



Dave Yost • Auditor of State

ELYRIA CITY SCHOOL DISTRICT
LORAIN COUNTY

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ELYRIA CITY SCHOOL DISTRICT
LORAIN COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017

FEDERAL GRANTOR <i>Pass Through Grantor</i> Program / Cluster Title	Federal CFDA Number	Passed Through to Subrecipients	Expenditures	Non-Cash Expenditures
U.S. Department of Agriculture				
<i>Passed Through the Ohio Department of Education:</i>				
Child Nutrition Cluster:				
National School Lunch Program	10.555		\$ 1,738,933	\$ 223,912
National School Breakfast Program	10.553		762,420	
Summer Food Service Program for Children	10.559		99,462	
Total Child Nutrition Cluster		-	<u>2,600,815</u>	<u>223,912</u>
Total U.S. Department of Agriculture		-	<u>2,600,815</u>	<u>223,912</u>
U.S. Department of Education				
<i>Passed Through the Ohio Department of Education:</i>				
Special Education Cluster:				
Special Education-Grants to States FY16	84.027		217,998	
Special Education-Grants to States FY17	84.027		1,461,971	
Preschool Grant FY16	84.173		8,866	
Preschool Grant FY17	84.173		57,141	
Total Special Education Cluster		-	<u>1,745,976</u>	
Title I:				
Title I Grants to Local Educational Agencies FY16	84.010		390,892	
Title I Grants to Local Educational Agencies FY17	84.010		2,418,413	
Total Title I Cluster		-	<u>2,809,305</u>	
Improving Teacher Quality State Grants FY16	84.367		61,759	
Improving Teacher Quality State Grants FY17	84.367		294,348	
Total Improving Teacher Quality State Grants		-	<u>356,107</u>	
Title III LEP FY16	84.365		3,548	
Title III LEP FY17	84.365		17,952	
Total Title III LEP		-	<u>21,500</u>	
Total U.S. Department of Education		-	<u>4,932,888</u>	
Total Federal Assistance		<u>\$ -</u>	<u>\$ 7,533,703</u>	<u>\$ 223,912</u>

The notes to the Schedule of Expenditures of Federal Awards are an integral part of this statement.

**ELYRIA CITY SCHOOL DISTRICT
LORAIN COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Elyria City School District (the District's) under programs of the federal government for the year ended June 30, 2017. 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, changes in net position, or cash flows 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 Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE C - SUBRECIPIENTS

The District does not provide funds to subrecipients.

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 District assumes it expends federal monies first.

NOTE E - FOOD DONATION PROGRAM

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

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 2017 to 2018 programs:

Program Title	CFDA Number	Amt. Transferred
Title I Grants to Local Educational Agencies	84.010	\$ 398,442
Title II-A Improving Teacher Quality	84.367	\$ 201,177
Title III LEP	84.365	\$ 3,749
IDEA-B Special Education	84.027	\$ 125,876
IDEA Early Childhood Special Education	84.173	\$ 109



Dave Yost • Auditor of State

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

Elyria City School District
Lorain County
42101 Griswold Road
Elyria, Ohio 44035

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Elyria City School District, Lorain County, Ohio (the District) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 29, 2017.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive, flowing style.

Dave Yost
Auditor of State
Columbus, Ohio

December 29, 2017



Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE, AND THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Elyria City School District
Lorain County
42101 Griswold Road
Elyria, Ohio 44135

To the Board of Education:

Report on Compliance for the Major Federal Program

We have audited the Elyria City School District'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 the Elyria City School District's major federal program for the year ended June 30, 2017. 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 program.

Auditor's Responsibility

Our responsibility is to opine on the District's compliance for the District's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and 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, the Elyria 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, 2017.

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, the business-type activities, each major fund, and the aggregate remaining fund information of the Elyria City School District, Lorain County, Ohio (the District) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated December 29, 2017. 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.



Dave Yost
Auditor of State
Columbus, Ohio

December 29, 2017

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**ELYRIA CITY SCHOOL DISTRICT
LORAIN COUNTY**

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

1. SUMMARY OF AUDITOR'S RESULTS

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material weaknesses in internal control reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under 2 CFR § 200.516(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Child Nutrition Cluster: National School Breakfast Program - CFDA #10.553 National School Lunch Program - CFDA #10.555 Summer Food Service Program for Children – CFDA #10.559
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee under 2 CFR §200.520?	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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Elyria City School District
Lorain County, Ohio

**Comprehensive Annual
Financial Report**

For Fiscal Year Ended June 30, 2017

Issued by: Office of the Treasurer

Joy Clickenger
Treasurer

Elyria City School District

Lorain County, Ohio



Comprehensive Annual Financial Report

For the Fiscal Year Ended
June 30, 2017

ELYRIA CITY SCHOOL DISTRICT
Lorain County, Ohio
 Comprehensive Annual Financial Report
 Fiscal Year Ended June 30, 2017

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The Elyria City School District

Ensuring that each child reaches his or her full potential



December 29, 2017

Dear Members of the Board of Education and Citizens of the Elyria City School Community:

As the Superintendent and Treasurer of the Elyria City School District (the School District), we are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) issued by the School District. This CAFR for the year ended June 30, 2017 is prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) and in conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB) statement Number 34 using guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the School District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the School District. All disclosures necessary to enable the reader to gain an understanding of the School District's financial activities have been included.

The School District provides a full range of educational programs and services. These include elementary and secondary curriculum offerings at the general, college preparatory and vocational levels, and a broad range of co-curricular and extracurricular activities, and special education services. Elyria High School juniors and seniors attend the Lorain County Joint Vocational School for vocational training classes and eligible High School students attend Lorain County Community College located in the city of Elyria, under the post-secondary school enrollment option and the Early College Program. In addition, the School District provides state-financed assistance to non-public schools located within its boundaries. This assistance is accounted for in a special revenue fund. The non-public school operations and the vocational school operations do not meet the established criteria for inclusion in the reporting entity and, accordingly, are excluded from this report.

GENERAL INFORMATION CONCERNING THE BOARD AND THE SCHOOL DISTRICT

The Reporting Entity

The School District 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 34*. The reporting unit is composed of the primary government, component units, and other organizations that are included to ensure the financial statements of the School District are not misleading. The primary government of the School District consists of all funds.

Numerous entities operate within the School District's geographical boundaries. These entities have been excluded from the accompanying financial statements because the School District cannot legally access their resources, the School District has no obligation to finance deficits or provide financial support to them and the School District is not obligated for their debts.

A complete discussion of the School District's reporting entity is provided in Note 1 in the basic financial statements.

The Board of Education and the Administration

The Board of Education of the Elyria City School District (the "Board") is a political and corporate body charged with the responsibility of managing and controlling affairs of the School District and, together with the School District, is governed by the general laws of the State of Ohio as set forth in the Ohio Revised Code. The Board is comprised of five members who are elected for overlapping four-year terms.

The Superintendent of Schools (the "Superintendent"), appointed by the Board for a term not longer than five years, is the chief executive officer of the School District and has the responsibility for directing and assigning teachers and other employees, assigning the pupils to the proper schools and grades, and performing such other duties as determined by the Board. The Superintendent, Dr. Thomas G. Jama, has been Superintendent since July 24, 2015.

The Treasurer is the Chief Financial Officer of the Board and the School District and is, pursuant to statutory requirements, appointed by the Board for a term not to exceed five years. The Treasurer reports directly to the Board. Ms. Joy Clickenger became the Treasurer on March 17, 2016.

The School District and Its Facilities

The School District is located in the City of Elyria in Lorain County, Ohio. In fiscal year 2016-2017, there were 6,169 students enrolled in the School District. The School District currently operates seven elementary schools, three middle schools, one high school, and one special education pre-school. The School District maintains one administrative facility that houses an all-day every day Kindergarten and a Pre-School of 353 students, all central functions for the School District including all maintenance functions and a central kitchen for its food service program. The School District serves as the primary education provider for high incidence special education programs, which provide special curricula and skills programs for students from all of Lorain County and surrounding school districts.

Employee Relations and Benefits

For 2017, the School District employed 781 full and part-time teaching and support personnel. In the fiscal year ended June 30, 2017, the School District paid from its general fund \$35,532,399 in salaries and \$12,168,248 in fringe benefits including Medicare, employer retirement contributions, workers' compensation insurance coverage, unemployment compensation, life insurance and health/Rx, vision, life and dental insurance premiums.

For collective bargaining purposes, the NEA/OEA/Elyria Education Association (EEA) represents the School District's teachers and educational specialists. The NEA/OEA/Elyria Schools Support Staff (ESSS) represents the School District's classified employees.

A collective bargaining agreement with the Elyria Education Association (EEA) expires July 31, 2020. The collective bargaining agreement with the Elyria School Support Staff (ESSS) expires December 31, 2020.

The School District provides medical health insurance coverage to its employees through Medical Mutual Insurance Company. The prescription drug program is provided to eligible employees through CVS Caremark. The School District provides life insurance and accidental death and dismemberment insurance to eligible employees through Unum Life. Dental insurance is provided to eligible employees through Delta Dental of Ohio and vision insurance is provided through VSP. All School District employees participate in either the State Teachers Retirement System (STRS) or the School Employees Retirement System (SERS). The School District made required contributions for pension obligations to these Systems on behalf of its employees in the amount of \$5,760,423 during the 2017 fiscal year.

ECONOMIC CONDITION AND OUTLOOK

Taxes

Property taxes are a major source of revenue for the School District. For property taxation purposes, assessment of real property is performed on a calendar year basis by the elected County Auditor subject to supervision by the State Tax Commissioner, and assessment of public utility property and tangible personal property is performed by the State Tax Commissioner. Property taxes are billed by the County Auditor and collected by the County Treasurer.

Taxes collected from "Real Property" (other than Public Utilities) in one calendar year are levied in the preceding calendar year on assessed values as of January 1 of that preceding year. Public Utility real taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the year preceding the tax collection year.

The "assessed valuation" of real property is fixed at 35% of true value and is determined pursuant to rules of the State Tax Commissioner, except that real property devoted exclusively to agricultural use is assessed at not more than 35% of its current agricultural use value (CAUV). Real property devoted exclusively to forestry or timber growing is taxed at 50% of the local tax rate upon its true value.

The General Assembly exercised its power to revise the laws applicable to the determination of assessed valuation of taxable property and the amount of receipts to be produced by taxes levied on that property (HB66), and has continued to make revisions that have eliminated the collection of tangible personal property tax.

Ohio law grants tax credits to offset increases in taxes resulting from increases in the true value of real property. Legislation implementing a 1980 constitutional amendment classified real property between (i) residential and agricultural and (ii) all other real property, and provides for tax reduction factors to be separately computed for and applied to each class. These credits apply to certain voted levies on real property and do not apply to unvoted tax levies to pay debt service on general obligation debt.

School Foundation

The State's School Foundation Program is another major source of revenue for the School District's General Fund. The State assists public school districts under a statutory program, which includes direct payments to districts based upon a statutory formula. Such payments are made through the School Foundation Program established by the Ohio Revised Code (the "Code"). School Foundation Program funds distributed to a school district is required to be used for current operating expenses, unless specifically allocated by the State for other purposes.

Basic eligibility for School Foundation Program payments is based on a school district's compliance with State-mandated minimum standards. The School District is in compliance with those standards and has no reason to believe it will not remain in compliance.

During the fiscal year ended June 30, 2017, the School District received \$39,430,566 of State support for its general fund.

Local Economy

Elyria has a history of manufacturing and fabricating industries dominating the city's work force. In 2016, Bendix announced that they will close their 75 year old Elyria facility to build a new facility in Avon. Riddell Corporation moved from Elyria to North Ridgeville in early 2017, making the top employers at the end of Fiscal Year 2017 University Hospital, Lorain County Government, and Invacare Corporation. In recent years, the city's largest employers have shifted from manufacturing to service oriented employers.

The rate of unemployment, at the end of the fiscal year 2017, for Lorain County was 6.8% (Source: Bureau of Labor Statistics).

Within the boundaries of the School District is the Midway Shopping Mall, which is anchored by four major department stores, The Home Depot, Dick's Sporting Goods, a major food chain store (Giant Eagle), and a large retail department store (Target). Also, within the boundaries, is the University Hospital (Elyria Memorial) system. Additionally, the School District has numerous specialty shops, chain restaurants and other eateries.

MAJOR INITIATIVES AND ACCOMPLISHMENTS

Curriculum Initiatives

The School District has updated the K-12 course of study with new materials to compliment the new core and state standards. Many educators also are implementing programs such as; Lucy Caulkins Units of Study, Newsela, Smary Ants, Achieve3000, IXL, EnVision 2.0 Math and several early literacy programs. The School District is expanding its preschool population through both ECE programs and privately funded partnerships. The Elyria Schools offers a successful all-day kindergarten program at no cost to parents.

Classroom Technology

The School District has a standard for use of technology and uses fiber optics and a Wide Area Network (WAN) to all of its buildings to accommodate the use of administrative and instructional technology. The School District's schools are PC based and Smart boards are in use district wide and quickly expanding to meet the needs of all staff and students. Acquisitions of computers are made annually to supplement existing computers to provide students with the latest hardware and software technology and to replace outdated equipment. We have recently upgraded computers to classroom sets of Chromebooks, 5,353 Chromebooks to be exact.

School District Academic Progress

Elyria Schools continues to make progress academically during the transition of the State Report Card.

Elyria High School

Elyria High School provides its students with the benefits of being in a large high school but with a small school feel. Freshmen are placed on one of five academic teams that provide individualized attention. Each team has its own assistant principal and guidance counselors. The entire School District is divided into four houses. Students remain in the same homeroom and house throughout high school.

Elyria High School has been rebuilt into a state-of-the-art facility with high technology and many green features such as geothermal heating, eco-friendly roofing and windows.

Elyria High School pilots many academic programs, such as a recovery concept that keeps struggling students on track for graduation. Elyria High School graduates nearly 90% of its students in four years. Many college preparatory courses and honors programs are offered.

Academic Services

The School District offers numerous academic programs, including honors and advanced placement courses, College Credit Plus, gifted and talented education opportunities, comprehensive special education programming and services for English-as-a-second-language students.

The School District offers a very successful all-day kindergarten program at no additional cost to parents. The program enjoys tremendous success: students enrolled in Elyria's all-day kindergarten program show significant achievement in reading and math well past kindergarten years.

The School District offers an expansive preschool program with attendance of more than 250 three and four year olds.

The School District offers more than 550 Smart boards in classrooms throughout the School District. Smart boards are redefining how teachers teach and students learn: lesson plans are more interactive and students enjoy the hands-on approach to learning. The boards have helped improve students' attention, classroom participation and behavior. The School District is also a BYOD district and we have many devices for students to use. The School District has moved towards 1:1 Chromebooks in grades 3-8 over the last few years. Through grant funding, the School District has created several Makers Spaces and TechE Clubs.

Through state and federal funding, The School District has been able to advance professional development, provide specialized instructors for key content areas, and gain access to sophisticated progress-monitoring technologies. The School District teachers are 100% highly qualified and trained in many disciplines.

Special Education

- The School District's special education department offers a wide continuum of services—13 disability areas and many related services. The School District serves approximately 1,200 students identified with a disability. Most of these students are School District residents attending Elyria Schools; however a number of outside residents are served through the School District's comprehensive special education programming.
- The School District offers programming for students with moderate to intensive needs and programming for students with emotional/behavioral needs grades pre-K through 12.
- The School District enjoys successful inclusion/teaming practices: general education teachers and intervention specialists work together so that students with disabilities have access to the general education curriculum and are involved with typical peers to the fullest extent possible.
- The School District has been recognized at the state level for its inclusive efforts: The staffs of Elyria High School and Westwood Junior High School are recipients of the Walter-Horn Award for Partnering for Progress.
- The School District's special education staff has been recognized for programming and instruction for students with autism.
- The School District hosts the yearly regional Special Olympics at Ely Stadium and year-long activities such as bowling, golf and basketball.
- Of the School District's alternate assessment scores (Alternate Assessment is a testing option for students with the most severe disabilities), most are accelerated or advanced.

Treasurer's Department Focus

The Treasurer's office works continuously to improve the department by increasing efficiency and effectiveness.

- Perfected the use of electronic purchase order processing throughout the District.
- Attended professional development to enhance our data collection and usage skills.
- Use the School District's updated web page as a community resource for Board of Education and Financial Service information on the School District.

- Board Policy manual was converted to an electronic file available to the public on our School District website.
- Internal controls are in place and being monitored continuously.
- Software was evaluated and/or implemented for OFCC reporting, cyber security, and enhanced functions.

For the Future

The School District will continue to investigate cost reduction possibilities while offering as many options as needed for student success.

The School District continues to develop its technology system to allow all teachers and students access to the Internet and provide cyber security for the District. Teachers and administrators have immediate access to School District information on students, budget and staff.

The State of Ohio approved a new Ohio Facility Construction Commission (OFCC) project to replace all of the School District elementary and middle schools. The residents of Elyria School District passed a bond issue for the local share and locally funded initiatives including a sports complex. Ground breaking will begin within the upcoming year.

FINANCIAL INFORMATION

Pursuant to accounting procedures prescribed by the Ohio Revised Code (ORC), revenues and expenditures are recorded on a budgetary basis during the fiscal year. The accounting procedures prescribed by the ORC are generally applicable to all school districts in Ohio and differ from GAAP as promulgated by the Governmental Accounting Standards Board.

Annual financial reports on a budgetary basis are prepared by the Treasurer and filed with the State Department of Education as required by state statute. The State Auditor of Ohio requires that the School District prepare and publish an annual financial report using accounting principles generally accepted in the United States of America.

Fiscal Management

The Treasurer, as chief financial officer of the Board of Education and the School District, is responsible for receiving, maintaining custody of and disbursing and properly reporting all funds of the Board.

Budgeting, Tax Levy and Appropriations Procedures

The Ohio Revised Code contains detailed provisions regarding district budgeting, tax levy and appropriation procedures. The procedures involve review by Lorain County (The “County”) officials at several stages.

School District budgeting for a fiscal year formally begins with the preparation of a tax budget. After a public hearing, this budget is adopted by the Board prior to the fiscal year to which it pertains. Among other items, the tax budget must show the amounts required for debt service, the estimated receipts received from sources other than property taxes and the net amount for which a property tax levy must be made. The tax budget then is presented for review by the County Budget Commission, comprised of the County Auditor, County Treasurer and County Prosecuting Attorney.

The Budget Commission reviews the tax budget. The Code provides that “if any debt charge is omitted from the budget, the commission shall include it therein”. Upon approval of the tax budget, the County Budget Commission certifies to the Board its action together with the approved tax rates. Thereafter, the Board levies the approved taxes and certifies them to the proper County officials. The approved and certified tax rates are reflected in the tax bills sent to property owners during the collection year. Real property taxes are payable on a calendar basis, generally in two installments with the first usually in January and the second in July.

The Board adopts a temporary appropriation measure to begin the new fiscal year and then, within three months, adopts a permanent appropriation measure for that fiscal year. Permanent appropriation measures may be, and generally are, amended or supplemented during the fiscal year. Annual appropriations may not exceed the County Budget Commission’s official estimates of resources. The County Auditor must certify that the Board’s appropriation measures, including any supplements or amendments, do not appropriate monies in excess of the amounts set forth in the latest of those official estimates.

Budgetary Controls

The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The School District maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Unencumbered appropriation balances are reviewed prior to the release of purchase orders to ensure funds are available to meet the obligation created by the purchase order. Encumbered amounts at fiscal year-end are carried forward to succeeding years and are not re-appropriated. Estimated revenues and appropriations are amended at fiscal year-end based on actual revenue, expenditure and encumbrance activity.

Internal Controls

The management of the School District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the School District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely derived from its implementation; and, (2) the valuation of cost and benefits requires estimates and judgments by management.

FINANCIAL CONDITION

The School District prepares financial statements following GASB Statement 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. GASB 34 creates new basic financial statements for reporting on the School District’s financial activities as follows:

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

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

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

Management is responsible for preparing a discussion and analysis for the School District. This discussion follows this letter of transmittal, providing an assessment of the School District's finances for 2017. Because that discussion focuses on major funds, other non-major funds are discussed briefly in this letter.

Financial Highlights – Internal Service Fund The only internal service fund carried on the financial records is related to self-insurance. This fund accounts for the revenues and expenses related to the provision of dental and medical benefits to the School District employees. The School District has implemented a medical self-insurance program. The internal service fund had net position of \$1,412,809 including reserve for fiscal year 2017.

Financial Highlights – Fiduciary Funds The trust fund carried on the financial records of the School District is a private purpose trust that has net position totaling \$489,615 for fiscal year 2017.

FINANCIAL POLICIES

The Board has incorporated policies to improve the financial viability of the School District both in the short and long term. For the last six years the administration has been working on a series of Board approved cost reduction plans to keep revenue and expenses in line. The School District uses the Five Year Forecast as a tool to plan for the future. The CFO develops the forecast in cooperation with the superintendent to project future outcomes. The Board has regular presentations and discussions of our progress. The entire management team is in tune with the financial direction of the School District.

In the past, the School District implemented (with the aid of our joint health insurance committee) modifications that required increased deductibles, co-pays, and employee contributions that improved the financial stability of our self insurance program. Early retirement incentives were used to encourage senior employees at the top of the salary schedule to retire and replace them with less costly new teachers. The School District has reduced the number of employees due to our decrease in enrollment and our financial condition for the last six years. To save costs and improve efficiency and effectiveness the Board has closed and consolidated buildings to better fit the student population and adjust for demographic shifts.

On the revenue side the Board has focused on early passage of renewals with 100% success. New money was requested in 2010 with a positive result creating a significant impact on our financial position.

Effective board policy and administration have resulted in improved outcomes for both income and expense for this year and in the future.

USE OF REPORT

This report is published to provide the Board of Education, the citizens of the Elyria School District and other interested persons, detailed information concerning the financial condition of the School District, with the particular emphasis placed on the utilization of resources during fiscal year 2017. Further, this report will serve as a guide to formulating policies and conducting the School District's day-to-day activities. The information is presented in a manner designed to fairly set forth the financial activity of its various funds. Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A compliments this letter of transmittal and should be read in conjunction with it. All disclosures necessary to enable the reader to gain the maximum understanding of the School District's financial affairs have been included.

In today's public awareness environment it is increasingly important that the public agencies prepare soundly conceived annual financial reports independently audited by a qualified firm or agency. It has become essential that such reports be prepared in accordance with generally accepted accounting principles (GAAP). Bond rating agencies review the data presented before determining a public agency's bond rating.

OTHER INFORMATION

Independent Audit: Provisions of State statute require the School District's financial statements to be subjected to an annual examination by the Auditor of State or an independent auditor contracted by the Auditor of State. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Uniform Grant Guidance. The Auditor of State performed the audit for the fiscal year ended June 30, 2017. The auditor's unmodified opinion rendered on the School District's basic financial statements, and their report on the combining and individual fund statements and schedules, is included in the financial section of this CAFR.

Pursuant to statute, the State prescribes a uniform accounting system to standardize accounting classification and financial reporting for all governments in Ohio. The School District adopted and has been in conformance with that system beginning with its financial reporting for the 1981 fiscal year.

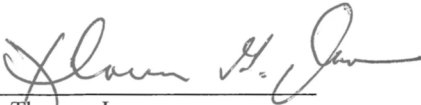
AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Elyria Schools for its Comprehensive Annual Financial Report for the year ended June 30, 2016. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. Such a CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.


A Certificate of Achievement is valid for a period of one year only. We believe our current CAFR, conforms to the Certificate of Achievement program requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

ACKNOWLEDGMENTS

The preparation of this report could not have been accomplished without the efficient and dedicated services of the Treasurer, and the staff of the Treasurer’s Office. We want to express our appreciation to all who assisted and contributed to its preparation. We would like to acknowledge all members of the Board of Education who have expressed their interest and support in planning and conducting the financial operations of the School District in a fiscally responsible, professional and progressive manner.



Dr. Thomas Jama
Superintendent/CEO



Joy Chickenger
Treasurer/CFO

Elyria City School District, Ohio

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 School District and is, together with the School 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 Elyria City School District are:

<i>Board Members</i>	<i>Began Service</i>	<i>Term Expires</i>
<i>Gregory Elek, Board President</i>	January 1, 2012	December 31, 2019
<i>Kevin Brubaker, Vice President</i>	March 10, 2015	December 31, 2019
<i>Annie Carstarphen, Member</i>	January 1, 2013	December 31, 2017
<i>James Backs, Member</i>	May 20, 2015	December 31, 2017
<i>Michael Gebhardt, Member</i>	January 1, 2004	December 31, 2019

Superintendent of Schools

The Superintendent is the executive officer of the School 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 advisory to the Board on all aspects of the educational program and total operation of the School District.

Treasurer/Chief Financial Officer

The Treasurer/Chief Financial Officer serves as the fiscal officer of the School District and, with the Board President, executes all conveyances made by the Board of Education.

2016-2017 ELYRIA CITY SCHOOL DISTRICT, OHIO

Management Team

Dr. Thomas Jama	Superintendent of Schools/CEO
Joy Clickenger	Treasurer
Anne Holton	Assistant Treasurer
Gary Taylor	Director, Human Resources
Amy Higgins	Director, Communications & Marketing
Ann Schloss	Director, Academic Services
Ramona Mendak	Assistant Director of Academic Services
Amy Keir	Content Area Specialist
Kathy Koepp	Content Area Specialist
Brian Kokai	Director, Information Technology
James Wall	Director, Business Services
Heather Beck	Athletic Director
Tera Fridley	Director of Food Services, Sodexo
Nikki McDaniels	Supervisor for Transportation, First Student
Tim Brown	Elyria High School Principal
Kimberly Benetto	Eastern Heights Middle School Principal
Michael Basinski	Northwood Middle School Principal
Theresa Lengel	Westwood Middle School Principal
Steven Grossman	Crestwood Elementary Principal
Jack Dibee	Ely Elementary Principal
Jackie Plantner	Elyria Early Childhood Village (EECV) Principal

(continued)

Virginia Fitch

McKinley Elementary Principal

Lisa Licht

Franklin Elementary Principal

Joy Jones

Oakwood Elementary Principal

Jessica Barwacz

Prospect Elementary Principal

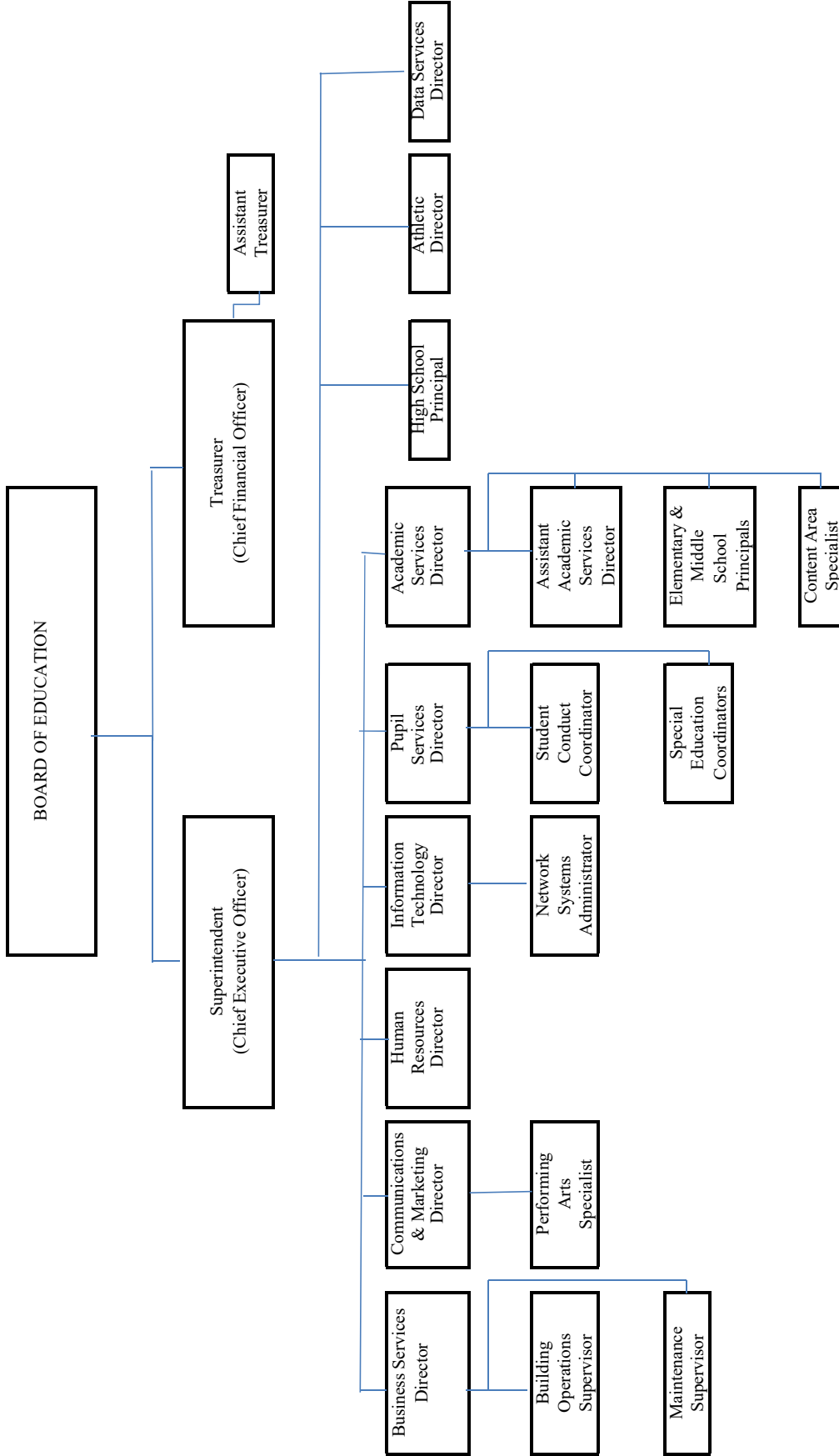
Miranda Roscoe

Windsor Elementary Principal

Allen Senkovich

Alternative School

ELYRIA CITY SCHOOL DISTRICT
ORGANIZATIONAL CHART





Government Finance Officers Association

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

Presented to

**Elyria City School District
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO

FINANCIAL SECTION

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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Elyria City School District
Lorain County
42101 Griswold Road
Elyria, Ohio 44135

To the Board of Education:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Elyria City School District, Lorain County, Ohio (the District), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

Our audit was conducted to opine on the 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 29, 2017, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

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

Dave Yost
Auditor of State
Columbus, Ohio

December 29, 2017

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Elyria City School District
Lorain County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017

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

Financial Highlights

Key financial highlights for 2017 are as follows:

- Net position increased \$79,591,813 from 2016.
- Capital assets, net of accumulated depreciation, decreased \$2,211,431 during fiscal year 2017.
- During the fiscal year, outstanding debt increased from \$47,767,784 to \$108,239,551. The School District issued \$59,385,000 in general obligation bonds for the construction of five new school buildings and a sports complex to be repaid with property tax monies generated by a new levy passed by the voters in November 2016.

Using this Annual Report

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

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

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

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

Elyria City School District
Lorain County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017

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

In the *Statement of Net Position* and the *Statement of Activities*, Governmental Activities include the School District's programs and services, including instruction, support services, extracurricular activities, and non-instructional services, i.e., community services.

Both of the government-wide financial statements distinguish functions of the School District that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the School District include instruction, support services, operation of non-instructional services, and extracurricular activities. The business-type activity of the School District includes lunchroom/cafeteria.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The major funds financial statements begin on page 18. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions; however, these fund financial statements focus on the School District's most significant funds. All of the funds of the School District can be divided into three categories: governmental funds, proprietary funds and fiduciary funds. The School District's major governmental fund are the general fund and classroom facilities fund.

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

Proprietary Funds The School District maintains two different types of proprietary funds. Enterprise funds are used to report the same function presented as business-type activity in the government-wide financial statements. The School District uses an enterprise fund to account for its cafeteria/lunchroom activity. The internal service fund is an accounting device used to accumulate and allocate costs internally among the School District's various functions. The School District uses its internal service fund to account for its healthcare costs. Because this service predominantly benefits governmental rather than business-type functions, they have been included within governmental activities in the government-wide statements.

Elyria City School District
Lorain County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the lunchroom/cafeteria, which is considered to be a non-major fund of the School District.

Reporting the School District's Fiduciary Responsibilities

The School District is the trustee, or fiduciary, for some of its scholarship and foundation programs. This activity is presented as a private purpose trust fund. The School District also acts in a trustee capacity as an agent for individuals, private organizations, other governmental units and/or other funds. These activities are reported in two agency funds. The School District's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position on pages 26 and 27. These activities are excluded from the School District's other financial statements because the assets cannot be utilized by the School District to finance its operations.

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net position for 2017 compared to 2016:

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Assets						
Current and Other Assets	\$ 223,223,671	\$ 71,684,319	\$ 18,744	\$ 53,434	\$ 223,242,415	\$ 71,737,753
Capital Assets	64,166,930	66,295,087	300,730	384,004	64,467,660	66,679,091
<i>Total Assets</i>	<u>287,390,601</u>	<u>137,979,406</u>	<u>319,474</u>	<u>437,438</u>	<u>287,710,075</u>	<u>138,416,844</u>
Deferred Outflows of Resources						
Deferred Charges on Refunding	3,537,047	3,736,218	0	0	3,537,047	3,736,218
Pension	21,774,366	10,160,209	619,905	127,621	22,394,271	10,287,830
<i>Total Deferred Outflow of Resources</i>	<u>25,311,413</u>	<u>13,896,427</u>	<u>619,905</u>	<u>127,621</u>	<u>25,931,318</u>	<u>14,024,048</u>
Liabilities						
Current and Other Liabilities	10,124,872	9,942,425	166,812	181,207	10,291,684	10,123,632
Long Term Liabilities:						
Due Within One Year	7,092,737	2,565,707	2,020	1,903	7,094,757	2,567,610
Due in More Than One Year						
Net Pension Liability	121,742,085	101,674,538	2,289,525	1,572,325	124,031,610	103,246,863
Other Amounts	106,353,947	50,167,067	41,857	39,438	106,395,804	50,206,505
<i>Total Liabilities</i>	<u>245,313,641</u>	<u>164,349,737</u>	<u>2,500,214</u>	<u>1,794,873</u>	<u>247,813,855</u>	<u>166,144,610</u>
Deferred Inflows of Resources						
Property Taxes and Other	34,443,114	29,594,905	0	0	34,443,114	29,594,905
Pension	1,794,668	6,652,991	0	50,443	1,794,668	6,703,434
<i>Total Deferred Inflows of Resources</i>	<u>36,237,782</u>	<u>36,247,896</u>	<u>0</u>	<u>50,443</u>	<u>36,237,782</u>	<u>36,298,339</u>
Net Position						
Net Investment in Capital Assets	22,007,088	22,435,364	300,730	384,004	22,307,818	22,819,368
Restricted	89,271,813	6,054,670	0	0	89,271,813	6,054,670
Unrestricted (Deficit)	(80,128,310)	(77,211,834)	(1,861,565)	(1,664,261)	(81,989,875)	(78,876,095)
<i>Total Net Position</i>	<u>\$ 31,150,591</u>	<u>\$ (48,721,800)</u>	<u>\$ (1,560,835)</u>	<u>\$ (1,280,257)</u>	<u>\$ 29,589,756</u>	<u>\$ (50,002,057)</u>

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During a prior fiscal year, the School District adopted GASB Statement 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27*, which significantly revised accounting for pension costs and liabilities. For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the School District's actual financial condition by adding deferred inflows related to pension and the net pension liability to the reported net position and subtracting deferred outflows related to pension.

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

Under the standards required by GASB 68, the net pension liability equals the School District's proportionate share of each plan's collective:

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

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

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

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

At fiscal year end, capital assets represented 22% of total assets. Capital assets include land, construction in progress, land improvements, buildings and improvements, furniture and equipment, vehicles, and library and textbooks. Net investment in capital assets was \$22,307,818 at June 30, 2017. These capital assets are used to provide services to students and are not available for future spending. Although the School District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the School District's governmental net position, \$89,271,813 represents resources that are subject to external restrictions on how they may be used. The deficit balance of government-wide unrestricted net position of (\$80,128,310) for governmental activities and (\$1,861,565) for business-type activities is primarily the result of GASB No. 68.

Total assets increased \$149,293,231, with the most significant increase being intergovernmental receivables, due to the Ohio Facilities Construction Commission grant. The School District also had a large increase in cash and investments as a result of issuing new debt during fiscal year 2017 that was not spent as of June 30, 2017.

Total liabilities increased \$81,669,245, primarily due to the issuance of two general obligation bonds as well as an increase in net pension liability associated with GASB 68. Fluctuations in deferred outflows and deferred inflows related to pension are based on the performance of the two state pension systems the School District participates in.

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Elyria City School District
Lorain County, Ohio
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Government-wide Financial Analysis

In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for 2017 and 2016.

Table 2
Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues						
<i>Program Revenues:</i>						
Charges for Services	\$ 2,515,491	\$ 2,245,196	\$ 467,783	\$ 448,993	\$ 2,983,274	\$ 2,694,189
Operating Grants	11,741,282	12,045,953	2,828,944	2,686,147	14,570,226	14,732,100
Capital Grants	22,276	23,286	0	0	22,276	23,286
Total Program Revenues	14,279,049	14,314,435	3,296,727	3,135,140	17,575,776	17,449,575
<i>General Revenues:</i>						
Property Taxes	33,809,857	33,682,089	0	0	33,809,857	33,682,089
Grants and Entitlements Not Restricted	41,461,618	41,204,438	0	0	41,461,618	41,204,438
Grants and Entitlements - OFCC	79,868,962	0	0	0	79,868,962	0
Investment Earnings	324,668	334,488	0	405	324,668	334,893
Miscellaneous	777,314	212,026	0	0	777,314	212,026
Total General Revenues	156,242,419	75,433,041	0	405	156,242,419	75,433,446
Total Revenues	170,521,468	89,747,476	3,296,727	3,135,545	173,818,195	92,883,021
Program Expenses						
<i>Instruction:</i>						
Regular	31,719,549	29,497,294	0	0	31,719,549	29,497,294
Special	14,925,258	12,300,324	0	0	14,925,258	12,300,324
Vocational	94,640	152,651	0	0	94,640	152,651
Student Intervention Services	146,171	184,855	0	0	146,171	184,855
Other	10,724,645	10,623,087	0	0	10,724,645	10,623,087
<i>Support Services:</i>						
Pupils	5,055,880	4,607,976	0	0	5,055,880	4,607,976
Instructional Staff	3,024,624	2,792,554	0	0	3,024,624	2,792,554
Board of Education	78,967	139,655	0	0	78,967	139,655
Administration	5,380,981	4,924,229	0	0	5,380,981	4,924,229
Fiscal	1,327,766	1,255,993	0	0	1,327,766	1,255,993
Business	731,318	734,073	0	0	731,318	734,073
Operation and Maintenance of Plant	6,580,557	6,179,228	0	0	6,580,557	6,179,228
Pupil Transportation	2,816,015	3,381,356	0	0	2,816,015	3,381,356
Central	1,110,812	979,120	0	0	1,110,812	979,120
<i>Operation of Non-Instructional Services</i>						
Food Operations	376,539	395,492	0	0	376,539	395,492
Community Services	1,942,472	1,555,895	0	0	1,942,472	1,555,895
Extracurricular Activities	1,899,637	1,796,847	0	0	1,899,637	1,796,847
<i>Debt Service:</i>						
Interest and Fiscal Charges	2,118,606	1,667,085	0	0	2,118,606	1,667,085
Bond Issuance Costs	594,640	0	0	0	594,640	0
Lunchroom/Cafeteria	0	0	3,577,305	3,314,040	3,577,305	3,314,040
Total Expenses	90,649,077	83,167,714	3,577,305	3,314,040	94,226,382	86,481,754
Excess (Deficiency)	79,872,391	6,579,762	(280,578)	(178,495)	79,591,813	6,401,267
Special Items	0	(579,045)	0	0	0	(579,045)
Change in Net Position	79,872,391	6,000,717	(280,578)	(178,495)	79,591,813	5,822,222
Net Position at Beginning of Year	(48,721,800)	(54,722,517)	(1,280,257)	(1,101,762)	(50,002,057)	(55,824,279)
Net Position at End of Year	\$ 31,150,591	\$ (48,721,800)	\$ (1,560,835)	\$ (1,280,257)	\$ 29,589,756	\$ (50,002,057)

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Total revenues increased \$80,935,174 due to an increase in grants with the addition of the Ohio Facilities Construction Commission grant in 2017.

Total expenses increased \$7,744,628 due to an increase in salaries and benefits and pension expense from the net pension liability.

Governmental Activities

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

Table 3
Program Expenses

	2017		2016	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
<i>Governmental Activities:</i>				
Instruction:				
Regular	\$ 31,719,549	\$ 29,873,866	\$ 29,497,294	\$ 27,571,738
Special	14,925,258	6,570,082	12,300,324	4,180,842
Vocational	94,640	(20,963)	152,651	15,801
Student Intervention Services	146,171	8,924	184,855	184,855
Other	10,724,645	10,721,592	10,623,087	10,464,484
Support Services:				
Pupils	5,055,880	4,263,181	4,607,976	3,687,404
Instructional Staff	3,024,624	2,432,684	2,792,554	2,206,922
Board of Education	78,967	78,967	139,655	139,655
Administration	5,380,981	4,974,124	4,924,229	4,615,228
Fiscal	1,327,766	1,327,766	1,255,993	1,255,993
Business	731,318	731,318	734,073	734,073
Operation and Maintenance of Plant	6,580,557	6,507,071	6,179,228	6,105,286
Pupil Transportation	2,816,015	2,420,275	3,381,356	3,025,637
Central	1,110,812	1,110,812	979,120	959,921
Operation of Non-Instructional Services				
Food Operations	376,539	376,539	395,492	395,492
Community Services	1,942,472	578,766	1,555,895	163,042
Extracurricular Activities	1,899,637	1,701,778	1,796,847	1,479,821
Debt Service:				
Interest and Fiscal Charges	2,118,606	2,118,606	1,667,085	1,667,085
Bond Issuance Costs	594,640	594,640	0	0
<i>Total Governmental Activities</i>	<u>90,649,077</u>	<u>76,370,028</u>	<u>83,167,714</u>	<u>68,853,279</u>
<i>Business-Type Activities:</i>				
Lunchroom/Cafeteria	3,577,305	280,578	3,314,040	178,900
<i>Total Expenses</i>	<u>\$ 94,226,382</u>	<u>\$ 76,650,606</u>	<u>\$ 86,481,754</u>	<u>\$ 69,032,179</u>

Elyria City School District
Lorain County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017

The dependence upon general revenues for governmental activities is apparent. Approximately 84% of governmental activities are supported through taxes and other general revenues; such revenues are 92% of total governmental revenues. The community, as a whole, is by far the primary support for the School District students.

Business-Type Activity

Business-type activity decreased the School District's net position by \$280,578. The only business-type activity for the School District was lunchroom/cafeteria. This decrease was due to operating expenses exceeding sales and subsidies.

Governmental Funds

Information about the School District's major funds starts on page 18. These funds are accounted for using the modified accrual basis of accounting. The net change in fund balances for the fiscal year 2017 was an increase of \$67,131,635 for all governmental funds.

The general fund's net change in fund balance for fiscal year 2017 was an increase of \$1,459,535. The primary reason for the increase in fund balance was the School District's revenues outpacing expenditures net of transfers out.

The classroom facilities fund was established in fiscal year 2017 to account for the activity of the OFCC construction project. This fund had an ending fund balance of \$39,354,020, the majority of which represent unspent debt proceeds from the general obligation bonds issued during the fiscal year. This balance will decline in future years as the construction is completed.

Proprietary Funds The School District's proprietary funds provides the same type of information found in the government-wide financial statements, but in more detail. Information about the School District's proprietary funds starts on page 23.

Lunchroom/cafeteria net position decreased \$280,578 due to operating expenses exceeding sales and subsidies.

General Fund Budgeting Highlights

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

During the course of fiscal year 2017, the School District amended its general fund appropriation budget. The School District uses site-based budgeting and budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

For the general fund, actual budget basis revenue was \$56,252 more than the final budget basis revenue of \$79,792,409.

Final expenditure appropriations of \$77,569,437 were \$1,956,923 higher than the actual expenditures of \$75,612,514 as cost savings were recognized primarily within operation and maintenance of school facilities.

Elyria City School District
Lorain County, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017

There were no significant variances to discuss within other financing sources and uses.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2017, the School District had \$64,467,660 invested in capital assets for its governmental and business-type activities. Table 4 shows fiscal year 2017 balances compared with 2016.

Table 4
Capital Assets at June 30
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$ 9,151,222	\$ 9,121,176	\$ 0	\$ 0	\$ 9,151,222	\$ 9,121,176
Construction in Progress	84,155	0	0	0	84,155	0
Land Improvements	495,361	534,557	0	0	495,361	534,557
Building and Improvements	53,569,875	56,165,846	0	0	53,569,875	56,165,846
Furniture and Equipment	61,604	257,948	300,730	365,126	362,334	623,074
Vehicles	170,230	215,560	0	18,878	170,230	234,438
Library and Textbooks	634,483	0	0	0	634,483	0
Total capital assets, net	\$ 64,166,930	\$ 66,295,087	\$ 300,730	\$ 384,004	\$ 64,467,660	\$ 66,679,091

The \$2,211,431 decrease in capital assets was attributable to depreciation expense and disposals exceeding the capital asset additions. See Note 9 for more information about the capital assets of the School District.

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Elyria City School District
Lorain County, Ohio
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For the Fiscal Year Ended June 30, 2017

Debt

At June 30, 2017, the School District had \$108,239,551 in debt outstanding. See Note 11 for additional details. Table 5 summarizes debt outstanding.

Table 5
Outstanding Debt, at Year End

	Governmental Activities	
	2017	2016
2007 Refunding Bond:		
Serial Bond	\$0	\$ 995,000
2014 Refunding Bond:		
Serial Bond	8,430,000	8,515,000
Capital Appreciation Bonds	34,838	34,838
Accretion on Capital Appreciation Bonds	76,847	27,971
Premium	912,603	973,443
2015 Refunding Bond:		
Serial Bond	30,725,000	31,010,000
Capital Appreciation Bonds	243,938	243,938
Accretion on Capital Appreciation Bonds	314,043	143,872
Premium	3,296,646	3,470,154
2017 Series GO Bonds:		
Serial Bond	50,040,000	0
Premium	2,918,337	0
Discount	(466,385)	0
2017 Insured BQ GO Bonds:		
Serial/Term Bonds	9,345,000	0
Premium	570,616	0
Capital Leases	1,798,068	2,353,568
	\$ 108,239,551	\$ 47,767,784

The net increase was the result of the School District issuing \$59,385,000 in general obligation bonds for the construction of five new school buildings and a sports complex.

Elyria City School District
Lorain County, Ohio
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For the Fiscal Year Ended June 30, 2017

Current Issues

The Board of Education and administration presents and approves a financial forecast semi-annually each fiscal year. Additionally, the revenues and expenditures are monitored according to estimated resources and appropriations submitted to the Lorain County Auditor annually. The School District relies heavily on property taxes to fund its operations. The State's biennium budget in fiscal year 2017 provides a state wide budget of \$10 billion for K-12 education; however enrollment and property values continue to be an integral part of the formula. Funding of community schools and open enrollment could impact finances.

The Board of Education and the Ohio Facilities Construction Commission approved the Master Plan to build five new schools as well as a Sports complex. A bond issue passed in November 2016 to fund the local share of this project. Construction plans began immediately after the passage.

The School District negotiates with two bargaining units. Each unit has agreed to a multi-year contract ending July 31, 2020 (certified staff) and December 31, 2020 (support staff). A modest salary increase was given and step movement was reinstated after multiple years of salary freeze.

Management continues to plan carefully and prudently to provide the resources to meet student needs over the next five years.

The School District's system of budgeting and internal controls is well regarded. Elyria City School District has committed itself to financial excellence for many years. The School District has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting. The School District first participated in the GFOA Certificate of Achievement of Excellence in Financial Reporting program in 1999.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Joy Clickenger, Treasurer at Elyria School District, 42101 Griswold Road, Elyria, Ohio 44035.

Elyria City School District
Lorain County, Ohio
Statement of Net Position
June 30, 2017

	Governmental Activities	Business-Type Activities	Total
Assets			
Equity in Pooled Cash and Investments	\$ 96,733,855	\$ 16,077	\$ 96,749,932
Cash and Investments in Segregated Accounts	3,599,084	0	3,599,084
Receivables:			
Taxes	40,233,109	0	40,233,109
Accounts	675,650	2,667	678,317
Accrued Interest	24,404	0	24,404
Intergovernmental	81,876,343	0	81,876,343
Prepaid Items	81,226	0	81,226
Nondepreciable Capital Assets	9,235,377	0	9,235,377
Depreciable Capital Assets, Net	54,931,553	300,730	55,232,283
<i>Total Assets</i>	<u>287,390,601</u>	<u>319,474</u>	<u>287,710,075</u>
Deferred Outflows of Resources			
Deferred Charges on Refunding	3,537,047	0	3,537,047
Pension	21,774,366	619,905	22,394,271
<i>Total Deferred Outflows of Resources</i>	<u>25,311,413</u>	<u>619,905</u>	<u>25,931,318</u>
Liabilities			
Accounts Payable	991,809	37	991,846
Contracts Payable	84,155	0	84,155
Accrued Wages and Benefits	6,469,877	130,097	6,599,974
Matured Compensated Absences Payable	83,896	0	83,896
Accrued Interest	308,940	0	308,940
Intergovernmental Payable	1,851,935	36,678	1,888,613
Claims Payable	334,260	0	334,260
Long Term Liabilities:			
Due Within One Year	7,092,737	2,020	7,094,757
Due in More Than One Year:			
Net Pension Liability	121,742,085	2,289,525	124,031,610
Other Amounts	106,353,947	41,857	106,395,804
<i>Total Liabilities</i>	<u>245,313,641</u>	<u>2,500,214</u>	<u>247,813,855</u>
Deferred Inflows of Resources			
Property Taxes Levied for the Next Year	34,443,114	0	34,443,114
Pension	1,794,668	0	1,794,668
<i>Total Deferred Inflows of Resources</i>	<u>36,237,782</u>	<u>0</u>	<u>36,237,782</u>
Net Position			
Net Investment in Capital Assets	22,007,088	300,730	22,307,818
Restricted for:			
Capital Projects	71,145,753	0	71,145,753
Debt Service	15,214,728	0	15,214,728
State Funded Programs	115,306	0	115,306
Federally Funded Programs	762,967	0	762,967
Student Activities	57,718	0	57,718
Other Purposes	1,975,341	0	1,975,341
Unrestricted	(80,128,310)	(1,861,565)	(81,989,875)
<i>Total Net Position</i>	<u>\$ 31,150,591</u>	<u>\$ (1,560,835)</u>	<u>\$ 29,589,756</u>

See accompanying notes to the basic financial statements.

Elyria City School District
Lorain County, Ohio
Statement of Activities
For the Fiscal Year Ended June 30, 2017

	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total	
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants, Contributions and Interest	Governmental Activities		Business-Type Activities
Governmental Activities							
Instruction:							
Regular	\$ 31,719,549	\$ 1,660,166	\$ 185,517	\$ 0	\$ (29,873,866)	\$ 0	\$ (29,873,866)
Special	14,925,258	662,442	7,692,734	0	(6,570,082)	0	(6,570,082)
Vocational	94,640	0	115,603	0	20,963	0	20,963
Student Intervention Services	146,171	0	137,247	0	(8,924)	0	(8,924)
Other	10,724,645	0	3,053	0	(10,721,592)	0	(10,721,592)
Support Services:							
Pupils	5,055,880	0	792,699	0	(4,263,181)	0	(4,263,181)
Instructional Staff	3,024,624	0	591,940	0	(2,432,684)	0	(2,432,684)
Board of Education	78,967	0	0	0	(78,967)	0	(78,967)
Administration	5,380,981	0	406,857	0	(4,974,124)	0	(4,974,124)
Fiscal	1,327,766	0	0	0	(1,327,766)	0	(1,327,766)
Business	731,318	0	0	0	(731,318)	0	(731,318)
Operation and Maintenance of Plant	6,580,557	0	51,210	22,276	(6,507,071)	0	(6,507,071)
Pupil Transportation	2,816,015	0	395,740	0	(2,420,275)	0	(2,420,275)
Central	1,110,812	0	0	0	(1,110,812)	0	(1,110,812)
Operation of Non-Instructional Services:							
Food Service Operations	376,539	0	0	0	(376,539)	0	(376,539)
Community Services	1,942,472	1,760	1,361,946	0	(578,766)	0	(578,766)
Extracurricular Activities	1,899,637	191,123	6,736	0	(1,701,778)	0	(1,701,778)
Debt Service:							
Interest and Fiscal Charges	2,118,606	0	0	0	(2,118,606)	0	(2,118,606)
Bond Issuance Costs	594,640	0	0	0	(594,640)	0	(594,640)
<i>Total Governmental Activities</i>	<u>90,649,077</u>	<u>2,515,491</u>	<u>11,741,282</u>	<u>22,276</u>	<u>(76,370,028)</u>	<u>0</u>	<u>(76,370,028)</u>
Business-Type Activities							
Food Service	3,577,305	467,783	2,828,944	0	0	(280,578)	(280,578)
<i>Total Business-Type Activities</i>	<u>3,577,305</u>	<u>467,783</u>	<u>2,828,944</u>	<u>0</u>	<u>0</u>	<u>(280,578)</u>	<u>(280,578)</u>
Totals	<u>\$ 94,226,382</u>	<u>\$ 2,983,274</u>	<u>\$ 14,570,226</u>	<u>\$ 22,276</u>	<u>(76,370,028)</u>	<u>(280,578)</u>	<u>(76,650,606)</u>
General Revenues							
Property Taxes Levied for:							
General Purposes					29,188,912	0	29,188,912
Debt Service					4,279,787	0	4,279,787
Other Purposes					341,158	0	341,158
Grants and Entitlements not Restricted to Specific Programs					41,461,618	0	41,461,618
Grants and Entitlements - OFCC Project					79,868,962	0	79,868,962
Investment Earnings					324,668	0	324,668
Miscellaneous					777,314	0	777,314
<i>Total General Revenues</i>					<u>156,242,419</u>	<u>0</u>	<u>156,242,419</u>
<i>Change in Net Position</i>					79,872,391	(280,578)	79,591,813
<i>Net Position Beginning of Year</i>					<u>(48,721,800)</u>	<u>(1,280,257)</u>	<u>(50,002,057)</u>
<i>Net Position End of Year</i>					<u>\$ 31,150,591</u>	<u>\$ (1,560,835)</u>	<u>\$ 29,589,756</u>

See accompanying notes to the basic financial statements.

Elyria City School District
Lorain County, Ohio
Balance Sheet
Governmental Funds
June 30, 2017

	General	Classroom Facilities	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Equity in Pooled Cash and Investments	\$ 27,189,116	\$ 39,352,546	\$ 28,413,452	\$ 94,955,114
Cash and Investments in Segregated Accounts	0	0	3,599,084	3,599,084
Receivables:				
Taxes	34,172,075	0	6,061,034	40,233,109
Accounts	175,650	0	500,000	675,650
Interfund	1,454,378	0	0	1,454,378
Accrued Interest	17,419	1,474	5,511	24,404
Intergovernmental	507,508	79,868,962	1,499,873	81,876,343
Prepaid Items	81,226	0	0	81,226
<i>Total Assets</i>	<u>\$ 63,597,372</u>	<u>\$ 119,222,982</u>	<u>\$ 40,078,954</u>	<u>\$ 222,899,308</u>
Liabilities				
Accounts Payable	\$ 784,413	\$ 0	\$ 205,296	\$ 989,709
Contracts Payable	0	0	84,155	84,155
Accrued Wages and Benefits	5,846,054	0	621,318	6,467,372
Matured Compensated Absences Payable	83,896	0	0	83,896
Interfund Payable	0	0	1,454,378	1,454,378
Intergovernmental Payable	1,732,444	0	115,045	1,847,489
<i>Total Liabilities</i>	<u>8,446,807</u>	<u>0</u>	<u>2,480,192</u>	<u>10,926,999</u>
Deferred Inflows of Resources				
Property Taxes Levied for the Next Year	29,051,120	0	5,391,994	34,443,114
Unavailable Revenue	3,083,799	79,868,962	1,986,439	84,939,200
<i>Total Deferred Inflows of Resources</i>	<u>32,134,919</u>	<u>79,868,962</u>	<u>7,378,433</u>	<u>119,382,314</u>
Fund Balances				
Nonspendable	82,725	0	0	82,725
Restricted	0	39,354,020	30,938,603	70,292,623
Committed	55,107	0	0	55,107
Assigned	5,169,787	0	0	5,169,787
Unassigned	17,708,027	0	(718,274)	16,989,753
<i>Total Fund Balances</i>	<u>23,015,646</u>	<u>39,354,020</u>	<u>30,220,329</u>	<u>92,589,995</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 63,597,372</u>	<u>\$ 119,222,982</u>	<u>\$ 40,078,954</u>	<u>\$ 222,899,308</u>

See accompanying notes to the basic financial statements.

Elyria City School District
Lorain County, Ohio
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
June 30, 2017

Total Governmental Fund Balances		\$ 92,589,995
 <i>Amounts reported for governmental activities in 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.		64,166,930
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Accounts	\$ 250,000	
Intergovernmental	81,368,835	
Excess Costs	112,507	
Miscellaneous	141,464	
Delinquent Property Taxes	3,066,394	84,939,200
An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		1,412,809
In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds, an interest expenditure is not reported.		(308,940)
In the statement of activities, a gain/loss on refunding is amortized over the term of the bonds, whereas in governmental funds a refunding gain/loss is reported when bonds are issued.		3,537,047
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds.		
Deferred Outflows - Pension	21,774,366	
Deferred Inflows - Pension	(1,794,668)	
Net Pension Liability	(121,742,085)	(101,762,387)
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	(59,385,000)	
Refunding Bonds	(39,155,000)	
Capital Appreciation Bonds	(278,776)	
Bond Premiums	(7,698,202)	
Bond Discount	466,385	
Accretion of Interest - Capital Appreciation Bonds	(390,890)	
Capital Lease Obligation	(1,798,068)	
Compensated Absences*	(5,184,512)	(113,424,063)
<i>Net Position of Governmental Activities</i>		\$ 31,150,591

*Excludes \$22,621 within the Internal Service Fund

See accompanying notes to the basic financial statements.

Elyria City School District
Lorain County, Ohio
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2017

	General	Classroom Facilities	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Property and Other Local Taxes	\$ 29,807,246	\$ 0	\$ 4,671,979	\$ 34,479,225
Intergovernmental	45,874,216	0	7,037,186	52,911,402
Interest	179,101	30,717	114,850	324,668
Tuition and Fees	2,438,892	0	24,912	2,463,804
Rent	17,283	0	0	17,283
Extracurricular Activities	68,463	0	140,520	208,983
Gifts and Donations	4,469	0	319,420	323,889
Miscellaneous	610,095	0	25,755	635,850
<i>Total Revenues</i>	<u>78,999,765</u>	<u>30,717</u>	<u>12,334,622</u>	<u>91,365,104</u>
Expenditures				
Current:				
Instruction:				
Regular	28,889,859	0	289,028	29,178,887
Special	10,807,725	0	3,438,376	14,246,101
Vocational	90,661	0	0	90,661
Student Intervention Services	8,516	0	138,037	146,553
Other	10,738,971	0	3,071	10,742,042
Support Services:				
Pupils	3,846,279	0	786,464	4,632,743
Instructional Staff	2,357,378	0	512,246	2,869,624
Board of Education	77,833	0	0	77,833
Administration	4,505,980	0	432,427	4,938,407
Fiscal	1,194,552	0	101,752	1,296,304
Business	699,794	0	0	699,794
Operation and Maintenance of Plant	5,251,942	0	194,957	5,446,899
Pupil Transportation	2,822,143	0	1,229	2,823,372
Central	1,033,679	0	0	1,033,679
Extracurricular Activities	1,120,642	0	191,600	1,312,242
Operation of Non-instructional Services:				
Community Services	647,376	0	1,626,409	2,273,785
Capital Outlay	13,293	15,141	358,313	386,747
Debt Service:				
Principal Retirement	555,500	0	1,365,000	1,920,500
Interest and Fiscal Charges	78,107	0	1,852,117	1,930,224
Issuance Costs	0	0	594,640	594,640
<i>Total Expenditures</i>	<u>74,740,230</u>	<u>15,141</u>	<u>11,885,666</u>	<u>86,641,037</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>4,259,535</u>	<u>15,576</u>	<u>448,956</u>	<u>4,724,067</u>
Other Financing Sources and (Uses)				
Bonds Issued	0	0	59,385,000	59,385,000
Premium on Bonds Issued	0	0	3,488,953	3,488,953
Discount on Bonds Issued	0	0	(466,385)	(466,385)
Transfers In	0	39,338,444	2,800,000	42,138,444
Transfers Out	(2,800,000)	0	(39,338,444)	(42,138,444)
<i>Total Other Financing Sources and Uses</i>	<u>(2,800,000)</u>	<u>39,338,444</u>	<u>25,869,124</u>	<u>62,407,568</u>
<i>Net Change in Fund Balances</i>	1,459,535	39,354,020	26,318,080	67,131,635
<i>Fund Balances Beginning of Year</i>	<u>21,556,111</u>	<u>0</u>	<u>3,902,249</u>	<u>25,458,360</u>
<i>Fund Balances End of Year</i>	<u>\$ 23,015,646</u>	<u>\$ 39,354,020</u>	<u>\$ 30,220,329</u>	<u>\$ 92,589,995</u>

See accompanying notes to the basic financial statements.

Elyria City School District
Lorain County, Ohio
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2017*

Net Change in Fund Balances - Total Governmental Funds	\$	67,131,635
 <i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital Asset Additions	\$ 1,031,166	
Current Year Depreciation	<u>(3,023,006)</u>	(1,991,840)
Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		
		(136,317)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Delinquent Property Taxes	(669,368)	
Excess Costs	(62,072)	
Accounts	(108,536)	
Intergovernmental	<u>79,996,340</u>	79,156,364
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
General Obligation Bonds	1,365,000	
Capital Leases	<u>555,500</u>	1,920,500
Debt proceeds issued in the governmental funds that increase long-term liabilities in the statement of net position are not reported as revenues.		
General Obligation Bonds	(59,385,000)	
Premium on General Obligation Bonds	(3,488,953)	
Discount on Bonds	<u>466,385</u>	(62,407,568)
Contractually required pension contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
		5,593,236
Except for amount reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.		
		(9,188,303)
In the statement of activities, interest is accrued on outstanding bonds; and bond premium and gain/loss on refunding are amortized over the term of the bonds, whereas in governmental funds, an interest expenditure is reported when bonds are issued.		
Accrued Interest Payable	(4,512)	
Amortization of Premium on Bonds	234,348	
Amortization of Refunding Gain/Loss	<u>(199,171)</u>	30,665
The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the district-wide statement of activities. Governmental expenditures and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.		
		223,235
Some expenses reported in the statement of activities do not require the use of the current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated Absences*		(240,169)
Accretion on capital appreciation bonds is an expenditure in the governmental funds, but is allocated as an expense over the life of the bonds in the statement of activities.		
		<u>(219,047)</u>
<i>Change in Net Position of Governmental Activities</i>	<u>\$</u>	<u>79,872,391</u>

*Excludes \$1,974 within the Internal Service Fund

See accompanying notes to the basic financial statements.

Elyria City School District
Lorain County, Ohio
Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2017

	Budgeted Amounts			Variance with Final Budget Over (Under)
	Original	Final	Actual	
Revenues				
Property and Other Local Taxes	\$ 31,611,770	\$ 31,359,520	\$ 31,411,961	\$ 52,441
Intergovernmental	47,306,313	45,558,810	45,220,083	(338,727)
Interest	226,314	239,694	277,032	37,338
Tuition and Fees	2,142,372	2,050,301	2,383,524	333,223
Extracurricular Activities	12,229	1,760	1,760	0
Rentals	25,736	23,451	17,283	(6,168)
Charges for Services	900	900	0	(900)
Contributions and Donations	788	872	855	(17)
Miscellaneous	1,422,379	557,101	536,163	(20,938)
<i>Total Revenues</i>	<u>82,748,801</u>	<u>79,792,409</u>	<u>79,848,661</u>	<u>56,252</u>
Expenditures				
Current:				
Instruction:				
Regular	27,957,264	27,921,927	29,174,648	(1,252,721)
Special	9,626,066	9,634,298	10,255,969	(621,671)
Vocational	132,398	132,087	91,345	40,742
Student Intervention Services	2,948	2,919	8,516	(5,597)
Other	11,400,338	11,428,888	10,715,617	713,271
Support Services:				
Pupils	3,873,758	3,824,419	3,776,420	47,999
Instructional Staff	2,238,506	2,157,919	2,263,579	(105,660)
Board of Education	146,804	148,000	90,137	57,863
Administration	4,444,968	4,543,271	4,498,623	44,648
Fiscal	1,333,528	1,317,869	1,254,399	63,470
Business	743,996	762,384	748,842	13,542
Operation and Maintenance of Plant	8,414,905	8,475,192	5,517,550	2,957,642
Pupil Transportation	3,919,664	4,013,800	3,858,601	155,199
Central	1,001,319	1,095,035	1,030,199	64,836
Operation of Non-Instructional Services:				
Food Operations	381,762	381,762	376,537	5,225
Community Services	168,638	177,154	288,870	(111,716)
Extracurricular Activities	886,964	905,518	1,014,528	(109,010)
Capital Outlay	16,643	16,594	14,527	2,067
Debt Service:				
Principal Retirement	533,723	531,831	555,500	(23,669)
Interest and Fiscal Charges	98,836	98,570	78,107	20,463
<i>Total Expenditures</i>	<u>77,323,028</u>	<u>77,569,437</u>	<u>75,612,514</u>	<u>1,956,923</u>
<i>Excess of Revenues (Under) Expenditures</i>	<u>5,425,773</u>	<u>2,222,972</u>	<u>4,236,147</u>	<u>2,013,175</u>
Other Financing Sources and (Uses)				
Advances In	222,496	1,309,326	1,309,327	1
Advances Out	(1,775,000)	(1,775,000)	(1,454,378)	320,622
Transfers Out	(1,225,000)	(3,025,000)	(3,025,000)	0
<i>Total Other Financing Sources and (Uses)</i>	<u>(2,777,504)</u>	<u>(3,490,674)</u>	<u>(3,170,051)</u>	<u>320,623</u>
<i>Net Change in Fund Balance</i>	2,648,269	(1,267,702)	1,066,096	2,333,798
<i>Fund Balance Beginning of Year</i>	20,945,607	20,945,607	20,945,607	0
Prior Year Encumbrances Appropriated	2,725,362	2,725,362	2,725,362	0
<i>Fund Balance End of Year</i>	<u>\$ 26,319,238</u>	<u>\$ 22,403,267</u>	<u>\$ 24,737,065</u>	<u>\$ 2,333,798</u>

See accompanying notes to the basic financial statements.

Elyria City School District
Lorain County, Ohio
Statement of Fund Net Position
Proprietary Funds
June 30, 2017

	Business-Type Activities - Enterprise Fund	Governmental Activities - Internal Service Fund
Assets		
<i>Current Assets</i>		
Equity in Pooled Cash and Investments	\$ 16,077	\$ 1,778,741
Receivables:		
Accounts	2,667	0
<i>Total Current Assets</i>	<u>18,744</u>	<u>1,778,741</u>
<i>Non-Current Assets</i>		
Depreciable Capital Assets (Net)	300,730	0
<i>Total Assets</i>	<u>319,474</u>	<u>1,778,741</u>
Deferred Outflows of Resources		
Pension	<u>619,905</u>	<u>0</u>
Liabilities		
<i>Current Liabilities</i>		
Accounts Payable	37	2,100
Accrued Wages and Benefits	130,097	2,505
Compensated Absences Payable	2,020	7,996
Intergovernmental Payable	36,678	4,446
Claims Payable	0	334,260
<i>Total Current Liabilities</i>	<u>168,832</u>	<u>351,307</u>
<i>Long Term Liabilities</i>		
Compensated Absences Payable, Net of Current Portion	41,857	14,625
Pension	2,289,525	0
<i>Total Long Term Liabilities</i>	<u>2,331,382</u>	<u>14,625</u>
<i>Total Liabilities</i>	<u>2,500,214</u>	<u>365,932</u>
Net Position		
Invested in Capital Assets	300,730	0
Unrestricted	(1,861,565)	1,412,809
<i>Total Net Position</i>	<u>\$ (1,560,835)</u>	<u>\$ 1,412,809</u>

See accompanying notes to the basic financial statements.

Elyria City School District
Lorain County, Ohio
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2017

	Business-Type Activities - Enterprise Fund	Governmental Activities - Internal Service Fund
Operating Revenues		
Sales	\$ 467,783	\$ 0
Charges for Services	0	7,927,121
<i>Total Operating Revenues</i>	<u>467,783</u>	<u>7,927,121</u>
Operating Expenses		
Salaries	711,270	50,714
Fringe Benefits	575,661	34,110
Purchased Services	1,999,572	546,617
Materials and Supplies	224,308	0
Depreciation	66,494	0
Claims	0	6,633,084
Other Operating Expenses	0	447,513
<i>Total Operating Expenses</i>	<u>3,577,305</u>	<u>7,712,038</u>
<i>Operating Income (Loss)</i>	<u>(3,109,522)</u>	<u>215,083</u>
Non-Operating Revenues:		
Intergovernmental	2,828,944	0
Interest	0	8,152
<i>Total Non-Operating Revenues</i>	<u>2,828,944</u>	<u>8,152</u>
<i>Change in Net Position</i>	(280,578)	223,235
<i>Net Position Beginning of Year</i>	<u>(1,280,257)</u>	<u>1,189,574</u>
<i>Net Position End of Year</i>	<u>\$ (1,560,835)</u>	<u>\$ 1,412,809</u>

See accompanying notes to the basic financial statements.

Elyria City School District
Lorain County, Ohio
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2017

	Business-Type Activities - Enterprise Fund	Governmental Activities - Internal Service Fund
Cash Flows From Operating Activities		
Cash Received from Customers	\$ 467,452	\$ 7,928,139
Cash Paid for Goods and Services	(1,990,331)	(544,517)
Cash Paid for Material and Supplies	(396)	0
Cash Paid to Employees	(742,915)	(55,707)
Cash Paid to Employee Benefits	(373,863)	(21,897)
Cash Payments for Claims	0	(7,118,278)
Other Cash Payments	0	(447,513)
<i>Net Cash Provided By (Used For) Operating Activities</i>	<u>(2,640,053)</u>	<u>(259,773)</u>
Cash Flows From Non-Capital Financing Activities		
Grants Received	<u>2,644,153</u>	<u>0</u>
Cash Flows From Investing Activities		
Interest on Investments	<u>0</u>	<u>8,152</u>
<i>Net Increase (Decrease) in Cash and Investments</i>	4,100	(251,621)
<i>Cash and Investments Beginning of Year</i>	11,977	2,030,362
<i>Cash and Investments End of Year</i>	<u>\$ 16,077</u>	<u>\$ 1,778,741</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used for) Operating Activities		
<i>Operating Income (Loss)</i>	\$ (3,109,522)	\$ 215,083
Adjustments:		
Depreciation	66,494	0
Federal Donated Commodities	223,912	0
Loss on Disposal of Capital Assets	16,780	0
(Increase) Decrease in Assets/Deferred Outflows of Resources:		
Accounts Receivable	(331)	1,018
Deferred Outflows - Pension	(492,284)	0
Increase (Decrease) in Liabilities/Deferred Inflows of Resources:		
Accounts Payable	(7,539)	2,100
Accrued Wages and Benefits	9,767	1,317
Compensated Absences Payable	2,536	1,974
Intergovernmental Payable	(16,623)	3,929
Net Pension Liability	717,200	0
Deferred Inflows - Pension	(50,443)	0
Claims Payable	0	(485,194)
<i>Total Adjustments</i>	<u>469,469</u>	<u>(474,856)</u>
<i>Net Cash Provided By (Used For) Operating Activities</i>	<u>\$ (2,640,053)</u>	<u>\$ (259,773)</u>

See accompanying notes to the basic financial statements.

Elyria City School District
Lorain County, Ohio
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2017

	Private Purpose Trust	
	Scholarship	Agency
Assets		
Equity in Pooled Cash and Investments	\$ 489,615	\$ 219,601
<i>Total Assets</i>	489,615	219,601
Liabilities		
Due to Students	0	\$ 219,601
Net Position		
Held in Trust for Scholarships	\$ 489,615	

See accompanying notes to the basic financial statements.

Elyria City School District
Lorain County, Ohio
Statement of Changes in Fiduciary Net Position
Private Purpose Trust Fund
For the Fiscal Year Ended June 30, 2017

	Private Purpose Trust
	Scholarship
Additions	
Gifts and Contributions	\$ 30,235
Interest	29,409
Miscellaneous	3,381
<i>Total Additions</i>	63,025
Deductions	
Payments in Accordance with Trust Agreements	12,500
<i>Change in Net Position</i>	50,525
<i>Net Position Beginning of Year</i>	439,090
<i>Net Position End of Year</i>	\$ 489,615

See accompanying notes to the basic financial statements.

Elyria City School District
Lorain County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

NOTE 1: NATURE OF BASIC OPERATIONS AND DESCRIPTION OF THE ENTITY

The Elyria City School District (the School District) was established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The School District is a school district as defined by Section 3311.02 of the Ohio Revised Code. The School District operates under an elected Board of Education, consisting of five members, and is responsible for providing public education to residents of the School District.

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

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

The School District is involved with the Metropolitan Educational Technology Association (META), which is defined as jointly governed organization. Additional information concerning the jointly governed organization is presented in Note 16.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Basis of Presentation

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

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Government-wide Financial Statements

The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is also eliminated to avoid “doubling up” revenues and expenses. Interfund services provided and used are not eliminated in the process of consolidation of the government-wide financial statements.

The statement of net position presents the financial condition of the governmental and business-type activities of the School District at year-end. The statement of activities present a comparison between direct expenses and program revenues for each program or function of the School District’s governmental activities and for the business-type activities of the School 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 charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business activity or governmental activity is self-financing or draws from the general revenues of the School District.

Fund Financial Statements

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

Fund Accounting

The School 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, deferred outflows of resources, liabilities, and deferred inflows of resources is reported as fund balance. The following are the School District’s major governmental funds:

Elyria City School District
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General Fund The general fund is the operating fund of the School District and is used to account for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the School District for any purpose provided it is expended or transferred according to the general laws of Ohio.

Classroom Facilities Fund The classroom facilities fund is used to account for Ohio Facilities Construction Commission (OFCC) grant monies that are restricted for the construction of new school buildings and a sports complex.

The other governmental funds of the School District account for grants and other resources to which the School District is bound to observe constraints imposed upon the use of the resources.

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. The following are the School District's proprietary fund types:

Enterprise Fund The enterprise fund may be used to account for any activity for which a fee is charged to external users for goods or services. The School District's enterprise fund is:

Lunchroom/Cafeteria Fund This fund accounts for the financial transactions related to the food service operations of the School District.

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

Self-Insurance Fund This fund accounts for monies received from other funds as payment for providing medical, hospitalization, dental, vision, life, or other similar employee health benefits. The self-insurance fund may make payments for services provided to employees, for reimbursements to employees who have paid providers, to third party administrators for claim payments or administration, for stop-loss coverage, or other reinsurance or other similar purpose.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are, therefore, not available to support the School District's own programs. The School District's trust funds are private purpose trusts which account for scholarship programs for students and endowments. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's agency funds account for student managed activities and Ohio High School Athletics Association (OHSAA) Tournaments.

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Measurement Focus

Government-wide Financial Statements

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 School District are included on the statement of net position. The statement of activities presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position.

Fund Financial Statements

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows of resources and current liabilities and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include 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, all proprietary funds are accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of fund net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities.

The private purpose trust fund is reported using the economic resources measurement focus and is excluded from government-wide activities. The agency fund does not report a measurement focus as it does not report operations.

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 outflows/inflows of resources, and in the presentation of expenses versus expenditures.

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Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

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 School District, available means expected to be received within sixty days of the fiscal year-end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. 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 School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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

Deferred Inflows of Resources and Deferred Outflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding and for pension. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension are explained in Note 14.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the School District, deferred inflows of resources include property taxes, pension, and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2017, but which were levied to finance fiscal year 2018 operations. These amounts have been recorded as a deferred inflow on both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the School District, unavailable revenue may include delinquent property taxes, intergovernmental grants, and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension are reported on the government-wide statement of net position. (See Note 14).

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Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The entitlement value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as intergovernmental revenue.

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

Cash and Investments

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

During fiscal year 2017, investments were limited to certificates of deposit, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Federal National Mortgage, Federal Farm Credit Bank, commercial paper, a money market and STAR Ohio. Except for nonparticipating investment contracts, investments are reported at fair value, which is based on quoted market prices. Nonparticipating investment contracts such as nonnegotiable certificates of deposit and repurchase agreements are reported at cost.

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

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

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund during fiscal year 2017 amounted to \$179,101, which includes \$40,897 assigned from other School District funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are presented on the financial statements as "equity in pooled cash and investments." Investments with an original maturity of more than three months that are not made from the pool are reported as "investments."

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Notes to the Basic Financial Statements
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Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the government activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in the respective funds.

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 values as of the dates received. The School District maintains a capitalization threshold of \$5,000. The School District does not possess any infrastructure. Improvements are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of capital assets is not capitalized.

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

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land Improvements	20 years	N/A
Building and Improvements	20-50 years	N/A
Furniture and Equipment	5-20 years	5-20 years
Vehicles	8 years	8 years
Library and Textbooks	6 years	N/A

Interfund Balances

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

Compensated Absences

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

Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent it is probable that benefits will result in termination payments. The liability is an estimate based on the School District's past experience of making termination payments. The entire compensated absences liability is reported on the government-wide financial statements.

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For the governmental fund financial statements, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account “matured compensated absences payable” in the fund from which the employees who have accumulated leave are paid.

Pension

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

Accrued Liabilities and Long-term Obligations

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

In general, governmental fund payables and accrued liabilities are reported as obligations of the funds regardless of whether they will be liquidated with current resources. However, claims and judgments, compensated absences and net pension liability 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 fiscal year. In general, liabilities that mature or come due for payment during the fiscal year are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial statements when due.

Bond Premiums

Bond premiums are recorded as another financing source on the governmental fund statements. On the government-wide financial statements, bond premiums are deferred and amortized over the term of the bond using the straight line method, which approximates the bond outstanding method. Bond premiums are presented as an increase of the face amount of the bonds payable.

Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. 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 their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. At June 30, 2017, there was no net position restricted by enabling legislation.

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

Fund Balance

In accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the School District classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. The classifications are as follows:

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

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

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

Assigned – Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the School District Board of Education. The Board of Education has by resolution authorized the Treasurer to assign fund balance. The Board of Education may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget.

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

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

Elyria City School District
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Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

Operating Revenues and Expenses

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

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.

Estimates

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

Budgetary Data

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

The certificate of estimated resources may be 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 in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate in effect when the final appropriations were passed.

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

Elyria City School District
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Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

Implementation of New Accounting Policies

For the fiscal year ended June 30, 2017, the School District has implemented Governmental Accounting Standards Board (GASB) Statement No. 77, *Tax Abatement Disclosures*, GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*, GASB Statement No. 80, *Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14* and GASB Statement No. 82, *Pension Issues - an amendment of GASB Statements No. 67, No. 68, and No. 73*.

GASB Statement No. 77 requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues. These changes were incorporated in the School District's fiscal year 2017 note disclosures; however, there was no effect on beginning net position/fund balance.

GASB Statement No. 78 amends the scope of GASB Statement No. 68 to exclude certain multiple-employer defined benefit pension plans provided to employees of state and local governments on the basis that obtaining the measurements and other information required by GASB Statement No. 68 was not feasible. The implementation of GASB Statement No. 78 did not have an effect on the financial statements of the School District.

GASB Statement No. 80 amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The implementation of GASB Statement No. 80 did not have an effect on the financial statements of the School District.

GASB Statement No. 82 improves consistency in the application of pension accounting. These changes were incorporated in the School District's fiscal year 2017 financial statements; however, there was no effect on beginning net position.

NOTE 3: ACCOUNTABILITY

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

<u>Nonmajor Governmental Funds:</u>	<u>Fund Balance</u>
Public School Preschool	\$ 37,411
Alternative School	13,469
IDEA, Part B	226,607
Title I - School Improvement	7,028
Title III	2,769
Title I	368,029
IDEA, Preschool Grant for Handicapped	9,359
Class Size Reduction	53,602

The deficit fund balances resulted from adjustments for accrued liabilities. The general fund is liable for any deficit in these funds and provides transfers when cash is required, rather than when accruals occur.

Elyria City School District
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Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

NOTE 4: BUDGETARY BASIS OF ACCOUNTING

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

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures/expenses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures/expenses for all funds (budget basis) rather than as an assignment or commitment of fund balance for (GAAP basis).
4. Some funds are included in the general fund (GAAP), but have separate legally adopted budgets.

The following tables summarize the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund:

Net Change in Fund Balance

GAAP Basis	\$ 1,459,535
Net adjustments for revenue accruals	2,326,936
Net adjustments for expenditure accruals	(701,420)
Funds budgeted elsewhere**	95,820
Adjustments for encumbrances	<u>(2,114,775)</u>
Budget Basis	<u><u>\$ 1,066,096</u></u>

** As part of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes public school support, uniform school supplies, termination benefits, rotary special service funds, unclaimed monies and intra-district services.

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NOTE 5: DEPOSITS AND INVESTMENTS

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

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

Inactive deposits are public deposits that the Board of Education has identified as not required for use within the current two 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 or deposit accounts including passbook accounts.

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

- United States Treasury Notes, Bill, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to payment of principal and interest by the United States;
- Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, 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;
- Written repurchase agreements in securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2% and marked to market daily, and that the term of the agreement must not exceed 30 days;
- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
- The State Treasurer's investment pool (STAR Ohio);
- Certain banker's acceptance and commercial paper notes for a period not to exceed one hundred and eighty days in an amount not to exceed 40% of the interim monies available for investment at any one time; and,

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Notes to the Basic Financial Statements
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- Under limited circumstances, corporate debt interests rated in either of the two highest rating classifications by at least two nationally recognized rating agencies.

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

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

According to State law, public depositories must give security for all public funds on deposit. These institutions may either specifically collateralize individual accounts in lieu of amounts insured by Federal Deposit Insurance Corporation (FDIC), or may pledge a pool of government securities valued at least 105% of the total value of uninsured public monies on deposit at the institution. Repurchase agreements must be secured by the specific government securities upon which the repurchase agreements are based. These securities must be obligations of or guaranteed by the United States and mature or be redeemable within five years of the date of the related repurchase agreement. State law does not require security for public deposits and investments to be maintained in the School District's name. During fiscal year 2017, the School District and public depositories complied with the provisions of these statutes.

Deposits with Financial Institutions

Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits may not be returned. According to state law, public depositories must give security for all public funds on deposit in excess of those funds that are insured by the FDIC or by any other agency or instrumentality of the federal government. The School District's policy is to deposit money with financial institutions that are able to abide by the laws governing insurance and collateral of public funds.

At fiscal year-end, the carrying amount of the School District's deposits was \$33,801,377, which excludes \$6,475 in petty cash. Based on the criteria described in GASB Statement No. 40, *Deposits and Investment Risk Disclosures*, as of June 30, 2017, \$16,358,057 of the School District's bank balance of \$34,731,581 was exposed to custodial risk as discussed above, while \$18,373,524 was covered by FDIC.

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Investments

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

Entity	S & P Global Ratings	Measurement Amount	Investment Maturity			Percent of Total
			0-12 months	12-36 months	over 36 months	
STAR Ohio	AAAm	\$ 9,757,733	\$ 9,757,733	\$ 0	\$ 0	14.52%
Money Market	N/A	2,184,993	2,184,993	0	0	3.25%
Commercial Paper	N/A	30,265,285	30,265,285	0	0	45.00%
Federal Home Loan Bank	AA+	11,902,598	0	7,336,902	4,565,696	17.70%
Federal Home Loan Mortgage Corporation	AA+	5,380,966	0	2,513,151	2,867,815	8.00%
Federal National Mortgage Association	AA+	5,731,370	0	1,872,478	3,858,892	8.52%
Federal Farm Credit Bank	AA+	2,027,435	0	1,781,065	246,370	3.01%
		<u>\$ 67,250,380</u>	<u>\$ 42,208,011</u>	<u>\$ 13,503,596</u>	<u>\$ 11,538,773</u>	<u>100.00%</u>

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

Interest Rate Risk. Is the possibility that changes in interest rates will adversely affect the fair value of an investment. The School District's investment policy does not address limits on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

STAR Ohio is an investment pool operated by the Ohio State Treasurer. It is unclassified since it is not evidenced by securities that exist in physical or book entry form. Ohio law requires STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The weighted average of maturity of the portfolio held by STAR Ohio as of June 30, 2017, is 46 days. The School District has no investment policy that would further limit its investment choices.

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The School District's policy is to invest money with financial institutions that are able to abide by the laws governing insurance and collateral of public funds.

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

NOTE 6: PROPERTY TAXES

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

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Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenue received in calendar year 2017 represents collections of calendar year 2016 taxes. Real property taxes received in calendar year 2017 were levied after April 1, 2016, on the assessed value listed as of January 1, 2016, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid 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 revenue received in calendar year 2017 represents collections of calendar year 2016 taxes. Public utility real and tangible personal property taxes received in calendar year 2017 became a lien December 31, 2015, were levied after April 1, 2016 and are collected in 2017 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The School District receives property taxes from Lorain County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2017, are available to finance fiscal year 2017 operations. The amount available as an advance at June 30, 2017 in the general, bond retirement and classroom facilities maintenance funds was \$2,291,127, \$403,942, and \$28,532, respectively. The amount available for advance at June 30, 2016, in the general, bond retirement and classroom facilities maintenance funds was \$3,895,842, \$326,561, and \$84,892, respectively. The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

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

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 of resources.

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

	2016 Second		2017 First	
	Half Collections		Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$ 771,851,590	96.08%	\$ 767,517,460	95.61%
Public Utility Personal Property	31,456,810	3.92%	35,260,090	4.39%
	<u>\$ 803,308,400</u>	<u>100.00%</u>	<u>\$ 802,777,550</u>	<u>100.00%</u>
 Full Tax Rate per \$1,000 of assessed value	 <u>\$ 72.28</u>		 <u>\$ 76.27</u>	

Elyria City School District
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NOTE 7: RECEIVABLES

Receivables at June 30, 2017 consisted of taxes, accounts, accrued interest, interfund and intergovernmental. 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. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

In fiscal year 2014, the School District entered into a contract with The Stocker Foundation for a grant in the amount of \$1,250,000. The School District will receive \$250,000 for five years. This grant is for the specific purpose of Franklin Elementary Improvement Plan, which includes two preschool classes, cosmetic changes to the school and an arts program.

NOTE 8: INTERFUND ACTIVITY

Interfund Balances

Interfund balances at June 30, 2017 consisted of the following:

	Interfund Receivable	Interfund Payable
General Fund	\$ 1,454,378	\$ 0
Nonmajor Governmental Funds:		
Alternative School	0	19,066
IDEA, Part B	0	364,578
School Improvement	0	29,623
Limited English Proficiency	0	6,533
Title I	0	754,208
Preschool Grant for Handicapped	0	9,609
Class Size Reduction	0	270,761
	\$ 1,454,378	\$ 1,454,378

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. All interfund balances are expected to be repaid within one year.

Interfund balances between governmental funds are eliminated on the government-wide financial statements; therefore, no internal balances at June 30, 2017 are reported on the Statement of Net Position.

Elyria City School District
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Interfund Transfers

Transfers made during fiscal year 2017 were as follows:

	Transfers In	Transfers Out
General Fund	\$ 0	\$ 2,800,000
Classroom Facilities Fund	39,338,444	0
Nonmajor Governmental Funds	2,800,000	39,338,444
	\$ 42,138,444	\$ 42,138,444

These transfers were made to move unrestricted balances to support programs and projects accounted for in other funds. The general fund transferred \$2,800,000 to the building fund for capital improvements; and the building fund transferred \$39,338,444 to the classroom facilities fund for classroom facilities project.

NOTE 9: CAPITAL ASSETS

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

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017
Governmental Activities				
<i>Capital Assets, Not Being Depreciated</i>				
Land	\$ 9,121,176	\$ 30,046	\$ 0	\$ 9,151,222
Construction in Progress	0	84,155	0	84,155
<i>Total Capital Assets, Not Being Depreciated</i>	9,121,176	114,201	0	9,235,377
<i>Capital Assets, Being Depreciated</i>				
Land Improvements	2,130,323	21,053	0	2,151,376
Buildings and Improvements	83,363,752	20,321	(89,406)	83,294,667
Furniture and Equipment	6,955,664	158,438	(91,025)	7,023,077
Vehicles	402,122	24,990	(39,333)	387,779
Library and Textbooks	980,973	692,163	0	1,673,136
<i>Total Capital Assets, Being Depreciated</i>	93,832,834	916,965	(219,764)	94,530,035
<i>Accumulated Depreciation</i>				
Land Improvements	(1,595,766)	(60,249)	0	(1,656,015)
Buildings and Improvements	(27,197,906)	(2,539,951)	13,065	(29,724,792)
Furniture and Equipment	(6,697,716)	(326,666)	62,909	(6,961,473)
Vehicles	(186,562)	(38,460)	7,473	(217,549)
Library and Textbooks	(980,973)	(57,680)	0	(1,038,653)
<i>Total Accumulated Depreciated</i>	(36,658,923)	(3,023,006)	83,447	(39,598,482)
<i>Total Capital Assets Being Depreciated, Net</i>	57,173,911	(2,106,041)	(136,317)	54,931,553
<i>Governmental Activities, Capital Assets, Net</i>	\$ 66,295,087	\$ (1,991,840)	\$ (136,317)	\$ 64,166,930

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	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017
Business-Type Activities				
<i>Capital Assets, Being Depreciated</i>				
Furniture and Equipment	\$ 1,019,552	\$ 0	\$ (3,795)	\$ 1,015,757
Vehicles	33,560	0	(33,560)	0
<i>Total Capital Assets, Being Depreciated</i>	<u>1,053,112</u>	<u>0</u>	<u>(37,355)</u>	<u>1,015,757</u>
<i>Accumulated Depreciation</i>				
Furniture and Equipment	(654,426)	(64,396)	3,795	(715,027)
Vehicles	(14,682)	(2,098)	16,780	0
<i>Total Accumulated Depreciated</i>	<u>(669,108)</u>	<u>(66,494)</u>	<u>20,575</u>	<u>(715,027)</u>
<i>Total Capital Assets Being Depreciated, Net</i>	<u>384,004</u>	<u>(66,494)</u>	<u>(16,780)</u>	<u>300,730</u>
<i>Business-Type Activities, Capital Assets, Net</i>	<u>\$ 384,004</u>	<u>\$ (66,494)</u>	<u>\$ (16,780)</u>	<u>\$ 300,730</u>

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$ 1,180,840
Special	118,183
Support Services:	
Pupils	100,351
Instructional Staff	27,079
Administration	117,222
Operations and Maintenance of Plant	915,339
Central	24,789
Operation of Non-Instructional Services:	
Community Services	6,012
Extracurricular Activities	533,191
Total Depreciation	<u>\$ 3,023,006</u>

Elyria City School District
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NOTE 10: CAPITALIZED LEASES-LESSEE DISCLOSURE

In prior fiscal years, the School District has entered into leases for the renovation of the high school building and acquisition of equipment. These leases meet the criteria of a capital lease as they transfer benefits and risks of ownership to the lessee.

Capital assets acquired by the leases have been capitalized in the amount of \$6,972,014. Accumulated depreciation was \$4,406,044 as of June 30, 2017, leaving a current book value of \$2,565,970. A corresponding liability was recorded in the statement of net position and is reduced for each required principal payment.

The future minimum lease obligations and the net present values of these minimum lease payments as of June 30, 2017, were as follows:

Year Ending June 30,	Lease Payment
2018	\$ 631,967
2019	630,325
2020	365,365
2021	95,308
2022	93,571
2023	96,833
Total Minimum Lease Payments	1,913,369
Less: Amount Representing Interest	115,301
Present Value of Minimum Lease Payments	\$ 1,798,068

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Elyria City School District
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Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

NOTE 11: LONG-TERM OBLIGATIONS

The changes in the School District's long-term obligations during the year consisted of the following:

	Balance June 30, 2016	Additions	Deductions	Balance June 30, 2017	Amount Due Within One Year
Governmental Activities:					
General Obligation Bonds:					
2007 Refunding Bond					
Serial Bond	\$ 995,000	\$ 0	\$ 995,000	\$ 0	\$ 0
2014 Refunding Bond					
Serial Bond	8,515,000	0	85,000	8,430,000	85,000
Capital Appreciation Bonds	34,838	0	0	34,838	0
Accretion on Bonds	27,971	48,876	0	76,847	0
Premium on Bonds	973,443	0	60,840	912,603	0
2015 Refunding Bond					
Serial Bond	31,010,000	0	285,000	30,725,000	1,330,000
Capital Appreciation Bonds	243,938	0	0	243,938	0
Accretion on Bonds	143,872	170,171	0	314,043	0
Premium on Bonds	3,470,154	0	173,508	3,296,646	0
2017 Classroom Facilities Bonds					
Serial Bond	0	50,040,000	0	50,040,000	1,275,000
Premium on Bonds	0	2,918,337	0	2,918,337	0
Discount on Bonds	0	(466,385)	0	(466,385)	0
2017 Insured BQ Bonds					
Serial Bond	0	7,675,000	0	7,675,000	10,000
Term Bond	0	1,445,000	0	1,445,000	0
Term Bond	0	225,000	0	225,000	0
Premium on Bonds	0	570,616	0	570,616	0
Total General Obligation Bonds	<u>45,414,216</u>	<u>62,626,615</u>	<u>1,599,348</u>	<u>106,441,483</u>	<u>2,700,000</u>
Net Pension Liability:					
STRS	86,137,251	15,337,387	0	101,474,638	0
SERS	15,537,287	4,730,160	0	20,267,447	0
Total Net Pension Liability	<u>101,674,538</u>	<u>20,067,547</u>	<u>0</u>	<u>121,742,085</u>	<u>0</u>
Other Long-Term Liabilities:					
Capital Leases	2,353,568	0	555,500	1,798,068	574,940
Compensated Absences Payable	4,964,990	439,893	197,750	5,207,133	3,817,797
Total Other Long-Term Liabilities	<u>7,318,558</u>	<u>439,893</u>	<u>753,250</u>	<u>7,005,201</u>	<u>4,392,737</u>
Total Long Term Liabilities	<u>\$ 154,407,312</u>	<u>\$ 83,134,055</u>	<u>\$ 2,352,598</u>	<u>\$ 235,188,769</u>	<u>\$ 7,092,737</u>
Business-Type Activities:					
Net Pension Liability (SERS)	\$ 1,572,325	\$ 717,200	\$ 0	\$ 2,289,525	\$ 0
Compensated Absences Payable	41,341	2,536	0	43,877	2,020
Total Long Term Liabilities	<u>\$ 1,613,666</u>	<u>\$ 719,736</u>	<u>\$ 0</u>	<u>\$ 2,333,402</u>	<u>\$ 2,020</u>

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2007 School Facilities Construction and Improvement General Obligation Bonds

On September 5, 2007 the School District issued \$44,999,971 in voted general obligation bonds, which included serial, term and capital appreciation (deep discount) bonds in the amount of \$14,720,000, \$29,530,000 and \$749,971, respectively. The general obligation bonds were issued for the purpose of constructing a new high school and a portion of the principal of the bonds, together with other monies available for this purpose, was used to retire the School District's outstanding \$5,000,000 School improvement notes that matured on November 14, 2007.

In October 2014, the School District advance refunded \$3,250,000 of the serial bonds and \$5,370,000 of the term bonds. In February 2015, the School District advance refunded an additional \$7,665,000 of the serial bonds and \$24,160,000 of the term bonds. The advance refunded portion of the bonds, as well as the unamortized premium of these advance refunded bonds were removed from the financial statements of the School District.

The original bonds were issued for a 28-year period with a final maturity at December 1, 2035. After the advance refunding issues, the bond that remained outstanding had a final maturity on December 1, 2016.

These bonds were purchased at a substantial discount at the time of issuance. At maturity all compounded interest was paid and the bond holder receives the face value of the bonds. As the value of the bonds increase, the accretion is reflected as principal liability. The maturity amount of the bond due in fiscal year 2017 is \$995,000.

2014 Classroom Facilities and School Improvement Refunding Bonds

In October 2014, the School District issued \$8,619,838 in refunding general obligation bonds. The proceeds of the bonds were used to refund \$8,620,000 of the School District's outstanding 2007 School Facilities Construction and Improvement General Obligation Bonds. The bonds were issued for a 17 year period with final maturity at December 1, 2031. At the date of the refunding, \$9,798,692 (including premium and after underwriting fees) was deposited in an irrevocable trust to provide for all future payments on the refunded bonds. At June 30, 2017, \$8,620,000 of the defeased debt is outstanding.

These refunding bonds were issued with a premium of \$1,095,123, which is reported as an increase to bonds payable. The amounts are being amortized to interest expense over the life of the bonds using the straight line method, which is not significantly different than the effective interest rate method. The issuance costs were reported as an expenditure. The issuance resulted in a difference between the cash flows required to service the old debt and the cash flows required to service the new debt of \$953,880. The issuance resulted in an economic gain of \$765,959.

This bond issue consists of \$8,585,000 in serial bonds and \$34,838 in capital appreciation bonds. The serial bonds were issued with interest rates ranging from 2% to 4%. The bonds maturing on or after December 1, 2023 are subject to optional redemption by the School District prior to maturity, beginning December 1, 2022.

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The capital appreciation bonds mature December 1, 2022. The capital appreciation bonds are not subject to early redemption. These bonds were purchased at a discount at the time of issuance and at maturity all compounded interest is paid and the bond holder collects the face value. However, since interest is technically earned and compounded semiannually, the value of the bond increases. Therefore, as the value increases, the accretion is booked as interest. The maturity amount of the bonds is \$760,000.

2015 Classroom Facilities and School Improvement Refunding Bonds

On February 25, 2015, the School District issued \$31,823,938 in refunding general obligation bonds. The proceeds of the bonds were used to refund \$31,825,000 of the School District's outstanding 2007 School Facilities Construction and Improvement General Obligation Bonds. The bonds were issued for a 21 year period with final maturity at December 1, 2035. At the date of the refunding, \$35,192,119 (including premium and after underwriting fees) was deposited in an irrevocable trust to provide for all future payments on the refunded bonds. At June 30, 2017, \$31,825,000 of the defeased debt is outstanding.

These refunding bonds were issued with a premium of \$3,817,170, which is reported as an increase to bonds payable. The amounts are being amortized to interest expense over the life of the bonds using the straight line method, which is not significantly different than the effective interest rate method. The issuance costs were reported as an expenditure. The issuance resulted in a difference between the cash flows required to service the old debt and the cash flows required to service the new debt of \$3,967,568. The issuance resulted in an economic gain of \$3,043,031.

This bond issue consists of \$28,535,000 in serial bonds, \$3,045,000 in term bonds and \$243,938 in capital appreciation bonds.

The serial bonds were issued with a varying interest rate of 1% - 4%. The current interest bonds maturing on and after December 1, 2023 are subject to prior redemption on or after December 1, 2022, by and at the sole option of the School District either in whole or in part (as selected by the School District) on any date and in whole multiples of \$5,000, at par, plus accrued interest to the redemption date.

The term bond was issued with an interest of 4%. The bond maturing after December 1, 2032, will be subject to mandatory redemption requirements on December 1 in the years (mandatory redemption dates) and in the principal amounts as follows (with the balance of \$2,985,000 to be paid at maturity on December 1, 2032):

Year	Principal Amount
2030	\$ 55,000
2031	5,000

The capital appreciation bonds mature December 1, 2019 through 2023 and are not subject to early redemption. These bonds were purchased at a discount at the time of issuance and at maturity all compounded interest is paid and the bond holder collects the face value. However, since interest is technically earned and compounded semiannually, the value of the bond increases. Therefore, as the value increases, the accretion is booked as interest. The maturity amount of the bonds is \$2,505,000.

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2017 Classroom Facilities Bonds

In March 2017, the School District issued \$50,040,000 in general obligation bonds with a varying interest rate of 2.5 - 5.0 percent. The proceeds of the bonds were issued for the construction of five new school buildings and a sports complex. The bonds were issued for a 35 year period with final maturity at December 1, 2051.

These general obligation bonds were issued with a premium of \$2,918,337, which is reported as an increase to bonds payable. The amounts are being amortized to interest expense over the life of the bonds using the straight line method, which is not significantly different than the effective interest rate method. The general obligation bonds had a discount of \$466,385, which will also be amortized over the life of the bonds. The amounts are being amortized to interest expense over the life of the bonds using the straight line method, which is not significantly different than the effective interest rate method.

2017 Insured Bank Qualified General Obligation Bonds

In March 2017, the School District issued \$9,345,000 in bank qualified general obligation bonds with a varying interest rate of 2.0 – 4.0 percent. The proceeds of the bonds were issued to pay off the short-term general obligation note that was issued by the School District during fiscal year 2017. The bonds were issued for a 20 year period with final maturity at December 1, 2037.

These general obligation bonds were issued with a premium of \$570,616, which is reported as an increase to bonds payable. The amounts are being amortized to interest expense over the life of the bonds using the straight line method, which is not significantly different than the effective interest rate method.

General obligation bonds will be paid from the bond retirement fund. Compensated absences and capital leases will be paid from the general fund and debt payments are paid from the debt service fund. Obligations related to employee compensation will be paid from the fund benefitting from their service, which is primarily the general fund and food service fund.

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

Fiscal Year Ending June 30,	General Obligation Bonds			Capital Appreciation Bonds			Total		
	Principal	Interest	Total	Principal	Accretion	Total	Principal	Interest/ Accretion	Total
2018	\$ 2,700,000	\$ 3,869,457	\$ 6,569,457	\$ 0	\$ 0	\$ 0	\$ 2,700,000	\$ 3,869,457	\$ 6,569,457
2019	2,250,000	3,762,376	6,012,376	0	0	0	2,250,000	3,762,376	6,012,376
2020	1,925,000	3,725,237	5,650,237	85,622	399,378	485,000	2,010,622	4,124,615	6,135,237
2021	1,945,000	3,680,588	5,625,588	61,963	443,037	505,000	2,006,963	4,123,625	6,130,588
2022	1,720,000	3,627,987	5,347,987	65,666	704,334	770,000	1,785,666	4,332,321	6,117,987
2023-2027	12,885,000	17,018,676	29,903,676	65,525	1,439,475	1,505,000	12,950,525	18,458,151	31,408,676
2028-2032	18,650,000	13,712,637	32,362,637	0	0	0	18,650,000	13,712,637	32,362,637
2033-2037	20,575,000	9,509,775	30,084,775	0	0	0	20,575,000	9,509,775	30,084,775
2038-2042	9,405,000	6,726,494	16,131,494	0	0	0	9,405,000	6,726,494	16,131,494
2043-2047	11,915,000	4,191,650	16,106,650	0	0	0	11,915,000	4,191,650	16,106,650
2048-2052	14,570,000	1,502,400	16,072,400	0	0	0	14,570,000	1,502,400	16,072,400
	<u>\$ 98,540,000</u>	<u>\$ 71,327,277</u>	<u>\$ 169,867,277</u>	<u>\$ 278,776</u>	<u>\$ 2,986,224</u>	<u>\$ 3,265,000</u>	<u>\$ 98,818,776</u>	<u>\$ 74,313,501</u>	<u>\$ 173,132,277</u>

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NOTE 12: SHORT-TERM OBLIGATIONS

In December 2016, the School District issued a short-term general obligation note in the amount of \$9,900,000 with an interest rate of 2.33 percent. The short-term note matured on April 13, 2017. It was paid off with the proceeds of the 2017 Insured BQ bonds.

NOTE 13: RISK MANAGEMENT

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For fiscal year 2017, the School District contracted with Argonaut Insurance Company for property insurance. Professional liability is protected by Argonaut Insurance Company with \$1,000,000 aggregate limit.

Vehicles are covered by Argonaut Insurance Company. Automobile liability has \$1,000,000 combined single limit of liability. Settled claims have not exceeded this commercial coverage in any of the past three years. The School District did not reduce their limit of liability in the current year.

The Board President and the Superintendent are covered with surety bonds for \$100,000 with Cincinnati Insurance Company. The Treasurer is covered by a surety bond. This bond is with Cincinnati Insurance Company. There is also a separate bond that covers the Assistant Treasurer and the Director of Business Services for \$1,000,000.

The School District maintains a blanket employee dishonesty bond of \$1,000,000 with Cincinnati Insurance Company.

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

The intent of the GRRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in GRRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRRP rather than its individual rate. The total savings are then calculated and each participant's individual performance is compared to the overall savings percentage of GRRP. A participant will then either receive money from or be required to contribute to the "Equity Pooling Fund." The firm of Comp Management provides administrative, cost control and actuarial services to the GRRP.

The School District has established a medical self-insurance fund for School District employees and their covered dependents, in order to minimize the annual cost of medical insurance. The program is administered by the School District and is assisted by an outside third-party administrator. At year end, self-insurance was in effect with stop loss of \$200,000 per member and an aggregate stop-loss of 120% of paid claims for medical, prescription, and hearing. Excess losses are insured by the Medical Mutual of Ohio plan.

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Self-insurance for liability exposure is maintained in an internal service fund. The internal service fund is responsible for collecting interfund premiums from funds having payroll expenditures. The internal service fund is also responsible for paying claim settlements and administrative fees as invoiced by the Medical Mutual of Ohio plan and CVS Caremark.

The claims liability is \$334,260 reported in the self-insurance fund at June 30, 2017 is based on the liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims. The amount was based on an estimate provided by the third-party administrator. The change in the liability for the last two years is presented in the following table.

	Balance Beginning of Year	Current Year Claims	Claims Payments	Balance End of Year
2016	\$ 502,313	\$ 7,003,441	\$ 6,686,300	\$ 819,454
2017	\$ 819,454	\$ 6,633,084	\$ 7,118,278	\$ 334,260

NOTE 14: DEFINED BENEFIT PENSION PLANS

Net Pension Liability

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

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

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

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

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

Plan Description - School Employees Retirement System (SERS)

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

Age and service requirements for retirement are as follows:

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

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

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

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

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS’ Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System’s funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2017, the allocation to pension, death benefits, and Medicare B was 14 percent. SERS did not allocate any employer contributions to the Health Care Fund for fiscal year 2017.

The School District’s contractually required contribution to SERS was \$1,269,836 for fiscal year 2017. Of this amount, \$67,266 is reported as an intergovernmental payable.

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Plan Description - State Teachers Retirement System (STRS)

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

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation was 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. Members are eligible to retire at age 60 with five years of qualifying service credit, or at 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 9.5 percent of the 14 percent employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.5 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12 percent of the 14 percent member rate goes to the DC Plan and the remaining 2 percent 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.

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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 the fiscal year ended June 30, 2017, plan members were required to contribute 14 percent of their annual covered salary. The School District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2017 contribution rates were equal to the statutory maximum rates.

The School District's contractually required contribution to STRS was \$4,490,587 for fiscal year 2017. Of this amount, \$716,713 is reported as an intergovernmental payable.

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

The net pension liability was measured as of July 1, 2016, and the total pension liability used to calculate the net pension liability was determined by an independent actuarial valuation as of that date. The School District's employer allocation percentage of the net pension liability was based on the employer's share of employer contributions in the pension plan relative to the total employer contributions of all participating employers. Following is information related to the proportionate share and pension expense:

	<u>STRS</u>	<u>SERS</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability	\$ 101,474,638	\$ 22,556,972	\$ 124,031,610
Proportion of the Net Pension Liability:			
Current Measurement Date	0.30315357%	0.30819420%	
Prior Measurement Date	<u>0.31167282%</u>	<u>0.29984790%</u>	
Change in Proportionate Share	<u>-0.00851925%</u>	<u>0.00834630%</u>	
 Pension Expense	 \$ 7,110,787	 \$ 2,419,176	 \$ 9,529,963

Deferred outflows/inflows of resources represent the effect of changes in the net pension liability due to the difference between projected and actual investment earnings, differences between expected and actual actuarial experience, changes in assumptions and changes in the School District's proportion of the collective net pension liability. The deferred outflows and deferred inflows are to be included in pension expense over current and future periods. The difference between projected and actual investment earnings is recognized in pension expense using a straight line method over a five year period beginning in the current year. Deferred outflows and deferred inflows resulting from changes in sources other than differences between projected and actual investment earnings are amortized over the average expected remaining service lives of all members (both active and inactive) using the straight line method. Employer contributions to the pension plan subsequent to the measurement date are also required to be reported as a deferred outflow of resources.

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

	<u>STRS</u>	<u>SERS</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between Expected and Actual Experience	\$ 4,100,063	\$ 304,242	\$ 4,404,305
Net Difference between Projected and Actual Earnings on Pension Plan Investments	8,425,121	1,860,624	10,285,745
Changes of Assumptions	0	1,505,802	1,505,802
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	256,324	181,672	437,996
School District Contributions Subsequent to the Measurement Date	4,490,587	1,269,836	5,760,423
Total Deferred Outflows of Resources	<u>\$ 17,272,095</u>	<u>\$ 5,122,176</u>	<u>\$ 22,394,271</u>
Deferred Inflows of Resources			
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	<u>\$ 1,794,668</u>	<u>\$0</u>	<u>\$ 1,794,668</u>

\$5,760,423 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>STRS</u>	<u>SERS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2018	\$ 1,619,888	\$ 989,270	\$ 2,609,158
2019	1,619,885	987,931	2,607,816
2020	4,852,847	1,340,285	6,193,132
2021	2,894,220	534,854	3,429,074
	<u>\$ 10,986,840</u>	<u>\$ 3,852,340</u>	<u>\$ 14,839,180</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.

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

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

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

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

Mortality rates among active members were based upon 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 percent of male rates and 110 percent of female rates. Mortality among disabled members were based upon the RP-2000 Disabled Mortality Table, 90 percent for male rates and 100 percent for female rates, set back five years is used for the period after disability retirement.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period ending July 1, 2010 to June 30, 2015. The assumed rate of inflation, payroll growth assumption and assumed real wage growth were reduced in the June 30, 2016 actuarial valuation. The rates of withdrawal, retirement and disability updated to reflect recent experience and mortality rates were also updated.

The long-term return expectation for the Pension Plan Investments has been determined by 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 an arithmetic 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:

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

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

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
School District's Proportionate Share of the Net Pension Liability	\$ 29,864,025	\$ 22,556,972	\$ 16,440,664

Actuarial Assumptions - STRS

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

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

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Mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022—Scale AA) for Males and Females. Males’ ages are set-back two years through age 89 and no set-back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89 and no set back from age 90 and above.

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

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	31.00 %	8.00 %
International Equity	26.00	7.85
Alternatives	14.00	8.00
Fixed Income	18.00	3.75
Real Estate	10.00	6.75
Liquidity Reserves	1.00	3.00
Total	100.00 %	7.61 %

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

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

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the School District's proportionate share of the net pension liability as of June 30, 2016, calculated using the current period discount rate assumption of 7.75 percent, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.75 percent) or one-percentage-point higher (8.75 percent) than the current rate:

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	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
School District's Proportionate Share of the Net Pension Liability	\$ 134,851,548	\$ 101,474,638	\$ 73,319,247

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

NOTE 15: POSTEMPLOYMENT BENEFITS

School Employees Retirement System

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

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required basic benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. For fiscal year 2017, SERS did not allocate any employer contributions to the Health Care fund. In addition, employers pay a surcharge for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. For fiscal year 2017, this amount was \$23,500. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2017, the School District's surcharge obligation was \$158,031.

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For fiscal years 2016 and 2017, SERS did not allocate employer contributions to the Health Care fund. The School District's contributions for health care for the fiscal year ended June 30, 2015, was \$220,331. The full amount has been contributed for fiscal year 2015.

State Teachers Retirement System

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

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. All benefit recipients, for the most recent year, pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For fiscal years 2017, 2016 and 2015, STRS did not allocate any employer contributions to post-employment health care; therefore, the School District did not contribute to health care in the last three fiscal years.

NOTE 16: JOINTLY GOVERNED ORGANIZATION

The Metropolitan Educational Technology Association (META) is a product of the merger of TRECA and the Metropolitan Educational Council (MEC). As a Regional Council of Governments pursuant to Chapter 167 of the Ohio Revised Code, META seeks to identify, develop, and provide to Members and non-members innovative educational and technological services and products, as well as expanded opportunities for cooperative purchasing. META's governing body is the Board of Directors, which consists of eight (8) superintendents representing a different Full Member school district of the Association. The General Assembly is established from the Full Members and those Associate Members receiving Core Services for the purpose of serving as a deliberative and advisory body of the Association.

Financial information can be obtained by writing META at 100 Executive Drive, Marion, OH 43302. During fiscal year 2017, the School District contributed \$100,286 to META.

NOTE 17: CONTINGENCIES

Grants

The School District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2017, if applicable, cannot be determined at this time.

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Litigation

The School District is not party to any claims or lawsuits that would, in the School District’s opinion, have a material effect of the basic financial statements.

School District Funding

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

NOTE 18: SET-ASIDES

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

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

	Capital Improvement Reserve
Set-Aside Restricted Balance, June 30, 2016	\$ 0
Current Year Set-Aside Requirement	1,056,964
Current Year Qualifying Expenditures	(1,012,927)
Current Year Offset	(410,817)
Total	\$ (366,780)
 Balance Carried Forward to Fiscal Year 2018	 \$ 0
 Set-Aside Restricted Balance June 30, 2017	 \$ 0

Although the School District had qualifying disbursements and offsets during the fiscal year that reduced the set aside amount to below zero for the capital acquisition set-aside, this amount may not be used to reduce the set-aside requirements of future years. This negative balance is therefore not presented as being carried forward to future years.

Elyria City School District
Lorain County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

NOTE 19: FUND BALANCE

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

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

	General	Classroom Facilities	Nonmajor Governmental Funds	Total
Nonspendable for:				
Unclaimed Funds	\$ 1,499	\$ 0	\$ 0	\$ 1,499
Prepays	81,226	0	0	81,226
Total Nonspendable	82,725	0	0	82,725
Restricted for:				
Debt Service	0	0	14,978,162	14,978,162
Capital Outlay	0	39,354,020	14,074,543	53,428,563
Facilities Maintenance	0	0	1,145,172	1,145,172
State Funded Programs	0	0	101,624	101,624
Student Activities	0	0	57,718	57,718
Local Grants	0	0	581,384	581,384
Total Restricted	0	39,354,020	30,938,603	70,292,623
Committed for:				
Termination Benefits	55,107	0	0	55,107
Assigned for:				
Encumbrances:				
Instructional	373,272	0	0	373,272
Support Services	1,030,161	0	0	1,030,161
Extracurricular Activities	4,851	0	0	4,851
Subsequent Year Appropriations	3,734,011	0	0	3,734,011
Uniform School Supplies	27,492	0	0	27,492
Total Assigned	5,169,787	0	0	5,169,787
Unassigned	17,708,027	0	(718,274)	16,989,753
Total Fund Balance	\$ 23,015,646	\$ 39,354,020	\$ 30,220,329	\$ 92,589,995

Elyria City School District
Lorain County, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2017

NOTE 20: SIGNIFICANT ENCUMBRANCES

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

Fund	Amount
General	\$ 1,414,846
Classroom Facilities	8,153
Nonmajor Governmental	196,948
	\$ 1,619,947

NOTE 21: TAX ABATEMENTS

The City of Elyria has entered into tax abatement agreements in order to retain or attract new industry, preserve or increase employment and revitalize the local economy. These tax abatements also affect the School District’s revenue stream, as they mean that the School District is foregoing or reducing tax revenue it is otherwise entitled to collect. All agreements are in effect prior to the reduction of taxes and are granted for the purpose of economic assistance or development. As of June 30, 2017, the School District is impacted by 13 tax abatements through two programs—the Community Reinvestment Area Program and the Enterprise Zone Program.

The Community Reinvestment Area Program (CRA) is a direct incentive tax exemption program, established under the Ohio Revised Code Section 3735.66 benefiting property owners who renovate existing structures or construct new buildings. This program allows appointment of designated areas where revitalization is encouraged. The School District grants tax abatements of up to 100 percent of the property tax bill.

The Ohio Enterprise Zone Program (EZ) is an economic development tool that provides real estate property tax exemptions to businesses making investments within the School District’s boundaries. Enterprise zones are designated areas of land in which business can receive tax incentives in the form of tax exemptions on new investments, when the investment also includes job creation. The School District’s enterprise zones have been created under the Ohio Revised Code Section 5709. The School District may grant real property tax abatements of up to 100 percent and may require additional commitments from recipients.

All 13 agreements were granted by the City of Elyria decreasing the School District’s fiscal year 2017 real estate tax revenues by \$611,550 and \$1,581,121 under the EZ and CRA, respectively.

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Elyria City School District
Lorain County, Ohio
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
Last Four Fiscal Years (1)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<i>State Teachers Retirement System (STRS)</i>				
School District's Proportion of the Net Pension Liability	0.30315357%	0.31167282%	0.31017853%	0.31017853%
School District's Proportionate Share of the Net Pension Liability	\$ 101,474,638	\$ 86,137,251	\$ 75,446,153	\$ 89,870,964
School District's Covered Payroll	\$ 33,134,236	\$ 32,173,807	\$ 30,913,908	\$ 33,361,269
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	306.25%	267.72%	244.05%	269.39%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.80%	72.10%	74.70%	69.30%
<i>School Employees Retirement System (SERS)</i>				
School District's Proportion of the Net Pension Liability	0.30819420%	0.29984790%	0.29856100%	0.29856100%
School District's Proportionate Share of the Net Pension Liability	\$ 22,556,972	\$ 17,109,612	\$ 15,110,002	\$ 17,754,464
School District's Covered Payroll	\$ 7,507,800	\$ 8,590,842	\$ 7,271,602	\$ 7,575,448
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	300.45%	199.16%	207.79%	234.37%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	62.98%	69.16%	71.70%	65.52%

(1) Information prior to 2014 is not available. This schedule will display ten years of information when it becomes available.

The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

Notes:

School Employees Retirement System (SERS)

Changes of Benefit Terms: None.

Changes of Assumptions: Amounts reported in 2017 reflect an adjustment of the rates of withdrawal, retirement and disability to more closely reflect actual experience and the expectation of retired life mortality was based on RP-2014 Blue Collar Mortality Tables and RP-2000 Disabled Mortality Table. The following reductions were also made to the actuarial assumptions:

- Discount rate from 7.75% to 7.50%
- Assumed rate of inflation from 3.25% to 3.00%
- Payroll growth assumption from 4.00% to 3.50%
- Assumed real wage growth from 0.75% to 0.50%

Elyria City School District
Lorain County, Ohio
Required Supplementary Information
Schedule of School District Contributions
Last Ten Fiscal Years

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<i>State Teachers Retirement System (STRS)</i>				
Contractually Required Contribution	\$ 4,490,587	\$ 4,638,793	\$ 4,504,333	\$ 4,018,808
Contributions in Relation to the Contractually Required Contribution	<u>(4,490,587)</u>	<u>(4,638,793)</u>	<u>(4,504,333)</u>	<u>(4,018,808)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
School District's Covered Payroll	\$ 32,075,621	\$ 33,134,236	\$ 32,173,807	\$ 30,913,908
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	13.00%
<i>School Employees Retirement System (SERS)</i>				
Contractually Required Contribution	\$ 1,269,836	\$ 1,051,092	\$ 1,132,273	\$ 1,007,844
Contributions in Relation to the Contractually Required Contribution	<u>(1,269,836)</u>	<u>(1,051,092)</u>	<u>(1,132,273)</u>	<u>(1,007,844)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
School District's Covered Payroll	\$ 9,070,257	\$ 7,507,800	\$ 8,590,842	\$ 7,271,602
Contributions as a Percentage of Covered Payroll	14.00%	14.00%	13.18%	13.86%

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 4,336,965	\$ 4,556,929	\$ 4,301,686	\$ 4,653,391	\$ 4,575,983	\$ 4,567,078
<u>(4,336,965)</u>	<u>(4,556,929)</u>	<u>(4,301,686)</u>	<u>(4,653,391)</u>	<u>(4,575,983)</u>	<u>(4,567,078)</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 33,361,269	\$ 35,053,300	\$ 33,089,892	\$ 35,795,315	\$ 35,199,869	\$ 35,131,369
13.00%	13.00%	13.00%	13.00%	13.00%	13.00%
\$ 1,048,442	\$ 1,084,414	\$ 1,187,161	\$ 1,347,619	\$ 742,982	\$ 1,139,698
<u>(1,048,442)</u>	<u>(1,084,414)</u>	<u>(1,187,161)</u>	<u>(1,347,619)</u>	<u>(742,982)</u>	<u>(1,139,698)</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 7,575,448	\$ 8,062,558	\$ 9,444,399	\$ 9,952,873	\$ 7,550,630	\$ 11,605,886
13.84%	13.45%	12.57%	13.54%	9.84%	9.82%

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***Combining Statements and
Individual Fund Schedules -
Nonmajor Governmental Funds***

Elyria City School District
Lorain County, Ohio
Combining Statements and Individual Fund Schedules
Combining Statements – Nonmajor Funds

Nonmajor Special Revenue Funds:

The Special Revenue funds are used to account for proceeds of specific revenue sources (other than expendable trusts, or for major capital projects) that are legally restricted to expenditure for specified purposes. With the implementation of GASB No. 54, the uniform school supplies, public school support, inter-district services and termination benefit special revenue funds have been classified with the general fund for GAAP reporting purposes. However, these funds have their own legally adopted budgets. As a result, Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual have been presented for these funds. Following is a description of the School District's Nonmajor special revenue funds:

Uniform School Supplies Fund – This fund accounts for the purchase and sale of school supplies for use in the School District.

Public School Support Fund – This fund accounts for school site sales revenue and expenditures for assemblies and other activity costs.

Inter-District Services Fund - This fund accounts for functions that provide goods or services to other areas within the School District.

Termination Benefits Fund – This fund accounts for payments of termination benefits and for paying salaries when the number of pay periods exceeds the usual and customary for a year.

Local Grants Fund – This fund accounts for proceeds of specific revenue sources, except for state and federal grants that are legally restricted to expenditures for specific purposes.

Classroom Facilities Maintenance Fund – This fund accounts for proceeds for a special levy for the maintenance of facilities.

Athletics and Music Fund – This fund accounts for gate receipts and other revenues from athletic events and costs (except supplemental coaching contracts) of the athletic program, including transportation.

Auxiliary Services Fund – This fund accounts for state grant monies that provide services and materials to pupils attending non-public schools within the School District.

Public School Preschool Fund – This fund accounts for state monies used to assist the School District paying the cost of preschool programs for three and four year olds.

Data Communications Fund – This fund accounts for revenues received from the state to be used to install and provide support costs for data communication links to connect any school to the local A-site.

Alternative Schools Fund – This fund accounts for monies used for alternative education for new and existing at risk and delinquent youths.

(continued)

Elyria City School District
Lorain County, Ohio
Combining Statements and Individual Fund Schedules
Combining Statements – Nonmajor Funds

Nonmajor Special Revenue Funds (Continued):

Miscellaneous State Grants Fund – This fund accounts for state monies which support academic and enrichment programs for the student body.

IDEA Part B Fund – This fund accounts for federal monies used to assist schools in the identification of handicapped children, development of procedural safeguards, and provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels.

Title I School Improvement Fund – This fund accounts for federal monies to help schools improve the teaching and learning of children failing, or most at risk of failing to meet challenging state academic achievement standards.

Title III Fund – This fund accounts for monies to develop and carry out elementary and secondary school programs, including activities at the pre-school level, to meet the educational needs of children of limited English proficiency.

Title I Fund – This fund accounts for federal monies used to assist the School District in meeting the special needs of educationally deprived children.

Preschool Handicapped Grant Fund – This fund accounts for federal monies, which provide for the cost of developing a public school preschool for handicapped and non-handicapped children.

Class Size Reduction Fund – This fund accounts for federal monies used to reduce class sizes in elementary schools.

Nonmajor Debt Service Fund:

Bond Retirement Fund – This fund accounts for the accumulation of resources for, and the payment of, long-term debt principal, interest and fiscal charges.

Nonmajor Capital Projects Funds:

Capital projects funds account for the acquisition, construction or improvement of capital facilities other than those financed by proprietary funds.

Permanent Improvement Fund – This fund accounts for property taxes levied to be used for various capital improvements within the School District.

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

Elyria City School District
Lorain County, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2017

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Equity in Pooled Cash and Investments	\$ 3,284,506	\$ 10,975,136	\$ 14,153,810	\$ 28,413,452
Cash and Investments in Segregated Accounts	0	3,599,084	0	3,599,084
Receivables:				
Taxes	355,814	5,705,220	0	6,061,034
Accounts	500,000	0	0	500,000
Accrued Interest	591	0	4,920	5,511
Intergovernmental	1,499,873	0	0	1,499,873
<i>Total Assets</i>	<u>\$ 5,640,784</u>	<u>\$ 20,279,440</u>	<u>\$ 14,158,730</u>	<u>\$ 40,078,954</u>
Liabilities				
Accounts Payable	\$ 205,264	\$ 0	\$ 32	\$ 205,296
Contracts Payable	0	0	84,155	84,155
Accrued Wages and Benefits	621,318	0	0	621,318
Interfund Payable	1,454,378	0	0	1,454,378
Intergovernmental Payable	115,045	0	0	115,045
<i>Total Liabilities</i>	<u>2,396,005</u>	<u>0</u>	<u>84,187</u>	<u>2,480,192</u>
Deferred Inflows of Resources				
Property Taxes Levied for the Next Year	327,282	5,064,712	0	5,391,994
Unavailable Revenue	1,749,873	236,566	0	1,986,439
<i>Total Deferred Inflows of Resources</i>	<u>2,077,155</u>	<u>5,301,278</u>	<u>0</u>	<u>7,378,433</u>
Fund Balances				
Restricted	1,885,898	14,978,162	14,074,543	30,938,603
Unassigned	(718,274)	0	0	(718,274)
<i>Total Fund Balances</i>	<u>1,167,624</u>	<u>14,978,162</u>	<u>14,074,543</u>	<u>30,220,329</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 5,640,784</u>	<u>\$ 20,279,440</u>	<u>\$ 14,158,730</u>	<u>\$ 40,078,954</u>

Elyria City School District
Lorain County, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For Fiscal Year Ended June 30, 2017

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Property and Other Local Taxes	\$ 341,158	\$ 4,330,821	\$ 0	\$ 4,671,979
Intergovernmental	6,628,897	392,013	16,276	7,037,186
Interest	12,320	0	102,530	114,850
Tuition and Fees	24,912	0	0	24,912
Extracurricular Activities	140,520	0	0	140,520
Gifts and Donations	313,420	0	6,000	319,420
Miscellaneous	23,620	1,145	990	25,755
<i>Total Revenues</i>	<u>7,484,847</u>	<u>4,723,979</u>	<u>125,796</u>	<u>12,334,622</u>
Expenditures				
Current:				
Instruction:				
Regular	289,028	0	0	289,028
Special	3,438,376	0	0	3,438,376
Student Intervention Services	138,037	0	0	138,037
Other	3,071	0	0	3,071
Support Services:				
Pupils	786,464	0	0	786,464
Instructional Staff	512,246	0	0	512,246
Administration	432,427	0	0	432,427
Fiscal	7,788	93,964	0	101,752
Operation and Maintenance of Plant	167,538	0	27,419	194,957
Pupil Transportation	1,229	0	0	1,229
Extracurricular Activities	191,600	0	0	191,600
Operation of Non-instructional Services:				
Community Services	1,626,409	0	0	1,626,409
Capital Outlay	0	0	358,313	358,313
Debt Service:				
Principal Retirement	0	1,365,000	0	1,365,000
Interest and Fiscal Charges	0	1,852,117	0	1,852,117
Issuance Costs	0	594,640	0	594,640
<i>Total Expenditures</i>	<u>7,594,213</u>	<u>3,905,721</u>	<u>385,732</u>	<u>11,885,666</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(109,366)	818,258	(259,936)	448,956
Other Financing Sources and (Uses)				
Bonds Issued	0	9,345,000	50,040,000	59,385,000
Premium on Bonds Issued	0	3,488,953	0	3,488,953
Discount on Bonds Issued	0	(466,385)	0	(466,385)
Transfers In	0	0	2,800,000	2,800,000
Transfers Out	0	0	(39,338,444)	(39,338,444)
<i>Total Other Financing Sources and Uses</i>	<u>0</u>	<u>12,367,568</u>	<u>13,501,556</u>	<u>25,869,124</u>
<i>Net Change in Fund Balances</i>	(109,366)	13,185,826	13,241,620	26,318,080
<i>Fund Balances Beginning of Year</i>	<u>1,276,990</u>	<u>1,792,336</u>	<u>832,923</u>	<u>3,902,249</u>
<i>Fund Balances End of Year</i>	<u>\$ 1,167,624</u>	<u>\$ 14,978,162</u>	<u>\$ 14,074,543</u>	<u>\$ 30,220,329</u>

Elyria City School District
Lorain County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2017

	Local Grants	Classroom Facilities Maintenance	Athletics and Music
Assets			
Equity in Pooled Cash and Investments	\$ 372,740	\$ 1,121,299	\$ 60,486
Receivables:			
Taxes	0	355,814	0
Accounts	500,000	0	0
Accrued Interest	0	364	0
Intergovernmental	0	0	0
<i>Total Assets</i>	<u>\$ 872,740</u>	<u>\$ 1,477,477</u>	<u>\$ 60,486</u>
Liabilities			
Accounts Payable	\$ 4,615	\$ 1,978	\$ 2,160
Accrued Wages and Benefits	30,469	3,045	0
Interfund Payable	0	0	0
Intergovernmental Payable	6,272	0	608
<i>Total Liabilities</i>	<u>41,356</u>	<u>5,023</u>	<u>2,768</u>
Deferred Inflows of Resources			
Property Taxes Levied for the Next Year	0	327,282	0
Unavailable Revenue	250,000	0	0
<i>Total Deferred Inflows of Resources</i>	<u>250,000</u>	<u>327,282</u>	<u>0</u>
Fund Balances			
Restricted	581,384	1,145,172	57,718
Unassigned	0	0	0
<i>Total Fund Balances</i>	<u>581,384</u>	<u>1,145,172</u>	<u>57,718</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 872,740</u>	<u>\$ 1,477,477</u>	<u>\$ 60,486</u>

Auxiliary Services	Public School Preschool	Data Communications	Alternative Schools	Miscellaneous State Grants
\$ 298,141	\$ 13,140	\$ 494	\$ 19,048	\$ 7,868
0	0	0	0	0
0	0	0	0	0
227	0	0	0	0
0	45,496	0	19,066	0
<u>\$ 298,368</u>	<u>\$ 58,636</u>	<u>\$ 494</u>	<u>\$ 38,114</u>	<u>\$ 7,868</u>
\$ 181,724	\$ 5,849	\$ 0	\$ 0	\$ 0
15,198	39,859	0	10,865	0
0	0	0	19,066	0
8,184	4,843	0	2,586	0
<u>205,106</u>	<u>50,551</u>	<u>0</u>	<u>32,517</u>	<u>0</u>
0	0	0	0	0
0	45,496	0	19,066	0
<u>0</u>	<u>45,496</u>	<u>0</u>	<u>19,066</u>	<u>0</u>
93,262	0	494	0	7,868
0	(37,411)	0	(13,469)	0
<u>93,262</u>	<u>(37,411)</u>	<u>494</u>	<u>(13,469)</u>	<u>7,868</u>
<u>\$ 298,368</u>	<u>\$ 58,636</u>	<u>\$ 494</u>	<u>\$ 38,114</u>	<u>\$ 7,868</u>

(Continued)

Elyria City School District
Lorain County, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2017

	IDEA Part B	Title I School Improvement	Title III
Assets			
Equity in Pooled Cash and Investments	\$ 331,377	\$ 25,073	\$ 6,533
Receivables:			
Taxes	0	0	0
Accounts	0	0	0
Accrued Interest	0	0	0
Intergovernmental	364,577	29,622	6,533
<i>Total Assets</i>	<u>\$ 695,954</u>	<u>\$ 54,695</u>	<u>\$ 13,066</u>
Liabilities			
Accounts Payable	\$ 189	\$ 0	\$ 0
Accrued Wages and Benefits	169,782	0	2,398
Interfund Payable	364,578	29,623	6,533
Intergovernmental Payable	23,435	2,478	371
<i>Total Liabilities</i>	<u>557,984</u>	<u>32,101</u>	<u>9,302</u>
Deferred Inflows of Resources			
Property Taxes Levied for the Next Year	0	0	0
Unavailable Revenue	364,577	29,622	6,533
<i>Total Deferred Inflows of Resources</i>	<u>364,577</u>	<u>29,622</u>	<u>6,533</u>
Fund Balances			
Restricted	0	0	0
Unassigned	(226,607)	(7,028)	(2,769)
<i>Total Fund Balances</i>	<u>(226,607)</u>	<u>(7,028)</u>	<u>(2,769)</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 695,954</u>	<u>\$ 54,695</u>	<u>\$ 13,066</u>

Title I	Preschool Handicapped Grant	Class Size Reduction	Total Nonmajor Special Revenue Funds
\$ 763,558	\$ 9,706	\$ 255,043	\$ 3,284,506
0	0	0	355,814
0	0	0	500,000
0	0	0	591
754,208	9,610	270,761	1,499,873
<u>\$ 1,517,766</u>	<u>\$ 19,316</u>	<u>\$ 525,804</u>	<u>\$ 5,640,784</u>
\$ 2,332	\$ 0	\$ 6,417	\$ 205,264
314,655	8,435	26,612	621,318
754,208	9,609	270,761	1,454,378
60,392	1,021	4,855	115,045
<u>1,131,587</u>	<u>19,065</u>	<u>308,645</u>	<u>2,396,005</u>
0	0	0	327,282
754,208	9,610	270,761	1,749,873
<u>754,208</u>	<u>9,610</u>	<u>270,761</u>	<u>2,077,155</u>
0	0	0	1,885,898
<u>(368,029)</u>	<u>(9,359)</u>	<u>(53,602)</u>	<u>(718,274)</u>
<u>(368,029)</u>	<u>(9,359)</u>	<u>(53,602)</u>	<u>1,167,624</u>
<u>\$ 1,517,766</u>	<u>\$ 19,316</u>	<u>\$ 525,804</u>	<u>\$ 5,640,784</u>

**Elyria City School District
Lorain County, Ohio**

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For Fiscal Year Ended June 30, 2017*

	Local Grants	Classroom Facilities Maintenance	Athletics and Music
Revenues			
Property and Other Local Taxes	\$ 0	\$ 341,158	\$ 0
Intergovernmental	31,496	45,899	0
Interest	0	7,589	0
Tuition and Fees	24,912	0	0
Extracurricular Activities	16,100	0	124,420
Gifts and Donations	313,420	0	0
Miscellaneous	16,496	0	7,124
<i>Total Revenues</i>	<u>402,424</u>	<u>394,646</u>	<u>131,544</u>
Expenditures			
Current:			
Instruction:			
Regular	164,450	0	0
Special	256,010	0	0
Student Intervention Services	0	0	0
Other	0	0	0
Support Services:			
Pupils	347	0	0
Instructional Staff	2,149	0	0
Administration	1,289	0	0
Fiscal	0	7,788	0
Operation and Maintenance of Plant	1,863	161,450	0
Pupil Transportation	665	0	0
Extracurricular Activities	15,270	0	176,330
Operation of Non-instructional Services:			
Community Services	22,196	0	0
<i>Total Expenditures</i>	<u>464,239</u>	<u>169,238</u>	<u>176,330</u>
<i>Net Change in Fund Balances</i>	(61,815)	225,408	(44,786)
<i>Fund Balances Beginning of Year</i>	<u>643,199</u>	<u>919,764</u>	<u>102,504</u>
<i>Fund Balances End of Year</i>	<u>\$ 581,384</u>	<u>\$ 1,145,172</u>	<u>\$ 57,718</u>

Auxiliary Services	Public School Preschool	Data Communications	Alternative Schools	Miscellaneous State Grants
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
1,205,455	399,792	0	108,849	0
4,731	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>1,210,186</u>	<u>399,792</u>	<u>0</u>	<u>108,849</u>	<u>0</u>
0	0	0	0	0
0	348,409	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	27,607	0	101,797	0
0	0	0	0	0
0	4,225	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>1,390,889</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>1,390,889</u>	<u>380,241</u>	<u>0</u>	<u>101,797</u>	<u>0</u>
(180,703)	19,551	0	7,052	0
<u>273,965</u>	<u>(56,962)</u>	<u>494</u>	<u>(20,521)</u>	<u>7,868</u>
<u>\$ 93,262</u>	<u>\$ (37,411)</u>	<u>\$ 494</u>	<u>\$ (13,469)</u>	<u>\$ 7,868</u>

(Continued)

**Elyria City School District
Lorain County, Ohio**

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For Fiscal Year Ended June 30, 2017*

	IDEA Part B	Title I School Improvement	Title III
Revenues			
Property and Other Local Taxes	\$ 0	\$ 0	\$ 0
Intergovernmental	1,649,930	100,377	21,499
Interest	0	0	0
Tuition and Fees	0	0	0
Extracurricular Activities	0	0	0
Gifts and Donations	0	0	0
Miscellaneous	0	0	0
<i>Total Revenues</i>	<u>1,649,930</u>	<u>100,377</u>	<u>21,499</u>
Expenditures			
Current:			
Instruction:			
Regular	0	104,514	20,064
Special	951,246	0	0
Student Intervention Services	0	0	0
Other	0	0	0
Support Services:			
Pupils	332,714	0	0
Instructional Staff	0	0	674
Administration	231,623	0	0
Fiscal	0	0	0
Operation and Maintenance of Plant	0	0	0
Pupil Transportation	0	0	0
Extracurricular Activities	0	0	0
Operation of Non-instructional Services:			
Community Services	124,739	0	0
<i>Total Expenditures</i>	<u>1,640,322</u>	<u>104,514</u>	<u>20,738</u>
<i>Net Change in Fund Balances</i>	9,608	(4,137)	761
<i>Fund Balances Beginning of Year</i>	<u>(236,215)</u>	<u>(2,891)</u>	<u>(3,530)</u>
<i>Fund Balances End of Year</i>	<u>\$ (226,607)</u>	<u>\$ (7,028)</u>	<u>\$ (2,769)</u>

Title I	Preschool Handicapped Grant	Class Size Reduction	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 0	\$ 341,158
2,697,915	65,124	302,561	6,628,897
0	0	0	12,320
0	0	0	24,912
0	0	0	140,520
0	0	0	313,420
0	0	0	23,620
<u>2,697,915</u>	<u>65,124</u>	<u>302,561</u>	<u>7,484,847</u>
0	0	0	289,028
1,817,972	64,739	0	3,438,376
138,037	0	0	138,037
3,071	0	0	3,071
453,403	0	0	786,464
217,580	1,959	289,884	512,246
70,111	0	0	432,427
0	0	0	7,788
0	0	0	167,538
564	0	0	1,229
0	0	0	191,600
23,077	0	65,508	1,626,409
<u>2,723,815</u>	<u>66,698</u>	<u>355,392</u>	<u>7,594,213</u>
(25,900)	(1,574)	(52,831)	(109,366)
<u>(342,129)</u>	<u>(7,785)</u>	<u>(771)</u>	<u>1,276,990</u>
<u>\$ (368,029)</u>	<u>\$ (9,359)</u>	<u>\$ (53,602)</u>	<u>\$ 1,167,624</u>

Elyria City School District
Lorain County, Ohio
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2017

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
Assets			
Equity in Pooled Cash and Investments	\$ 711,091	\$ 13,442,719	\$ 14,153,810
Receivables:			
Accrued Interest	0	4,920	4,920
<i>Total Assets</i>	<u>\$ 711,091</u>	<u>\$ 13,447,639</u>	<u>\$ 14,158,730</u>
Liabilities			
Accounts Payable	\$ 32	\$ 0	\$ 32
Contracts Payable	0	84,155	84,155
<i>Total Liabilities</i>	<u>32</u>	<u>84,155</u>	<u>84,187</u>
Fund Balances			
Restricted	711,059	13,363,484	14,074,543
<i>Total Liabilities and Fund Balances</i>	<u>\$ 711,091</u>	<u>\$ 13,447,639</u>	<u>\$ 14,158,730</u>

Elyria City School District
Lorain County, Ohio
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For Fiscal Year Ended June 30, 2017

	Permanent Improvement	Building	Total Nonmajor Capital Projects Funds
Revenues			
Intergovernmental	\$ 16,276	\$ 0	\$ 16,276
Interest	0	102,530	102,530
Gifts and Donations	6,000	0	6,000
Miscellaneous	990	0	990
<i>Total Revenues</i>	<u>23,266</u>	<u>102,530</u>	<u>125,796</u>
Expenditures			
Current:			
Support Services:			
Operation and Maintenance of Plant	27,419	0	27,419
Capital Outlay	117,658	240,655	358,313
<i>Total Expenditures</i>	<u>145,077</u>	<u>240,655</u>	<u>385,732</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(121,811)	(138,125)	(259,936)
Other Financing Sources and (Uses)			
General Obligation Bonds Issued	0	50,040,000	50,040,000
Transfers In	0	2,800,000	2,800,000
Transfers Out	0	(39,338,444)	(39,338,444)
<i>Total Other Financing Sources and Uses</i>	<u>0</u>	<u>13,501,556</u>	<u>13,501,556</u>
<i>Net Change in Fund Balances</i>	(121,811)	13,363,431	13,241,620
<i>Fund Balances Beginning of Year</i>	<u>832,870</u>	<u>53</u>	<u>832,923</u>
<i>Fund Balances End of Year</i>	<u>\$ 711,059</u>	<u>\$ 13,363,484</u>	<u>\$ 14,074,543</u>

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

Elyria City School District
Lorain County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Uniform School Supplies Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Tuition and Fees	\$ 55,272	\$ 55,656	\$ 384
Expenditures			
Current:			
Instruction:			
Regular	114,825	109,791	5,034
<i>Net Change in Fund Balance</i>	(59,553)	(54,135)	5,418
<i>Fund Balance Beginning of Year</i>	76,990	76,990	0
Prior Year Encumbrances Appropriated	5,725	5,725	0
<i>Fund Balance End of Year</i>	<u>\$ 23,162</u>	<u>\$ 28,580</u>	<u>\$ 5,418</u>

Elyria City School District
Lorain County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Public School Support Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Extracurricular Activities	\$ 66,671	\$ 66,703	\$ 32
Contributions and Donations	3,612	3,614	2
Miscellaneous	41,319	41,325	6
<i>Total Revenues</i>	<u>111,602</u>	<u>111,642</u>	<u>40</u>
Expenditures			
Current:			
Extracurricular Activities	<u>222,352</u>	<u>125,435</u>	<u>96,917</u>
<i>Net Change in Fund Balance</i>	(110,750)	(13,793)	96,957
<i>Fund Balance Beginning of Year</i>	165,973	165,973	0
Prior Year Encumbrances Appropriated	<u>7,526</u>	<u>7,526</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 62,749</u>	<u>\$ 159,706</u>	<u>\$ 96,957</u>

Elyria City School District
Lorain County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Inter-District Services Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<i>Net Change in Fund Balance</i>	\$ 0	\$ 0	\$ 0
<i>Fund Balance Beginning of Year</i>	54,537	54,537	0
<i>Fund Balance End of Year</i>	\$ 54,537	\$ 54,537	\$ 0

Elyria City School District
Lorain County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Termination Benefits Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Expenditures			
Current:			
Instruction:			
Regular	\$ 136,338	\$ 134,168	\$ 2,170
Special	517	517	0
Support Services:			
Pupils	3,900	3,889	11
Instructional Staff	82,173	82,285	(112)
Fiscal	3,000	2,981	19
Operation and Maintenance of Plant	32,401	32,401	0
Extracurricular Activities	12,233	12,233	0
<i>Total Expenditures</i>	<u>270,562</u>	<u>268,474</u>	<u>2,088</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(270,562)</u>	<u>(268,474)</u>	<u>2,088</u>
Other Financing Sources (Uses)			
Transfers In	<u>225,000</u>	<u>225,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(45,562)	(43,474)	2,088
<i>Fund Balance Beginning of Year</i>	<u>98,583</u>	<u>98,583</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 53,021</u>	<u>\$ 55,109</u>	<u>\$ 2,088</u>

Elyria City School District
Lorain County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Local Grants Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 31,496	\$ 31,496	\$ 0
Tuition and Fees	24,786	24,912	126
Extracurricular Activities	16,100	16,100	0
Contributions and Donations	313,418	313,420	2
Miscellaneous	16,496	16,496	0
<i>Total Revenues</i>	<u>402,296</u>	<u>402,424</u>	<u>128</u>
Expenditures			
Current:			
Instruction:			
Regular	268,934	190,172	78,762
Special	290,578	253,369	37,209
Support Services:			
Pupils	530	436	94
Instructional Staff	2,318	2,149	169
Administration	13,981	1,289	12,692
Operation and Maintenance of Plant	66,754	2,157	64,597
Pupil Transportation	0	665	(665)
Extracurricular Activities	21,174	15,300	5,874
Operation of Non-Instructional Services:			
Community Services	30,844	24,411	6,433
<i>Total Expenditures</i>	<u>695,113</u>	<u>489,948</u>	<u>205,165</u>
<i>Net Change in Fund Balance</i>	(292,817)	(87,524)	205,293
<i>Fund Balance Beginning of Year</i>	404,768	404,768	0
Prior Year Encumbrances Appropriated	<u>45,707</u>	<u>45,707</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 157,658</u>	<u>\$ 362,951</u>	<u>\$ 205,293</u>

Elyria City School District
Lorain County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Classroom Facilities Maintenance Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Property and Other Local Taxes	\$ 358,341	\$ 358,341	\$ 0
Intergovernmental	45,899	45,899	0
Investment Income	5,680	6,577	897
<i>Total Revenues</i>	<u>409,920</u>	<u>410,817</u>	<u>897</u>
Expenditures			
Current:			
Support Services:			
Fiscal	9,005	7,788	1,217
Operation and Maintenance of Plant	207,583	201,260	6,323
<i>Total Expenditures</i>	<u>216,588</u>	<u>209,048</u>	<u>7,540</u>
<i>Net Change in Fund Balance</i>	193,332	201,769	8,437
<i>Fund Balance Beginning of Year</i>	853,196	853,196	0
Prior Year Encumbrances Appropriated	48,588	48,588	0
<i>Fund Balance End of Year</i>	<u>\$ 1,095,116</u>	<u>\$ 1,103,553</u>	<u>\$ 8,437</u>

Elyria City School District
Lorain County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Athletics and Music Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Extracurricular Activities	\$ 124,211	\$ 124,420	\$ 209
Miscellaneous	7,124	7,124	0
<i>Total Revenues</i>	<u>131,335</u>	<u>131,544</u>	<u>209</u>
Expenditures			
Current:			
Extracurricular Activities	<u>207,476</u>	<u>185,885</u>	<u>21,591</u>
<i>Net Change in Fund Balance</i>	(76,141)	(54,341)	21,800
<i>Fund Balance Beginning of Year</i>	98,818	98,818	0
Prior Year Encumbrances Appropriated	<u>5,047</u>	<u>5,047</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 27,724</u>	<u>\$ 49,524</u>	<u>\$ 21,800</u>

Elyria City School District
Lorain County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Auxiliary Services Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 1,205,455	\$ 1,205,455	\$ 0
Investment Income	3,505	4,100	595
<i>Total Revenues</i>	<u>1,208,960</u>	<u>1,209,555</u>	<u>595</u>
Expenditures			
Current:			
Operation of Non-Instructional Services:			
Community Services	<u>1,543,219</u>	<u>1,538,678</u>	<u>4,541</u>
<i>Net Change in Fund Balance</i>	(334,259)	(329,123)	5,136
<i>Fund Balance Beginning of Year</i>	234,601	234,601	0
Prior Year Encumbrances Appropriated	<u>120,462</u>	<u>120,462</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 20,804</u>	<u>\$ 25,940</u>	<u>\$ 5,136</u>

Elyria City School District
Lorain County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Public School Preschool Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 399,792	\$ 399,792	\$ 0
Expenditures			
Current:			
Instruction:			
Special	373,733	373,535	198
Support Services:			
Administration	24,726	24,726	0
Operation and Maintenance of Plant	4,225	4,225	0
<i>Total Expenditures</i>	<u>402,684</u>	<u>402,486</u>	<u>198</u>
<i>Net Change in Fund Balance</i>	(2,892)	(2,694)	198
<i>Fund Balance Beginning of Year</i>	(170)	(170)	0
Prior Year Encumbrances Appropriated	<u>4,698</u>	<u>4,698</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 1,636</u>	<u>\$ 1,834</u>	<u>\$ 198</u>

Elyria City School District
Lorain County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Data Communications Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<i>Net Change in Fund Balance</i>	\$ 0	\$ 0	\$ 0
<i>Fund Balance Beginning of Year</i>	494	494	0
<i>Fund Balance End of Year</i>	\$ 494	\$ 494	\$ 0

Elyria City School District
Lorain County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Alternative Schools Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 108,849	\$ 108,849	\$ 0
Expenditures			
Current:			
Support Services:			
Administration	101,489	101,489	0
<i>Excess of Revenues Over (Under) Expenditures</i>	7,360	7,360	0
Other Financing Sources (Uses)			
Advances In	19,066	19,066	0
Advances Out	(25,000)	(25,000)	0
<i>Total Other Financing Sources (Uses)</i>	(5,934)	(5,934)	0
<i>Net Change in Fund Balance</i>	1,426	1,426	0
<i>Fund Balance Beginning of Year</i>	17,620	17,620	0
<i>Fund Balance End of Year</i>	\$ 19,046	\$ 19,046	\$ 0

Elyria City School District
Lorain County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Miscellaneous State Grants Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<i>Net Change in Fund Balance</i>	\$ 0	\$ 0	\$ 0
<i>Fund Balance Beginning of Year</i>	7,869	7,869	0
<i>Fund Balance End of Year</i>	\$ 7,869	\$ 7,869	\$ 0

Elyria City School District
Lorain County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
IDEA Part B Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 1,649,930	\$ 1,649,930	\$ -
Expenditures			
Current:			
Instruction:			
Special	955,858	955,801	57
Support Services:			
Pupils	378,499	378,499	0
Administration	215,779	215,129	650
Operation of Non-Instructional Services:			
Community Services	130,037	130,744	(707)
<i>Total Expenditures</i>	<u>1,680,173</u>	<u>1,680,173</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(30,243)</u>	<u>(30,243)</u>	<u>0</u>
Other Financing Sources (Uses)			
Advances In	364,578	364,578	0
Advances Out	(329,253)	(329,253)	0
<i>Total Other Financing Sources (Uses)</i>	<u>35,325</u>	<u>35,325</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	5,082	5,082	0
<i>Fund Balance Beginning of Year</i>	318,501	318,501	0
Prior Year Encumbrances Appropriated	<u>7,574</u>	<u>7,574</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 331,157</u>	<u>\$ 331,157</u>	<u>\$ 0</u>

Elyria City School District
Lorain County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Title I School Improvement Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 130,000	\$ 100,377	\$ (29,623)
Expenditures			
Current:			
Instruction:			
Regular	130,000	104,927	25,073
<i>Excess of Revenues Over (Under) Expenditures</i>	0	(4,550)	(4,550)
Other Financing Sources (Uses)			
Advances In	0	29,623	29,623
<i>Net Change in Fund Balance</i>	0	25,073	25,073
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$ 0	\$ 25,073	\$ 25,073

Elyria City School District
Lorain County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Title III Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 28,032	\$ 21,499	\$ (6,533)
Expenditures			
Current:			
Instruction:			
Regular	27,723	20,825	6,898
Support Services:			
Instructional Staff	786	674	112
<i>Total Expenditures</i>	<u>28,509</u>	<u>21,499</u>	<u>7,010</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(477)</u>	<u>0</u>	<u>477</u>
Other Financing Sources (Uses)			
Advances In	0	6,533	6,533
Advances Out	0	(2,612)	(2,612)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>3,921</u>	<u>3,921</u>
<i>Net Change in Fund Balance</i>	(477)	3,921	4,398
<i>Fund Balance Beginning of Year</i>	<u>2,612</u>	<u>2,612</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 2,135</u>	<u>\$ 6,533</u>	<u>\$ 4,398</u>

Elyria City School District
Lorain County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Title I Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 2,697,915	\$ 2,697,915	\$ 0
Expenditures			
Current:			
Instruction:			
Special	1,889,485	1,808,956	80,529
Student Intervention Services	915,532	141,103	774,429
Support Services:			
Pupils	571,248	448,524	122,724
Instructional Staff	342,884	216,533	126,351
Administration	81,766	66,349	15,417
Pupil Transportation	12,713	3,631	9,082
Operation of Non-Instructional Services:			
Community Services	23,076	22,967	109
<i>Total Expenditures</i>	<u>3,836,704</u>	<u>2,708,063</u>	<u>1,128,641</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,138,789)</u>	<u>(10,148)</u>	<u>1,128,641</u>
Other Financing Sources (Uses)			
Advances In	754,208	754,208	0
Advances Out	0	(743,250)	(743,250)
<i>Total Other Financing Sources (Uses)</i>	<u>754,208</u>	<u>10,958</u>	<u>(743,250)</u>
<i>Net Change in Fund Balance</i>	(384,581)	810	385,391
<i>Fund Balance Beginning of Year</i>	757,024	757,024	0
Prior Year Encumbrances Appropriated	2,035	2,035	0
<i>Fund Balance End of Year</i>	<u>\$ 374,478</u>	<u>\$ 759,869</u>	<u>\$ 385,391</u>

Elyria City School District
Lorain County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Preschool Handicapped Grant Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 65,124	\$ 65,124	\$ 0
Expenditures			
Current:			
Instruction:			
Special	76,990	64,048	12,942
Operation of Non-Instructional Services:			
Community Services	2,064	1,959	105
<i>Total Expenditures</i>	<u>79,054</u>	<u>66,007</u>	<u>13,047</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(13,930)</u>	<u>(883)</u>	<u>13,047</u>
Other Financing Sources (Uses)			
Advances In	9,609	9,609	0
Advances Out	0	(11,056)	(11,056)
<i>Total Other Financing Sources (Uses)</i>	<u>9,609</u>	<u>(1,447)</u>	<u>(11,056)</u>
<i>Net Change in Fund Balance</i>	(4,321)	(2,330)	1,991
<i>Fund Balance Beginning of Year</i>	11,758	11,758	0
Prior Year Encumbrances Appropriated	276	276	0
<i>Fund Balance End of Year</i>	<u>\$ 7,713</u>	<u>\$ 9,704</u>	<u>\$ 1,991</u>

Elyria City School District
Lorain County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Class Size Reduction Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 573,322	\$ 302,561	\$ (270,761)
Expenditures			
Current:			
Support Services:			
Instructional Staff	669,060	296,752	372,308
Operation of Non-Instructional Services:			
Community Services	116,827	86,687	30,140
<i>Total Expenditures</i>	<u>785,887</u>	<u>383,439</u>	<u>402,448</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(212,565)</u>	<u>(80,878)</u>	<u>131,687</u>
Other Financing Sources (Uses)			
Advances In	0	270,761	270,761
Advances Out	0	(198,156)	(198,156)
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>72,605</u>	<u>72,605</u>
<i>Net Change in Fund Balance</i>	(212,565)	(8,273)	204,292
<i>Fund Balance Beginning of Year</i>	190,397	190,397	0
Prior Year Encumbrances Appropriated	<u>45,590</u>	<u>45,590</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 23,422</u>	<u>\$ 227,714</u>	<u>\$ 204,292</u>

Elyria City School District
Lorain County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Bond Retirement Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Property and Other Local Taxes	\$ 4,240,797	\$ 4,253,440	\$ 12,643
Intergovernmental	382,596	392,013	9,417
Miscellaneous	1,145	1,145	0
<i>Total Revenues</i>	<u>4,624,538</u>	<u>4,646,598</u>	<u>22,060</u>
Expenditures			
Current:			
Support Services:			
Fiscal	102,222	93,964	8,258
Debt Service:			
Principal Retirement	11,265,000	11,265,000	0
Interest and Fiscal Charges	1,853,600	1,852,117	1,483
Issuance Costs	594,684	594,640	44
<i>Total Expenditures</i>	<u>13,815,506</u>	<u>13,805,721</u>	<u>9,785</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(9,190,968)</u>	<u>(9,159,123)</u>	<u>31,845</u>
Other Financing Sources (Uses)			
General Obligation Bonds Issued	9,336,068	9,345,000	8,932
Premium on Bonds Issued	3,488,001	3,488,953	952
Discount on Bonds Issued	(466,385)	(466,385)	0
<i>Total Other Financing Sources (Uses)</i>	<u>12,357,684</u>	<u>12,367,568</u>	<u>9,884</u>
<i>Net Change in Fund Balance</i>	3,166,716	3,208,445	41,729
<i>Fund Balance Beginning of Year</i>	<u>1,465,777</u>	<u>1,465,777</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 4,632,493</u>	<u>\$ 4,674,222</u>	<u>\$ 41,729</u>

Elyria City School District
Lorain County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Classroom Facilities Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Investment Income	\$ 22,012	\$ 26,620	\$ 4,608
Expenditures			
Capital Outlay	23,294	23,294	0
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,282)	3,326	4,608
Other Financing Sources (Uses)			
Transfers In	39,338,444	39,338,444	0
<i>Net Change in Fund Balance</i>	39,337,162	39,341,770	4,608
<i>Fund Balance Beginning of Year</i>	2	2	0
<i>Fund Balance End of Year</i>	\$ 39,337,164	\$ 39,341,772	\$ 4,608

Elyria City School District
Lorain County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Permanent Improvement Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$ 14,648	\$ 16,276	\$ 1,628
Contributions and Donations	6,300	6,000	(300)
Miscellaneous	1,523	990	(533)
<i>Total Revenues</i>	<u>22,471</u>	<u>23,266</u>	<u>795</u>
Expenditures			
Current:			
Support Services:			
Administration	29,340	29,340	0
Operation and Maintenance of Plant	36,000	31,887	4,113
Capital Outlay	166,169	153,349	12,820
<i>Total Expenditures</i>	<u>231,509</u>	<u>214,576</u>	<u>16,933</u>
<i>Net Change in Fund Balance</i>	(209,038)	(191,310)	17,728
<i>Fund Balance Beginning of Year</i>	803,255	803,255	0
Prior Year Encumbrances Appropriated	68,843	68,843	0
<i>Fund Balance End of Year</i>	<u>\$ 663,060</u>	<u>\$ 680,788</u>	<u>\$ 17,728</u>

Elyria City School District
Lorain County, Ohio
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget (Non-GAAP Basis) and Actual
Building Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Investment Income	\$ 83,000	\$ 88,856	\$ 5,856
Expenditures			
Capital Outlay	1,000,000	165,400	834,600
<i>Excess of Revenues Over (Under) Expenditures</i>	(917,000)	(76,544)	840,456
Other Financing Sources (Uses)			
General Obligation Bonds Issued	59,940,000	59,940,000	0
Transfers In	2,800,000	2,800,000	0
Transfers Out	(39,338,444)	(39,338,444)	0
<i>Total Other Financing Sources (Uses)</i>	23,401,556	23,401,556	0
<i>Net Change in Fund Balance</i>	22,484,556	23,325,012	840,456
<i>Fund Balance Beginning of Year</i>	105	105	0
<i>Fund Balance End of Year</i>	\$ 22,484,661	\$ 23,325,117	\$ 840,456

***Individual Fund Schedules of Revenues, Expenses and Changes in
Fund Equity – Budget (Non-GAAP Basis) and Actual
Proprietary Funds***

ELYRIA CITY SCHOOL DISTRICT

INDIVIDUAL FUND SCHEDULES

Proprietary Funds

Lunchroom/Cafeteria Fund – This fund accounts for the financial transactions related to the food service operations of the School District.

Self-Insurance Fund – This fund accounts for monies received from other funds as payment for providing medical, hospitalization, life, dental, vision or any other similar employee benefit. The Self-Insurance Fund may make payments for services provided to employees for reimbursements to employees who have paid providers, to third-party administrators for claim payment or administration for stop-loss coverage or for any other reinsurance or other similar purposes.

Elyria City School District
Lorain County, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Lunchroom/Cafeteria Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operating Revenues			
Sales	\$ 462,442	\$ 467,452	\$ 5,010
Operating Expenses			
Salaries	737,248	742,915	(5,667)
Fringe Benefits	379,110	373,863	5,247
Purchased Services	1,995,607	1,990,444	5,163
Materials and Supplies	800	396	404
<i>Total Operating Expenses</i>	<u>3,112,765</u>	<u>3,107,618</u>	<u>5,147</u>
<i>Operating Loss</i>	<u>(2,650,323)</u>	<u>(2,640,166)</u>	<u>10,157</u>
Non-Operating Revenues			
Intergovernmental	<u>2,644,128</u>	<u>2,644,153</u>	<u>25</u>
<i>Net Change in Fund Equity</i>	(6,195)	3,987	10,182
<i>Fund Equity Beginning of Year</i>	11,861	11,861	0
Prior Year Encumbrances Appropriated	<u>113</u>	<u>113</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$ 5,779</u>	<u>\$ 15,961</u>	<u>\$ 10,182</u>

Elyria City School District
Lorain County, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Self-Insurance Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operating Revenues			
Charges for Services	\$ 7,928,030	\$ 7,928,139	\$ 109
Operating Expenses			
Salaries	55,707	55,707	0
Fringe Benefits	149,221	21,897	127,324
Purchased Services	545,700	544,517	1,183
Claims	7,118,278	7,118,278	0
Other	447,528	447,513	15
<i>Total Operating Expenses</i>	<u>8,316,434</u>	<u>8,187,912</u>	<u>128,522</u>
<i>Operating Income (Loss)</i>	<u>(388,404)</u>	<u>(259,773)</u>	<u>128,631</u>
Non-Operating Revenues			
Interest	<u>7,067</u>	<u>8,152</u>	<u>1,085</u>
<i>Net Change in Fund Equity</i>	(381,337)	(251,621)	129,716
<i>Fund Equity Beginning of Year</i>	<u>2,030,366</u>	<u>2,030,366</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$ 1,649,029</u></u>	<u><u>\$ 1,778,745</u></u>	<u><u>\$ 129,716</u></u>

***Individual Fund Schedules of Revenues, Expenses and Changes in
Fund Equity – Budget (Non-GAAP) and Actual
Fiduciary Fund***

Combining Statement of Changes in Assets and Liabilities – Agency Funds

ELYRIA CITY SCHOOL DISTRICT

INDIVIDUAL FUND SCHEDULES AND COMBINING STATEMENT

Fiduciary Funds

Fiduciary funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and other funds. The following are the School District's fiduciary fund types:

Private Purpose Trust Fund

Scholarship Trust Fund – This fund accounts for money, securities of land which have been set aside as an investment for public school purposes. The income from such a fund may be expended, but the principal must remain intact.

Agency Funds

District Management Fund – This fund accounts for those assets held by the School District as an agent for individuals, private organization, and other governmental units.

Student Managed Activities Fund – This fund reflects resources that belong to the student bodies of the various schools, accounting for sales and other revenue generating activities.

Elyria City School District
Lorain County, Ohio
Schedule of Revenues, Expenses and Changes
in Fund Equity - Budget (Non-GAAP Basis) and Actual
Scholarship Trust Fund
For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operating Revenues			
Gifts and Contributions	\$ 27,585	\$ 30,235	\$ 2,650
Interest	29,024	29,409	385
Miscellaneous	3,335	3,381	46
<i>Total Operating Revenues</i>	<u>59,944</u>	<u>63,025</u>	<u>3,081</u>
Operating Expenses			
Payments in Accordance with Trust Agreements	<u>60,000</u>	<u>59,750</u>	<u>250</u>
<i>Net Change in Fund Equity</i>	(56)	3,275	3,331
<i>Fund Equity Beginning of Year</i>	423,342	423,342	0
Prior Year Encumbrances Appropriated	<u>15,750</u>	<u>15,750</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u>\$ 439,036</u>	<u>\$ 442,367</u>	<u>\$ 3,331</u>

Elyria City School District
Lorain County, Ohio
Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2017

	<u>Balance 6/30/2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 6/30/2017</u>
District Management				
Assets				
Equity in Pooled Cash and Investments	\$ 10,994	\$ 17,652	\$ 15,344	\$ 13,302
Liabilities				
Accounts Payable	\$ 43	\$ 0	\$ 43	\$ 0
Due to Students	10,951	2,351	0	13,302
Total Liabilities	<u>\$ 10,994</u>	<u>\$ 2,351</u>	<u>\$ 43</u>	<u>\$ 13,302</u>
Student Managed Activities				
Assets				
Equity in Pooled Cash and Investments	\$ 210,944	\$ 352,554	\$ 357,199	\$ 206,299
Liabilities				
Accounts Payable	\$ 5,305	\$ 0	\$ 5,305	\$ 0
Due to Students	205,639	660	0	206,299
Total Liabilities	<u>\$ 210,944</u>	<u>\$ 660</u>	<u>\$ 5,305</u>	<u>\$ 206,299</u>
Totals				
Assets				
Equity in Pooled Cash and Investments	\$ 221,938	\$ 370,206	\$ 372,543	\$ 219,601
Liabilities				
Accounts Payable	\$ 5,348	\$ 0	\$ 5,348	\$ 0
Due to Students	216,590	3,011	0	219,601
Total Liabilities	<u>\$ 221,938</u>	<u>\$ 3,011</u>	<u>\$ 5,348</u>	<u>\$ 219,601</u>

STATISTICAL SECTION

Statistical Section

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the School District's financial position has changed over time.	S2-S6
Revenue Capacity These schedules contain information to help the reader understand and assess the factors affecting the School District's ability to generate its most significant local revenue source.	S7-S10
Debt Capacity These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	S11-S13
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	S14-S15
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	S16-S26

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

With the implementation of GASB No. 68 in fiscal year 2015, the calculation of pension expense has changed, however, government-wide expenses for 2014 and prior fiscal years were not restated to reflect this change.

Elyria City School District
Lorain County, Ohio
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Restated									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental Activities:										
Net Investment in Capital Assets	\$ (2,247,500)	\$ 10,536,311	\$ 22,043,153	\$ 23,559,166	\$ 27,873,333	\$ 26,894,482	\$ 24,888,459	\$ 23,006,413	\$ 22,435,364	\$ 22,007,088
Restricted for:										
Capital Projects	28,645,025	19,750,648	11,084,930	4,734,602	1,464,027	1,006,832	659,253	1,972,561	832,923	71,145,753
Debt Service	506,834	969,281	923,062	1,077,092	1,302,341	1,398,558	1,624,216	2,173,458	2,079,936	15,214,728
Set Asides	44,236	137,471	444,812	687,692	0	0	0	0	0	0
Other Purposes	1,051,720	649,943	46,683	550,659	1,259,908	1,316,499	2,574,118	2,297,002	2,056,659	1,975,341
State Funded Programs	761,798	418,792	257,826	138,845	218,904	161,770	180,901	155,505	289,487	115,306
Federal Funded Programs	110,042	686,350	1,042,527	1,765,686	979,548	597,390	508,938	524,208	693,161	762,967
Student Activities	251,437	241,952	218,865	205,720	157,467	170,020	160,002	114,262	102,504	57,718
Unrestricted (Deficit)	(3,927,831)	(6,239,373)	(5,526,710)	(704,872)	(292,668)	211,059	(94,251,508)	(84,965,926)	(77,211,834)	(80,128,310)
Total Governmental Activities Net Position	25,195,761	27,151,375	30,535,148	32,014,590	32,962,860	31,756,610	(63,655,621)	(54,722,517)	(48,721,800)	31,150,591
Business-type Activities:										
Net Investment in Capital Assets	97,550	71,484	121,836	94,230	632,625	595,286	522,882	452,595	384,004	300,730
Unrestricted (Deficit)	161,750	50,752	148,772	78,292	108,963	50,891	(1,580,889)	(1,554,357)	(1,664,261)	(1,861,565)
Total Business-type Activities Net Position	259,300	122,236	270,608	172,522	741,588	646,177	(1,058,007)	(1,101,762)	(1,280,257)	(1,560,835)
Primary Government:										
Net Investment in Capital Assets	(2,149,950)	10,607,795	22,164,989	23,653,396	28,505,958	27,489,768	25,411,341	23,459,008	22,819,368	22,307,818
Restricted	31,371,092	22,854,437	14,018,705	9,160,296	5,382,195	4,651,069	5,707,428	7,236,996	6,054,670	89,271,813
Unrestricted (Deficit)	(3,766,081)	(6,188,621)	(5,377,938)	(626,580)	(183,705)	261,950	(95,832,397)	(86,520,283)	(78,876,095)	(81,989,875)
Total Primary Government Net Position	\$ 25,455,061	\$ 27,273,611	\$ 30,805,756	\$ 32,187,112	\$ 33,704,448	\$ 32,402,787	\$ (64,713,628)	\$ (55,824,279)	\$ (50,002,057)	\$ 29,589,756

Source: School District financial records

Elyria City School District
Lorain County, Ohio
Changes in Net Position by Function
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses										
Governmental Activities:										
Regular Instruction	\$ 33,710,202	\$ 29,986,308	\$ 30,677,977	\$ 29,324,385	\$ 31,525,685	\$ 29,742,158	\$ 28,202,974	\$ 28,009,644	\$ 29,497,294	\$ 31,719,549
Special Instruction	10,604,886	10,744,900	11,252,236	11,056,358	9,971,233	10,263,748	12,458,036	12,381,000	12,300,324	14,925,258
Vocational Instruction	359,157	227,995	223,734	230,941	271,168	210,958	182,246	150,406	152,651	94,640
Adult Instruction	63,512	73,475	90,580	0	0	0	0	0	0	0
Student Intervention Services	638,592	675,918	362,338	295,731	391,685	313,019	268,804	234,362	184,855	146,171
Other Instruction	6,234,168	6,673,943	7,402,117	8,120,803	9,297,276	10,677,875	10,119,924	10,349,157	10,623,087	10,724,645
Pupil Support	4,748,054	4,185,131	4,320,730	4,351,555	4,008,503	4,204,449	4,066,444	4,252,218	4,607,976	5,055,880
Instructional Staff Support	5,094,128	5,144,944	5,210,569	5,033,837	4,596,716	3,905,652	2,054,090	2,792,554	2,792,554	3,024,624
Board of Education	51,691	104,943	117,662	0	38,553	49,142	65,861	79,604	139,655	78,967
Administration	5,363,883	5,002,750	4,698,220	5,274,119	5,134,013	4,692,880	4,729,242	4,399,240	4,924,229	5,380,981
Fiscal	1,712,373	1,730,692	1,738,975	1,803,790	1,694,615	1,561,203	1,765,803	1,271,020	1,255,993	1,327,766
Business	787,272	664,862	624,956	620,316	616,011	660,481	805,054	726,514	734,073	731,318
Operation and Maintenance of Plant	8,570,873	7,833,498	5,869,301	6,538,866	6,185,693	6,986,114	6,710,271	6,652,101	6,179,228	6,580,557
Pupil Transportation	3,236,629	3,198,960	3,263,970	3,118,652	3,818,599	3,503,997	3,481,658	3,361,523	3,381,356	2,816,015
Central	1,296,655	1,364,039	1,316,634	1,476,442	1,538,268	1,533,966	673,932	897,457	979,120	1,110,812
Operation of Non-Instructional Services	1,806,047	1,760,690	1,434,159	1,838,111	1,608,596	1,837,363	1,837,308	1,970,716	1,951,387	2,319,011
Extracurricular Activities	1,223,070	1,425,979	1,320,365	1,253,432	1,436,361	1,793,238	1,722,392	1,679,502	1,796,847	1,899,637
Interest and Fiscal Charges	2,161,303	2,503,678	2,575,662	2,473,375	2,469,247	2,481,366	2,568,603	2,226,037	1,667,085	2,713,246
Total Governmental Activities Expenses	87,662,495	83,302,705	82,520,185	82,810,713	84,602,222	84,417,609	81,712,642	81,326,672	83,167,714	90,649,077
Business-type Activities:										
Food Service Operations	3,144,251	3,253,678	2,898,273	3,054,910	2,949,942	3,435,979	3,448,062	3,139,526	3,314,040	3,577,305
	3,144,251	3,253,678	2,898,273	3,054,910	2,949,942	3,435,979	3,448,062	3,139,526	3,314,040	3,577,305
Total Primary Government Expenses	90,806,746	86,556,383	85,418,458	85,865,623	87,552,164	87,853,588	85,160,704	84,466,198	86,481,754	94,226,382

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Program Revenues										
Governmental Activities:										
Charges for Services										
Regular Instruction	1,339,605	1,793,026	1,405,561	1,390,222	1,311,238	1,187,803	1,053,435	1,471,127	1,740,624	1,660,166
Special Instruction	582,079	0	258,583	278,720	342,019	420,691	77,207	453,148	183,362	662,442
Vocational Instruction	0	0	0	0	0	0	0	0	12,415	0
Other Instruction	0	0	0	0	0	0	77,950	0	0	0
Instructional Staff	0	0	0	0	0	11	0	0	0	0
Operation and Maintenance of Plant	74,311	76,178	87,314	75,966	0	0	0	0	0	0
Pupil Transportation	0	0	0	0	0	235	0	0	0	0
Central	28,685	0	0	0	442	0	0	0	19,174	0
Operation of Non-Instructional Services	151	0	0	0	0	0	13,935	13,503	30,363	1,760
Extracurricular Activities	407,869	304,238	328,811	260,053	309,156	331,116	259,551	236,973	259,233	191,123
Operating Grants and Contributions										
Regular Instruction	2,187,563	181,970	327,391	936,962	310,180	434,371	145,835	100,310	184,932	185,517
Special Instruction	5,595,356	5,924,836	3,656,735	3,174,684	1,905,714	2,811,211	8,732,394	7,162,556	7,936,120	7,692,734
Vocational Instruction	0	225,370	115,586	116,453	0	0	130,774	76,361	124,435	115,603
Adult Instruction	83,458	69,320	0	0	0	0	0	0	0	0
Student Intervention Services	0	0	0	0	0	0	0	250,973	0	137,247
Other Instruction	620,244	0	0	0	0	0	0	52,438	158,603	3,053
Pupil Support	1,648,395	649,578	429,201	1,169,532	570,483	0	650,106	934,840	920,572	792,699
Instructional Staff Support	2,437,879	2,638,976	3,520,094	2,889,018	2,480,001	2,175,184	476,426	668,184	585,632	591,940
Administration	726,145	402,762	156,897	907,706	0	170,185	105,799	282,456	309,001	406,857
Fiscal	0	0	109,022	51,028	458,031	0	0	0	0	0
Business	26,351	0	0	0	0	39,991	0	0	0	0
Operation and Maintenance of Plant	440,378	584,371	0	0	221,861	130,231	104,276	27,468	50,656	51,210

(continued)

Elyria City School District
Lorain County, Ohio
Changes in Net Position by Function
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Pupil Transportation	\$ 688,697	\$ 115,712	\$ 18,525	\$ 95,841	\$ 113,865	\$ 0	\$ 0	\$ 318,880	\$ 355,719	\$ 395,740
Central	89,184	108,422	56,778	98,559	25,200	21,600	0	0	0	0
Operation of Non-Instructional Services	1,273,479	1,175,869	988,682	1,092,124	978,108	1,020,652	1,053,331	1,245,120	1,362,490	1,361,946
Extracurricular Activities	59,381	41,298	43,613	21,639	112,021	19,122	31,672	14,717	57,793	6,736
Capital Grants and Contributions	0	0	0	76,326	0	0	0	0	0	0
Regular Instruction	0	57,294	0	0	0	0	0	0	0	0
Fiscal	0	1,377,210	1,745,879	237,058	237,913	0	0	53,104	23,286	22,276
Operation and Maintenance of Plant	20,837	42,413	0	0	0	0	0	0	0	0
Pupil Transportation	18,330,047	15,168,843	13,248,672	12,871,891	9,376,232	8,762,403	12,912,691	13,371,332	14,314,435	14,279,049
Total Governmental Activities Program Revenues										
Business-type Activities:										
Charges for Services	830,195	3,116,049	647,176	627,723	686,628	486,121	555,387	430,514	448,993	467,783
Food Service Operations	2,289,921	0	2,399,357	2,334,647	2,248,489	2,854,321	2,726,489	2,665,185	2,686,147	2,828,944
Operating Grants and Contributions	3,120,116	3,116,049	3,046,533	2,962,370	2,935,117	3,340,442	3,281,876	3,095,699	3,135,140	3,296,727
Total Business-type Activities Program Revenues										
Total Primary Government Program Revenues	21,450,163	18,884,892	16,295,205	15,834,261	12,311,349	12,102,845	16,194,567	16,467,031	17,449,575	17,575,776
Net (Expense)/Revenue										
Governmental Activities	(69,332,448)	(67,533,862)	(69,271,513)	(69,938,822)	(75,225,990)	(75,655,206)	(68,799,951)	(67,955,340)	(68,853,279)	(76,370,028)
Business-type Activities	(24,135)	(137,629)	148,260	(92,540)	(14,825)	(95,537)	(166,186)	(43,827)	(178,900)	(280,578)
Total Primary Government Net (Expense)/Revenue	(69,356,583)	(67,671,491)	(69,123,253)	(70,031,362)	(75,240,815)	(75,750,743)	(68,966,137)	(67,999,167)	(69,032,179)	(76,650,606)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for:										
General Purposes	29,463,435	26,727,846	25,298,002	29,145,296	30,745,255	29,568,266	30,076,118	30,162,868	30,783,650	29,188,912
Debt Service	1,750,830	2,398,152	2,456,971	2,610,859	2,596,719	2,564,098	2,641,599	2,584,814	2,541,688	4,279,787
Other Purposes	0	408,269	412,893	401,634	582,548	356,926	351,434	323,864	356,751	341,158
Grants and Entitlements not Restricted to Specific Programs	53,735,625	38,831,619	43,594,198	44,165,628	42,170,409	41,694,839	40,800,898	43,114,453	41,204,438	41,461,618
OHCC Project	0	0	0	0	0	0	0	0	0	79,868,962
Investment Earnings	2,392,798	244,585	86,613	52,585	48,133	32,723	35,071	120,243	334,488	324,668
Miscellaneous	671,330	879,005	806,609	580,702	445,122	216,780	543,333	582,202	212,026	777,314
Gain from Sale of Capital Assets	0	0	0	861,343	169,913	15,324	0	0	0	0
Transfers	0	0	0	0	(583,839)	0	0	0	0	0
Total Governmental Activities	88,014,018	69,489,476	72,655,286	77,818,047	76,174,260	74,448,956	74,448,453	76,888,444	75,433,041	156,242,419
Business-type Activities:										
Investment Earnings	1,251	565	112	144	52	126	45	72	405	0
Transfers	0	0	0	0	583,839	0	0	0	0	0
Total Business-type Activities	1,251	565	112	144	583,891	126	45	72	405	0
Total Primary Government	88,015,269	69,490,041	72,655,398	77,818,191	76,758,151	74,449,082	74,448,498	76,888,516	75,433,446	156,242,419
Special and Extraordinary Item										
Governmental Activities:										
Special Item	0	0	0	0	0	0	0	0	(579,045)	0
Change in Net Position										
Governmental Activities	18,681,570	1,955,614	3,383,773	7,879,225	948,270	(1,206,250)	5,648,502	8,933,104	6,000,717	79,872,391
Business-type Activities	(22,884)	(137,064)	148,372	(92,396)	569,066	(95,411)	(166,141)	(43,755)	(178,495)	(280,578)
Total Primary Government Change in Net Position	\$ 18,658,686	\$ 1,818,550	\$ 3,532,145	\$ 7,786,829	\$ 1,517,336	\$ (1,301,661)	\$ 5,482,361	\$ 8,889,349	\$ 5,822,222	\$ 79,591,813

Source: School District financial records

Elyria City School District
Lorain County, Ohio
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Restated									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Fund										
Nonspendable	N/A	N/A	N/A	\$ 5,391	\$ 5,349	\$ 5,623	\$ 5,944	\$ 5,944	\$ 0	\$ 82,725
Committed	N/A	N/A	N/A	685,877	0	0	0	546,387	98,581	55,107
Assigned	N/A	N/A	N/A	1,651,309	1,304,033	1,572,045	1,468,151	1,999,171	1,931,826	5,169,787
Unassigned	N/A	N/A	N/A	1,314,738	2,750,651	199,248	5,847,405	11,570,935	19,525,704	17,708,027
Reserved	\$ 4,843,019	\$ 2,142,769	\$ 2,961,606	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Unreserved	(3,932,789)	(3,682,599)	(3,112,204)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<i>Total General Fund</i>	910,230	(1,539,830)	(150,598)	3,657,315	4,060,033	1,776,916	7,321,500	14,122,437	21,556,111	23,015,646
All Other Governmental Funds										
Restricted	N/A	N/A	N/A	10,614,054	4,590,105	4,160,003	4,115,353	5,752,043	4,573,053	70,292,623
Unassigned	N/A	N/A	N/A	(123,875)	(1,757,300)	(302,919)	(561,100)	(337,280)	(670,804)	(718,274)
Reserved	1,242,278	36,636,916	25,215,613	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Unreserved, Undesignated, Reported in:										
Special Revenue Funds	2,002,079	756,444	170,086	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Debt Service Fund	227,063	829,503	936,109	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capital Projects Funds	42,674,720	16,718,713	919,240	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Other Governmental Funds	46,146,140	54,941,576	27,241,048	10,490,179	2,832,805	3,857,084	3,554,253	5,414,763	3,902,249	69,574,349
<i>Total Governmental Funds</i>	\$ 47,056,370	\$ 53,401,746	\$ 27,090,450	\$ 14,147,494	\$ 6,892,838	\$ 5,634,000	\$ 10,875,753	\$ 19,537,200	\$ 25,458,360	\$ 92,589,995

Source: School District financial records

Note: Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting was implemented July 1, 2010. Table reflects that only for fiscal year 2011. Prior fiscal years were not reclassified.

Elyria City School District
Lorain County, Ohio
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues										
Property and Other Local Taxes	\$ 30,892,056	\$ 29,165,954	\$ 29,384,209	\$ 32,065,632	\$ 32,845,379	\$ 31,835,669	\$ 32,643,971	\$ 32,483,879	\$ 33,896,010	\$ 34,479,225
Intergovernmental	49,267,252	68,328,944	52,907,884	54,617,582	49,863,633	48,446,865	50,695,171	54,539,893	52,404,942	52,911,402
Interest	2,319,616	1,504,388	540,613	136,125	59,470	34,909	119,495	119,495	341,295	324,668
Tuition and Fees	1,914,967	1,488,391	1,488,391	1,591,906	1,625,513	1,602,354	1,301,480	1,778,415	2,117,619	2,463,804
Extracurricular Activities	360,412	304,241	328,813	260,053	309,600	329,864	261,251	235,841	259,196	208,983
Gifts and Donations	200,399	828,639	1,833,837	450,744	609,950	327,696	476,112	428,327	399,689	323,889
Rent	74,311	76,178	87,314	75,965	38,344	24,150	29,465	40,804	56,371	17,283
Charges for Services	0	0	0	0	0	1,124	403	0	0	0
Miscellaneous	748,506	882,518	794,580	592,730	343,807	135,266	447,906	692,590	143,944	635,850
Total Revenues	85,777,519	102,579,253	87,559,042	89,790,737	85,695,696	82,756,067	83,890,668	90,320,368	89,619,066	91,365,104
Expenditures										
Current:										
Instruction:										
Regular	29,976,879	29,960,875	30,998,387	29,863,714	30,509,139	29,316,237	27,433,547	27,571,838	28,137,875	29,178,887
Special	10,408,901	10,408,188	11,307,386	11,054,715	9,939,700	10,191,730	12,349,247	12,725,474	12,223,406	14,246,101
Vocational	361,101	226,607	224,799	234,433	266,684	212,032	193,345	158,745	153,218	90,661
Adult	62,930	72,801	88,477	0	0	0	0	0	0	0
Student Intervention Services	638,592	675,918	362,338	295,731	392,256	306,469	274,783	245,224	184,855	146,553
Other	6,179,830	6,676,199	7,379,141	8,172,429	9,296,003	10,694,827	10,119,924	10,349,157	10,626,438	10,742,042
Support Services:										
Instructional Staff	4,689,388	4,082,001	4,310,813	4,375,148	4,014,413	4,122,265	4,001,583	4,279,534	4,516,260	4,632,743
Board of Education	4,933,754	4,937,837	5,115,977	5,163,013	4,640,037	3,944,319	2,090,857	2,759,118	2,774,849	2,869,624
Administration	51,691	104,943	117,662	0	38,553	49,142	65,861	80,613	139,703	77,833
Fiscal	5,275,225	4,759,736	4,741,611	5,130,180	5,089,614	4,661,567	4,667,187	4,434,447	4,841,896	4,938,407
Business	1,694,880	1,714,090	1,749,974	1,756,369	1,769,610	1,553,011	1,297,124	1,262,697	1,296,304	1,296,304
Operation and Maintenance of Plant	785,067	646,906	630,910	620,267	621,288	658,010	808,107	724,193	732,627	699,794
Pupil Transportation	6,813,775	6,869,330	5,494,533	6,160,275	5,506,948	6,071,696	5,880,440	6,355,877	6,402,608	5,446,899
Central	3,236,629	3,198,960	3,263,970	3,118,652	3,183,599	3,503,997	3,481,658	3,361,523	2,823,372	2,823,372
Operation of Non-Instructional Services	1,259,553	1,326,184	1,294,594	1,453,842	1,550,833	1,507,988	767,211	860,075	925,517	1,033,679
Extracurricular Activities	1,744,942	1,847,686	1,467,175	1,824,142	1,583,272	1,807,453	1,851,959	1,987,621	1,956,607	2,273,785
Capital Outlay	1,216,074	1,404,073	1,259,578	1,223,816	1,400,782	1,305,291	1,243,955	1,221,780	1,320,826	1,312,242
Debt Service:										
Principal Retirement	759,594	1,500,874	1,500,874	1,144,683	1,169,276	1,215,153	791,539	761,350	1,379,502	1,920,500
Interest and Fiscal Charges	1,901,235	2,362,890	2,320,498	2,273,834	2,228,597	2,182,272	2,734,637	1,987,389	2,171,719	1,930,224
Issuance Costs	191,111	0	0	0	0	0	0	452,915	0	594,640
Total Expenditures	94,536,724	94,536,205	113,782,366	103,741,828	93,141,214	84,010,229	80,648,915	81,892,273	83,172,499	86,641,037
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>(8,619,205)</i>	<i>8,043,048</i>	<i>(26,223,324)</i>	<i>(13,951,091)</i>	<i>(7,445,518)</i>	<i>(1,274,162)</i>	<i>5,241,753</i>	<i>8,428,095</i>	<i>6,446,567</i>	<i>4,724,067</i>
Other Financing Sources (Uses)										
Proceeds from Sale of Capital Assets	0	2,328	12,028	1,034,795	190,862	15,324	0	0	53,688	0
Refunding Bonds Issued	0	0	0	0	0	0	0	40,443,776	0	0
Premium on Refunding Bonds Issued	0	0	0	0	0	0	0	4,912,293	0	0
Discount on Refunding Bonds Issued	0	0	0	0	0	0	0	(131,906)	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0	0	0	0	(44,990,811)	0	0
Bonds Issued	0	0	0	0	0	0	0	0	0	59,385,000
Premium on Bonds Issued	631,723	0	0	0	0	0	0	0	0	3,488,953
Discount on Bonds Issued	0	0	0	0	0	0	0	0	0	(466,385)
General Obligation Bonds Issued	44,999,971	0	0	0	0	0	0	0	0	0
Transfers In	1,465,002	4,376,275	2,789,215	0	770,491	1,145,619	4,619	750,000	1,664,452	42,138,444
Transfers Out	(2,165,002)	(6,076,275)	(2,889,215)	0	(770,491)	(1,145,619)	(4,619)	(750,000)	(1,664,452)	(42,138,444)
Total Other Financing Sources (Uses)	44,931,694	(1,697,672)	(87,972)	1,034,795	190,862	15,324	0	233,352	53,688	62,407,568
Special and Extraordinary Items										
Special Item	0	0	0	0	0	0	0	0	(579,045)	0
Net Change in Fund Balances	\$ 36,312,489	\$ 6,345,376	\$ (26,311,296)	\$ (12,916,296)	\$ (7,254,656)	\$ (1,258,838)	\$ 5,241,753	\$ 8,661,447	\$ 5,921,160	\$ 67,131,635
Debt Service as a Percentage of Noncapital Expenditures	8.60%	3.80%	4.17%	4.08%	4.02%	4.08%	4.39%	3.39%	4.33%	4.50%

Source: School District financial records

Elyria City School District
Lorain County, Ohio
Assessed and Estimated Actual Value of Taxable Property
Last Ten Collection Years

Collection Year	Real Property		Tangible Personal Property				Weighted Average Tax Rate				
	Assessed Value	Estimated Actual Value	Public Utility		General Business			Total			
			Residential/Agricultural	Commercial/Industrial/PU	Assessed Value	Estimated Actual Value			Assessed Value	Estimated Actual Value	
2008	\$ 648,931,130	\$ 277,184,760	\$ 2,646,045,400	\$ 20,155,070	\$ 22,903,489	\$ 35,539,997	\$ 142,159,988	\$ 981,810,957	\$ 2,811,108,877	34.93%	63.30
2009	648,708,757	277,354,880	2,645,896,106	20,633,480	23,447,136	1,595,675	6,382,700	948,292,792	2,675,725,942	35.44%	63.50
2010	594,953,955	273,081,300	2,480,100,729	20,751,820	23,581,614	1,536,543	6,146,172	890,323,618	2,509,828,515	35.47%	64.32
2011	593,435,840	269,224,210	2,464,743,000	21,583,770	24,527,011	0	0	884,243,820	2,489,270,012	35.52%	69.58
2012	588,891,670	266,048,900	2,442,687,343	23,047,630	26,190,489	0	0	877,988,200	2,468,877,832	35.56%	69.73
2013	532,263,910	252,914,910	2,243,368,057	25,282,660	28,730,295	0	0	810,461,480	2,272,098,354	35.67%	71.35
2014	531,420,210	255,386,430	2,248,018,971	28,030,950	31,853,352	0	0	814,837,590	2,279,872,325	35.74%	71.47
2015	529,885,380	249,617,690	2,227,151,629	29,710,000	33,761,364	0	0	809,213,070	2,260,912,993	35.79%	71.81
2016	524,038,910	247,812,680	2,205,290,257	31,456,810	35,746,375	0	0	803,308,400	2,241,036,633	35.85%	72.28
2017	523,737,760	243,779,700	2,192,907,029	35,260,090	40,068,284	0	0	802,777,550	2,232,975,314	35.95%	76.27

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

The assessed value of real property (including public utility real property) is 35% of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25% of true value for railroad property to 88% for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25% for machinery and equipment. General business inventory tangible personal property tax was phased out beginning in 2006. The listing percentage is 6.25% for 2008 and zero thereafter.

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

Source: Office of the County Auditor, Lorain County, Ohio

Elyria City School District
Lorain County, Ohio
Property Tax Rates - Direct and Overlapping Governments
(Per \$1,000 of Assessed Valuation)
Last Ten Collection Years

Collection Year	Direct Rates					Overlapping Rates					Total Levy
	Voted		Permanent Improvement	Unvoted	Total	City of Elyria Levy		Lorain County Levy	JVS	Lorain Library District	
	General	Bond				Elyria Levy	Lorain Levy				
2008	55.73	2.87	0.50	4.20	63.30	5.20	13.39	2.45	0.00	84.34	
2009	55.83	2.97	0.50	4.20	63.50	5.20	13.39	2.45	0.00	84.54	
2010	56.38	3.24	0.50	4.20	64.32	6.10	13.39	2.45	0.00	86.26	
2011	61.62	3.26	0.50	4.20	69.58	6.10	13.69	2.45	0.00	91.82	
2012	61.75	3.28	0.50	4.20	69.73	6.10	13.69	2.45	0.00	91.97	
2013	62.97	3.68	0.50	4.20	71.35	6.10	13.66	2.45	0.00	93.56	
2014	63.08	3.69	0.50	4.20	71.47	6.10	14.48	2.45	0.00	94.50	
2015	63.46	3.65	0.50	4.20	71.81	6.10	14.48	2.45	0.00	94.84	
2016	64.01	3.57	0.50	4.20	72.28	6.10	15.08	2.45	0.00	95.91	
2017	64.13	7.44	0.50	4.20	76.27	6.10	15.08	2.45	0.00	99.90	

Source: Office of the County Auditor, Lorain County, Ohio Department of Taxation

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

Elyria City School District
Lorain County, Ohio
Property Tax Levies and Collections (1)
Last Ten Years

Collection Year (2)	Current Tax Levy	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections (3)	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy	Delinquent Tax Receivable
2007	38,817,560	32,698,099	84.24%	2,104,300	34,802,399	89.66%	2,170,765
2008	40,461,300	34,611,161	85.54%	1,990,356	36,601,517	90.46%	2,539,078
2009	40,195,642	32,795,811	81.59%	N/A	32,795,811	81.59%	1,322,735
2010	44,020,312	34,488,624	78.35%	N/A	34,488,624	78.35%	1,414,892
2011	36,229,673	36,351,671	100.34%	N/A	36,351,671	100.34%	2,281,214
2012	36,006,287	36,126,868	100.33%	N/A	36,126,868	100.33%	2,936,835
2013	37,477,669	36,389,911	97.10%	N/A	36,389,911	97.10%	3,362,016
2014	37,740,108	36,496,071	96.70%	N/A	36,496,071	96.70%	3,949,683
2015	38,014,456	37,497,028	98.64%	N/A	37,497,028	98.64%	3,735,762
2016	41,398,348	40,151,890	96.99%	N/A	40,151,890	96.99%	3,066,394

Source: Office of the County Auditor, Lorain County, Ohio

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental revenue.
- (2) The 2017 information cannot be presented because all collections have not been made by June 30, 2017.
- (3) The County information does not provide the applicable year when in which taxes are collected for, included delinquencies. Thus the "total collections" represent the total collections for the year instead of total collections of a particular tax year. As a result percent of tax collections to current tax levy can exceed 100% in any particular year.

Elyria City School District
Lorain County, Ohio
Principal Taxpayers - Real Estate Tax
2016 and 2007
Amount in 000's

Name of Taxpayer	2016	
	Assessed Value (1)	Percent of Real Property Assessed Value
Ohio Edison Company-First Energy	\$ 21,247	2.77%
American Transmission Systems, Inc.	10,350	1.35%
Centro Midway LLC	9,308	1.21%
CHP Chestnut Commons OH MOB LLC	7,072	0.92%
New Plan of Midway, Inc.	5,932	0.77%
Walmart Real Estate Business Trust	5,010	0.65%
Hunters Crossing Apartments LLC Res #1	4,466	0.58%
Columbia Gas	4,449	0.58%
Elyria Taylor LLC	4,053	0.53%
Elyria United Methodist Village	3,874	0.50%
Totals	<u>\$ 75,761</u>	<u>9.86%</u>
Total Real Assessed Valuation	<u>\$ 767,517</u>	
Name of Taxpayer	2007	
	Assessed Value (1)	Percent of Real Property Assessed Value
Centro Midway LLC	\$ 15,709	1.70%
Ohio Edison Co.	14,959	1.62%
New Plan of Midway, Inc.	7,940	0.86%
First Interstate	6,236	0.67%
Hunters Crossing	4,126	0.45%
HK New Plan Exchange	3,769	0.41%
Elyria United Methodist Village	3,416	0.37%
Invacare Corporation	3,372	0.36%
Midway Realty Company	3,278	0.35%
Dayton Hudson	3,116	0.34%
Totals	<u>\$ 65,921</u>	<u>7.13%</u>
Total Real Assessed Valuation	<u>\$ 926,116</u>	

(1) The amounts presented represent the assessed values upon which 2016 and 2007 collections were based.

Source: City of Elyria Comprehensive Annual Financial Report, for the year ended December 31, 2016

Elyria City School District
Lorain County, Ohio

Ratio of Net Bonded Debt to Estimated Actual Value and Debt per Capita
Last Ten Fiscal Years

Fiscal Year	Population (1)	Estimated Actual Value Property(2)	Net General Bonded Debt Outstanding	Resources Available to Pay Principal	Net General Bonded Debt	Ratio of Net Bonded Debt to Estimated Actual Value		Net Bonded Debt Per Capita	Capital Leases	Total Debt Primary Government	Total Debt	
						Net General Bonded Debt	Actual Value				General Debt to Estimated Actual Value	Percentage of Personal Income
2008	55,007	2,646,045,400	45,702,825	506,834	45,195,991	1.71%	821.64	5,300,568	51,003,393	1.93%	4.79%	
2009	54,947	2,645,896,106	45,754,133	969,281	44,784,852	1.69%	815.06	5,845,974	51,600,107	1.95%	4.85%	
2010	55,953	2,480,100,729	45,321,756	923,062	44,398,694	1.79%	793.50	5,290,100	50,611,856	2.04%	4.42%	
2011	55,953	2,464,743,000	44,837,324	1,077,092	43,760,232	1.78%	782.09	4,830,417	49,667,741	2.02%	4.34%	
2012	54,581	2,442,687,343	44,375,369	1,302,341	43,073,028	1.76%	789.16	4,371,141	48,746,510	2.00%	4.24%	
2013	54,086	2,243,368,057	43,935,474	1,398,558	42,536,916	1.90%	786.47	3,895,988	47,831,462	2.13%	4.20%	
2014	53,956	2,248,018,971	43,337,508	1,624,216	41,713,292	1.86%	773.10	3,399,302	46,736,810	2.08%	4.11%	
2015	53,972	2,227,151,629	46,952,763	2,173,458	44,779,305	2.01%	829.68	2,885,399	49,838,162	2.24%	4.27%	
2016	53,775	2,205,290,257	45,414,216	2,079,936	43,334,280	1.97%	805.84	2,353,568	47,767,784	2.17%	4.09%	
2017	53,715	2,192,907,029	106,441,483	15,214,728	91,226,755	4.16%	1,698.35	1,798,068	108,239,551	4.94%	9.40%	

Sources:

- (1) U.S. Bureau of Census, Census Population
- (2) Office of the County Auditor, Lorain County, Ohio

Elyria City School District
Lorain County, Ohio
Computation of Legal Debt Margin
Last Ten Fiscal Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Tax Valuation	\$ 925,575,890	\$ 926,063,637	\$ 868,035,255	\$ 862,660,050	\$ 854,940,570	\$ 785,178,820	\$ 786,806,640	\$ 779,503,070	\$ 771,851,590	\$ 767,517,460
Debt Limit - 9% of Taxable Valuation (1)	83,301,830	83,345,727	78,123,173	77,639,405	76,944,651	70,666,094	70,812,598	70,155,276	69,466,643	69,076,571
Amount of Debt Applicable to Debt Limit										
General Obligation Bonds	45,702,825	45,754,133	45,321,756	44,837,324	44,375,369	43,935,474	43,337,508	46,952,763	45,414,216	98,818,776 *
Capital Leases	5,300,568	5,845,974	5,290,100	4,830,417	4,371,141	3,895,988	3,399,302	2,885,399	2,353,568	1,798,068
Less: Exempt Indebtedness (2)	0	0	0	0	0	0	0	0	0	0
Less: Amount Available in Debt Service	(506,834)	(969,281)	(923,062)	(1,077,092)	(1,302,341)	(1,398,558)	(1,624,216)	(2,173,458)	(2,079,936)	(16,325,545)
Amount of Debt Subject to Limit	50,496,559	50,630,826	49,688,794	48,590,649	47,444,169	46,432,904	45,112,594	47,664,704	45,687,848	69,076,571
Legal Debt Margin	\$ 32,805,271	\$ 32,714,901	\$ 28,434,379	\$ 29,048,756	\$ 29,500,482	\$ 24,233,190	\$ 25,700,004	\$ 22,490,572	\$ 23,778,795	\$ 0
Legal Debt Margin as a Percentage of Debt Limit	39.38%	39.25%	36.40%	37.41%	38.34%	34.29%	36.29%	32.06%	34.23%	0.00%
Unvoted Legal Debt Limit -										
.10% of Assessed Value (1)	\$ 925,576	\$ 926,064	\$ 868,035	\$ 862,660	\$ 854,941	\$ 785,179	\$ 786,807	\$ 779,503	\$ 771,852	\$ 767,517
Unvoted Debt Margin	\$ 925,576	\$ 926,064	\$ 868,035	\$ 862,660	\$ 854,941	\$ 785,179	\$ 786,807	\$ 779,503	\$ 771,852	\$ 767,517
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Source: Lorain County Auditor and School District Financial Records

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

(2) Pursuant to Section 133.06(D) of the Revised Code, a school district may incur net indebtedness in excess of the 9% limitation when necessary to raise the school district's portion of the basic project cost and any additional funds necessary to participate in a project under Chapter 3318 of the Revised Code, including the cost of items designated by the Ohio Facilities Construction Commission as "required locally funded initiatives", the cost of other locally funded initiatives in an amount that does not exceed 50% of the district's portion of the basic project cost, and the cost for site acquisition. As a result, any portion of the otherwise nonexempt debt authorized by the School District's voters at the election on November 8, 2016, in excess of the 9% limitation is exempted from that limitation.

* Excludes premium, discount and accretion on capital appreciation bonds.

Elyria City School District
Lorain County, Ohio
Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
June 30, 2017

	Debt Attributable to Governmental Activities	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
Direct Debt:			
Payable from Property Taxes Elyria City School District	\$ 108,239,551	100.00%	\$ 108,239,551
Overlapping:			
Lorain County	44,225,000	12.16%	5,377,760
Elyria City	36,570,000	89.02%	32,554,614
Lorain City	31,667,659	0.27%	85,503
Lorain County Career Center	<u>2,649,602</u>	13.67%	<u>362,201</u>
Total Overlapping Debt	<u>115,112,261</u>		<u>38,380,076</u>
Total Direct and Overlapping Debt	<u>\$ 223,351,812</u>		<u>\$ 146,619,627</u>

(1) Percentages were determined by dividing the assessed valuation of the overlapping government located within the boundaries of the School District by the total assessed valuation of the government. The valuations used were for the 2016 collection year.

Source: Ohio Municipal Advisory Council

Elyria City School District
Lorain County, Ohio
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Elyria CSD Area Population (1)	Lorain County Population	Personal Income (2)	Per Capita Personal Income	Unemployment Rate (3)	Median Income
2008	55,007	303,972	\$ 1,064,055,408	\$ 19,344	7.20%	\$ 27,244
2009	54,947	304,639	1,062,894,768	19,344	10.10%	27,253
2010	54,533	301,356	1,144,484,071	20,987	9.80%	27,160
2011	54,533	301,356	1,144,484,071	20,987	8.50%	25,973
2012	54,581	301,614	1,149,585,022	21,062	7.70%	25,973
2013	54,086	301,478	1,139,159,332	21,062	8.30%	39,205
2014	53,956	302,827	1,137,230,612	21,077	7.60%	39,425
2015	53,972	304,216	1,167,846,136	21,638	6.90%	42,299
2016	53,775	305,147	1,163,583,450	21,638	6.00%	42,299
2017	53,715	306,365	1,151,219,880	21,432	6.80%	40,952

Sources: 1) US Bureau of Census, Census of Population.
(a) Years 2007 and 2017 - 2000 Federal Census
2) Computation of per capita personal income multiplied by population
3) U.S. Department of Labor

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

Elyria City School District
Lorain County, Ohio
Principal Employers
Current Year and Nine Years Ago

Employer	2016			2007		
	Number of Employees	Rank	Percentage of Total Employment	Number of Employees	Rank	Percentage of Total Employment
EMH Regional Medical Center	1,744	1	6.46%	1,664	1	5.62%
Lorain Community College	1,672	2	6.19%	420	8	1.42%
Lorain County	1,311	3	4.86%	1,649	2	5.57%
Elyria City School District	783	4	2.90%	972	3	3.28%
Ridge Tool Company	571	5	2.11%	610	5	2.06%
The City of Elyria	502	6	1.86%	510	7	1.72%
Invacare	479	10	1.77%	767	4	2.59%
Riddell	500	7	1.85%	N/A	N/A	0.00%
Consun Food Industries	488	9	1.81%	N/A	N/A	0.00%
Bendix Commercial Vehicle Systems LLC	495	8	1.83%	399	9	1.35%
Parker Hannifin Corporation	N/A	N/A	0.00%	512	6	1.73%
Elyria Foundry Company	N/A	N/A	0.00%	374	10	1.26%
Total	<u>8,545</u>		<u>31.64%</u>	<u>7,877</u>		<u>26.60%</u>
Total Employment within the School District	<u>27,000</u>			<u>29,600</u>		

Source: City of Elyria comprehensive annual financial report,
for the year ended December 31, 2016

Elyria City School District
Lorain County, Ohio
School District Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Regular instruction										
Elementary classroom teachers	204.70	200.80	200.15	225.00	258.00	249.00	214.50	209.00	207.00	191.00
High school classroom teachers	160.60	160.60	149.80	134.00	154.00	110.00	106.00	200.00	209.00	208.00
Special instruction										
Elementary classroom teachers	70.26	75.49	63.92	30.00	47.00	42.00	38.50	0.00	51.00	46.00
Supplemental Service Teacher	29.77	30.15	35.15	23.90	38.00	42.00	36.00	41.70	0.00	0.00
High school classroom teachers	37.00	37.00	27.00	25.00	40.00	27.00	21.00	0.00	43.00	45.00
Vocational instruction										
High school classroom teachers	4.00	0.00	0.00	3.00	3.00	3.00	3.00	0.00	0.00	1.00
Pupil support services										
Adapted Physical Education Therapist	1.60	1.60	1.50	1.00	1.00	20.00	2.00	1.50	1.00	1.00
Curriculum Specialist	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Educational Services Teacher	9.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Guidance counselors	29.00	23.00	22.02	21.02	23.00	15.00	12.00	18.00	17.00	12.00
Librarians	21.00	24.15	12.90	12.65	13.00	7.00	1.00	3.80	3.00	3.00
Nurse	5.00	5.00	5.00	5.00	5.00	4.00	4.00	5.00	4.00	5.00
Occupational Therapist	5.00	4.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	7.00
Other Professional - Educational	27.00	43.00	33.00	32.00	32.00	26.00	33.00	14.00	32.00	25.00
Other Professional - Technical	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.00	0.00	2.00
Physical Therapist	3.00	3.00	3.00	3.00	3.00	3.00	2.00	2.00	1.50	0.00
Psychologists	8.75	13.32	12.32	20.32	22.00	8.00	6.00	12.21	7.00	6.00
Remedial Specialist	28.50	15.50	20.50	15.65	16.00	21.00	19.00	22.00	19.00	17.00
Social Work	4.29	2.15	2.05	2.15	2.00	1.00	1.00	3.00	3.00	3.00
Speech and language pathologists	10.92	9.93	9.93	9.50	10.00	10.00	9.00	9.50	9.00	9.00
Teacher Mentor/Evaluator	35.00	30.00	11.00	18.00	19.00	18.00	22.00	7.00	11.00	13.00
Tutor/Small Group Instructor	24.60	7.35	5.96	3.76	4.00	10.00	10.00	47.11	17.00	21.00
Administrators										
Elementary	15.00	14.00	11.00	11.00	11.00	16.00	9.00	9.00	9.00	8.00
High school	11.00	13.00	7.00	12.00	12.00	12.00	12.00	12.00	13.00	13.00
Operation of plant										
Custodians	56.25	53.25	41.25	41.25	41.25	41.00	36.00	43.00	23.00	46.00
Maintenance	17.00	17.00	17.00	17.00	17.00	16.00	12.00	18.00	14.00	9.00
Food service program										
Food Service Assignment	18.00	18.00	18.00	20.00	20.00	14.50	14.50	89.32	82.00	88.00

Source: School District Records.

Method: According to Position Codes in 2017

Note: In 2014 the Ohio Department of Education changed the position code for Special Education Teachers to that of Regular Education Teachers

Elyria City School District
Lorain County, Ohio
Building Statistics
Last Ten Fiscal Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Elyria High School										
Construction started in 2007										
Total building square footage	N/A	N/A	N/A	N/A	N/A	313,000	317,031	317,031	317,031	317,031
Enrollment grades 9-12	N/A	N/A	N/A	N/A	N/A	2,074	2,011	2,012	1,945	2,004
Student capacity	N/A	N/A	N/A	N/A	N/A	1,796	1,796	1,796	1,796	1,796
Elyria High School										
Constructed in 1894 (Replaced in 2012)										
Total building square footage	247,207	247,207	247,207	247,207	247,207	N/A	N/A	N/A	N/A	N/A
Enrollment grades 9-12	2,008	2,069	2,076	2,323	2,102	N/A	N/A	N/A	N/A	N/A
Student capacity	1,832	1,832	1,832	1,832	1,832	N/A	N/A	N/A	N/A	N/A
Eastern Heights Middle High School										
Constructed in 1969										
Total building square footage	74,820	74,820	74,820	74,820	74,820	74,820	74,820	74,820	74,820	74,820
Enrollment grades 7 - 8	362	593	602	557	504	515	522	513	491	457
Student capacity	601	601	601	601	601	601	601	601	601	601
Northwood Middle High School										
Constructed in 1961										
Total building square footage	76,076	76,076	76,076	76,076	76,076	76,076	76,076	76,076	76,076	76,076
Enrollment grades 7 - 8	420	443	589	548	532	538	528	476	454	443
Student capacity	487	487	487	487	487	487	487	487	487	487
Westwood Middle High School										
Constructed in 1970										
Total building square footage	93,226	93,226	93,226	93,226	93,226	93,226	93,226	93,226	93,226	93,226
Enrollment grades 7 - 8	386	361	474	456	472	476	443	430	429	424
Student capacity	466	466	466	466	466	466	466	466	466	466
Hilltop Academy										
Constructed in 2001										
Total building square footage	15,745	15,745	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed
Enrollment grades 6 - 9	24	21								
Cascade Elementary										
Constructed in 1929										
Total building square footage	35,472	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed
Enrollment grades K - 6	250									
Student capacity	550									

(continued)

Elyria City School District
Lorain County, Ohio
Building Statistics
Last Ten Fiscal Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Crestwood Elementary										
Constructed in 1955										
Total building square footage	45,018	45,018	45,018	45,018	45,018	45,018	45,018	45,018	45,018	45,018
Enrollment grades K - 6	307	364	371	324	385	441	438	434	445	437
Student capacity	625	625	625	625	625	625	625	625	625	625
Eastgate Elementary										
Constructed in 1961										
Total building square footage	38,957	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed
Enrollment grades K - 6	317									
Student capacity	38,957									
Ely Elementary										
Constructed in 1920										
Total building square footage	66,174	66,174	66,174	66,174	66,174	66,174	66,174	66,174	66,174	66,174
Enrollment grades K - 6	366	520	510	500	475	466	451	433	413	420
Student capacity	550	550	550	550	550	550	550	550	550	550
Erie Elementary										
Constructed in 1969										
Total building square footage	36,183	36,183	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed
Enrollment grades K - 6	267	307								
Student capacity	375	375								
Franklin Elementary										
Constructed in 1950										
Total building square footage	74,275	74,275	74,275	74,275	74,275	74,275	74,275	74,275	74,275	74,275
Enrollment grades K - 6	382	373	474	466	417	394	393	416	414	385
Student capacity	800	800	800	800	800	800	800	800	800	800
McKinley Elementary										
Constructed in 1907										
Total building square footage	40,273	40,273	40,273	40,273	40,273	40,273	40,273	40,273	40,273	40,273
Enrollment grades K - 6	388	381	422	418	432	395	368	359	363	340
Student capacity	550	550	550	550	550	550	550	550	550	550
Oakwood Elementary										
Constructed in 1961										
Total building square footage	34,556	34,556	34,556	34,556	34,556	34,556	34,556	34,556	34,556	34,556
Enrollment grades 1 - 6	308	292	341	352	357	366	346	328	289	300
Student capacity	450	450	450	450	450	450	450	450	450	450

(continued)

Elyria City School District
Lorain County, Ohio
Building Statistics
Last Ten Fiscal Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Prospect Elementary										
Constructed in 1965										
Total building square footage	39,401	39,401	39,401	39,401	39,401	39,401	39,401	39,401	39,401	39,401
Enrollment grades K - 6	303	416	459	414	396	379	388	404	341	345
Student capacity	500	500	500	500	500	500	500	500	500	500
Roosevelt Elementary										
Constructed in 1922										
Total building square footage	61,861	61,861	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed
Enrollment grades K - 6	345	293								
Student capacity	650	650								
Windsor Elementary										
Constructed in 1963										
Total building square footage	49,201	49,201	49,201	49,201	49,201	49,201	49,201	49,201	49,201	49,201
Enrollment grades K - 6	386	400	465	457	418	436	419	410	384	398
Student capacity	675	675	675	675	675	675	675	675	675	675
Kindergarten Village										
Constructed in 1999										
Total building square footage	111,369	111,369	111,369	111,369	111,369	111,369	111,369	111,369	111,369	111,369
Enrollment grades K - 1	353	271	185	182	101	249	259	251	258	343
Spring Valley Early Childhood Center										
Constructed in 1996										
Total building square footage	28,785	28,785	28,785	28,785	28,785	28,785	Closed	Closed	Closed	Closed
Enrollment grades n/a	244	291	144	151	235	235				

Source: School District Records.

Elyria City School District
Lorain County, Ohio
Operating Statistics
Last Ten Fiscal Years

Fiscal Year	Expenses (1)	Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff (2)	Pupil/ Teacher Ratio
2008	\$ 85,796,656	7,315	\$ 11,729	-0.59%	483	15.1
2009	86,556,383	7,289	11,875	1.25%	503	14.5
2010	85,418,458	7,131	11,978	0.87%	522	13.7
2011	85,791,295	7,148	12,002	0.20%	525	13.6
2012	87,552,164	7,520	11,643	-3.00%	525	14.3
2013	87,853,588	6,729	13,056	8.78%	465	14.5
2014	85,160,704	6,566	12,970	-0.66%	506	13.0
2015	84,466,198	6,466	13,063	0.72%	487	13.3
2016	86,481,754	6,266	13,802	6.41%	492	12.7
2017	94,226,382	6,169	15,274	16.93%	483	12.8

Source: School District Records.

(1) Expenses are reported on an accrual basis of accounting.

(2) Full-time equivalent per Ohio Department of Education.

Elyria City School District
Lorain County, Ohio
Teachers' Salaries
Last Ten Fiscal Years

Fiscal Year	Minimum Salary ¹	Average Salary ²	Average Salary Comparable Districts ³	Statewide Average Salary ³
2008	\$ 31,155	\$ 50,673	\$ 58,390	\$ 53,410
2009	31,934	51,535	60,208	54,656
2010	32,573	54,101	60,329	55,958
2011	33,859	55,915	59,976	56,715
2012	34,502	57,124	55,535	58,079
2013	34,502	55,167	55,512	58,120
2014	35,158	56,480	55,210	58,178
2015	35,510	59,069	56,877	57,825
2016	36,362	53,981	55,519	56,748
2017	37,235	59,046	57,877	58,849

Source:

School District Records
Ohio Department of Education

- (1) Starting teacher with no experience.
- (2) Provided by the School District
- (3) Provided by the Ohio Department of Education.

Elyria City School District
Lorain County, Ohio
Teachers by Education
Last Ten Fiscal Years

<u>Degree</u>	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Bachelor's Degree	184	143	133	141	139	119	132	125	134	166
Master's Degree	421	389	386	381	385	370	371	360	281	310
Doctorate	4	2	3	3	3	3	3	2	1	1
Total	609	534	522	525	527	492	506	487	416	477

Source: School District Records.

Elyria City School District
Lorain County, Ohio
Enrollment Statistics
Last Ten Fiscal Years

Fiscal Year	Elementary Schools	High Schools	Total
2008	5,236	2,079	7,315
2009	5,193	2,096	7,289
2010	5,055	2,076	7,131
2011	4,825	2,323	7,148
2012	5,572	1,948	7,520
2013	3,126	3,603	6,729
2014	3,062	3,504	6,566
2015	3,035	3,431	6,466
2016	2,907	3,319	6,226
2017	3,002	3,167	6,169

Source: Ohio Department of Education.

Elyria City School District
Lorain County, Ohio
Nutrition Services
Last Ten Fiscal Years

<u>Degree</u>	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Average daily membership	5,840	6,226	6,466	6,566	6,729	6,869	7,148	7,131	7,289	7,315
Total students eligible for free lunch	3,580	3,414	3,469	3,656	3,800	3,459	3,459	3,460	3,566	3,495
Participation percent	61%	55%	54%	56%	56%	50%	48%	49%	49%	48%
Total students eligible for reduced lunch	305	360	349	414	547	451	451	496	695	623
Participation percent	5%	6%	5%	6%	8%	7%	6%	7%	10%	9%
Total	3,885	3,774	3,818	4,070	4,347	3,910	3,910	3,956	4,261	4,118

Source: Ohio Department of Education.

Elyria City School District
Lorain County, Ohio
Average Number of Students per Teacher
Last Ten Fiscal Years

Fiscal Year	Elyria CSD Average	State Average
2008	15.14	18.60
2009	14.49	N/A
2010	14.58	N/A
2011	13.20	N/A
2012	15.02	15.80
2013	15.97	15.90
2014	14.50	15.40
2015	15.10	16.30
2016	15.06	16.01
2017	15.10	15.72

Source: Ohio Department of Education.

Elyria City School District
Lorain County, Ohio
Attendance and Graduation Rates
Last Ten Fiscal Years

Fiscal Year	Elyria CSD Attendance Rate	State Average	Elyria CSD Graduation Rate	State Average
2007	94.90%	94.20%	89.60%	84.60%
2008	94.30%	94.30%	89.60%	83.00%
2009	94.30%	94.30%	82.10%	78.00%
2010	91.40%	94.50%	85.50%	79.70%
2011	94.30%	94.50%	87.60%	81.30%
2012	92.50%	94.20%	93.00%	82.20%
2013	92.30%	94.30%	88.90%	85.50%
2014	94.40%	95.10%	88.70%	85.50%
2015	94.50%	94.10%	85.30%	83.00%
2016	93.60%	93.90%	84.80%	83.50%

Source: Ohio Department of Education.

Fiscal year 2017 not available during CAFR preparation.



Dave Yost • Auditor of State

ELYRIA CITY SCHOOL DISTRICT

LORAIN COUNTY

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
JANUARY 30, 2018