\$ 9,156</u>	<u>\$ 11,289</u>	<u>\$ -</u>
<b>Liabilities:</b>				
Intergovernmental payable. . . . .	\$ 2,133	\$ 9,156	\$ 11,289	\$ -
Total liabilities . . . . .	<u>\$ 2,133</u>	<u>\$ 9,156</u>	<u>\$ 11,289</u>	<u>\$ -</u>
<b>Student Managed Activities Fund</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 111,534	\$ 227,992	\$ 238,981	\$ 100,545
Total assets . . . . .	<u>\$ 111,534</u>	<u>\$ 227,992</u>	<u>\$ 238,981</u>	<u>\$ 100,545</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 4,225	\$ 8,963	\$ 4,225	\$ 8,963
Intergovernmental payable. . . . .	-	300	-	300
Due to students . . . . .	<u>107,309</u>	<u>218,729</u>	<u>234,756</u>	<u>91,282</u>
Total liabilities . . . . .	<u>\$ 111,534</u>	<u>\$ 227,992</u>	<u>\$ 238,981</u>	<u>\$ 100,545</u>
<b>Total - All Agency Funds</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 113,667	\$ 237,148	\$ 250,270	\$ 100,545
Total assets . . . . .	<u>\$ 113,667</u>	<u>\$ 237,148</u>	<u>\$ 250,270</u>	<u>\$ 100,545</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 4,225	\$ 8,963	\$ 4,225	\$ 8,963
Intergovernmental payable. . . . .	2,133	9,456	11,289	300
Due to students . . . . .	<u>107,309</u>	<u>218,729</u>	<u>234,756</u>	<u>91,282</u>
Total liabilities . . . . .	<u>\$ 113,667</u>	<u>\$ 237,148</u>	<u>\$ 250,270</u>	<u>\$ 100,545</u>

# Statistical Section



Across our district, educators are fulfilling our mission by preparing students to be life-long learners and engaged citizens. Students pictured are participating in class (left), members of the Sylvania Regional Orchestra (middle), and attentively listening to a classmate during a presentation (right),

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**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

**STATISTICAL SECTION**

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

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b>	<b>S2 - S11</b>
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	
<b>Revenue Capacity</b>	<b>S12 - S19</b>
These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	
<b>Debt Capacity</b>	<b>S20 - S23</b>
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	
<b>Demographic and Economic Information</b>	<b>S24 - S25</b>
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	
<b>Operating Information</b>	<b>S26 - S34</b>
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2019</u>	<u>2018</u>	<u>2017 (3)</u>	<u>2016</u>
<b>Governmental activities</b>				
Net investment in capital assets	\$ 15,809,180	\$ 15,489,254	\$ 15,023,837	\$ 15,548,098
Restricted	5,432,732	4,346,761	4,579,852	4,145,252
Unrestricted (deficit)	(86,485,392)	(101,836,680)	(153,898,228)	(124,221,153)
Total governmental activities net position (deficit)	<u>\$ (65,243,480)</u>	<u>\$ (82,000,665)</u>	<u>\$ (134,294,539)</u>	<u>\$ (104,527,803)</u>

- (1) New terminology in accordance with GASB Statement No. 63 which was implemented in 2013.  
Amounts for 2012 and 2011 have been restated to reflect the implementation of GASB Statement No. 65.
- (2) The District implemented GASB Statement No. 68 and 71 in 2015.  
Amounts for 2014 have been restated to reflect the implementation of these statements.
- (3) The District implemented GASB Statement No. 75 in 2018.  
Amounts for 2017 have been restated to reflect the implementation of this statement.

**Source:** School District financial records

<u>2015</u>	<u>2014 (2)</u>	<u>2013</u>	<u>2012 (1)</u>	<u>2011 (1)</u>	<u>2010</u>
\$ 13,948,002	\$ 13,968,477	\$ 14,760,435	\$ 16,273,543	\$ 15,807,676	\$ 18,997,215
5,007,886	3,546,425	1,289,863	4,388,544	3,631,117	3,569,858
(126,197,699)	(127,708,471)	(8,345,758)	(12,095,096)	(12,940,736)	(10,741,455)
<u>\$ (107,241,811)</u>	<u>\$ (110,193,569)</u>	<u>\$ 7,704,540</u>	<u>\$ 8,566,991</u>	<u>\$ 6,498,057</u>	<u>\$ 11,825,618</u>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>Expenses</b>				
Governmental activities:				
Instruction:				
Regular	\$ 34,456,693	\$ 17,467,589	\$ 38,598,123	\$ 35,316,565
Special	13,039,592	7,063,906	14,555,048	13,291,068
Vocational	1,884,636	1,221,311	2,517,544	1,814,688
Adult/Continuing	78,777	27,869	93,014	71,055
Other instructional	2,136,763	2,032,109	2,286,573	2,186,237
Support services:				
Pupil	5,924,523	2,701,436	6,235,878	5,521,918
Instructional staff	1,797,200	1,043,280	2,257,483	1,926,976
Board of education	34,465	28,886	35,293	32,820
Administration	6,820,625	4,321,384	8,114,875	7,358,021
Fiscal	1,836,227	1,585,485	1,950,168	1,800,082
Business	132,803	107,107	209,399	242,293
Operations and maintenance	9,971,172	6,956,354	9,945,554	9,336,202
Pupil transportation	4,639,121	2,520,832	4,780,637	4,477,720
Central	1,116,585	835,751	1,328,922	784,648
Operation of non-instructional services:				
Food service operations	2,435,568	1,847,751	2,495,494	2,215,835
Other non-instructional services	1,239,156	1,053,190	1,136,233	1,125,676
Extracurricular activities	2,463,841	1,804,350	2,999,186	2,666,350
Interest and fiscal charges	3,743,225	3,945,063	4,074,233	4,165,290
Total governmental activities expenses	<u>93,750,972</u>	<u>56,563,653</u>	<u>103,613,657</u>	<u>94,333,444</u>

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$	35,427,259	\$ 35,625,734	\$ 36,103,261	\$ 33,248,216	\$ 35,895,798	\$ 35,544,660
	12,642,540	13,019,704	10,332,087	8,384,850	9,006,976	9,262,000
	2,020,980	2,063,861	1,804,791	1,791,409	2,250,516	2,300,740
	64,496	47,053	68,943	63,024	36,094	52,272
	2,366,766	2,192,544	2,021,759	1,723,810	1,717,014	1,682,695
	4,980,915	5,045,935	5,601,668	5,497,493	6,767,500	5,776,063
	1,898,434	1,800,484	4,672,021	3,982,751	4,133,007	5,046,879
	32,869	37,034	24,426	28,371	16,401	26,884
	7,102,339	6,311,703	4,874,391	8,391,763	9,461,636	8,895,047
	1,807,046	1,780,334	1,807,481	1,882,065	1,627,076	1,740,510
	235,270	234,835	229,418	209,741	220,908	192,197
	9,130,167	9,484,736	9,122,893	8,742,706	9,626,916	9,670,074
	4,690,537	5,180,802	4,894,939	4,964,367	5,130,207	5,310,349
	830,846	723,274	947,814	981,385	1,216,292	1,207,259
	2,045,249	1,998,400	1,974,761	1,797,621	2,182,491	2,158,276
	1,210,717	1,174,416	1,304,715	1,168,920	1,269,893	1,098,748
	2,806,529	2,756,821	2,724,876	2,536,129	2,540,167	2,540,507
	3,791,038	4,618,615	4,840,501	4,927,828	5,221,783	5,315,060
	<u>93,083,997</u>	<u>94,096,285</u>	<u>93,350,745</u>	<u>90,322,449</u>	<u>98,320,675</u>	<u>97,820,220</u>

-- continued

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

CHANGES IN NET POSITION - (Continued)  
LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

<b>Program Revenues</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Governmental activities:				
Charges for services and sales:				
Instruction:				
Regular	\$ 1,058,549	\$ 1,551,071	\$ 678,788	\$ 698,828
Special	387,072	235,872	501,889	329,996
Support services:				
Operations and maintenance	53,174	59,747	75,621	50,136
Pupil transportation	109,709	46,895	46,178	41,382
Operation of non-instructional services:				
Food service operations	1,230,096	1,181,388	1,082,254	1,008,406
Other non-instructional services	88,158	102,080	72,992	89,579
Extracurricular activities	660,307	718,507	651,183	682,246
Operating grants and contributions:				
Instruction:				
Regular	190,272	168,622	137,434	237,963
Special	5,528,884	5,603,733	5,439,648	5,588,930
Vocational	690,396	682,583	691,415	610,794
Adult/Continuing	95,030	91,799	87,601	54,455
Other instructional	-	-	-	-
Support services:				
Pupil	117,499	83,195	200,663	141,276
Instructional staff	19,737	15,015	36,212	27,381
Administration	7,040	-	-	-
Operations and maintenance	46,286	-	-	9,210
Pupil transportation	35,844	-	-	-
Central	21,600	21,600	21,600	21,600
Operation of non-instructional services:				
Food service operations	1,021,394	1,027,469	888,900	822,667
Other non-instructional services	1,063,503	988,756	982,201	1,023,043
Extracurricular activities	105,640	63,957	100,908	57,403
Capital grants and contributions:				
Extracurricular activities	250,000	-	-	-
Total governmental program revenues	<u>12,780,190</u>	<u>12,642,289</u>	<u>11,695,487</u>	<u>11,495,295</u>
<b>Net (Expense)</b>				
Governmental activities	<u>\$ (80,970,782)</u>	<u>\$ (43,921,364)</u>	<u>\$ (91,918,170)</u>	<u>\$ (82,838,149)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental activities:				
Property taxes levied for:				
General purposes	\$ 63,621,619	\$ 63,111,469	\$ 59,250,144	\$ 55,372,937
Debt service	6,664,706	6,698,458	6,793,908	7,213,104
Capital outlay	1,719,566	1,723,469	1,126,702	353,647
Payments in lieu of taxes	333,215	398,566	336,593	384,847
Grants and entitlements not restricted to specific programs	24,314,157	23,686,204	23,480,318	21,821,964
Investment earnings	795,330	378,977	137,152	41,732
Gain on disposal of capital assets	-	-	-	-
Miscellaneous	279,374	218,095	357,984	363,926
Total governmental activities	<u>97,727,967</u>	<u>96,215,238</u>	<u>91,482,801</u>	<u>85,552,157</u>
<b>Change in Net Position</b>				
Governmental activities	<u>\$ 16,757,185</u>	<u>\$ 52,293,874</u>	<u>\$ (435,369)</u>	<u>\$ 2,714,008</u>

Source: School District financial records

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
\$	613,813	\$ 772,685	\$ 859,887	\$ 816,979	\$ 745,254	\$ 630,020
	588,192	541,882	450,174	577,689	583,790	386,364
	66,297	35,484	51,828	36,751	42,930	25,739
	42,206	46,593	41,078	45,138	39,895	38,757
	803,036	723,307	761,741	894,810	1,120,849	1,128,880
	92,858	102,620	110,085	107,421	85,053	63,346
	685,329	714,648	804,211	806,730	686,944	739,515
	72,817	207,589	267,004	126,350	1,938,637	592,268
	5,243,752	4,845,548	1,826,419	1,430,140	1,679,330	1,069,864
	456,329	355,483	202,460	285,263	306,940	333,075
	84,000	46,334	67,392	63,869	36,070	-
	-	-	-	-	116,596	84,022
	62,385	61,060	127,232	134,789	107,694	17,762
	39,995	61,801	1,549,121	1,414,055	2,560,064	2,218,541
	-	-	1,924	1,193	50,330	87,801
	-	-	-	200	-	-
	-	-	5,137	895	-	-
	21,600	21,600	21,600	21,600	32,300	264,920
	705,986	713,033	728,378	709,741	677,473	572,922
	1,065,230	1,078,237	1,087,534	1,087,744	1,123,574	1,113,597
	43,523	47,219	32,926	36,251	38,383	47,713
	1,291,581	707,288	-	-	-	-
	<u>11,978,929</u>	<u>11,082,411</u>	<u>8,996,131</u>	<u>8,597,608</u>	<u>11,972,106</u>	<u>9,415,106</u>
\$	<u>(81,105,068)</u>	<u>(83,013,874)</u>	<u>(84,354,614)</u>	<u>(81,724,841)</u>	<u>(86,348,569)</u>	<u>(88,405,114)</u>
\$	53,213,017	\$ 52,713,354	\$ 53,568,191	\$ 51,929,769	\$ 48,100,515	\$ 48,890,899
	7,082,651	7,058,597	7,075,823	7,216,887	6,945,741	6,953,432
	342,279	337,993	349,968	365,998	359,711	362,513
	371,564	386,395	372,462	619,100	511,286	-
	22,401,241	21,384,855	22,190,182	23,302,354	24,526,349	25,119,293
	16,758	18,533	23,857	50,031	153,599	668,567
	-	1,478,878	-	75,727	-	-
	629,316	457,237	1,113,287	233,909	423,807	491,773
	<u>84,056,826</u>	<u>83,835,842</u>	<u>84,693,770</u>	<u>83,793,775</u>	<u>81,021,008</u>	<u>82,486,477</u>
\$	<u>2,951,758</u>	<u>821,968</u>	<u>339,156</u>	<u>2,068,934</u>	<u>(5,327,561)</u>	<u>(5,918,637)</u>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
General Fund:					
Nonspendable	\$ 143,097	\$ 138,022	\$ 134,559	\$ 73,013	\$ -
Assigned	549,241	295,888	353,699	-	-
Unassigned (deficit)	12,987,943	8,605,887	1,993,088	(2,259,970)	(3,494,715)
Reserved	-	-	-	-	-
Unreserved (deficit)	-	-	-	-	-
Total general fund	<u>\$ 13,680,281</u>	<u>\$ 9,039,797</u>	<u>\$ 2,481,346</u>	<u>\$ (2,186,957)</u>	<u>\$ (3,494,715)</u>
All Other Governmental Funds:					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	6,708,435	5,994,623	7,067,824	5,294,525	5,866,756
Unassigned (deficit)	(228,687)	(282,671)	(875,050)	(498,405)	(201,520)
Reserved	-	-	-	-	-
Unreserved (deficit), reported in:					
Special revenue funds	-	-	-	-	-
Debt service fund fund	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Total all other governmental funds	<u>\$ 6,479,748</u>	<u>\$ 5,711,952</u>	<u>\$ 6,192,774</u>	<u>\$ 4,796,120</u>	<u>\$ 5,665,236</u>
Total governmental funds	<u>\$ 20,160,029</u>	<u>\$ 14,751,749</u>	<u>\$ 8,674,120</u>	<u>\$ 2,609,163</u>	<u>\$ 2,170,521</u>

**Source:** School District financial records

(1) The School District implemented GASB 54 in 2011, which reclassified fund balances and some fund types into the general fund.



<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011 (1)</u>	<u>2010</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	1,087,493	-
(2,890,645)	(1,060,384)	(982,632)	(4,482,477)	-
-	-	-	-	2,839,596
-	-	-	-	(3,723,495)
<u>\$ (2,890,645)</u>	<u>\$ (1,060,384)</u>	<u>\$ (982,632)</u>	<u>\$ (3,394,984)</u>	<u>\$ (883,899)</u>
\$ 33,965	\$ 73,012	\$ 63,093	\$ 16,798	\$ -
5,154,451	3,457,211	8,218,721	18,705,111	-
(343,549)	(477,621)	(208,808)	(507,025)	-
-	-	-	-	34,640,246
-	-	-	-	(625,521)
-	-	-	-	1,001,212
-	-	-	-	16,427,935
<u>\$ 4,844,867</u>	<u>\$ 3,052,602</u>	<u>\$ 8,073,006</u>	<u>\$ 18,214,884</u>	<u>\$ 51,443,872</u>
<u>\$ 1,954,222</u>	<u>\$ 1,992,218</u>	<u>\$ 7,090,374</u>	<u>\$ 14,819,900</u>	<u>\$ 50,559,973</u>

**SYLVANIA CITY SCHOOL DISTRICT**  
**LUCAS COUNTY, OHIO**  
**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>Revenues</b>				
From local sources:				
Property taxes	\$ 71,901,876	\$ 71,657,826	\$ 66,987,022	\$ 63,057,138
Payment in lieu of taxes	333,215	398,566	336,593	384,847
Tuition	833,640	1,262,137	752,934	593,769
Transportation fees	109,480	46,895	46,178	41,382
Earnings on investments	753,377	382,108	139,115	42,430
Charges for services	1,230,096	1,181,388	1,082,254	1,008,406
Extracurricular	661,006	720,215	655,773	682,246
Classroom materials and fees	611,981	524,806	427,743	435,055
Rental income	52,704	58,039	71,031	50,136
Contributions and donations	431,260	116,828	152,317	107,233
Contract services	88,158	102,080	72,992	89,579
Other local revenues	300,065	224,812	360,959	395,910
Intergovernmental - Intermediate	-	-	-	-
Intergovernmental - State	28,960,850	28,308,723	28,007,776	26,447,971
Intergovernmental - Federal	4,173,214	4,458,706	4,117,332	3,092,155
Total revenues	<u>110,440,922</u>	<u>109,443,129</u>	<u>103,210,019</u>	<u>96,428,257</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	37,150,742	36,179,836	33,419,171	32,932,675
Special	14,507,289	13,883,618	13,658,240	13,251,685
Vocational	1,803,530	2,020,581	1,976,820	1,572,817
Adult/Continuing	94,495	92,160	87,211	72,470
Other	2,136,763	2,032,109	2,286,573	2,186,237
Current:				
Pupil	6,525,559	6,119,460	5,957,758	5,573,399
Instructional staff	1,844,355	1,650,816	2,027,511	1,805,898
Board of education	37,063	39,743	34,285	32,820
Administration	7,459,582	7,981,231	7,668,128	7,348,252
Fiscal	1,923,941	1,957,692	1,896,449	1,793,342
Business	134,107	287,391	211,435	243,842
Operations and maintenance	10,506,969	9,503,585	9,263,748	9,038,818
Pupil transportation	5,543,399	5,015,091	4,634,774	4,464,648
Central	1,196,699	1,132,231	1,308,997	789,630
Operation of non-instructional services:				
Food service operations	2,322,311	2,222,223	2,108,408	1,966,316
Other non-instructional services	1,249,673	1,108,424	1,133,390	1,122,837
Extracurricular activities	2,144,621	2,174,376	2,085,442	2,126,904
Facilities acquisitions and construction	53,016	1,520,451	1,971,835	399,891
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	3,884,243	3,932,507	4,755,000	5,670,000
Interest and fiscal charges	3,215,186	3,300,608	3,354,006	3,590,900
Accretion on capital appreciation bonds	1,300,000	1,210,019	-	-
Bond and note issuance costs	-	-	52,275	-
Total expenditures	<u>105,033,543</u>	<u>103,364,152</u>	<u>99,891,456</u>	<u>95,983,381</u>
Excess of revenues over (under) expenditures	<u>5,407,379</u>	<u>6,078,977</u>	<u>3,318,563</u>	<u>444,876</u>
<b>Other Financing Sources (Uses)</b>				
Transfers in	527,123	91,093	110,575	123,902
Transfers (out)	(527,123)	(91,093)	(110,575)	(123,902)
Premium on notes sold	-	-	-	-
Sale of capital assets	-	-	-	-
Capital lease transaction	-	-	-	-
Premium on bonds sold	-	-	-	-
Payment to refunded bond escrow	-	-	(6,046,260)	-
Inception of lease-purchase obligation	-	-	2,850,000	-
Sale of bonds	-	-	5,940,000	-
Sale of notes	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>2,743,740</u>	<u>-</u>
Increase (decrease) in reserve for inventory	<u>-</u>	<u>(1,348)</u>	<u>2,654</u>	<u>(6,234)</u>
Net change in fund balances	<u>\$ 5,407,379</u>	<u>\$ 6,077,629</u>	<u>\$ 6,064,957</u>	<u>\$ 438,642</u>
Capital expenditures (included in expenditures above)	840,620	2,314,386	2,100,991	499,022
Debt service principal and interest as a percentage of noncapital expenditures	6.81%	7.16%	8.29%	9.70%

Source: School District financial records

2015	2014	2013	2012	2011	2010
\$ 61,267,404	\$ 60,176,130	\$ 61,110,516	\$ 59,720,574	\$ 55,292,168	\$ 56,029,767
371,564	386,395	372,462	619,100	511,286	-
750,543	874,183	863,327	947,290	953,134	628,608
42,206	46,593	41,078	45,138	39,895	37,357
16,891	18,579	25,992	53,988	193,750	669,752
803,036	723,307	761,741	894,810	1,120,849	1,128,880
685,329	714,648	804,261	806,730	686,944	739,515
451,462	440,384	457,932	460,403	388,681	397,334
66,297	35,484	51,828	36,751	42,930	25,739
1,385,717	813,893	81,859	150,951	75,578	76,625
92,858	102,620	98,837	94,396	72,282	55,188
637,316	509,383	1,195,912	322,057	549,655	580,141
-	51,754	24,021,850	25,129,019	26,275,123	26,470,370
26,568,775	25,073,435	24,021,850	25,129,019	26,275,123	26,470,370
3,621,882	3,591,280	3,759,704	4,216,964	5,976,370	4,808,657
96,761,280	93,558,068	117,669,149	118,627,190	118,453,768	118,118,303
34,158,787	34,231,949	34,296,886	32,474,747	34,635,264	34,206,575
12,807,784	12,914,876	9,528,072	8,209,854	8,852,749	8,946,696
1,833,318	1,882,384	1,635,976	1,548,556	2,131,379	2,200,271
66,915	47,053	68,943	63,024	36,094	52,272
2,366,766	2,192,544	2,021,759	1,723,810	1,717,014	1,682,695
5,222,189	5,048,743	5,649,438	5,485,054	6,732,942	5,790,967
1,808,666	1,647,915	4,473,310	3,827,134	4,126,904	4,957,257
32,869	37,034	24,426	28,371	16,401	26,884
7,303,136	6,597,710	6,132,986	8,431,030	7,680,862	8,736,588
1,795,406	1,764,547	1,792,979	1,833,047	1,632,530	1,729,267
233,984	233,933	229,131	209,414	218,664	190,572
8,954,812	9,231,475	8,685,570	8,243,929	8,295,728	18,839,729
4,597,749	4,809,757	4,412,722	4,567,005	4,975,182	5,273,090
839,158	724,807	941,378	966,564	1,211,604	1,206,456
1,785,128	1,695,672	1,763,873	1,648,252	2,006,415	2,068,218
1,206,768	1,169,622	1,299,921	1,163,593	1,263,501	1,089,442
2,156,334	2,211,094	2,199,049	2,063,570	2,196,638	2,256,782
2,588,527	7,807,339	5,781,148	11,526,387	32,505,915	18,646,795
-	-	-	51,023	-	-
9,432,780	3,367,729	3,648,486	3,144,340	3,182,766	19,953,102
2,797,264	4,149,847	4,202,192	4,198,634	4,521,810	5,132,149
-	-	-	-	-	-
731,730	18,842	-	165,673	-	-
102,720,070	101,784,872	98,788,245	101,573,011	127,940,362	142,985,807
(5,958,790)	(8,226,804)	18,880,904	17,054,179	(9,486,594)	(24,867,504)
312,996	259,598	184,934	930	364,690	380,559
(312,996)	(259,598)	(184,934)	(930)	(364,690)	(380,559)
-	18,245	-	-	-	-
-	2,779,610	32,871	75,727	45,693	69,193
-	-	-	51,023	-	-
8,539,849	-	-	935,188	-	-
(75,044,036)	-	-	(9,792,919)	-	-
-	-	-	-	-	-
72,705,000	-	-	9,030,000	-	-
-	5,430,000	-	-	-	-
6,200,813	8,227,855	32,871	299,019	45,693	69,193
(25,724)	-	9,919	46,295	(24,049)	24,294
\$ 216,299	\$ 1,051	\$ 18,923,694	\$ 17,399,493	\$ (9,464,950)	\$ (24,774,017)
2,676,717	8,036,137	5,932,077	11,706,546	31,964,785	28,746,691
12.22%	8.02%	8.45%	8.17%	8.03%	21.96%

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

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

Collection Year	Real Property		Tangible Personal Property		Public Utility	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2019	\$ 1,518,655,070	\$ 4,339,014,486	\$ -	\$ -	\$ 37,862,500	\$ 151,450,000
2018	1,373,628,590	3,924,653,114	-	-	37,748,060	150,992,240
2017	1,361,791,310	3,890,832,314	-	-	33,742,650	134,970,600
2016	1,341,184,900	3,831,956,857	-	-	27,592,880	110,371,520
2015	1,300,991,340	3,717,118,114	-	-	22,940,560	91,762,240
2014	1,288,169,390	3,680,483,971	-	-	21,292,440	85,169,760
2013	1,292,525,480	3,692,929,943	-	-	19,641,350	78,565,400
2012	1,429,020,350	4,082,915,286	-	-	18,166,960	72,667,840
2011	1,434,631,250	4,098,946,429	-	-	17,370,810	69,483,240
2010	1,440,591,120	4,115,974,629	967,770	19,355,400	16,775,400	67,101,600

**Source:** Lucas County Auditor's Office

<b>Total</b>			
<b>Assessed Value</b>	<b>Estimated Actual Value</b>	<b>%</b>	<b>Total Direct Tax Rate</b>
\$ 1,556,517,570	\$ 4,490,464,486	34.66%	\$ 87.99
1,411,376,650	4,075,645,354	34.63%	88.56
1,395,533,960	4,025,802,914	34.66%	88.45
1,368,777,780	3,942,328,377	34.72%	83.30
1,323,931,900	3,808,880,354	34.76%	83.50
1,309,461,830	3,765,653,731	34.77%	83.60
1,312,166,830	3,771,495,343	34.79%	83.60
1,447,187,310	4,155,583,126	34.83%	83.00
1,452,002,060	4,168,429,669	34.83%	78.30
1,458,334,290	4,202,431,629	34.70%	77.70

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

DIRECT AND OVERLAPPING PROPERTY TAX RATES  
(RATE PER \$1,000 OF ASSESSED VALUE)  
LAST TEN YEARS

**Direct Rates**

Tax Year/ Collection Year	Voted			Unvoted	Total
	General	Debt Service	Permanent Improvement		
2018/2019	\$ 76.80	\$ 4.89	\$ 1.30	\$ 5.00	\$ 87.99
2017/2018	76.80	5.46	1.30	5.00	88.56
2016/2017	76.80	5.35	1.30	5.00	88.45
2015/2016	72.10	5.90	0.30	5.00	83.30
2014/2015	72.10	6.10	0.30	5.00	83.50
2013/2014	72.10	6.20	0.30	5.00	83.60
2012/2013	72.10	6.20	0.30	5.00	83.60
2011/2012	72.10	5.60	0.30	5.00	83.00
2010/2011	67.20	5.80	0.30	5.00	78.30
2009/2010	67.20	5.20	0.30	5.00	77.70

**Overlapping Rates**

Tax Year/ Collection Year	Lucas County	City of Toledo	City of Sylvania	Sylvania Township	Toledo Area Regional Transit Authority	Sylvania Area Joint Recreation District	Olander Park District	Toledo Public	Total
2018/2019	\$ 17.37	\$ 4.40	\$ 5.10	\$ 23.07	\$ 2.50	\$ 2.00	\$ 1.00	\$ 3.70	\$ 59.14
2017/2018	17.37	4.40	5.10	23.07	2.50	2.11	1.00	3.70	59.25
2016/2017	17.37	4.40	5.10	23.07	2.50	2.11	0.20	2.90	57.65
2015/2016	19.77	4.40	5.10	22.97	2.50	2.10	0.70	2.90	60.44
2014/2015	19.77	4.40	5.10	22.97	2.50	2.10	0.70	2.90	60.44
2013/2014	19.62	4.40	5.10	21.47	2.50	2.10	0.70	2.90	58.79
2012/2013	17.77	4.40	5.10	21.47	2.50	2.10	0.70	2.90	56.94
2011/2012	16.17	4.40	5.10	20.72	2.50	1.65	0.70	2.00	53.24
2010/2011	16.17	4.40	3.60	19.97	2.50	1.65	0.70	2.00	50.99
2009/2010	16.17	4.40	3.60	19.97	2.50	1.62	0.70	2.00	50.96

Source: Lucas County Auditor's Office

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

PRINCIPAL TAXPAYERS  
REAL PROPERTY  
DECEMBER 31, 2018 AND DECEMBER 31, 2009

<b>December 31, 2018</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total District Real Estate Assessed Value</b>
Toledo Hospital	\$ 20,097,330	1	1.32%
Louisville Title Agency	11,166,770	2	0.74%
DFG - Monroe LLC	6,065,080	3	0.40%
DFG-Franklin Place Shops LLC	5,549,230	4	0.37%
Chelsea Garden Apartments LLC	5,153,750	5	0.34%
Crestview of Ohio, Inc	4,305,040	6	0.28%
Wal-Mart Real Estate	3,916,820	7	0.26%
Realty Income Properties 25 LLC	3,852,060	8	0.25%
Meijer Properties, Inc	3,647,560	9	0.24%
Regency Hospital of Toledo	3,632,660	10	0.24%
<b>Total</b>	<b>\$ 67,386,300</b>		<b>4.44%</b>
<b>Total Real Property Assessed Valuation</b>	<b>\$ 1,518,655,070</b>		

<b>December 31, 2009</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total District Real Estate Assessed Value</b>
Reynolds Road Fitness Center	\$ 8,860,670	1	0.62%
Kingston Care Facility	6,665,170	2	0.46%
Naiasher Ogdensburg Accoc.	6,385,430	3	0.44%
National Amusements	5,955,230	4	0.41%
Franciscan Properties/Franciscan Sisters	5,665,170	5	0.39%
Toledo Hospital	5,567,250	6	0.39%
Sylvania Chelsea Place LLC	4,987,020	7	0.35%
Meijer Properties, Inc.	4,076,350	8	0.28%
Wal-Mart Real Estate	4,007,610	9	0.28%
Centro NP Residual Pool 1	3,850,020	10	0.27%
<b>Total</b>	<b>\$ 56,019,920</b>		<b>3.88%</b>
<b>Total Real Property Assessed Valuation</b>	<b>\$ 1,440,591,120</b>		

**Source:** Lucas County Auditor's Office

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

PRINCIPAL TAXPAYERS  
TANGIBLE AND PUBLIC UTILITY PERSONAL PROPERTY  
DECEMBER 31, 2018 AND DECEMBER 31, 2009

<b>December 31, 2018</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total District Tangible and Public Utility Assessed Value</b>
American Transmission Systems, Inc.	\$ 17,244,920	1	45.55%
Toledo Edison	14,222,940	2	37.56%
Columbia Gas of Ohio	5,927,380	3	15.66%
Ohio Gas Co	467,260	4	1.23%
Total	\$ 37,862,500		100.00%
Total Tangible and Public Utility Personal Property Assessed Valuation			
	\$ 37,862,500		

<b>December 31, 2009</b>			
<b>Taxpayer</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total District Tangible and Public Utility Assessed Value</b>
Verizon North, Inc.	\$ 1,064,450	1	6.00%
New Par	236,530	2	1.33%
Buckeye Telesystem	114,570	3	0.65%
Buckeye Cablevision	111,790	4	0.63%
Sprint Spectrum LP	66,000	5	0.37%
Ohio Bell Telephone and Telegraph	59,840	6	0.34%
New Cingular Wireless	59,230	7	0.33%
Ohio Bell Telephone Company	37,740	8	0.21%
T Mobile Central	32,930	9	0.19%
United Telephone Company	31,640	10	0.18%
Total	\$ 1,814,720		10.23%
Total Tangible and Public Utility Personal Property Assessed Valuation			
	\$ 17,743,170		

**Source:** Lucas County Auditor's Office



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**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

PROPERTY TAX LEVIES AND COLLECTIONS (1)  
LAST TEN FISCAL YEARS

<b>Tax Year/ Collection Year</b>	<b>Current Levy (1)</b>	<b>Delinquent Levy (2)</b>	<b>Total Levy</b>	<b>Current Collection (1)</b>	<b>Percent of Current Levy Collected</b>
2018/2019	\$ 81,695,786	\$ 2,452,031	\$ 84,147,817	\$ 80,066,213	98.01%
2017/2018	80,583,027	2,938,149	83,521,176	79,102,264	98.16%
2016/2017	79,402,179	2,448,165	81,850,344	77,513,470	97.62%
2015/2016	70,627,019	2,409,298	73,036,317	69,099,930	97.84%
2014/2015	69,616,591	2,456,089	72,072,680	67,405,776	96.82%
2013/2014	69,079,188	2,714,553	71,793,741	66,751,405	96.63%
2012/2013	68,901,963	3,092,972	71,994,935	65,180,247	94.60%
2011/2012	71,080,864	3,942,499	75,023,363	68,179,989	95.92%
2010/2011	64,241,502	3,504,056	67,745,558	61,446,180	95.65%
2009/2010	63,289,576	2,703,343	65,992,919	59,719,127	94.36%

**Source:** Lucas County Auditor's Office

(1) Includes state-mandated tax-reduction amounts, which are subsequently reimbursed to the District by the State, and reported as Intergovernmental revenue.

(2) This amount cannot be calculated from other data in this table because of retroactive additions and deletions.

<b>Delinquent Collection</b>	<b>Total Collection</b>	<b>Total Collection As a Percent of Total Levy</b>
\$ 1,388,075	\$ 81,454,288	96.80%
1,736,706	80,838,970	96.79%
1,339,124	78,852,594	96.34%
1,399,897	70,499,827	96.53%
2,314,810	69,720,586	96.74%
2,256,836	69,008,241	96.12%
2,231,985	67,412,232	93.63%
2,593,370	70,773,359	94.34%
1,971,812	63,417,992	93.61%
2,319,387	62,038,514	94.01%

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

**RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Governmental Activities</b>						
	<b>General Obligation Bonds</b>	<b>General Obligation Notes</b>	<b>Lease-Purchase/Capital Leases</b>	<b>(1) Total Primary Government</b>	<b>(2) Per Capita</b>	<b>(2) Percentage of Personal Income</b>	<b>(2) Per ADM</b>
2019	\$ 83,027,495	\$ -	\$2,338,231	\$ 85,365,726	\$ 1,266	1.38%	\$10,963
2018	87,768,192	-	2,597,474	90,365,666	1,340	1.50%	11,725
2017	92,283,076	-	2,850,000	95,133,076	1,510	1.71%	12,585
2016	97,004,075	-	-	97,004,075	1,540	1.73%	12,944
2015	99,343,363	-	-	99,343,363	1,577	1.86%	13,459
2014	93,299,499	5,430,000	12,780	98,742,279	1,567	1.80%	13,831
2013	96,244,183	-	25,509	96,269,692	1,528	1.93%	13,094
2012	99,305,052	-	48,995	99,354,047	1,577	2.10%	13,423
2011	101,184,414	-	162,312	101,346,726	1,609	2.20%	13,860
2010	103,604,778	-	310,078	103,914,856	1,649	2.12%	14,319

**Sources:**

(1) See notes to the financial statements regarding the District's outstanding debt information. Includes unamortized premiums and accreted interest on capital appreciation bonds.

(2) See schedule " Demographic and Economic Statistic, Last Ten Years" for personal income, population and enrollment information.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Total General Obligation Bonded Debt (1)</b>	<b>Net Position Restricted for Debt Service (2)</b>	<b>Net General Obligation Bonded Debt</b>	<b>Percentage of Actual Taxable Value of Property (3)</b>	<b>Per Capita (4)</b>
2019	\$ 83,027,495	\$ 2,284,034	\$ 80,743,461	1.80%	\$ 1,197
2018	87,768,192	1,782,769	85,985,423	2.11%	1,275
2017	92,283,076	1,521,469	90,761,607	2.25%	1,441
2016	97,004,075	2,490,716	94,513,359	2.40%	1,500
2015	99,343,363	3,091,151	96,252,212	2.53%	1,528
2014	93,299,499	628,019	92,671,480	2.46%	1,471
2013	96,244,183	-	96,244,183	2.55%	1,528
2012	99,305,052	2,352,504	96,952,548	2.33%	1,539
2011	101,184,414	1,365,727	99,818,687	2.39%	1,584
2010	103,604,778	1,085,774	102,519,004	2.44%	1,627

**Source:**

(1) Details regarding the District's outstanding debt can be found in the notes to the financial statements. Total includes unamortized premiums and accreted interest on capital appreciation bonds.

(2) Amounts and calculations have been updated for 2018-2010 to reflect the net position restricted for debt service.

(3) See schedule "Assessed Valuation and Estimated Actual Value of Taxable Property" for assessed valuation of property.

(4) See schedule "Demographic and Economic Statistic, Last Ten Years" for population information.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2019

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Direct debt:			
Sylvania City School District (1)	\$ 85,365,726	100.00%	\$ 85,365,726
Total direct debt	<u>85,365,726</u>		<u>85,365,726</u>
Overlapping debt:			
Lucas County	83,815,000	19.92%	16,695,948
City of Sylvania	16,470,000	100.00%	16,470,000
Sylvania Area Joint Recreation District	7,115,000	100.00%	7,115,000
Sylvania Township	6,045,000	99.50%	6,014,775
City of Toledo	72,904,992	3.24%	2,362,122
Total overlapping debt	<u>186,349,992</u>		<u>48,657,845</u>
Total direct and overlapping debt	<u>\$ 271,715,718</u>		<u>\$ 134,023,571</u>

**Source:** Ohio Municipal Advisory Council

**Note:** Percent applicable to Sylvania City School District calculated using assessed valuation of the District area value contained within the noted governmental unit divided by assessed valuation of the governmental unit.

(1) Includes general obligation bonds, unamortized bond premiums, accreted interest, notes payable and capital lease obligations outstanding at fiscal year end.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS

Fiscal Year	Voted Debt Limit (2)	Total Debt Applicable to Limit (1)	Debt Service Available Balance	Net Debt Applicable to Limit	Voted Legal Debt Margin	Total Net Debt Applicable to Limit as a Percentage of Debt Limit
2019	\$ 140,086,581	\$ 70,850,000	\$ 3,750,309	\$ 67,099,691	\$ 72,986,890	47.90%
2018	127,023,899	74,160,000	3,891,599	70,268,401	56,755,498	55.32%
2017	125,598,056	71,589,981	4,032,001	67,557,980	58,040,076	53.79%
2016	123,190,000	81,979,981	4,210,039	77,769,942	45,420,058	63.13%
2015	119,153,871	83,397,491	4,887,379	78,510,112	40,643,759	65.89%
2014	117,851,565	88,992,854	3,255,221	85,737,633	32,113,932	72.75%
2013	118,095,015	91,468,337	2,729,486	88,738,851	29,356,164	75.14%
2012	130,246,858	93,616,589	2,611,096	91,005,493	39,241,365	69.87%
2011	130,680,185	96,749,720	1,587,159	95,162,561	35,517,624	72.82%
2010	131,162,987	99,197,454	1,310,824	97,886,630	33,276,357	74.63%

**Source:** Lucas County Auditor and School District financial records

(1) Excludes unamortized premiums, accreted interest on capital appreciation bonds, and energy conservation bonds.

**(2) Voted Debt Limit Calculation for Fiscal Year 2019**

Assessed Value	\$ 1,556,517,570
Debt Limit (9% of assessed value)	<u>X 9%</u>
Voted Debt Limit	<u>\$ 140,086,581</u>

Voted Debt Margins are determined without reference to applicable monies in the District's debt service fund.

**Note:** Ohio Bond Law sets a limit of 9% for voted debt, 1/10 of 1% for unvoted debt and 9/10 of 1% for energy conservation debt.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Per Capita Personal Income (2)</u>	<u>Total Personal Income (3)</u>	<u>School Enrollment (4)</u>	<u>Unemployment Rates (5)</u>		
					<u>Lucas County</u>	<u>Ohio</u>	<u>United States</u>
2019	67,445	\$ 91,741	\$ 6,187,471,745	7,787	4.4%	4.2%	3.6%
2018	67,445	89,558	6,040,239,310	7,707	5.9%	4.6%	4.4%
2017	63,000	88,055	5,547,465,000	7,559	6.7%	5.0%	4.4%
2016	63,000	89,230	5,621,490,000	7,494	5.0%	5.0%	4.9%
2015	63,000	84,663	5,333,769,000	7,381	5.0%	4.4%	5.0%
2014	63,000	87,273	5,498,199,000	7,139	5.8%	5.6%	5.8%
2013	63,000	78,979	4,975,677,000	7,352	8.5%	7.2%	7.3%
2012	63,000	74,999	4,724,937,000	7,402	8.3%	7.2%	8.2%
2011	63,000	73,113	4,606,119,000	7,312	10.0%	9.1%	9.1%
2010	63,000	77,766	4,899,258,000	7,257	12.0%	10.5%	9.5%

**Sources:**

(1) 2018 District's Communication's Department, 2009-2017 U.S. Census Bureau

(2) Ohio Department of Taxation (per household)

(3) Equals "Population" times "Per Capita Personal Income"

(4) School District records

(5) Bureau of Labor Statistics



**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

**PRINCIPAL EMPLOYERS  
CURRENT YEAR (2)**

<b>December 31, 2015</b>		
<b>Employer</b>	<b>Employees</b>	<b>Percentage of Total City Employment per Number of Employees</b>
Flower Hospital/ProMedica	1,635	24.07%
Sylvania City School District	909	13.38%
Lourdes University	403	5.93%
Meijer	296	4.36%
Sylvania Township	165	2.43%
City of Sylvania	138	2.03%
Root Learning	125	1.84%
Total	3,671	54.05%
Total Number of Employees (1)	6,792	

**Source:** City of Sylvania Area Chamber of Commerce

(1) Estimated employee count located within the City of Sylvania.

(2) Information for the current year was not available.  
Last information available provided.

Note: Information for previous years is not available.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

**STAFFING STATISTICS  
FULL TIME EQUIVALENTS (FTE) BY TYPE  
LAST TEN FISCAL YEARS**

<b>Type</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>Professional Staff:</b>										
<b>Teaching Staff:</b>										
Elementary	177.30	164.70	159.30	162.30	165.30	133.50	169.60	172.50	173.70	152.40
Junior HS	93.00	92.50	91.50	94.50	96.50	83.33	101.17	110.75	120.17	121.17
High School	138.83	133.01	130.34	135.01	130.68	116.67	136.85	158.11	168.79	174.63
Tutors (1)	24.00	23.00	22.00	23.00	22.50	27.00	19.00	19.00	-	-
Special Education Teaching (2)	-	-	-	-	-	71.00	38.00	40.67	-	-
Vocational Ed Teaching (3)	-	-	-	-	-	27.00	-	-	-	-
Others	61.00	53.50	53.50	71.85	69.07	33.46	20.16	21.33	53.52	56.33
<b>Administration:</b>										
District	49.00	45.00	43.00	48.32	44.16	41.00	43.75	53.32	52.16	54.16
<b>Auxiliary Positions:</b>										
Counselors	22.00	21.00	21.00	20.50	19.50	20.00	17.50	18.78	21.78	21.70
Speech	8.00	6.00	7.00	7.00	7.00	6.00	7.00	7.50	7.50	7.50
Occupational	6.00	6.00	6.00	8.00	6.00	1.00	3.00	6.11	3.00	3.00
Psychologist	9.00	7.00	6.00	6.00	6.00	5.00	7.00	6.60	6.60	6.60
Social Worker	-	-	-	-	-	1.00	-	-	-	-
Librarian/Media	3.00	3.00	3.00	4.00	5.00	5.00	4.00	7.12	14.28	14.28
Extracurricular	215.85	197.20	164.36	109.80	98.45	58.03	46.15	48.02	23.11	24.11
<b>Support Staff:</b>										
Secretarial/clerical	57.45	49.56	50.06	60.88	62.72	50.70	56.10	71.66	78.14	67.30
Aides	78.10	72.91	62.56	80.57	77.11	14.39	80.80	79.55	81.35	72.88
Hall monitor/Security	13.22	11.95	11.49	17.72	18.00	15.20	16.47	16.36	19.06	16.96
Cafeteria	28.69	27.52	25.39	29.02	29.92	30.36	28.47	28.95	31.43	31.38
Custodial	51.00	52.00	50.50	60.50	61.50	47.00	54.50	58.00	58.00	57.00
Maintenance	9.00	9.00	8.00	10.00	8.00	8.00	8.00	8.00	10.00	10.00
Bus Driver	43.20	41.21	42.74	46.32	45.76	49.65	45.53	51.04	48.59	51.94
Mechanics	5.00	5.00	5.00	5.00	5.50	5.50	5.50	6.50	6.50	6.50
Other	8.70	8.70	7.70	10.74	8.86	48.50	8.82	9.51	11.33	12.33
Extracurricular (4)	-	-	-	-	-	10.62	32.72	29.11	-	91.97
<b>Total</b>	<b>1,101.34</b>	<b>1,029.76</b>	<b>970.44</b>	<b>1,011.03</b>	<b>987.53</b>	<b>908.91</b>	<b>950.09</b>	<b>1,028.49</b>	<b>989.01</b>	<b>1,054.14</b>

**Source:** School District records

- (1) Information for 2011 and 2010 are not available to be broken out. The numbers for these positions and included in the Teaching Staff - Other number.
- (2) Information for 2018, 2017, 2016, 2015, 2011 and 2010 are not available to be broken out. The numbers for these positions and included in the Teaching Staff - Other number.
- (3) Information for 2018, 2017, 2016, 2015 and 2010-2013 are not available to be broken out. The numbers for these positions and included in Teaching Staff - High School number.
- (4) Information for 2018, 2017, 2016, 2015 and 2011 are not available to be broken out. The numbers for these positions are included in Auxillary Serices - Extracurricular number.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

**OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS**

<b>Function</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>Instruction:</b>										
Regular and Special										
Enrollment (students)	7,787	7,707	7,559	7,494	7,381	7,139	7,352	7,402	7,312	7,257
Graduates	N/A	566	527	547	576	567	618	584	550	641
<b>Support services:</b>										
Board of education										
Regular meetings per year	12	12	12	12	12	12	12	12	12	12
Work sessions	9	10	11	10	11	11	10	10	13	13
Special meetings per year	9	6	16	8	4	7	7	7	11	14
Administration										
Student attendance rate	95.2%	95.4%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
Fiscal										
Nonpayroll checks issued	5,979	5,852	5,888	5,999	5,899	5,691	5,664	5,647	5,781	7,058
Pupil transportation										
Avg. students transported daily	5,791	4,018	3,606	3,755	3,567	3,635	4,717	4,580	4,558	4,723
Food service operations										
Meals served to students	441,566	435,735	509,680	476,694	359,132	386,433	406,610	422,412	419,762	393,586
Number of lunches served at free or reduced cost	175,008	180,567	245,030	231,652	160,180	189,553	188,816	176,256	176,207	146,498

**Source:** School District records

N/A - Information is not available.

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

CAPITAL ASSET STATISTICS  
LAST TEN FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Land	\$ 2,694,493	\$ 2,694,493	\$ 2,694,493	\$ 2,694,493
Construction in progress	170,337	608,617	1,948,034	1,096,909
Land improvements	3,737,378	3,582,083	3,959,012	4,330,392
Buildings and improvements	82,144,513	85,578,456	86,087,682	89,455,632
Furniture, fixtures and equipment	4,735,820	5,321,141	5,766,744	6,452,510
Vehicles	<u>1,010,173</u>	<u>630,801</u>	<u>266,413</u>	<u>273,904</u>
 Total Governmental Activities Capital Assets, net	 <u>\$ 94,492,714</u>	 <u>\$ 98,415,591</u>	 <u>\$ 100,722,378</u>	 <u>\$ 104,303,840</u>

**Source:** School District financial records

**Note:** Amounts above are presented net of accumulated depreciation.

<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
\$ 2,694,493	\$ 2,694,493	\$ 2,890,933	\$ 2,421,246	\$ 2,421,246	\$ 2,040,544
2,806,094	9,043,723	1,497,493	12,664,855	29,225,947	28,268,341
4,707,106	3,481,812	3,598,322	3,633,189	3,936,624	4,240,059
92,827,988	94,903,363	99,084,118	86,360,692	61,148,430	33,715,339
5,341,291	254,872	352,624	382,016	588,709	816,562
245,945	451,239	873,597	1,317,639	1,636,739	1,878,392
<u>\$ 108,622,917</u>	<u>\$ 110,829,502</u>	<u>\$ 108,297,087</u>	<u>\$ 106,779,637</u>	<u>\$ 98,957,695</u>	<u>\$ 70,959,237</u>

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

**SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS**

	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Central Elementary (1929 original, 2013 new)						
Square feet	72,557	72,557	72,557	72,557	72,557	72,557
Capacity (students)	630	630	630	630	630	630
Enrollment	613	594	609	617	577	507
Highland Elementary (1965)						
Square feet	75,210	75,210	75,210	75,210	75,210	75,210
Capacity (students)	625	625	625	625	625	625
Enrollment	706	719	674	664	678	612
Hill View Elementary (1929 original, 2010 new)						
Square feet	54,783	54,783	54,783	54,783	54,783	54,783
Capacity (students)	500	500	500	500	500	500
Enrollment	426	419	413	419	437	388
Maplewood Elementary (1929 original, 2011 new)						
Square feet	64,230	64,230	64,230	64,230	64,230	64,230
Capacity (students)	384	384	384	384	384	384
Enrollment	501	419	420	414	425	398
Stranahan Elementary (1955)						
Square feet	67,282	67,282	67,282	67,282	67,282	67,282
Capacity (students)	650	650	650	650	650	650
Enrollment	556	577	551	524	429	488
Sylvan Elementary (1963)						
Square feet	47,469	47,469	47,469	47,469	47,469	47,469
Capacity (students)	475	475	475	475	475	475
Enrollment	387	343	342	347	354	326
Whiteford Elementary (1967)						
Square feet	50,624	50,624	50,624	50,624	50,624	50,624
Capacity (students)	525	525	525	525	525	525
Enrollment	392	487	453	435	434	423
Arbor Hills Jr. High School (1970)						
Square feet	80,995	80,995	80,995	80,995	80,995	80,995
Capacity (students)	700	700	700	700	700	700
Enrollment	563	549	532	512	497	501
McCord Jr. High School (1963)						
Square feet	76,534	76,534	76,534	76,534	76,534	76,534
Capacity (students)	800	800	800	800	800	800
Enrollment	653	706	687	688	655	638
Timberstone Jr. High School (1998)						
Square feet	10,515	10,515	10,515	10,515	105,105	105,105
Capacity (students)	700	700	700	700	700	700
Enrollment	610	555	564	547	551	523
Northview High School (1960)						
Square feet	213,730	213,730	213,730	213,730	213,730	213,730
Capacity (students)	1,340	1,340	1,340	1,340	1,340	1,340
Enrollment	1,343	1,294	1,247	1,241	1,214	1,139
Southview High School (1976)						
Square feet	209,478	209,478	209,478	209,478	209,478	209,478
Capacity (students)	1,340	1,340	1,340	1,340	1,340	1,340
Enrollment	1,037	1,045	1,067	1,086	1,130	1,196
Administrative Building (1929)						
Square feet	22,180	22,180	22,180	22,180	22,180	22,180
Support Services Facility (2004)						
Square feet	33,741	33,741	33,741	33,741	33,741	33,741
<b>Total square feet</b>	<b>1,079,328</b>	<b>1,079,328</b>	<b>1,079,328</b>	<b>1,079,328</b>	<b>1,173,918</b>	<b>1,173,918</b>
<b>Total capacity (students)</b>	<b>8,669</b>	<b>8,669</b>	<b>8,669</b>	<b>8,669</b>	<b>8,669</b>	<b>8,669</b>
<b>Total enrollment</b>	<b>7,787</b>	<b>7,707</b>	<b>7,559</b>	<b>7,494</b>	<b>7,381</b>	<b>7,139</b>

**Source:** District records

2013	2012	2011	2010
72,557	53,932	53,932	48,725
630	575	575	575
571	574	542	510
75,210	75,210	75,210	56,294
625	625	625	773
631	630	642	607
54,783	54,783	54,783	46,994
500	500	500	500
406	412	415	349
64,230	64,230	64,230	44,328
384	550	550	450
386	384	362	327
67,282	67,282	67,282	50,169
650	650	650	650
481	462	473	411
47,469	47,469	47,469	39,160
475	475	475	475
350	337	334	318
50,624	50,624	50,624	47,272
525	525	525	525
398	407	382	366
80,995	80,995	80,995	80,635
700	700	700	700
521	542	554	568
76,534	76,534	76,534	76,363
800	800	800	800
629	642	608	634
105,105	105,105	105,105	103,100
700	700	700	700
524	553	549	584
213,730	213,730	213,730	201,592
1,340	1,340	1,340	1,300
1,215	1,215	1,213	1,292
209,478	209,478	209,478	209,700
1,340	1,340	1,340	1,400
1,240	1,244	1,213	1,291
22,180	22,180	22,180	21,854
33,741	33,741	33,741	27,994
1,173,918	1,155,293	1,155,293	1,054,180
8,669	8,780	8,780	8,848
7,352	7,402	7,287	7,257

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

OPERATING STATISTICS  
LAST TEN FISCAL YEARS

Fiscal Year	General Government		Governmental Activities		Enrollment	Percent Change
	Expenditures (1)	Cost per pupil	Expenses (1)	Cost per pupil		
2019	\$ 96,634,114	\$ 12,410	\$ 90,007,747	\$ 11,559	7,787	1.04%
2018	94,921,018	12,316	52,618,590	6,827	7,707	1.96%
2017	91,730,175	12,135	99,539,424	13,168	7,559	0.87%
2016	86,722,481	11,572	90,168,154	12,032	7,494	1.53%
2015	89,758,296	12,161	89,292,959	12,098	7,381	3.39%
2014	94,248,454	13,202	89,496,512	12,536	7,139	-2.90%
2013	90,937,567	12,369	88,510,244	12,039	7,352	-0.68%
2012	94,064,364	12,708	85,394,621	11,537	7,402	1.23%
2011	120,235,786	16,444	93,098,892	12,732	7,312	0.76%
2010	117,900,556	16,246	92,505,160	12,747	7,257	-3.08%

**Source:** School District records

(1) Debt Service totals have been excluded.

(2) Classroom teachers only.



<b>Teaching Staff (2)</b>	<b>Pupil/Teacher Ratio</b>	<b>Student Attendance Percentage</b>
494	15.76	95.2%
495	15.57	95.4%
457	16.54	95.0%
486	15.42	95.0%
484	15.25	95.0%
474	15.06	95.0%
508	14.47	95.0%
487	15.20	95.0%
493	14.83	95.0%
487	14.90	95.0%

**SYLVANIA CITY SCHOOL DISTRICT  
LUCAS COUNTY, OHIO**

TEACHER STATISTICS  
JUNE 30, 2019

<u>Degree</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>	<u>Pay Range</u>
Bachelor's Degree	169	30.02%	\$37,290 - \$75,699
Master's Degree	387	68.74%	\$40,646 - \$85,767
Educational Specialist	5	0.89%	\$41,429 - \$83,269
Ph.D.	<u>2</u>	<u>0.36%</u>	\$43,033 - \$85,767
	<u><u>563</u></u>	<u><u>100.00%</u></u>	

<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
0 - 5	161	28.60%
6 - 10	141	25.04%
11 and over	<u>261</u>	<u>46.36%</u>
	<u><u>563</u></u>	<u><u>100.00%</u></u>

**Source:** School District Personnel Records

**Note:** The salary schedule contained in the current teachers' union collective bargaining agreement does not recognize degrees less than a bachelor's.

**Note:** The number of teachers reported above is actual head count and not full time equivalents (FTE).

# OHIO AUDITOR OF STATE KEITH FABER



**SYLVANIA CITY SCHOOL DISTRICT**

**LUCAS 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 2, 2020**