



Dave Yost • Auditor of State

OAK HILLS LOCAL SCHOOL DISTRICT
HAMILTON COUNTY

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**OAK HILLS LOCAL SCHOOL DISTRICT
HAMILTON COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2018**

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Federal CFDA Number	Pass Through Entity Identifying Number	Total Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through Ohio Department of Education:			
Child Nutrition Cluster:			
Non-Cash Assistance (Food Distribution):			
National School Lunch Program	10.555	3L60	\$84,478
Cash Assistance:			
School Breakfast Program	10.553	3L70	89,954
National School Lunch Program	10.555	3L60	475,447
Special Milk Program for Children	10.556	3L60	5,436
Total Child Nutrition Cluster			655,315
Total U.S. Department of Agriculture			655,315
U.S. DEPARTMENT OF EDUCATION			
Passed Through Ohio Department of Education:			
Special Education Cluster:			
Special Education-Grants to States	84.027	3M20	1,685,155
Special Education-Preschool Grants	84.173	3C50	28,465
Total Special Education Cluster			1,713,620
Title I Grants to Local Educational Agencies	84.010	3M00	1,009,667
English Language Acquisition State Grants	84.365	3Y70	7,164
Supporting Effective Instruction State Grants	84.367	3Y60	159,973
Student Support and Academic Enrichment Program	84.424	3H10	4,522
Passed Through Great Oaks Career Campuses:			
Career & Technical Education Basic Grants to States	84.048	N/A	2,000
Total Department of Education			2,896,946
Total Federal Assistance			\$3,552,261

See accompanying notes to the schedule of expenditures of federal awards.

**OAK HILLS LOCAL SCHOOL DISTRICT
HAMILTON COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2018**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Oak Hills Local School District (the District) under programs of the federal government for the year ended June 30, 2018. 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 - 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 D – FOOD DONATION PROGRAM

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



Dave Yost • Auditor of State

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

Oak Hills Local School District
Hamilton County
6325 Rapid Run Road
Cincinnati, Ohio 45233

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 major fund, and the aggregate remaining fund information of the Oak Hills Local School District, Hamilton County, Ohio (the District), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 19, 2018, wherein we noted the District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

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 opinion 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*.

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Purpose of this Report

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

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 19, 2018



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

Oak Hills Local School District
Hamilton County
6325 Rapid Run Road
Cincinnati, Ohio 45233

To the Board of Education:

Report on Compliance for the Major Federal Program

We have audited Oak Hills Local School District, Hamilton County, Ohio (the District's) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the District's major federal program for the year ended June 30, 2018. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the District's major federal program.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on the Major Federal Program

In our opinion, the 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, 2018.

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 major fund and the aggregate remaining fund information of Oak Hills Local School District (the District) as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our unmodified report thereon dated December 19, 2018. Our opinion also explained that the District adopted *Governmental Accounting Standard No. 75* during the year. 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.

Oak Hills Local School District
Hamilton County
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
Page 3

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Dave Yost
Auditor of State

Columbus, Ohio

December 19, 2018

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**OAK HILLS LOCAL SCHOOL DISTRICT
HAMILTON COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2018**

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):	Title I: 84.010
<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 AND QUESTIONED COSTS FOR FEDERAL AWARDS

None.

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ANNUAL FINANCIAL REPORT 2018

FISCAL YEAR ENDING JUNE 30, 2018



513-574-3200



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@OHLSD



@oakhills_highlanders

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OAK HILLS LOCAL SCHOOL DISTRICT
Cincinnati, Ohio

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

Prepared By:
Office Of The Treasurer
Steven R. Bain, Treasurer

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INTRODUCTORY SECTION



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December 19, 2018

To the Citizens and Board of Education of the Oak Hills Local School District:

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Oak Hills Local School District (District) for the fiscal year ended June 30, 2018. This report was prepared by the Treasurer's office in conformance with generally accepted accounting principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB) and includes an unmodified opinion from the Auditor of State. Responsibility for accurate, complete and fair representation of data, including all disclosures, rests with the District. This report will provide the taxpayers of the Oak Hills Local School District with comprehensive financial data in a format which will enable them to gain an understanding of the District's financial affairs. Copies will be available upon request to taxpayers, financial rating services, banking institutions and other interested parties.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the independent auditor's report.

The District provides a full range of traditional and 21st century educational programs and services. These include elementary and secondary curriculum offerings at the general, college preparatory, advance placement, gifted, special education and vocational levels; a broad range of co-curricular and extra-curricular activities; and adult and community education offerings and community recreation activities.

In addition to these general activities, the District acts as the fiscal agent for State funds distributed to non-public parochial schools located within the District boundaries. This activity is included in the District's reporting entity as Auxiliary Services, a special revenue fund, because the District has administrative involvement in the programs. The schools served are: Our Lady of Victory, Our Lady of Visitation, St. Aloysius Gonzaga, St. Dominic, St. Jude and the Children's House. While these organizations are similar in operations and services provided, each is distinct and separate entities whose financial statements are not included in this report.

ECONOMIC CONDITION AND OUTLOOK

The District is located in southwestern Ohio, a suburb of Cincinnati, in the southwestern part of Hamilton County. Approximately 88% of the District's tax base consists of residential and agricultural properties with the remainder composed of a wide range of commercial and other business properties. The overall economic outlook for the area remains stable with relatively low unemployment rates and low inflationary pressures.

The Oak Hills school community has high expectations for the District. We strive to provide the best educational opportunities to every student with the resources we are provided. For the 2017-18 school year, Oak Hills earned the following letter grades on the state report card: Achievement: C, Progress: A, Graduation Rate: A, Gap Closing: A and Prepared for Success: D. Oak Hills earned these high ratings while maintaining one of the lowest expenditures per pupil in Hamilton County and maintaining a cost per pupil lower than the state average.

The funding of K-12 public schools in Ohio is a joint effort between the state and local school districts. Since the 1970s through FY 2009, with the exception of a few years, Ohio's funding formula was foundation based by means of which a per pupil amount determined by the General Assembly as the per-pupil resource for provision of a basic adequate education was multiplied by the number of pupils to determine the base funding of the school districts. From this product, the local share of the basic adequate amount (or the charge off) was subtracted to arrive at the state share of the base funding. Additional funding was also provided for services targeted to categories of pupils such as handicapped, vocational, gifted, and economically disadvantaged as well as some adjustments and funding guarantees. The 2010-11 biennial budget (Am. Sub. H.B. 1 of the 128th General Assembly), established a new funding formula called the Evidence-Based Model (EBM). Am. Sub. H.B. 153 of the 129th General Assembly repealed the EBM and implemented a temporary funding formula for the 2012-13 biennial budget as a new school funding formula is developed. The temporary formula was called the Bridge formula. The Bridge formula provided for a simplified approach to fund distribution based on FY 2011 total calculated amounts on per pupil basis for both FY 2012 and FY 2013. However, the State revised the funding model in June, 2013 and adopted HB 59, the FY 14 and FY 15 biennium budget which again changed our funding formula, but not our funding. Under this new model, the District received minimal increases in our level of State funding. The increase projected for the current biennium budget (H.B. 49) is an increase of 2%-3% for fiscal year 2018 and 2019, respectively. House Bill 49 considers enrollment and valuation when determining allocations to each school district.

Given the uncertainty of the school funding formula and the economic conditions within the State, the level at which the State will fund schools in the future remains uncertain. The District remains concerned about the instability of the state economy and the political ramifications of changing the funding formula every two years. We plan carefully and prudently to provide resources to meet the needs of our students but the uncertainty of state funding challenges our planning.

THE DISTRICT AND ITS FACILITIES

The Oak Hills Local School District represents a prior consolidation of three elementary districts: Bridgetown, Delhi and Springmyer. The consolidation was finalized by the Hamilton County Board of Education on April 23, 1956 in order to equalize educational opportunities throughout the area. Today, the District operates under current standards as prescribed by the State of Ohio Board of Education, as provided in Division (D) of Section 3301.07 and Section 110.01 of the Ohio Revised Code.

The District serves an area of 28 square miles, encompassing Delhi and Green Townships in Hamilton County. The total District population is reported at 87,880 by census data.

During the 2017-2018 school year, the District served 7,841 students enrolled in five elementary schools (3,554 students), three middle schools (1,854 students) and the one of the largest high school's in the State of Ohio (2,433 students). Enrollment has remained stable over the last decade and is projected to vary only slightly over the next five years. See schedule 19 for additional information (age, capacity, etc.) on the District's school buildings.

The District also operates a variety of other facilities, including: a district office administration building, a maintenance building, a bus compound, and several athletic stadiums across the District.

ORGANIZATION OF THE SCHOOL DISTRICT

The Board of Education of the Oak Hills Local School District is a five member body politic and corporate, as defined by Section 3313.02 of the Ohio Revised Code. The Board: (1) serves as the taxing authority, contracting body and policy maker, (2) ensures that all the general laws of the State of Ohio are followed in the expenditures of the District's tax dollars, (3) approves the annual appropriation resolution and tax budget.

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

<u>Board Member</u>	<u>Term</u>	<u>Years on Board</u>
Mrs. Jan Hunter	01/01/16 – 12/31/19	16.5
Mr. Paul Cooper	01/01/16 – 12/31/19	2.5
Mrs. Jeannie Schoonover	01/01/18 – 12/31/21	8.5
Mrs. Julie Murphy	01/01/18 – 12/31/21	4.5
Mr. Scott Bischoff	01/01/18 – 12/31/21	4.5

The Superintendent is the chief executive officer of the District, responsible directly to the Board for all educational and support operations. Mr. Jeff Brandt was appointed Superintendent effective January 2, 2017. Mr. Brandt's current contract expires on July 31, 2020. Mr. Brandt received a Bachelor of Science Degree from Northern Kentucky University and a Master of Education degree from Xavier University. Prior to being named Superintendent, Mr. Brandt served in several administrative positions in the Oak Hills Local School District.

The Treasurer is the chief financial officer of the District, responsible directly to the Board for maintaining all financial records, issuing all payments, maintaining custody of all District funds and assets and investing idle funds as specified by Ohio Law. Mr. Steven R. Bain was appointed Treasurer on August 1, 2014. The Board of Education unanimously approved a 5 year contract to retain Mr. Bain through July 31, 2023. Mr. Bain received her B.A. degree from the College of Mt. St. Joseph, and has an Ohio Treasurer License. Mr. Bain served as the Assistant Treasurer for Oak Hills Local School District from 2005-2013, as well as the Treasurer of Southwest Local School District for the 2013-14 school year.

EMPLOYEE RELATIONS

The District has over 900 full and part-time employees. This number has decreased slightly over the past few years as part of a concentrated effort to reduce expenditures. There are two organizations representing the certificated and classified employees. The District's administrative employees are not currently represented.

The Oak Hills Education Association (OHEA), an affiliate of the Ohio Education Association (OEA), represents all certificated employees of the District. The collective bargaining agreement between the OHEA

and the District included a term of 3 years for fiscal years 2018, 2019, & 2020. OHEA was provided a 2.25% increase (plus steps) for each year of the current contract.

Classified employees are represented by Chapter 200 of the Ohio Association of Public School Employees (OAPSE), an affiliate of the American Federation of State, County and Municipal Employees (AFSCME). OAPSE Chapter 200 represents food service employees, custodians, maintenance employees, building secretaries, mechanics, bus drivers, educational assistants and system support technicians. The collective bargaining agreement between OAPSE Chapter 200 and the District includes a 5 year agreement, ending on June 30, 2019. Wages for fiscal year 2018 and 2019 included increases of 2.25% plus steps.

SERVICES PROVIDED

The District offers regular instructional programs daily to students in grades Pre-K – 12. Just over 200 students participate in specific trades offered through the vocation education program at Great Oaks Institute of Technology and Career Development. Approximately 1,200 students receive special services due to physical or mental disabilities. In grades K-12, we service 791 gifted students.

The District provides a wide variety of education and support services, as mandated by the Ohio Revised Code and as directed by the Board to meet the needs of all students. Student services include guidance, psychological, speech therapy, physical and occupational therapy, transportation, and school lunch. Limited health services are also provided under the guidance of registered nurses throughout the District.

During the 2017-18 school year, the accounting department processed over 4,400 purchase orders and issued over 4,300 checks for good and/or services for the District. Those goods and services include utilities, instructional supplies, computers, software, textbooks, building maintenance, and tuition.

The payroll department issued 24,434 payroll checks to employees entitled to remuneration for services rendered, while 971 agency deduction checks were also issued for payroll-associated costs such as taxes, retirement, and insurance.

MAJOR CURRENT AND FUTURE INITIATIVES

Curriculum Initiatives

“All students attending the Oak Hills Local School District achieve success by graduating with individual skills for career and college readiness and global competence” is the mission statement for the District. As such, we offer rigorous academics and relevant educational experiences. Relationships formed with the larger community help prepare our students for a 21st century global marketplace.

Educational opportunities abound for students with Advanced Placement, dual enrollment, gifted programs, special education services, vocational options, and community education. These successful programs are guided by caring, highly qualified teachers and supported by staff that understand and are committed to meeting the needs of each and every child. Among the best, we continue to strive for better.

The District has adopted the Ohio Learning Standards and increased the rigor of curriculum, instruction and assessment. The District revised its curriculum maps and provided professional learning for staff to meet these more rigorous standards. There has also been a significant increase of technology being used to improve teaching and learning.

Due to a competitive global economy and the growing need for a highly skilled workforce, Oak Hills is dedicated to ensuring that all students graduate career and college ready. In grades 6 – 12, the District continued the process of aligning curriculum, instruction, and assessment to Ohio’s learning standards. Our high school is proud to offer a variety of College Board Advanced Placement courses where students can earn both high school and college credit in all available academic disciplines. We have also partnered with Cincinnati State and the University of Cincinnati to offer courses taught by adjunct faculty in the District. Students can earn college and high school credit in these College Credit Plus courses. In addition to course offerings, we offer a variety of Educational Pathways that provide students with an opportunity to focus in a concentrated academic field that could lead to potential college majors or careers.

The expansion of eLearning continues to be a key initiative for Oak Hills. The district offers eLearning opportunities for students, including online and blended courses. As the district continues to develop eLearning opportunities, gaming and coding will become pathways for student pursuit. The District has also implemented a 1:1 student to device ratio.

RELEVANT FINANCIAL POLICIES AND LONG-TERM FINANCIAL PLANNING

The District placed a 4.82 mill emergency general fund operating levy (*5 year term*) in November 2013. The community supported the 4.82 mill levy in November 2013, and as a result the levy passed. This 4.82 mill levy was the first tax increase since the millage transfer in 2007 which established a permanent improvement fund to set aside funds for facility, transportation, curriculum, technology and maintenance needs. Collection for the November 2013 4.82 mill levy began in January 2014. The increases in the general property tax line item on the forecast from Fiscal Year 2013 to Fiscal Year 2015 are a direct reflection of the passage of the 4.82 mill levy in November 2013.

In May 2017, the District requested a 4.82 mill substitute levy from the community. The results of this vote indicated that 48 of 50 precincts supported the substitute levy & the levy passed by a wide margin. Assuming the property valuation of the taxpayer remains stable; *the substitute levy will not increase taxes*. The emergency levy supported in 2013 will expire in 2018 & the substitute levy will begin collection in 2019 (meaning there will be a seamless transition to the property tax line item). The substitute levy will be a continuous levy.

The District is grateful for the community’s support of the 4.82 mill substitute levy in May 2017. The support of our community will allow the District to continue to move forward providing the excellent education our students deserve. The current forecast projects deficit spending beginning in Fiscal Year 2020, and continuing in Fiscal Year 2021 and 2022.

In an effort to address the projected deficit spending levels and to address the concern of student safety, the District placed a 4.9 mill operating levy on the August 7, 2018 election. The operating levy was defeated. The District will evaluate all programs, including staffing levels, and make recommendations on a request from the community and/or reductions to budgets.

FINANCIAL INFORMATION

The District's accounting system is organized on a "fund" basis. Each fund is a distinct, self-balancing entity. Records for general governmental operations are maintained on a budgetary basis system of accounting as prescribed by State statute. The Budgetary basis accounting differs from generally accepted accounting principles [GAAP] as promulgated by the Governmental Accounting Standards Board [GASB].

INTERNAL ACCOUNTING AND BUDGETARY CONTROL

In developing the District's accounting system, much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

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

At the beginning of each fiscal year, the Board adopts either a temporary appropriation measure or a permanent appropriation measure for that fiscal year. Appropriations are monitored, changed and amended/adopted on a monthly basis.

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

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the fund level. All purchase order requests must be approved by the individual program managers and certified by the Treasurer; necessary funds are then encumbered and purchase orders are released to vendors.

The basis of accounting and the various funds utilized by the District are fully described in the notes to the basic financial statements. Additional information on the District's budgetary accounts can also be found in the notes to the required supplementary information.

INDEPENDENT AUDIT

The State of Ohio requires an annual audit by either the Auditor of State or by an independent public accounting firm. The Auditor of State performed the audit for the fiscal year ended June 30, 2018. The auditor's unmodified opinion rendered on the District's basic financial statements is included in the financial section of this Comprehensive Annual Financial Report.

AWARDS

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports 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 report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

ASBO Certificate of Excellence

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence on Financial Reporting for the fiscal year ended June 30, 2017, to the District. The award certifies that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017, substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials. This award is granted only after an intensive review of the financial report by an expert panel of certified public accountants and practicing school business officials. Management believes the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2018, will again conform to ASBO's principles and standards as well, and will be submitted to ASBO for review.

ACKNOWLEDGEMENTS

The preparation of the fiscal year 2018 Comprehensive Annual Financial Report of the Oak Hills Local School District was made possible by the combined efforts of the District Treasurer's Office staff and Plattenburg & Associates, Inc. Sincere appreciation is extended for the time and effort they contributed to prepare this report. Appreciation is also extended to the Board of Education, the District Administrative Team and the Oak Hills school community for their continued support.

The publication of this Comprehensive Annual Financial Report for the District is a major step in reinforcing the accountability of the District to the taxpayers of the community.

Respectfully Submitted,


Steven R. Bain
Treasurer


Jeffrey T. Brandt
Superintendent

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**Oak Hills Local School District, Ohio
List Of Principal Officials
June 30, 2018**

Board Of Education

President	Janice Hunter
Vice President	Jeannie Schoonover
Board Member	Scott Bischoff
Board Member	Julie Murphy
Board Member	Paul Cooper

Administrative Officials

Superintendent	Jeffrey T. Brandt
Treasurer	Steven R. Bain

Board of Education

Jan Hunter - President
 Jeannie Schoonover - Vice-President
 Paul Cooper - Board Member
 Julie Murphy - Board Member
 Scott Bischoff - Board Member

Superintendent
 Jeff Brandt

Treasurer
 Steve Bain

Assistant Superintendent
 Tim Cybulski

Assistant Treasurer
 Jamie Behrle

Accounts Payable
Student Activity
Payroll
Insurance/Benefits

Director of HR
 Dan Beckenhaupt

Director of CIA
 Amy Brennan
 (9-12)

Director of CIA
 Corey Kessler (K-8)

Director of Learning
 Innovation
 Bridgette Ridley

Coordinator of
Special Programs
 Lis Klotz

Coordinator of
Special Programs
 Rachel Searcy

Digital Innovation
Administrator
 Christian Long

Communications
& Development
Coordinator
 Emily Buckley

Director of
Operations
 John Beckemeyer

Transportation
Supervisor
 Jason Nash

Food Service
Coordinator
 Kelly Weldele

EMIS Coordinator
 Karen Zahneis

Oak Hills High School

Principal - Travis Hunt
 AP - Brooks Klosterman
 AP - Dan Boles
 AP - Will Beinkemper
 AP - Lisa Schlomer

Special Services Coordinator - Kristi Murphy

AD - Ben Hageman

Bridgetown Middle School

Principal - Adam Taylor
 AP - Jill Wolfe

Delhi Middle School

Principal - Scott Toon
 AP - Jen Campbell

Rapid Run Middle School

Principal - Geoff Harold
 AP - Kristi Bashara

Delshire Elementary School

Principal - Tara Willig

Oakdale Elementary School

Principal - Emily Winkle
 AP - Matt Page

JF Dulles Elementary School

Principal - Beth Riesenberger
 AP - Candice Lessing

CO Harrison Elementary School

Principal - Brian Connors
 AP - Amy Marquette

Springmyer Elementary School

Principal - Mark Winters



Government Finance Officers Association

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

Presented to

**Oak Hills Local School District
Ohio**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Oak Hills Local School District, Ohio

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

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



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

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

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

John D. Musso, CAE
Executive Director

FINANCIAL SECTION



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Dave Yost • Auditor of State

INDEPENDENT AUDITOR'S REPORT

Oak Hills Local School District
Hamilton County
6325 Rapid Run Road
Cincinnati, Ohio 45233

To the Board of Education:

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the Oak Hills Local School District, Hamilton County, Ohio, as of June 30, 2018, and the respective changes in financial position thereof, for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 20 to the financial statements, during 2018, the District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. We did not modify our opinion regarding this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Information

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

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2018, 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 "Y" and "O".

Dave Yost
Auditor of State

Columbus, Ohio

December 19, 2018

Oak Hills Local School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(Unaudited)

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

Financial Highlights

Key financial highlights for 2018 are as follows:

- Net position of governmental activities increased \$46,810,912 which represents a 61% increase from 2017.
- General revenues accounted for \$78,207,577 in revenue or 83% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$15,547,889 or 17% of total revenues of \$93,755,466.
- The District had \$46,944,554 in expenses related to governmental activities; \$15,547,889 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$78,207,577 were also used to provide for these programs.

Overview of the Financial Statements

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

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

Government-Wide Financial Statements

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2018?" The Government-wide Financial Statements answer this question. These statements include *all assets and deferred outflows of resources, and 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.

Oak Hills Local School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(Unaudited)

These two statements report the District's net position and changes in net position. This change in net position is important because it tells the reader that, for the District as a whole, the financial position has improved or diminished. The causes of this change may be the result of many factors, both financial and non-financial. Non-financial factors include the District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the Government-wide Financial Statements, the overall financial position of the District is presented as Governmental Activities – All of the District's programs and services are reported as Governmental Activities including instruction, support services, operation of noninstructional services, extracurricular activities, and interest and fiscal charges.

Fund Financial Statements

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

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

Fiduciary Funds Fiduciary Funds are used to account for resources held for the benefits of parties outside the government. Fiduciary Funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs.

The District as a Whole

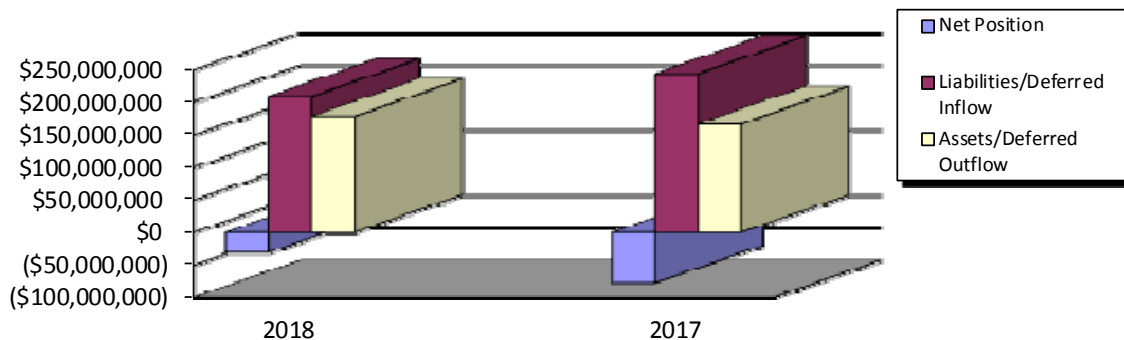
As stated previously, the Statement of Net Position looks at the District as a whole. Table 1 provides a summary of the District's net position for 2018 compared to 2017:

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Oak Hills Local School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(Unaudited)

Table 1
Net Position

	Governmental Activities	
	2018	2017 - Restated
Assets:		
Current and Other Assets	\$92,784,368	\$87,054,295
Capital Assets	53,299,285	54,210,212
Total Assets	146,083,653	141,264,507
Deferred Outflows of Resources:		
Pension	31,247,035	25,584,543
OPEB	1,220,743	168,230
Deferred Outflows of Resources	32,467,778	25,752,773
Liabilities:		
Other Liabilities	9,017,182	8,443,382
Long-Term Liabilities	158,509,324	201,801,170
Total Liabilities	167,526,506	210,244,552
Deferred Inflow of Resources:		
Property Taxes	21,643,686	20,935,403
Deferred Gain on Refunding	826,127	929,393
Revenue in Lieu of Taxes	12,900,000	11,740,984
Pension	2,469,109	511,413
OPEB	3,719,556	0
Deferred Inflows of Resources	41,558,478	34,117,193
Net Position:		
Net Investment in Capital Assets	21,711,939	20,053,468
Restricted	4,665,303	4,147,982
Unrestricted	(56,910,795)	(101,545,915)
Total Net Position	(\$30,533,553)	(\$77,344,465)



Oak Hills Local School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(Unaudited)

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

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

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

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

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

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

Oak Hills Local School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(Unaudited)

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

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

As a result of implementing GASB 75, the District is reporting a net OPEB liability and deferred inflows/outflows of resources related to OPEB on the accrual basis of accounting. This implementation also had the effect of restating net position at June 30, 2017, from (\$50,547,933) to (\$77,344,465).

Over time, net position can serve as a useful indicator of a government's financial position. At June 30, 2018, the District's liabilities and deferred inflows exceeded assets and deferred outflows by \$30,533,553.

At year-end, capital assets represented 36% of total assets. Capital assets include land, buildings and improvements, and equipment. Net investment in capital assets at June 30, 2018, was \$21,711,939. These capital assets are used to provide services to the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the District's net position, \$4,665,303 represents resources that are subject to external restriction on how they must be used. The external restriction will not affect the availability of fund resources for future use.

Total assets increased from the prior year mainly due to an increase in cash and intergovernmental receivable. Long-term liabilities decreased due to a decrease in the net pension liability.

Table 2 shows the changes in net position for fiscal years 2018 and 2017.

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Oak Hills Local School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(Unaudited)

Table 2
Changes in Net Position

	Governmental Activities	
	2018	2017
Revenues:		
Program Revenues		
Charges for Services	\$5,237,460	\$4,830,726
Operating Grants, Contributions	10,310,429	10,135,670
General Revenues:		
Property Taxes	35,795,749	37,664,495
Grants and Entitlements	29,027,300	28,301,873
Investment Earnings	335,681	126,172
Revenue in Lieu of Taxes	12,558,851	11,525,085
Other	489,996	654,118
Total Revenues	93,755,466	93,238,139
Program Expenses:		
Instruction	22,560,323	50,189,130
Support Services:		
Pupil and Instructional Staff	7,579,373	11,296,531
School Administrative, General		
Administration, Fiscal and Business	3,111,826	7,372,239
Operations and Maintenance	5,938,972	8,206,231
Pupil Transportation	1,957,663	3,590,423
Central	145,796	387,815
Operation of Non-Instructional Services	3,055,537	5,035,000
Extracurricular Activities	1,792,506	2,177,472
Interest and Fiscal Charges	802,558	850,288
Total Program Expenses	46,944,554	89,105,129
Change in Net Position	46,810,912	4,133,010
Net Position - Beginning of Year, Restated	(77,344,465)	N/A
Net Position - End of Year	(\$30,533,553)	(\$77,344,465)

The information necessary to restate the 2017 beginning balances and the 2017 OPEB expense amounts for the effects of the initial implementation of GASB 75 is not available. Therefore, 2017 functional expenses still include OPEB expense of \$168,230 computed under GASB 45. GASB 45 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 75, OPEB expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of OPEB expense. Under GASB 75, the 2018 statements report negative OPEB expense of \$3,521,243. Consequently, in order to compare 2018 total program expenses to 2017, the following adjustments are needed:

Oak Hills Local School District, Ohio
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(Unaudited)

Total 2018 operating expenses under GASB 75	\$46,944,554
Negative OPEB expense under GASB 75	3,521,243
2018 contractually required contribution	222,335
Adjusted 2018 operating expenses	50,688,132
Total 2017 operating expenses under GASB 45	89,105,129
Change in operating expenses not related to OPEB	(\$38,416,997)

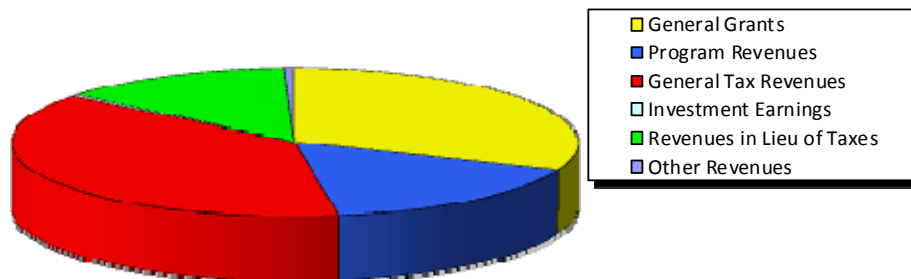
The District revenues are mainly from two sources. Property taxes levied for general, debt service and capital projects purposes and grants and entitlements comprised 69% of the District’s revenues for governmental activities.

The District depends greatly on property taxes as a revenue source. The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenues generated by a levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay \$35.00.

Thus Ohio districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. Property taxes made up 38% of revenue for governmental activities for the District in fiscal year 2018.

Governmental Activities
Revenue Sources

	2018	Percentage
General Grants	\$29,027,300	31.00%
Program Revenues	15,547,889	16.50%
General Tax Revenues	35,795,749	38.20%
Investment Earnings	335,681	0.40%
Revenues in Lieu of Taxes	12,558,851	13.40%
Other Revenues	489,996	0.50%
Total Revenue Sources	\$93,755,466	100.00%



Oak Hills Local School District, Ohio
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(Unaudited)

Instruction comprises 48% of governmental program expenses. Support services expenses were 40% of governmental program expenses. All other expenses including interest and fiscal charges were 12%. Interest expense was attributable to the outstanding bond and borrowing for capital projects.

Total revenues increased slightly from the prior year due to an increase in program revenues. Total expenses decreased primarily due to changes related to net pension liability and other post employment benefits liability.

Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for government activities, the total cost of services and the net cost of services. These services are mainly supported by tax revenue and unrestricted State entitlements.

Table 3
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2018	2017	2018	2017
Instruction	\$22,560,323	\$50,189,130	(\$15,594,700)	(\$43,782,855)
Support Services:				
Pupil and Instructional Staff	7,579,373	11,296,531	(6,050,623)	(9,664,156)
School Administrative, General				
Administration, Fiscal and Business	3,111,826	7,372,239	(2,830,290)	(7,107,692)
Operations and Maintenance	5,938,972	8,206,231	(5,492,732)	(7,766,390)
Pupil Transportation	1,957,663	3,590,423	(1,572,977)	(3,240,023)
Central	145,796	387,815	(145,796)	(387,815)
Operation of Non-Instructional Services	3,055,537	5,035,000	1,481,487	(446,233)
Extracurricular Activities	1,792,506	2,177,472	(388,476)	(893,281)
Interest and Fiscal Charges	802,558	850,288	(802,558)	(850,288)
Total Expenses	<u>\$46,944,554</u>	<u>\$89,105,129</u>	<u>(\$31,396,665)</u>	<u>(\$74,138,733)</u>

The District’s Funds

The District has one major governmental fund: the General Fund. Assets of the General Fund comprised \$78,121,285 (84%), of the total \$92,802,368 governmental funds assets.

General Fund: Fund balance at June 30, 2018 was \$38,618,927 including \$38,161,774 of unassigned balance. The District had an increase in fund balance of \$3,417,605. The primary reason for the increase in fund balance was due to an increase in intergovernmental and revenue in lieu of taxes revenues.

General Fund Budgeting Highlights

Oak Hills Local School District, Ohio
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(Unaudited)

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

The District uses site-based budgeting and the budgeting systems are designed to tightly control total site budgets but provide flexibility for site management. During the course of the year, the District revised the Budget in an attempt to deal with unexpected changes in revenues and expenditures.

For the General Fund, final budget basis revenue was \$75,359,748, compared to original budget estimates of \$72,155,896, while the actual revenue had a variance of \$69,075 from the final budget basis revenues due to the underestimating of taxes, and intergovernmental revenue.

The District’s unobligated cash balance for the General Fund was \$35,343,532.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2018, the District had \$53,299,285 invested in land, buildings and improvements, and equipment. Table 4 shows fiscal year 2018 balances compared to fiscal year 2017:

Table 4
Capital Assets at Year End
(Net of Depreciation)

	Governmental Activities	
	2018	2017
Land	\$2,565,969	\$2,565,969
Buildings and Improvements	45,366,202	46,041,067
Furniture and Equipment	5,367,114	5,603,176
Total Net Capital Assets	<u>\$53,299,285</u>	<u>\$54,210,212</u>

Total Net Capital Assets decreased in 2018 as compared to 2017 because depreciation expense and disposals were more than current year additions. See Note 6 to the Basic Financial Statements for further details on the District’s capital assets.

Debt

At June 30, 2018, the District had \$32,413,473 in debt outstanding, \$2,885,784 due within one year. Table 5 summarizes total debt outstanding.

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Oak Hills Local School District, Ohio
Management’s Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(Unaudited)

Table 5
Outstanding Debt at Year End

	2018	2017
General Obligation Bonds Payable:		
HGB264 Debt	\$3,335,000	\$3,575,000
Premium on HB264 Debt	120,097	130,105
Refunding Bonds:		
Current Interest Bonds –		
School Improvement 2016	23,900,000	26,255,000
Premium on Bonds 2016	2,360,916	2,656,031
Capital Leases	2,697,460	2,470,000
Total Outstanding Debt at Year End	<u>\$32,413,473</u>	<u>\$35,086,136</u>

See Notes 7 and 8 to the Basic Financial Statements for further details on the District’s obligations.

Economic Outlook

The Ohio Department of Education explains the school funding model in Ohio as follows:

The funding of K-12 public schools in Ohio is a joint effort between the state and local school districts. Since the 1970s through FY 2009, with the exception of a few years, Ohio's funding formula was foundation based by means of which a per pupil amount determined by the General Assembly as the per-pupil resource for provision of a basic adequate education was multiplied by the number of pupils to determine the base funding of the school districts. From this product, the local share of the basic adequate amount or the charge off was subtracted to arrive at the state share of the base funding. Additional funding was also provided for services targeted to categories of pupils such as handicapped, vocational, gifted, and economically disadvantaged as well as some adjustments and funding guarantees.

The 2010-11 biennial budget (Am. Sub. HBI of the 128th General Assembly) established another new funding formula called the Evidence-Based Model (EBM). Am. Sub. HB 153 of the 129th General Assembly repealed the EBM and implemented a temporary funding formula, the Bridge Formula, for the 12-13 school year as a new funding formula was developed. The State revised the funding model in June, 2013 and adopted HB 59, the FY 14 and FY 15 biennium budget which again changed our funding formula, but not our funding. Under this new model, the District received minimal increases in State Funding.

Oak Hills LSD has a residential tax base that represents 88% of the constituency. In June, 2016 Governor Kasich signed House Bill 64 (FY 2016-17). Having a large residential tax base was critical in the most the House Bill 64 budget as many districts with larger commercial tax bases experienced reductions in State Funding. House Bill 64 provided Oak Hills LSD increases of 2.3% and 3% in Fiscal Year 2016 and 2017, respectively. House Bill 49, the current Fiscal Year 2018 budget (and Fiscal Year 2019 budget) continued several of the standards included in the House Bill 64 budget (including reductions to Tangible Personal Property, and incentives/bonuses for Third Grade Reading proficiency, as well as graduation bonuses. Oak Hills LSD is projecting an increase of 3% in each year of the biennium budget.

Oak Hills Local School District, Ohio
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(Unaudited)

Given the uncertainty of the school funding formula and the economic conditions within the State, the level at which the State will fund schools in the future remains uncertain. Oak Hills remains concerned about the instability of the state economy and the political ramifications of changing the funding formula every several years. We plan carefully and prudently to provide resources to meet the needs of our students but the uncertainty of state funding challenges our planning.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Treasurer at Oak Hills Local School District, 6325 Rapid Run Road, Cincinnati, Ohio 45233.

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Oak Hills Local School District, Ohio
Statement of Net Position
June 30, 2018

	Governmental Activities
Assets:	
Equity in Pooled Cash and Investments	\$41,300,144
Restricted Cash and Investments	380,716
Receivables (Net):	
Taxes	36,509,445
Accounts	22,470
Interest	12,581
Intergovernmental	14,532,842
Inventory	26,170
Nondepreciable Capital Assets	2,565,969
Depreciable Capital Assets, Net	<u>50,733,316</u>
 Total Assets	 <u>146,083,653</u>
Deferred Outflows of Resources:	
Pension	31,247,035
OPEB	<u>1,220,743</u>
 Total Deferred Outflows of Resources	 <u>32,467,778</u>
Liabilities:	
Accounts Payable	62,975
Accrued Wages and Benefits	8,806,606
Accrued Interest Payable	105,708
Claims Payable	41,893
Long-Term Liabilities:	
Due Within One Year	3,365,463
Due In More Than One Year:	
Net Pension Liability	99,661,488
Net OPEB Liability	21,804,588
Other Amounts	<u>33,677,785</u>
 Total Liabilities	 <u>167,526,506</u>
Deferred Inflows of Resources:	
Property Taxes	21,643,686
Deferred Gain on Refunding	826,127
Revenue in Lieu of Taxes	12,900,000
OPEB	2,469,109
Pension	<u>3,719,556</u>
 Total Deferred Inflows of Resources	 <u>41,558,478</u>
Net Position:	
Net Investment in Capital Assets	21,711,939
Restricted for:	
Debt Service	2,962,474
Extracurricular	407,146
State Grants	203,786
Federal Grants	39,095
Food Service	7,071
Special Education	655,724
Title I	280,900
Improving Teacher Quality	109,107
Unrestricted	<u>(56,910,795)</u>
 Total Net Position	 <u><u>(\$30,533,553)</u></u>

See accompanying notes to the basic financial statements.

Oak Hills Local School District, Ohio
Statement of Activities
For the Fiscal Year Ended June 30, 2018

	Expenses	Program Revenues		Net (Expense) Revenue
		Charges for Services and Sales	Operating Grants and Contributions	and Changes in Net Position Governmental Activities
Governmental Activities:				
Instruction:				
Regular	\$15,942,171	\$1,365,946	\$16,979	(\$14,559,246)
Special	6,579,802	310,306	5,265,427	(1,004,069)
Vocational	576	0	6,965	6,389
Other	37,774	0	0	(37,774)
Support Services:				
Pupil	4,027,123	0	712,742	(3,314,381)
Instructional Staff	3,552,250	0	816,008	(2,736,242)
General Administration	84,836	0	0	(84,836)
School Administration	2,003,837	0	281,536	(1,722,301)
Fiscal	963,071	0	0	(963,071)
Business	60,082	0	0	(60,082)
Operations and Maintenance	5,938,972	446,240	0	(5,492,732)
Pupil Transportation	1,957,663	58,351	326,335	(1,572,977)
Central	145,796	0	0	(145,796)
Operation of Non-Instructional Services	3,055,537	1,652,587	2,884,437	1,481,487
Extracurricular Activities	1,792,506	1,404,030	0	(388,476)
Interest and Fiscal Charges	802,558	0	0	(802,558)
Totals	\$46,944,554	\$5,237,460	\$10,310,429	(31,396,665)

General Revenues:

Property Taxes Levied for:

General Purposes	28,344,582
Debt Service Purposes	3,124,671
Capital Projects Purposes	4,326,496
Grants and Entitlements, Not Restricted	29,027,300
Revenue in Lieu of Taxes	12,558,851
Unrestricted Contributions	100,457
Investment Earnings	335,681
Other Revenues	389,539

Total General Revenues 78,207,577

Change in Net Position 46,810,912

Net Position - Beginning of Year, Restated (77,344,465)

Net Position - End of Year (\$30,533,553)

See accompanying notes to the basic financial statements.

Oak Hills Local School District, Ohio
Balance Sheet
Governmental Funds
June 30, 2018

	General	Other Governmental Funds	Total Governmental Funds
Assets:			
Equity in Pooled Cash and Investments	\$35,420,410	\$5,879,734	\$41,300,144
Restricted Cash and Investments	380,716	0	380,716
Receivables (Net):			
Taxes	29,368,440	7,141,005	36,509,445
Accounts	21,138	1,332	22,470
Interest	12,581	0	12,581
Intergovernmental	12,900,000	1,632,842	14,532,842
Interfund	18,000	0	18,000
Inventory	0	26,170	26,170
Total Assets	78,121,285	14,681,083	92,802,368
Liabilities:			
Accounts Payable	48,364	14,611	62,975
Accrued Wages and Benefits	8,206,547	600,059	8,806,606
Compensated Absences	0	50,295	50,295
Interfund Payable	0	18,000	18,000
Total Liabilities	8,254,911	682,965	8,937,876
Deferred Inflows of Resources:			
Property Taxes	18,343,930	4,306,005	22,649,935
Grants and Other Taxes	0	1,443,964	1,443,964
Revenue in Lieu of Taxes	12,900,000	0	12,900,000
Investment Earnings	3,517	0	3,517
Total Deferred Inflows of Resources	31,247,447	5,749,969	36,997,416
Fund Balances:			
Restricted	0	3,725,730	3,725,730
Committed	0	4,676,143	4,676,143
Assigned	457,153	0	457,153
Unassigned	38,161,774	(153,724)	38,008,050
Total Fund Balances	38,618,927	8,248,149	46,867,076
Total Liabilities, Deferred Inflows and Fund Balances	\$78,121,285	\$14,681,083	\$92,802,368

See accompanying notes to the basic financial statements.

Oak Hills Local School District, Ohio
 Reconciliation of Total Governmental Fund Balance to
 Net Position of Governmental Activities
 June 30, 2018

Total Governmental Fund Balance		\$46,867,076
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Capital assets used in the operation of Governmental Funds		53,299,285
Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable in the funds.		
Property Taxes	1,006,249	
Interest	3,517	
Intergovernmental	<u>1,443,964</u>	
		2,453,730
An internal service fund is used by management to charge back costs to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		
Internal Service Net Position		(41,893)
In the statement of net position interest payable is accrued when incurred; whereas, in the governmental funds interest is reported as a liability only when it will require the use of current financial resources.		
		(105,708)
Some liabilities reported in the statement of net position do not require the use of current financial resources and, therefore, are not reported as liabilities in governmental funds.		
Compensated Absences		(4,579,480)
Deferred gain on refunding associated with long-term liabilities that are not reported in the funds.		
		(826,127)
Deferred outflows and inflows or resources related to pensions and OPEB are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pensions	31,247,035	
Deferred inflows of resources related to pensions	(3,719,556)	
Deferred outflows of resources related to OPEB	1,220,743	
Deferred inflows of resources related to OPEB	<u>(2,469,109)</u>	
		26,279,113
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Net Pension Liability	(99,661,488)	
Net OPEB Liability	(21,804,588)	
Other Amounts	<u>(32,413,473)</u>	
		<u>(153,879,549)</u>
Net Position of Governmental Activities		<u>(\$30,533,553)</u>

See accompanying notes to the basic financial statements.

Oak Hills Local School District, Ohio
Statement of Revenues, Expenditures
and Changes in Fund Balance
Governmental Funds
For the Fiscal Year Ended June 30, 2018

	General	Other Governmental Funds	Total Governmental Funds
Revenues:			
Property and Other Taxes	\$28,216,996	\$7,405,247	\$35,622,243
Tuition and Fees	1,763,711	0	1,763,711
Investment Earnings	320,659	15,090	335,749
Intergovernmental	32,382,059	6,631,028	39,013,087
Extracurricular Activities	665,070	1,120,611	1,785,681
Charges for Services	0	1,652,587	1,652,587
Revenue in Lieu of Taxes	12,558,851	0	12,558,851
Other Revenues	360,736	113,231	473,967
Total Revenues	76,268,082	16,937,794	93,205,876
Expenditures:			
Current:			
Instruction:			
Regular	34,959,206	484,183	35,443,389
Special	12,411,707	1,040,396	13,452,103
Vocational	576	0	576
Other	140,965	0	140,965
Support Services:			
Pupil	6,319,687	683,611	7,003,298
Instructional Staff	2,132,330	2,313,639	4,445,969
General Administration	97,496	0	97,496
School Administration	5,294,907	270,594	5,565,501
Fiscal	1,392,048	91,082	1,483,130
Business	116,641	0	116,641
Operations and Maintenance	5,537,799	1,047,994	6,585,793
Pupil Transportation	3,008,702	462,669	3,471,371
Central	347,954	0	347,954
Operation of Non-Instructional Services	37,009	4,305,359	4,342,368
Extracurricular Activities	1,045,978	1,267,135	2,313,113
Capital Outlay	58,983	1,862,773	1,921,756
Debt Service:			
Principal Retirement	0	2,719,866	2,719,866
Interest and Fiscal Charges	0	1,209,122	1,209,122
Total Expenditures	72,901,988	17,758,423	90,660,411
Excess of Revenues Over (Under) Expenditures	3,366,094	(820,629)	2,545,465
Other Financing Sources (Uses):			
Proceeds of Capital Leases	0	352,326	352,326
Proceeds from Sale of Capital Assets	51,510	0	51,510
Total Other Financing Sources (Uses)	51,510	352,326	403,836
Net Change in Fund Balance	3,417,604	(468,303)	2,949,301
Fund Balance - Beginning of Year	35,201,323	8,716,452	43,917,775
Fund Balance - End of Year	\$38,618,927	\$8,248,149	\$46,867,076

See accompanying notes to the basic financial statements.

Oak Hills Local School District, Ohio
 Reconciliation of the Statement of Revenues, Expenditures, and Changes
 in Fund Balance of Governmental Funds to the Statement of Activities
 For the Fiscal Year Ended June 30, 2018

Net Change in Fund Balance - Total Governmental Funds \$2,949,301

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

Governmental funds report capital asset additions as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of the difference between capital asset additions and depreciation in the current period.

Capital assets used in governmental activities	2,280,123	
Depreciation Expense	<u>(3,191,050)</u>	(910,927)

Governmental funds report district pension and OPEB contributions as expenditures. However in the Statement of Activities, the cost of pension and OPEB benefits earned net of employee contributions are reported as pension and OPEB expense.

District pension contributions	6,963,363	
Cost of benefits earned net of employee contributions - Pensions	31,628,963	
District OPEB contributions	222,335	
Cost of benefits earned net of employee contributions - OPEB	<u>3,521,243</u>	42,335,904

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Delinquent Property Taxes	173,506	
Interest	(68)	
Intergovernmental	<u>324,642</u>	498,080

Repayment of bond principal and capital leases are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 2,719,866

In the statement of activities interest expense is accrued when incurred; whereas, in governmental funds an interest expenditure is reported when due. (1,825)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated Absences	(806,868)	
Amortization of Bond Premium	305,123	
Amortization of Deferred Gain on Refunding	<u>103,266</u>	(398,479)

The internal service fund used by management to charge back costs to individual funds is not reported in the entity-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.

Change in Net Position - Internal Service Funds		(28,682)
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Proceeds from debt issues are an other financing source in the funds, but a debt issue increases long-term liabilities in the statement of net position. (352,326)

Change in Net Position of Governmental Activities \$46,810,912

See accompanying notes to the basic financial statements.

Oak Hills Local School District, Ohio
Statement of Net Position
Proprietary Fund
June 30, 2018

	<u>Governmental Activities- Internal Service Funds</u>
Current Assets:	
Equity in Pooled Cash and Investments	<u>\$0</u>
Total Assets	<u>0</u>
Liabilities:	
Current Liabilities:	
Claims Payable	<u>41,893</u>
Total Liabilities	<u>41,893</u>
Net Position:	
Unrestricted	<u>(41,893)</u>
Total Net Position	<u>(\$41,893)</u>

See accompanying notes to the basic financial statements.

Oak Hills Local School District, Ohio
Statement of Revenues, Expenses
and Changes in Fund Net Position
Proprietary Fund
For the Fiscal Year Ended June 30, 2018

	<u>Governmental Activities- Internal Service Funds</u>
Operating Revenues:	
Charges for Services	<u>\$198,537</u>
Total Operating Revenues	<u>198,537</u>
Operating Expenses:	
Personal Services	<u>227,219</u>
Total Operating Expenses	<u>227,219</u>
Change in Net Position	(28,682)
Net Position - Beginning of Year	<u>(13,211)</u>
Net Position - End of Year	<u><u>(\$41,893)</u></u>

See accompanying notes to the basic financial statements.

Oak Hills Local School District, Ohio
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2018

	<u>Governmental Activities- Internal Service Funds</u>
Cash Flows from Operating Activities:	
Cash Received from Customers	\$198,537
Cash Payments to Suppliers	<u>(198,537)</u>
Net Cash Provided (Used) by Operating Activities	<u>0</u>
Net Increase (Decrease) in Cash and Cash Equivalent	0
Cash and Cash Equivalents - Beginning of Year	<u>0</u>
Cash and Cash Equivalents - End of Year	<u><u>0</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	(28,682)
Changes in Assets & Liabilities:	
Increase (Decrease) in Claims Payables	<u>28,682</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$0</u></u>

See accompanying notes to the basic financial statements.

Oak Hills Local School District, Ohio
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2018

	Private Purpose Trust	Agency
	<u> </u>	<u> </u>
Assets:		
Equity in Pooled Cash and Investments	\$902,145	\$102,622
Receivables (Net):		
Accounts	<u> 681</u>	<u> 325</u>
Total Assets	<u> 902,826</u>	<u> 102,947</u>
Liabilities:		
Other Liabilities	<u> 0</u>	<u> 102,947</u>
Total Liabilities	<u> 0</u>	<u> \$102,947</u>
Net Position:		
Held in Trust	<u> 902,826</u>	
Total Net Position	<u> \$902,826</u>	

See accompanying notes to the basic financial statements.

Oak Hills Local School District, Ohio
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
For the Fiscal Year Ended June 30, 2018

	Private Purpose Trust
Additions:	
Investment Earnings	\$9,023
Other	<u>102,288</u>
Total Additions	<u>111,311</u>
Deductions:	
Scholarships	<u>94,479</u>
Total Deductions	<u>94,479</u>
Change in Net Position	16,832
Net Position - Beginning of Year	<u>885,994</u>
Net Position - End of Year	<u><u>\$902,826</u></u>

See accompanying notes to the basic financial statements.

Oak Hills Local School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

Note 1 - Description of the District

The Oak Hills Local School District (“the District”) represents a prior consolidation of three elementary districts: Bridgetown, Delhi and Springmyer. The consolidation was finalized by the Hamilton County Board of Education on April 23, 1956, in order to equalize educational opportunities throughout the area. Today, the District operates under current standards as prescribed by the Ohio State Board of Education, as provided in Division (D) of Section 3301.07 and Section 110.01 of the Ohio Revised Code.

The District operates under a locally elected five-member board form of government and provides educational services. The Board controls the District’s instructional programs and support facilities, staffed by approximately 513 certificated teaching, 54 administrative personnel and approximately 333 non-certificated personnel. To provide services to the adult population in the community, Oak Hills has developed one of the largest community education programs in Hamilton County, Ohio.

The District is the third largest in Hamilton County with 7,841 students for the 2017-18 school year. The District currently operates five (5) elementary schools (grades K-5), three (3) middle schools (grades 6-8), and one (1) comprehensive high school (grades 9-12).

Note 2 - Summary of Significant Accounting Policies

Reporting Entity

The District is a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments.

There are no component units combined with the District for financial statement presentation purposes, and it is not included in any other governmental reporting entity. Consequently, the District's financial statements include only the funds of those organizational entities for which its elected governing body is financially accountable. The District's major operations include education, pupil transportation, food service, and maintenance of District facilities.

The District is associated with two organizations that are defined as jointly governed organizations. These organizations include

Jointly Governed Organizations:
Hamilton Clermont Cooperative Information Technology Center
Great Oaks Career Campuses

These organizations are presented in Note 12.

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

Oak Hills Local School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

Measurement Focus

Government-wide Financial Statements

The 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.

The government-wide statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the District are included on the statement of net position. Fiduciary Funds are not included in entity-wide statements.

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

Fund Financial Statements

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

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

Private Purpose Trust Funds are reported using the economic resources measurement focus.

Fund Accounting

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

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governmental, proprietary, and fiduciary. The focus of government fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

Governmental Funds

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

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

Proprietary Funds

Proprietary funds are used to account for the District's ongoing activities which are similar to those often found in the private sector where the determination of net income is necessary or useful to sound financial administration. The District has no enterprise funds. The following is a description of the District's internal service fund:

Internal Service Fund - The internal service fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the district, or to other governments, on a cost-reimbursement basis. The internal service fund of the District accounts for a self-insurance program which provides workers' compensation benefits to employees.

Fiduciary Funds

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

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

Oak Hills Local School District, Ohio
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the accrual basis of accounting. Proprietary funds also use the accrual basis of accounting. Differences in the actual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues – Exchange and Non-exchange Transactions

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

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

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: property taxes available for advance, grants, and other taxes.

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the District, deferred outflows of resources includes pension and other post employment benefits. These amounts are reported on the government-wide statement of net position. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 9 and 10.

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 District, deferred inflows of resources include property taxes, OPEB, revenue in lieu of taxes (tax incremental financing), deferred gain on refunding, investment earnings, grants and other taxes, and pension. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2018, but which were levied to finance year 2019 operations. These property tax amounts have been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund

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financial statements, and are deferred and recognized as inflows of resources in the period the amounts become available. Revenue in lieu of taxes ('TIF') has been recorded as deferred inflows on both the government-wide statement of net position and the governmental fund financial statements. Deferred gain on refunding has been recorded as deferred inflow on the government-wide statement of net position. Grants and investment earnings are recorded as deferred inflows on the governmental fund financial statements. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. For more pension and OPEB related information, see Notes 9 and 10.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities 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. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

Equity in Pooled Cash and Investments

Cash received by the District is pooled for investment purposes. Interest in the pool is presented as "Equity in Pooled Cash and Investments" on the financial statements.

Investments are reported at fair value which is based on quoted market prices.

STAR Ohio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The District measures 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 2018, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$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 has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during fiscal year 2018 amounted to \$320,659 and \$15,090 in Other Governmental Funds.

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For purposes of the statement of cash flows, the internal service portion of pooled cash and investments is considered a cash equivalent because the District is able to withdraw resources from the internal service funds without prior notice or penalty.

Inventory

Inventories are presented at cost on a first-in, first-out basis and are expensed/expensed when used. Inventories are accounted for using the purchase method on the fund level statements and using the consumption method on the government-wide statements.

On the fund financial statements, reported material and supplies inventory is equally offset by a nonspendable fund balance in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

Inventory consists of expendable supplies held for consumption, donated food and purchased food.

Capital Assets

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement should be reported at acquisition value rather than fair value. The District maintains a capitalization threshold of five thousand dollars (\$5,000). The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized.

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	45-50 years
Furniture and Equipment	5-20 years

Compensated Absences

The District reports compensated absences in accordance with the provisions of GASB Statement No. 16, "Accounting for Compensated Absences." Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means. The District records a liability for accumulated unused vacation time, when earned, for all employees with more than one year of service.

Sick leave benefits are accrued as a liability using the vesting method. The entire compensated absence liability is reported on the government-wide financial statements.

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The compensated absences liability is recorded in the account “compensated absences payable” in the fund from which the employees who have accumulated unpaid leave are paid. Compensated absences are reported in governmental funds only if they have matured.

The District’s policies regarding compensated absences are determined by the state laws and/or negotiated agreements. In summary, the policies are as follows:

<u>Vacation</u> How Earned	<u>Certified</u> Not Eligible	<u>Administrators</u> Hired before 8/1/12 25 days at the start of each contract year	<u>Non-Certificated</u> 5-20 days for each service year, depending on length of service
Maximum Accumulation	Not Applicable	37.5 days; can be paid for 5 days at year end	30 days
Vested	Not Applicable	As Earned	As Earned
Termination Entitlement	Not Applicable	Paid upon termination	Paid upon termination
<u>Sick Leave</u> How Earned	1 1/4 days per month of employment (15 days per year)	1 1/4 days per month of employment (15 days per year)	1 1/4 days per month of employment (15 days per year)
Maximum Accumulation	252 days	300 days	255 days
Vested	As Earned	As Earned	As Earned
Termination Entitlement	Per contract	Per contract	Per contract

Pensions/Other Postemployment Benefits (OPEB)

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

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

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accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. Of the District's \$4,665,303 in restricted net position, none was restricted by enabling legislation.

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.

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 on the Statement of Net Position.

As a general rule the effect of interfund (internal) activity has been eliminated from the government-wide statement of activities. The interfund services provided and used are not eliminated in the process of consolidation.

Fund Balance

In accordance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the 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 following categories are used:

Nonspendable – resources that are not in spendable form (inventory) or have legal or contractual requirements to maintain the balance intact.

Restricted – resources that have external purpose restraints imposed on them by providers, such as creditors, grantors, or other regulators.

Committed – resources that can be used only for the specific purposes imposed by a formal action (board resolution) of the District's Board of Education. The Board of Education is the highest level of decision making authority for the District. Those committed resources cannot be used for any other purpose unless the District's Board of Education removes or changes the specified use by taking the same type of action (board resolution) it employed to previously commit those resources.

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Assigned – resources intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In the general fund, assigned amounts are intended to be used for specific purposes as approved through the District’s formal purchase order procedure by the Superintendent and the Treasurer. The adoption of the board appropriation resolution is the established policy, which gives the authorization to assign resources for a specific purpose.

Unassigned – residual fund balance within the General Fund that is not restricted, committed, or assigned. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from incurred expenses for specific purposes exceeding amounts which had been restricted, committed or assigned for said purposes.

The 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.

Restricted Resources

When both restricted and unrestricted resources are available for use, it is the District’s policy to use restricted resources first, then unrestricted resources as they are needed.

Accrued Liabilities and Long-Term Obligations

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

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

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the District, these revenues are for the self-insurance program (internal service fund) which provides workers’ compensation benefits to employees. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

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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.

Restricted Assets

Restricted assets in the general fund represent Equity in Pooled Cash and Investments set aside to establish a budget stabilization reserve.

Note 3 - Equity in Pooled Cash and Investments

The District maintains a cash and investment pool used by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Equity in Pooled Cash and Investments."

State statute requires the classification of monies held by the District into three categories:

Active Monies - Those monies required to be kept in a "cash" or "near cash" status for immediate use by the District. Such monies must by law be maintained either as cash in the District treasury, in depository accounts payable or withdrawable on demand.

Inactive Monies – Those monies not required for use within the current two year period of designated depositories. Ohio law permits inactive monies to be deposited or invested as certificates of deposit maturing not later than the end of the current period of designated depositories, or as savings or deposit accounts, including, but not limited to passbook accounts.

Interim Monies – 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. Ohio law permits interim monies to be invested or deposited in the following securities:

- (1) Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest.
- (2) Bonds, notes, debentures, or other obligations or securities issued by any federal governmental agency.
- (3) No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.
- (4) Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit maturing not more than one year from date of deposit, or by savings or deposit accounts, including, but limited to, passbook accounts.

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- (5) Bonds and other obligations of the State of Ohio.
- (6) The Ohio State Treasurer's investment pool (STAR Ohio).
- (7) Commercial paper and banker's acceptances, which meet the requirements established by Ohio Revised Code, Sec. 135.142.
- (8) Under limited circumstances, corporate debt interests in either of the two highest rating classifications by at least two nationally recognized rating agencies.

Protection of the District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

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

The following information classifies deposits and investments by categories of risk as defined in GASB Statement 3, "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements".

Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the District will not be able to recover deposits or collateral securities that are in the possession of an outside party. As of June 30, 2018, \$17,196,816 of the District's bank balance of \$18,737,682 was exposed to custodial credit risk because it was uninsured and collateralized.

The District has no deposit policy for custodial risk beyond the requirements of State statute. Ohio law requires that deposits either be insured or be protected by:

Eligible securities pledged to the District and deposited with a qualified trustee by the financial institution as security for repayment whose market value at all times shall be at least 105% of the deposits being secured; or

Participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution. OPCS requires the total

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market value of the securities pledged to be 102% of the deposits being secured or a rate set by the Treasurer of State.

Investments

As of June 30, 2018, the District had the following investments:

Investment Type	Fair Value	Fair Value Hierachy	Weighted Average Maturity (Years)
Negotiable CDs	\$1,946,246	Level 2	0.94
Commercial Paper	13,846,214	Level 2	0.30
Federal Home Loan Mortgage Corporation	1,566,068	Level 2	0.69
Federal National Mortgage Association	998,412	Level 2	1.89
STAR Ohio	2,542,870	N/A	0.13
Money Market Fund	3,304,988	N/A	0.00
Total Investments	\$24,204,798		
Portfolio Weighted Average Maturity			0.38

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Inputs to the valuation techniques used in fair the measurement for Level 2 include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data by correlation or other means. Level 3 inputs are significant unobservable inputs. The above table identifies the District’s recurring fair value measurements as of June 30, 2018. STAR Ohio is reported at its share price (Net Asset Value per share).

Interest Rate Risk - In accordance with the investment policy, the District manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to three years.

Credit Risk – It is the District’s policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have a credit quality rating of the top 2 ratings issued by nationally recognized statistical rating organizations. Investments in Commercial Paper were rated A-1+ by Standard and Poor’s and P-1 by Moody’s Investors Service. The District’s investments in Federal Home Loan Mortgage Corporation and in Federal National Mortgage Association were rated AA+ by Standard & Poor’s and Aaa by Moody’s Investors Service. Investments in STAR Ohio were rated AAAM by Standard & Poor’s. Negotiable CDs and Money Market Funds are not rated.

Concentration of Credit Risk – The District’s investment policy allows investments in Federal Agencies or Instrumentalities. The District has invested 14% of the District’s investments in Money Market Funds, 11% in STAR Ohio, 8% in Negotiable CDs, 4% in Federal National

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Mortgage Association, 6% in Federal Home Loan Mortgage Corporation, and 57% in Commercial Paper.

Custodial Credit Risk is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the District's securities are either insured and registered in the name of the District or at least registered in the name of the District.

Note 4 - Property Taxes

Property taxes are levied and assessed on a calendar year basis. Second half distributions occur in a new fiscal year. Property taxes include amounts levied against all real, public utility, and tangible personal (used in business) property located in the District. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31 of the prior year, were levied April 1 and are collected with real property taxes. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. All property is required to be revalued every six years. Public utility property taxes are assessed on tangible personal property at 88 percent of true value (with certain exceptions) and on real property at 35 percent of true value.

Tangible personal property tax revenue received during calendar year 2018 (other than public utility property tax) represents the collection of 2018 taxes levied against local and interexchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, and furniture and fixtures is no longer levied and collected. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30.

Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established. Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. The District receives property taxes from the County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2018, are available to finance fiscal year 2019 operations. The amount available for advance can vary based on the date the tax bills are sent.

Accrued property taxes receivable represents delinquent taxes outstanding and real property, personal property and public utility taxes which became measurable at June 30, 2018. Delinquent property taxes collected within 60 days are included as a receivable and tax revenue as of June 30, 2018 on the fund financial statements. The entire amount of delinquent taxes receivable is recognized as revenue in the government-wide financial statements. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is available to finance current year operations. The receivable is, therefore, offset by a credit to deferred inflows of resources for that portion not intended to finance current year operations. The amount available as an advance at June

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30, 2018, was \$10,675,000 for General Fund, \$1,645,000 for Permanent Improvement Fund, and \$1,190,000 for Debt Service Fund, and is recognized as revenue.

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

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

	<u>Amount</u>
Real Property	\$1,040,645,510
Public Utility Personal	<u>50,058,460</u>
Total	<u><u>\$1,090,703,970</u></u>

Note 5 – Receivables

Receivables at June 30, 2018, consisted of taxes, accounts, interest, intergovernmental and interfund. 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.

Note 6 - Capital Assets

Capital asset activity for the fiscal year ended was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$2,565,969	\$0	\$0	\$2,565,969
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	80,738,173	1,452,107	0	82,190,280
Furniture and Equipment	<u>11,903,254</u>	<u>828,016</u>	<u>191,805</u>	<u>12,539,465</u>
Totals at Historical Cost	<u><u>95,207,396</u></u>	<u><u>2,280,123</u></u>	<u><u>191,805</u></u>	<u><u>97,295,714</u></u>
Less Accumulated Depreciation:				
Buildings and Improvements	34,697,106	2,126,972	0	36,824,078
Furniture and Equipment	<u>6,300,078</u>	<u>1,064,078</u>	<u>191,805</u>	<u>7,172,351</u>
Total Accumulated Depreciation	<u><u>40,997,184</u></u>	<u><u>3,191,050</u></u>	<u><u>191,805</u></u>	<u><u>43,996,429</u></u>
Governmental Activities Capital Assets, Net	<u><u>\$54,210,212</u></u>	<u><u>(\$910,927)</u></u>	<u><u>\$0</u></u>	<u><u>\$53,299,285</u></u>

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Oak Hills Local School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

Depreciation expense was charged to governmental functions as follows:

Instruction:		
Regular		\$670,121
Special		9,574
Support Services:		
Instructional Staff		606,299
School Administration		3,191
Fiscal		3,191
Operations and Maintenance		1,563,614
Pupil Transportation		287,194
Operation of Non-Instructional Services		31,911
Extracurricular Activities		15,955
Total Depreciation Expense		<u>\$3,191,050</u>

Note 7 - Long-Term Liabilities

Long-Term Liabilities

	Maturity Date	Interest Rate	Restated Beginning Balance	Additions	Deductions	Ending Balance	Due In One Year
Governmental Activities:							
General Obligation Bonds:							
HB 264 Debt - Series 2015	12/1/29	1.0-3.5%	\$3,575,000	\$0	\$240,000	\$3,335,000	\$245,000
Premium on HB264 Debt			130,105	0	10,008	120,097	0
Refunding Bonds - Series 2016			26,255,000	0	2,355,000	23,900,000	2,525,000
Premium Refunding Bonds			2,656,031	0	295,115	2,360,916	0
Subtotal Bonds			32,616,136	0	2,900,123	29,716,013	2,770,000
Capital Lease - Fitness Equipment			0	352,326	74,866	277,460	65,784
Capital Lease - Auditorium			2,470,000	0	50,000	2,420,000	50,000
Compensated Absences			3,950,807	1,230,272	551,304	4,629,775	479,679
Subtotal Bonds & Other Amounts			39,036,943	1,582,598	3,576,293	37,043,248	3,365,463
Net Pension Liability							
STRS			113,315,289	0	32,390,075	80,925,214	0
SERS			22,484,176	0	3,747,902	18,736,274	0
Total Net Pension Liability			135,799,465	0	36,137,977	99,661,488	0
Net OPEB Liability							
STRS			18,104,528	0	4,813,117	13,291,411	0
SERS			8,860,234	0	347,057	8,513,177	0
Total Net OPEB Liability			26,964,762	0	5,160,174	21,804,588	0
Total Government Activities			<u>\$201,801,170</u>	<u>\$1,582,598</u>	<u>\$44,874,444</u>	<u>\$158,509,324</u>	<u>\$3,365,463</u>

Oak Hills Local School District, Ohio
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General obligation bonds will be paid from the debt service and permanent improvement funds. Compensated absences will be paid from the fund from which the person is paid (usually general and special revenue funds). Net pension liability and OPEB liability represents the long-term portion of the accrued liability associated with STRS and SERS pension liability. These items will be repaid from the funds from which the employees work to whom the liability is associated with or the General Fund if no such funds are available.

Principal and interest requirements to retire general obligation debt outstanding at year end are as follows:

Fiscal Year Ending June 30	General Obligation Bonds	
	Principal	Interest
2019	\$2,770,000	\$1,020,225
2020	2,890,000	925,175
2021	2,975,000	838,325
2022	3,155,000	762,025
2023	3,235,000	653,244
2024-2028	11,570,000	1,019,756
2029-2030	640,000	22,576
Total	<u>\$27,235,000</u>	<u>\$5,241,326</u>

Note 8 - Capital Lease Commitments

The District is obligated under six leases accounted for as capital leases. The cost of the leased assets (copiers, computers, administration building and high school project) are accounted for in the Governmental Activities Capital Assets and the related liability in the Governmental Activities Long-Term Liabilities. The original cost of the assets under capital lease was \$2,872,326.

In 2018, the District entered into a capital lease for fitness equipment with Life Fitness under a 5 year contract with total rental payment of \$378,094.

The following is a schedule of the future minimum lease payments under the capital leases together with the present value of the net minimum lease payments as of June 30, 2018:

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Oak Hills Local School District, Ohio
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Fiscal Year Ending June 30	Capital Leases
2019	\$222,088
2020	221,088
2021	225,037
2022	223,903
2023	146,600
2024-2028	732,100
2029-2033	731,900
2034-2038	726,650
2039-2043	725,900
2044-2046	429,700
Total Minimum Lease Payments	\$4,384,966
Amount Representing Interest and Additional program cost component	(1,687,506)
Present Value of Minimum Lease Payments	<u>\$2,697,460</u>

Note 9 - 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 employer’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 obligation for this liability to annually required payments. The employer cannot control benefit terms or the manner in which pensions are financed; however, the employer 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.

Oak Hills Local School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

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 accrued wages and benefits on both the accrual and modified accrual bases of accounting.

Plan Description - School Employees Retirement System (SERS)

Plan Description – 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 65 with 5 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; 2.20% for the first thirty years of service and 2.50% for years of service credit over 30 or \$86.00 multiplied by the years of service credit. Final average salary is the average of the highest three years of salary.

Post-Retirement Increases – Before January 1, 2018; on each anniversary of the initial date of retirement, the allowances of all retirees and survivors are increased by 3% of the base benefit. On or after January 1, 2018; on each anniversary of the initial retirement, the allowance of all retirees and survivors are increased by the annual rate of increase in the CPI-W measured as of the June preceding the beginning of the applicable calendar year. The annual rate of increase shall not be less than 0% nor greater than 2.5%. COLA’s shall be suspended for calendar years 2018, 2019, and 2020.

Funding Policy – Plan members are required to contribute 10% of their annual covered salary and the employer is required to contribute 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS’ Retirement Board up to statutory maximum amounts of 10% for plan members and 14% for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System’s funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2018, the allocation to pension, death benefits, and Medicare B was 13.5%. The remaining 0.5% was allocated to the Health Care Fund.

Oak Hills Local School District, Ohio
Notes to the Basic Financial Statements
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The contractually required contribution to SERS was \$1,407,999 for fiscal year 2018. Of this amount \$303,926 is reported as accrued wages and benefits.

Plan Description - State Teachers Retirement System (STRS)

Plan Description – 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 is 2.2% of final average salary for the five highest years of earnings multiplied by all years of service. Effective July 1, 2017, the cost-of-living adjustment was reduced to zero. Members are eligible to retire at age 60 with five years of qualifying service credit, or 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% of the 14% employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.5% of the 14% employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12% of the 14% member rate goes to the DC Plan and the remaining 2% is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity after termination of employment at age 50 or later.

New members who choose the DC Plan or Combined Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS Ohio 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 Ohio bearing the risk of investment gain or loss on the account. STRS Ohio therefore has included all three plan options in the GASB 68 schedules of employer allocations and pension amounts by employer.

Oak Hills Local School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

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 10 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, 2018, plan members were required to contribute 14% of their annual covered salary. The employer was required to contribute 14%; the entire 14% was the portion used to fund pension obligations. The fiscal year 2018 contribution rates were equal to the statutory maximum rates.

The contractually required contribution to STRS was \$5,555,364 for fiscal year 2018. Of this amount \$981,092 is reported as accrued wages and benefits.

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

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

	SERS	STRS	Total
Proportionate Share of the Net Pension Liability	\$18,736,274	\$80,925,214	\$99,661,488
Proportion of the Net Pension Liability:			
Current Measurement Date	0.31358940%	0.34066295%	
Prior Measurement Date	0.30719960%	0.33852729%	
Change in Proportionate Share	0.00638980%	0.00213566%	
Pension Expense	(\$777,522)	(\$30,851,441)	(\$31,628,963)

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

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Oak Hills Local School District, Ohio
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	SERS	STRS	Total
Deferred Outflows of Resources			
Differences between expected and actual experience	\$806,344	\$3,124,952	\$3,931,296
Changes of assumptions	968,867	17,699,233	18,668,100
Changes in employer proportionate share of net pension liability	329,782	1,354,494	1,684,276
Contributions subsequent to the measurement date	1,407,999	5,555,364	6,963,363
Total Deferred Outflows of Resources	\$3,512,992	\$27,734,043	\$31,247,035
Differences between expected and actual experience	\$0	\$652,226	\$652,226
Net difference between projected and actual earnings on pension plan investments	88,937	2,670,627	2,759,564
Changes in employer proportionate share of net pension liability	183,202	124,564	307,766
Total Deferred Inflows of Resources	\$272,139	\$3,447,417	\$3,719,556

\$6,963,363 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year	SERS	STRS	Total
Ending June 30:			
2019	\$692,487	\$4,152,607	\$4,845,094
2020	1,216,238	7,744,057	8,960,295
2021	360,910	5,420,877	5,781,787
2022	(436,782)	1,413,722	976,940
Total	\$1,832,853	\$18,731,263	\$20,564,116

Actuarial Assumptions - SERS

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

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

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

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

Wage Inflation	3.00%
Future Salary Increases, including inflation	3.50% - 18.20%
COLA or Ad Hoc COLA	2.50%
Investment Rate of Return	7.50% net of investments expense, including inflation
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)
Actuarial Assumptions Experience Study Date	5 year period ended June 30, 2015

Prior to 2017, an assumption of 3.0% was used for COLA or Ad Hoc COLA.

For 2017, the mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. Mortality among service retired members, and beneficiaries were based upon the RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120% of male rates, and 110% of female rates. Mortality among disable members were based upon the RP-2000 Disabled Mortality Table, 90% for male rates and 100% for female rates, set back five years is used for the period after disability retirement.

The 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 the 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:

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%	

Oak Hills Local School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

Discount Rate

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

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.50%, as well as what each plan’s net pension liability would be if it were calculated using a discount rate that is one percentage point lower 6.50%, or one percentage point higher 8.50% than the current rate.

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Proportionate share of the net pension liability	\$26,001,079	\$18,736,274	\$12,650,518

Changes in Benefit Terms

The COLA was changed from a fixed 3.00% to a COLA that is indexed to CPI-W not greater than 2.5% with a floor of 0% beginning January 1, 2018. In addition, with the authority granted the Board under HB 49, the Board has enacted a three-year COLA suspension for benefit recipients in calendar years 2018, 2019 and 2020.

Actuarial Assumptions - STRS

The total pension liability in the July 1, 2017, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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	July 1, 2017	July 1, 2016
Inflation	2.50%	2.75%
Projected salary increases	12.50% at age 20 to 2.50% at age 65	12.25% at age 20 to 2.75% at age 70
Investment Rate of Return	7.45%, net of investment expenses, including inflation	7.75%, net of investment expenses, including inflation
Payroll Increases	3.00%	3.50%
Cost-of-Living Adjustments (COLA)	0%, effective July 1, 2017	2% simple applied as follows: for members retiring before August 1, 2013, 2% per year; for members retiring August 1 2013, or later, 2% COLA commences on fifth anniversary of retirement date.

For the July 1, 2017, actuarial valuation, post-retirement mortality rates for healthy retirees are based on the RP-2014 Annuitant Mortality Table with 50% of rates through age 69, 70% of rates between ages 70 and 79, 90% of rates between ages 80 and 84, and 100% of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90% of rates for males and 100% of rates for females, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

For the July 1, 2016 actuarial valuation, 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 July 1 2017, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016. Actuarial assumptions used in the June 30, 2016, valuation are based on the results of an actuarial experience study, effective July 1, 2012.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Domestic Equity	28.00%	7.35%
International Equity	23.00%	7.55%
Alternatives	17.00%	7.09%
Fixed Income	21.00%	3.00%
Real Estate	10.00%	6.00%
Liquidity Reserves	1.00%	2.25%
Total	100.00%	

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

Discount Rate

The discount rate used to measure the total pension liability was 7.45% as of June 30, 2017. The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at the statutory contribution rates in accordance with the rates described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2017. Therefore, the long-term expected rate of return on pension plan investments of 7.45% was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2017.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following table represents the net pension liability as of June 30, 2017, calculated using the current period discount rate assumption of 7.45%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower 6.45% or one percentage point higher 8.45% than the current assumption:

	1% Decrease 6.45%	Current Discount Rate 7.45%	1% Increase 8.45%
Proportionate share of the net pension liability	\$116,003,540	\$80,925,214	\$51,376,982

Changes in Assumptions

The Retirement Board approved several changes to the actuarial assumptions in 2017. The long term expected rate of return was reduced from 7.75% to 7.45%, the inflation assumption was lowered from 2.75% to 2.50%, the payroll growth assumption was lowered to 3.00%, and total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25% due to lower inflation. The healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016. Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

Changes in Benefit Terms

Effective July 1, 2017, the COLA was reduced to zero.

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Note 10 – Defined Benefit Other Postemployment Benefits (OPEB) Plans

Net Other Postemployment Benefits (OPEB) Liability

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

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

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

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The proportionate share of each plan's unfunded benefits is presented as a long-term net OPEB liability on the accrual basis of accounting. Any liability for the contractually-required OPEB contribution outstanding at year-end is included in accrued liabilities on the accrual basis of accounting.

Plan Description - School Employees Retirement System (SERS)

Health Care Plan Description - The District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS' Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS' health care coverage. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute.

Oak Hills Local School District, Ohio
Notes to the Basic Financial Statements
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The financial report of the Plan is included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

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

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2018, 0.5% of covered payroll was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2018, this amount was \$23,700. Statutes provide that no employer shall pay a health care surcharge greater than 2.0% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2018, the surcharge obligation was \$170,187.

The surcharge, added to the allocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The District's contractually required contribution to SERS was \$222,335 for fiscal year 2018. Of this amount \$170,187 is reported as accrued wages and benefits.

Plan Description - State Teachers Retirement System (STRS)

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

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

Oak Hills Local School District, Ohio
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For the Fiscal Year Ended June 30, 2018

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

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportionate Share of the Net OPEB Liability	\$8,513,177	\$13,291,411	\$21,804,588
Proportion of the Net OPEB Liability:			
Current Measurement Date	0.31721350%	0.34066295%	
Prior Measurement Date	0.31084507%	0.33852729%	
Change in Proportionate Share	<u>0.00636843%</u>	<u>0.00213566%</u>	
OPEB Expense	\$518,264	(\$4,039,507)	(\$3,521,243)

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

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred Outflows of Resources			
Differences between expected and actual experience	\$0	\$767,263	\$767,263
Changes in employer proportionate share of net pension liability	133,246	97,899	231,145
Contributions subsequent to the measurement date	<u>222,335</u>	<u>0</u>	<u>222,335</u>
Total Deferred Outflows of Resources	<u>\$355,581</u>	<u>\$865,162</u>	<u>\$1,220,743</u>
Deferred Inflows of Resources			
Changes of assumptions	\$807,857	\$1,070,665	\$1,878,522
Net difference between projected and actual earnings on pension plan investments	<u>22,481</u>	<u>568,106</u>	<u>590,587</u>
Total Deferred Inflows of Resources	<u>\$830,338</u>	<u>\$1,638,771</u>	<u>\$2,469,109</u>

\$222,335 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

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Oak Hills Local School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

Fiscal Year Ending June 30:	SERS	STRS	Total
2019	(\$250,044)	(\$176,277)	(\$426,321)
2020	(250,044)	(176,277)	(426,321)
2021	(191,383)	(176,277)	(367,660)
2022	(5,620)	(176,277)	(181,897)
2023	0	(34,251)	(34,251)
Thereafter	0	(34,251)	(34,251)
Total	<u>(\$697,091)</u>	<u>(\$773,610)</u>	<u>(\$1,470,701)</u>

Actuarial Assumptions - SERS

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

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

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will 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 OPEB liability in the latest actuarial valuation date of June 30, 2017, are presented below:

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Oak Hills Local School District, Ohio
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Wage Inflation	3.00%
Future Salary Increases, including inflation	3.50% to 18.20%
Investment Rate of Return	7.50% net of investments expense, including inflation
Municipal Bond Index Rate:	
Measurement Date	3.56%
Prior Measurement Date	2.92%
Single Equivalent Interest Rate, net of plan investment expense, including price inflation:	
Measurement Date	3.63%
Prior Measurement Date	2.98%
Medical Trend Assumption	
Medicare	5.50% to 5.00%
Pre-Medicare	7.50% to 5.00%

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

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

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

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

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Oak Hills Local School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

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

Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates

The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.63%) and higher (4.63%) than the current discount rate (3.63%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.5% decreasing to 4.0%) and higher (8.5% decreasing to 6.0%) than the current rate.

	1% Decrease 2.63%	Current Discount Rate 3.63%	1% Increase 4.63%
Proportionate share of the net OPEB liability	\$10,280,745	\$8,513,177	\$7,112,812

Oak Hills Local School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

	1% Decrease 6.50% decreasing to 4.00%	Current Trend Rate 7.50% decreasing to 5.00%	1% Increase 8.50% decreasing to 6.00%
Proportionate share of the net OPEB liability	\$6,907,805	\$8,513,177	\$10,637,914

Changes in Assumptions – SERS

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

Municipal Bond Index Rate:

Fiscal year 2018	3.56 percent
Fiscal year 2017	2.92 percent

Single Equivalent Interest Rate, net of plan investment expense, including price inflation:

Fiscal year 2018	3.63 percent
Fiscal year 2017	2.98 percent

Actuarial Assumptions - STRS

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

Inflation	2.50%
Projected salary increases	12.50% at age 20 to 2.50% at age 65
Investment Rate of Return	7.45%, net of investment expenses, including inflation
Payroll Increases	3.00%
Cost-of-Living Adjustments (COLA)	0.00%, effective July 1, 2017
Blended Discount Rate of Return	4.13%
Health Care Cost Trends	6.00% to 11.00% initial, 4.5% ultimate

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

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

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

Oak Hills Local School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

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

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

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

Asset Class	Target Allocation	Long-Term Expected Rate of Return*
Domestic Equity	28.00%	7.35%
International Equity	23.00%	7.55%
Alternatives	17.00%	7.09%
Fixed Income	21.00%	3.00%
Real Estate	10.00%	6.00%
Liquidity Reserves	1.00%	2.25%
Total	100.00%	

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

Discount Rate

The discount rate used to measure the total OPEB liability was 4.13 percent as of June 30, 2017. The projection of cash flows used to determine the discount rate assumes STRS Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was not projected to be sufficient to make all projected future benefit payments of current plan members. The OPEB plan's fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2037. Therefore, the long-term expected rate of return on OPEB plan assets was used to determine the present value of the projected

Oak Hills Local School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

benefit payments through the fiscal year ending June 30, 2036 and the Bond Buyer 20-year municipal bond rate of 3.58 percent as of June 30, 2017 (i.e. municipal bond rate), was used to determine the present value of the projected benefit payments for the remaining years in the projection. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The blended discount rate of 4.13 percent, which represents the long-term expected rate of return of 7.45 percent for the funded benefit payments and the Bond Buyer 20-year municipal bond rate of 3.58 percent for the unfunded benefit payments, was used to measure the total OPEB liability as of June 30, 2017. A blended discount rate of 3.26 percent which represents the long term expected rate of return of 7.75 percent for the funded benefit payments and the Bond Buyer 20-year municipal bond rate of 2.85 percent for the unfunded benefit payments was used to measure the total OPEB liability at June 30, 2016.

Sensitivity of the Proportionate Share of the Net OPEB Liability to Changes in the Discount and Health Care Cost Trend Rate

The following table represents the net OPEB liability as of June 30, 2017, calculated using the current period discount rate assumption of 4.13%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.13%) or one percentage point higher (5.13%) than the current assumption. Also shown is the net OPEB liability as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease 3.13%	Current Discount Rate 4.13%	1% Increase 5.13%
Proportionate share of the net OPEB liability	\$17,843,506	\$13,291,411	\$9,693,769
	1% Decrease	Current Trend Rate	1% Increase
Proportionate share of the net OPEB liability	\$9,234,303	\$13,291,411	\$18,631,041

Changes in Assumptions – STRS

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

Also for fiscal year 2018, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1% to 1.9% per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019.

Oak Hills Local School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

Note 11 - Contingent Liabilities

Foundation 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 2018 are not finalized. As a result, the impact of future FTE adjustments on the fiscal year 2018 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.

Grants

The 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 District at June 30, 2018, if applicable, cannot be determined at this time.

Litigation

The District's attorney estimates that all other potential claims against the District not covered by insurance resulting from all other litigation would not materially affect the financial statements of the District.

Note 12 - Jointly Governed Organizations

Great Oaks Career Campuses, a jointly governed organization, is a distinct political subdivision of the State of Ohio which operates under the direction of a Board consisting of one representative from each participating school district's elected board. The Board possesses its own budgeting and taxing authority. Great Oaks Career Campuses provides academic preparation and job training which leads to employment and/or further education upon graduation from high school. The District has no ongoing financial interest in or responsibility for the Institute. To obtain financial information, write to Great Oaks Career Campuses at 3254 East Kemper Road, Cincinnati, Ohio 45241.

The District is a participant in the Hamilton Clermont Cooperative Information Technology Center (HCC). HCC is an association of public districts in a geographic area determined by the Ohio Department of Education. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts. The Board of the School consists of one representative from each of the participating members. The degree of control exercised by any participating district is limited to its representation on the board. To obtain financial information, write to HCC, at 7615 Harrison Avenue, Cincinnati, Ohio 45231.

Oak Hills Local School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

Note 13 - Risk Management

The District is exposed to various risks of loss related to: torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees, and natural disasters. The District carries insurance coverage with the following companies.

<u>Coverage</u>	<u>Company</u>
Automobile	Liberty Mutual
Property	Liberty Mutual
General Liability	Liberty Mutual

Limits and deductible amounts for the above policies vary accordingly.

<u>Coverage</u>	<u>Limits</u>	<u>Deductible</u>
Automobile	\$1,000,000 each occurrence	\$1,000 collision & Comprehensive
Property	\$138,835,409 blanket coverage	\$10,000 each loss
General Liability	\$2,000,000 general aggregate	
Employee Benefit Liability	\$1,000,000	\$1,000 each loss
Umbrella	\$10,000,000	
Sexual Misconduct	\$1,000,000 general aggregate	\$5,000 each loss
Law Enforcement	\$1,000,000 general aggregate	\$7,500 each loss
School Leaders E&O	\$1,000,000 general aggregate	\$10,000 each loss

There were no significant reductions in insurance coverage from the prior year. Also, there were no settlements that exceeded insurance coverage for the past three fiscal years.

The District is self-insured for its workers' compensation costs. Expenses for claims are recorded on the current basis based on an actuarially determined charge per employee. The District accounts for the activities of this program in an internal service fund in accordance with GASB Statement No. 10. A summary of the changes in self-insurance workers' compensation claims liability is as follows:

	<u>2018</u>	<u>2017</u>
Claims Liability at Beginning of Year	\$13,211	\$23,996
Claims Incurred	227,219	89,652
Claims Paid	<u>(198,537)</u>	<u>(100,437)</u>
Claims Liability at End of Year	<u>\$41,893</u>	<u>\$13,211</u>

Note 14 – Accountability

The following individual funds had a deficit in fund balance at year end:

<u>Fund</u>	<u>Deficit</u>	<u>Proprietary Fund:</u>	<u>Deficit</u>
Other Governmental Funds:		Internal Service	\$41,893
Title I	\$110,934		
Special Education	40,928		
IDEA Preschool Grant	1,848		
Title III	14		

Oak Hills Local School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

The deficit fund balances were caused by GAAP Accruals.

Note 15 – Set Asides

The 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 year-end set-aside amounts for textbooks and capital acquisition. Disclosure of this information is required by State statute.

	<u>Capital Acquisition</u>	<u>Budget Stabilization</u>
Set Aside Reserve Balance as of June 30, 2017	\$0	\$380,716
Current Year Set Aside Requirement	1,349,055	0
Qualified Disbursements	(222,401)	0
Current Year Offsets	<u>(1,126,654)</u>	<u>0</u>
Set Aside Reserve Balance as of June 30, 2018	<u>\$0</u>	<u>\$380,716</u>
Restricted Cash as of June 30, 2018	<u>\$0</u>	<u>\$380,716</u>

The District had offsets credits of \$43,196,249 and qualifying disbursements during the year that reduced the set-aside amounts for capital maintenance reserve to below zero, extra qualified disbursement amounts may not be used to reduce the set-aside requirements of future years.

Note 16 - Interfund Balances

At fiscal year end, interfund receivables and payables were as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$18,000	\$0
Other Governmental Funds	<u>0</u>	<u>18,000</u>
Total all funds	<u>\$18,000</u>	<u>\$18,000</u>

Interfund balance are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorization; to segregate and to return money to the fund from which it was originally provided once a project is completed. All balances are expected to be repaid within one year.

Oak Hills Local School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

Note 17 – Fund Balances

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

Fund Balances	General	Other Governmental Funds	Total
Restricted for:			
Student Activity	\$0	\$407,146	\$407,146
Auxiliary Services	0	233,442	233,442
Food Service	0	131,999	131,999
Debt Service	0	2,953,143	2,953,143
Total Restricted	0	3,725,730	3,725,730
Committed to:			
Capital Improvements	0	4,676,143	4,676,143
Total Committed	0	4,676,143	4,676,143
Assigned to:			
Public Schools	344,093	0	344,093
Encumbrances	688	0	688
Budgetary Resources	112,372	0	112,372
Total Assigned	457,153	0	457,153
Unassigned (Deficit)	38,161,774	(153,724)	38,008,050
Total Fund Balance	\$38,618,927	\$8,248,149	\$46,867,076

Note 18 – Construction and Other Commitments

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

<u>Description</u>	<u>Remaining Commitment</u>
General	\$49,051
Other Governmental	140,453

Oak Hills Local School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

Note 19 – Tax Abatements entered Into By Other Governments

Other governments entered into property tax abatement agreements with property owners under the solar abatement programs with the taxing districts of the District. The program is a directive incentive tax exemption program benefiting property owners who renovated or constructed solar power improvements. Under this program, the other governments designated areas to encourage these solar power improvements that are 100% abated with no expiration, unless physically removed or the owner does not comply with provisions. Within the taxing districts of the District, other municipalities have entered into solar agreements. Under these agreements the District's property taxes were abated by \$2,159. The district is not receiving any amounts from this government in association with the forgone property tax revenue.

Note 20 – Implementation of New Accounting Principles and Restatement of Net Position

For the fiscal year ended June 30, 2018, the District has implemented GASB Statement No. 81, Irrevocable Split-Interest Agreements, GASB Statement No. 82, Pensions Issues – An Amendment of GASB Statements No. 67, No. 68, and No. 73, and GASB No. 86, Certain Debt Extinguishment Issues, and GASB Statement No. 85, Omnibus 2017, GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions, and related guidance from (GASB) Implementation Guide No. 2017-3, Accounting and Financial Reporting for Postemployment Benefits other Than Pensions (and Certain Issues Related to OPEB Plan Reporting).

GASB Statement No. 81 sets out to improve accounting and financial reporting for irrevocable split interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. Examples of these types of agreements include charitable lead trusts, charitable remainder trusts, and life-interests in real estate. This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period. This Statement also enhances the decision-usefulness of general purpose external financial reports, and their value for assessing accountability, by more clearly identifying the resources that are available for the government to carry out its mission. The implementation of GASB Statement No. 81 did not have an effect on the financial statements of the District.

GASB Statement No. 82 addresses certain issues that have been raised with respect to Statements No. 67, Financial Reporting for Pension Plans, No. 68, Accounting and Financial Reporting for Pensions, and No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. This Statement amends Statements 67 and 68 to instead require the presentation of covered payroll, defined as the payroll on which contributions to a pension plan are based, and ratios that use that measure. The implementation of GASB Statement No. 82 was included in the footnote disclosures for 2018.

Oak Hills Local School District, Ohio
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2018

GASB Statement No. 86 sets out to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. One of the criteria for determining an in-substance defeasance is that the trust hold only monetary assets that are essentially risk-free. If the substitution of essentially risk-free monetary assets with monetary assets that are not essentially risk-free is not prohibited, governments should disclose that fact in the period in which the debt is defeased in substance. In subsequent periods, governments should disclose the amount of debt defeased in substance that remains outstanding for which that risk of substitution exists. The implementation of GASB Statement No. 86 did not have an effect on the financial statements of the District.

GASB 85 addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits (OPEB)). These changes were incorporated in the District’s fiscal year 2018 financial statements; however, there was no effect on beginning net position/fund balance.

GASB 75 established standards for measuring and recognizing Postemployment benefit liabilities, deferred outflows of resources, deferred inflows of resources and expense/expenditure. The implementation of this pronouncement had the following effect on net position as reported June 30, 2017:

Net position June 30, 2017	(\$50,547,933)
Adjustments:	
Net OPEB Liability	(26,964,762)
Deferred Outflow - Payments Subsequent to Measurement Date	<u>168,230</u>
Restated Net Position June 30, 2017	<u><u>(\$77,344,465)</u></u>

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

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REQUIRED SUPPLEMENTARY INFORMATION

Oak Hills Local School District, Ohio
 Required Supplementary Information
 Schedule of the District's Proportionate Share
 of the Net Pension Liability
 State Teachers Retirement System of Ohio
 Last Five Fiscal Years (1)

	2018	2017	2016	2015	2014
District's Proportion of the Net Pension Liability	0.34066295%	0.33852729%	0.33925921%	0.33179846%	0.33179846%
District's Proportionate Share of the Net Pension Liability	\$80,925,214	\$113,315,289	\$93,761,322	\$80,704,868	\$95,923,981
District's Covered-Employee Payroll	\$36,925,029	\$36,325,714	\$34,615,200	\$36,508,377	\$37,781,631
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	219.16%	311.94%	270.87%	221.06%	253.89%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.30%	66.80%	72.10%	74.70%	69.30%

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2014 is not available.

Note- Amounts presented as of the District's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

Oak Hills Local School District, Ohio
 Required Supplementary Information
 Schedule of the District's Proportionate Share
 of the Net Pension Liability
 School Employees Retirement System of Ohio
 Last Five Fiscal Years (1)

	2018	2017	2016	2015	2014
District's Proportion of the Net Pension Liability	0.31358940%	0.30719960%	0.30562120%	0.31708800%	0.31708800%
District's Proportionate Share of the Net Pension Liability	\$18,736,274	\$22,484,176	\$17,439,042	\$16,047,643	\$19,240,769
District's Covered-Employee Payroll	\$10,162,607	\$11,968,457	\$12,417,178	\$9,307,006	\$12,293,931
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	184.36%	187.86%	140.44%	172.43%	156.51%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.50%	62.98%	69.16%	71.70%	65.52%

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2014 is not available.

Note- Amounts presented as of the District's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

Oak Hills Local School District, Ohio
 Required Supplementary Information
 Schedule of District Contributions
 for Net Pension Liability
 State Teachers Retirement System of Ohio
 Last Ten Fiscal Years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Contractually Required Contribution	\$5,555,364	\$5,169,504	\$5,085,600	\$4,846,128	\$4,746,089	\$4,911,612	\$5,087,280	\$5,273,952	\$5,195,808	\$4,840,596
Contributions in Relation to the Contractually Required Contribution	(5,555,364)	(5,169,504)	(5,085,600)	(4,846,128)	(4,746,089)	(4,911,612)	(5,087,280)	(5,273,952)	(5,195,808)	(4,840,596)
Contribution Deficiency (Excess)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
District Covered-Employee Payroll	\$39,681,171	\$36,925,029	\$36,325,714	\$34,615,200	\$36,508,377	\$37,781,631	\$39,132,923	\$40,568,862	\$39,967,754	\$37,235,354
Contributions as a Percentage of Covered-Employee Payroll	14.00%	14.00%	14.00%	14.00%	13.00%	13.00%	13.00%	13.00%	13.00%	13.00%

See accompanying notes to the required supplementary information.

Oak Hills Local School District, Ohio
 Required Supplementary Information
 Schedule of District Contributions
 for Net Pension Liability
 School Employees Retirement System of Ohio
 Last Ten Fiscal Years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Contractually Required Contribution	\$1,407,999	\$1,422,765	\$1,675,584	\$1,636,584	\$1,289,951	\$1,701,480	\$1,649,352	\$1,796,352	\$1,544,748	\$1,473,648
Contributions in Relation to the Contractually Required Contribution	(1,407,999)	(1,422,765)	(1,675,584)	(1,636,584)	(1,289,951)	(1,701,480)	(1,649,352)	(1,796,352)	(1,544,748)	(1,473,648)
Contribution Deficiency (Excess)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
District Covered-Employee Payroll	\$10,429,622	\$10,162,607	\$11,968,457	\$12,417,178	\$9,307,006	\$12,293,931	\$12,262,840	\$14,290,788	\$11,408,774	\$14,976,098
Contributions as a Percentage of Covered-Employee Payroll	13.50%	14.00%	14.00%	13.18%	13.86%	13.84%	13.45%	12.57%	13.54%	9.84%

See accompanying notes to the required supplementary information.

Oak Hills Local School District, Ohio
 Required Supplementary Information
 Schedule of the District's Proportionate Share
 of the Net Postemployment Benefits Other Than Pension (OPEB) Liability
 State Teachers Retirement System of Ohio
 Last Two Fiscal Years (1)

	2018	2017
District's Proportion of the Net OPEB Liability	0.34066295%	0.33852729%
District's Proportionate Share of the Net OPEB Liability	\$13,291,411	\$18,104,528
District's Covered-Employee Payroll	\$36,925,029	\$36,325,714
District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered-Employee Payroll	36.00%	49.84%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.10%	37.30%

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2017 is not available.

Note- Amounts presented as of the District's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

Oak Hills Local School District, Ohio
 Required Supplementary Information
 Schedule of the District's Proportionate Share
 of the Net Postemployment Benefits Other Than Pension (OPEB) Liability
 School Employees Retirement System of Ohio
 Last Two Fiscal Years (1)

	2018	2017
District's Proportion of the Net OPEB Liability	0.31721350%	0.31084507%
District's Proportionate Share of the Net OPEB Liability	\$8,513,177	\$8,860,234
District's Covered-Employee Payroll	\$10,162,607	\$11,968,457
District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered-Employee Payroll	83.77%	74.03%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	12.46%	11.49%

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2017 is not available.

Note- Amounts presented as of the District's measurement date which is the prior fiscal year end.

See accompanying notes to the required supplementary information.

Oak Hills Local School District, Ohio
 Required Supplementary Information
 Schedule of District Contributions to
 Postemployment Benefits Other Than Pension (OPEB)
 State Teachers Retirement System of Ohio
 Last Three Fiscal Years (1)

	2018	2017	2016
Contractually Required Contribution to OPEB	\$0	\$0	\$0
Contributions to OPEB in Relation to the Contractually Required Contribution	<u>0</u>	<u>0</u>	<u>0</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
District Covered-Employee Payroll	\$39,681,171	\$36,925,029	\$36,325,714
Contributions to OPEB as a Percentage of Covered-Employee Payroll	0.00%	0.00%	0.00%

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2016 is not available.

See accompanying notes to the required supplementary information.

Oak Hills Local School District, Ohio
 Required Supplementary Information
 Schedule of District Contributions to
 Postemployment Benefits Other Than Pension (OPEB)
 School Employees Retirement System of Ohio
 Last Three Fiscal Years (1)

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually Required Contribution to OPEB (2)	\$222,335	\$168,230	\$155,275
Contributions to OPEB in Relation to the Contractually Required Contribution	<u>(222,335)</u>	<u>(168,230)</u>	<u>(155,275)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
District Covered-Employee Payroll	\$10,429,622	\$10,162,607	\$11,968,457
Contributions to OPEB as a Percentage of Covered-Employee Payroll	2.13%	1.66%	1.30%

(1) - The schedule is intended to show information for the past 10 years and the additional years' information will be displayed as it becomes available. Information prior to 2016 is not available.

(2) - Includes Surcharge.

See accompanying notes to the required supplementary information.

Oak Hills Local School District, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2018

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues:				
Taxes	\$26,797,476	\$27,987,333	\$28,012,986	\$25,653
Revenue in lieu of taxes	12,013,911	12,547,350	12,558,851	11,501
Tuition and Fees	1,660,694	1,734,432	1,736,022	1,590
Investment Earnings	314,412	328,372	328,673	301
Intergovernmental	30,976,971	32,352,405	32,382,059	29,654
Extracurricular Activities	216,301	225,905	226,112	207
Other Revenues	176,131	183,951	184,120	169
Total Revenues	72,155,896	75,359,748	75,428,823	69,075
Expenditures:				
Current:				
Instruction:				
Regular	35,872,812	34,852,025	34,827,025	25,000
Special	12,720,757	12,358,778	12,349,913	8,865
Vocational	593	576	576	0
Other	145,363	141,226	141,125	101
Support Services:				
Pupil	5,850,202	5,683,730	5,679,653	4,077
Instructional Staff	2,198,016	2,135,470	2,133,938	1,532
General Administration	96,721	93,968	93,901	67
School Administration	5,403,954	5,250,180	5,246,414	3,766
Fiscal	1,423,305	1,382,804	1,381,812	992
Business	118,504	115,132	115,049	83
Operations and Maintenance	5,754,838	5,591,080	5,587,069	4,011
Pupil Transportation	3,093,821	3,005,784	3,003,628	2,156
Central	337,616	328,009	327,774	235
Operation of Non-Instructional Services	24,027	23,344	23,327	17
Extracurricular Activities	1,076,575	1,045,940	1,045,190	750
Capital Outlay	60,754	59,025	58,983	42
Total Expenditures	74,177,858	72,067,071	72,015,377	51,694
Excess of Revenues Over (Under) Expenditures	(2,021,962)	3,292,677	3,413,446	120,769
Other Financing Sources (Uses):				
Proceeds from Sale of Capital Assets	49,275	51,463	51,510	47
Total Other Financing Sources (Uses)	49,275	51,463	51,510	47
Net Change in Fund Balance	(1,972,687)	3,344,140	3,464,956	120,816
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	31,878,576	31,878,576	31,878,576	0
Fund Balance - End of Year	\$29,905,889	\$35,222,716	\$35,343,532	\$120,816

See accompanying notes to the required supplementary information.

Oak Hills Local School District, Ohio
Notes to the Required Supplementary Information
For The Year Ended June 30, 2018

Note 1 – Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriations 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 amount 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 the level of control selected by Board. The legal level of control has been established by the Board at the fund level. Any budgetary modifications at this level may only be made by resolution of the Board.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during the fiscal year 2018.

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

While the 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 Combined Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Basis) presented for the general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and GAAP basis are as follows:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures for all funds (budget basis) rather than as assigned to a fund balance for governmental fund types and expendable trust funds (GAAP basis).
4. Advances in and advances out are operating transactions (budget basis) as opposed to balance sheet transactions.
5. Some funds are reported as part of the general fund (GAAP basis) as opposed to the general fund being reported alone (budget basis).

Oak Hills Local School District, Ohio
Notes to the Required Supplementary Information
For The Year Ended June 30, 2018

The following table summarizes the adjustments necessary to reconcile the GAAP basis to the budgetary basis for the general fund.

Net Change in Fund Balance

	<u>General</u>
GAAP Basis	\$3,417,604
Revenue Accruals	(839,259)
Expenditure Accruals	932,611
Encumbrances	<u>(46,000)</u>
Budget Basis	<u><u>\$3,464,956</u></u>

Note 2 - SERS Change in Assumptions-Net Pension Liability

The COLA was changed from a fixed 3.00% to a COLA that is indexed to CPI-W not greater than 2.5% with a floor of 0% beginning January 1, 2018. In addition, with the authority granted the Board under HB 49, the Board has enacted a three-year COLA suspension for benefit recipients in calendar years 2018, 2019 and 2020.

Note 3 - STRS Change in Assumptions and Benefit Terms-Net Pension Liability

Changes in Assumptions

The Retirement Board approved several changes to the actuarial assumptions in 2017. The long term expected rate of return was reduced from 7.75% to 7.45%, the inflation assumption was lowered from 2.75% to 2.50%, the payroll growth assumption was lowered to 3.00%, and total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25% due to lower inflation. The healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016. Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

Changes in Benefit Terms

Effective July 1, 2017, the COLA was reduced to zero.

Note 4 - SERS Change in Assumptions-Net OPEB Liability

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

Municipal Bond Index Rate:

Fiscal year 2018	3.56 percent
Fiscal year 2017	2.92 percent

Single Equivalent Interest Rate, net of plan investment expense, including price inflation:

Fiscal year 2018	3.63 percent
Fiscal year 2017	2.98 percent

Oak Hills Local School District, Ohio
Notes to the Required Supplementary Information
For The Year Ended June 30, 2018

Note 5 - STRS Change in Assumptions-Net OPEB Liability

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

Also for fiscal year 2018, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1% to 1.9% per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019.

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**COMBINING STATEMENTS AND
INDIVIDUAL FUND SCHEDULES**

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The term *proceeds of specific revenue sources* establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund.

Capital Project Fund

The Permanent Improvement Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition and construction of capital facilities and other capital assets. Capital project funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

Debt Service Fund

The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated (i.e. debt payable from property taxes). Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds. The District has only one Debt Service fund for fiscal year 2018.

Oak Hills Local School District, Ohio
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2018

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	\$1,067,436	\$1,763,143	\$3,049,155	\$5,879,734
Receivables (Net):				
Taxes	0	2,790,848	4,350,157	7,141,005
Accounts	1,332	0	0	1,332
Intergovernmental	1,632,842	0	0	1,632,842
Inventory	26,170	0	0	26,170
Total Assets	2,727,780	4,553,991	7,399,312	14,681,083
Liabilities:				
Accounts Payable	14,611	0	0	14,611
Accrued Wages and Benefits	582,047	0	18,012	600,059
Compensated Absences	50,295	0	0	50,295
Interfund Payable	18,000	0	0	18,000
Total Liabilities	664,953	0	18,012	682,965
Deferred Inflows of Resources:				
Property Taxes	0	1,600,848	2,705,157	4,306,005
Grants and Other Taxes	1,443,964	0	0	1,443,964
Total Deferred Inflows of Resources	1,443,964	1,600,848	2,705,157	5,749,969
Fund Balances:				
Restricted	772,587	2,953,143	0	3,725,730
Committed	0	0	4,676,143	4,676,143
Unassigned	(153,724)	0	0	(153,724)
Total Fund Balances	618,863	2,953,143	4,676,143	8,248,149
Total Liabilities, Deferred Inflows and Fund Balances	\$2,727,780	\$4,553,991	\$7,399,312	\$14,681,083

Oak Hills Local School District, Ohio
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2018

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:				
Property and Other Taxes	\$0	\$3,100,634	\$4,304,613	\$7,405,247
Investment Earnings	15,090	0	0	15,090
Intergovernmental	5,487,962	465,292	677,774	6,631,028
Extracurricular Activities	1,120,611	0	0	1,120,611
Charges for Services	1,652,587	0	0	1,652,587
Other Revenues	96,355	0	16,876	113,231
Total Revenues	8,372,605	3,565,926	4,999,263	16,937,794
Expenditures:				
Current:				
Instruction:				
Regular	16,991	0	467,192	484,183
Special	1,021,380	0	19,016	1,040,396
Support Services:				
Pupil	682,091	0	1,520	683,611
Instructional Staff	790,424	0	1,523,215	2,313,639
School Administration	270,594	0	0	270,594
Fiscal	0	37,294	53,788	91,082
Operations and Maintenance	0	0	1,047,994	1,047,994
Pupil Transportation	0	0	462,669	462,669
Operation of Non-Instructional Services	4,305,359	0	0	4,305,359
Extracurricular Activities	1,265,368	0	1,767	1,267,135
Capital Outlay	0	0	1,862,773	1,862,773
Debt Service:				
Principal Retirement	0	2,355,000	364,866	2,719,866
Interest and Fiscal Charges	0	1,013,525	195,597	1,209,122
Total Expenditures	8,352,207	3,405,819	6,000,397	17,758,423
Excess of Revenues Over (Under) Expenditures	20,398	160,107	(1,001,134)	(820,629)
Other Financing Sources (Uses):				
Proceeds of Capital Leases	0	0	352,326	352,326
Total Other Financing Sources (Uses)	0	0	352,326	352,326
Net Change in Fund Balance	20,398	160,107	(648,808)	(468,303)
Fund Balance - Beginning of Year	598,465	2,793,036	5,324,951	8,716,452
Fund Balance - End of Year	\$618,863	\$2,953,143	\$4,676,143	\$8,248,149

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NONMAJOR SPECIAL REVENUE FUNDS

Fund Descriptions

Student Activity – Fund used to account for student activity programs that do not have student management of the program, i.e. athletics, band, etc.

Auxiliary Services – Fund used to account for state funds used to provide services and materials to students attending non-public schools within the boundaries of the District.

Data Communications – State grant used to support technology used for non-instructional purposes, i.e. networking.

Miscellaneous State Grants – Fund used to account for state funds that are legally restricted to expenditures for specified purposes.

Special Education – Fund used to account for federal monies provided to support programs for students with disabilities.

Vocational Education – Funds to boards of education, teacher training institutions, and the state administering agency for cooperating in development of vocational educational programs.

Title I – Fund used to account for federal monies provided to support programs for educationally deprived students.

IDEA Preschool Grant – Fund used to account for federal monies provided to support programs for pre-school aged students with disabilities.

Improving Teacher Quality – Fund used to account for funds provided for staff development programs.

Miscellaneous Federal Grants – Fund used to account for various monies received through state agencies from the federal government or directly from the federal government which are not classified elsewhere.

Food Service – Fund used to record financial transactions related to the food service operation.

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

Oak Hills Local School District, Ohio
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2018

	Student Activity	Auxiliary Services	Data Communications	Miscellaneous State Grants	Special Education	Vocational Education
Assets:						
Equity in Pooled Cash and Investments	\$410,449	\$289,805	\$0	\$0	\$0	\$0
Receivables (Net):						
Accounts	1,332	0	0	0	0	0
Intergovernmental	0	0	0	0	955,875	0
Inventory	0	0	0	0	0	0
Total Assets	411,781	289,805	0	0	955,875	0
Liabilities:						
Accounts Payable	4,635	7,825	0	0	0	0
Accrued Wages and Benefits	0	48,538	0	0	157,468	0
Compensated Absences	0	0	0	0	0	0
Interfund Payable	0	0	0	0	18,000	0
Total Liabilities	4,635	56,363	0	0	175,468	0
Deferred Inflows of Resources:						
Grants and Other Taxes	0	0	0	0	821,335	0
Total Deferred Inflows of Resources	0	0	0	0	821,335	0
Fund Balances:						
Restricted	407,146	233,442	0	0	0	0
Unassigned	0	0	0	0	(40,928)	0
Total Fund Balances	407,146	233,442	0	0	(40,928)	0
Total Liabilities, Deferred Inflows and Fund Balances	\$411,781	\$289,805	\$0	\$0	\$955,875	\$0

Title I	IDEA Preschool Grant	Improving Teacher Quality	Miscellaneous Federal Grants	Food Service	Title III	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$367,182	\$0	\$1,067,436
0	0	0	0	0	0	1,332
519,124	12,490	109,107	24,813	0	11,433	1,632,842
0	0	0	0	26,170	0	26,170
<u>519,124</u>	<u>12,490</u>	<u>109,107</u>	<u>24,813</u>	<u>393,352</u>	<u>11,433</u>	<u>2,727,780</u>
0	0	0	0	2,137	14	14,611
162,551	4,569	0	0	208,921	0	582,047
0	0	0	0	50,295	0	50,295
0	0	0	0	0	0	18,000
<u>162,551</u>	<u>4,569</u>	<u>0</u>	<u>0</u>	<u>261,353</u>	<u>14</u>	<u>664,953</u>
<u>467,507</u>	<u>9,769</u>	<u>109,107</u>	<u>24,813</u>	<u>0</u>	<u>11,433</u>	<u>1,443,964</u>
<u>467,507</u>	<u>9,769</u>	<u>109,107</u>	<u>24,813</u>	<u>0</u>	<u>11,433</u>	<u>1,443,964</u>
0	0	0	0	131,999	0	772,587
(110,934)	(1,848)	0	0	0	(14)	(153,724)
<u>(110,934)</u>	<u>(1,848)</u>	<u>0</u>	<u>0</u>	<u>131,999</u>	<u>(14)</u>	<u>618,863</u>
<u>\$519,124</u>	<u>\$12,490</u>	<u>\$109,107</u>	<u>\$24,813</u>	<u>\$393,352</u>	<u>\$11,433</u>	<u>\$2,727,780</u>

Oak Hills Local School District, Ohio
 Combining Statement of Revenues, Expenditures
 and Changes in Fund Balance
 Nonmajor Special Revenue Funds
 For the Fiscal Year Ended June 30, 2018

	Student Activity	Auxiliary Services	Data Communications	Miscellaneous State Grants	Special Education	Vocational Education
Revenues:						
Investment Earnings	\$0	\$9,403	\$0	\$0	\$0	\$0
Intergovernmental	0	1,878,389	16,200	118,571	1,660,047	2,000
Extracurricular Activities	1,120,611	0	0	0	0	0
Charges for Services	0	0	0	0	0	0
Other Revenues	96,195	0	0	0	0	0
Total Revenues	1,216,806	1,887,792	16,200	118,571	1,660,047	2,000
Expenditures:						
Current:						
Instruction:						
Regular	0	0	16,200	0	791	0
Special	0	0	0	0	230,147	0
Support Services:						
Pupil	0	0	0	88,528	527,233	2,000
Instructional Staff	0	0	0	30,043	526,142	0
School Administration	0	0	0	0	270,594	0
Operation of Non-Instructional Services	0	1,653,007	0	0	136,203	0
Extracurricular Activities	1,265,368	0	0	0	0	0
Total Expenditures	1,265,368	1,653,007	16,200	118,571	1,691,110	2,000
Net Change in Fund Balance	(48,562)	234,785	0	0	(31,063)	0
Fund Balance - Beginning of Year	455,708	(1,343)	0	0	(9,865)	0
Fund Balance - End of Year	\$407,146	\$233,442	\$0	\$0	(\$40,928)	\$0

Title I	IDEA Preschool Grant	Improving Teacher Quality	Miscellaneous Federal Grants	Food Service	Title III	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$5,687	\$0	\$15,090
943,031	31,186	158,959	4,522	667,893	7,164	5,487,962
0	0	0	0	0	0	1,120,611
0	0	0	0	1,652,587	0	1,652,587
0	0	0	0	160	0	96,355
<u>943,031</u>	<u>31,186</u>	<u>158,959</u>	<u>4,522</u>	<u>2,326,327</u>	<u>7,164</u>	<u>8,372,605</u>
0	0	0	0	0	0	16,991
786,967	0	0	0	0	4,266	1,021,380
64,330	0	0	0	0	0	682,091
87,033	33,034	111,260	0	0	2,912	790,424
0	0	0	0	0	0	270,594
70,558	0	48,714	4,522	2,392,355	0	4,305,359
0	0	0	0	0	0	1,265,368
<u>1,008,888</u>	<u>33,034</u>	<u>159,974</u>	<u>4,522</u>	<u>2,392,355</u>	<u>7,178</u>	<u>8,352,207</u>
(65,857)	(1,848)	(1,015)	0	(66,028)	(14)	20,398
(45,077)	0	1,015	0	198,027	0	598,465
<u>(\$110,934)</u>	<u>(\$1,848)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$131,999</u>	<u>(\$14)</u>	<u>\$618,863</u>

Oak Hills Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Student Activity Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Extracurricular Activities	\$1,110,643	\$1,121,040	\$10,397
Other Revenues	98,230	99,150	920
Total Revenues	<u>1,208,873</u>	<u>1,220,190</u>	<u>11,317</u>
Expenditures:			
Current:			
Extracurricular Activities	<u>1,284,756</u>	<u>1,285,219</u>	<u>(463)</u>
Total Expenditures	<u>1,284,756</u>	<u>1,285,219</u>	<u>(463)</u>
Net Change in Fund Balance	(75,883)	(65,029)	10,854
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>452,739</u>	<u>452,739</u>	<u>0</u>
Fund Balance - End of Year	<u>\$376,856</u>	<u>\$387,710</u>	<u>\$10,854</u>

Oak Hills Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Auxiliary Services Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$9,403	\$9,403	\$0
Intergovernmental	1,878,389	1,878,389	0
Total Revenues	<u>1,887,792</u>	<u>1,887,792</u>	<u>0</u>
Expenditures:			
Current:			
Operation of Non-Instructional Services	1,691,609	1,691,609	0
Total Expenditures	<u>1,691,609</u>	<u>1,691,609</u>	<u>0</u>
Net Change in Fund Balance	196,183	196,183	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>45,654</u>	<u>45,654</u>	<u>0</u>
Fund Balance - End of Year	<u>\$241,837</u>	<u>\$241,837</u>	<u>\$0</u>

Oak Hills Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Data Communications Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$16,200	\$16,200	\$0
Total Revenues	16,200	16,200	0
Expenditures:			
Current:			
Instruction:			
Regular	16,200	16,200	0
Total Expenditures	16,200	16,200	0
Net Change in Fund Balance	0	0	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance - End of Year	\$0	\$0	\$0

Oak Hills Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Miscellaneous State Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$118,571	\$118,571	\$0
Total Revenues	118,571	118,571	0
Expenditures:			
Current:			
Support Services:			
Pupil	88,528	88,528	0
Instructional Staff	30,043	30,043	0
Total Expenditures	118,571	118,571	0
Net Change in Fund Balance	0	0	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance - End of Year	\$0	\$0	\$0

Oak Hills Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Special Education Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$1,685,155	\$1,685,155	\$0
Total Revenues	<u>1,685,155</u>	<u>1,685,155</u>	<u>0</u>
Expenditures:			
Current:			
Instruction:			
Regular	791	791	0
Special	191,924	191,924	0
Support Services:			
Pupil	526,669	526,669	0
Instructional Staff	558,941	558,941	0
School Administration	266,296	266,296	0
Operation of Non-Instructional Services	140,534	140,534	0
Total Expenditures	<u>1,685,155</u>	<u>1,685,155</u>	<u>0</u>
Net Change in Fund Balance	0	0	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance - End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Oak Hills Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Vocational Education Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$2,000	\$2,000	\$0
Total Revenues	2,000	2,000	0
Expenditures:			
Current:			
Support Services:			
Pupil	2,000	2,000	0
Total Expenditures	2,000	2,000	0
Net Change in Fund Balance	0	0	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance - End of Year	\$0	\$0	\$0

Oak Hills Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Title I Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$1,009,667	\$1,009,667	\$0
Total Revenues	1,009,667	1,009,667	0
Expenditures:			
Current:			
Instruction:			
Special	799,964	799,964	0
Support Services:			
Pupil	53,335	53,335	0
Instructional Staff	86,632	86,632	0
Operation of Non-Instructional Services	69,736	69,736	0
Total Expenditures	1,009,667	1,009,667	0
Net Change in Fund Balance	0	0	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance - End of Year	\$0	\$0	\$0

Oak Hills Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	IDEA Preschool Grant Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$28,465	\$28,465	\$0
Total Revenues	28,465	28,465	0
Expenditures:			
Current:			
Support Services:			
Instructional Staff	28,465	28,465	0
Total Expenditures	28,465	28,465	0
Net Change in Fund Balance	0	0	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance - End of Year	\$0	\$0	\$0

Oak Hills Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Improving Teacher Quality Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$159,973	\$159,973	\$0
Total Revenues	159,973	159,973	0
Expenditures:			
Current:			
Support Services:			
Instructional Staff	111,259	111,259	0
Operation of Non-Instructional Services	48,714	48,714	0
Total Expenditures	159,973	159,973	0
Net Change in Fund Balance	0	0	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance - End of Year	\$0	\$0	\$0

Oak Hills Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Miscellaneous Federal Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$4,522	\$4,522	\$0
Total Revenues	4,522	4,522	0
Expenditures:			
Current:			
Support Services:			
Operation of Non-Instructional Services	4,522	4,522	0
Total Expenditures	4,522	4,522	(0)
Net Change in Fund Balance	0	0	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance - End of Year	\$0	\$0	\$0

Oak Hills Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Food Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$5,685	\$5,687	\$2
Intergovernmental	582,867	583,059	192
Charges for Services	1,652,047	1,652,590	543
Other Revenues	160	160	0
Total Revenues	<u>2,240,759</u>	<u>2,241,496</u>	<u>737</u>
Expenditures:			
Current:			
Operation of Non-Instructional Services	<u>2,225,527</u>	<u>2,222,274</u>	<u>3,253</u>
Total Expenditures	<u>2,225,527</u>	<u>2,222,274</u>	<u>3,253</u>
Net Change in Fund Balance	15,232	19,222	3,990
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>347,958</u>	<u>347,958</u>	<u>0</u>
Fund Balance - End of Year	<u><u>\$363,190</u></u>	<u><u>\$367,180</u></u>	<u><u>\$3,990</u></u>

Oak Hills Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Title III Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$7,164	\$7,164	0
Total Revenues	7,164	7,164	0
Expenditures:			
Current:			
Instruction:			
Special	4,252	4,252	0
Support Services:			
Instructional Staff	2,912	2,912	0
Total Expenditures	7,164	7,164	(0)
Net Change in Fund Balance	0	0	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance - End of Year	\$0	\$0	\$0

NONMAJOR DEBT SERVICE FUND

Fund Description

Debt Service Fund – The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated (i.e. debt payable from property taxes). Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance for the Debt Service Fund has been included in the Nonmajor Governmental Funds Combining Balance Sheet and Combining Statement of Revenues, Expenditures and Changes in Fund Balance. The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follows this page.

Oak Hills Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Debt Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$2,970,634	\$2,970,634	\$0
Intergovernmental	465,292	465,292	0
Total Revenues	<u>3,435,926</u>	<u>3,435,926</u>	<u>0</u>
Expenditures:			
Current:			
Support Services:			
Fiscal	37,294	37,294	0
Debt Service:			
Principal Retirement	2,355,000	2,355,000	0
Interest and Fiscal Charges	1,013,525	1,013,525	0
Total Expenditures	<u>3,405,819</u>	<u>3,405,819</u>	<u>0</u>
Net Change in Fund Balance	30,107	30,107	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>1,733,038</u>	<u>1,733,038</u>	<u>0</u>
Fund Balance - End of Year	<u><u>\$1,763,145</u></u>	<u><u>\$1,763,145</u></u>	<u><u>\$0</u></u>

NONMAJOR CAPITAL PROJECTS FUNDS

Fund Description

Permanent Improvement Fund – The Permanent Improvement Fund is used to account for financial resources, to maintain the District's facilities, as well as provide for major equipment and instructional material purchases

Oak Hills Local School District, Ohio
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2018

	Permanent Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$4,309,613	\$4,309,613	\$0
Intergovernmental	677,774	677,774	0
Other Revenues	16,876	16,876	0
Total Revenues	5,004,263	5,004,263	0
Expenditures:			
Current:			
Instruction:			
Regular	507,576	496,428	11,148
Special	19,443	19,016	427
Support Services:			
Pupil	1,554	1,520	34
Instructional Staff	1,557,422	1,523,215	34,207
Fiscal	54,996	53,788	1,208
Operations and Maintenance	1,090,984	1,067,022	23,962
Pupil Transportation	469,269	458,962	10,307
Extracurricular Activities	79,124	77,386	1,738
Capital Outlay	1,573,814	1,539,247	34,567
Debt Service:			
Principal Retirement	290,000	290,000	0
Interest and Fiscal Charges	205,732	194,844	10,888
Total Expenditures	5,849,914	5,721,428	128,486
Net Change in Fund Balance	(845,651)	(717,165)	128,486
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	3,706,323	3,706,323	0
Fund Balance - End of Year	\$2,860,672	\$2,989,158	\$128,486

OTHER GENERAL FUNDS

With the implementation of GASB Statement No. 54, certain funds that the District prepares legally adopted budgets for no longer meet the definition to be reported as Special Revenue funds and have been included with the General Fund in the governmental fund financial statements. The District has only presented the budget schedules for these funds.

Fund Descriptions

Public School – Fund used to account for specific local revenue sources generated by individual school buildings. Expenditures include field trips, items to support co-curricular and extra-curricular programs, and recognition programs.

State Subdivision – Fund used to account for state monies provided for the state subdivision programs.

Uniform School Supply – Fund to account for the purchase and sale of school supplies as adopted by the Board of Education for use in all schools of the District.

Adult Education – Fund used to account for expenses related to the adult education program provided to the general public.

Oak Hills Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Public School Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Extracurricular Activities	\$444,638	\$445,267	\$629
Other Revenues	171,221	171,463	242
Total Revenues	<u>615,859</u>	<u>616,730</u>	<u>871</u>
Expenditures:			
Current:			
Support Services:			
Pupil	523,527	523,535	(8)
Central	20,947	20,947	0
Total Expenditures	<u>544,474</u>	<u>544,482</u>	<u>(8)</u>
Net Change in Fund Balance	71,385	72,248	863
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>317,161</u>	<u>317,161</u>	<u>0</u>
Fund Balance - End of Year	<u>\$388,546</u>	<u>\$389,409</u>	<u>\$863</u>

(1) - This fund is included in General Fund in GAAP Statements

Oak Hills Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	State Subdivision Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Instruction:			
Regular	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	11,000	11,000	0
Fund Balance - End of Year	<u>\$11,000</u>	<u>\$11,000</u>	<u>\$0</u>

(1) - This fund is included in General Fund in GAAP Statements

Oak Hills Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Uniform School Supply Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Tuition and Fees	\$27,547	\$27,592	\$45
Other Revenues	18	18	0
Total Revenues	<u>27,565</u>	<u>27,610</u>	<u>45</u>
Expenditures:			
Current:			
Instruction:			
Regular	26,905	26,905	0
Total Expenditures	<u>26,905</u>	<u>26,905</u>	<u>0</u>
Net Change in Fund Balance	660	705	45
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	<u>17,407</u>	<u>17,407</u>	<u>0</u>
Fund Balance - End of Year	<u><u>\$18,067</u></u>	<u><u>\$18,112</u></u>	<u><u>\$45</u></u>

(1) - This fund is included in General Fund in GAAP Statements

Oak Hills Local School District, Ohio
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual (Non-GAAP Budgetary Basis)
 For the Fiscal Year Ended June 30, 2018

	Adult Education Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Tuition and Fees	\$1,340	\$1,340	\$0
Total Revenues	1,340	1,340	0
Expenditures:			
Current:			
Operation of Non-Instructional Services	4,842	4,842	0
Total Expenditures	4,842	4,842	0
Net Change in Fund Balance	(3,502)	(3,502)	0
Fund Balance - Beginning of Year (includes prior year encumbrances appropriated)	3,502	3,502	0
Fund Balance - End of Year	\$0	\$0	\$0

(1) - This fund is included in General Fund in GAAP Statements

NONMAJOR FUNDS

Fiduciary funds

Fiduciary fund types are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental unites and/or other funds.

Student Activity (Agency Fund) – Fund used to account for resources that belong to various student groups in the District. Students are involved in the management of the program.

Athletic Tournament S-Agency Fund - Fund used to account for resources to be used for athletic tournaments.

Oak Hills Local School District, Ohio
Statement of Changes In Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2018

	Student Activity			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$98,442	\$194,474	\$190,294	\$102,622
Receivables (Net):				
Accounts	11	325	11	325
Total Assets	98,453	194,799	190,305	102,947
Liabilities:				
Accounts Payable	1,117	0	1,117	0
Other Liabilities	97,336	194,799	189,188	102,947
Total Liabilities	\$98,453	\$194,799	\$190,305	\$102,947

	Athletic Tournament S-Agency Fund			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$0	\$4,829	\$4,829	\$0
Total Assets	0	4,829	4,829	0
Liabilities:				
Other Liabilities	0	4,829	4,829	0
Total Liabilities	\$0	\$4,829	\$4,829	\$0

	Total All Agency Funds			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$98,442	\$199,303	\$195,123	\$102,622
Receivables (Net):				
Accounts	11	325	11	325
Total Assets	98,453	199,628	195,134	102,947
Liabilities:				
Accounts Payable	1,117	0	1,117	0
Other Liabilities	97,336	199,628	194,017	102,947
Total Liabilities	\$98,453	\$199,628	\$195,134	\$102,947

STATISTICAL SECTION



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STATISTICAL SECTION

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

CONTENTS

Financial Trends - These schedules contain trend information to help the reader understand how the District's financial position has changed over time.

Revenue Capacity - These schedules contain information to help the reader understand and assess the factors affecting the District's ability to generate its most significant local revenue source(s), the property tax (and the income tax).

Debt Capacity - These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Economic and Demographic Information - These schedules offer economic and demographic indicators to help the reader understand the environment within which the District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.

Operation Information - These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

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

Oak Hills Local School District, Ohio
 Net Position by Component
 Last Ten Fiscal Years
 (accrual basis of accounting)
 Schedule 1

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015 (1)	2016	2017	2018 (2)
Governmental Activities										
Net Investment in Capital Assets										
Restricted	\$5,852,153	\$7,686,787	\$8,896,621	\$9,492,221	\$9,782,816	\$10,281,225	\$14,112,024	\$17,720,253	\$20,053,468	\$21,711,939
Unrestricted	6,386,520	8,150,504	4,153,714	4,378,079	4,048,421	4,760,786	5,546,195	5,339,785	4,147,982	4,665,303
Total Net Position	23,696,125	21,724,164	21,570,363	20,653,086	20,870,979	29,158,085	(76,441,186)	(77,740,981)	(74,749,383)	(56,910,795)
	\$35,934,798	\$37,561,455	\$34,620,698	\$34,523,386	\$34,702,216	\$44,200,096	(\$56,782,967)	(\$54,680,943)	(\$50,547,933)	(\$30,533,553)

Source: District Records

- (1) - GASB 68 was implemented
- (2) - GASB 75 was implemented

Oak Hills Local School District, Ohio
Expenses, Program Revenues and Net (Expense)/Revenue
Last Ten Fiscal Years
(accrual basis of accounting)
Schedule 2

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Governmental Activities:										
Instruction	\$42,044,797	\$43,400,150	\$44,447,001	\$42,082,843	\$41,099,941	\$43,441,355	\$45,588,622	\$45,802,259	\$50,189,130	\$22,560,323
Pupil	4,372,678	4,999,928	4,968,916	5,337,790	5,035,797	5,534,470	5,941,913	6,037,513	6,724,307	4,027,123
Instructional staff	7,246,802	7,100,492	7,291,063	5,312,361	5,685,892	4,117,596	3,400,455	4,432,445	4,572,224	3,552,250
General Administration	176,351	163,458	128,139	730,144	126,079	160,001	134,554	136,227	150,762	84,836
School Administration	5,075,386	5,328,461	5,419,652	5,009,998	5,455,185	5,361,576	5,000,652	5,332,399	5,686,259	2,003,837
Fiscal	1,208,804	1,284,511	1,313,411	1,245,878	1,259,348	1,169,771	1,469,355	1,563,102	1,414,164	963,071
Business	106,493	284,383	277,321	299,053	113,062	107,136	106,694	121,695	121,054	60,082
Operation and Maintenance	6,649,473	6,988,413	6,846,285	6,047,467	6,233,071	6,235,743	6,032,693	7,417,029	8,206,231	5,938,972
Pupil Transportation	2,721,131	2,894,554	3,004,197	3,045,054	3,016,409	3,259,887	2,905,561	3,383,465	3,590,423	1,957,663
Central	501,881	541,132	580,400	483,088	554,851	333,268	299,724	371,715	387,815	145,796
Operation of Non-Instructional Services	4,891,470	4,428,200	4,827,525	4,075,877	4,498,202	4,125,883	4,078,086	4,253,444	5,035,000	3,055,537
Extracurricular Activities	1,829,779	2,099,337	2,025,274	2,058,361	2,185,473	2,074,027	2,164,501	2,140,984	2,177,472	1,792,506
Interest and Fiscal Charges	2,054,725	1,956,139	1,867,715	1,799,761	1,711,279	1,601,184	1,600,480	1,667,316	850,288	802,558
Total Government Expenses	78,879,770	81,466,158	82,996,899	77,527,675	76,974,589	77,521,897	78,723,290	82,659,593	89,105,129	46,944,554
Program Revenues										
Governmental Activities:										
Charges for Services										
Instruction	1,887,712	1,213,258	1,297,724	1,329,534	1,277,929	1,110,772	1,244,038	1,057,447	1,367,652	1,676,252
Pupil	0	278,644	0	0	0	0	0	0	0	0
Operation and Maintenance	27,421	21,291	22,950	23,330	34,830	375,903	414,529	430,366	439,841	446,240
Pupil Transportation	59,839	68,025	68,099	61,423	15,510	104,969	53,122	51,178	53,561	58,351
Central	16,835	12,677	0	0	0	0	0	0	0	0
Operation of Non-Instructional	2,292,337	2,112,094	1,976,544	2,019,973	1,889,472	1,710,383	1,651,891	1,647,916	1,685,481	1,652,587
Extracurricular Activities	888,863	1,195,044	1,421,483	1,390,466	1,642,081	1,209,731	1,251,303	1,201,280	1,284,191	1,404,030
Operating Grants and Contributions	6,788,833	9,817,213	8,656,757	8,032,996	6,542,478	9,682,006	8,091,953	10,487,244	10,135,670	10,310,429
Capital Grants and Contributions	43,210	0	0	0	0	0	0	0	0	0
Total Government Revenues	12,005,050	14,718,246	13,443,557	12,857,722	11,402,300	14,193,764	12,706,836	14,875,431	14,966,396	15,547,889
Net (Expense)/Revenue	(\$66,874,720)	(\$66,747,912)	(\$69,553,342)	(\$64,669,953)	(\$65,572,289)	(\$63,328,133)	(\$66,016,454)	(\$67,784,162)	(\$74,138,733)	(\$31,396,665)

Source: District Records

Oak Hills Local School District, Ohio
 General Revenues and Total Change in Net Position
 Last Ten Fiscal Years
 (accrual basis of accounting)
 Schedule 3

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Net (Expense)/Revenue										
Total Government Net Expense	(\$66,874,720)	(\$66,747,912)	(\$69,553,342)	(\$64,669,953)	(\$65,572,289)	(\$63,328,133)	(\$66,016,454)	(\$67,784,162)	(\$74,138,733)	(\$31,396,665)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes										
Property Taxes Levied for General Purposes	21,859,664	22,469,396	22,185,957	21,255,588	20,671,331	27,042,320	27,312,721	24,096,973	30,179,334	28,344,582
Property Taxes Levied for Debt Service Purposes	2,885,046	2,793,781	2,749,573	2,574,878	2,767,198	2,806,705	2,654,719	2,413,153	2,937,057	3,124,671
Property Taxes Levied for Capital Projects Purposes	4,802,644	4,823,270	4,820,177	4,174,592	4,158,680	4,481,251	4,089,264	3,732,973	4,548,104	4,326,496
Grants and Entitlements Not Restricted	28,454,221	27,516,062	26,449,129	26,470,882	27,809,237	27,350,047	27,875,377	27,893,138	28,301,873	29,027,300
Payment in Lieu of Taxes	8,451,191	9,861,510	9,577,067	9,619,710	9,694,573	10,492,639	11,110,870	10,965,704	11,525,085	12,558,851
Unrestricted Contributions	202,094	126,969	174,606	155,153	123,009	151,374	176,668	273,028	180,218	100,457
Investment Earnings	807,139	373,400	352,248	28,397	8,590	59,083	63,991	114,401	126,172	335,681
Other Revenues	431,731	410,181	303,828	293,441	752,693	442,594	451,811	396,816	473,900	389,539
Total Governmental Activities	67,893,730	68,374,569	66,612,585	64,572,641	65,985,311	72,826,013	73,735,421	69,886,186	78,271,743	78,207,577
Change in Net Position - Total Government	1,019,010	1,626,657	(2,940,757)	(97,312)	413,022	9,497,880	7,718,967	2,102,024	4,133,010	46,810,912

Source: District Records

Oak Hills Local School District, Ohio
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Schedule 4

	Fiscal Year									
	2009	2010	2011 (1)	2012 (1)	2013 (1)	2014 (1)	2015 (1)	2016 (1)	2017 (1)	2018 (1)
General Fund										
Reserved	\$8,477,245	\$8,795,914								
Unreserved	18,690,772	16,642,603								
Assigned		99,794	99,794	\$5,456,159	\$3,988,644	\$359,310	\$246,955	\$270,832	\$1,960,550	\$457,153
Unassigned		20,683,669	20,683,669	13,308,707	12,401,600	22,365,608	28,132,894	29,075,413	33,240,773	38,161,774
Total General Fund	27,168,017	25,438,517	20,783,463	18,764,866	16,390,244	22,724,918	28,379,849	29,346,245	35,201,323	38,618,927
All Other Governmental Funds										
Reserved	3,083,542	3,847,042								
Unreserved, Reported in:										
Capital Project Funds	806,385	1,206,089								
Debt Service Funds	2,043,439	2,326,797								
Special Revenue Funds	57,736	(263,181)								
Restricted			3,841,895	4,001,717	3,791,678	4,075,973	5,735,254	4,806,871	3,447,786	3,725,730
Committed			4,598,621	6,038,603	8,476,565	9,574,886	6,903,364	5,645,624	5,324,951	4,676,143
Unassigned			(348,019)	(573,841)	(160,738)	(125,114)	(5,864)	(12,919)	(56,285)	(153,724)
Total all Other Governmental Funds	\$5,991,102	\$7,116,747	\$8,092,497	\$9,466,479	\$12,107,505	\$13,525,745	\$12,632,754	\$10,439,576	\$8,716,452	\$8,248,149

Source: District Records

(1) - Prior year amounts have not been restated for the implementation of GASB Statement 54. The classification of fund balance are discussed in the Notes to the Financial Statements.

Oak Hills Local School District, Ohio
 Governmental Funds Revenues
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 Schedule 5

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues:										
Taxes	\$29,543,990	\$29,897,760	\$29,696,733	\$28,235,311	\$27,802,403	\$34,237,484	\$34,118,374	\$30,243,099	\$37,834,522	\$35,622,243
Tuition and Fees	1,524,276	1,362,830	1,303,814	1,241,469	1,216,417	1,267,018	1,317,500	1,129,709	1,439,046	1,763,711
Investment Earnings	807,139	360,629	352,248	51,480	8,215	63,958	62,127	114,270	124,957	335,749
Intergovernmental	35,170,424	36,952,325	35,433,886	34,562,003	34,511,674	35,994,293	37,004,677	37,521,736	38,176,871	39,013,087
Extracurricular Activities	1,442,080	1,486,365	1,465,931	1,527,380	1,641,466	1,561,553	1,610,592	1,563,537	1,664,241	1,785,681
Charges for Services	2,158,314	2,016,752	1,976,544	2,019,973	1,924,918	1,784,372	1,651,891	1,647,916	1,685,481	1,652,587
Revenue in Lieu of Taxes	8,451,191	9,861,510	9,577,067	9,619,710	9,694,573	10,492,639	11,110,870	10,965,704	11,525,085	12,558,851
Other Revenues	674,364	572,236	518,947	484,497	952,394	570,115	619,034	700,167	685,013	473,967
Total Revenues	\$79,771,778	\$82,510,407	\$80,325,170	\$77,741,823	\$77,752,060	\$85,971,432	\$87,495,065	\$83,886,138	\$93,135,216	\$93,205,876

Source: District Records

Oak Hills Local School District, Ohio
 Governmental Funds Expenditures and Debt Service Ratio

Last Ten Fiscal Years

(modified accrual basis of accounting)

Schedule 6

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Regular Instruction	\$33,274,310	\$34,100,823	\$34,711,759	\$32,494,697	\$31,136,770	\$31,605,906	\$34,057,824	\$32,982,876	\$34,228,639	\$35,443,389
Special Instruction	7,305,501	8,301,525	8,551,494	8,303,352	8,622,566	10,377,927	11,196,871	11,478,828	12,681,862	13,452,103
Vocational Instruction	0	101	189	149	447	370	293	1,069	1,161	576
Other Instruction	304,023	319,185	264,077	232,155	239,570	253,570	231,013	229,551	145,606	140,965
Pupil	4,393,210	5,004,577	5,018,056	5,310,530	5,070,589	5,530,670	6,001,930	5,905,770	6,539,847	7,003,298
Instructional Staff	7,392,702	7,167,145	7,274,389	5,482,111	5,651,256	4,116,220	4,989,420	5,294,202	3,733,486	4,445,969
General Administration	176,351	163,458	128,139	730,144	126,079	160,001	135,845	135,667	149,656	97,496
School Administration	5,082,226	5,294,124	5,253,965	4,967,698	5,456,558	5,258,504	5,171,762	5,304,121	5,339,442	5,565,501
Fiscal	1,217,174	1,284,025	1,324,012	1,230,560	1,258,301	1,175,339	1,513,497	1,536,056	1,390,832	1,483,130
Business	103,424	283,795	280,145	353,546	116,976	102,600	110,871	118,331	117,220	116,641
Operations and Maintenance	6,610,399	6,941,682	6,820,243	5,972,480	6,167,959	5,995,767	6,201,669	6,229,696	6,363,924	6,585,793
Pupil Transportation	2,878,513	2,807,110	2,855,087	2,891,707	2,882,636	3,002,995	3,258,813	3,236,990	3,118,984	3,471,371
Central	509,403	524,294	570,008	489,965	548,724	331,538	329,214	358,717	368,739	347,954
Operation of Non-Instructional Services	4,849,607	4,367,128	4,797,893	4,006,914	4,548,106	4,005,365	4,453,621	4,156,817	4,897,434	4,342,368
Extracurricular Activities	1,852,947	2,089,668	2,004,249	2,037,662	2,161,777	2,064,649	2,172,822	2,115,874	2,102,263	2,313,113
Capital Outlay	839,383	1,169,126	791,450	436,704	343,496	991,007	3,643,038	5,092,867	3,982,682	1,921,756
Debt Service:										
Principal Retirement	2,245,000	1,375,000	1,526,000	1,689,000	1,490,000	1,539,137	1,306,984	33,073,865	2,570,000	2,719,866
Interest and Fiscal Charges	2,029,889	1,921,496	1,843,706	1,757,064	1,664,175	1,706,963	2,055,646	2,284,641	1,282,544	1,209,122
Bond Issuance Costs	0	0	0	0	0	0	61,459	364,946	0	0
Total Expenditures	\$81,064,062	\$83,114,262	\$84,014,861	\$78,386,438	\$77,485,985	\$78,218,528	\$86,892,592	\$119,900,884	\$89,014,321	\$90,660,411
Debt Service as a Percentage of Noncapital Expenditures	5.37%	4.07%	4.08%	4.43%	4.10%	4.19%	4.26%	32.11%	4.63%	4.45%

Source: District Records

(1) - Principal retirement includes a current refunding.

Oak Hills Local School District, Ohio
 Other Financing Sources and Uses and Net Change in Fund Balances - Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 Schedule 7

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Other Financing Sources (Uses):										
Proceeds from Sale of Capital Assets	\$7,798	\$0	\$10,387	\$0	\$329	\$0	\$44,346	\$16,703	\$11,059	\$51,510
Issuance of Capital Leases	0	0	0	0	0	0	0	2,520,000	0	352,326
Issuance of Long Term Debt	0	0	0	0	0	0	3,965,000	0	0	0
Issuance of Refunding Bonds	0	0	0	0	0	0	0	29,005,000	0	0
Premium on Issuance of Debt	0	0	0	0	0	0	150,121	3,246,261	0	0
Transfers In	411,794	374,879	671,663	371,484	246,270	40,000	0	130,000	0	0
Transfers (Out)	(411,794)	(374,879)	(671,663)	(371,484)	(246,270)	(40,000)	0	(130,000)	0	0
Total Other Financing Sources (Uses)	7,798	0	10,387	0	329	0	4,159,467	34,787,964	11,059	403,836
Net Change in Fund Balances	(\$1,284,486)	(\$603,855)	(\$3,679,304)	(\$644,615)	\$266,404	\$7,752,904	\$4,761,940	(\$1,226,782)	\$4,131,954	\$2,949,301

Source: District Records

Oak Hills Local School District, Ohio
 Assessed and Estimated Actual Value of Taxable Property
 Last Ten Collection (Calendar) Years (1)
 Schedule 8

Collection Year	Real Property	Tangible Personal Property	Public Utilities Personal	Total		Total Direct Rate
	Assessed Value	Assessed Value	Assessed Value	Assessed Value	Estimated Actual Value	
2008	\$1,179,229,060	\$1,966,067	\$31,364,410	\$1,212,559,537	\$3,408,454,564	45.90
2009	1,177,873,300	1,819,270	33,369,740	1,213,062,310	3,405,999,106	45.83
2010	1,176,118,440	911,750	33,888,810	1,210,919,000	3,397,874,210	45.83
2011	1,061,520,280	0	35,117,890	1,096,638,170	3,068,032,976	46.02
2012	1,058,878,380	0	36,658,060	1,095,536,440	3,062,024,860	46.15
2013	1,056,409,240	0	40,156,600	1,096,565,840	3,058,468,714	50.97
2014	1,017,952,600	0	42,717,560	1,060,670,160	2,951,153,560	51.15
2015	1,017,997,280	0	44,599,470	1,062,596,750	2,953,163,127	51.15
2016	1,016,833,270	0	45,326,000	1,062,159,270	2,950,563,914	51.15
2017	1,040,645,510	0	50,058,460	1,090,703,970	3,023,331,346	51.51

Source: County Auditor

(1) - Assessed values shown in this schedule will not agree to amounts in the notes to the financial statements, since the schedules are shown on a calendar year basis, which is consistent with the method county auditors maintain this information

Note: The assessed value of real property (including public utility real property) is 35 percent 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 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property is assessed at 25 percent for everything except inventories, which are assessed at 23 percent. Property is assessed annually.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue to be received in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent and homestead exemptions before being billed. House Bill 66 phased out tangible personal property with the last collection during 2010. Telephone personal property was assessed at 10% for 2009, 5% for 2010, and eliminated in 2011.

Oak Hills Local School District, Ohio
 Direct and Overlapping Property Tax Rates
 Last Ten Calendar Years
 Schedule 9

Calendar Year	District Direct Rates				Overlapping Rates				
	General	Debt Service	Permanent Improvement	Total	City of Cincinnati	Hamilton County	Delhi Township	Green Township	Great Oaks Joint Vocational School
2008	38.64	2.70	4.56	45.90	7.52	20.56	26.34	9.81	2.70
2009	38.64	2.63	4.56	45.83	7.45	20.48	26.34	11.71	2.70
2010	38.64	2.63	4.56	45.83	7.45	20.48	26.34	11.71	2.70
2011	38.83	2.63	4.56	46.02	8.13	19.03	26.34	11.71	2.70
2012	38.96	2.63	4.56	46.15	8.48	19.03	26.34	11.71	2.70
2013	43.03	2.90	5.04	50.97	9.83	19.03	28.09	11.71	2.70
2014	43.21	2.90	5.04	51.15	9.73	18.85	30.58	14.66	2.70
2015	43.21	2.90	5.04	51.15	9.73	18.85	30.58	14.66	2.70
2016	43.21	2.90	5.04	51.15	9.67	18.85	31.12	14.66	2.70
2017	43.57	2.90	5.04	51.51	9.67	19.16	31.12	14.66	2.70

Source: County Auditor

Oak Hills Local School District, Ohio
Principal Property Tax Payers
Current Calendar Year and Nine Years Ago
Schedule 10

Taxpayer	2017	
	Tangible Personal & Real Property	Percentage of Total Assessed Value
Duke Energy	\$49,798,970	4.69%
CSG Enterprises LLC	3,511,430	0.33%
CTR Partnership LP	3,389,380	0.32%
BRE Retail Residual Owner LLC	2,782,610	0.26%
Sisters of Charity Cincinnati	2,651,980	0.25%
Dillard's	2,348,560	0.22%
Delhi Property LLC	2,265,620	0.21%
Jets Properties LLC	1,942,850	0.18%
Western Woods Mall	1,885,100	0.18%
EDA RAE Corp	1,677,230	0.16%
Total Principal Taxpayers	72,253,730	6.62%
All Other Taxpayers	1,018,450,240	93.38%
Total Taxpayers	\$1,090,703,970	100.00%

Taxpayer	2008	
	Tangible Personal & Real Property	Percentage of Total Taxable Value
Duke Energy	\$31,542,120	2.60%
Centro NP Residual Pool	3,020,550	0.25%
Sisters of Charity of Cincinnati	2,875,520	0.24%
BKS Investors	2,458,750	0.20%
Dillard's	2,397,510	0.20%
Western Hills Country Club	2,337,400	0.19%
Cincinnati Marketplace	2,310,000	0.19%
CSG Enterprises LLC	2,276,350	0.19%
Barrett Capital LLC	2,074,170	0.17%
Del-Fair, LLC	1,994,850	0.16%
Total Principal Taxpayers	53,287,220	4.39%
All Other Taxpayers	1,159,775,090	95.61%
Total Taxpayers	\$1,213,062,310	100.00%

Source: County Auditor

Oak Hills Local School District, Ohio
Property Tax Levies and Collections
Last Ten Calendar Years
Schedule 11

Calendar Year	Taxes Levied for the Calendar Year (1)	Collected within the Calendar Year of the Levy		Delinquent Collections	Refunds	Total Collections to Date	
		Amount (2)	Percentage of Levy			Amount	Percentage of Levy
2008	\$36,090,215	\$34,256,171	94.92%	\$733,043	\$19,420	\$34,969,794	96.90%
2009	35,360,288	33,237,531	94.00%	850,111	40,264	34,047,378	96.29%
2010	35,473,030	33,080,634	93.26%	981,610	63,545	33,998,699	95.84%
2011	34,243,763	32,149,132	93.88%	908,785	477,119	32,580,798	95.14%
2012	33,513,479	32,857,677	98.04%	782,352	127,804	33,512,225	100.00%
2013	38,785,744	38,072,480	98.16%	771,163	62,979	38,780,664	99.99%
2014	38,798,917	38,040,000	98.04%	685,918	75,122	38,650,796	99.62%
2015	38,837,954	38,235,939	98.45%	749,951	147,936	38,837,954	100.00%
2016	38,874,673	38,306,872	98.54%	655,742	87,941	38,874,673	100.00%
2017	39,911,610	39,348,917	98.59%	654,365	43,374	39,959,908	100.12%

Source: County Auditor

- (1) - Taxes levied and collected are presented on a cash basis
- (2) - State reimbursements of rollback and homestead exemptions are included

Oak Hills Local School District, Ohio
 Outstanding Debt by Type
 Last Ten Fiscal Years
 Schedule 12

Fiscal Year	General Bonded Debt Outstanding			General Bonded Debt Outstanding		Percentage of Estimated Actual Value of Taxable Property	Percentage of Personal Income	Per Capita
	Total General Obligation Bonds	Capital Lease	Debt Service Balance (1)	Net General Obligation Bonds				
2009	\$43,588,409	0	\$3,035,900	\$40,552,509		1.34%	0.13%	\$508
2010	42,235,353	0	3,629,835	38,605,518		1.28%	0.12%	492
2011	40,735,978	0	3,772,998	36,962,980		1.24%	0.12%	464
2012	39,078,460	0	3,660,545	35,417,915		1.33%	0.11%	445
2013	37,624,983	0	3,708,128	33,916,855		1.27%	0.10%	428
2014	35,987,312	0	3,461,721	32,525,591		1.06%	0.08%	410
2015	38,267,256	0	3,144,679	35,122,577		1.19%	0.08%	435
2016	35,441,259	2,520,000	2,761,861	32,679,398		1.11%	0.08%	403
2017	32,616,136	2,470,000	2,755,964	29,860,172		1.01%	0.07%	371
2018	29,716,013	2,697,460	2,962,474	26,753,539		0.88%	0.06%	335

Source: District Records

(1) Restricted Balance on Statement of Net Position

Oak Hills Local School District, Ohio
 Direct and Overlapping Governmental Activities Debt
 As of June 30, 2018
 Schedule 13

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Direct and Overlapping Debt
Overlapping Debt:			
Hamilton County	\$133,845,000	5.64%	\$7,548,858
City of Cincinnati	489,190,000	0.00%	0
Delhi Township	2,260,000	98.41%	2,224,066
Great Oaks Joint Vocational School	<u>6,070,000</u>	55.30%	<u>3,356,710</u>
Subtotal, Overlapping Debt	<u>631,365,000</u>		<u>13,129,634</u>
District Direct Debt	<u>32,413,473</u>	100.00%	<u>32,413,473</u>
Total Direct and Overlapping Debt	<u><u>\$663,778,473</u></u>		<u><u>\$45,543,107</u></u>

Source: Ohio Municipal Advisory Council

(1) - The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the District's boundaries and dividing it by the county's total taxable assessed value.

Legal Debt Margin Calculation for Fiscal Year 2018

Assessed value (1)	\$1,090,703,970
Debt limit (9% of assessed value)	98,163,357
Debt applicable to limit	32,413,473
Legal debt margin	\$65,749,884

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt Limit	\$109,130,358	\$109,175,608	\$108,982,710	\$98,697,435	\$98,598,280	\$98,690,926	\$95,460,314	\$95,633,708	\$95,594,334	\$98,163,357
Total Net Debt Applicable to Limit	40,324,986	39,289,986	38,114,986	39,078,460	37,624,983	35,987,312	35,064,114	32,632,471	35,086,136	32,413,473
Legal Debt Margin	\$66,565,982	\$68,805,372	\$69,885,622	\$70,867,724	\$59,618,975	\$62,703,614	\$60,396,200	\$63,001,237	\$60,508,198	\$65,749,884

Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	40.03%	36.95%	35.99%	34.97%	39.59%	36.46%	36.73%	34.12%	36.70%	33.02%
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Source: District Records

(1) - Assessed values are on a calendar year basis (i.e. fiscal year 2018 is calendar year 2017)

Oak Hills Local School District, Ohio
 Demographic and Economic Statistics
 Last Ten Calendar Years
 Schedule 15

Calendar Year	Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
2008	85,764	\$37,484,285	\$43,918	5.6%
2009	85,764	36,248,694	42,393	8.9%
2010	87,880	35,888,024	44,751	9.4%
2011	87,880	37,522,065	46,881	8.0%
2012	87,880	39,631,501	49,413	7.0%
2013	87,880	40,415,100	50,235	7.1%
2014	87,880	41,382,133	51,312	5.3%
2015	87,880	42,669,035	52,825	4.4%
2016	87,880	43,251,503	53,456	4.9%
2017	88,728	46,331,959	56,931	4.7%

- Sources:
- (1) - Population estimates provided by Ohio Department of Development for Green and Delhi Townships
 - (2) - Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts for Hamilton County
 - (3) - Per Capita Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts for Hamilton County
 - (4) - Ohio Department of Job and Family Services - Office of Workforce Development - Bureau of Labor Market Information -- Annual Average

Oak Hills Local School District, Ohio
Major Employers (1)
Current Fiscal Year and Fiscal Period Nine Years Ago
Schedule 16

2018

Major Employers (3)	Type	Number of Employees	Employer's Percentage of Total Employment
Kroger Co	Trade	(4)	(5)
Cincinnati Children's Hospital	Serv	(4)	(5)
UC Health	Serv	(4)	(5)
TriHealth Inc	Serv	(4)	(5)
Cincinnati/NKY International Airpoty	Travel	(4)	(5)
Procter & Gamble Co	Mfg	(4)	(5)
University of Cincinnati	Govt	(4)	(5)
Mercy Health Partners	Serv	(4)	(5)
St. Elizabeth Healthcare	Serv	(4)	(5)
GE Aviation	Mfg	(4)	(5)
Fifth Third Bancorp	Fin	(4)	(5)
Sheakley	Serv	(4)	(5)

2009

Major Employers (3)	Type	Number of Employees	Employer's Percentage of Total Employment
American Financial Group Inc	Ins	(4)	(5)
Chiquita Brands International Inc	Trade	(4)	(5)
Convergys Corp	Serv	(4)	(5)
Duke Energy Corp	Utility	(4)	(5)
Fifth Third Bancorp	Fin	(4)	(5)
Ford Motor Co	Mfg	(4)	(5)
General Electric Co	Mfg	(4)	(5)
Health Alliance of Greater Cincinnati	Serv	(4)	(5)
Johnson & Johnson/Ethicon	Mfg	(4)	(5)
Kroger Co	Trade	(4)	(5)
Macy's Inc	Trade	(4)	(5)
Mercy Health Partners	Serv	(4)	(5)
Procter & Gamble Co	Mfg	(4)	(5)
TriHealth Inc	Serv	(4)	(5)
University of Cincinnati	Govt	(4)	(5)

Source: Ohio Department of Development

(1) - For all of Hamilton County

(3) - Includes at minimum the ten largest employers for the county. In alphabetical order only.

(4) - The number of employees of each listed major employer was not available

(5) - The employer's percentage of total employment for each major employer was not available

Oak Hills Local School District, Ohio
 Full-Time Equivalent District Employees by Type
 Last Ten Fiscal Years
 Schedule 17

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Instruction										
Classroom Teachers	389.3	394.0	388.5	381.0	375.0	377.0	381.0	381.0	394.0	0.0
Special Education Teachers and Tutors	89.0	76.0	75.0	77.0	73.0	81.5	81.0	81.0	82.0	0.0
Educational Aides	45.0	47.0	45.0	34.0	31.0	36.0	35.0	35.0	36.0	0.0
Special Education Aides and Attendants	70.0	77.0	75.0	77.0	74.0	78.0	79.0	79.0	88.0	0.0
Certified	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	445.5
Instructional Aides	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	94.7
Media Center Aides	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6.5
Related Service	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	53.2
Tutors	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	10.0
Total Instruction	593.3	594.0	583.5	569.0	553.0	572.5	576.0	576.0	600.0	609.9
Support and Administration										
Support Personnel										
Librarians, Nurses, Counselors	32.0	26.0	25.0	24.0	24.0	23.0	22.0	22.0	10.8	0.0
Principals	20.0	20.0	19.0	19.0	19.0	19.0	19.0	19.0	20.0	0.0
Certified Administration	24.0	29.0	19.0	19.0	19.0	17.0	21.0	21.0	19.0	28.0
Classified Administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	13.0
Secretaries and Clerical	41.0	40.0	37.0	36.0	35.0	45.0	38.0	38.0	40.0	21.9
Technology Support	5.0	5.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0
Auxiliary Services	5.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	0.0
Transportation	58.0	55.0	47.0	52.0	51.0	64.0	63.0	63.0	62.0	0.0
Bus Drivers	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	31.9
Bus Aides	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	12.6
Food Service	63.0	62.0	54.0	54.0	52.0	55.0	52.0	52.0	44.0	30.1
Custodial	65.0	62.0	58.0	52.0	50.0	53.0	53.0	53.0	52.0	45.8
Maintenance and Mechanics	13.0	13.0	11.0	11.0	11.0	11.0	10.0	10.0	11.0	12.0
Healthroom Aides	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.7
Nurse Attendant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	10.9
Total Support and Administration	326.0	315.0	274.0	271.0	265.0	290.0	281.0	281.0	261.8	208.9
Total Employees	919.3	909.0	857.5	840.0	818.0	862.5	857.0	857.0	861.8	818.8

Source: District Records

Note - In fiscal year 2018, the District changed the presentation of this table to better reflect their operations.

Oak Hills Local School District, Ohio
 Operating Statistics
 Last Ten Fiscal Years
 Schedule 18

Fiscal Year	Enrollment	Operating Expenditure (1)	Cost		Expenditures (2)	Cost		Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
			Per Pupil	Per Pupil		Per Pupil	Change				
2009	8,187	\$75,949,790	\$9,277	\$9,635	\$78,879,770	478.3	4.35%	478.3	17.1	0.04%	
2010	8,096	78,648,640	9,715	10,063	81,466,158	485.7	4.45%	485.7	16.7	0.04%	
2011	8,156	79,853,705	9,791	10,176	82,996,899	480.0	1.14%	480.0	17.0	0.05%	
2012	8,085	74,503,670	9,215	9,589	77,527,675	473.0	(5.76%)	473.0	17.1	0.07%	
2013	8,179	73,988,314	9,046	9,411	76,974,589	485.0	(1.84%)	485.0	16.9	10.60%	
2014	7,889	73,981,421	9,378	9,827	77,521,897	458.5	4.42%	458.5	17.2	17.00%	
2015	7,767	79,825,465	10,278	10,136	78,723,290	462.0	3.15%	462.0	16.8	18.00%	
2016	7,834	79,084,565	10,095	10,551	82,659,593	450.0	4.11%	450.0	17.4	21.00%	
2017	7,936	81,179,095	10,229	11,228	89,105,129	479.0	6.42%	479.0	16.6	20.09%	
2018	7,841	84,809,667	10,816	5,987	46,944,554	453.6	(46.67%)	453.6	17.3	18.45%	

Source: District Records

(1) - Operating Expenditure is Total Expenditures minus Capital Outlay and Debt Service from Schedule 6

(2) - Expenses is Total Expenses from Schedule 2

Oak Hills Local School District, Ohio
 School Building Information
 Last Ten Fiscal Years
 Schedule 19

School	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Oak Hills High School - 1959										
Square Feet	347,074	347,074	347,074	347,074	347,074	347,074	347,074	347,074	347,074	347,074
Capacity	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200
Enrollment, Incl. JVS students	2,821	2,743	2,705	2,610	2,687	2,617	2,466	2,424	2,424	2,433
Bridgetown Middle School - 1939										
Square Feet	94,962	94,962	94,962	94,962	94,962	94,962	94,962	94,962	94,962	94,962
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	628	607	601	604	614	602	602	577	577	643
Delhi Middle School - 1926										
Square Feet	86,367	86,367	86,367	86,367	86,367	86,367	86,367	86,367	86,367	86,367
Capacity	825	825	825	825	825	825	825	825	825	825
Enrollment	607	580	593	610	592	570	570	589	589	546
Rapid Run Middle School - 1999										
Square Feet	126,733	126,733	126,733	126,733	126,733	126,733	126,733	126,733	126,733	126,733
Capacity	950	950	950	950	950	950	950	950	950	950
Enrollment	639	635	615	626	647	665	621	642	642	665
C.O. Harrison Elementary - 1961										
Square Feet	77,302	77,302	77,302	77,302	77,302	77,302	77,302	77,302	77,302	77,302
Capacity	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Enrollment	970	981	1,005	1,018	1,012	918	991	960	960	911
Delshire Elementary - 1970										
Square Feet	50,042	50,042	50,042	50,042	50,042	50,042	50,042	50,042	50,042	50,042
Capacity	600	600	600	600	600	600	600	600	600	600
Enrollment	539	527	562	592	589	536	536	562	562	549
John Foster Dulles Elementary - 1961										
Square Feet	75,700	75,700	75,700	75,700	75,700	75,700	75,700	75,700	75,700	75,700
Capacity	900	900	900	900	900	900	900	900	900	900
Enrollment	826	847	849	823	825	796	796	830	830	826

Oak Hills Local School District, Ohio
 School Building Information
 Last Ten Fiscal Years
 Schedule 19 (Continued)

School	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Oakdale Elementary - 1969										
Square Feet	63,273	63,273	63,273	63,273	63,273	63,273	63,273	63,273	65,273	65,273
Capacity	750	750	750	750	750	750	750	750	750	750
Enrollment	671	682	697	681	713	679	679	725	725	775
Springmyer Elementary - 1939										
Square Feet	41,366	41,366	41,366	41,366	41,366	41,366	41,366	41,366	41,366	41,366
Capacity	480	480	480	480	480	480	480	480	480	480
Enrollment	486	494	529	521	500	506	506	525	525	493

Source: District Records

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Dave Yost • Auditor of State

OAK HILLS LOCAL SCHOOL DISTRICT

HAMILTON 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
DECEMBER 27, 2018